

The Economist,

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A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

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

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THE MONEY MARKET.

BORROWING at the Bank of England proceeded on a large
scale until the last day of June, when it was estimated that
the total borrowed amounted to between 30 and 35
millions. Since the beginning of July the supply of money
has been comfortable, with this mass of fresh credit avail-
able, and repayments have so far been easily made; but

[July 4, 1925.]

some doubt is felt as to the existence of any surplus after the market has concluded, if it succeeds in doing so, the liquidation of this debt. Discount rates consequently showed little tendency to slip, being also maintained by the demand for call money at the beginning of the week in New York, though this was generally considered to be merely a momentary spasm. Fine October bills were quoted at $4\frac{1}{2}$ - $4\frac{3}{8}$ per cent. The reduction in the Indian bank rate is not expected to have any practical influence on the Indian demand for gold.

	July 3, 1925.	June 26, 1925.	June 19, 1925.	June 12, 1925.	Previous Rate and Date Changed.
Bank Rate	5%	5%	5%	5%	4 (Mar. 5, '25)
Banks' Deposit Rate	3	3	3	3	2 (Mar. 5, '25)
Discount (Call)	3	3	3	3	2 (Mar. 5, '25)
Houses (Notice)	$3\frac{1}{2}$	$3\frac{1}{2}$	$3\frac{1}{2}$	$3\frac{1}{2}$	2 (Mar. 5, '25)
Market rate (5 months' bills) ..	$4\frac{1}{2}$	$4\frac{3}{8}$	$4\frac{3}{8}$	$4\frac{3}{8}$	..

The Bank return showed an increase of £419,000 in the stock of gold, the net receipts from abroad having been given as £319,000. The demands of the turn of the half-year, however, caused an expansion of £1,359,000 in the note circulation, so there was a decline of £940,000 in the Reserve, and its proportion to liabilities was 4.3 per cent. lower at 19.7 per cent. Government and other securities expanded by $7\frac{1}{2}$ and $17\frac{1}{2}$ millions respectively. Public deposits declined by nearly two millions, and other deposits were more than $25\frac{1}{2}$ millions higher. There was an increase of £1,222,800 in currency notes outstanding this week, raising the total outstanding to £293,501,000, which includes £1,334,400 for notes called in, but not yet cancelled. The fiduciary issue is £238,216,600, or £9,928,800 below the maximum for 1925.

NEW YORK MARKETS.

Our New York correspondent cables:—Markets generally are steady, and call money is beginning to become easier after the July 1st settlements. Currency requirements over the holidays, which are now approaching, are, however, usually large. Cotton prices fell five dollars per bale on the Government's estimate of a 14,330,000 bales crop, with an acreage of nearly 46½ million acres. *Dun's* commodity price index number rose in June by 0.4 per cent., five groups showing a rise and two a fall, a big drop in breadstuffs being offset by a big advance in meat prices. The Federal Reserve statements reflect special mid-year requirements. There is a fair increase in borrowings by member banks, and deposits are higher. There has been a further moderate loss of gold, and the reserve ratio for the whole system has dropped to 74 per cent.

THE STOCK MARKETS.

Fears of a higher Bank Rate appear to have subsided, and the Consol market as a whole is firm, 5 per cent. War Loan having touched 100 on Wednesday. Several of the recently issued scrip stocks have also recovered. Liquidation, however, produced a heavy tendency at the end of the week. French bonds have weakened, but Chinese stocks have recovered from their recent flatness. Home rails are uncertain. Activity in the rubber share market continues, and tea shares have improved, but the oil market is quiet. There have been no striking features in the industrial section, and some departments of the mining market have been depressed by Paris selling.

THE COMMODITY MARKETS.

A general air of quietness pervades the markets this week. In pig-iron and the manufactured iron and steel trades orders are small, the position undoubtedly being affected by the unsettled state of the coal industry. Some useful orders have been obtained in the cotton trade, chiefly for the Continent and the home trade. The forthcoming London sales still influence the wool trade, but traders are more optimistic, and business is fair. The weakness of the wheat market is mainly due to depression in America. Sugar is steady, and coffee in fair demand. Tea shows slight improvement, though prices are irregular. The rubber market is receiving fair support. Tin, copper, and lead all show a firmer tendency.

FOREIGN EXCHANGES.

Interest in the Foreign Exchange market has again concentrated on the movements of the French and Italian rates, and dealings in these currencies have been brisk, with widely fluctuating prices. The franc from 106.65, on the 26th, recovered a little on Saturday, but the rise which began on Monday as the full significance of M. Caillaux' proposals was realised, carried up the rate to 109.20 on the 1st, the highest quotation since last year's *débacle*. At that point bear covering and vigorous intervention brought down the rate to a closing price of 104.45 on Thursday evening, and yesterday morning brought a further rapid recovery to 102.60. It is difficult to understand the motives behind the actions of the French Government. At first sight there would seem to be a repetition of last year's tactics, directed, however, this time not so much against the foreign speculator, as against the Frenchman himself, who is trying to get rid of his own currency. If this is so it is doubtful whether the plan will succeed for long, especially when the Government has set the seal on this disbelief in the franc by the proposed offer of gold bonds. It is possible that sufficient foreign funds have been accumulated to hold the franc for a time, but it is by no means certain, and an attempt to stabilise at a lower figure than at present ruling, on the facts at least as far as they are known, highly unwise. Brussels, as usual, has followed roughly the same course, moving from 107.10 on the 26th to 103.40 yesterday morning, after being up to 109.60. At one time during the week, however, the rate was quoted at a parity with Paris. Paris, one month forward, has narrowed sharply to 30 to 35 centimes above spot, as compared with 77 to 80 centimes a week ago, Brussels moving from 6.3 centimes to parity to 3 centimes. The fluctuations of the lira have been even more violent than those of Paris. From 135½ on the 27th it moved up on Saturday to 137.20, and after a slight recovery on Monday mounted rapidly again until 146 was reached on Wednesday. On Thursday a recovery began in sympathy with the franc, and the closing price was marked at 139½, while yesterday morning there was a further recovery to 137. No satisfactory explanation for these movements is yet forthcoming, little being known beyond what has been previously mentioned in these columns. There are, however, Press reports that the first impetus to the break was given by one of the larger Italian banks politically out of sympathy with the present régime. Other stories of the influence of political uncertainties are current, but no confirmation has yet been received. Amsterdam, which moved up rather rapidly a week ago, has shown a further depreciation, rising from 12.12½ on the 26th to as high as 12.14½ at one time on the 1st. Since then there has been a slight recovery to 12.13½. Sterling has remained firm, with only slight fluctuations, the dollar being quoted yesterday at \$4.86½, as compared with \$4.86½ a week ago, after being up to \$4.86½. Forward rates, at 7½ to 8 cent per month below spot, are much the same as last week. Stockholm has moved against us slightly from 18.15 to 18.13½. Oslo has continued its rapid recovery from 27.90 to 26.51½, while Copenhagen has also improved from 24.69 to 23.59½. Berlin, Vienna, and Budapest are unchanged. Helsingfors is slightly lower at 192½, Prague unchanged at 164, and Bucharest also practically the same. In the East the rupee is again firmer at 1s 6½d, as compared with 1s 6 3-32d, in spite of heavy purchases of sterling by the Government, contrary to the usual movement at this time of the year, when exports are slack. It is suggested that the explanation is the falling off in the Indian demand for gold. The yen is also slightly dearer, having moved from 1s 8 3-32d to 1s 8 5-32d. Uncertainty in China brought up the price of silver to a level higher than at any time since the early part of January, but it has fallen again, with some return of confidence, and should China start to sell a sharp reaction might be expected. Hong Kong stands at 2s 3½d, as compared with 2s 4½d, Shanghai on Thursday, yesterday being holiday, at 3s 3d, as compared with 3s 2½d. In South America, Rio has depreciated slightly from 51½d to 5 13-64d, Buenos Aires is slightly dearer at 45 9-32d, as compared with 45½d, as also Monte Video at 48½d, as compared with 48d, while Valparaiso has also appreciated a little from 41.80 to 41.50 pesos.

July 4, 1925.]

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the ten days ended June 30th:—

EXPENDITURE.	£	REVENUE.	£
Supply Services	10,754	From Revenue	12,384
Interest, &c., on Debt	3,298	Increase in Debt	5,262
Sinking Fund	2,694		
Increase in Balances	49		
Sundries	851		
	17,646		17,646

Revenue during the ten days ended June 30th totalled £12,384,300. Property and Income-tax yielded £3,032,000. Customs produced £2,695,000, and Excise £1,771,000. Estate, &c., Duties yielded £2,210,000, and Land Tax and House Duty, £1,160,000. The ten days' operations increased the National Debt by £5,262,300, and caused the following changes:—

	£		£
Telegraph Money	+ 2,200	Treasury Bills	- 1,055
National Savings Certificates ..	+ 200	Public Department Advances ..	- 5,350
Bank of England Advances ..	+ 9,750	Treasury Bonds Repaid	- 220
		Exchequer Bonds Repaid	- 157
		Sundries	- 106
	+ 12,150		- 6,888

The floating debt was increased by £3,455,000 to £791,520,000.

FINANCIAL YEAR, 1925-1926 (April 1st to June 30th.)

	£		£
Total Expenditure ..	220,458,878	Raised by Revenue ..	169,187,110
		Decrease in Balances ..	4,211,514
		Amount borrowed ..	47,060,254

Total

ESTIMATES for FINANCIAL YEAR 1925-1926.

	£		£
Expenditure	799,400,000	Revenue	801,060,000
Surplus	£1,660,000.		

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—William Beardmore and Co., Ebbw Vale Steel, Iron, and Coal, John Brown and Co., Pindeniya Rubber and Tea Estates, and Ohlsson's Cape Breweries. Lord Invernairn, at the meeting of Wm. Beardmore and Co., in a review of conditions in the iron and steel trade, put in a plea for a cut of 25 per cent. in railway rates. At the meeting of John Brown and Co., Lord Aberconway suggested that coal exports might be increased by the formation, under Government auspices, of selling committees in big export centres, with a Treasury representative on each.

ECONOMIST INTELLIGENCE BRANCH.

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

UNEMPLOYMENT AND THE FUTURE.

To a cynically-minded observer it must, we imagine, be an amusing study to watch the change of mental attitude in our politicians when they pass from office to opposition and back from opposition to office. In many matters the change is noticeable, but in nothing is it more obvious than in their speeches on the problem of employment. In opposition they are usually urgent in their demand for some active measures, indignant with a Government that after months and months of office has taken no step to remedy an evil of appalling gravity, and very free with their censure of Ministers' callousness and inertia in face of a human problem that ministerial action alone can solve. But let them by the happy chance of a successful election cross the floor of the House, and they seem at once to join the straitest sect of the Manchester school, and become the apostles of *laissez faire*. Both the parties who have recently held office have suffered this change, and been placed thereby in positions of some embarrassment, making considerable capital out of unemployment while in opposition, and becoming the target of their old arguments when they came into office. The Minister, whether he uses the more conventional language of political economy, and declares that the sphere of useful govern-

mental action in the provision of employment is necessarily a narrow one, or the homely metaphors of Mr Wheatley, who says that he cannot produce rabbits out of a hat, is equally impressed with his own helplessness, and the appalling difficulty of stimulating trade from Whitehall. If the events of the past two years have brought home to the public the simple truth that Government can kill trade, but cannot create it, the ground is at any rate cleared of some dangerous undergrowth.

In the debate on Labour's vote of censure last Monday, the Prime Minister gave us a long and rather rambling speech, with the tone of which no one could quarrel, though the general effect was one of disillusionment, and to the man who believes that Government can cure unemployment it must have made depressing reading. The remedies at which he glanced with a favouring, if not a hopeful eye, included drainage, agriculture, beet sugar, gold standard, the Pact, export credits, credit insurance, the modernising of plant, the building of roads, a tariff, electricity, scientific research, low temperature carbonisation, colonial development, British films for British cinemas, purchase of British goods, subsidies to distressed industries, brains and work. At any rate, he has got flies enough in his box for a long spell of fishing, but with which of them, if any, he expects to catch his fish is not clear. We suspect that in his present mood he does not feel happy about any of them, and it is surely significant that in a full-dress debate of this importance he should pass almost in a breath from the contemplation of State subsidies for steel and coal to the discussion of how the British film-maker can be helped to supplant his American rival in the affections of the British public. The lack of proportion in this part of Mr Baldwin's speech suggests a mind groping for a policy, failing to distinguish vital points of principle from matters of almost trivial detail.

It seems to be generally accepted that employment in the necessary volume cannot be provided until the great industries in which employment is most scarce recapture their markets, and that to do this their costs of production must be reduced. Coal cannot fight its way back into countries which are no longer buying it unless its price at the pit-head, and the cost of carriage to the port, are considerably reduced. Engineering is hampered by the high price of fuel and the high level of local rates, shipping by the scarcity of coal freights and the cost of bunker coal. And so forth throughout our great exporting trades.

The problem of the future seems to crystallise itself into this question: may we hope—as we have been hoping since 1921—that the normal process of adjustment and recuperation will restore to our struggling industries the power to compete and to force their products into the old markets? Or are we helpless and hopeless unless some great new productive power comes to our rescue by cheapening production and broadening the basis of industry, as steam came to us after the Napoleonic wars, and coming, set the prosperity of the country flowing again in a fuller, wider channel? We certainly would not number ourselves among those who despair of the future unless we are blessed with another such industrial miracle as the advent of steam, the centenary of which has been celebrated in picturesque fashion at Stockton this week; but it is undoubtedly true that never since 1815 were new methods of production so sorely needed by Great Britain as they are to-day, and that the scientist and the organiser who can supply us with a great access of power, whether by electricity or by a more economic employment of coal, may be hailed almost as the saviour of his country.

In either alternative, whether we are to win back our prosperity in the normal path of day-to-day progress, or reach it perhaps more quickly by a sudden accession of cheap power, it is certain that steady, continuous work will be the essential of success, and that without an industrious population we shall not take advantage either of our normal opportunities or of the miraculous intervention of scientific discovery. Sermons on hard work and denunciations of idleness are too often directed merely against the working man, for insufficient application and efficiency are not a monopoly of the manual worker, and his is not the only class that has failed to settle down to its job since the end of the war with the intensity demanded by a very exacting situation. In all sections of the country there is a clear disposition to cling tenaciously to higher standards

of living, more abundant leisure and pleasure, and less grim and persistent pursuit of practical efficiency than the very uphill task of industry recovery requires. The employers and employed in two of our basic industries—coal mines and transport—are presented with a great opportunity. If they can rise to the occasion and allow their deliberations to be guided mainly by a realisation of the truths which we have just enunciated, they will have given the country a start along the only road that leads to the desired goal. If they fail, they will have greatly exacerbated the nation's problems. But that alternative we refuse at the moment to contemplate.

THE MONETARY HALF-YEAR.

By the restoration, at the end of April, of the gold standard in Great Britain the past half-year marks an important epoch in our monetary annals. This event has, inevitably, been the chief influence on the feeling of our market and its sensitiveness to conjecture and possibilities, though the actual movement of rates was chiefly influenced by a rise, at the end of February, in the rediscount rate of the New York Federal Reserve Bank, followed by an advance of 1 per cent. in the Bank of England's official minimum. Even that event, however—at least, as far as the Bank of England's action is concerned—may be conjectured to have been hastened, if not produced, by the determination of the authorities to make ready for the great event which they knew to be approaching. In the discount market, and in all business circles in which the course of money rates is a matter of especial importance, the early months of the half-year were coloured by uncertainties as to the Government's intentions with regard to the gold standard, and since its restoration conjectures as to its consequences have been a dominant influence on sentiment. Everyone knew that the Gold and Silver (Export Control) Act of 1920 would, unless renewed by Parliament, expire automatically at the end of 1925, and that, consequently, some decision as to its action would have to be reached by the Government early in the year, since, if legislation were required, it would have to be given its place in the timetable. The Chancellor was repeatedly asked for a statement of his intentions both in Parliament and by outside bodies which represented the obstacle to trade confidence caused by the prevalent uncertainty; but with dramatic instinct Mr Churchill staved off all inquirers with indefinite answers, until, on the occasion of his first Budget speech, he made the memorable announcement that the gold standard was already, from that day, in effect restored. As everyone knows, the restoration was followed, not by a serious drain on our gold store, such as had been feared in some quarters, but by a general advance in the gold exchanges to a point at which withdrawals of gold from London did not pay as an exchange transaction, and by considerable receipts of gold—more than sufficient to balance withdrawals, which were chiefly in the direction of India. The time of year chosen for the change and the preparations made in advance by the Treasury and the Bank of England helped, without doubt, to produce this favourable result, and until the normal demands of the autumn have been successfully met, it is too early to congratulate ourselves on the ease with which this momentous milestone has been passed; but at least it can be said that the first two months of the restored gold standard have disappointed pessimistic prophets by failing to produce any restriction in credit, due to a diminution in our stock of gold.

To the discount market, to which cheap and plentiful credit is the first essential to monetary comfort, the change has not been pleasant. So long accustomed to having its path made smooth by timely additions to credit provided by a friendly "hidden hand" whenever stringency threatened to impede the sale of the weekly batch of Treasury bills, the discount houses did not welcome enthusiastically a state of affairs in which the market rate was kept in touch with Bank rate by the more frequent necessity to borrow, not by disposing of short Treasury bills on reasonable terms to a semi-official intermediary, but directly from the Bank at the usual $\frac{1}{2}$ per cent. above Bank rate. Even in Lombard Street, however, these inconveniences are generally recognised as well worth suffering

in order to restore our currency to its old prestige; and to those who can take a national view of the matter it must be clear that the monetary effect of the linking of the pound to the other gold exchanges cannot fail ultimately to benefit our trade, by eliminating a cause of fluctuation and uncertainty, which was a serious handicap to those who sell and buy goods abroad.

Turning to the details of the half-year's record, we find that the abundance of money with which January opened was soon corrected by the repayment of the large sums borrowed at the end of 1924 from the Bank of England, and by the lock-up connected with the new issue, made early in the month, of about £60 millions nominal of $3\frac{1}{2}$ per cent. Conversion loan. Money thus became very scarce, with the assistance of the collection of the direct taxes, but by means of purchases of short Treasury bills from straitened dealers in credit, the need for direct borrowing from the Bank of England was avoided until the last day of the month. At the beginning of February there was a temporary return of ease owing to the maturing of Exchequer bonds, but the pressure of heavy tax payments kept discount rates firm, until on Friday, February 27th, following an advance from 3 to $3\frac{1}{2}$ per cent. in the rediscount rate of the New York Federal Reserve Bank, the Bank of England raised its rate for advances from $4\frac{1}{2}$ to $5\frac{1}{2}$ per cent., and intimated that it would not discount bills below 5 per cent. On the natural assumption that this meant a rise to 5 per cent. in Bank rate on March 5th, the market rate went up nearly 1 per cent., and on March 5th the expected rise in Bank rate was duly announced.

Owing to the unusual manner in which these official movements were carried out there was, perhaps, some excuse for nervous excitement, but the outcry about the burden and suffering imposed upon industry and production by this 1 per cent. rise was so exaggerated that we thought it advisable to test, from industrial balance-sheets, the extent of the addition to the cost of production so caused. In the *Economist* of March 21st it was shown that out of 300 industrial balance-sheets published in the preceding 12 months, only 63 disclosed the amount of bank loans; in the case of these 63 the total bank loans were a little over $11\frac{1}{2}$ per cent. of their paid-up capital, and the conclusion was drawn that "if every company were compelled to pay the full 1 per cent. increase for the accommodation the increase in working expenses would amount to little more than one-tenth of 1 per cent. of the paid-up capital." Throughout the greater part of March the supply of money was remarkably plentiful for the time of year, and the three months' discount rate showed some weakness owing to a keen foreign demand for bills, which were extremely scarce, but as quarter day approached large amounts had to be borrowed from the Bank of England. April brought the usual sunshine and shadow, ease being tempered by the currency demands of the Easter holiday, and of the end of the month. Discount rates hardened appreciably on the announcement of the restoration of the gold standard, owing to fears that a rise in Bank rate might follow. These apprehensions were quieted by Mr Churchill, who, stated in the House of Commons, on May 4th, that he did not know of any immediate reason which would justify Bank rate being raised, and also by the favourable movement in the New York and other exchanges. The discount market had an easy tendency in the latter half of May, and the early part of June, but hardened in anticipation of the half-yearly squeeze.

The following table shows the daily averages for discount rates and money rates during the first half of this year and the previous four years:—

DAILY AVERAGE FOR FIRST HALF-YEAR.										
	1921.		1922.		1923.		1924.		1925.	
Bank rate	£ s d	£ s d	£ s d	£ s d	£ s d	£ s d	£ s d	£ s d	£ s d	£ s d
Market rate (3 months)	6 16 0	4 7 1	3 0 0	4 0 0	4 0 0	4 12 0	6 2 7	2 19 0	2 4 0	3 7 6
Margin	0 13 5	1 8 1	0 16 0	0 12 6	0 8 0					
Short loans	5 7 2	2 18 0	1 10 1	2 9 10	3 9 8					
Deposit rate (banks) ..	4 16 0	2 7 1	1 0 0	2 0 0	2 12 0					
Margin	0 11 2	0 10 11	0 10 1	0 9 10	0 17 8					

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The floating debt showed the usual large reduction during the March quarter, with a sensible expansion since then, especially in that mysterious item "advances from public departments." The appended table shows the movements:—

FLOATING DEBT.			
	December 31, 1924.	March 31, 1925.	June 30, 1925.
Bank of England Advances..	£ 24,750,000	£ None	£ 9,750,000
Public Department Advances	195,015,000	166,585,000	185,185,000
Treasury Bills.....	626,060,000	575,610,000	596,585,000
	845,825,000	742,195,000	791,520,000

Bank rates abroad have shown interesting variations, with reductions predominating in Central Europe, while the Italian went up three times, and the Greek once. India went up in January, and since then has come down twice.

CHANGES IN FOREIGN BANK RATES 1st HALF of 1925.

Date.			
Jan. 14	Dutch Bank Rate	Reduced $\frac{1}{2}$ % to 4 %	
22	Indian "	Raised 1 % to 7 %	
Feb. 5	Greek "	Raised 1 % to 8 $\frac{1}{2}$ %	
26	German "	Reduced 1 % to 9 %	
26	New York Federal Reserve do ..	Raised $\frac{1}{2}$ % to 3 $\frac{1}{2}$ %	
March 6	Danzig Bank Rate	Reduced 1 % to 9 %	
9	Italian "	Raised $\frac{1}{2}$ % to 6 %	
25	Prague "	Raised 1 % to 7 %	
26	Hungarian "	Reduced $1\frac{1}{2}$ % to 11 %	
April 15	Japanese "	Reduced 0.7 % to 7.3 %	
24	Austrian "	Reduced 2 % to 11 %	
May 9	Norwegian "	Reduced $\frac{1}{2}$ % to 6 %	
21	Indian "	Reduced 1 % to 6 %	
28	Hungarian "	Reduced 2 % to 9 %	
June 2	Italian "	Raised $\frac{1}{2}$ % to 6 $\frac{1}{2}$ %	
18	Italian "	Raised $\frac{1}{2}$ % to 7 %	
18	Indian "	Reduced 1 % to 5 %	

The final table shows the movements of the principal foreign exchanges:—

Centre.	Method of Quoting.	Par Level.	Rate, Jne. 26, 1921.	Rate, Dec. 31, 1924.	Rate, Jne. 30, 1925.
Paris.....	Francs to £1	25.22½	81.80	87.27½	107.60
Berlin.....	Marks to £1	20.45	18.18½ bms.	19.88½	20.42½
Vienna.....	Sc. ligs. to £1	34.53½	307,500	335,000	34.46½
Amsterdam.....	Florins to £1	12.107	11.52½	11.67½	12.13
Copenhagen.....	Kroner to £1	18.159	26.00	26.80½	24.17½
Rome.....	Lire to £1	25.22½	100-100½	11½-112½	137½-138½
Switzerland.....	Francs to £1	25.22½	24.4-43	24.26½	25.03
Madrid.....	Pesetas to £1	25.22½	32.22	33.82	33.46½
Lisbon.....	Pence to escudo	53½	1½	2½	2½-4½
New York.....	Dollars to £	4.86½	4.53-33½	4.75	4.66½
Buenos Aires.....	Pence to dollars	47.58	40½-40½	46½	45½
Rio de Janeiro.....	Pence to dollars	18	5	5½	5½
Montevideo.....	Pence to dollars	51	42½-43½	50½	48
Valparaiso.....	Dollars to £	13.33	40.60	40.0	41.30
Calcutta.....	Ster. to rupee	10 to gold sov.	1/5½	1/6½	1/6½
Hong Kong.....	Ster. to dollar	..	2/4½	2/4	2/4½
Shanghai.....	Ster. to tael	..	3/3½	3/1½	3/2½
Yokohama.....	Ster. to yen	24½	1/11	1/1½	1/8½

Movements have been highly satisfactory from the point of view of sterling, but the extent of the depreciation in "Allied" currencies is a serious blot on the picture.

THE EGYPTIAN TRIBUTE LOANS.

On the 15th of this month the Cairo Mixed Court of First Instance gave judgment for the plaintiffs in the conjoined actions brought by Messrs Rothschilds against the Egyptian Minister of Finance in respect of the so-called Tribute Loans of 1891 and 1894. The Court ordered the Minister to resume the payment of the annuities on these loans, which was suspended by Zaghlul Pasha in July last. This decision, though still open to appeal before the Mixed Court of Appeal at Alexandria, undoubtedly constitutes a notable step towards the solution of a financial and diplomatic issue of great importance. The annuities in question amount respectively to £280,622 18s 4d annually in respect of the 1891 loan, and £329,249 6s 1d in respect of the 1894 loan. Both annuities have approximately thirty years yet to run.

The question whether Egypt, in spite of her having attained independence from Turkey, is still under an obligation to continue to pay to the bondholders of certain of the Turkish debts the tribute which had been pledged to them, was raised as a definite issue by notes addressed in July last by Zaghlul Pasha, the then Egyptian Prime Minister, to the British and French Governments. In these notes Zaghlul Pasha contended, in substance, that in consenting in 1891 and in 1894, at the instance of the Turkish Government, to make her tribute payments, not to the suzerain Power directly, but to the latter's creditors, Egypt could not be taken to have extended or aggravated her obligations; that, consequently, any event which terminated Egypt's status as a tributary dependency must terminate her liability to the mortgagees of the tribute; and that the recognition of Egypt's complete severance from Turkey was consequently adequate to liberate her from this liability. The notes terminated with the declaration that Egypt would welcome a submission of the question to the Permanent Court of International Justice at The Hague, and that pending a decision the annuities would be paid, as they fell due, to a special account at the National Bank of Egypt. The challenge to arbitration was not accepted by either of the Governments to which the notes were addressed, one reason, among others, doubtless being the inappropriateness of international arbitration as a mode of settling an issue one of the parties to which was a group of private persons.

After some delay—that is to say, at the end of April—writs were issued on behalf of Rothschilds against the Egyptian Government in the Mixed Court of Cairo. In the interval research among the records of the negotiations which had preceded and accompanied the issue of 1891 and 1894 loans, and the pledge of Egypt's tribute to Turkey, had brought facts to light which were possibly unknown to the Egyptian Ministers when the payments were suspended. Investigation revealed the fact that Egypt, in entering into fresh specific undertakings to the bondholders, was far from having acted in passive

obedience to the dictates of Constantinople. The new undertakings were only entered into as a result of a process of bargaining, in which Egypt's right to consult her own interests was implicitly recognised by the Turkish Government; and substantial advantages were offered and accepted. These advantages consisted in a modification of the Customs arrangements between the two countries. Under the old system exports from Turkey to Egypt and *vice versa* paid a duty of 8 per cent. *ad valorem* at the port of export, on proof of which payment they were admitted free of duty at the port of import. As Turkey's exports to Egypt very substantially exceeded the trade going the other way, it was greatly to Egypt's interest to secure the adoption of a converse system, under which duties should be payable at the port of import only. It was not till this concession had been made that the Egyptian Government gave an undertaking to lend their support to the conversion of the loans in question.

It will doubtless be found, when the text of the Cairo judgment is available, that the Court was greatly impressed by these facts, and has been glad to be relieved of the task of penetrating the somewhat metaphysical atmosphere which would surround the question were it not for the substantial *quid pro quo* which Egypt stipulated and obtained.

It may be thought that Egypt's continued liability is affirmed with sufficient authority by article 18 of the Treaty of Lausanne, which, while releasing Turkey from all obligations in respect of the Tribute Loans, declares that as the annual payments made by Egypt for the service of these loans now forms part of the service of the Egyptian Public Debt, Egypt is freed from all other obligations relating to the Ottoman Public Debt. It is probable that, in the desire to steer clear of political issues, the Court has not relied upon this provision. Although it is only by the terms of the Treaty of Lausanne that Egypt has obtained from her former suzerain any recognition of her independence, the Egyptian Government, speaking by Zaghul Pasha, has disputed the authority of the Treaty on the ground that they were not signatory parties thereto.

It may be noted that Egypt's liability in respect of the 1855 loan, guaranteed by the British and French Governments, is not in issue in the present proceedings.

HALF-YEAR'S NEW CAPITAL.

In spite of a rush of new issues towards the close of the period, the total of new capital applications in London in the June quarter at £64.2 millions was some £5 millions below the figure for the June quarter of 1924. Last year circumstances connected with the advent of the Labour Government in office curtailed the activity of the market in the March quarter, after which confidence was restored, and borrowers came forward thick and fast. But taking the half-years as a whole, the total London issues for 1925 at £112.2 exceeds the 1924 figure by £6½ millions. A comparison of the totals, and of the activities of various groups of borrowers in each quarter of recent years, is given below:—

(In Million £'s.)

	Total.	British Government.	Foreign and Colonial Govt.	British and Foreign Corpns.	Foreign Railways.	Mines, & Quarries, & Exploitation.	Rubber and Oil.	Balance (Mainly Home Industry).
Total whole year, 1919.	1,017.4	805.8	14.8	2.9	1.1	15.3	18.3	160.3
Total whole year, 1920.	367.5	37.6	12.0	46.5	1.1	10.3	18.9	241.1
Total whole year, 1921.	389.0	202.8	75.5	23.9	6	2.4	16.9	62.9
1922—1st quarter	286.2	211.9	20.1	8.4	14.7	1	9.1	21.9
2nd "	162.6	92.4	34.6	3.3	..	5.4	7.5	19.4
3rd "	61.9	42.5	..	..	..	1.6	3	17.5
4th "	63.0	22.9	18.2	1.2	1	2.3	5	17.8
Total whole year, 1922.	573.7	369.7	72.9	12.9	14.8	9.4	17.4	76.6
1923—1st quarter	86.2	43.8	18.1	..	5	3.2	5.2	15.4
2nd "	95.1	80.0	47.3	..	1.4	3.7	1.1	21.6
3rd "	25.4	9	1.1	..	3.5	1.5	2	14.2
4th "	64.7	9.0	29.3	..	..	7.1	1.2	18.1
Total whole year, 1923.	271.4	77	95.8	..	5.4	15.5	7.7	69.3
1924—1st quarter	36.0	Dr 1.3	19.1	3.2	..	3.4	3	11.3
2nd "	69.6	11.8	22.1	2.4	..	4.1	3	31.9
3rd "	29.0	Dr 9	6.9	5	1.0	4.1	1.4	16.0
4th "	74.7	4.1	42.5	6.6	..	3.8	6	17.1
Total whole year, 1924.	209.3	13.7	90.6	12.7	1.0	12.7	2.3	76.3
1925—1st quarter	47.6	4.6	8	5.6	9	4.6	1.5	9.6
2nd "	64.4	69	13.8	17.5	8	9.7	3.7	12.0

For the benefit of those who are not familiar with the method of our compilation, it should be stated that our figures only represent "new money," and exclude issues, or parts of issues, made for the purpose of repaying or replacing existing obligations. Nor, under the heading of British Government borrowings do we include Treasury Bills or Ways and Means advances. As regards the past half-year, the British Government figure of £6.7 millions represents the excess of sales over encashments of National Savings Certificates, no Treasury bonds having been put on the market.

Undoubtedly the feature of the half-year has been the existence of an unofficial embargo on foreign loans, which has reduced to an insignificant figure the total lent by London in the past half-year in long-term form to overseas countries outside the British Empire. This is clearly brought out in the next table:—

DESTINATION OF NEW CAPITAL.

	1913.	1921.	1922.	1923.	1924.	1925.
United Kingdom—Government	£ nil	20,067,000	304,258,900	63,727,000	10,542,900	6,950,000
Other	20,324,400	50,174,000	44,444,400	28,627,500	33,839,500	71,749,500
British Possessions—Government	20,324,400	70,241,000	348,703,300	92,354,600	44,382,400	78,699,500
Other	14,324,300	27,609,600	41,582,300	39,937,900	25,231,000	14,661,500
Foreign countries—Government	28,678,300	9,959,000	7,917,000	12,250,700	12,724,500	13,462,300
Other	43,002,600	37,568,600	49,499,300	52,188,600	37,955,500	28,123,800
Grand total	120,359,600	128,574,500	448,774,200	181,301,600	105,584,000	112,011,200

The position regarding London's lendings abroad this year and in previous periods becomes clearer still if we set out the following details:—

	1913.	1923.	1924.	1925.
Total of new issues	Min. £ 120.3	Min. £ 181.3	Min. £ 105.6	Min. £ 112.0
Destined for domestic use	20.3	92.4	44.4	78.7
" " British possessions	43.0	52.2	38.0	28.1
" " foreign countries	57.0	36.7	23.2	5.1

Glancing at these two tables, we find that while foreign borrowings have been very slight, and Colonial and Dominion operations lower than in the first half of 1924 by some £10 millions, there has been a very striking increase in the new flotations made for domestic purposes. Domestic issues, other than Government, have been £71½ millions, or more than double last year's comparable figure of £33½ millions. As a subsequent table reveals, the increased amount is mainly taken by British trade and industry—a fact which does not seem to attune very well with the prevalent pessimism as to the prospects of trade expansion. Borrowings in the London market are analysed in 30 groups below:—

Description.	Total, First Half-year, 1924.	First Quarter, 1925.	Second Quarter, 1925.	Total, First Half-year, 1925.
British Government loans	£ 10,542,900	£ 4,600,000	£ 2,150,000	£ 6,950,000
Colonial Government loans	25,231,000	824,000	13,017,500	13,839,500
Foreign Government loans	16,025,200	nil	nil	nil
British Municipal and County loans	3,165,000	5,615,000	10,603,500	16,218,500
Colonial Corporations	3,574,800	250,000	435,000	685,000
Foreign Corporations	2,412,500	nil	1,350,000	1,350,000
British railways	nil	11,514,000	5,700,000	17,214,000
Colonial railways	nil	1,681,200	nil	1,681,200
Foreign railways	nil	875,000	nil	875,000
Australian mines	171,000	nil	nil	171,000
South African mines	400,000	nil	60,000	460,000
Other mines	1,962,000	1,701,800	80,000	1,781,800
Exploration, financial, and investment trust	2,355,400	2,934,500	4,955,800	7,890,300
Breweries and distilleries	81,000	nil	470,000	470,000
Merchants, importers, &c.	nil	nil	nil	nil
Manufacturing	9,451,200	583,100	1,580,000	2,173,100
Stores and trading	nil	60,000	150,000	210,000
Estate and land	2,424,500	1,888,400	987,000	2,875,400
Rubber	175,500	863,300	2,156,000	3,019,300
Oil	149,800	670,000	50,000	720,000
Iron, coal, steel, and engineering	3,388,600	2,635,100	1,469,700	4,698,800
Electric lighting and power	6,677,200	2,458,500	917,500	3,346,000
Tramways, omnibuses, &c.	825,000	33,700	nil	33,700
Motor traction and manufacturing	784,900	35,000	nil	35,000
Gas and water	431,500	104,000	460,000	564,000
Hotels, theatres, and entertainments	nil	430,000	210,600	210,600
Patents and proprietary articles	1,775,000	1,149,000	nil	1,149,000
Docks, harbours, and shipping	1,750,000	870,100	1,114,400	1,984,500
Banks and insurance	11,850,000	6,062,100	16,288,400	22,350,500
Miscellaneous	105,584,000	47,605,800	64,205,400	112,011,200

Local authorities and British railways have substantially increased their operations in the new capital market, while

a large advance is also shown by the "miscellaneous" group, which includes a variety of British commercial and industrial concerns not falling into any of the other classifications. But all down the list increases are the general rule, conspicuous cases being rubber plantation companies, estate and lands, iron, coal, and steel, electric lighting and power, docks, harbours and shipping, and banks and insurance concerns. A feature of the past quarter has been a number of issues for rather large amounts. The following table shows the principal issues during the past quarter, together with the rate of interest, the issue price, and present quotations:—

Issued Week Ended.	Name.	Amount of Issue.	Issue Price.	Present Price.
1925.		£		
May 16.	New Zealand Government, 4½ % red. at par March 1, 1945.	7,000,000	94½	117 dis.
30.	New South Wales, 5½ % red. at par 1943-1965	6,500,000	98½	117 dis.
23.	L.C.C., 4½ % red. 1945-1985	6,000,000	94½	117 dis.
April 4.	Municipality of Danzig, 7½ % Bonds	1,500,000	90	88½
June 27.	Great Western Railway, 5½ % Pref. Stock	6,000,000	95	117 dis.
May 23.	Niger Co., 5½ % Deb.	14,000,000	97	117 dis.
June 13.	Allied Northern Newspapers, 6½ % Deb.	2,300,000	98½	117 dis.
20.	Dunlop Rubber, 5½ % Deb., 1928-1954	(b) 5,000,000	97½	117 dis.
27.	Union Cold Storage, 6 % Cum. Pref. £1	3,220,000	par	115½-3d dis.

† Less £2,675,000 for repayment of maturing obligations. (b) Less £4,200,000 for repayment of maturing obligations.

The last column of the above table illustrates one feature of the past quarter, namely, the frequency with which large blocks of apparently attractive issues have been left on the hands of the underwriters. The public have, on the whole, displayed no greater enthusiasm for new issues than for existing securities.

Through the courtesy of Messrs Dillon, Read, and Co., Chicago, who have cabled preliminary figures for the past half-year, we are able to give the following comparative table of new capital raised in the United States in the first six months of each of the past three years:—

	(000's omitted.)	1923.	1924.	1925.
Companies	\$ 1,944,431	..	1,924,134	..
Foreign Government ..	106,500	..	320,940	..
Farm loan	293,450	..	129,500	..
Municipal	583,932	..	806,054	..
Canadian	40,250	..	29,968	..
U.S. Possessions	456	..	5,835	..
	2,969,019	..	3,215,431	..

The figures for 1923 and 1924 are those compiled by the New York *Commercial and Financial Chronicle*. The feature of these figures is the drop of practically 50 per cent. in American lendings to foreign Governments in the past half-year, as compared with the first six months of 1924.

THE BRITISH CO-OPERATIVE MOVEMENT.—II.

(BY A CO-OPERATIVE CORRESPONDENT.)

THE committees of co-operative societies are elected on the principle "one man (or woman) one vote." The law restricts the holdings of shares to not more than 200 £1 shares; but no shareholder has more than one vote. Thousands of members have never paid more than a shilling as share capital; but the accumulated dividends on purchases have made up their shareholdings. Most of the capital in the movement is the dividend that has not been withdrawn. At the quarterly meetings of members the committees are elected by popular vote. Beyond the possession of a share or two, and, in some cases, the expenditure of £5 or £7 10s in the quarter at the stores there is no obligatory qualification. The result is that the committees are composed of "all sorts and conditions" of men, including labourers, foremen, insurance agents, teachers, engineers, railwaymen, and married women. They usually meet once a week to receive the reports of the secretary and manager and decide matters of policy, engage the staff, and generally carry on the duties of management. In the larger societies many of these details are delegated to the officials; in others a system of sub-committees to watch the various departments has been developed. Only at Woolwich has a full-

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time committee been appointed; at Barnsley the president and two vice-presidents devote all their time to the work. In all other societies the committee work is done in the evening by men and women otherwise engaged during the day. They are remunerated by the payment of a small fee for every meeting, or by a quarterly amount determined at the quarterly meeting. The few shillings weekly for meetings is supplemented by allowances for attendances at conferences, deputations, and other gatherings that are increasing in number and in cost to the movement.

Managers and secretaries are elected by the committees; in the early years they were selected by the members, but now such matters of management are being decided by the committees.

The relations between the retail societies and the wholesale society are much the same as those of the member and his society. The societies subscribe capital to the federation proportionately to their membership, and, acting on their behalf, the committees elect the 32 directors of the Co-operative Wholesale Society. For this purpose the country is divided into three districts, so as to secure the representation of the various areas as far as is possible. But the C.W.S. has no voice in the control of the retail societies. They, however, direct its affairs through the committee they elect and through the eight divisional meetings held every quarter. None of the directors of the C.W.S. have any shareholding in the society; they are nominated by the retail societies of which they have been members. So that they are in the unique position of being responsible for the direction of a concern in which they have no monetary qualification.

At the request of the retail societies the C.W.S. has established works in various trades. It cannot dispose of its commodities outside the movement; in a few exceptional instances, such as the sale of offals, &c., it probably does place some of its goods with non-co-operative concerns; but the turnover on that account is really negligible. But while the Wholesale Federation is thus limited as to its market, the retail societies are free as to the sources from which they draw their supplies. Very few maintain a complete loyalty to their own institution, and complaint is frequently made that in some departments and in many societies the percentage of purchases from the C.W.S. by the retail societies is below 50 per cent., while an all-round loyalty of 80 per cent. from the C.W.S. is regarded as excellent. About one-third of the sales of the Wholesale to the retail societies are its own productions; the others are of goods obtained from outside makers, many of whom have direct trading relations with the retail societies. When the Wholesale was established, the view of the pioneers was that societies would divert all their trade to its agency and to its works. In practice, however, the C.W.S. has to employ travellers and organise selling departments, the cost of which was originally intended to be eliminated, so as to lessen the cost of living. The theory has broken down, and co-operators are becoming big advertisers in order to maintain their position in the commercial world.

The C.W.S. has lately instituted a policy of fixing, in conjunction with the managers' associations, the retail prices for certain of its commodities, including boots and shoes. This was rendered necessary from the fact that many retail societies were pricing these productions at such a high figure that the demand was slackened and the private makers' goods found a readier market in the

co-operative stores. Already this tendency has been eliminated by the fixing of prices—often to the chagrin of those retail managements that have suspected an interference with the autonomy of the local societies. All the nine boot factories of the C.W.S. are now working on full time. This is attributed to the demand created by fixed uniform prices. The number of articles dealt with in this way is being extended with the view of securing uniform prices throughout the movement. Gradually the individual societies are recognising the possibility of the one National retail society advocated by the late J. C. Gray, secretary of the Co-operative Union. More than a score of societies have recently amalgamated with others; and absorptions and incorporations are reducing the number so rapidly that already district or county societies are within sight in many areas.

Alongside the difficulties connected with securing uniform conditions of trading is the problem of dealing with the labour employed. Before the war the co-operative movement set the pace with regard to the hours of employment, the regular holidays, and the wages paid for service. But then the competition of the multiple shops and the new conditions of trade lessened the difference. During the war, when the ratio of profit in many of the leading commodities brought all sellers of groceries to a common level, dividends fell in co-operative societies. In hundreds of places the drapery and kindred departments were called upon to make larger profits to supplement the profits of the food departments. But competition has again influenced the position, and co-operative societies have had to return to the policy of reasonable prices in their dry goods sections. Meanwhile, the employees have been strengthening their union and resisting reductions in wages to such an extent that many societies have been compelled to pay wages higher than those ruling outside. In hundreds of grocery shops the female labour begun during the war has been continued; in the co-operative stores it has been reduced, and in the majority the male assistants now serve without the assistance of girls. The grocery trade has changed during the last decade, and what was, at one time, a really skilled employment, where the shop assistants had to know something of the qualities of the goods they sold, is now merely the handing of packets across the counter. This can be done as well, if not better, by girls than men. But the co-operative employees by force of the trade unionists on the committees and in the membership of societies, have compelled the maintenance of men in the co-operative shops. The result is that the wages bill in relation to the takings per each assistant is higher in co-operative concerns than in private trade.

Another menace with which the co-operative societies are now threatened is the organised effort made by the employees in many societies to secure control of the committees of management. During the recent strike the committees in many places were hampered in their negotiations by the fact that two or three employees were among their number. At Coventry one of the shop assistants has been elected president, and often accompanies departmental managers on their buying expeditions. In many places a man serves behind the counter during the day and in the evening sits with his fellow committeemen to settle the conditions of employment. All this is having a disturbing effect on the trading position of the societies. It is growing to such a degree that the national congress has been compelled to consider the position with a view to lessening the anomaly, or, at least, mitigate its effect. New machinery for settling disputes is to be set up, advisory councils of committees and employees are to be formed, and as only 60 of the societies have provided for pensions, the congress at Southport at Whitsuntide resolved that superannuation funds on generous lines should be established by societies.

OUR INDEX NUMBER.

THE pronounced downward movement in commodity prices, which has been a feature of the past few months, continued in June, and our Index Number of wholesale prices shows a further decline of 107 points as compared with the end of May. This decline, which is largely due to the general weakness of the industrial position, has

been accentuated by seasonal reductions in certain commodities and reaction after speculation in others. The figure for the end of June is 4351, which is the lowest recorded since October, 1923, and compares with 4855 at the beginning of the past half-year. There has thus been a fall of 504 points in the past half-year. The table below shows the indices for each of the five groups in addition to the total:—

Date.	Cereals and Meat.	Other Food Products (Tea, Sugar, &c.).	Textiles.	Minerals.	Miscellaneous (Rubber, Timber, Oils, &c.).	Total.	%
Basic (avg. 1901-5) ..	500	300	500	400	500	2200	100.0
End July, 1914	879	352	816	464	583	2668	116.6
" Dec., 1915	897	446	731	711	848	3634	165.1
" Dec., 1917	1286	686	1684	839	1348	5845	265.2
" Nov., 1918	1289	782	1848	903	1389	6212	282.6
" Mar., 1920	1508	914	2974	1246	1709	8352	379.6
" Dec., 1921	1344	805	1284	1216	1275	5924	269.8
" Dec., 1922	921	636	1106	762	931	4357	198.0
" Dec., 1923	861	706	1184	705	807	4264	193.8
" Dec., 1924	853	815	1382	774	755	4580	208.2
" Mar., 1925	897	843	1313	805	780	4640	210.9
" June, "	914	736	1347	764	769	4531	205.9
" Sept., "	1003	777	1395	762	790	4729	214.9
" Dec., "	992	789	1452	815	806	4855	220.7
" Jan., 1925	1020	763	1404	782	798	4768	216.7
" Feb., "	1001	769	1436	780	785	4772	216.9
" Mar., "	959	746	1434	760	780	4680	212.7
" Apr., "	944	724	1362	743	776	4550	206.8
" May, "	956	706	1261	745	789	4458	202.6
" June, "	885	704	1234	736	791	4351	197.8

The bulk of the decline last month was shared by primary foodstuffs and textiles. There was a seasonal decline in potatoes of over 40 points, and with the exception of a slight increase in rice, cereal prices were all lower, while meat quotations also fell a little. In other foodstuffs a rise in butter very nearly balanced a decline in sugar. The drop in the textile group is entirely due to wool and jute, cotton being a shade higher on balance. In the minerals section there was a further slight decline in iron and steel, and coal prices fell a little. In the minor metals, tin is lower on balance, though closing above the lowest. Among miscellaneous commodities the feature is the further advance in rubber.

A comparison with the figures for last December shows that there have been substantial declines in each group, the largest being one of 218 points in textiles. For this heavy fall wool and jute are mainly responsible, American cotton being unchanged on balance, while Egyptian cotton is a few points higher. Cotton manufactures, however, are lower, and there was also a decline in jute. In primary foodstuffs, imported wheat shows a decline of 17½ points, and flour and barley are lower, but oats have risen. More than one-half of the group's decline is in potatoes. In subsidiary foodstuffs, &c., all commodities are lower than six months ago, except tobacco, which is unchanged. In the minerals group the only movement of any size is a decline of 42 points in tin. All other changes, though small, are also in a downward direction. In the miscellaneous section, declines in oils and oilseeds and tallow are partly offset by the rise in rubber.

In the table below we show the changes in each commodity's index number, in comparison with that for the end of December last, the figure 50 representing in each case the average price during the basic period 1901-5:—

	Index Number.	Inc. or Dec.		Index Number.	Inc. or Dec.		Index Number.	Inc. or Dec.
Wheat—For.	103	-17	Cotton, A	121	-1	Copper	50	-6
English	97	+3	Cotton, E	127	+11	Minerals	736	-79
Flour	96	-10	Yarn	125	-13	Baltic timber	100	-1
Barley	78	-34	Cloth	125	-82	Amer. timber	61	..
Oats	83	+7	Wool, Eng.	107	-34	Leather	100	-8
Potatoes	62	-56	Do Aust.	125	-56	Petroleum	77	-3
Rice	119	+6	Silk	94	-6	Oils	89	-9
Beef	78	+2	Flax	117	-56	Tallow	74	..
Mutton	87	-8	Hemp	59	-20	Indigo	90	..
Pork	80	+1	Jute	138	+5	Crystals	85	..
Cereals & meat	885	-106	Textiles	1,234	-218	Rubber	34	+13
Tea	146	-16	Pig-iron	78	-9	Miscellaneous	791	-15
Coffee	140	-16	Steel rails	71	-4	Total	4,351	-504
Sugar, cane	100	-14	Iron bars	89	-3			
Sugar, beet	108	-19	Coal, steam	127	-4			
Butter	94	-19	House coal	84	-5			
Tobacco	116	..	Lead	138	-42			
Other foods	704	-85	Tin	99	-5			

The relative positions of the five sections are shown in the final table, in which the indices for the end of July, 1914, are taken as 100:—

End of—	Cereals & Meat.	Other Food.	Textiles.	Minerals.	Miscellaneous.	Total.
July, 1914	100	100	100	100	100	100.0
Dec., 1918	226	222	293	186	241	237.5
Mar., 1920	261	260	484	269	309	325.6
Dec., 1921	233	229	309	261	230	230.9
Dec., 1922	159	180	180	164	168	163.3
Sept., 1922	151	194	181	150	148	166.2
Dec., 1923	149	200	193	152	146	178.6
Dec., 1924	148	231	225	167	136	176.6
June, 1925	158	210	219	164	139	189.3
Dec., 1925	171	224	235	175	146	185.9
Jan., 1925	176	217	228	168	144	186.0
Feb., "	173	219	233	168	142	182.5
Mar., "	166	212	232	164	141	177.4
Apr., "	163	206	221	160	140	173.8
May, "	165	201	205	160	143	169.6
June, "	153	200	200	159	143	169.6

The lowest point reached since the Armistice was in July, 1923, when the total was 4182, and the increase over July, 1914, 63.1 per cent. At the end of that month cereals and meat stood at 141, other food at 215, textiles at 181, minerals at 160, and miscellaneous commodities at 135. The lowest point touched last year was at the end of May, when the increase over 1914 was 76.5 per cent., and the highest was at the end of December.

THE MUSICAL INSTRUMENT TRADE.

It is, of course, well known that for a generation before the war British producers of musical instruments, and particularly of pianofortes, had a severe struggle with their German competitors. German makers had been first in the field with moderate-priced pianos fitted with all modern improvements, at a time when our own producers only put these improvements into their most expensive instruments. For a long time purchasers of cheap pianos had almost inevitably to choose German makes because of their marked superiority in tone, touch, and finish. Eventually British manufacturers were aroused from their apathy, and began in earnest to compete for the trade in low-priced goods which they had allowed their competitors almost to monopolise. But it is proverbially difficult to regain lost trade, and it took many years of constant effort before the desired effect began to show itself during the ten years preceding the war. In that decade the first five years showed imports of pianos exceeding exports by about half a million sterling per annum, but in the second five years the excess was reduced to about a quarter of a million. The number of instruments landed on these shores had only fallen from 22,000 to 20,000 a year, but the number of British pianos shipped had gone up from a little over 5,000 to nearly 9,000 per annum. The tendency of the trade during the ten years immediately preceding the great war was unmistakable. In the cheaper class of goods British manufacturers had learned how to turn out instruments quite as satisfactory as those reaching us from Berlin, and they had begun to reap the benefit of their long years of uphill struggling.

Let us view the results of these ten progressive years, at the same time including organs and all other musical instruments, as well as their parts:—

OVERSEAS TRADE IN MUSICAL INSTRUMENTS FOR 10 YEARS PRIOR to the War.					
Imports.			Exports.		
In Thousand £'s.			In Thousand £'s.		
Inc. or Dec.	1904-8.	1909-13.	Inc. or Dec.	1904-8.	1909-13.
Organs and har-	111	59	20	21	+1
moniums	665	623	150	281	+131
Pianofortes	103	63	50	60	+8
All other instru-	261	270	52	100	+50
ments	1,140	1,015	272	462	+190
Parts of instruments	1,140	1,015	272	462	+190

This presents a pre-war picture of the entire trade in all musical instruments and their parts (save gramophones), and it was certainly encouraging in every section. Imports showed declines in pianos, organs, and all other instruments, while only a slight rise was registered in parts of instruments. Exports showed rises in every

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section, and the total value of British shipments increased from less than a quarter of the imports in the first lustrum to not far short of half the imports in the second lustrum. Indeed, if we take the single year 1913, we find that British sales abroad amounted to more than half of the net imports (those retained for sale in this country). From the evidence afforded by these ten years it is fair to conclude that had the world continued on lines of sanity, our own producers would, in the ordinary course, have succeeded in establishing a preponderance of exports over imports long before now.

Of course, the world-upheaval of 1914 put an end to German competition for the time being. Our makers were left in undisputed possession of the entire field, and prices, as we know, soared to unheard-of heights. During and shortly after the war, such was the demand that ancient pianos, which could not have been previously got rid of for £5 each, were dragged from dusty spare rooms and offered at all prices from £20 to £30. Advances in the cost of new instruments were, of course, not so severe as this, but they were considerable. Thus, the export value of British instruments had averaged £36 each in 1913, and in 1920 it had risen to £95. Fortunately, there has been a heavy fall since, the price last year working out at £48, the fall in price being accompanied by a rise in the number shipped from 3,094 in the boom year 1920 to 6,542 last year.

This question of price is all-important, for it has played a large part in the competition between British and German makers. After peace was declared there was, of course, a rush of German instruments over here. For a considerable time the Germans were aided by the continually decreasing value of the mark, but that was a condition that could not continue permanently. Costs of manufacture were bound in the long run to rise commensurately with the fall of the mark, thus depriving our competitors of their temporary advantage. This has duly occurred, and perhaps the best way of showing the results will be as follows:—

BRITAIN'S OVERSEAS TRADE IN PIANOS.

	1913.	1920.	1921.	1922.	1923.	1924.
Imports—						
Number	24,482	6,247	9,079	16,274	12,390	10,797
Per instrument.....£	31	69	37	35	42	51
Exports—						
Number	9,780	3,094	1,538	2,441	6,465	6,542
Per instrument.....£	36	95	97	67	61	48

It will be seen that imports have decreased persistently since 1922, while exports have nearly trebled. In the same period the average prices of the foreign instruments have steadily risen, while those of the British instruments have fallen materially.

The rise in our own shipments from 1,538 instruments in 1921 to 6,542 in 1924 is particularly notable. Unfortunately it is not possible to say much about the countries which have provided us with this increased custom. The annual returns for 1923 are available, and these show that, leaving out player pianos, ordinary instruments were shipped to the number of 1,317 in 1921 and 6,084 in 1923—an increase of 4,767. Of this increase British Possessions were responsible for 4,735 and foreign

countries for 32. It is, however, impossible to say which foreign markets were the most progressive, owing to the extremely scrappy and inadequate nature of our annual trade records. Nearly all the foreign countries separately entered show declines, but sales to "Other Foreign Countries" have risen from 130 to 193. It would be very interesting to know whether the United States is one of these "Other Foreign Countries," but the Board of Trade does not publish the information. However, at the British Music Industries Convention held at Llandudno during May, Mr F. B. Allen, president of the federation, declared that "British pianos were being sent to America in spite of the tariff against them." With this we must be content, in the absence of adequate information from our trade returns.

We will now take a comprehensive view of the overseas business during the past 21 years:—

OVERSEAS TRADE IN MUSICAL INSTRUMENTS since the War.
In Thousand £'s.

5-Year Averages.	Organs.		Pianos.		All Other.		Parts.		Total.	
	Impts	Expts	Impts	Expts	Impts	Expts	Impts	Expts	Impts	Expts
1904-08	111	20	665	150	103	52	261	50	1,240	272
1909-13	59	21	623	281	63	60	270	100	1,015	462
1914-18*	14	12	86	29	22	52	204	122	326	445
1919-23	14	15	375	215	180	204	407	433	976	867
Single Year.										
1924	13	24	557	313	203	416	491	906	1,264	1,659

* War years. Gramophones, their accessories and parts, have been included in both imports and exports only since September 29, 1915.

A glance at the table is sufficient to prove that our position in the overseas trade is better in every branch than it was before the war. It is true that of miscellaneous musical instruments and of parts the imports are considerably greater than in pre-war years, but our own shipments have grown much more vigorously, so that in both sections there are now large excesses of exports in place of heavy excesses of imports.

Of course, these miscellaneous instruments and parts include the gramophones and accessories, which have only been classed among musical instruments since September 29, 1915. This must be kept in mind, as gramophones constitute a very prosperous section of the trade. But if that section could be entirely excluded from the table, there would still remain a small excess of exports in 1924, as against the large excess of imports in pre-war times.

It is also true that, in spite of the excellent progress made, pianos still show an excess of imports. But it is much less than in pre-war days. In 1904-8 exports were less than a fourth of imports, in 1922 they were less than a third, and now they are considerably more than a half. The trade is undoubtedly progressing, and a further advance may be confidently looked for. Taking the whole table, a pre-war excess of imports amounting to £868,000 has been converted into a present excess of exports amounting to £395,000.

Hitherto we have dealt only with figures since 1904, when pianos, organs, and other instruments were first separately stated in the trade returns. We have, moreover, dealt only with gross imports, ignoring the fact that about 10 per cent. of these are re-exported for sale abroad, and do not compete with British producers who supply the home market. Let us now take a long view of the records for 41 years past, dealing with net imports (or goods retained here for home consumption):—

BRITAIN'S OVERSEAS TRADE IN MUSICAL INSTRUMENTS AND PARTS THEREOF. In Thousand £'s.

5-Year Averages.	Net Imports.		British Exports.		Excess of Imports over Exports.	
	Impts.	Expts.	Impts.	Expts.	Impts.	Expts.
1884-88	665	211	454	...	...	...
1889-93	903	199	704	...	...	...
1894-98	1,055	172	883	...	...	...
1899-03	1,272	238	1,034	...	...	...
1904-08	1,049	272	777	...	...	...
1909-13	910	463	447	...	...	...
1914-18*	299	445	...	...	...	146
1919-23	930	867	63	...	...	...
Single Year.						
1924	1,143	1,659	...	...	...	516

* War years. Gramophones, their accessories, and parts have been included in both imports and exports only since September 29, 1915.

It will be realised at once that an amazing change has been brought about in this period. And, be it noted, the favourable movement was in steady progress many years before the war. In 1901 the excess of imports was as high as £1,128,000. It was steadily reduced to

£751,000 in 1907, and £527,000 in 1913. After the close of the war there were small excesses of imports in 1920, 1921, and 1922, but an excess of exports was established in 1923, which was much increased in the following year.

Development of exports, rather than limitation of imports, has been the characteristic feature of the industry's success. There are many classes of cheap factory-made instruments, such as violins, cellos, and so on, upon which our manufacturers do not appear to have specialised. Really good instruments of all classes are made here, and a British violin at 20 to 40 guineas may possibly stand every comparison. It is in the very cheap goods that foreign producers succeed, and we may note that in 1923 the stringed instruments of every kind that were landed here were valued at little more than 10s each, while those exported were valued at well over £2 each.

To sum up, we may say that, taken all round, the trade is successful and efficient. Moreover, it was so even before the war, and would probably have attained its present position much earlier had that disastrous struggle been avoided.

Notes of the Week.

The Quarter's Revenue.—The revenue statement for the first quarter of the current financial year shows receipts of £169.2 millions, as against £176.2 millions in the corresponding period of 1924-25, a decrease of £7 millions, and expenditure of £220.5 millions, against £215.1 millions, an increase of £5.4 millions. There is thus a deficit of £51.3 millions, as compared with £38.9 millions at this time last year. The decline in revenue is principally due to death duties, income-tax, and corporation profits tax, which are down by £1,450,000, £4,392,000, and £1,360,000 respectively. Customs duties show a decline of £679,000, and excise duties are £753,000 lower. These declines are partially offset by increases of £437,000 in motor-vehicle duties, £510,000 in stamps, £1,500,000 in super-tax, and £442,000 in special miscellaneous receipts. The increase in expenditure is almost entirely due to a rise in sinking fund payments from £7.5 millions to £12.3 millions. The supply services have taken £2½ millions more, but there is a saving of £2.3 millions in debt interest. The deficit has been met mainly by an addition to the floating debt, which at £791½ millions shows an increase of £49.3 millions, as compared with March 31st last. It is, of course, much too early yet to draw any inferences from the figures as to the possibility of Mr Churchill's optimistic estimates being borne out by the final results. It is, however, disappointing to find no signs of reduction in expenditure by the supply services at a time when the need for economy in this direction was never more urgent. While we are studying these figures in relation to the prospects of a British Budget balance comes the news that the 1924-25 Budget of the United States has closed with a surplus of \$250 millions.

The Pensions Bill in the Commons.—Sitting from 15 to 20 hours a day during the hot spell is hard work, and flogged into subordination by the closure, the House of Commons is trying to deal with the principal clauses of the Widows', Orphans', and Contributory Pensions Bill. We have already explained at length the cost to industry and the State of this portentous measure, of which the burden, though actuarially calculable, can be realised by few people. The Federation of British Industry have put the total cost of contributions for sickness, unemployment, and pensions per head of adult males employed at 45.04d a week. That sum will have to be made up chiefly by industry, and it is no more than a beginning; for the actuarial cost of the pensions rises on a steeply ascending scale, and it will be much higher for our successors than for us. The latest Unemployment Insurance Bill of this week, which nominally lightens the total cost of the social services by cutting down workpeople's and employers' contributions for unemployment insurance, really does not help. For the unemployment figures are

advancing each week, and the increasing costs, if taken directly of industry, will fall upon the State—which means the general taxpayer ultimately. It may not be necessary to take Mr Wheatley very seriously—what is done in office differs widely from what is promised or threatened in opposition—but we must note his formal declaration, in the name of the Labour Party, that he will abolish the contributory basis of the Pensions Scheme at the first opportunity. That is the sort of thing which comes of bidding for electoral support with other people's money. The Government have thrown a large part of the cost upon the beneficiaries and upon industry; Mr Wheatley goes one better by promising to relieve the beneficiaries and industry of all contributions, and making the "State" pay. By State he means the income-tax payer. We know, from the Government actuary's very able memorandum, what the cost to the taxpayer would be of a non-contributory scheme on Mr Wheatley's lines, and without the additional benefits which the Labour Party profess to be anxious to grant. In five years time a non-contributory scheme on the Government's lines would be costing the Exchequer £31 millions a year; in 10 years time, £41 millions a year; in 20 years time, £56 millions a year; and in 40 years, £66 millions a year. That is in addition to the present statutory old age pensions at 70 and the war pensions. In 40 years time, widows', orphans', and old age pensions, taken together, would be costing the taxpayer £120 millions a year. It is a Bill which imposes this cost upon us in one form or other—the contributory or non-contributory basis is merely a question of distributing the cost—which is being hustled through the House in that period which for once deserves the name of the Dog Days.

Inter-Allied Debts.—Some light has been thrown this week upon the approach that is being made towards an eventual settlement of international war debts. The Chancellor of the Exchequer told the House of Commons on Tuesday that the Italian Government had given formal notification of its willingness to open negotiations for a settlement of its debt to Great Britain. It is not clear whether this notification preceded, or was in reply to, a circular letter which is understood to have been sent out last week from Downing Street, in which the expectation was expressed that debtor Governments should indicate a date when they are willing to enter negotiations for a settlement. In initiating this procedure, the Treasury is following the example of Washington. It is not necessary to read into this action any desire on the part of our Government to exert any pressure for immediate payments, and we are glad to see that this is properly understood in Paris. It indicates merely a desire to place debts on a regular footing; and to let the matter drift at a time when America has been taking certain steps is obviously undesirable. The conversations opened with M. Herriot regarding the Anglo-French debt have not, apparently, been resumed since the fall of his Government; while the Italian negotiations in Washington are stated to have been adjourned until the end of the summer. The autumn will, apparently, see a series of negotiations on foot.

The Coalowner's Proposals.—The negotiations for a new national wages agreement in the mining industry have been carried a further step during the week. On Tuesday last the Mining Association served a notice for the termination of the existing agreement at the end of July. Accompanying that intimation was a letter from Mr W. A. Lee, the Secretary of the Mining Association, to Mr A. J. Cook, the Secretary of the Miners' Federation, in which he stated that the proposals for a new agreement which he stated that the proposals for a new agreement would, "while according to the workers in the districts the fullest possible share in the proceeds, enable the industry in every district to continue in operation in a state of efficiency, and to make the necessary provision for its normal development." He added that the wages to be paid in future "must, on the one hand, be governed by the economic conditions in which the industry is placed, and, on the other, take account of the necessity for providing a living wage for the lower-paid



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classes of workers." The proposals submitted on Thursday to the Miners' Federation are based on these principles. The present National Board and the existing Area Boards are to continue, and both are to appoint independent chairmen. The existing standard wages are also continued, except in so far as they may be altered by mutual agreement, but the total amount of the proceeds of the industry that can be distributed in wages is to be limited to 87 per cent. of the difference between the proceeds and costs of production other than wages. Thus, if the proceeds, for purposes of illustration, amount to £1,000,000, and costs other than wages absorb £200,000, then the remaining £800,000 shall be distributed in the proportion of £696,000, or 87 per cent. to wages, and of £104,000, or 13 per cent. in profits. The subsistence wages of the lower-paid are to be determined by each district. The proposals are thus fundamentally different from the terms of the existing agreement. Both national and minimum wage rates go by the board; the machinery for the payment of standard wages and profits, and for the distribution of the surpluses over and above the amounts absorbed by standard wages and standard profits are scrapped; and the whole of the operative work of the regulation of wages reverts to the pre-war practice of district agreements. The main purpose of the proposals is to secure for capital a share of the proceeds of the industry, whatever those proceeds may amount to. In the three months ending last March, the South Wales Coalfield suffered a loss of £173,663, but if the proposals now made were then in operation, and other conditions had remained unchanged, the South Wales Coalfield would have made a profit of £955,110, while the total amount of wages would have been reduced from £7,520,876 to £6,391,890. The whole of the industry in the March quarter made a profit of £1,453,207, but under the present scheme the profit would have amounted to £4,989,000, and the wages would have been reduced from £38,377,000 to £33,388,000.

The Problem of China.—Although the recovery of certain securities connected with China this week reflected the hope that the trouble in China was dying down, it is not possible as yet to take a cheerful view of the outlook. At Hong Kong, to which the troubles spread, strikes are assuming more alarming proportions, and recent reports show that the conflict at Shameen was more serious than at first appeared. Moreover, even though there may be some improvement in regard to the course of actual disturbances in some of the centres affected, the way of approach to a solution of the broad problem of the relations of China with the Powers does not become clearer. Mr Chamberlain read to the House of Commons on

Wednesday the text of 13 demands made by the Chinese Government, and in answer to questions stated that "any discussion of these large issues is impossible until the Chinese Government have taken steps to put an end to the present anti-foreign agitations, and have shown their ability to enforce law and order and respect for the treaty rights of the Powers." Doubt as to the ability of the Chinese Government in this respect is one of the most difficult points in the situation. Mr Chamberlain went on to say: "As soon as this anti-foreign agitation ceases, and as soon as foreign property and the life of nationals are safe, I hope that the Conference contemplated by Washington will take place." Rumour has been busy crediting the American Government with the intention of renouncing all extra-territorial rights, but it is now clear that they will proceed with caution in regard to the whole problem. But for the moment the agitations and disturbances continue, and until they cease it is difficult to approach the very intricate questions of international policy. Meanwhile, we commend to the study of our readers a Blue Book* issued this week containing "Papers Respecting Labour Conditions in China," and to a statement issued by the China Association. Perusal of these will provide a groundwork of knowledge as to the main elements in the chaotic condition of China and of the part played by the foreign settlements.

The United Kingdom's Growing Tariff.—Though Ministers may protest their innocence of any design to burden this country with a general tariff, the serenely impartial columns (six of them in the current issue) of the *Board of Trade Journal* bear evidence of the results of one session's labours. Our official contemporary sets forth the Customs and Excise Tariff Changes brought about by the Finance Act of 1925. It deals with no more than motor-cars and other "McKenna" imports, silk and artificial silk, lace, and embroidery—together with incidental Empire preference duties on sugar, tobacco, dried fruits, and the like—and yet the details of Customs, Excise, and drawbacks put into force by one Finance Act occupy three pages of the size of those of the *Economist*. There is no word, because no changes were made, of those Customs duties on key industry imports (some 7,000 of them) under Part I. of the Safeguarding of Industry Act, and no word of the severely regulated imports of dyestuffs. The whole series of British tariffs imposed upon us since the war ended, set forth in detail, would occupy nearer 20 pages than three, and the end is not yet. We have little doubt that should the present Government remain in office for four years, it will find means, in spite of protestations by Mr Baldwin and Mr Churchill, to supply the *Economist* with ample material for a special Tariff Supplement for the United Kingdom.

American Cotton Crop.—Our Manchester correspondent writes:—On Thursday evening the Department of Agriculture of the United States Government published important statistics relating to the cotton crop for the season 1925-26. All the figures were much better than expected. The condition of the growth as on June 25th was given as 75.9 per cent., against 76.6 per cent. a month earlier, and 71.2 per cent. in June, 1924. The estimate of the area under cultivation was 46,448,000 acres, against the revised acreage for 1924 of 42,641,000 acres. On the basis of these figures the crop is estimated at 14,339,000 bales, against 13,630,000 bales for the current season. It is worth recording that these official statistics are much more favourable as to future supplies than recent reports of private statisticians. Operations in the cotton markets in the United States during the last few weeks have conducted a "bull" campaign, but cotton users in Lancashire have refused to follow the upward movement in values. In the circumstances the attitude of Lancashire has been correct, and there is again ground for believing that growers of cotton have endeavoured to mislead the world as to the probable output.

The Age of the Unemployed.—The sharp rise in the unemployment figures in recent weeks is sufficient to drive home the lesson that the burden of maintaining a consider-

able army of unemployed people will remain on our shoulders for a long time to come. It is, therefore, all the more important that we should obtain exact information as to the nature of the burden we are carrying. Especially do we need to know to what extent the people unemployed at present are in danger of becoming permanently and intrinsically unemployable, and in what proportion they fall within the different age groups into which a working life can conveniently be divided. The Ministry of Labour has just undertaken an investigation into these and other problems, and has published the results ("Report on an Investigation into the Personal Circumstances and Industrial History of 10,903 Claimants to Unemployment Benefit," H.M. Stationery Office, 4s net). The cases were selected on a plan designed to make the results as representative as possible. The figures compiled show that 62.6 per cent. of the men and 77.3 per cent. of the women were people who in normal times would usually be in steady employment. Only 3.6 per cent. of the men and 1.5 per cent. of the women were classified as "verging on the unemployable." Moreover, over two-thirds of the men and nearly half of the women who were placed in the latter category were more than 60 years of age. This last fact suggests that to some extent the Unemployment Insurance Fund is carrying a burden which might more legitimately be thrown upon an Old Age Pension scheme, and it is likely to continue to do so so long as the Old Age Pension is a considerably smaller sum than the weekly unemployment benefit obtainable, and can only be secured at a very late stage in life. A disquieting feature of the results is the unduly large proportion of claimants to benefit who are between 20 and 24 years of age. The number below that age is low, but, unfortunately, the figures in the case of juveniles cannot be regarded as a fair measure of the number of boys and girls out of work, for many of these have not had the opportunity of obtaining insured employment for long enough a period to substantiate a claim to benefit. In the age-group 20-24 the number of claimants is high in comparison with those for the age-groups immediately succeeding it, and high also in comparison with the relative number of employed people shown by the Census of 1921 to belong to that group. Thus out of 8,850 males whose cases were examined, 1,379 fall within this age group, as against 1,093 for the age group 25-29 and 810 for the group 30-34. The comparative percentages show a figure of 15.6 of unemployed males within this group, as against a percentage of 12.5 employed males disclosed by the Census. It is worth noting, however, that a comparison of the figures compiled during this inquiry with those of a similar investigation undertaken a year earlier suggests that the proportion of younger men unemployed is declining, while that of old men is increasing.

Irish Railway Problems.—Our Dublin correspondent writes:—The position of the Irish railways and the serious hardships threatening Irish railway shareholders are engaging public attention. The Irish railways, compulsorily amalgamated under the title of the Great Southern Railways Company, comprise all the railways serving the Irish Free State except the Great Northern Railway Company of Ireland which operates partly in the Free State, but also very largely in Northern Ireland. The policy which prescribed amalgamation established (by the Irish Railways Act, 1924) a Railway Tribunal with wide and varied powers. This tribunal, at the instance of the Minister of Industry and Commerce, decreed a lowering of rates and fares of some 12½ per cent. all round as from January 1, 1925, in spite of the companies' protests that the result would be disastrous to their revenue account. Doubtless the Government policy of a simplified, improved, and cheapened administration, accompanied by cheaper transport rates, is absolutely justified on the long view. Equally without doubt is it that the warnings of the companies were well warranted and that heavy losses are being made on revenue account. Failure of dividends is regarded as inevitable if no succour from fortune—or the Government—is brought in aid of lop-sided balance-sheets. Such failure—apart from usual consequences on market values of stock—would bring into operation a provision of the Trustee Acts whereby

automatically the preference stocks would cease to be trustee investments. There is close upon £9,000,000—of preference stock of different denominations issued by the Great Southern Railways. There has been a rapid and continuous decline in the Stock Exchange quotations of Irish railway stocks and shares, and there is an obvious risk of its being rapidly accentuated. To give a brief illustration. Great Southern and Western 4 per cent. debentures amounting to some four millions were quoted in July, 1924, at 70½, yielding £5 14s per cent. to the investor. In May, 1925, the 4 per cent. debenture stock, into which they had been converted, stood at 60, and returned £6 13s 3d. Similarly the ordinary, nearly five and a half millions, stood in July, 1924, at 45½, yielding £6 13s, but in May, 1925, were quoted at 24½, with yield problematical; and to-day are at 21. The railway directorate, preoccupied with its difficulties and interested in its struggle to get wage rates and labour conditions moderated to workable standards, is telling the public that it is losing from £10,000 to £15,000 per week, compared with previous results. It does not, however, inform the public or its shareholders of the mitigating fact that its economies due to amalgamation are likely to amount to some £400,000 for the first year. The weaker shareholders, the widows and orphans represented by trustees, and the beneficiaries of Irish charities of all sorts, are, therefore, in a fair way to be hard hit if steps are not taken straightway to steady the market and ease the railway enterprise through its crisis. It is widely and strongly felt that the Government must come to the rescue. It has imposed its policy on the railways in the public interest, and it is but equitable that it should contribute to its cost. A serious *débâcle* for the most heavily capitalised enterprise in the Free State, apart from social and political reactions, would have a most serious effect upon public confidence and the national credit—consequences even more unfavourable in the long run than the more obvious set-back to the economic development at which the Government aims. It is using, or about to use, its moneys or its credit to start great enterprises, public utilities like the Shannon electrification scheme, arterial drainage, a sugar beet industry, industrial credit facilities, and the like. Thus logically it will be constrained to move at some stage. The more experienced observers who realise how great the tension has become are hoping that the relief will not be long delayed. The total capital issues of the Great Southern Railways exceed twenty-five millions sterling.

Swiss Trade and Tariffs.—A Geneva correspondent writes:—Some anxiety is felt in certain Swiss commercial circles as to the future of Swiss trade and industry, and some people even fear that a new economic crisis is close at hand. Last year Swiss exports increased. They left, it is true, an important adverse balance, but the latter was made good by the increasing receipts from the tourist industry, from the export of electric power, and from the foreign earnings of the banks and insurance companies. Moreover, the disappearance of unemployment and the activity shown by all industries was a sign that conditions in Switzerland had become normal again. But since the beginning of 1925 conditions seem to have changed. While the value of exports has gradually decreased since the end of January, the import trade has slackened, and consequently an important drop was registered in the Customs receipts; at the same time, the earnings of the Swiss Federal Railways fell as a result of a decrease in the transport of goods. Exports in April were even lower than in the previous months, the watch-making, condensed milk, chocolate and shoe industry alone recording new progress. Some economists pretend that this depression is due to the fall of the French franc; others say that it is a result of German competition, which is every month becoming more dangerous for Swiss manufacturers. These two causes may partly account for the present depression. But there is the further fact that the present depression. But there is the further fact that many countries have set up new Customs barriers: France is revising her Customs tariff; Germany is about to raise her Customs duties; Norway and Sweden have introduced new duties, and all the new tariffs are increasing the duties on articles of luxury, most of which came from

Switzerland. Great Britain is, moreover, reintroducing the McKenna duties, which will seriously hit the Swiss watchmaking, silk, lace and embroidery industries. When one has in mind that Great Britain, the United States (who increased Customs duties some years ago), France and Germany are the best markets for Swiss goods, and that over one-half of Swiss exports go to these four countries, one cannot help feeling concerned regarding the economic future of Switzerland. Even before the new Customs barriers existed, Swiss trade and industry found it very difficult to compete with other countries. This is a consequence of the economic policy pursued by the Swiss Federal Government, whose protectionist measures are in the long run harming trade and industry instead of helping them. When, after the war, Switzerland began to be swamped with cheap goods imported from countries with a depressed currency, the Swiss industrialists themselves requested the Government to protect them against foreign competition. The Government not only increased the Customs duties, but also prohibited or controlled the import of several products. When the Government found that the new measures were very productive, and might help towards the financial restoration of the country, it made them permanent, and again increased the Customs duties, so that foreign competition is now as little dangerous as possible. But, on the other hand, this increase in Customs duties resulted in a rise in the cost of living (which is now the highest in Europe) and in the price of raw materials; salaries had to be raised or maintained at a very high level, so that the production price of Swiss goods rose accordingly. At the same time, many countries made reprisals on Switzerland by raising their Customs duties or by prohibiting the import of certain Swiss goods. The result was that when the post-war crisis came, Swiss industrial exports were hampered, and industrialists asked the Government to grant them subsidies, which enabled them to carry on and to give a certain impetus to exportation. The present situation is very similar to what it was three or four years ago: higher Customs duties in many countries and the high value of Swiss currency are seriously impeding the development of trade; moreover, Swiss industry is handicapped by the high cost of production, by heavy taxation, and high costs of transport; this accounts for the fact that Swiss products are generally more expensive than others, and that it is now every day more difficult to sell luxury articles such as Switzerland is producing. The only means of helping Swiss commerce and of averting the impending crisis would be for the Government to reconsider at once and thoroughly its economic policy, so as to lessen the difficulties under which Swiss industries are labouring. Instead of revising its Customs tariff with a view to increasing duties by 40, 50, and even 80 per cent., the Government should be bold and wise enough to reduce it so as to bring down the cost of raw materials as well as the cost of living, to reduce the transport taxes on the Federal Railways—which are among the highest in Europe—to reduce taxation, which measures would rapidly result in a drop of the production cost, so that the situation of Swiss trade and industry would be much easier, and that Swiss goods might be sold abroad at a reasonable price. But will the high officials of the Trade Department and Customs understand the urgent necessity of altering their policy? Probably not.

Conditions in Peru.—A correspondent writes:—The powers of economic recuperation displayed by Peru upon many previous occasions have again been noticed in regard to the at least partial recovery from the long period of acute depression caused by both normal and abnormal occurrences. The great drawback to the reinstatement of the State's chief industry—mining—has been the throwing out of gear of two of the most important railway transport systems. Late advices show that communications on the Central Railway have been resumed, not, indeed, to full capacity, but sufficiently to allow of regular communication with the interior. The Cerro de Pasco region has been partially reopened, and is again in a physical position to permit of copper shipments. In respect of the commercial situation, while there has been an abnormal number of bankruptcies (mostly for

small amounts), collections have proved somewhat better than might have been expected. The feeling in business circles is one of guarded optimism; for although the recent rains have caused enormous material damage, they have also proved beneficial to the crops in some parts of the country. It cannot be expected that Peru for several months to come will be in a position to place foreign orders for general merchandise. Before the months of enforced inactivity a very large accumulation of imported goods took place; until these are disposed of no fresh commitments are likely to be incurred. As in other parts of Latin America, and especially the Caribbean, there is likely to be a glut of sugar, and Peruvian exports will not be upon the same satisfactory scale as last year or the year before. Trading in cotton is also inactive, although the crop, such as has been gathered, has proved of a rather superior character and is realising favourable prices. Several planters have had occasion to deplore the increase in insect pests, doubtless caused by the rains, these also rendering the ground too sodden to enable the necessary attention to be given to the plants. The Peruvian Treasury is maintaining its gold reserve, amounting (at the end of April) to £5,500,000, while the circulation reached £6,000,000 and bank clearings were £5,200,000. The exchange has fluctuated but slightly between 17 and 17½ premium. For the first two months of the year the foreign commerce of the country showed a decrease of £441,365, having declined for the period mentioned from £6,616,382 to £6,174,747.

Cotton Trade Short Time.—Our Manchester correspondent writes:—As a result of a ballot, the members of the Master Cotton Spinners' Federation who use American cotton have decided to stop their mills 8½ hours per week, which is equal to one day. It was announced on Tuesday last after a meeting of the Short-Time Organisation Committee that the owners of 84.74 per cent. of the spindles in this section had voted in favour of the proposal and 8.7 per cent. against, no replies being received from 6.39 per cent. Up to the end of May spinners stopped their mills 13 hours per week. The members of the Federation then declined to give an undertaking to continue short-time on such a scale. It was, therefore, decided that the views of the members should be ascertained as to their attitude towards a restriction of output of 8½ hours per week. The position so far as production, therefore, is concerned is not changed. It has been realised for several weeks that the Short-Time movement had become very irregular, and numerous firms have decided to make their own arrangements as to yarn output. In consequence of this action, the industry has lost considerable ground during the last few weeks. Trade in this section is again unprofitable, whereas at the beginning of the year a remunerative state of affairs prevailed. About 400 mills in Lancashire, containing 38,000,000 spindles, are affected by to-day's decision, and the operatives involved number about 200,000. On the Manchester Royal Exchange this week the opinion has been generally expressed that the stoppage of one day per week is not sufficient to prevent the over-production of American yarn. From a producer's point of view the present position is very unsatisfactory, and it is urged in several quarters that the Committee of the Federation should at once ascertain the views of the members as to reverting to a stoppage of 13 hours per week, which is equal to one and a-half days. Leading authorities in the industry are of opinion that trade at present does not warrant a larger output than four days per week.

Helping Irish Farmers.—A correspondent writes:—The Government of Northern Ireland has introduced a scheme of short-term loans at a low rate of interest to assist bona-fide farmers who, owing to the recent unfavourable season, have suffered losses of livestock. It has been arranged that these loans will be issued through the agency of the various banks in Ulster. The loans will be issued on promissory notes taken from the borrower and two sureties approved by the Ministry of Agriculture. The Government does not propose to approve loans for purposes other than the replacement of actual livestock

losses, and all loans will be repayable on December 31st next. However, in special cases an extension of this date may be granted by the Ministry.

An Eighteenth Century Danzig Loan.—A correspondent writes:—Among the few dozen securities on a London stock market list from the middle of the eighteenth century, which came recently into the hands of the writer, there appears the quotation of a City of Danzig 5 per cent. loan. To experts in eighteenth-century finance this loan may be familiar, but to others it is a surprise to find that the Danzig loan recently issued under the auspices of the League of Nations was not the first connection of this kind between the Free City and the London market. Further inquiry here yielding no information as to the history of this earlier loan, application was made to Danzig itself, and it may be of some interest to report what little light the Danzig archives throw on this transaction. In the middle of the eighteenth century, Danzig, which was at that time a Free City under the protection of the Kings of Poland, was hard put to raise funds promised as a gift to the King in settlement of some dispute concerning the internal administration of the city. Already some years earlier Danzig had had resource to foreign lenders, when in 1736, after the siege of the city by the Russians, it had succeeded, through the mediation of the firm of George Clifford and Sons, of Amsterdam, in securing in Holland what was then the large sum of 1½ million Prussian gulden (£180,000). At the end of 1751, therefore, Danzig made another appeal to the States-General of Holland through the same firm of George Clifford and Sons, but this time the Dutch Government, in spite of repeated applications over a period of nearly two years, refused its support. At last, on July 18, 1753, a letter was sent from the Danzig Council to Clifford and Sons thanking them for their efforts, and saying that the transaction had been arranged elsewhere. This new source of supply was London. Unfortunately, the negotiations which led up to the English loan were kept so strictly secret that no entries were made on the official records, as was done in the case of the Dutch transactions. We learn only that the negotiations were long and difficult, that they were carried out by a secret commission, and that they were finally concluded in 1753 for an amount of 1½ million Prussian gulden (£180,000) at 5 per cent. interest. Repayment was to commence in 1760, and to be completed by 1770. Continued reference in the Danzig archives, however, would suggest that these terms were considered unduly onerous, and every effort was made to accelerate repayment, so that by the year 1766 reimbursement was completely carried out. It was fortunate for the English creditors that this was done, as shortly afterwards began that campaign by Frederick the Great of cajolery and oppression against Danzig, which resulted ultimately in the annexation of the Free City by Prussia. It is irritating that the story of this earlier loan is so incomplete. Who were the negotiators on this side, and what was their connection with the Free City? What was the actual form of the issue in London? Perhaps some reader of this note may be able to supply the answer.

The Public Trustee.—The report of the Public Trustee for the year ended March 31st last* shows a surplus on the year's working of £38,000, which compares with £30,900 for 1923-24 and £74,500 for 1922-23. Fees and credits amounted to £281,800 and expenses to £243,800, the latter comparing with £245,000 for the preceding year. The aggregate value of new business, including accretions to old trusts, during the year was £16,176,600, as compared with £15,463,100 in the previous year. The number of new cases accepted during the year was 926, a drop of 87 as compared with 1923-24. The approximate value of the cases under administration at the end of the year was £181,500,000, in addition to large quantities of land which have not been valued. In answer to the criticism that the Public Trustee discourages trusts of small value, the Report mentions that of the new cases accepted during the year no less than 62

* H.M. Stationery Office. 9d. net.

per cent. were under £5,000 in value. "The criticism," it is added, "probably arises from the fact that the Public Trustee is sometimes asked to accept, and compelled to refuse, small cases which present complications or involve liabilities, and therefore do not admit of efficient or safe administration by the Public Trustee or any other trustee." The nominal value of the stocks and shares of the trust funds under administration at the end of the year was £161,358,500, of which £55 millions was in British Funds, £22½ millions in home railways, £19½ millions in Colonial Government and Colonial and foreign corporation stocks, and £15 millions in commercial and industrial shares. The remark in the report that "the prospects of new business continue good" may appear somewhat callous, but is good reading for the taxpayer.

The Bank Dividends.—The first batch of banking interim dividends which has been announced this week shows no change as compared with the first half of last year, as will be seen from the table below, which shows the interim dividends year by year from 1918:—

	Per Cent. per Annum.									
	1918	1919	1920	1921	1922	1923	1924	1925		
Bank of Liverpool and Martin's	16	16	16	16	16	16	16	16	16	16
Barclays Bank "B" shares	20	20	14	14	14	14	14	14	14	14
Lancashire and Yorkshire	16	16	16	16	19	19	20	20	20	20
Lloyds	18½	18½	16½	16½	16½	16½	16½	16½	16½	16½
Midland Bank	18	18	18	18	18	18	18	18	18	18
Westminster Bank	20	20	20	20	20	20	20	20	20	20
Manchester and County	15	15	15	15	15	15	16½	16½	16½	16½
District Bank	17½	17½	18½	18½	18½	18½	18½	18½	18½	18½
National Provincial Bank	16	16	16	16	16	16	16	16	16	16
Williams, Deacon's	14	12½	12½	12½	12½	13½	13½	13½	13½	13½
Alexanders Discount	12	13	14	15	15	15	15	15	15	15
National Discount "A"	11½	12½	12½	12½	12½	12½	10	10	10	10
Do "B"	11	11	11	11	11	11	18	18	18	18
Union Discount	13	14	14	14	15	15	15	15	15	15

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

Pessimistic predictions of reductions in the interim rates of dividend have so far been falsified, and there seems to be no reason to anticipate any alteration in the remaining announcements, although the monetary history of the half-year has been by no means uneventful.

Distillers' Profits.—Considerable expansion occurred in the earnings of the Distillers Company in the year ended May 15th last. The gross profits advanced from £906,744 to £1,403,783, making, with the sum of £119,529 brought forward from the last accounts, a surplus of £1,523,312. The reserve appropriation has been reduced from £211,420 to £200,000, making the total of the fund £450,000; the fire insurance fund again receives £5,000, bringing it up to £160,000, while the superannuation fund is strengthened by £75,000, compared with £25,000. The acquisition during the year of the capital of Buchanan, Dewar and John Walker has resulted in the receipt of £593,610 on account of final dividends. One-third of the capital expenditure of carrying through the Buchanan, Dewar and Walker deal—namely, £100,000—has been written off, and the ordinary shareholders receive a final dividend of 13½ per cent., making 20 per cent. for the year, against 10 per cent. for 1923. The following table shows the remarkable progress made by the undertaking over a period of years:—

	YEAR ENDED MAY 15th.						
	1914.	1920.	1921.	1922.	1923.	1924.	1925.
Gross profits	£ 310,993	£ 669,464	£ 597,582	£ 642,337	£ 815,100	£ 906,744	£ 1,403,783
Brought forward	19,223	70,435	100,526	108,994	108,994	107,546	119,529
Income-tax, &c.	330,216	739,899	698,108	751,331	913,870	1,014,290	1,523,312
Debiture interest	28,733	140,862	155,099	157,071	165,331	198,839	198,597
Reserve and dep.	36,409	27,090	27,090	27,302	29,132	29,991	30,098
	100,550	265,000	105,000	165,000	235,000	241,420	280,000
Balance	164,524	316,947	410,919	401,958	484,407	549,040	1,014,617
Preference div.	13,498	11,432	11,432	11,521	12,293	12,583	102,663
Ordinary div.	130,000	204,989	290,493	291,667	364,586	366,327	1,288,978
	(10 %)	(10 %)	(10 %)	(10 %)	(10 %)	(10 %)	(20 %)
Carried forward	21,025	100,526	108,994	98,770	107,546	119,531	116,585

Two old-established gin businesses—Boord and Son, Limited, and Sir Robert Burnett and Co., Limited—were taken over during the year. From our analysis of the balance-sheet figures, which appears on another page, it will be seen that land and buildings have been written down by £89,000 to £1,049,000, while plant has been reduced by £37,500 to £416,500. Investments are up by £75,979 to £4,127,635, and cash has advanced by £278,736 to £378,211, although bills receivable are lower by £89,923 at £214,342. Loans to subsidiary companies figure for £613,807 more at £3,257,437, and a new item of £300,000 is introduced in respect of payments and provision for expenses in connection with increase of capital. On the other side of the accounts the issued ordinary capital has gone up by £115,000 to £3,800,000, and the preference capital by £50,000 to £2,200,000, the result of the acquisition of the gin businesses above mentioned. Loans from subsidiary companies are £65,104 higher at £1,080,284, carriage on spirits has risen from £125,857 to £779,407, and the total of assets has gone up from £9,209,371 to £10,354,725.

Tankers' Capital Reorganisation.—So far as results for the year ended March 31st last are concerned, shareholders in Tankers, Limited, will note with satisfaction a gratifying increase in profits. The directors state that the fleet has been occupied during the whole of the year, with the result that the trading profit advanced from £54,882 to £93,543. After paying the interest on mortgages in favour of the builders, which absorbs £57,303, against £51,059, there remains a net profit of £36,240, against £3,823, which is carried to profit and loss, making the total standing to the credit of that account £102,850. It is proposed to transfer a proportion of this balance to the extent of £60,398 to form the nucleus of a repairs and renewals reserve account, the remainder of £42,452 being applied to the reduction of the value of the assets. The latter operation has been long overdue, and the auditors, while drawing attention to the fact that no allowance has been made for depreciation, again point out that the aggregate value of investments "is considerably less than the figures appearing in the balance-sheet," namely, £1,031,840. Since the close of the financial year, the report states, freights have suffered a substantial reduction, and the directors "can only hope that in the course of the year an improvement will take place." In the meantime a drastic reorganisation of the capital is proposed, a decision which will come as no surprise to those who have followed the fortunes of the undertaking since its formation five years ago. Briefly, the scheme provides for the reduction of the capital from £5,000,000 to £1,750,000. This will be effected by writing down the nominal value of the 8 per cent. preference shares from £1 to 10s, and reducing the ordinary shares from 5s to 1s. In addition, the cumulative preference dividend is to be cut to 6 per cent., while arrears of dividend, as from March 31, 1921, will also be waived, although the participating rights up to 15 per cent. will remain unaltered. Should the scheme go through, the company will have available £1,740,071, which it will apply towards writing down the fleet, &c., while the capital will then be increased to its original figure of £5,000,000 by the creation of 2,500,000 cumulative participating preference shares of 10s each, and 40,000,000 ordinary shares of 1s each. In the report it is stated that the reduction of the 1,565,000 preference shares from £1 to 10s will write them down to £752,500. As a matter of fact, the figure should have been £782,500. The shareholders have a bitter pill to swallow, but it is in their own interests that the plan should

become operative. In commenting upon the prospectus when it made its appearance in February, 1920, we remarked, "The first point which the intending investor must ask himself is, what is the necessity for a separate company? If the profits of this undertaking prove high, grumbles might arise from shareholders in the Scottish-American Oil and Transport Co., Limited; if, on the other hand, freights fell, and the company by any chance got into difficulties, the parent undertaking could step in and acquire the assets at the market price of the day..... The right to convert into Scottish-American shares, of course, may be valuable, but the right only extends until 1923, while the acid test of Tankers' future profits will come thereafter."

Spiers and Pond.—The results of this old-established catering firm in respect of the year ended March 31st last were not materially different to those of the preceding 12 months, although a slight decline in profits falls to be recorded. The profit on trading amounted to £147,341, against £148,614, and net profits to £108,950, in contrast with £113,592. The following table shows how the undertaking has fared since 1919:—

	1919-20.	1920-21.	1921-22.	1922-23.	1923-24.	1924-25.
Profit	£ 151,365	£ 136,072	£ 145,748	£ 155,901	£ 148,614	£ 147,341
Deb. int., &c.	26,419	31,209	41,590	36,126	35,022	38,391
Net profit	124,946	104,863	104,158	119,774	113,592	108,950
Bright forward	15,355	15,652	22,531	13,114	12,651	13,516
Reserve, &c. ..	40,301	120,515	126,689	132,888	126,243	122,466
Directors	43,000	22,000	22,000	22,000	17,000	17,000
Dividend	5,000	5,000	5,000	5,000	5,000	5,000
	76,649	70,984	86,575	86,540	86,544	86,549
	(12½%)	(12½%)	(12½%)	(12½%)	(12½%)	(12½%)
Carried forward	15,652	22,531	13,114	19,348	17,699	13,517

The reserve once more receives an allocation of £15,000, making the total of the fund £150,000. Stocks have gone up by £15,606 to £90,013, while properties are £11,667 higher at £1,026,726. On the other hand, cash has declined by £20,460 to £66,332. From our analysis of the balance-sheet figures, which will be found on another page, it will be seen that freehold and leasehold properties account for £1,026,726 out of a balance-sheet total of £1,651,292. In view of the progress which is being made by other catering undertakings, it is to be hoped that the directors will maintain their organisation at the utmost height of efficiency.

Profits and Income Insurance Company.—The Profits and Income Insurance Company, in liquidation, is one of those insurance offices which has existed quietly for a good many years, and which, but for one or two features, would have silently faded away, as have so many other such insurance offices whose names the wide public has never heard. Among insurance offices there are a small number of companies whose names are household words, and which do the vast bulk of the serious business; the numerous others are local, trade, or specialist concerns, whose birth or death passes unnoticed except by the Companies Department of the Board of Trade. At the date of going into liquidation the Profits and Income Company had a certain small amount of life assurance business, but its speciality was the assurance of the income of policyholders during personal incapacity through sickness or accident. This involved the issue of permanent sickness and accident policies—instead of the usual accident or sickness contracts terminable or renewable annually—and these policies are not at all easy to deal with in liquidation. An arrangement with the Legal and General Assurance Society, under which certain policies were guaranteed, came to an end on July 1, 1911, but is in force in respect of the contracts made before that date to which the guarantee applies. It is announced that the Legal and General proposes through the Official Receiver to take over the policies guaranteed by it, to receive future premiums paid under them, and to accept by assignment the rights of the policyholders concerned in the winding-up of the Profits and Income's assets.

Under this arrangement these pre-July, 1911, policyholders will be fully protected. With respect to life policyholders, the British General Insurance Company, a twenty-one-year-old office which is making a position for itself, and which has already come to the rescue of life policyholders in some other liquidated offices, has made a useful offer to policyholders. The British General will issue new life policies to each holder without further medical examination at the same premium and on the same conditions as the Profits and Income's policies, "except that where a policy has been several years in force some reduction in the sum assured will be necessary." Under this offer the scaled-down sums assured will be minimum amounts, and any dividends received by the British General from the liquidator will be utilised, without deduction, to increase the sums assured under the new policies. The terms offered are, of course, subject to scrutiny by the Official Receiver and his advisers, and if passed by him cannot fail to be of benefit to the unfortunate life policyholders in the Profit and Income Company. The sickness and accident contracts will remain to be dealt with on their individual merits. The liquidation of this Profits and Income Company will, no doubt, be considered together with the other recent cases of insurance liquidations, by the Departmental Committee which is examining the working of the Assurance Companies Act, 1909.

Caucasian Manganese Concession.—A correspondent writes:—The reports of the agreement between the Soviet Government and the Harriman group having been completed in connection with the Chiatura manganese mines would appear to have been somewhat premature. There is, however, no doubt that a preliminary arrangement has been come to, and a meeting has been fixed for July 17th next between the parties interested. On that date, if all goes well, there will be a definite settlement of the whole thing, and well-informed London opinion favours the view that a plan will be formulated that will gain the approval of the former owners of the mines. This, of course, is a very important matter, as, obviously, the latter are looking for some compensation. According to present indications, they will be fairly treated. It is understood that should all parties come to terms at the forthcoming meeting, a company will be formed under the control of the Harriman group, and every effort will be made to put the industry upon a satisfactory footing. The Harriman group are practically committed to a policy that will embrace a very big exportation for 20 years, and under the new arrangements for the disposal of the output of the mines there should be no interruption, and the market will practically remain free. Ordinary Caucasian ore is now quoted at 1s 9d per unit, with 1s 10d for washed ore, and this compares with 1s 10d for Indian. Several steamers have been chartered already for manganese ore from Poti to the Northern States ports, and there are further inquiries for July loading round about 3.25 dollars, so presumably the exports will go ahead. With any improvement in the world demand for iron and steel, manganese ore will be wanted, especially in the United States and in Germany.

Aramayo.—Our mining correspondent writes:—Of the various companies mining tin and associated metals in Bolivia, only one is at all well known in London, and even this concern transferred its offices to Switzerland some time ago for the purpose of evading the oppressive taxation prevalent in this unfortunate country. The undertaking in question is the one now known as the Compagnie Aramayo de Mines en Bolivie. For the past year it is able to report the substantially increased profit of 5,762,200f (Swiss), as against 4,798,700f in respect of 1923. The capital upon which disbursements now have to be paid is considerably larger than before, having been increased from 15,000,000f to 21,000,000f by the issue of bonus shares made last November. On account of 1924 dividends aggregating 21 per cent. have been paid, and the directors recommend a bonus of 10 per cent., which will bring the total on the

increased capital up to 31 per cent., as against 35 per cent. for 1923. The balance forward at 5,524,000f is rather less than half that brought in, but the difference is, of course, virtually explained by the bonus share issue above referred to. Moreover, the exchange account balance of 651,300f has been written off. On account of the current financial year two dividends of 5 per cent. each have been disbursed, and a third payment of like amount is to be made in August. As usual, the report contains no more than a brief summary of the financial results, and of the property, details as to the operations being left for the chairman to present at the annual meeting. It would, however, be useful if at any rate particulars of the year's output were to be included in the annual reports.

Taquah and Abosso.—We have frequently referred to the manner in which mining companies operating in West Africa are handicapped by the shortage of labour. In his report for 1924-25, the manager of this consolidated undertaking again refers to the subject. He anticipates that there will be an improvement, but adds that "it is not easy to forecast the future." Somewhat curiously, last year's operations gave a profit almost identical with that secured in the 12 months ended March, 1924—round about £35,000. Not unnaturally, the dividend for both periods is at the same rate, the balance distribution of 7½ per cent. now announced making a total of 12½ per cent., as before. A credit of £10,700, however, remains to be carried forward, as against £4,800 brought in. The ore reserve

THE REVENUE.

I.—An ACCOUNT of the TOTAL REVENUE of the UNITED KINGDOM in the undermentioned period of the Year ending March 31, 1926, as compared with the corresponding period of the preceding Year.

	Quarter from April 1 to June 30, 1925, compared with the corresponding Quarter of the preceding Year.			
	Quarter ending June 30, 1925.	Quarter ending June 30, 1924.	Increase.	Decrease.
Customs	£ 24,181,000	£ 24,860,000	..	679,000
Excise	29,527,000	30,280,000	..	753,000
Motor Vehicle Duties	2,833,000	2,396,000	437,000	..
Estate, &c., Duties	15,450,000	16,900,000	..	1,450,000
Stamps	4,490,000	3,980,000	510,000	..
Land Tax, House Duty, and Mineral Rights Duty	140,000	550,000	..	410,000
Property and Income Tax	40,148,000	44,540,000	..	4,392,000
Super Tax	18,670,000	17,170,000	1,500,000	..
Excess Profits Duties, &c.	3,320,000	4,680,000	..	1,360,000
Corporation Profits Tax	7,350,000	7,000,000	350,000	..
Postal Service	1,300,000	1,350,000	..	50,000
Telegraph Service	3,800,000	3,850,000	..	50,000
Telephone Service	220,000	270,000	..	50,000
Crown Lands	3,791,703	4,010,745	..	219,042
Interest on Sundry Loans	..	..	..	..
Miscellaneous—	..	..	..	..
Ordinary Receipts	2,836,459	3,256,654	..	870,195
Special Receipts	11,579,948	11,137,998	441,950	..
	169,187,110	176,231,397	3,238,950	10,283,237
			Net Decrease, £7,044,287	

II.—An ACCOUNT showing the RECEIPTS into and ISSUES out of the EXCHEQUER in the Quarter ending June 30, 1925, as compared with the corresponding period of the preceding Year.

RECEIPTS.	Quarter ending June 30, 1925.		ISSUES.	Quarter ending June 30, 1925.	
	£	£		£	£
Balances in Exchequer on April 1—			Expenditure—		
Bank of England	5,341,778	5,069,613	National Debt Services—		
Bank of Ireland	1,215,322	1,562,001	Interest, &c.	116,228,737	118,522,045
	6,557,100	6,631,614	Sinking Fund	12,268,591	7,488,530
Revenue, as shown in Account I.	169,187,110	176,231,397	Road Fund	2,040,044	1,796,044
Temporary Advances Repaid—			Payments to Local Taxation Accounts, &c.	870,080	660,000
Under the Unemployment Insurance Acts, 1921	250,000	3,320,000	Payments to Northern Ireland Exchequer ..	1,074,194	1,048,863
Money Raised by Creation of Debt—			Land Settlement	105,242	241,646
(a) For Capital Expenditure Issues—			Other Consolidated Fund Services	624,070	716,336
Under the Telegraph (Money) Acts, 1922 & 1924 ..	3,050,000	2,200,000	Total Consolidated Fund Services	133,208,878	132,461,464
Under the Housing Act, 1914	3,000	1,000	Supply Services—		
Under the West Indian Islands (Telegraph) Act, 1924	11,533	..	Army, Navy, and Air Force	24,550,000	22,500,000
(b) Under the Unemployment Insurance Acts, 1921 ..	920,000	..	Civil Services	50,650,000	51,289,000
(c) For other Issues—			Revenue Departments and Post Office ..	12,050,000	10,840,000
By Treasury Bills	596,472,000	579,997,000	Total Supply Services	87,250,000	84,629,000
By 3½% Conversion Loan	23,079,560	..	Total Expenditure chargeable against Revenue	220,458,878	215,090,464
By National Savings Certificates	10,100,000	6,850,000	Temporary Advances		
By Treasury Bonds, 1925	10	12,427,763	Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 ..	36,891	36,891
By 4 per Cent. Treasury Bonds, 1931-33	..	..	Under the Unemployment Insurance Acts, 1921 ..	920,000	..
	220,735,000	262,491,500	Issues to meet Capital Expenditure—		
Repayments—			Under the Telegraph (Money) Acts, 1922 & 1924 ..	3,050,000	2,200,000
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921	47,652	488,901	Under the Housing Act, 1914	3,000	1,000
			Under the West Indian Islands (Telegraph) Act, 1924	11,533	..
			Unemployment Insurance Acts, 1921—		
			Repayment of Amounts borrowed	250,000	3,320,000
			Redemption of Debt—		
			Treasury Bills	575,610,000	588,320,000
			Principal of National Saving Certificates ..	7,750,000	8,050,000
			Principal of Exchequer Bonds paid off ..	306,667	..
			Principal of National War Bonds paid off ..	3,639,550	..
			Principal of Treasury Bonds paid off	23,645,860	..
			Other Debt under the War Loan Acts, 1914 to 1919	..	50
			Ways and Means Advances Repaid		
			1925	192,385,000	230,430,500
			June 30, 1925.	1,028,067,379	1,047,448,905
			June 30, 1924.	..	..
			Balances in Exchequer—		
			Bank of England	1,976,045	2,078,744
			Bank of Ireland	3,954,111	1,111,526
				2,345,586	3,190,270
	1,030,412,965	1,050,639,175		1,030,412,965	1,050,639,175

MEM.—Floating Debt outstanding March 31, 1925

	£	June 30, 1925.	June 30, 1924.
Ways and Means Advances outstanding—	9,750,000	..	13,250,000
Advances by Bank of England	185,185,000	..	204,966,500
Advances by Public Departments	596,585,000	..	580,085,000
Treasury Bills outstanding	791,520,000	..	798,301,500
Total Floating Debt outstanding	49,325,000	..	..

Net Increase

* Includes £151,000 the proceeds of which were not carried to the Exchequer within the period of the account.

Treasury, June 30, 1925.

position also shows very little change from that of 12 months ago. The total of 529,300 tons indicates a slight falling off, an increase in the tonnage at the Abosso mine being rather more than offset by a reduction at the Taquah. Working costs last year averaged 35s 8d per ton, as against 37s 4d previously. The manager recently paid a visit to South Africa, and as a result hopes to be able to effect improvements, both in the extraction and treatment of the ore, which will beneficially affect results during the current year.

Golden Horseshoe.—Last year's earnings on the part of this once-celebrated West Australian mine exceeded those of 1923; hence the directors have been able to repeat the dividend of 2s per share, tax free, and carry forward an increased balance. Unfortunately for the shareholders, the prospects have become entirely changed by the disappearance of the gold premium. Every month this year so far has shown a loss of round about £2,000. There consequently seems little hope of a distribution on account of 1925. Moreover, the ore reserve position has become materially worse. For some time past, to meet the abnormal conditions, it has been necessary to select material above the average grade. Moreover, the rich ore in the No. 4 lode has become largely depleted, and last year's development generally proved somewhat disappointing. Thus the reserves now figure at 495,100 tons, value 8 dwts, a shrinkage both in quantity and value upon the 1923 figures. The total, however, represents between four and five years' supply. In an appended "memorandum" the managing director, who has lately returned from a visit to the property, emphasises the parlous position of goldmining in Western Australia, and urges the need of the subsidy of 20s per ounce which has been applied for.

The Baltimore and Ohio.—A substantial decrease both in gross revenue, and in operating expenses is shown in the report for 1924 of the Baltimore and Ohio Railroad Company. The ratio of expenses to revenue dropped from 77.98 per cent. to 77.01 per cent., net railway revenue being \$4,704,300 lower at \$51,566,200, as may be seen from the following table:—

	1924.	Inc. or Dec.
Railway operating revenues	224,318,794	.. — 31,275,640
Railway operating expenses	172,752,632	.. — 26,571,329
Net railway revenue	51,566,162	.. — 4,704,311
Other operating charges	13,481,839	.. — 655,506
Net railway operating income	38,084,324	.. — 4,048,805
Gross corporate income	43,741,613	.. — 4,424,036
Net corporate income	16,319,689	.. — 6,102,346

After payment of dividends on the preferred stock there was a balance of \$13,965,200, showing an earning of 9.19 per cent. on the outstanding common stock, as against 13.21 per cent. for 1923. The dividend is maintained at 5 per cent. The report points out that the loss in revenue in 1924, which was due to the general decline in business, was overcome to a considerable extent by operating economies, resulting in the largest net railway income heretofore earned, with the single exception of the year 1923.

Oversea Correspondence.

UNITED STATES.—FEATURES OF THE HALF-YEAR —FAVOURABLE OUTLOOK—MONEY PROSPECTS— TAX REDUCTION.

(FROM OUR CORRESPONDENT.)

NEW YORK, June 24.

WITH the second quarter of the year drawing to a close, reviews are being made of the results of the first six months of 1925, and estimates are being prepared for the second six months. Despite the complaints of unsatisfactory business that have been and are heard in certain districts and certain industries, the results of the first half-year generally are admitted to have been good. Industry

has been active and efficient; trade has held up well; employment and purchasing power have been high; profits have footed up to a very substantial aggregate; and the strong securities markets have reflected a huge investment demand. The country has been prosperous, and has attained this prosperity without anything resembling an inflationary boom. In addition, the effects of record-breaking production during the first quarter of the year have been pretty thoroughly liquidated during the second quarter. Steel production rose well above 90 per cent. of capacity during the first quarter. A similar development during the first quarter of 1924 was followed by a second quarter collapse that carried output down to scarcely more than 40 per cent. of capacity in the summer. This year a liquidating movement that was brought on by the high first quarter production lasted only about six weeks, and left output at nearly 70 per cent. of capacity. One may infer that the stocking up of steel products was smaller this year than last. It also is probable that consumption has held up better this year than in 1924. Altogether, the present situation seems quite a healthy one. The way seems to have been prepared for another general buying movement.

No new strong buying movements are, of course, expected to start at just this time. The quiet summer season hardly would be the time for such a development. Besides, crop prospects still are too uncertain to furnish much support. Neither accurate ideas as to yields, nor trustworthy indications as to prices, can yet be had. The most that can be said on this score is that cotton has made an excellent start, that grain prospects are fair, and that fair prices for these staples are expected to prevail. Aside from the crop situation, however, the outlook is considered distinctly favourable. The monthly bulletin of the National Bank of Commerce, which is given to moderate views, declares, in fact, that all other signs are favourable. It avers that if the crop situation is reasonably good, business during the second half will exceed that during the first half of the year. Such an autumn revival would, in this opinion, harden the money market moderately, and so affect the prices of those securities in which substantial trading interests have been built up. First-class bonds are exempted from this generalisation because of the extraordinary demand for investment securities. The Bank of Commerce is not, however, committed to the idea that a higher money market in the fall is inevitable. On the contrary, it points out that disappointing crops might leave the money market unchanged. In addition, it declares that unless further foreign loans are forthcoming "the gold trend may be reversed, and if the gold should begin to move toward the United States again in considerable amounts, this might nullify the influence of the factors tending toward higher money."

Meanwhile, the money market itself shows no inclination really to harden. The call rate on the Stock Exchange, it is true, has risen from $3\frac{1}{4}$ per cent. to $4\frac{1}{2}$ and 4, but this movement is regarded as nothing but a minor fluctuation of a character to be expected before the turn of the half-year. Meanwhile, it is pointed out that a mild firmness around July 1st normally is followed by marked seasonal ease during the ensuing six weeks. The existing industrial and trade situations are not such as to interfere with this seasonal tendency. With the stock market again at new high levels, there has been some renewed talk of the magnitude of brokers' loans, and of a scarcity of Stock Exchange capital. On the other hand, those who are in a position to judge best regarding such matters say that there is nothing to cause apprehensions in the volume of brokers' borrowings, and that the active business and higher commissions on the Stock Exchange have brought large profits that have attracted plenty of new capital to the brokerage business. In any event, the picture is not one of a huge speculation in stocks threatening to usher in a period of higher money. On the contrary, it would be fairer to say that the surplus of funds is keeping the securities markets steady, but that the public seems little inclined to use the money in large-scale speculative ventures.

Meanwhile, the prophets of relatively easy money, and, for that matter, those of good business, are giving considerable stress to the Administration's fiscal proposals. The President reports that the Government will have a surplus of \$200,000,000 in the fiscal year that is closing.

He estimates that the next fiscal year will produce a surplus of \$290,000,000. Out of this further reductions in the public debt and in taxation will be made. A reduction of \$281,000,000 in the short-term debt, as a result of the Treasury's operations on the June 15th tax date has just been observed. Now it is reported that a tax programme calling for a cut of \$300,000,000 has been prepared, and will be presented to Congress in the autumn. It also is stated that Secretary Mellon and the Chairman of the House Ways and Means Committee have agreed on all the features of the plan with the exception of the repeal of estate taxes. It will be recalled that the inability of these two individuals to agree caused the failure of the Mellon plan last year. Current reports speak of the likelihood of a lifting of the exemption on normal taxes, the raising of the level at which surtaxes become effective, and a cut in the maximum surtax to about 25 per cent. Meanwhile, the accomplishments of the Treasury during the past several years are striking. Since June 30, 1921, the public debt has been reduced from \$23,977,000,000 to \$20,551,000,000. At the same time, Government expenditures, exclusive of those for debt reduction and the postal service, have been reduced from \$5,116,000,000 to \$3,035,000,000. In 1921 interest payments amounted to \$1,000,000,000; this year the charge on that account will be only \$870,000,000. This saving of \$130,000,000 on interest charges is due partly to the reduction in the public debt and partly to the lower interest rates at which it has been possible to refund maturing obligations. The President, however, is not content to rest with such a showing. He is impressing on all department heads the necessity for further "constructive economy."

Last week's break in Italian lire caused much surprise, partly because of the recent credit arrangement and partly because Italian exchange has been relatively stable for some two years. However, it is realised that the credit may have been obtained because the Italian authorities realised that they had large purchases to make in foreign markets, and wished to be able to stop speculators from taking advantage of those necessities. There also is a vague notion that the Italians may have wished, with an eye to the ultimate return to gold payments, to see what level the lira would seek. Meanwhile, French francs have suffered renewed weakness, and our financial people still are waiting for M. Caillaux to show his hand more clearly. Incidentally, it is now well understood that our Government has taken a definite stand in asking our bankers to defer the negotiation of loans for countries whose Governments have not taken satisfactory steps looking to the funding of their debts to the American Government.

FRANCE.—M. CAILLAUX'S PROPOSALS—NOTE ISSUE —NEW LOAN—THE FRANCO.

(FROM OUR CORRESPONDENT.)

PARIS, July 1.

THE manner in which M. Caillaux succeeded in preserving secrecy as to his further financial proposals until so late in the week that it was impossible for them to be utilised for Bourse manipulation until after the week-end, by which time the Bill had been approved by both Chambers and had become law, confirms the belief that the new Finance Minister, in spite of his trying ordeal of a few years ago, remains one of the strongest personalities in French political life. Having first obtained the approval of the Ministerial Council, at a sitting on Friday morning, M. Caillaux formally laid his propositions before the Chamber at noon, in the shape of a definite text. The Chamber met the same afternoon to discuss them, and a special sitting of the Senate was called for the same evening, in the hope that the Upper House would then be in a position to deal with the Bill as approved by the Palais Bourbon. This part of M. Caillaux's lightning programme failed to attain complete success, largely owing to a final effort by the Socialist group to upset the whole scheme unless their capital tax proposal were substituted for the Minister's proposed new bond issue. By dint of a night sitting, which lasted until after 6 a.m., the strenuous Minister triumphantly forced his proposals through, and twelve hours later the Senate's approval was also obtained. On Sunday morning the new measures

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were promulgated in the *Journal Officiel*, and automatically became law. It speaks eloquently for M. Caillaux's tremendous personal energy that, notwithstanding 36 hours of sleepless exertion, during which he attended a Ministerial Council, appeared before the Finance Commissions of both Houses, and piloted the Bill personally through both Chambers, he was able to reach Le Mans on Sunday morning in time to make an important speech and coin a fascinatingly descriptive epigram. "The financial situation," he said, "is better than people say, but much more serious than people think."

The Minister's first proposal, which was to authorise the State to borrow a further 6,000,000,000 from the Bank, with a consequent corresponding increase in the note issue, was not an unexpected one, so far as the principle was concerned. It had been anticipated, however, that the amount asked for would be in the neighbourhood of 4,000,000,000 only. The practical effect is that, although the law passed in 1920 stipulated that the amount owing to the Bank shall be reduced by 2,000 millions a year (which was found possible in 1921 only), the authorised total debt to the Bank, which was increased three months ago from an authorised maximum of 22 milliards to 26 milliards, as the result of the abnormal situation in which the Herriot Government found itself, has now been raised to 32 milliards (as against 2,900 millions in August, 1914). The authorised maximum note issue, which was fixed at 6,800 millions by the law of December 29, 1911, and which was increased to 12 milliards on August 5, 1914, on the outbreak of the war, was increased from 41 to 45 milliards as a sequel to the Herriot Government's troubles last spring, and has now been raised to 51 milliards.

The second portion of the new Finance Bill, which proposed to empower the Government to issue an entirely new form of loan, in the form of (probably) irredeemable bonds, the interest on which will be paid in gold, was nothing short of a revelation to the public. The Bill, as presented and as passed, merely authorises the Minister of Finance "to issue a loan reserved solely to holders of National Defence bonds," the interest yield from which will be given a *garantie de change*. The rate of interest, and the rest of the conditions of issue, are to be fixed by decree, and are consequently still unknown. The extent to which both Chambers, by passing a Bill so drafted, have shown their confidence in the present Minister of Finance is remarkable. M. Caillaux's objects in securing authorisation for this special form of loan are, of course, twofold; first, that it will constitute a first step towards the consolidation of the floating debt, and, secondly, that it will enable the Treasury to avoid the serious situation that would be created if an abnormal proportion of holders of National Defence and other bonds, which are due for redemption in July, September, and December, 1925, fail to renew their bonds, and insist on being paid off in cash. (Bonds that mature during the present year are as follows:—July 1st, Crédit National bonds, 1922, second issue, amounting to 3,290 million francs; September 25th, the 1922 issue of three and five-year bonds, amounting to 8,236,934,000; December 8th, the first series of the 1923 three, six, and nine-year bonds, amounting to 10,090,088,000; total in 1925, 21,617,022,000.)

A further clause of the Bill, which is not the least remarkable portion of it, stipulates "the maximum total of the floating debt of the Treasury, exclusive of the advances

made by the Bank of France, shall be fixed at the amount at which it will stand at the date of the close of the subscription lists of the new loan," which reveals a third object which M. Caillaux plans to attain by this skilfully conceived measure.

The general conditions of the issue, as already stated, are as yet unknown, but it is probable that the rate of interest will be fixed at 4 per cent., and that the words "garantie de change" are to be understood as meaning that the coupons will be payable on a gold basis. The attractiveness of this factor needs no comment. In some quarters, however, the practicability of this feature is seriously questioned. The rate of issue must necessarily, apparently, be at par, as the new bonds will only be exchangeable against National Defence bonds at their nominal capital value. This will be contrary to invariable French practice, but the other advantages of the new scrip will be found greatly to outweigh this disability. The Treasury now being in a position to meet all possible emergencies that may arise from to-day's maturities, it is probable that the new issue will be postponed until about July 20th, when the disturbance caused by the great national July 14th holidays will have passed.

There are indications that the new loan—which ought not, perhaps, to be termed a "new loan" at all, seeing that it is more in the nature of a conversion—will secure a triumphant success during the three weeks in which the lists will be open. The preliminary announcements that have been made in the form of the passage of the Bill have already resulted in stimulating the sale of National Defence bonds to a very substantial extent. M. Caillaux asserts that yesterday, at the office attached to the Finance Ministry itself, the sale of new bonds for cash exceeded the value of the number paid off by nearly 100,000,000 francs. "If I am reproached on the ground that my projects are too daring," the Finance Minister states, "the first indications seem to show that I have not been wrong, and that, as I am fond of saying, audacity creates confidence." Banking experts are inclined to agree that M. Caillaux has ground for optimism in regard to the new bonds. The Minister himself insists that it would be necessary for the franc to suffer a further fall that could only be described as sensational for the State to be involved in any substantially heavier cost for the debt service that it has to bear at present. He argues that if the interest payable on the new bonds equals 4 per cent. with the pound at 100, the franc will have to fall to 125 before the cost to the State would rise to 5 per cent. The striking advantage of the new bonds to investors is that not only does the gold value of the coupons remain stable if the franc continues to fall, but also if it improves. The report that the nominal gold yield from the bonds is to be reduced to 3 per cent. if the franc improves to 75 has been flatly denied by M. Caillaux himself. Nor is it the fact that holders of National Defence bonds will be compelled to exchange their scrip for the new issue. Exchange will be purely optional. M. François-Marsal, whose opinion may be regarded as authoritative, is of opinion that the new issue, on the face of it, "will receive a very favourable welcome from capitalists." He points out that the new scrip will apparently take the form of a new kind of Perpetual Rente, which will be free of all taxation, even in regard to general and schedule income-tax, and be protected also, probably, against any future capital tax.

M. Caillaux's marked success in securing practically instant adoption of two proposals that would have been regarded as simply unthinkable six months ago, together with the manner in which those proposals have been received by public opinion in general, has undoubtedly substantially increased the authority of the Painlevé Ministry in both Chambers and in the country. The brief but exceptionally important debate on the Caillaux proposals in the Chamber gave a final opportunity for the Socialist Party to bring the Government to an issue as to whether it will rely for support in the future on the Cartel des Gauches, which carried M. Herriot into power, or broaden its basis by inclining further towards the Right and securing the co-operation of the moderates of the purely Republican groups who have held aloof from the Cartel des Gauches. The Socialists put forward a counter-proposition, which took the form of a proposal to substitute a new form of their beloved capital tax—"an issue of mort-

gage bonds secured on non-liquid capital" (by which, it was suggested, racing studs and art collections were chiefly aimed at). The Government, on a motion as to whether the counter-project should be considered, promptly made the question one of confidence, and secured a majority of 340 votes against 210. The division resulted in an entirely new shuffling of party cards, and demonstrated that on the three great national questions at present at issue—the Moroccan war, the financial proposals, and the policy to be adopted against Communism—the Government can count, bar accidents, on practically the whole of the centre parties of the Chamber. The old Poincaré party and the Royalists made common cause with the Communists, and voted largely against the Government. The lesson was a sharp one, as was seen by the fact that in the final vote on the Bill the minority consisted solely of the 26 Communists and eight irreconcilables. One further test remains, once the 1925 Budget is disposed of, and that will be when the moment comes for M. Briand to face the Chamber in support of his foreign policy.

GERMANY.—TARIFF—TAXATION—IRON AGREEMENT—FOREIGN TRADE.

(FROM OUR CORRESPONDENT.)

BERLIN, July 1.

THE Minor Tariff Bill has gone to the Reichstag Trade Political Committee for detailed consideration. Of the political parties, only the Socialists and Communists will fight it outright. The German-Democrats have accepted the food duties in principle, but they object to the proposed fixing of irreducible rates, a feature which differentiates these duties from the industrial duties, which may be reduced indefinitely in Commercial Treaty negotiations. The Government seems determined to push the Bill through rapidly. Outside the political parties there is a good deal of opposition from manufacturers, from wholesale and retail trading organisations, and from non-political experts. The Hamburg Exporters' Association protests that the result of the food duties and of the increased duties on certain materials will result in a general price-rise, with higher wages and diminished competitive capacity in foreign markets. Foodstuffs merchants' associations also oppose, and the Textile Traders' Association predicts a decline in home buying, and estimates that on the basis of imports in 1924 the increase in the duties on half-finished and finished textiles will cost home consumers 50,000,000 marks a year. The Reichsbank president has declared against the food duties. The Minister of Industry, defending the duties, predicts that world-market food prices will decline; but Professor Sering, of Berlin University, an acknowledged authority, estimates that world consumption of grain will increase by 9,000,000 tons during the next decade, and he holds that, on the average, grain prices will be high enough to make intensive production profitable. For livestock and meat he recommends "contingency duties," to be imposed for the present, but to be suspended whenever foreign competition ceases to depress home prices. Opponents of the increase of industrial duties declare that their function is to bleed the home consumer in order to finance cheap exports, and state that this is already being done to some extent in the textiles and paper branches. The export of coal and heavy iron and steel at so-called "fighting rates" is a fact; but here the producers declare that practically no profits are made even on home sales, and, as regards iron and steel, they adduce as a reason the French and Belgian "exchange dumping." From July 1st certain coal prices have been raised: bituminous coal from the East Ruhr district by 1 mark per ton, anthracite from the West by between 3 and 7 marks.

The Reichswirtschaftsrat's detailed report on the Tariff accepts some of the textiles duty increases and reduces others. The proposed wool duty (No. 416 of the Tariff) should be reduced from the proposed 3½ marks to 2 marks per double-centner, the present rate. The motor-car duties increase is accepted, but the manufacturers are advised to reorganise their works, and to make up their minds whether they will standardise production or not. No majority could be obtained for various proposals for

alteration of the proposed grain duties, and to prevent the passing of higher rates the Cabinet's proposal of a temporary duty of 30 marks a metric-ton for rye and 35 marks for wheat was accepted. Several outright opponents of grain duties supported the proposed cattle and food duties, putting these on the same level as industrial finished products. The duties on fresh meat and butter were accepted; those on frozen meat, canned meat, bacon, lard, and conserved milk reduced. Experts reported that the 1½ per cent. sales tax increases meat prices by at least 11 or 12 per cent., and the question whether this tax should not be removed from foodstuff sales was raised.

The Reichstag Taxation Committee has rejected the Bill increasing the beer and tobacco taxes. The majority parties have submitted an alternative Bill increasing the beer tax 50 per cent. instead of the proposed 100 per cent., the rates to rise from 7½ marks on the first 2,000 hectolitres brewed to 9.15 marks per hectolitre on over 60,000 hectolitres; and accepting the Cabinet's proposed increase on the tax on cigarettes and fine-cut tobacco, while rejecting the increase on other sorts. The Sugar Tax in Committee has been fixed at 21 marks per 100 kilos, or about 26 per cent. *ad val.*, according to the Cabinet proposal. The pre-war duty was 14 marks per kilo. The Municipality of Berlin has contracted a loan of \$15,000,000, at 6½ per cent., amortisable in 25 years, in the United States. A plan has been sanctioned to erect a 200,000-kilowatt power station, costing 50,000,000 marks. Berlin Municipal Budget for 1925 has been sanctioned at a total of 550,321,000 marks. New taxes amounting to 105,224,340 marks are required. The Prussian Landtag has revoked the law of 1923 requiring official sanction for real-estate purchases, and facilitating repurchase by the original owners of houses sold in 1922-1924 at low prices. The law of 1923 was passed in order to check foreign purchasing, but such purchasing had almost ceased when it was passed.

The new Bank Law comes into force to-day. It defines deposit banks as banks which accept public money or securities for care and management, and permits their opening, whether by individuals or public companies, when the proprietors or personally responsible managers are all persons who have been at least five years (at any date) occupied as proprietors, partners, directors, or employees of a bank. The State Governments, with the consent of the Federal Ministry of Industry, can exempt from these qualifications persons who are fitted for bank management by long commercial experience, but only when the proposed bank is economically justified. Persons opening deposit banks must register and prove their qualifications, and banks must notify changes in their responsible personnel. The right to conduct deposit banks may be withdrawn from unreliable persons. Penalties are imposed for violation. The law does not require that proprietors or managers shall be German citizens, and it considerably facilitates the opening of foreign banks or branches.

The month-end settlements caused a big demand for money, but already the pressure has declined. The Reichsbank President has again declared that credit restrictions must be maintained; the present 2,500 million marks of outstanding credits, of which 1,400 millions are from the Reichsbank, 750 millions (apart from credit to the Republic) from the Rentenbank, 220 millions from the private issue banks, and 100 millions from the Gold Discount Bank, is "the highest sum that can be borne at present." Dr Schacht expressed confidence in the continuing stability of the currency. He stated that foreign assistance was offered during the Stinnes crisis, but that the assistance was not needed.

An agreement has been come to between German and French iron interests for admission into Germany at half-normal duties of a standard 1,700,000 tons of French, Saar, and Luxemburg iron, which quantity is reducible by whatever reduction ratio is fixed by the Rohstahlge-meinschaft for native concerns. Of this quantity 800,000 tons is French, 600,000 Saar, and 300,000 tons Luxemburg. This is a private agreement, and its coming into force depends upon French concessions in regard to admitting German metal manufactured goods. Luxemburg, though in Customs Union with Belgium, is brought in because it has iron interests in the Saar and in the

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Rhineland, and, apparently, because it demanded inclusion as a condition for its participation in further international cartel arrangements.

The May foreign trade return shows a considerable improvement. Exports, with the exception of December, 1924, were the largest since 1914:—

Marks (000's omitted).

	April.	May.	Jan.-May.
Imports—			
Livestock.....	11,900	13,946	45,255
Food and drinks	293,072	292,712	1,544,410
Raw and half-finished materials	541,631	520,588	2,890,156
Manufactures.....	160,345	167,341	904,482
Wares	1,006,948	993,587	5,384,303
Gold and silver	73,991	90,447	380,495
Total	1,080,939	1,084,034	5,764,798
Exports—			
Livestock.....	2,030	982	8,681
Food and drinks	43,330	40,175	230,163
Raw and half-finished materials	113,330	137,796	602,656
Manufactures.....	511,357	549,049	2,590,164
Wares	670,047	728,002	3,431,664
Gold and silver	2,329	4,174	12,921
Total	672,376	732,176	3,444,585

Exports of textile raw materials, as compared with April, increased by 6½ million marks, coal by 6.8 million marks, manufactured textiles by 14.4 million marks, rolled iron and iron-ware by 6 million marks. Machinery exports declined by 4.2 million marks. The foreign trade balance of the "Heavy Industry" is improving. In 1924, coal imports were 13,202,087 metric tons; exports, 2,795,090 tons; in the first four months of 1925, imports, 3,264,114 tons; exports, 4,050,064 tons. In 1924 imports of iron and steel and wares thereof (machinery omitted) were 1,324,011 tons; exports, 1,955,110 tons. In the first four months of 1925, imports, 547,033 tons; exports, 1,122,527 tons. Exports of machinery this year have averaged approximately 28,000 tons per month, as against 22,600 tons in 1924.

DENMARK.—LABOUR CONFLICT OVER—ITS EFFECT ON FOREIGN TRADE — THE MERCANTILE MARINE.

(FROM OUR CORRESPONDENT.)

COPENHAGEN, June 22.

THE greatest labour conflict in the history of Denmark was ended on June 5th, after lasting nearly three months. Agreement had long ago been arrived at between employers and workers in the majority of industrial occupations. The point remaining at issue was the wages of the unskilled labourers, and it became ridiculous that 150,000 workers should be unemployed for months owing to a conflict which concerned only a small fraction. When the strike was extended to include the transport workers, thereby affecting the Danish community's most vital interests, the agricultural exports, it became essential for the conflict to be finished quickly. The Socialist Government had a provisional order under preparation, by which immediate resumption of work and arbitration with regard to the disagreements was to be ordered. However, before this was carried into effect the official

Conciliation Board succeeded in making both parties accept a compromise between the claims of employers and employed. It appears that on both sides the conflict has led to the understanding that strikes and lock-outs have lost their suitability as means of deciding wages conflicts, the sacrifices being quite out of proportion to what has been attained even by the workers. It appears that a strong opinion in favour of deciding future labour conflicts by arbitration is developing.

Naturally, the great labour conflict is reflected in the statistics of foreign trade for the months in question. Imports during April amounted to Kr.185,000,000, against Kr.201,000,000 during March, and exports for April were Kr.175,000,000, against Kr.186,000,000 during March. For the first four months of the year imports had a value of Kr.782,000,000, against Kr.737,000,000 and Kr.652,000,000 for the corresponding periods of 1924 and 1923, while the exports amounted to Kr.709,000,000, against Kr.667,000,000 and Kr.497,000,000 respectively. The decline in purchases from abroad is not connected merely with labour conflict, but must be read in connection with the credit restriction policy of the banks and the declining tendency of prices. Since the New Year the Danish wholesale price index has shown a continual decline; for January the figure was 243; February, 240; March, 236; April, 230; and May, 227.

The price of the Danish krone has lately improved quite considerably. When imports and exports fairly balance one another, a favourable reaction will be created by small changes. During the last few months some foreign capital has found its way to this country, partly as time deposits in Danish banks, partly through the issue of Kr.25,000,000 Treasury bills. Concerning the latter no official information is available, but it is known that the majority of the Treasury bills have been taken over abroad at a discount of 5½ per cent. per annum.

The Danish Mercantile Marine at January 1, 1925, consisted of 1,848 vessels of total gross register tonnage 1,090,500, and 1,450,000 tons deadweight. Of this number 644 were steamships of total deadweight tonnage 1,056,800 and 90 motor vessels of deadweight tonnage 257,800. In 1923 the steamship tonnage was somewhat reduced as a consequence of considerable sales to foreign countries of second-hand ships, while the increase of new-built ships was rather low. This reduction of about 20,000 tons was more than compensated for in 1924 by an increase of 53,000 tons. Of the new-built ships during the said year, 30,000 register tons emanated from Danish shipyards and 19,000 tons from abroad, practically all from Germany; 42,000 tons of second-hand tonnage was bought from abroad, principally from the U.S.A.; while 35,000 tons were sold. The ships bought from America were not "war-tonnage," but principally older, rather big tramp steamers, built about 1900, partly in Europe.

NORWAY.—COMMODITY PRICES—RUSSIAN NEGOTIATIONS—THE KRONE.

(FROM OUR CORRESPONDENT.)

OSLO, June 16.

THE wholesale price index for May of the *Farmand* shows a fall of 10.7 points, which brings it lower than at any time for about a year. Unfinished goods and raw materials mainly account for the decline; these now have come down to only 225 per cent. above the pre-war figure. As these are chiefly imported goods, the improved position of the krone in relation to sterling and dollars must, of course, be credited with a good deal of the reduction.

This country was one of the first of Soviet Russia's neighbours to recognise Russia *de facto*, in that a commercial agreement was entered into between the two countries. Negotiations for a formal and definite treaty have been going on for some time. Recently, however, the members of the Commission sent from here to Moscow have abandoned their task. The reason seems to be that the Russians claim considerable concessions from this country, but want to be let off very cheaply themselves. Probably the divergences will lead to the breaking off of the negotiations, at least for the time being.

The main board (consisting of 15 persons) of the Bank of Norway have recently been deliberating as to whether it is advisable to take steps with a view to stabilising the krone. An overwhelming majority, however, decided to recommend the continuation of the policy hitherto pursued by the bank of aiding a slow but steady deflation, and thereby bringing the krone nearer and nearer to parity with the gold standard countries.

Quietude reigns in the bond and share markets, without any marked tendency, except as to the latest Norwegian Government bonds, which have stiffened. The exchanges continue favourable to the krone.

A spell of intense heat has brought the vegetation very much forward; rainy and cold weather now has set in (in the higher regions snow is falling), but so far everything points to a good harvest.

SPAIN.—GOVERNMENT BORROWING—RAILWAY RESULTS—TRADE BALANCE—BANKING FAILURES.

(FROM OUR CORRESPONDENT.)

MADRID, June 20.

ON June 5th a fresh issue was made of 500 million pesetas Treasury bonds at five years' term, with 5 per cent. interest and 1 per cent. premium at maturity, free of all taxes. The 300 millions borrowed by the Government in November, 1924, have therefore lasted seven months, which means that the deficit is being considerably reduced, on the one hand, owing to the greatly diminished expenses in Morocco, and, on the other, owing to the discontinuance of the old policy of large State subsidies to railways, newspapers and other industries, and the selling of nitrates and foodstuffs by the Government. Owing to last year's crop deficiency the Government is buying from 60,000 to 90,000 tons of wheat free of import duty. The crops were suffering again this year from long drought, but heavy rains have been falling since the middle of May all over the Peninsula, and prospects have improved.

The rise of prices continues out of all proportion to the general movement in other countries, as may be seen from the figures below:—

	INDEX NUMBERS.			
	Mean for 1924.	Present Year—		
		January.	February.	March.
Foodstuffs	183	195	197	198
Manufacturers & materials	182	186	189	189

The results for 1924 of the two great railway companies are rather favourable. The North of Spain gross receipts were 328 million pesetas, or 18.5 millions more than in 1923, allowing a dividend of 28.50 pesetas per share, against 22.20 net for the previous year, besides an increase in the balance brought forward from 2½ to 10½ millions. This company will issue 200 million pesetas debentures for improvements in the permanent way and rolling stock. The Madrid, Zaragoza and Alicante gross receipts were 289 millions, or 16 millions more than in 1923, but owing to increases in charges the net receipts are 2.8 millions less and the dividend is maintained at 22 pesetas per share. The company issued last April 80 millions 6 per cent. debentures at 98 per cent. and is authorised to issue 30 millions more.

Commercial depression becomes every day more acute as a consequence, firstly, of unsatisfactory conditions in Europe, which diminishes the demand for the country's produce, and, secondly, of last year's bad crops. Consequently, the foreign trade balance continues to show a deficiency of about 50 per cent., the latest figures published being as follows:—

	Mil. Pesetas.
Imports	3,060
Exports	1,590
Adverse balance	1,470

In the previous year the difference was still higher at 1,640 millions. The Commercial Association of Madrid, in a communication to the Government, attributes this position to the tariff war begun in 1921, and sanctioned in the high tariff adopted in 1922, and argues that the increased import rights had the immediate effect of reducing exports without hardly diminishing imports, and compounds the policy of commercial treaties as a means of

reducing the tariff. This policy is now being followed; the treaty with Germany was recently sanctioned by the Reichstag, last April was signed the "modus vivendi" with Belgium, and the agreements with the United States, Japan, Canada, and Greece were lately renewed. The application of the "most-favoured-nation clause" and of rights even more reduced than the second tariff, will no doubt tend to stimulate exports so soon as better conditions prevail in Europe.

The banking world was badly tried during recent months by the failures of the Credito de la Union Minera, the third local bank in Bilbao; the Banco de Vigo, a small institution in that town; and quite recently of the banking company, La Agrícola, of Pamplona. Fortunately, in the first case there will be no loss for depositors, as the Provincial Government will make good the deficiency by means of a local debt issue of 60 million pesetas. The Banco de Vigo is to be liquidated in three years. As to the Agrícola, it is too soon to make any forecast.

NEW ZEALAND.—THE LATE MR MASSEY—ECONOMIC OUTLOOK—A QUARTER'S TRADE—NEW LOAN.

(FROM OUR CORRESPONDENT.)

CHRISTCHURCH, May 12.

NEW ZEALAND this week is mourning, with evident sincerity and emotion, the loss of a well-beloved and characteristic leader. On the personal side there are the warmest tributes from friends and political foes alike. Mr Massey had few, if any, enemies, even among those who fought him most persistently. He was a bonny fighter, with all the dour persistence of his Belfast ancestry, but his hardest blows were always followed by some quip or jest that took the sting out of them. By any measure he was the most popular as well as the outstanding man of Parliament, and his personal consideration and courtesy made him equally liked wherever he went.

His passing with comparative suddenness while still in harness must inevitably be followed by a period of comparative unsettlement in Dominion politics. There is no leader in sight who will replace Mr Massey in the affections of the people, and, as happened after the death of the other great leaders, there will almost certainly be a period of re-shuffling and re-alignment of parties.

The economic outlook continues to give cause for uncertainty and a certain amount of anxiety. The prospect of more unemployment this winter than there has been for some years past is bound to have some effect on the election prospects in November. The turn of the year, in fact, is likely to be a landmark in New Zealand history. Much depends upon the course of wool prices. The present extremely low level, compared with the extravagant expectations of last season, while it has little immediate effect on the Dominion, is very disconcerting. It is at least possible that some recovery will take place before the local sales open in November and December, but hardly likely that peak prices will again be reached. The abstention of America from the market is ascribed to radios and automobiles in the United States absorbing too great a proportion of purchasing power, but a more immediate and obvious reason would seem to be that the present tariff (specific duties levied per pound) on wool imported into the United States has, by reason of lower levels of prices, become much more prohibitive than it was in the boom period.

Meantime, there is some little apprehension of the possibility of heavy imports following upon boom expectations. All through the recovery of prices in the last two or three years, the import increase has kept up with that of the exports, and the Dominion is not well situated for a fall in prices. The latest statistics show the following comparative figures:—

NEW ZEALAND EXPORTS AND IMPORTS MARCH QUARTERS 1924 and 1925.			
	Exports.		Imports.
	Mil. £.		Mil. £.
March quarter, 1924	20.7		11.8
March quarter, 1925	22.8		13.1

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The increase in export values is due almost entirely to the higher wool prices. The increased value of wool exported is almost identical with the increase in the total value of exports, while imports show a tendency to increase. This demonstrates the dependence of New Zealand at present upon the maintenance of wool prices. The issue of the prospectus of a new loan for £7 millions in the same week as the fall in wool prices is not a very happy coincidence. The new loan is bigger than usual, perhaps, because this is election year, and it does not make one feel any happier when the cable messages describe the issue as New Zealand's "annual loan." The Dominion cannot go on borrowing in this way, and in the unsettled state of the markets for our chief exports, the continued piling up of loans constitutes a real danger to the future of the Dominion.

Books and Publications.

THE WORLD COURT.

PROFESSOR MANLEY O. HUDSON is well qualified by his broad outlook on world affairs to write of the work of the Permanent Court of International Justice, which has now been sitting at The Hague for three years. The Professor has confined himself in this pamphlet,* however, to summarising the advisory opinions and judgments which have been delivered, prefacing this by particulars of the States which have signed the Protocol for the establishment of the Court, of the names of the judges, and of the more important dates in the history of the tribunal since steps were taken in 1920 towards bringing it into being. America's relation to the Court is also dealt with. The position there is curious, for, although the United States elects one of the judges, it has not yet formally adhered to the Protocol. Subject to certain reservations, the United States will no doubt in due course give formal expression to the view approving of the Court which undoubtedly is generally held by its citizens. In the meantime, this condensed, but well-written, account of the work actually done should help to make more familiar an institution which, though not able to boast of any spectacular features, may yet, perhaps, play a great part. The note on each case dealt with not only states the judgment and the circumstances, but also indicates the significance of the particular matter.

* "The Work of the Permanent Court of International Justice during Its First Three Years." By Manley O. Hudson (Boston). 1925. 5 c. World Peace Foundation Pamphlets.

SHIPPING DOCUMENTS.

THE parts played in overseas trade by the invoice, the bill of exchange, the bill of lading, and the marine insurance policy are discussed by Mr Hodgson in this small volume.* As a summary of the legal rights and liabilities of the parties to these documents the book will be useful, though the author does not seem quite to have appreciated the needs of the beginner, and his work is not detailed enough.

* "Shipping Documents." By A. J. Hodgson. (London. Effingham Wilson. 1925. 5s net.

to serve the purposes of those who are not beginners. Bills of exchange, marine policies, and now, to some extent, bills of lading, are the subjects of statutes which embody important rules of law applying to them. These statutes are naturally the basis for the various chapters, the text of the enactments being given in full in appendices. Of the four chapters, that covering bills of lading is perhaps the least satisfactory. Australian and New Zealand legislation now repealed is cited as if still in force, and so is the Admiralty Jurisdiction Act of 1861, though the particular section of this which is referred to was repealed in 1920. Moreover, several passages in this chapter suggest that the author has not considered sufficiently the effect of the recent legislation as to bills of lading.

BOOKS RECEIVED.

- Export Credits and Credit Insurance.* By A. H. Swain. (London) Sir Isaac Pitman and Sons, Limited. 5s net.
- A Short History of New Zealand.* By J. B. Condliffe, M.A. (London) Messrs Simpkin, Marshall, Hamilton, Kent, and Co. 2s 9d net.
- The Groundwork of Economics.* By Joseph Johnston, M.A. (Dublin) The Educational Company of Ireland. 2s 6d net.
- The Export of American Capital.* By Herbert Feis. (New York) Reprinted from Foreign Affairs. July, 1925.
- Die Krisis der Europäischen Demokratie.* Von M. J. Bonn. (Munich) Meyer und Jessen. 3.75 marks.
- The White Road to Verdun.* By Kathleen Burke. (New York) George H. Doran Company.
- The Journal of Political Economy.* June, 1925. (Chicago) University of Chicago Press. 4s.
- The Scottish Bankers' Magazine.* July, 1925. (London) William Blackwood and Sons. 1s 6d net.
- The Nineteenth Century and After.* July, 1925. (London) Constable and Co., Limited. 3s.
- Empire Review.* July, 1925. (London) MacMillan and Co., Limited. 2s net.
- The Slavonic Review.* June, 1925. (London) Eyre and Spottiswoode, Limited. 5s net.
- International Labour Review.* May, 1925. (London) George Allen and Unwin, Limited. 2s 6d.
- The Empire Cotton-Growing Review.* July, 1925. (London) A. and C. Black, Limited. 1s.

OFFICIAL PUBLICATIONS RECEIVED.

- The following may be obtained from H.M. Stationery Office, Adastral House, Kingsway, W.C. 2 :—
- Seventeenth General Report of the Public Trustee.* 1925. 9d net.
- Report of the Financial Mission appointed by the Secretary of State for the Colonies to inquire into the Financial Position and Prospects of the Government of Iraq.* 1925. Cmd. 2438. 1s net.
- Reports by His Britannic Majesty's Government:—*
- The Administration Under Mandate of Tanganyika Territory.* 1924. Colonial No. 11. 3s net.
- The Administration Under Mandate of Palestine and Transjordan.* 1924. Colonial No. 12. 2s 3d net.
- The Administration of Iraq.* April, 1923-December, 1924. Colonial No. 13. 7s net.
- The Administration Under Mandate of British Togoland.* 1924. Colonial No. 14. 3s net.
- Report on the Economic, Financial, and Industrial Conditions of Finland.* March, 1925. 2s net.
- Papers respecting Labour Conditions in China.* 1925. Cmd. 2442. 2s 6d net.
- Minutes of Evidence taken before the Departmental Committee appointed by the Board of Trade to consider and report what amendments are desirable in the Companies Acts, 1908 to 1917.* Sixth and Seventh Days and Eighth Day. 3s and 1s 3d respectively.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET, July 8. ACCOUNT, July 9.

THE second half of the current year has entered the Stock Exchange to find markets quiet as regards business, and still a little perturbed at the economic outlook at home, the political prospect abroad, and the uncertainties that surround the monetary position. Fears of a rise in the Bank rate have melted away, and the War Loan touched 100 on Wednesday. Some of the recently-issued scrip stocks recovered substantially. The London County new 4½ per cents, for example, rose to 1½ discount, after being 3 discount. It is apparent that a good deal of the undigested amounts of new stock is going into strong hands. Some of the new issues made during the past few days proved popular and successful. Fresh money is known to be required by half-a-score of industrial companies, and the flow of prospectuses has been but slightly checked by the results of the overdose which flooded the markets last month. The news from China is held to be re-assuring. Liquidation in the Stock Exchange produced a heavy tendency towards the end of the week.

The War Loan failed to hold three figures, and, with other British Government issues, reacted from the best prices touched. The Consol market as a whole keeps firm, and the success of the Great Western Company in placing its six million pounds 5 per cent. debenture stock at 95 is held as an indication of ready surplus of capital, which can be relied upon to recognise good stock when this is offered at a reasonable price.

French Government bonds have weakened, and the French Railway series are lower. The gamble in Germans has subsided. Chinese bonds recovered with a jump from their recent flatness. Japanese are also steadier. The Mid-European Reconstruction loans, as they are called, have shown a hesitating tendency, but, after being weak, the prices rallied upon support from speculative investors.

Home railway stocks are none too certain of themselves. The market is limited, and any inquiry for stock brings about a jerky rise. As soon as the buyers are satisfied, prices turn downwards, and the industrial position as between employers and employed gives cause for a good deal of restraint upon the part of buyers, a state of mind which is also reflected in the market for iron, coal, and steel shares.

Argentine Railway stocks are fairly well maintained, though the dividend outlook is regarded without much enthusiasm. Cordoba Centrals are better and International Railways of Central America gained several points on New York buying. Nitrate Railways are lower.

The rubber market is active; next week's settlement will be the third in which the details to be arranged assume enormous proportions. The tea market is distinctly better, and it looks as though prices of the better companies' shares had touched bottom, there being a good many buyers for the good-class varieties. In the oil market nervousness was aroused by talk of there being trouble with water percolations on some of the Venezuelan properties. The general list is quiet. Court-aids forged further ahead, but fell back again. Rayon preference, the shares of the new artificial silk company, fell to 3s 3d discount, and the new Union Cold Storage preference stand at 1s discount. Indo-China deferred shares strengthened on the issue of the report. European Gas shares are good, thanks also to a report that is better than had been expected.

County of London Electrics eased off, on the issue of two million new preference shares at 20s 6d, which were underwritten for a commission of 4½d per share. The subscription lists were open but a few hours. Tobacco shares recovered in company with Chinese Government bonds, to react, however, as the settlement drew nearer. Godfrey Phillips came into lively request by reason of rumours that the company is to be taken over by another tobacco company. Mond Nickels eased off a little on the proposals for the re-financing of the company. Amalgamation rumours are again rife in the brewery market. Newspaper issues have gone back, and the wireless group is heavy.

Textiles are dull on the whole. Van den Berghs gave way sharply. Warnings were unaffected by news of the forthcoming issue of a million pounds 6 per cent. first mortgage debenture stock at 96½. Hongkong Bank shares have recovered most of the ground which they lost when the trouble in China broke out, and the new Midland Bank shares hold their price at 32s 9d premium.

The South African market is kept alive by recurring spasms of activity in platinum shares, Transvaal Consolidated Lands being the principal centre of interest. Paris has been in selling mood, owing to the incidence of the French monthly settlement, which took place in the middle of the week, and this has exercised a depressing effect upon De Beers, Rio Tintos, and a few other inter-bourse varieties. The tin share markets attract little notice, and on the Middle East proving quiescent, Malayan shares have been inclined to droop. Keffis amongst West Africans formed a firm feature, on the declaration of a

5 per cent. interim dividend. The Lake View Company is about to make an issue of debentures. Mexicans and Russians are neglected, and amongst Canadians a spasm of flatness in Selukwes has been the outstanding feature of a quiet week. The mining markets, with South Africans in particular, have suffered from the liquidation that disturbed various parts of the Stock Exchange on the eve of the carry-over.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded.....	£ 111,261,974	£ ..	£ ..	£ ..
ISSUES OF THE WEEK—				

NATIONAL SAVINGS CERTIFICATES.

NET RECEIPTS INTO THE EXCHANGERS ELEVEN DAYS ENDED JUNE 30, 1925.

	£	£	£	£
April 1, 1925, to June 30, 1925, £1,250,000	200,000	£ 200,000		
To the Public—				
United Newspapers, 550,000 7½ % Cum. Pref. Shares of £1, at par	550,000	£ 550,000	£ 137,500	£ 412,500
County of London Electric Supply, 2,000,000 6 % Cum. Pref., £1, at £1 0s 6d	2,000,000	£ 2,050,000	£ 100,000	£ 1,950,000
Total offered to the public		£ 2,600,000	£ 237,500	£ 2,362,500
To Shareholders only—		Nil		

Total offered for subscription to date in—	Total offered for subscription to date year—
1925..... 114,061,974	1924..... 209,326,100
1925..... 114,575,914	1923..... 271,393,173
1924..... 184,697,946	1922..... 574,675,650
1923..... 456,981,984	1921..... 388,978,203
1922..... 129,061,459	1920..... 367,549,656
1921..... 239,204,322	1919..... 1,036,059,951

County of London Electric Supply Company, Limited.

—Issued share capital £2,555,000, in addition to which there is £1,500,000 of debenture stock and £1,500,000 of 5½ per cent. one-year bearer notes outstanding. The latter mature in September next. This is an issue of 2,000,000 6 per cent. cumulative preference shares of £1 each at 20s 6d per share. The company was incorporated in 1891 to supply electricity in the County of London and elsewhere, and net profits have risen from £115,261 in 1915 to £614,678 in 1923, and £585,737 in last year. Assets total £5,966,202, and nothing is allowed in the respect of goodwill. Reserves amount to £1,779,646. The present issue is made to provide funds for the repayment of the one-year notes. The shares will rank *pari passu* with the existing £1,225,000 preference, and are an excellent investment.

Waring and Gillow, Limited.—Authorised share capital, £1,505,000, of which £1,255,000 has been issued. There is also outstanding £402,630 of 5 per cent. mortgage debentures. These will be redeemed out of the proceeds of the present issue of £1,000,000 of 6 per cent. first mortgage debenture stock at £96½ per cent. The stock is repayable at £105 per cent. by means of a cumulative sinking fund commencing in 1926, to be applied at any time in purchasing the stock on the market at or under £105 per cent. or in annual drawings, the first in 1927 and the last in 1955. It will have a specific mortgage floating charge upon the rest of the undertaking. The company reserves the right of redemption at any time after January 1, 1935, at £105 per cent. on three months' notice. It is stated in the prospectus that the concern has traded under its present title since 1897, and is the successor of the firm of Gillows, established in 1695, and which, in 1896, amalgamated with S. J. Waring and Sons, Limited. The total assets, exclusive of goodwill, were shown in the last balance-sheet at £2,660,701, making, with the proceeds of the present issue, £2,940,270. Nothing has been allowed for fixtures and fittings, which have been valued by the company at £283,000. After charging depreciation, management expenses, directors' fees, &c., but before allowing for taxation, &c., the profits have risen from £93,933 in 1922 to £148,468 last year. The underwriting commission is 2 per cent., and 3 per cent. is payable for the printing, advertising, and distribution of the prospectus, &c. In view of the fact that properties specifically secured by the trust deed have been independently valued at £1,305,850, the security is reasonably good, though in reading valuation certificates of this description one is always left wondering over the problem of what is the "dead" value of the properties as compared with a valuation (like the present) where they are described "as a going concern."

Welwyn Garden City, Limited.—Capital £250,000, of which £125,000 has been issued. There is the exception of 44,455 shares, have been issued.

THE MERCANTILE BANK OF INDIA, LTD.

Head Office: 15, Gracechurch St., London, E.C.3.
Capital Authorised ... £3,000,000
Paid-Up Capital ... 1,050,000
Reserve Fund and Undivided Profits 1,458,221

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

Fixed Deposit Rates will be quoted upon application.
On CURRENT ACCOUNTS interest is allowed at 2 per cent. per annum on daily balances, provided interest for the half-year amounts to £1.
JAMES STEUART, Chief Manager.

also £150,000 of 6 per cent. debentures outstanding. This is an issue at par of £150,000 of 6 per cent. ten-year development bonds. The bonds are repayable on June 30, 1934, at £105 per cent., and constitute a floating charge on the entire undertaking of the company, excluding the uncalled capital, ranking after the 6 per cent. debentures. The company was formed in 1920 to establish near London a new industrial town of 40,000 or 50,000 inhabitants, and having an area of 2,300 acres. Various local undertakings already supply gas, electricity, and water, and the London and North Eastern Railway Company have authorised the construction of a new main line station. Over 950 houses have been built and occupied, and are approaching completion. The estate was valued at March 31, 1924, at £289,725, and the total assets, including the present issue, are put at £646,325. The company's revenue, which is derived from ground rents, premiums on leases, profits from gravel and sand, &c., shows steady expansion, from £5,105 in March, 1922, to £10,888 in March, 1924. At the latter date the accounts showed an amount of £36,768 on account of premiums for leases, sales of land, &c., which had not been taken into revenue. The total amount required to meet the loan capital, including the present issue, is £29,259 per annum, and it is stated that "until the expenditure upon development becomes fully capable of earning revenue, this interest will be met partly out of capital....." The capital is required for further expenditure upon roads, sewers, water-mains, and for further extension of the industrial area. The progress of the Welwyn Garden City should not be measured in terms of pounds, shillings, and pence, or by the application of City financial formulæ. It is an undertaking which should receive the cordial support of those who are seeking to employ surplus funds in worthy objects.

Welwyn and Hatfield Gas Company, Limited.

Authorised share capital £72,000, of which £35,266, including £1,366 for premiums, has been issued. Of the authorised loan capital of £36,000, £10,450 has been raised. Tenders are invited for 2,400 £5 additional ordinary shares, the minimum price of issue being par. The Welwyn and Hatfield companies were established in 1912 and 1860 respectively, and were amalgamated in April last. Sales of gas by both companies have steadily increased. The net revenue of the Welwyn Company for the year ended December 31, 1924, was £2,403, and that of the Hatfield Company for the twelve months to March 31st last was £2,110, making a total of £4,514. Debenture interest requires £655 per annum and preference dividends £638, leaving available £3,220 for ordinary dividends. After payment of dividends of 10 per cent. and 7 per cent. respectively on the two classes of ordinary capital, the combined balance carried forward was £4,039. The shares now offered rank equally with the existing similar shares now receiving the standard dividend of 7 per cent.

Ewart and Son, Limited.—Authorised and issued capital, £150,144. Details of the company are advertised in order to comply with Stock Exchange regulations. Application is being made to the London Stock Exchange for permission to deal in 197,478 ordinary 5s shares and 201,400 16 per cent. cumulative 10s preference shares. The company was incorporated in 1900, and acquired the business of Ewart and Son, manufacturers of "Ewart's Geysers," established in 1834. Profits are certified since 1919, since when they have risen, with some variation, from £30,836 to £62,798. According to the last balance-sheet, goodwill, patents, &c., figured for £50,000, factory buildings, fixtures, &c., for £43,920, and plant and machinery for £6,331. Investments totalled £28,566, and reserves £62,560. This is a well-established undertaking, turning out an efficient product. The question the cautious investor asks himself as he reads this comment in the Press is, "How and at what price will the shares be available to me?" Surely, if the shares are to be marketed, it would have been more satisfactory to follow the intention of our company law and issue a prospectus.

ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Price Last Week.	Price This Week.	Price Last Week.	Price This Week.
War (3½% 1925-28) ..	85½	86½	85½	86½
Loans (4½% 1925-47) ..	93½	94½	93½	94½
Funding Loan 4½% ..	93½	94½	93½	94½
Victory Bonds 4½% ..	90½	91½	90½	91½
Conversion Loan 3½% ..	75½	76½	75½	76½
Consols 2½% ..	55½	56½	55½	56½
Irish Land Stock 2½% ..	57½	58½	57½	58½
Local Loans 3½% ..	63½	64½	63½	64½

British Railways.

Great Western, Ord.	90½	91½	90½	91½
London & North-Eastern	62	63	62	63
5% Pref. Ord.	62	63	62	63
Do Def. Ord.	23	24	23	24
Do, Mid.	23	24	23	24
Scottish, Ord.	82½	83½	82½	83½
Metropolitan	70	71	70	71
Metropolitan District ..	48½	49½	48½	49½

Colonial and Foreign Railways.

Antofagasta Cons.	79½	80½	79½	80½
B.A. and Pacific	79½	80½	79½	80½
B.A. & Gt. Southern.	85	86	85	86
Buenos Ayres West.	69½	70½	69½	70½
Canadian Pacific	145	147	145	147
Central Argentine	71½	72½	71½	72½
Cordoba Cen. Ord. Stk.	14½	15½	14½	15½

American Railroads.

Chesapeake & Ohio ..	96	97	96	97
Erie ..	28	29	28	29
Do 4½% 1st Pref.	37	38	37	38

Banks.

Barclays B. (A), Ltd.	238	240	238	240
Chartered Bk of India ..	192	194	192	194
Lloyds (A), Ltd.	38	39	38	39
Midland (A), Ltd.	81½	82½	81½	82½
Nat. Bank of Egypt (A) ..	32	33	32	33

Foreign Government Securities.

Argentine 5½% 1886-7.	101	102	101	102
Austrian 6½% Guar.	93	94	93	94
Belgian 3½% 1906-14 ..	73	74	73	74
Brazil 5½% Fund. 1914-6 ..	69	70	69	70
Chilian 4½% 1886-96 ..	86	87	86	87
Do 7½% 1906-14 ..	106	107	106	107
Chinese 5½% 1913-20 ..	58	59	58	59
Egyptian 4½% 1906-14 ..	82	83	82	83
French 5½% 1913-20 ..	118	119	118	119
Do 4½% 1913-20 ..	118	119	118	119
German 3½% Loan	98	99	98	99
Do 7½% 1924 ..	98	99	98	99

Telegraphs.

Anglo-American "A"	24	25	24	25
Marconi Wireless	14	15	14	15

Miscellaneous.

Aerated Bread (A)	11	12	11	12
Amal. Cottons (A)	11	12	11	12
Anglo-Persian Oil (A) ..	38	39	38	39
Armstrong (Sir W.G.) ..	8	9	8	9
Am. Found. Cement (A) ..	8	9	8	9
Barker, John (A)	3	4	3	4
B'ham Small Arms (A) ..	57½	58½	57½	58½
Brazil Traction (A)	57½	58½	57½	58½
British-American ..	57½	58½	57½	58½
Tobacco (A)	57½	58½	57½	58½
British Controlled ..	57½	58½	57½	58½
Oil (A)	57½	58½	57½	58½
Burnham Oil (A)	57½	58½	57½	58½
Coca (J. and P.) (A) ..	57½	58½	57½	58½
Conrad (A)	57½	58½	57½	58½
Conard (A)	57½	58½	57½	58½
Dorman (A)	57½	58½	57½	58½
Dunlop Rubber (A)	57½	58½	57½	58½
Fine Cotton Spinners ..	57½	58½	57½	58½
Forestal Land (A)	57½	58½	57½	58½
Furness, Withy (A)	57½	58½	57½	58½
Highlands and Low ..	57½	58½	57½	58½
Imperial Tobacco (A) ..	57½	58½	57½	58½

Minerals.

Ashanti Gold (A)	34	35	34	35
Brakpan (A)	34	35	34	35
Broken Hill Prop. (A) ..	14	15	14	15
Burma Corp. (A)	14	15	14	15
Cam & Motor (A)	14	15	14	15
Central Mining (A)	14	15	14	15
Chartered (A)	14	15	14	15
City Deep (A)	14	15	14	15
Cons. Gold Fields (A) ..	14	15	14	15
Crown Mines (A)	14	15	14	15
De Beers Def. (A)	14	15	14	15
East Rand Prop. (A) ..	14	15	14	15
Goldfield (A)	14	15	14	15
Gov. Gold Areas (A) ..	14	15	14	15
Johannesburg Cons.	14	15	14	15
Modderfontein (A)	14	15	14	15

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

ANALYSIS OF BALANCE-SHEETS.

DISTILLERS' COMPANY, LIMITED.

May 15, 1925.

LIABILITIES.	Amount.	Compared with May 15, 1924.	ASSETS.	Amount.	Compared with May 15, 1924.
Ord. shares	3,800,000	+ 115,000	Land & buildings ..	1,049,000	- 89,000
Reserve fund	2,200,000	+ 50,000	Plant	416,500	- 37,500
Fire insur. fund ..	450,000	+ 200,000	Investments	412,735	+ 75,979
Superannuation ..	160,000	+ 5,000	Sundry debtors	322,857	+ 17,787
Deb. stocks	241,547	+ 75,576	Stocks	293,743	+ 14,532
Loans from sub-	820,000	..	Cash	373,211	+ 278,736
sidary cos.	1,080,284	+ 65,104	Bills receivable ..	214,342	- 89,923
Sundry creditors ..	689,779	+ 148,034	Loans to sub-	..	..
Or'ge on spirits ..	133,708	+ 7,851	sidary cos.	3,257,437	+ 613,807
Profit and loss ..	779,407	+ 388,789	Payments and	..	..
			provision for	..	..
			expenses in	..	..
			connection with	..	..
			increase of cap-	..	..
			ital, &c.	300,000	+ 300,000
Total	10,354,725	+ 1,055,354	Total	10,354,725	+ 1,055,354

THE MOND NICKEL COMPANY, LIMITED.

April 30, 1925.

LIABILITIES.	Amount.	Compared with April 30, 1924.	ASSETS.	Amount.	Compared with April 30, 1924.
7½% cum. pref.	500,000	..	Properties in	..	..
7½% non-cum. pref. ..	2,000,000	..	Canada	1,661,949	+ 36,093
Ordinary shares	900,000	..	Properties in U.K. ..	1,365,150	+ 149,868
5% deb. stock	375,000	..	Shares in asso-	..	..
Interest accrued ..	9,375	..	ciated cos.	1,106,582	- 288,063
8% deb. stock	1,300,000	..	Stocks	1,906,964	+ 306,691
Loans from banks ..	52,000	..	Sundry debtors	404,126	+ 68,122
Bills payable	126,000	+ 126,000	Cash	21,718	- 508,108
Sundry creditors ..	381,788	- 18,829			
Unclaimed divs.,	465,083	- 62,309			
& deb. interest ..	1,943	+ 854			
Reserve	160,000	- 185,000			
Special deprecia-	..	..			
tion reserve	..	..			
Profit and loss ..	205,290	+ 9,887			
Total	6,466,479	- 245,397	Total	6,466,479	- 245,397

SPIERS AND POND.

March 31, 1925.

LIABILITIES.	Amount.	Compared with Mar. 31, 1924.	ASSETS.	Amount.	Compared with Mar. 31, 1924.
Ord. shares	692,829	..	Properties	1,026,726	+ 11,867
Deb. stock	461,810	- 5,651	Plant	275,941	+ 460
Deb. redemption	..	..	Wines, &c.	90,013	+ 15,606
account	46,943	+ 7,841	Sundry debtors ..	48,630	- 979
Sundry creditors ..	138,412	- 6,211	Investments	142,750	+ 31
Suspense account ..	87,502	- 900	Cash	66,332	- 20,460
General reserve ..	135,000	+ 15,000			
Uncl. interest, &c. ..	949	+ 86			
Profit and loss ..	87,847	+ 3,780			
Total	1,651,292	+ 6,325	Total	1,651,292	+ 6,325

OIL OUTPUTS.

APEX (TRINIDAD) OILFIELDS, LIMITED.—The results for the month of June are as follows:—Production of oil, 12,900 tons; deliveries, 13,850 tons.

BRITISH CONTROLLED OILFIELDS, LIMITED.—By cable for the week ending June 24th: Production, 39,000 barrels; shipments, 4,500 tons.

LAGO PETROLEUM CORPORATION.—Production for week ended May 30, 1925, 22,687 barrels. Oil shipments:—Crude oil, 8,160 barrels; fuel oil, 5,239 barrels; total, 13,399 barrels. Storage on hand:—Crude oil, 17,727 barrels; fuel oil, 11,029 barrels; total, 28,756 barrels. Production for week ended July 7, 1925, 18,051 barrels. Oil shipments:—Fuel oil, 1,617 barrels. Storage on hand:—Crude oil, 25,145 barrels; fuel oil, 18,211 barrels; total, 43,356 barrels.

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

ZADRUŽNA GOSPODARSKA BANKA D.D.

(The Co-operative Economic Bank & Savings Co., Ltd.), at LJUBLJANA (Jugoslavia).

Head Office LJUBLJANA.

BRANCHES: Bled, Celje, Djakovo, Maribor, Novisad, Sarajevo, Sombor, Split, Sibenik. Foreign Correspondents for Yugoslavia of The American Express Company, New York, and agencies; National Bank of South Africa, Pretoria; Commercial Bank of Australia, Melbourne, and branches.

Remittances to and from Yugoslavia. Bills collected. Banking and Exchange Business of every description transacted.

COMPANY MEETINGS, &c.

WILLIAM BEARDMORE AND COMPANY, LIMITED.

RESULTS OF A DIFFICULT YEAR.
TRADE DEPRESSION AND ITS CAUSES.

The annual general meeting of the shareholders of William Beardmore and Co., Limited, was held on Monday, June 29th, at the registered offices of the company, 36 Victoria street, London, S.W.

The Right Hon. Lord Invernairn of Strathnairn, chairman of the company, presided.

The secretary having read the notice convening the meeting,

The Chairman said: Gentlemen,—I presume it is your desire that the directors' report and statement of accounts of the company for the year to December 31, 1924, which have now been in your hands for some days, be taken as read. Before moving their adoption, I will deal briefly with the main points in the accounts and the factors contributing to the results disclosed.

YEAR'S RESULTS.

The period under review has been one of extreme difficulty and anxiety, and has resulted in a loss for the twelve months of £503,094, after providing for debenture and other interest and all charges and contingencies. This loss falls to be deducted from the balance of £608,094 brought forward from 1923, thus leaving at the credit of profit and loss account an amount of £104,999, out of which there has been paid the preference dividend for the half-year to June 30, 1924, amounting to £45,876, leaving the balance at the credit of profit and loss account £59,122, which your board recommends should be carried forward.

This result is a great disappointment to your directors, and is the direct outcome of the continuation of that period of trade depressions to which the iron, steel and shipbuilding industries have been subjected now for almost five years.

CONDITIONS DURING PAST YEAR.

In my address to the last meeting of shareholders I outlined what then appeared to me to be the principal reasons for the depression we had experienced up to that time; practically nothing has been done to remedy the causes to which I then referred, and, if anything, conditions during the period became rather worse. Foreign competition, particularly in the shipbuilding industry, became more marked, and as is stated in the report before you, large orders have been placed abroad which, under normal conditions, would have remained in this country. In the endeavour to retain as much work as possible in the country and in our own establishment, a number of orders were taken towards the end of 1923 and in the early part of 1924 at prices which were wholly unremunerative, in the hope that further orders at better prices would be forthcoming, which would enable the overhead charges to be spread over a larger volume of work and thus reduce the amount of our unabsorbed charges. Unfortunately, our anticipations were not realised, and work instead of becoming more plentiful became scarcer, and, in fact, was almost unobtainable even at prices which included no allowance whatever for overhead charges. This state of affairs particularly applied to the shipbuilding and locomotive industries, but it also applied in no small measure to the iron and steel industry. These are the industries with which this company is principally associated, and the conditions ruling in these industries are reflected in the results of our trading for the year to December 31, 1924.

BALANCE-SHEET ITEMS.

With your permission I will now deal with the different items in the balance-sheet.

No change has taken place in the capital of the company, which remains at the same figure as last year. The first mortgage debentures have been reduced by £50,000, and now stand at the comparatively low figure of £338,200. Loans on security of heritable property and investments have increased by £488,000, accounted for by larger borrowings from our bankers. The 3 per cent. seven-year notes are unaltered at £1,000,000. Other loans have increased by approximately £64,000, while sundry debts due by the company have increased by approximately £68,000, due mainly to an increase in the taxation reserve by the amount of tax deducted from the loan interests payable by the company and from the preference dividend for the first six months of the year.

SPECIAL PREFERENCE DIVIDEND RESERVE.

Special preference dividend reserve remains at the figure of £250,000, and in connection with this item I should like to give

a word of explanation in view of the numerous inquiries we have received from preference shareholders as to why this reserve has not been utilised for the purpose of paying the final dividend on the preference shares for the year to December 31, 1924. In our articles of association provision is made for the creation of a special reserve account out of the balance of divisible profits of the company in any year after a dividend not exceeding 7 per cent. per annum has been paid on the ordinary shares. No greater dividend than 6 per cent. per annum has ever been paid on the ordinary shares of the company, but in past years, when substantial profits were being made, the directors decided to place £250,000 to the credit of special preference dividend reserve. This reserve is employed in the company, and is not represented by separate investment. The decision of the directors not to pay the final dividend on the preference shares for the year to December 31, 1924, was come to in view of the necessity to conserve the financial resources of the company, owing to the existing serious state of these industries with which the activities of the company are so closely connected. I think you will agree with me that this decision was the only possible one to take. The general reserve has been reduced from £1,000,000 to £700,000 for the reasons stated in the report of the directors, viz., that under existing depressed conditions of industry in general, your board have thought it prudent to utilise £300,000 of this reserve to write down the book value of the interests in the subsidiary and connected companies, which have also been seriously affected by the continuation of the trade depression to which I have already referred.

ASSETS.

Turning to the other side of the balance-sheet you will observe that land, buildings, &c., are practically unchanged at £5,499,000. The figure of £456,427 for loose plant and tools and office furniture is approximately £40,000 less than at December, 1923, and is taken on a most conservative basis of valuation. Stocks of raw and manufactured materials and stores and work in progress show a reduction of approximately £163,000 on the previous year's figure, and further reflects the contraction in the activities of the company which has taken place owing to trade depression.

I have already referred to the item of interests in subsidiary and connected companies. Sundry debts due to the company have increased by approximately £117,000, which practically offsets the increases already referred to in sundry creditors and other loans.

TRADE DEPRESSION AND ITS CAUSES.

I have never before had the misfortune to be placed in the position of explaining a balance-sheet and statement of accounts disclosing such results as those revealed by the statements which I have thus briefly reviewed. I do not think I am overstating the position when I say, however, that our results for 1924 are the true reflection of the real position of the iron and steel, shipbuilding and locomotive industries of the country as a whole during that period, and these are the industries which reflect more than any others the prosperity, or otherwise, of the trade of the country in general. Surely, therefore, it is time that the country is facing the real facts of the position seriously. These facts are that under present conditions in 90 per cent. of cases manufacturers of iron and steel, ships and locomotives cannot compete with the prices quoted by their foreign competitors. Our inability to compete is due to those factors which I mentioned in my address to the shareholders last year, viz., high taxation (Imperial and local), high wages costs, short working hours, low outputs, high railway freights and dock charges, and the high cost of fuel. We must find a remedy for each and all of these causes of trade depression, or else we must be content to see the main industries of the country disappear. Taxation is high for reasons which are only too well known and deplored; our industries are still the victims and have to bear the cost of the huge increases which have taken place in national and municipal administration; I am all in place in favour of granting every possible benefit which contributes to the public welfare, but under existing conditions we cannot afford any additional luxuries and be expected to meet the competition of our foreign rivals, who have no such burdens thrust upon them.

WAGES OF SKILLED AND UNSKILLED LABOUR.

Local rates are alarmingly high, due largely to high wages being paid to the employees of municipalities, which are not subject to trade competition. It appears to me ridiculous that the unskilled labourer employed in the cleansing departments of municipalities should be paid anything from 10 per cent. to 30 per cent. higher than the skilled tradesman and be practically assured of regular employment for 52 weeks in the year, while the engineer can hardly even find a job, and if he does, has no certainty that it will last for more than a few weeks or at the best a few months. Likewise wages paid to employees in railway and other similar trades not subjected to international competition are much too high in comparison with the wages paid to men employed or employable in the vital industries of the country. It must be obvious to any person taking an intelligent view of the situation that if these vital industries with which we are connected have to survive the severe competition to which they are subjected from abroad, drastic steps must be taken to reduce costs. Longer hours without increased wages are a necessity, but it would be unfair to ask the men employed in these industries alone to agree to longer hours without increased wages without at the same time adjusting the wages and working conditions of those employed in the sheltered trades to which I have just referred. Our foreign competitors are, without exception, working longer hours for less wages, are not subjected to the high taxation and freight charges with which we are faced, and, also without exception, have a protected home market for their manufacturers.

RAILWAY FREIGHTS.

I have already referred to the necessity for reductions in taxation. It is equally essential that reductions should be made in railway freights, and I would urge that the railway administrations of the country should seriously consider making, without delay, an all-round reduction of at least 25 per cent.

The cumulative effect of such a cut would go a long way towards reducing the cost of living, and would do away with the necessity for the continued high wages paid in all our trades, thus bringing about substantial reductions in production costs to every industry in the country. With regard to protection, I am of opinion that any form of protection at the present time would only act as a palliative—it would not be a cure for the trouble from which we are suffering. The only cure is to bring down our costs of production to a figure at which we can compete in the markets of the world—and this is the only possible solution of our unemployment problem. Our Ministers, our trade union leaders, and our Press should tell the country these facts, and so enable our workpeople to understand the real situation. In the long run we must all realise that the high cost of production alone is the real cause of trade depression in this country, and further delay in facing the situation will mean ruin to many of our principal industries.

I wonder if it is realised how far a reduction of 5s per ton on coal would go towards bringing back prosperity to the steel trade of the country. A prosperous steel trade would necessitate the putting into operation of all our idle blast furnaces, with a consequent demand for coal. This could be brought about by the miners returning to pre-war conditions, and working eight hours per day. Further, a two-shift system in the steel trade as existed in pre-war days instead of the three-shift system now in vogue would reduce the cost of steel by approximately a further 7s per ton. With such reductions as these we could recapture all our home markets and, I feel sure, much of that export trade which has slipped from us in the past few years.

LAW OF SUPPLY AND DEMAND.

In the course of a discussion the other day, I had the view expressed to me that the ordinary laws of supply and demand would adjust the present dreadful state of unemployment in this country. This is a view which I believe is very generally held, but the fallacy of it is obvious when one considers that the laws of supply and demand are natural laws which are being interfered with by artificial laws at the present time. I would particularly refer to the unemployment dole, which operates so extensively against the natural law of supply and demand of labour.

NEED FOR ORGANISATION OF STEEL INDUSTRY.

In my address to the shareholders last year, I indicated the need for the consideration of a scheme for the organisation of the steel industry of this country on lines which would bring about a closer connection between the different companies connected with the industry. In my opinion that need is, to-day, greater than ever. Our greatest foreign competitors have discovered the value of such co-operation and combination, and they are now reaping the reward of their foresight; outputs of steel in Germany, France, Belgium, and the United States of America have all increased substantially within the last few years, while the output of steel from this country has decreased to a serious extent. It is well

known that in these countries there are large combinations of and working agreements between most of the companies engaged in these industries, and the imminent extension of these combinations makes it essential that similar steps should be taken in this country if we are to retain our place in world markets.

RESTRICTION NECESSARY ON FOREIGN ORDERS.

There is one further point of general interest which I touched upon two years ago, and which I should like to emphasise once more—i.e., the advisability of imposing restrictions upon the spending of money raised in this country on the manufacture in foreign countries of goods which could equally as well, if not better, be manufactured here. I feel particularly convinced of the necessity for some such restriction, especially in those cases where money is raised by railway companies, public bodies, and Government or colonial departments. It seems a suicidal policy to continue spending our money in foreign countries, while we continue to pay unemployment dole to those men who would be employed in the production of the commodities which are being purchased from our foreign competitors. If the cost of unemployment benefit paid to these unemployed men were added to the price at which goods are purchased from our foreign competitors, and the resultant figure considered as against the British price and found to be lower, my objections to the spending of British money abroad would largely disappear; but I do not think that any order which has been placed abroad by private individuals, public companies, municipalities, or Government departments could stand the test I have just indicated.

POSITION OF THE COMPANY.

I should now like to say a few words with regard to the present position of the company. The volume of work in hand is still, unfortunately, far short of our capacity; but our steel works at Parkhead and Mossend, with the one exception of our armour department, have been considerably better employed during the first six months of this year than during the same period of last year, and present indications go to show that the improved employment of these works will continue for the rest of this year. At our shipyard work is very scarce, but the contracts we have in hand are on a more satisfactory basis than the contracts in hand at the beginning of last year, and I look for a substantial



**The Anglo-South
American Bank Limited.**

Head Office:
117 Old Broad Street, London, E.C.2

Authorised Capital	£10,000,000
Reserve Fund	£4,000,000
Issued Capital	£8,734,660
Paid-up Capital	£4,367,330

The Bank, in addition to 6 Branches in
SPAIN
has with its
AFFILIATED INSTITUTIONS
THE BRITISH BANK OF SOUTH
AMERICA, Ltd., and
THE COMMERCIAL BANK OF
SPANISH AMERICA, Ltd.

53 offices in the principal countries of
LATIN AMERICA

Auxiliaries Abroad.
ANGLO SOUTH AMERICAN TRUST CO.
(Incorporated under the laws of the State of New York),
NEW YORK.
BANQUE ANGLO-SUD AMERICAINE, SOC. ANON.,
PARIS.
Northern District Office: 68, Market Street, BRADFORD.
Lancashire Branch: 19, Spring Gardens, MANCHESTER.

improvement in the result of this year's trading. We have closely inquired into all the items of expense of the administration of the company's business, and substantial reductions have been effected. I can only repeat what I said last year, viz., that an improvement in general trading conditions alone is necessary for a return to profit earning. The only development of note in the company's manufactures during the year has been the production of a high-speed Diesel engine for traction purposes. This development arises from the experience we obtained in the manufacture of aero engines to which I referred last year, and gives indications of proving a most valuable asset to the company.

The development of the manufacture of steel houses, to which I referred in my address to the shareholders at the last meeting, has not proceeded so rapidly as I had anticipated, largely owing to the opposition of the building trade operatives to this type of house. I am convinced, however, this opposition will shortly disappear, and that the steel house will be universally adopted by local authorities, to the considerable benefit of the coal, iron, and steel industries of the country.

Gentlemen, I now beg to move that the report of the directors produced, together with the annexed statement of the company's accounts for the year to December 31, 1924, duly audited, be received, approved, and adopted.

The report and accounts were adopted, and the retiring director and auditors were reappointed.

JOHN BROWN AND COMPANY, LIMITED.

CHAIRMAN ON POSITION OF MINING INDUSTRY.

The annual meeting of the shareholders of John Brown and Co., Limited, was held at Sheffield, on June 30th, Lord Aberconway presiding.

The Chairman, in moving the adoption of the report, which recommended the payment of a dividend of 5 per cent. on the ordinary shares, remarked that, although six years had passed since the conclusion of the Great War, there was no improvement in the conditions of trade and industry. We were taxed up to the hilt, thereby offering a fine example to other nations; we had not only paid our debts, but also the debts of other people; we had made loans to our enemies, forgetting their effect upon our trade. We had many other heroic things to our credit, such as deflating the currency and re-establishing our gold standard. What was the result? London had again become the world centre of banking and finance, but it had been little short of disastrous to our manufacturing industries.

With our high standard of finance and currency at par, how could we face the competition of countries with inflated currencies, low taxation, low wages, low standards of living, and low costs of production? That was the great problem facing them, and he was glad that the Government was about to take it into consideration.

The Chairman mentioned that the company had secured the manufacturing and selling rights in Europe for the new "Davis" rolling stock wheel, and this was being made at their Scunthorpe works. Over a million were in use in America, and the English railways regarded it favourably. There were considerable orders on hand.

Turning to their collieries, he was glad to say that their output, at all events, was as good as in the previous year. The quality of the coal was excellent, and they had had the best prices the market could afford. Their Barnsley seam at Rotherham ought now to produce 200,000 tons per annum. They had settled the price list with their men after three years' delay, but whatever they might do at their collieries they were faced with this great cloud of depression in the coal market.

POSITION OF THE INDUSTRY.

As the shareholders were aware, the agreement with the men would be terminated to-morrow, which meant that both sides, in theory, would be free to act as they thought fit, though he supposed they would go on for a time on the old terms. It was quite impossible that in the eastern area—which was more favourably situated than almost any other part of the country—they could continue on those terms. Friendly negotiations had been going on between the men and the employers. Bed-rock facts had been brought home to the miners' leaders at the London conference, and he hoped the atmosphere of suspicion which had so long clouded the relations between the miners' leaders and the coalowners would be dissipated. The leaders on both sides had got together, and there were some men of sound intelligence and high principles on the side of the men.

If they took the coal trade they would find that prices had been down every month for the last twelve months, and yet in spite of that every month saw 2,500,000 tons less coal exported. The result would be that large numbers of pits would go out of work and never be restarted, as only the best collieries like their own would be able to survive.

He had put before the Government privately that in his opinion the best plan for increasing their coal exports was to form, under Government auspices, selling committees in big export centres like Cardiff, Hull, and Newcastle, with a Treasury representative on each. These committees should buy coal at net costs according to the monthly ascertainment now in force, and should sell it at the best possible price to undercut foreign competition in the Mediterranean, Baltic, and South American ports. There would be no profits to the collieries, but they would be kept at work. It would be fair all round. It would restore hundreds of thousands of men to work; it would help the railways, it would use up the idle tonnage, and it would help the engineering trade.

OPERATIONS AT CLYDEBANK.

Turning to the company's operations at Clydebank, he said they had handed over to owners a considerable number of vessels this year, and they had launched others to be completed. For the Canadian Pacific Railway, they had handed over two beautiful coasting steamers for traffic on the Pacific coast—the *Princess Kathleen* and the *Princess Margaret*. They had handed over to the Great Western two new Channel boats for the Channel Islands traffic, and they had handed over an Orient boat. They had now nearly completed one of the big Cunard passenger liners, and, in addition, they had completed a good many sets of machinery and oil tankers.

Turning to the balance-sheet, Lord Aberconway said they would see that their debentures had decreased. That was owing to their having steadily repaid the loans which had a rate of interest in excess of what the price of money warranted. They would notice that the reserve funds were untouched, and the balance carried forward, and the profits earned from the last three years were about the same. Their assets had been increased by the expenditure on the plant for the "Davis" wheel, and by considerable expenditure in other directions on collieries and at Clydebank. This was an extension of output which, of course, concerns like theirs required.

The report was adopted, and the retiring directors re-elected.

PINDENIOYA RUBBER AND TEA ESTATES, LIMITED.

RE-ADJUSTMENT OF CAPITAL.

The meeting of the Pindenioya Rubber and Tea Estates, Limited, was held, on the 29th ultimo, Mr H. B. Vuille (the chairman of the company) presiding.

The Chairman, in moving the adoption of the report and accounts, said that although they had averaged about 3d per pound higher than last year for their crop of 177,020 lbs, there had been an increase in the "all-in" costs, due chiefly to a decrease of 37,397 lbs in the crop and a rise in the rupee exchange. The latter now seemed to have been established on a basis of 1s 6d. A dividend of 5 per cent. was recommended. Shareholders would notice that a forward sale ex Go-down Colombo, had been made at 1s 5d per pound—equal to 1s 6d London landed terms. That showed a fair profit, but seemed disappointing under present market conditions. It had, however, always been the policy of the board to sell forward a proportion of the rubber crop; there were now no further forward sales, and for 1926 the company was free to contract at the present price of over 2s, or to take the chance of the market. The board proposed to make a sale at an early date of about the same proportion as they usually contracted for. The book valuation of the estates and buildings had been written down to £64,550, which represented a valuation of only £50 per acre for the planted area.

As to the position of rubber, he did not regard a price of 3s 4d per pound as good for the industry as a whole; it dislocated trade, and would affect consumption if continued too long, but he thought that the 10 per cent. quarterly releases would effect a cure. Estimates had been made by an eminent American connected with the industry, who considered that consumption would increase to the point of overtaking full production of rubber, and that by 1928 there would be a world shortage. A great deal might happen before 1928, and it was sufficient to say, for the moment, that the industry had been saved by the Stevenson scheme, and that so far as the future could be forecasted there was prosperity in store for producers of rubber.

As to tea, the course of the market had been different. A year ago producers had had matters entirely in their own hands, but high prices had resulted in the market being flooded with coarse, stalky teas towards the end of 1924. He was not, however, a pessimist about tea, for he thought the evil had been realised, and that efforts were being made to right the situation.

The report and accounts were adopted, and resolutions readjusting the capital so that in place of each six shares of 1s 8d shareholders should hold five shares of 2s each were unanimously approved.

THE EBBW VALE STEEL, IRON, AND COAL COMPANY, LIMITED.

COAL PRICES AND THE SEVEN HOUR DAY.

The annual general meeting of the Ebbw Vale Steel, Iron, and Coal Company, Limited, was held, on the 30th ultimo, at the Cannon street Hotel, London, Sir Frederick Mills, Bart. (chairman and managing director), presiding.

The Chairman, in moving the adoption of the report and accounts, said that the year just closed had proved to be one of the most difficult he could remember in all his 40 years' experience. After detailing the financial results, he said: The break in demand for our coal began in May of last year, and whilst the demand for the coal from the Ebbw Vale group of collieries has continued at a reduced price, the fierce competition from Germany, France, and Belgium has seriously affected the sales of coal from our subsidiaries in those markets overseas which used to take almost their whole output. In view of the decreased demand no fewer than three of the collieries in the subsidiary undertakings have been entirely closed down for several months, and others of them have worked intermittently. We must, therefore, either find new markets or fresh uses for our coal, or, better still, reduce the cost and so regain the markets we have lost by reason of it.

HIGH PRICE OF COAL.

There is so much spoken and written on the reason for the high price of coal in this country that it is difficult for the man in the street to obtain a clear-cut impression; I wonder if I can tell you in a few words? When the Seven Hours Act was passed it was enacted that the miner should not only work one hour less time but that he should be paid 14.2 per cent.—its equivalent—on his earnings, which provision, of course, counts in two ways, for not only is the miner paid for not working the eighth hour, but the colliery has to carry upon its reduced output all the other on-costs, including rates, taxes, and dotal labour. Obviously no reasonable man wants to reduce earnings; it follows, therefore, that liberty must be given to the miner to work that "lost hour"; if that be granted it will again count in two ways, but this time for, and not against, the industry, for not only will the 14.2 per cent. as an item of cost disappear, but there will be an eighth hour worked to help carry the on-costs. I am assured that if this course be sought and adopted the cost of coal in this country will fall sufficiently to enable us—in time—to recover our lost markets abroad, to encourage the iron and steel trades and their manifold dependent industries, and last, but not least, the men will themselves earn more, and more of them will be employed.

IRON AND STEEL INDUSTRY.

In iron and steel we have been subjected to an intense competition also from several countries abroad, and were it not for the loyalty—alas! rapidly diminishing, and not unnaturally—of our own kith and kin both at home and across the seas, our plight would have been terrible in the extreme. As it was, work could be obtained at a price; your directors reviewed the position with grave thought, and decided it was better for the company, for our workpeople, and for the district to work at a known loss than close down. A distinct and definite loss has been incurred in the manufacture of iron and steel, but I am happy to observe that the results from the departments ancillary to the iron and steel works prove that the policy of your board has been amply justified. The chief reason for the comparative high cost of British iron and steel is the price of coal. When it is borne in mind that the cost for coal in a ton of steel is as much as from 25 per cent. to 50 per cent., according to the locality, it will be apparent that without cheaper coal the advantage must lie with our competitors abroad. I am glad to record a complete absence of disputes with our employees, but I hope they will recognise it will not be possible to continue indefinitely to sell our products at a loss, or even without profit; profit means progress and prosperity, loss means stagnation and disaster to both capital and labour, and if, as I firmly believe, the cost of coal and of iron and of steel is made up of at least 90 per cent. labour, it is evident that our employees must co-operate with the management wholeheartedly to get our costs down in order to regain our markets overseas, from whence comes, for the most part, the money to pay their wages and buy their bread.

Finally, he referred to the heavy burden of local rating, mentioning that these and other imposts, as paid by their company during the past year, gave a grand total of £298,479, sufficient to pay the preference dividend and 8 per cent. on the ordinary shares. It is indeed doubtful if industry can for long stand such luxuries in the face of present world conditions. If the new proposals in regard to pensions are carried, an additional sum of at least £20,000 per annum must be added to these burdens.

The report and accounts were unanimously adopted.

OHLSSON'S CAPE BREWERIES, LIMITED.

DIVIDEND MAINTAINED.

The thirty-sixth annual general meeting of Ohlsson's Cape Breweries, Limited, was held, on the 2nd instant, at the Great Eastern Hotel, Liverpool street, London, Mr Gerald Buxton (the chairman) presiding.

The Chairman, in moving the adoption of the report and accounts, said that there had been a slight falling off in the sales during the past year, and the profits were therefore somewhat reduced in comparison with the previous year. He was glad to say, however, that they had been able to maintain the same rate of dividend on the ordinary shares. He was sorry to say that the consumption of beer in the Dominion did not seem to increase as rapidly as they would like. They all knew that the company had a very considerable beer duty to pay, and they had to compete with the local product of the Dominion, namely, wine, upon which no duty was paid. This made the comparative price of beer and wine very different from what it was in this country. Quite recently they had reduced the price of beer all round, and they hoped that by so doing they would sufficiently stimulate the consumption and improve the position.

Dealing with the balance-sheet, he pointed out that the company had invested some £27,000 more in properties, which he hoped would be producing trade during the current 12 months. With regard to the plant, they had spent a large sum of money in modernising the bottling plant in order to reduce labour expenses. They had adjusted it in the way of depreciation by taking £22,000 out of the reserve account, and reducing the figure at which the plant stood in the balance-sheet to £108,000. The stocks in trade were less by £8,000, and debts due to the company were about £4,000 more. Cash at bankers and in hand was about £1,000 more than last year. There was one item in the profit and loss account which was rather larger as compared with last year—namely, income-tax. That, of course, was owing to the three years' average of profits. They would now get rid of corporation profits tax, although they were liable to pay a small amount for the first three months of the year. Unfortunately, however, the powers that be in South Africa had made a slight alteration in the Colonial income-tax. It used to be 6d in the £, and an additional tax of 1s in the £ on dividends paid. It was now going to be an inclusive rate of 2s 6d in the £.

ARCOS LTD.

Sole Purchasing and Selling Agency in Great Britain for the Government of the U.S.S.R.

TURNOVER TO
APRIL 1, 1925, £56,000,000.

Exports from Russia to Great Britain include timber, flax, furs, ores, metals, crude drugs, petroleum products, etc., to a total value of £18,000,000.

The more important items of import to Russia are agricultural machinery, locomotives, tools, motors, scientific apparatus, drugs, clothes, boots, etc., to a total value of £38,000,000.

49, Moorgate, London, E.C.2

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Marconi, Bontleys & Zebra.

£, which would add something to their liability. As against that the Imperial rate of tax would be 6d in the £ less, so that it would not make much difference.

The report and accounts were unanimously adopted.

GOVERNMENT RETURNS, &c.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £40,000,000 in Treasury Bonds and Treasury Bills were opened on July 3, 1925, and the total amount applied for was £52,085,000. For bills at three months dated Monday to Friday £98 17s 2d, above in full. Saturday's bills at £98 17s 4d, and above in full. The amounts allotted were as follows:—In bills at 3 months, £37,785,000; in bonds, nil.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.	4% Treasury Bonds. Average Price.
1925.				
May 8.....	30,000,000	39,145,000	4 10 6 29	nil
May 15.....	30,000,000	49,385,000	4 13 5 66	nil
May 22.....	30,000,000	54,380,000	4 9 5 9	nil
May 29.....	40,000,000	54,460,000	4 6 4 48	nil
June 5.....	40,000,000	47,945,000	4 7 6 62	nil
June 12.....	40,000,000	54,150,000	4 7 10 14	nil
June 19.....	40,000,000	49,235,000	4 8 3 35	nil
June 26.....	40,000,000	60,895,000	4 10 5 19	nil
July 3.....	40,000,000	52,085,000	4 10 2 47	nil

Tenders will be received on July 10, 1925, for Treasury Bills and Treasury Bonds to be issued to the maximum amount of £35,000,000. The amount of Treasury Bonds issued will not exceed £3,000,000.

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

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Redemption Account.						Ratio to Notes.	Govt. Securit.	Balance at Bank of England.
			Silver Coin.	Gold and Bullion.	Bank of England Notes.	Ratio to Notes.	Govt. Securit.	Balance at Bank of England.			
1922.											
Mar. 29.....	300,351	14,255	5,000	28,500	19,450	15.9	261,479	177			
June 28.....	295,374	13,338	6,000	28,500	19,650	16.3	254,312	250			
Sept. 27.....	289,127	12,648	7,000	27,000	21,150	16.6	246,456	169			
Dec. 27.....	301,337	12,872	7,000	27,000	21,150	15.9	258,922	137			
1923.											
Mar. 28.....	285,616	12,318	7,000	27,000	22,450	17.3	241,294	190			
June 27.....	286,503	12,516	7,000	27,000	22,460	17.3	242,446	123			
Sept. 27.....	282,784	12,401	7,000	27,000	22,450	17.5	238,596	140			
Dec. 26.....	299,070	12,571	7,000	27,000	22,450	16.5	255,032				
1924.											
Mar. 26.....	281,538	11,908	7,000	27,000	22,450	17.6	236,867	130			
June 25.....	290,316	12,472	7,000	27,000	22,450	17.0	246,198	140			
Sept. 24.....	285,592	12,227	7,000	27,000	22,450	17.3	241,185	184			
Dec. 31.....	296,261	12,812	7,000	27,000	26,950	18.2	248,111	133			
1925.											
Mar. 25.....	284,256	11,822	7,000	27,000	26,950	18.9	235,076	112			
June 10.....	294,006	12,349	7,000	27,000	26,950	18.3	245,313	92			
17.....	292,250	12,434	7,000	27,000	26,950	18.5	245,592	142			
24.....	292,250	12,265	7,000	27,000	26,950	18.6	243,474	119			
July 1.....	293,501	13,128	7,000	27,000	26,950	18.4	245,536	143			

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £300,000,000, for 1921 at £317,555,200, for 1922 at £309,988,400, for 1923 at £270,183,800, for 1924 at £248,190,900, and for 1925 at £248,145,400.

NATIONAL DEBT—(Million £).

	Aug. 1, 1914.	Dec. 31, 1918.	Mar. 31, 1921.	Mar. 31, 1922.	Mar. 31, 1923.	Mar. 31, 1924.	Dec. 31, 1924.	Mar. 31, 1925.	June 30, 1925.
Funded Debt	588	315	315	315	314	314	314	314	314
Term Annuities	50	80	18	16	14	14	14	14	13
4½% Conversion Loan ..	..	..	..	866	866	866	866	866	732
4½% Conversion Loan ..	..	63	63	63	63	63	63	63	210
4½% War Stock	..	13	13	13	13	13	13	13	63
4½% and 5% War Stock ..	..	2,047	1,995	1,953	2,095	2,168	2,017	2,053	777
National War Bonds	..	1,509	1,413	1,201	953	820	395	385	395
4% Funding Loan	..	409	406	336	325	314	314	350	350
4% Victory Bonds	..	360	347	453	411	487	496	482	458
Treasury Bonds	..	323	289	185	150	150	364	364	370
Exchequer Bonds	90	267	285	342	354	368	1,132	1,124	1,124
National Savings Certs. ..	..	1,306	1,132	1,087	1,157	1,128	1,132	1,124	1,124
Other Debt*	..	61	111	978	616	588	526	575	597
American Loan (Anglo-French)	15	1,107	1,121	147	194	186	220	168	195
Treasury Bills	1	243	154	147	147	66	7,726	7,646	7,695
Temporary Advances ..	654	8,033	7,574	7,655	7,742	7,641	7,726	7,646	7,695
Other Capital Liabilities ..	67	46	49	66	66	66	66	66	69
Total Liabilities	711	8,079	7,623	7,721	7,812	7,707	7,794	7,718	7,764

* Includes debt to American Government.

POSITION OF THE FLOATING DEBT.

	June 30, '24.	Mar. 31, '25.	June 30, '25.	June 30, '25.
Ways and Means Advances Outstanding	£ 13,250,000..	£ 166,500,000..	£ 9,750,000..	£ 9,750,000..
Advances by Bank of England	204,966,500..	185,185,000..	—	—
Advances by Public Dep'tm.	550,085,000..	575,610,000..	596,585,000..	596,585,000..
Treasury Bills Outstanding	—	—	—	3,455,000
Total Floating Debt	788,301,500..	742,195,000..	791,530,000..	791,530,000..

* Includes £151,000, the proceeds of which were not carried to the Exchequer within the period of the account.

The OCEAN ACCIDENT and GUARANTEE CORPORATION, Limited.

ASSETS £28,501,591
CLAIMS PAID £237,361,771

Accidents and Illness, Employers' Liability, Burglary, Fire, Motor Cars, Inspection and Insurance of Boilers, Engines, Electrical Plant and Lifts, Executive Ships and Trustships.

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

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, July 1, 1925.

ISSUE DEPARTMENT.

Notes issued	£ 175,506,285	Government debt	£ 11,015,100
		Other securities	£ 8,734,900
		Gold coin & bullion ..	£ 155,756,285
	175,506,285		175,506,285

BANKING DEPARTMENT.

Proprietors' capital ..	£ 14,553,000	Government securities	£ 46,576,733
Rest	£ 3,409,748	Other securities	£ 96,278,158
Public deposits	£ 11,659,314	Notes	£ 28,876,800
Other deposits	£ 143,951,312	Gold and silver coin ..	£ 1,846,323
Seven-day & other bills	£ 4,640		
	173,578,014		173,578,014

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

	Amount, July 1, 1925.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Rest	£ 3,409,748	+ £ 62,440	+ £ 62,440
Public deposits	11,659,314	+ 1,899,807	+ 3,815,751
Other deposits	143,951,312	+ 25,696,998	+ 7,645,734
Government securities	46,576,733	+ 7,545,000	+ 9,924,426
Other securities	96,278,158	+ 17,254,975	+ 10,508,110
Reserve	146,629,486	+ 1,559,085	+ 18,828,962
Note circulation	157,602,608	+ 418,768	+ 29,337,070
Coin and bullion	155,756,285	+ 41%	+ 68%
% of reserve to liabilities	192%		

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Gold in or out of Bank.	Reserve and % of Reserve to Liabilities.	Bank Rate.
1925.							
May 20.....	£ 155,908,211	147,241,395	117,979,640	107,378,525	2,294,000 in	28,416,816	20
May 27.....	156,690,279	148,182,610	122,494,483	112,078,242	769,000 in	28,257,669	23
June 3.....	156,472,603	148,831,010	125,714,307	116,106,863	226,000 out	27,391,593	21 1/2
10.....	157,071,195	148,026,195	121,381,641	110,377,650	607,000 in	28,795,000	23 1/2
17.....	157,596,429	145,972,465	122,994,863	109,451,284	525,000 in	31,373,964	26 1/2
24.....	157,183,840	145,270,460	131,813,435	118,054,916	424,000 out	31,663,380	24
July 1.....	157,602,608	146,529,485	155,610,626	142,854,891	540,000 in	30,723,123	19 1/2

BANKERS' CLEARING RETURNS (000's omitted).

Week Ending—	Town.	Metropolitan.	Country.	Total.
1925.	£	£		£
January 1 to June 17	16,871,646	775,789	1,391,277	19,038,712
June 24.....	620,041	30,599	62,397	703,037
July 1.....	855,731	33,690	52,915	942,336
Total to date 1925	18,347,418	840,078	1,496,589	20,684,085
Do 1924.....	18,092,703	802,696	1,453,201	20,348,700
Increase or decrease in 1925 {	+ 254,715	+ 37,382	+ 43,388	+ 335,385
	= 1.4 %	= 4.6 %	= 2.9 %	= 1.6 %
Total for year 1924	35,038,606	1,594,114	2,900,145	39,532,865
Total for year 1923	32,370,373	1,546,565	2,810,654	36,687,592
Increase or decrease in 1924 {	+ 2,768,232	+ 47,548	+ 89,491	+ 2,905,271
	= 8.5 %	= 3.0 %	= 3.1 %	= 7.9 %

[July 4, 1925.]

OVERSEAS BANK RETURNS.

NOTE.—The latest return of the Rentenbank appeared in the *Economist* of April 11; Roumania in April 11; Denmark in June 13; Canada, Belgium, Finland, Estonia, Lithuania, Danzig, Bulgaria, Greece, and Egypt in June 27.

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

RESOURCES.	June 26, 1925.	June 19, 1925.	June 12, 1925.	June 5, 1925.
Total bills discounted	2,810,760	2,821,070	2,821,090	2,818,140
Total bills discounted	455,450	441,960	417,130	412,340
Bills bought open in market	241,670	246,080	274,950	284,950
Total U.S. Government securities	324,610	306,400	305,400	311,110
Total earning assets	1,034,470	1,007,200	1,064,680	1,064,150
Total resources	4,749,470	4,922,690	4,787,480	4,837,460
LIABILITIES.	June 26, 1925.	June 19, 1925.	June 12, 1925.	June 5, 1925.
Federal Reserve notes in actual circulation	1,634,240	1,643,050	1,659,670	1,674,690
Deposits—Member bank—reserve account	2,139,780	2,212,770	2,156,090	2,146,920
Total deposits	2,210,410	2,244,600	2,225,610	2,222,150
Capital paid in and surplus	333,400	333,380	333,360	333,370
Total liabilities	4,749,460	4,922,690	4,787,480	4,837,460
Ratio of total reserves to deposits and Federal Reserve note liabilities combined	77.0%	76.3%	76.3%	75.9%

NEW YORK FEDERAL RESERVE BANK.—In \$'s (000's omitted).

	June 26, 1925.	June 19, 1925.	June 12, 1925.	June 5, 1925.
Total bills discounted	120,890	118,260	123,680	104,510
Bills bought in open market	35,590	30,860	64,880	64,520
Total U.S. Government securities	57,790	58,270	70,200	68,280
Total earning assets	217,100	210,220	260,600	240,140
Deposits—Member bank—res. acc't	808,190	851,090	830,590	832,880
Ratio of total res. to dep. and Federal Res. note liabilities combined	83.8%	83.0%	80.3%	81.0%

SOUTH AFRICAN RESERVE BANK.—In £'s (000's omitted).

ASSETS.	June 5, 1925.	May 30, 1925.	May 23, 1925.	May 16, 1925.	May 9, 1925.	June 7, 1925.
Gold coin and bullion	5,184	4,763	3,997	3,152	2,387	543
Gold certificates	9,964	9,976	9,974	10,224	10,224	10,102
Subsidiary coin	50	50	50	50	50	50
Bills discounted	2,829	3,371	3,070	4,152	4,520	4,018
Loans & advances to Govt.	524	523	523	523	523	2,400
LIABILITIES.	June 5, 1925.	May 30, 1925.	May 23, 1925.	May 16, 1925.	May 9, 1925.	June 7, 1925.
Capital	1,000	1,000	1,000	1,000	1,000	1,000
Reserve	153	153	153	153	153	153
Notes in circulation	10,365	10,566	10,121	10,172	10,490	10,675
Bankers' deposits	6,294	5,760	6,370	5,696	5,387	5,278
Ratio of cash reserves to liabilities to public	87.8%	85.5%	83.4%	83%	78.1%	67%

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

ASSETS.	June 5, 1925.	May 29, 1925.	May 22, 1925.	May 15, 1925.	May 8, 1925.	June 6, 1925.
Total securities	15,214.71	15,342.26	15,374.34	15,222.22	15,099.98	15,186.66
Loans	21,441.11	22,744.41	23,544.28	25,136.68	24,288.23	24,377.32
Cash credits	35,855.57	36,358.98	35,444.65	37,711.63	37,199.69	38,184.84
Inland bills	8,425.52	9,685.86	10,444.58	10,955.12	11,740.11	12,711.21
Foreign bills	16,711	25,921	27,118	32,333	33,779	20,133
Dead stock	2,798.2	2,850.50	2,800.02	2,784.47	2,775.55	2,553.31
Bal. with other banks	27.66	21.81	14.74	26.74	34.40	1,632.92
LIABILITIES.	June 5, 1925.	May 29, 1925.	May 22, 1925.	May 15, 1925.	May 8, 1925.	June 6, 1925.
Capital paid up	5,625.50	5,625.50	5,625.50	5,625.50	5,625.50	5,625.50
Reserve	4,675.50	4,675.50	4,675.50	4,675.50	4,675.50	4,675.50
Total deposits	93,977.1	97,707.2	94,186.2	94,344.0	93,155.09	91,615.51
The above includes—						
Deposits in London	1,193	1,200	1,129	1,198	1,202	1,427
Advances in London	1,137	1,137	1,137	1,138	1,109	1,408
Cash, &c., at other Banks in London	188	148	100	178	225	1,086

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

ASSETS.	May 30, 1925.	May 23, 1925.	May 16, 1925.	May 9, 1925.	May 3, 1925.	Position May 31, 1924.
Cash and bullion	1,122,504	1,121,675	1,120,743	1,120,773	1,109,754	221,320
Discounts	200,399	128,436	118,902	138,768	434,904	41,740
Advances	127,958	122,756	125,766	133,142	276,792	70,540
LIABILITIES.	May 30, 1925.	May 23, 1925.	May 16, 1925.	May 9, 1925.	May 3, 1925.	Position May 31, 1924.
Notes	1,209,125	1,089,613	1,078,148	1,105,484	1,247,462	362,730
Govt. deposits	667,787	637,453	638,852	653,501	1,042,068	87,340
Other deposits	74,935	105,240	115,558	104,918	84,442	11,440

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

ASSETS.	July 2, 1925.	June 25, 1925.	June 18, 1925.	July 3, 1925.	Position May 28, 1924.
Gold coin and bullion	5,546,722	5,546,722	5,546,656	5,543,218	3,730,625
Of which held abroad	1,864,321	1,864,321	1,864,321	1,864,321	1,864,321
Silver coin and bullion	312,271	312,937	313,843	313,843	632,650
Discounts and advances	7,346,026	6,893,456	6,860,292	7,338,457	2,397,775
Advances to the State	27,700,000	25,650,000	25,250,000	25,100,000	..
LIABILITIES.	July 2, 1925.	June 25, 1925.	June 18, 1925.	July 3, 1925.	Position May 28, 1924.
Notes	43,799,528	43,000,170	43,053,825	40,115,648	5,811,875
Government deposits	29,839	36,127	20,736	14,793	183,700
Private deposits	3,077,793	2,409,433	2,117,538	2,205,677	845,950

THE REICHSBANK.—In Reichsmarks* (000's omitted).

ASSETS.	June 23, 1925.	June 15, 1925.	June 8, 1925.	June 1, 1925.	Position May 30, 1924.
Reichsbank shares not yet issued	177,212	177,212	177,212	177,212	177,212
Gold and bullion	1,061,541	1,040,194	1,015,841	1,015,681	1,015,681
Of which deposited abroad	75,945	75,945	75,945	75,945	75,945
Reserve in foreign currencies	353,880	346,731	338,613	338,553	338,553
Bills of exchange and cheques	1,366,026	1,402,532	1,522,215	1,648,438	1,648,438
Silver and other coin	72,101	69,895	65,999	65,721	65,721
Notes of other German banks	31,048	22,286	15,426	7,236	7,236
Advances	7,068	8,874	4,233	27,943	27,943
Investments	201,264	201,165	201,016	200,552	200,552
Other assets	1,009,694	1,078,845	1,090,060	963,870	963,870
LIABILITIES.	June 23, 1925.	June 15, 1925.	June 8, 1925.	June 1, 1925.	Position May 30, 1924.
Reduced capital	122,788	122,788	122,788	122,788	122,788
Increase of capital (shares not yet issued)	177,212	177,212	177,212	177,212	177,212
Reserve	185,807	185,807	185,807	185,807	185,807
Notes in circulation	2,238,572	2,262,933	2,488,085	2,608,797	2,608,797
Other daily maturing obligations	802,210	717,261	678,457	881,475	881,475
Loan from Rentenbank	2,419	5,636	9,082	9,826	9,826
Other liabilities	750,926	776,097	769,184	759,281	759,281

* Equal to one billion paper marks or one Rentenmark.
The gold reserve is calculated in accordance with the new legal prescription "one pound of fine gold equals 1,392 Reichsmarks."

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

ASSETS.	June 29, 1925.	June 22, 1925.	June 15, 1925.	June 8, 1925.	June 1, 1925.	Position May 30, 1924.
Gold	453,323	455,340	455,336	467,396	531,511	163,092
Silver	22,377	22,414	21,970	21,560	10,296	8,436
Discounts and advances	440,171	428,078	437,894	417,221	398,460	153,504
LIABILITIES.	June 29, 1925.	June 22, 1925.	June 15, 1925.	June 8, 1925.	June 1, 1925.	Position May 30, 1924.
Notes in circulation	889,861	868,922	882,451	888,765	984,525	316,632
Deposits	47,772	51,366	55,166	37,840	47,308	5,016

BANK OF JAYA.—In florins (000's omitted).

ASSETS.	June 27, 1925.	June 20, 1925.	June 13, 1925.	June 6, 1925.	June 29, 1924.	Position May 31, 1924.
Gold	181,500	182,500	182,500	184,500	141,235	22,371
Silver	181,500	182,500	182,500	184,500	141,235	22,371
Discounts, advances, and other investments	127,310	124,800	114,020	116,350	134,200	77,587
LIABILITIES.	June 27, 1925.	June 20, 1925.	June 13, 1925.	June 6, 1925.	June 29, 1924.	Position May 31, 1924.
Notes in circulation	294,000	292,500	293,000	289,000	253,230	109,499
Deposits and bills payable	51,500	48,000	45,000	47,500	71,206	11,260

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

ASSETS.	June 23, 1925.	June 15, 1925.	June 8, 1925.	May 30, 1925.	June 23, 1924.	Position May 31, 1924.
Gold	482,163	482,067	482,037	482,035	513,477	171,175
Silver	90,110	89,736	89,315	89,217	100,486	18,350
Assets & advances	262,965	250,198	246,335	256,511	324,496	103,000
LIABILITIES.	June 23, 1925.	June 15, 1925.	June 8, 1925.	May 30, 1925.	June 23, 1924.	Position May 31, 1924.
Notes in circulation	763,897	771,975	792,556	821,963	814,663	275,925
Deposits	131,566	115,584	88,521	79,825	96,684	33,750

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

ASSETS.	June 22, 1925.	June 15, 1925.	June 8, 1925.	June 23, 1924.	Position May 31, 1924.
Coin and bullion—Gold	147,228	147,228	147,228	147,228	44,224
Balance abroad and foreign bills	59,454	59,419	59,435	18,036	28,533
Norwegian and Foreign Gov. securities	9,249	9,249	9,279	9,008	8,816
Discounts and advances	332,812	334,525	341,832	435,178	76,911
LIABILITIES.	June 22, 1925.	June 15, 1925.	June 8, 1925.	June 23, 1924.	Position May 31, 1924.
Notes in circulation	373,045	371,330	370,535	379,714	113,484
Deposits at notice	104,936	107,425	116,888	112,982	7,188

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

ASSETS.	June 27, 1925.	June 20, 1925.	June 13, 1925.	June 6, 1925.	May 31, 1925.	Position May 31, 1924.
Gold	234,820	235,189	235,542	235,652	192,474	104,919
Balance abroad and foreign bills	96,444	100,561	92,665	97,268	29,373	112,172
Govt. securities	50,605	50,605	52,821	53,053	56,724	34,465
Discounts & loans	393,263	400,033	399,945	423,574	475,441	112,689
LIABILITIES.	June 27, 1925.	June 20, 1925.	June 13, 1925.	June 6, 1925.	May 31, 1925.	Position May 31, 1924.
Notes in circulation	477,426	479,868	473,383	487,219	599,481	226,555
Deposits at notice	217,139	227,120	238,836	243,231	217,101	369,669

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

	June 24,	June 17,	June 10,	June 3,	Nov. 22,
Assets.					
Gold bullion and coins	1925.	1925.	1925.	1925.	1922.
Silver coin	23,523	23,522	23,512	23,513	12,993
Foreign currency	5,126	5,348	5,678	5,909	22,466
Treas. notes & small change	32,676	32,434	32,734	32,245	3,086
Short term bills	10,723	10,626	13,691	12,350	6,639
Loans against securities	55,017	54,976	65,092	54,203	2,912
Other assets	50,211	50,769	51,274	51,584	1,359
	7,756	7,989	8,286	7,449	
LIABILITIES.					
Notes in circulation	29,043	29,064	28,503	29,478	4,085
Capital paid up	11,659	11,659	11,659	11,659	8,000
Reserve	1,522	1,522	1,522	1,522	..
Special reserve	1,000	1,000	1,000	1,000	..
Deposits	5,271	5,348	5,326	5,318	61
Current accounts	38,334	39,045	38,903	38,336	16,933
Government accounts	84,938	85,678	90,873	90,168	3,806
Government deposits					12,891
Other liabilities	13,265	12,349	12,482	10,773	3,757

CENTRAL AMERICAN EXCHANGE RATES.

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

Country.	Par Value.	Usance.	1925.	Rate.
Ecuador.....	Sucres to £.....	1000	Sight London	June 27 22.85
Venezuela.....	Bolivares to £.....	1525	June 30	25.20
Colombia (Bogota).....	Pesos to £20.....	100	July 1	100.25
Nicaragua.....	Colonos to £.....	48655	April 30	4.80
San Salvador.....	Colonos to £.....	973	June 27	9.85
Guatemala.....	Pesos to £.....	9043	June 27	2.92
Costa Rica.....	Colonos to £.....	1045	May 21	18.92
Bolivia.....	Pence to Boliviano	1920	June 16	17.8

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates:—

T.T.	Union of South Africa.		Union of South Africa.	
	Buying.	Selling.	Buying.	Selling.
Demand.....	1 1/2 % dis.	1 1/2 % dis.	1 1/2 % prem.	1 1/2 % prem.
30 days.....	2 1/2 % "	2 1/2 % "	2 1/2 % "	2 1/2 % "
60 days.....	3 1/2 % "	3 1/2 % "	3 1/2 % "	3 1/2 % "
90 days.....	4 1/2 % "	4 1/2 % "	4 1/2 % "	4 1/2 % "
120 days.....	5 1/2 % "	5 1/2 % "	5 1/2 % "	5 1/2 % "

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

T.T.	London on Australia and New Zealand.		Australia and New Zealand on London.	
	Buying.	Selling.	Buying.	Selling.
Demand.....	99 1/2 %	100 1/2 %	99 1/2 %	100 1/2 %
30 days.....	98 1/2 %	99 1/2 %	98 1/2 %	99 1/2 %
60 days.....	98 1/4 %	99 1/4 %	98 1/4 %	99 1/4 %
90 days.....	98 1/8 %	99 1/8 %	98 1/8 %	99 1/8 %
120 days.....	98 1/16 %	99 1/16 %	98 1/16 %	99 1/16 %

BULLION.

IMPORTS AND EXPORTS OF GOLD.

Week ended July 1, 1925.

Imported into Great Britain and Northern Ireland.		Exported from Great Britain and Northern Ireland.	
From—	£	To—	£
France.....	11,516	Germany.....	250,000
British South Africa.....	1,008,766	Netherlands.....	54,810
Anglo-Egyptian Sudan.....	2,475	Spain.....	1,700
		Java.....	2,061
		Chile.....	150,100
		British India.....	447,400
		Straits Settlements.....	41,750
		Ceylon.....	14,115
Total declared value of imports.....	1,022,757	Total declared value of exports.....	961,936

Messrs Samuel Montagu and Co. write on July 1st as follows:—

GOLD.

The Bank of England gold reserve against notes on the 24th ultimo amounted to £155,353,055, as compared with £155,803,610 on the previous Wednesday. The following movements of gold to and from the Bank of England have been announced since our last issue:—

	Received.	Withdrawn.
June 25.....	nil	9,000
" 26.....	nil	19,000
" 27.....	nil	nil
" 29.....	595,000	27,000
July 1.....	nil	221,000

The origin of the £595,000 bar gold received on the 30th ultimo was not officially disclosed, but it is generally understood that it was South African, a most interesting circumstance in view of the fact that it would be the first large purchase from that source by the Bank since the restoration of the gold standard. This transaction is the natural consequence of the fact that recent offerings of gold on the open market have not readily been absorbed, the price of such gold being now 3d per ounce under the Bank of England selling rate. The destinations of the £231,000 sovereigns withdrawn were given as follows:—India, £184,000; Singapore, £27,000; and Holland, £20,000. During the week under review £319,000 on balance has been received by the Bank. The net influx since the resumption of an effective gold standard is now £1,773,000. Reuter states that Rhodesia will return to the gold standard to-day, and that at present the gold held is English currency, but that it is anticipated South African coinage will be gradually introduced.

SILVER.

The absence of fresh anti-foreign outbreaks in China and a relaxation of the strikes which have been interfering with the normal economic life of Shanghai and of Peking, have been reflected in the price of silver. Recent demand for bear covering and the Indian bazaars, as well as reluctance of operators in America and elsewhere to sell, were all symptoms of the uneasiness felt as to developments in China. Hence reassuring indications of a return to more normal conditions have been the most important factor in the silver market during the last few days. Bear covering on the 27th ult. carried both prices to 32 1/2d, the highest quotation recorded this year for two months' delivery, and only exceeded by 1d on January 12th in the case of that for cash delivery. From this point quotations receded more from absence of buying than from any great pressure to sell. Should this set in from China or any other important quarter, the market does not promise much power of resistance.

INDIAN CURRENCY RETURNS.

(In Lacs of Rupees.)

	June 7.	June 15.	June 22.
Notes in circulation.....	17,369	17,492	17,653
Silver coin and bullion in India.....	7,420	7,542	7,703
Silver coin and bullion out of India.....	2,232	2,232	2,232
Gold coin and bullion in India.....	5,718	5,718	5,718
Gold coin and bullion out of India.....	1,993	2,000	2,000
Securities (Indian Government).....			
Securities (British Government).....			

No silver coinage was reported during the week ending 22nd ult. The stock in Shanghai on the 27th ultimo consisted of about 62,600,000 ounces in sycee, 44,000,000 dollars, and 3,510 silver bars, as compared with about 62,600,000 ounces in sycee, 41,500,000 dollars, and 3,510 silver bars on the 20th idem. Statistics for the month of June last are appended:—

Highest price.....	BAR SILVER—Per Oz. Standard.		BAR GOLD.
	Cash Delivery.	Two Months' Delivery.	Per Ounce Fine.
Lowest.....	32 1/2	32 1/2	84 11 1/2
Average.....	31.862	31.830	84 11 1/4

GOLD AND SILVER PRICES.

1925.	Gold Per Ounce.	Silver—Per Ounce.	Date.	Silver.
	Cash.	Forward.		Cash.
June 27....	84 11 1/2	32 1/2	July 11, 1919..	53 1/2
29....	84 11 1/2	32 1/2	9, 1920....	52 1/2
30....	84 11	32 1/2	8, 1921....	36 1/2
July 1....	84 11	32 1/2	7, 1922....	36
2....	84 11	32 1/2	6, 1923....	31 1/2
3....	84 11	32 1/2	4, 1924....	34 1/2

NOTICES.

Barclays Bank, Limited, announce that they have opened a new branch at 2 Nantwich road, Crewe, under the management of Mr W. T. Harding, also manager of 38 Market street, Crewe, branch.

The International Banking Corporation (which is owned by the National City Bank of New York) has opened a new branch at Osaka, Japan, in charge of Mr Peter Davidson, formerly of the New York office.

The Midland Bank announces the opening of a new branch at 1 The Town, Enfield, Middlesex, under the management of Mr F. Heath.

MINING OUTPUT STATISTICS FOR JUNE, 1925.

Gold.	Tons Crushed.		Gold Recovered.		Value.	Profit.
	Mill.	Cy. Work.	Mill.	Cy. Work.		
Frontino and Bolivia.....	2,500	..	..	..	9,224	..
Marmajito.....	530	..	..	..	1,973	..
Tin.						
Chenderiang.....	333	..	..	..	..	..
Kamunting.....	104	..	..	..	..	..
Coal.						
Dundee.....	40,406	..	..	..	..	..
South African Coal.....	64,732	..	..	..	..	..

MOUNT LYELL MINING AND RAILWAY COMPANY, LIMITED.—During the quarterly period ended June 30th there were smelted Mount Lyell ore 2,703 tons, North Lyell ore (direct to smelters) 1,001 tons, concentrates 9,858 tons. The converters produced 1,854 tons of blister copper, containing copper 1,838 tons; silver, 38,890 ozs; concentrates. The mill treated 27,143 tons of ore, and produced 5,588 tons of concentrates. Furnace ran 58 days. During the four-weekly period ended June 24th the mill treated 8,905 tons of ore, producing 2,692 tons of concentrates.

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended June 26, 1925.	Miles Open.	Week ended June 29, 1925.			Aggregate 26 Weeks, 1925.		
		Passen- gers, &c.	Goods, &c.	Total for Week.	Passen- gers, &c.	Goods, &c.	Total Receipts.
Great Western.....	3,765	269,000	326,000	595,000	6,090,000	8,479,000	14,569,000
Do for 1924.....	3,754	301,000	347,000	648,000	6,011,000	8,340,000	14,351,000
London & N. Eastern (c).....	6,714	479,000	644,000	1,123,000	6,019,000	7,251,000	13,270,000
Do same period 1924.....	6,714	530,000	667,000	1,197,000	6,021,000	7,251,000	13,272,000
London, Mid., & Scottish (c).....	6,950	714,000	840,000	1,554,000	14,839,000	20,350,000	35,189,000
Do for 1924.....	6,950	755,000	858,000	1,613,000	14,839,000	20,350,000	35,189,000
Southern.....	2,135	381,000	180,000	561,000	7,703,000	2,980,000	10,683,000
Do for 1924.....	2,142	392,000	116,000	508,000	7,396,000	2,811,399	10,207,399
Metropolitan (c).....	58	35,966	3,730	39,696	843,666	100,344	1,062,835
Do for 1924.....	58	47,316	3,800	51,116	962,491	100,344	1,062,835
Underground E.R. (c).....	..	..	..	..	..	..	..
Do for 1924.....	..	..	..	..	..	..	..
London & Sub. Group (c).....	..	..	..	..	..	..	..
Do for 1924.....	..	..	..	..	..	..	..
Belfast & Co. Down (b).....	80	4,982	961	5,943	38,750	47,988	86,738
Great Northern (b).....	562	17,850	17,800	35,650	368,750	443,850	812,600
Great Southern (b).....	2,181	44,685	42,367	87,052	870,455	1,114,443	1,984,898

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.		Total Gross Receipts.	
				1925.	+ or -	1925.	+ or -
INDIAN.							
Assam Bengal	9 weeks	May 30	1,072	3,111,000	+ 51,349	24,133,000	+ 2,113,393
Barclay & Ry.	9 weeks	May 30	118	31,200	+ 1,900	3,077,700	+ 55,500
Bombay & N. Western	10 weeks	June 6	2,068	7,075,500	+ 12,349	64,855,680	+ 5,719,946
Bombay Nagpur	10 weeks	June 6	2,068	15,750,000	+ 1,477,000	1,556,61,000	+ 12,983
Bombay, Bar., & C.I. (c)	10 weeks	June 6	2,068	22,34,000	+ 1,06,795	78,43,762	+ 10,44,138
Bombay, Bar., & C.I. (c)	9 weeks	May 30	1,344	1,04,100	+ 4,077	12,03,000	+ 86,080
Delhi, Umballa & Kalka	12 weeks	June 29	2,873	18,45,000	+ 4,57,000	1,305,65,000	+ 66,11,000
East Indian	35 weeks	June 29	3,235	26,80,300	+ 1,01,900	3,55,24,900	+ 16,06,871
G. Indian Peninsula	12 weeks	June 29	6,509	17,00,000	+ 22,455	1,58,73,000	+ 4,86,554
Madras & S. Mahr.	6 weeks	June 6	965	3,60,980	+ 19,511	33,81,981	+ 2,56,798
Nizam's Guaranteed (a)	6 weeks	May 30	259	65,337	+ 3,013	5,50,970	+ 44,481
Rohilkhand & Kumaon	6 weeks	May 30	287	81,716	+ 2,437	6,72,502	+ 88,865
Do Lucknow-Breilly	6 weeks	May 30	287	81,716	+ 2,437	6,72,502	+ 88,865
South Indian	10 weeks	June 6	1,876	10,71,412	+ 1,33,387	99,78,251	+ 1,30,471

(a) Total receipts of all lines.

ARGENTINE (a).							
	Period.	Ending.	Present Mileage.	1925.	+ or -	1925.	+ or -
Argentine N.E.	52 weeks	June 27	754	14,000	+ 1,600	690,300	+ 56,000
Argentine Trans.	51 weeks	June 27	20	2,034	+ 184	160,562	+ 29,439
B. A. and Pacific.....	52 weeks	June 27	2,602	128,000	+ 18,000	7,818,000	+ 21,000
B. A. Central.....	52 weeks	June 27	28	14,841	+ 2,867	671,169	+ 69,565
B. A. Gt. Southern.....	52 weeks	June 27	4,713	199,000	+ 27,000	11,508,000	+ 704,000
B. A. Western.....	52 weeks	June 27	1,882	77,000	+ 29,000	4,715,000	+ 183,000
Central Argentine.....	52 weeks	June 27	1,882	234,000	+ 6,000	11,472,000	+ 167,000
Corrientes.....	52 weeks	June 27	1,202	91,500	+ 4,900	3,398,200	+ 184,300
Entre Rios.....	52 weeks	June 27	729	21,600	+ 1,319,700	+ 128,000	

CANADIAN.							
	Period.	Ending.	Present Mileage.	1925.	+ or -	1925.	+ or -
Canadian National.....	22 weeks	June 7	..	4,029,141	+ 273,062	91,363,222	+ 8,118,472
Canadian Pacific.....	24 weeks	June 21	14,061	2,895,000	+ 406,000	69,743,000	+ 9,534,000

BRAZILIAN (b).							
	Period.	Ending.	Present Mileage.	1925.	+ or -	1925.	+ or -
Gt. West. of Brasil.....	26 weeks	June 27	1,011	10,100	+ 3,400	373,900	+ 133,300
Leopoldina.....	27 weeks	June 27	1,856	32,427	+ 8,435	690,620	+ 8,565
San Paulo.....	28 weeks	June 27	1,534	41,646	+ 3,677	964,677	+ 107,965

CHILEAN.							
	Period.	Ending.	Present Mileage.	1925.	+ or -	1925.	+ or -
Antofagasta.....	26 weeks	June 27	838	43,455	+ 10,180	1,035,670	+ 68,195
Nitrato (a-monthly).....	26 weeks	June 27	366	42,940	+ 2,621	450,824	+ 27,535

CUBAN.							
	Period.	Ending.	Present Mileage.	1925.	+ or -	1925.	+ or -
Havana Central.....	52 weeks	June 27	1,250	12,783	+ 398	728,758	+ 71,679
United of Havana.....	52 weeks	June 27	1,250	65,063	+ 35,119	49,43,146	+ 667,754

URUGUAYAN

BANKS.

BANK OF BRITISH WEST AFRICA, LIMITED.—The thirty-first annual report of this bank, just issued, for the year ended March 31, 1925, shows that, after providing for current charges (including the contribution to the staff profit-sharing fund), rebate on bills, and for all bad and doubtful debts, there remains a balance of £112,352, against £95,989, to which must be added £35,680 brought forward from last year, making a total amount available of £148,032, against £130,679. Of this sum £24,000, being an interim dividend of 2 per cent., has already been distributed, and the directors now recommend the payment of a final dividend of 3 per cent., absorbing a further sum of £36,000, making a total distribution for the year of 5 per cent., less income-tax as before. The directors also recommend a transfer of £25,000 to contingency fund, and £25,000 to writing down premises and furniture account, leaving a balance of £38,032 to be carried forward to the profit and loss account for the current year. The investments held stand in the balance-sheet at less than their market value as at March 31, 1925. A branch of the bank has been opened at Oshogbo, Nigeria. In view of the close association existing between the bank and Lloyds Bank, the branches at Alexandria and Cairo have been closed, and the business conducted there amalgamated with that of Lloyds Bank in Egypt, as from June 1st last.

GUARANTY TRUST COMPANY OF NEW YORK.—A cable to the London office of this institution gives the following extracts from the company's statement of June 30, 1925:—Total resources \$716,681,181, being an increase of \$66,254,054 over the statement of June 30, 1924, and \$88,589,784 over the statement of March 25, 1925. Deposits, \$577,221,405; an increase of \$45,726,083 over the statement of June 30, 1924, and \$50,871,643 over that of March 25, 1925. Surplus and undivided profits, \$20,369,140, an increase of \$1,605,648 over the statement of a year ago, and \$809,678 over that of March 25, 1925.

IMPERIAL BANK OF PERSIA.—The report for year ended March 20, 1925, shows a profit of £90,440, to which is added £34,552 brought in from previous account, making a total available of £124,992. From this sum £5,426, the amount due to Persian Government in terms of the concession, has to be deducted, leaving £119,566. The dividend is 9s per share, free of income-tax, absorbing £45,000. The sum of £30,000 is put to reserve, and £10,000 to bank premises account. The sum of £34,556 is carried forward.

P. AND O. BANKING CORPORATION.—The net profit for the year to March 31, 1925, was £136,215 (last year, £136,382). The directors have placed to reserve £25,000 (last year £20,000), and have written £5,000 off premises account, as against nil last year. They propose to pay a dividend of 5 per cent., as against 5½ per cent. last year, carrying forward £17,584, as against £17,507. The annual general meeting will be held at the company's head office on July 10th, at 3 p.m.

TEA.

LUNGLA (SYLHET) TEA.—The crop for 1924 was 2,677,511 lbs. against 2,636,351 lbs for 1923. The average price realised by the crop, including an estimate for the tea remaining to be sold, was rs 4.44d per lb, as compared with rs 3.57d per lb in 1923. The revenue account shows a profit on the season's working of £68,226, to which has to be added £1,988 for interest on investments, and £12,438, the balance from last account. After payment of debenture interest, taxes, and sundry items, which amount to £15,445, there remains a balance at credit of profit and loss account of £67,208, which it is proposed to dispose of as follows:—Preference dividend, £4,812; ordinary dividend of 20 per cent. for the year, £41,525; write off buildings, machinery, and tramway account, £7,000; reserve account, £3,000; extra remuneration to directors, £2,500; carry forward, £8,371.

RUBBER, &c.

FEDERATED (SELANGOR) RUBBER.—The profit for the year ended March 31, 1925, after writing off the sum of £654 for depreciation, was £6,325, to which must be added the balance brought forward from last year, £4,075, making a total of £10,400, which the directors recommend should be dealt with in the following manner:—To pay a dividend of 4 per cent. (less tax), absorbing £4,224; to place to taxation reserve, £500; to place to general reserve, £1,500; and to carry forward to next year, subject to corporation profits tax for the three months to June 30, 1924, £4,176. The rubber crop harvested during the season was 203,471 lbs. The amount licensed to be exported during the season was 208,492 lbs. deduct licences used for balance of previous season's crop, 38,938 lbs.—169,554 lbs, leaving an excess of 33,917 lbs, which has been taken into the accounts at cost price. The whole of the quantity licensed to be exported during the season, viz., 208,492 lbs, has been sold, and has realised a net average price of 16.92d per lb. The standard production of the company was revised as from November last, and now stands at 372,828 lbs, being an increase of 20,788 lbs on the previous figure. The f.o.b. cost was slightly reduced during the season, being 8.49d per lb, as compared with 8.66d per lb in the previous season. A contract has been entered into for the sale of one-half of the company's output of first latex rubber from July 1, 1925, to December 31, 1926, at the approximate London equivalent of 1s 7½d per lb.

GRAND CENTRAL (CEYLON).—The directors announce that they have sold 240 tons of standard quality rubber, together with 60 tons of lower grade rubber, deliverable in equal monthly quantities during 1926 at 1s 10½d per lb, f.o.b. Colombo.

MISCELLANEOUS.

BRITISH AUTOMOBILE TRACTION.—The traffic figures are as follows:—Week ended May 29th, £41,113; week ended June 5th, £69,604; week ended June 12th, £54,906; week ended June 19th, £54,393; total, £219,946. Increase compared with corresponding

four week of 1924, £55,830. Total to date for 1925 (24 weeks), £880,868. Increase compared with corresponding period for 1924, £201,528.

ENGLISH SEWING COTTON COMPANY, LIMITED.—The directors report that the accounts for the year ended March 31, 1925, result as follows:—After providing for depreciation, debenture interest, income and corporation profits taxes, directors' and auditors' fees and law charges, the net profit amounts to £450,129; to which is added the balance brought forward from last year's accounts, £165,359, making a total of £615,488; and after deducting dividends paid, viz., on ordinary shares, interim dividend of 5 per cent. (actual), paid February 9, 1925, £100,000; on preference shares, 5 per cent. for the year ended March 31, 1925 (of which 2½ per cent. was paid on September 30, 1924, and 2½ per cent. on March 31, 1925, £50,000—£150,000; there remains a balance of £465,488, which the directors recommend shall be appropriated as follows:—Payment of a final dividend of 10 per cent. on the issued ordinary shares, making with the interim dividend of 5 per cent., already paid 15 per cent. for the year, £200,000; bonus on issued ordinary shares, 5 per cent., or 1s per share, £100,000; transfer to pension fund for employees, £11,692; balance carried forward, £153,796.

FREDERICK HOTELS, LIMITED.—The directors of the Frederick Hotels, Limited, announce that, having increased their holdings of 4 per cent. mortgage debenture stock of the company to £150,000, they have now cancelled this amount of stock, thus reducing to £750,000 the debenture stock outstanding.

MOND NICKEL COMPANY.—Balance at credit for year ended April 30, 1925, is £313,039, against £276,438 for preceding year. The ordinary shareholders again receive 12½ per cent., the sum of £50,290 is carried forward, against £40,403 brought in. A scheme is to be submitted to shareholders to increase the authorised capital of the company by the creation of 1,500,000 7 per cent. cumulative preference "A" shares. It is proposed to issue 1,250,000 of these shares, and to make an issue of a new 5½ per cent. debenture stock to the amount of £1,000,000. The proceeds of these issues will be applied to redeem the whole of the outstanding £1,300,000 8 per cent. debenture stock, to repay loans, and to provide for extensions and further working capital.

PATONS AND BALDWIN.—This firm of manufacturers of wools and hosiery yarns has experienced a reduction in net profits for the year ended April 30, 1925. The report just issued shows that the net profit is £151,755, as compared with £361,686 for the preceding year. The amount brought in was £83,192, making £234,947 available. Preference dividend at 6½ per cent., less income-tax, absorbed £68,482. The ordinary dividend of 7½ per cent., free of income-tax, absorbed £119,947, and £46,519 is carried forward. The balance-sheet shows total assets £4,382,585, against £4,851,383. Subsidiary companies' shares and advances stand at £210,942, as against £585,631. Investments at market prices (below cost) stand at £34,601, against £41,326. Sundry debtors, bills receivable, and cash on hand and in banks are lumped together in one item, standing at £879,698, against £577,547. Stocks have been reduced from £2,175,358 to £1,600,386. With regard to liabilities, reserve fund is £600,000 against £500,000. Creditors, including reserves for Government taxes, &c., stand at £437,663, against £789,523.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

General conditions remain favourable for cereal crops in the United Kingdom, and wheat has made good progress despite a spell of dry weather. Good soaking rains, however, are urgently needed, as pastures are becoming parched and root crops suffering from lack of moisture. Supplies of native wheat continue on a fairly liberal scale considering the advanced period of the season, but prices have declined in sympathy with the downward movement in imported varieties. Millers are apparently well supplied at the moment, consequently business made quiet progress. In the prevailing pressure to sell Plate and North American grades, measures pending further developments in the situation. Steamer load 57s 1½d to the Continent. Maize also dull and easier. Steamer of La Plata June-July sold 37s 6d, Dan-Gal-Foxanian afloat 39s 6d per 480 lbs c.i.f. terms. Wheat again easier. No. 1 Northern Manitoba quoted 62s 6d, No. 2 ditto 61s 3d ex-ship, 496 lbs. English quoted 11s 6d to 11s 8d per 112 lbs free on rail. Flour in quiet demand and values weaker. London standard sack delivered in the Home Counties, with 6d to 1s sack less for deliveries in London districts. Of imported, Manitoba patents 44s to 45s, and Australian 41s 6d per 280 lbs ex-store. Barley dull. Californian quoted 45s to 52s, Chilean Chevalier 47s to 65s, brewing 50s to 54s according to quality, Australian 57s to 63s ex-store per 448 lbs. No. 4 Canadian Western landed 37s 3d, Karachi 9s to 10s 8d, the latter for finest malting, per 112 lbs. Maize easier. Plate landed 43s 3d, ditto ex-ship to arrive 40s 3d per 27s 3d, No. 2 Canadian Western ex-ship 31s 6d, landed 32s 6d, No. 2 Canadian feed ex-ship 25s 3d, landed 26s 3d, Chilean tawny

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Debenture Interest.	Amount Available for Distribution.	Appropriation.				Corresponding Period Last Year	
					Dividend.		Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.	Dividend.
					Prefee.	Ordinary.				
					Amount.	Amount.	Rate.			
Banks.										
Bank of British West Africa	Mar. 31	35,680	112,352	148,032	..	60,000	5	25,000	38,032	95,990
Imperial Bank of Persia	Mar. 20	34,552	85,014	119,566	..	45,000	9 p.s.†	40,000	34,566	..
Netherlands Bank of South Africa	Dec. 31	715	27,105	27,820	..	12,000	5	15,695	125	..
Breweries.										
Charles Kinloch and Co.	Mar. 31	5,514	6,779	12,293	..	5,812	7½	..	6,481	20,562
Distillers' Co.	May 15	119,529	1,489,067	1,608,586	103,023	1,288,978	20 (b)	100,000	116,585	..
South African Breweries	Mar. 31	88,767	286,459	375,226	50,000	217,188	15	20,000	88,038	..
Financial, Land, &c.										
Australian Estates and Mortgage.	Dec. 31	7,391	211,902	219,293	..	95,516	10	115,000	8,777	80,503
Murrayfield Real Estate	May 31	3,924	1,537	5,461	..	1,169	5	..	4,292	1,697
Iron, Coal, and Steel.										
Grovesend Steel and Tinplate	Mar. 31	113,484	154,026	267,510	16,250	50,000	10½	111,416	89,844	274,913
Hotels, Restaurants, &c.										
Spicers and Pond	Mar. 31	13,516	103,950	117,466	..	86,549	12½	17,000	13,917	108,592
Rubber, &c.										
Bukit Rajah	Mar. 31	3,280	22,259	25,538	..	20,010	6	1,000	4,528	19,322
Caledonian (Selangor)	Mar. 31	5,403	8,322	13,725	..	8,731	15	3,503	1,491	2,487
Cicely	Mar. 31	9,854	18,379	28,233	1,650	16,509	22½	1,380	8,694	8,605
Tea.										
Attaree Khat	Dec. 31	3,370	16,792	20,162	..	12,120	10	..	8,042	26,047
Derby	Dec. 31	16,385	10,620	27,005	710	11,233	35	..	15,062	24,587
Doloo	Dec. 31	958	30,799	31,757	1,124	12,047	25	18,000	586	25,644
Futtickcherrie	Dec. 31	233	4,213	4,446	..	1,600	10	2,000	846	4,129
Jalinga	Dec. 31	382	8,333	8,715	..	4,390	25	3,500	825	8,593
Lungla (Sylhet)	Dec. 31	12,439	52,269	64,708	4,812	41,525	20	10,000	8,371	42,581
Majuli	Dec. 31	6,719	48,538	55,257	1,200	38,388	40	7,512	9,157	52,883
Rajmai	Dec. 31	4,244	46,642	50,886	..	42,000	75	142	8,744	45,188
Singlo	Dec. 31	11,536	103,219	114,755	6,825	67,200	33½	24,500	16,230	110,016
Textiles.										
Patons and Baldwin	April 30	83,192	151,755	234,947	68,482	119,947	7½†	..	46,518	361,686
Nitrate.										
Rosario	Dec. 31	29,179	50,555	79,734	..	51,150	11	..	28,584	51,303
Oil.										
Tankers	Mar. 31	66,609	36,240	102,849	..	..	..	..	102,849	3,823
Shipping.										
Indo-China Steam	Dec. 31	1,179	Dr 208,940	Dr 207,761	..	..	..	Dr 208,706	945	Dr 291,112
Other Companies.										
Burgis and Colbourne	May 6	4,475	11,032	15,507	3,300	6,000	20	1,200	5,007	11,692
Crompton and Co.	Mar. 31	1,458	20,317	21,775	9,849	..	..	..	11,926	1,714
Mond Nickel	April 30	40,403	297,387	337,790	175,000	112,500	12½	..	50,290	262,635
North Glamorgan Wagon	Mar. 31	7,249	2,848	10,097	..	1,250	12½	250	8,597	6,414
Plasmon	Mar. 31	6,215	10,266	16,481	1,470	4,250	12½	3,500	7,261	..
Smithfield and Argentine Meat	Dec. 31	25,523	74,044	99,567	..	..	..	..	99,567	..

† Tax free.

28s, South African (Cape) 27s 6d landed, all per 320 lbs. English quoted 9s 10d to 10s 8d per 112 lbs free on rail. Millers' offers steady, with a fair demand. Broad bran quoted 7s 9d, middlings 7s 9d to 8s, fine ditto 9s 3d, bags included, ex-mill, powdered oats 7s 9d to 8s, feed oatmeal 8s 3d, ground oats 12s 9d per cwt free on rail. Oatmeal quiet at late rates. London-made flaked 19s 6d, on rail. Oatmeal quiet at late rates. Medium also medium rolled oats 18s 6d, medium also fine 18s 6d, coarse also medium pinhead 18s 6d ex-mill, ordinary Scottish oatmeal 18s 9d, American ditto 18s 6d per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest years 1924-25, 1923-24, 1922-23, 1921-22.

	1924-1925.	1923-1924.	1922-1923.	1921-1922.
Estimated sales of home-grown wheat—				
1 week to June 27	Cwts. 109,052	Cwts. 44,675	Cwts. 68,871	Cwts. 46,774
43 weeks to June 27	10,603,782	12,570,640	15,563,204	12,061,618
Average price of English wheat per cwt.	s d 12 7	s d 11 5	s d 12 4½	s d 20 9

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1921 to 1924:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1925.						
June 20	Cwts. 174,318	Cwts. 20,757	Cwts. 38,357	s d 12 10	s d 10 2	s d 10 4
27	109,052	12,450	20,782	12 7	10 0	10 5
1921	37,611	9,675	12,452	20 11	11 8	13 10
1922	63,669	6,614	6,727	12 3	11 8	11 9
1923	117,946	16,662	10,486	10 11	8 7	10 9
1924	44,675	1,252	7,587	11 5	10 8	10 0

AMERICAN WHEAT MARKETS.

The markets opened firm under the influence of frost forecasts, stimulating Liverpool cables and the belief that liquidation had finished, but soon weakened when speculative selling took place. Rumours of unwanted rain in many areas had a steadying effect, but by the end of the week scattered liquidation and favourable crop advices had caused prices to recede. Recent market quotations:—

	July 4, 1924.	Jan. 2, 1925.	June 18, 1925.	June 25, 1925.	July 2, 1925.
Winnipeg (No. 1 Manitoba)—Cents per 60 lbs.	122½	183	(b) 165½	(b) 164½	(b) 156½
Chicago (No. 2 Winter)—Cents per 60 lbs.	117½	177	155½	153½	143½

(b) July delivery.

IRON, STEEL, AND COAL.

We extract the following from the weekly report issued by the London Iron and Steel Exchange:—The trade has now entered upon what is usually the quietest season, and this year the dullness is accentuated by the prevailing industrial unrest. The prospects of an early revival in business, however, are not good. The strike at the Belgian steel works continues, and there is danger of its spreading to other departments of the industry. As a consequence, the

BARCLAYS BANK LIMITED.

Head Office :
54, LOMBARD ST., LONDON, E.C.3.
And over 1,800 Branches in England and Wales.

AUTHORISED CAPITAL - £20,000,000
ISSUED & PAID-UP CAPITAL £15,592,372
RESERVE FUND - - - £8,250,000
DEPOSITS (31st Dec., 1924) £301,026,825

EVERY DESCRIPTION OF BRITISH AND FOREIGN BANKING BUSINESS TRANSACTED.

[July 4, 1925.]

quantities of steel material offered from the Continent have diminished somewhat, as there is an obvious inclination on the part of producers in France, Luxemburg and Germany to withhold material in the expectation that the closing down of the Belgian works will cause prices to rise. Considerable competition is being experienced by the British pig-iron producers, and fair quantities of Continental iron are now arriving in this country, which have been sold at figures which compete with British iron, except at delivery points involving high railway freight charges. The demand for semi-finished products continues fair. Considerable irregularity in prices exists in this market. Similar conditions exist in the market for finished steel material. British works are still experiencing difficulty in obtaining business, and the labour position at home is resulting in buyers and sellers taking a cautious line in business.

Our Middlesbrough correspondent's report, dated July 2nd, is as follows:—Pig-iron: The price of pig-iron continues to decline, and makers are now prepared to accept as low as 72s 6d for Cleveland No. 3 G.M.B., whilst hematite makers are quoting 77s 6d as the present price for East Coast mixed numbers hematite. These reduced prices do not bring forth any volume of new business, and consumers are only buying small quantities to cover their immediate needs. Manufactured iron and steel: Some of the local works have secured orders recently, but they are still having the greatest difficulty to get sufficient specifications to keep their works going. The following may be taken as approximate prices:—Steel ship plates, £8 15s; steel ship angles, £8 5s; iron bars, £11 12s 6d; steel rails, £8 10s. Iron ore: Prices are easier, and there are now sellers of best Rubio at 20s 6d per ton, c.i.f. Tees.

Our Glasgow correspondent writes:—There is no evidence of improvement in the iron and steel trades. Pig-iron requirements are easily met, mostly from stock, with prices unaltered. Shipments from the Clyde last week were 470 tons, of which 355 were for foreign destination. The figures for the corresponding week of last year were 1,084 and 1,065 tons respectively. In the steel works plate orders are badly wanted. The vessels launched on the Clyde during the half-year, amounting to 302,957 tons, is a record for the period since 1913, but unfortunately the orders coming in are not adequate to fill the vacant slips. Iron bar makers are just keeping going on orders from wagon and locomotive works. Re-rollers are keenly competing, and secure most of the ordinary quality business. Export inquiry in light bars and sheets is quite brisk, and some fair orders have resulted. Light sheets for the Far East have been in better request, and several hundred tons have been secured by local makers during the last few days. In the coal trade a spurt in buying for export, on account of approaching holidays and strike rumours, has stiffened prices for some grades.

Our Sheffield correspondent writes:—The disinclination to buy iron and steel materials is more pronounced than before, and the market is being adversely affected by the unsettled state of the coal industry. A stoppage in the coalfield is a possibility which cannot be disregarded, and in such circumstances buyers are naturally unwilling to make any forward commitments. A further contraction of trade in wire rods is reported, and there is much slackness among the wire drawers. The demand for best quality wires is particularly weak. Prices of materials generally continue to ease, as there are stocks at a good many of the furnaces. There is a fair amount of work on hand at steel forges and foundries, but orders are generally small and bookings irregular. Heavy slip and engineering forgings are quiet. Work is substantial and fairly constant in the axle, tyre, and spring departments. The best tool steels are selling fairly well in the home market, but in face of falling currencies not much business can be done with the Continent. Tools made from such steels are selling rather more freely than of late. The output of files, saws, and edge tools continues equal to pre-war levels. There is further shrinkage in the buying of cutlery and plated goods. The call for the new non-corrosive steels continues to be progressive. In the present chaotic conditions of the coal trade there is little fresh to report. There are no settled price quotations at the moment. Until affairs are straightened out in the coal trade no improvement in the industries of the country as a whole is regarded as possible.

Our Cardiff correspondent writes:—Towards the end of the present week there was a better inland demand, and indications of a slight improvement in that for export. The information which has reached the market concerning the proposals of the coalowners for the amendment of the existing wage and other working conditions in the industry has aroused fears that exceptional difficulties will be met in the South Wales coalfield, and that these may quite possibly lead to a stoppage of work at the end of July. Steps accordingly have been taken to increase stocks. The volume of the new inquiries has not been sufficient to affect prices to any appreciable extent, for outputs have continued in excess of the current requirements of the market, but the undertone is firmer, and there is a possibility of a sharp advance in quotations if the impending negotiations take an unfavourable turn. The South Wales coalowners have already intimated to the workmen that they will apply for power to work double shifts where they are desirable and practicable; to discontinue the system under which men employed on the afternoon and night shifts are paid six shifts for five worked, and men employed on week-end work are paid at the rate of seven turns for six and eight for seven; and also for a revision of the customs by which the miners are now receiving their house coal at an average pit head price of about 7s 6d per ton, against a cost price of about 20s per ton.

The following are the current approximate quotations:—Best Admiralties, 25s 6d to 26s; seconds, 24s 6d to 25s; best drys, 24s 6d to 25s; black veins, 24s to 24s 6d; Western Valleys, 23s 3d to 23s 6d; Eastern Valleys, 23s to 23s 3d; best bunker smalls, 14s 6d to 15s; ordinary cargo smalls, 11s 6d to 13s; coking smalls, 14s 6d to 15s; anthracite best large, 41s to 44s; red vein large, 27s to 30s; machine-made cobbles, 51s to 52s 6d; French nuts, 52s 6d to 53s 6d; stove nuts, 48s to 50s; rubbishy culm, 12s to 12s 6d; coke (special qualities), 40s to 45s; patent fuel, 23s 6d to 26s; pitwood, ex ship, 30s 6d to 31s 6d.

There has been no improvement during the week in the position in the tinplate trade. Prices have been maintained with difficulty, and demand remains comparatively inactive.

METALS.

The market for tin ruled firmer at the week's commencement following higher cables from the East, combined with reserved sellers, a good inquiry being dealt with. Later movements, however, were attended by slight irregularity. Standard cash sold at £253 10s, £253, £253 15s, three months, £255 12s 6d, £255, £259. Copper proved a firm market, with dealings on a liberal scale at gradually hardening rates. Standard cash sold from £59 16s 3d to £60 12s 6d, and three months £60 15s to £61 11s 3d. Lead in good support, and prices firmer. Good soft foreign pig, July, sold £33 5s to £33 16s 3d; August, £33 to £33 10s; September, £32 15s to £33 7s 6d; October, £32 13s 9d to £33 1s 3d. Spelter was accorded steady support at generally firm rates. July sold £33 17s 6d to £34 7s 6d; August, £33 15s to £34 2s 6d; September, £33 10s to £33 18s 9d; October, £33 11s 3d to £33 15s per ton. Antimony, 64 ton, ex warehouse. Aluminium quiet. Home trade, also export, quoted £118 to £120 ton. Quicksilver firm. Spot, £14 to £14 2s 6d per bottle. Wolfram quiet at 14s 9d to 15s per unit, ex warehouse.

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—A fair amount of business has been done this week in wool and tops, and it is evident that some users have been doing a certain amount of covering for immediate requirements. Generally speaking, traders here are inclined to take a more optimistic view of the outlook for wool, and it is now thought that the colonial wool sales which open in London next Tuesday will be well supported. Continental requirements are fairly substantial, and there is a possibility of America coming into the market, especially as the wool textile industry in the United States has shown considerable expansion during the last few weeks. Topmakers are adopting a more cautious policy in discussing new business, and although there have been a few offers about for tops to be delivered during the last two or three months of the year, there are not many sellers prepared to accept the low prices mentioned for this business. All sections of the industry are waiting for the auctions in London and Australia to reveal the true position of the raw material. There is certainly no change in topmakers' quotations, but the tendency is towards the direction of firmer prices, but the tendency for merinos. There is a moderate amount of inquiry for yarns, but in thing like remunerative prices. Demand for piece goods on home account is well maintained, but the export markets are quiet.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

The long-anticipated London sales will commence on Tuesday. What takes place at the series will exert a very great influence upon the textile industry not only in this country, but throughout the world. During the past month business has been cut down to the barest possible requirements, and the idea dominant in the minds of everybody has been that nothing definite could be accomplished until a further lead had been given in the raw material. The situation has been exceptionally bare in this respect, sales having been suspended in Australia since May. Any evidence of stabilisation in wool values will react very beneficially, but if buyers are slack and indifferent when the sales commence the trade will be driven further into the mire. The Importers' Committee and the selling brokers have decided to put before the trade 136,000 bales. Considerable support will have to be given by the Continent and America if the quantity named is lifted at all creditably, for all top values, and although Bradford topmakers put up their prices at the end of the May auctions to 4s 6d for 64's, that figure has never been realised. It is a fact that 3s 6d has been accepted for has been held up long enough, and it is now high time for wool to come forward, both in London and Australia, and be sold at a business to be done, but that those nearest to the ultimate consuming end of the trade have not yet recovered their confidence in raw material values. A free movement of the raw material into consumptive channels at reasonable prices is necessary to encourage a corresponding movement in the placing of orders for piece goods.

July 4, 1925.]

A considerable weight of wool is waiting to be absorbed, but it would not be regarded with such feelings of apprehension if sufficient business could be obtained to keep machinery occupied. The inflation of raw material values has inflicted a severe blow, encouraging the use of substitutes which have displaced wool far more extensively than is generally realised.

There is reason for saying that Continental buyers will come to London prepared to buy liberally—at a market price. The severe slump in the value of the franc cannot but have crippled the purchasing power of French buyers, but they will operate liberally if sufficient encouragement is held out to them. We believe that home trade firms will be prepared to buy on a fairly large scale in order to contribute something to the stabilisation of values.

THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—June 26, 1925.

Descriptions.	Official Quotations.									
	G.O.	8GO.	LM.	SLM.	Md.	SM.	GM.	SGM.	MF.	
American.....	111.73	112.33	12.73	13.13	13.53	13.78	14.03	14.33	14.83	
	120	60	20	20	60	85	110	140	190	
	off	off	off	on	on	on	on	on	on	
Brazilian—										
Farnam, Macelo, & Co.										
Parahyba, Rio										
Grande										
Ceara, do										
Sao Paulo										
Peruvian										
Rough										
Moderately rough										
Smooth										
Tangulo										
Mitanh										
Egyptian										
Upper										
Sakellaris										
Brown										
Soudan										
West Indian										
Do Sea Island										
East African										
West African										
Australian										
East Indian										
Surtee										
Broach										
Tinnivelly										
Amer-Sind/Punjab										
*Western										
*Northern										
*Coconada										
Comptah										
Omra, No. 1										
Omra, No. 2										
Khandah										
Bengal										
Sind										

* Hand-ginned 40 points less.

MANCHESTER, July 2.

Conditions throughout the market have continued generally quiet. Although sentiment in raw cotton circles remains bullish, many local operators do not believe in higher prices for manufactured goods. Cloth inquiry for India has shown some expansion, and in bleaching and finishing styles a few more sales have been put through. Certain advices from China have been rather better. Useful orders have been secured in fine goods, chiefly for better. The American yarn situation has been very little affected by the result of the short time ballot, and there is practically no change in output. A dragging demand has been met with at poor prices. A limited turnover has again taken place in Egyptian spinnings, and producers still tend to lose ground.

(I.) Comparative Statement of the Cotton Trade.

	Price, July 2, 1925.	Previous Weeks in 1925.				
		Price, June 25.	Price, June 18.	Price, June 11.	Price, June 3.	Price, May 27.
Raw Cotton—Mid. American.....per lb	13.78	13.53	13.55	13.18	12.97	13.01
Sakellaris Fully Good Fair	32.60	31.45	31.75	31.70	30.55	31.25
Egyptian.....per lb	20.2	21	21	21	21	21
Yarns—32's twist.....per lb	21.4	21.4	21.4	21.4	21.4	21.4
— 40's twist.....per lb	39.4	39.4	41	41	41	41
— 60's twist (Egyptian).....per lb	39.4	39.4	41	41	41	41
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	32	32	32	32	32	32
36-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	36	36	36	36	36	36
38-in. ditto, 38 yds, 18 by 18, 10 lbs	18	18	18	18	18	18
39-in. ditto, 37½ yds, 16 by 15, 8½ lbs	16	16	16	16	16	16

(II.) Compared with Previous Years.

	Price, July 2, 1925.	Corresponding dates in				
		1924.	1923.	1922.	1921.	1920.
Raw Cotton—Mid. American.....per lb	13.78	16.57	15.75	13.77	8.12	26.87
Sakellaris Fully Good Fair	32.60	23.85	15.90	20.25	16.00	62.00
Egyptian.....per lb	20.2	25	23	20	17	54
Yarns—32's twist.....per lb	21.4	25	23	20	17	54
— 40's twist.....per lb	39.4	34	28	30	31	96
— 60's twist (Egyptian).....per lb	39.4	34	28	30	31	96
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	32	36	33	33	31	89
36-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	36	40	36	39	31	89
38-in. ditto, 38 yds, 18 by 18, 10 lbs	18	20	18	19	16	42
39-in. ditto, 37½ yds, 16 by 15, 8½ lbs	16	18	17	17	14	42

VEGETABLE OILS AND OILSEEDS.

The weakness of linseed oil has been more accentuated, and at Hull this week has actually fallen to below £40 per ton, naked ex Hull mill, which is £5 per ton less than a month ago. This has been accounted for largely by the sharp decline in seed. Lower prices have, however, had the effect of stimulating demand from customers to a considerable extent, and a good business is reported for prompt and early delivery. On Thursday the price had eased to £39 10s. for spot and delivery to December, the lowest level touched since August last year. Cotton oils have taken an easier turn, crude Egyptian offering at £42 and ordinary refined at £41 5s per ton, naked ex Hull mill. Soya bean oil is quiet, as is also palm kernel oil at about unchanged rates. Rape oil is lower at £48 for crude.

In the oilseed section Plate linseed on spot and in near positions is weak, and to Hull has been done at as low as £18 10s for seed on passage, and £18 12s 6d for early shipments. Up to £19 has, however, been paid for August-September. For Calcutta to London, July loading, £20 15s has been accepted.

Egyptian cottonseed is not so firm, old crop offering at £12 12s 6d, July loading, while new crop has receded to about £12 for November-January. Trade, however, is quiet.

CHEMICALS AND FERTILISERS.

Trading in chemicals continues to be of a limited character, though the general undertone is fair. Quotations for a number of products have eased to lower levels, and imported material is being offered at competitive rates. Acetate of soda is cheaper at £19. Acetic acid is rather dull and lower at £38 7s 6d for 80 per cent. technical. Formaldehyde, 40 per cent., is still weaker at £38, with little business. Carbonate of potash, 90-92 per cent., has dropped to £24, with some activity. Arsenic further reduced to £20 10s, f.o.r. mines. Cornish output is being restricted, with stocks ample. Citric acid is stronger at 4½d to 4¾d per lb, less 5 per cent., with demand good. Barium chloride is quieter and cheaper at £9 10s to £10 on spot. Sal ammoniac prices are lower, with crystals £22 to £22 10s in casks, and business is better. Sodium nitrate is again cheaper at £23 10s, with conditions dull; tartaric acid firmer and dearer at 10½d to 11d, less 5 per cent.; lithopone, 30 per cent., cheaper at £19 10s to £20. Carbolic acid, crystals, declined a point to 4½d per lb. Fertilisers are not attracting much attention, though fair business

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is moving for ammonium sulphate at £12 5s, delivered home areas. Nitrate of soda is quiet at £12 10s, and superphosphate unaltered, but dull at £3 for 30 per cent.

HIDE, LEATHER, AND ALLIED TRADES.

The firmness in the hide market is very pronounced this week, and prices are advancing all round. At the Bermondsey auctions on Thursday, best ox hides sold from 6½d to 8½d per lb, and seconds from 6½d to 8½d per lb—many classes advancing ½d to ¾d per lb. Best cows made 6½d—an advance of ½d on last prices. Calfskins were all dearer, best making from 7½d to 15½d per lb, and showing advances of ½d to ¾d per lb. Lambs sold from 2s 10d to 7s 6d, and pelts from 5s to 6s 9d each. Business in fregoric hides is rather better and Artigas ox 9½d has been paid by Scandinavia. Dry hides are rather more saleable, home tanners picking up bargain lots when offered. The Chicago position is cabled as steady, with best heavy packers still selling at 15½ cents.

Trade is still rather quiet in Bermondsey, although the tone is better. Sole leather prices have been shaded of late to clear stock lines in wet salted bends, but now that the hide market has taken an upward turn, concessions will be over and values firmer. Common dry hide bends, and shoulders which will cut soles, are still the most popular lines, repairers taking a fair quantity of medium wet salted and market hide bends and butts. Offal is as dear as ever, and spready stuff is not sufficient to meet the demand. Trade in upper stock is difficult; the demand is very fitful, and curriers are short of orders, and unable to get values of rough E.I. kips lower. Coloured glacé kid, patent, and willow calf hold the field, but black leathers are neglected. The boot and shoe section is improving, one feature of business being a wholesale clearance of white goods and sports shoes, caused by the long spell of fine weather.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, July 3.

SUGAR.—Cuban receipts for past week totalled 63,738 tons, against 24,270 tons at corresponding period last year; exports 100,291 tons, against 79,327 tons; stock 1,121,345 tons, against 788,141 tons. Centrals working 15, against 5. A generally steady tone governed the market for actual sugar, but business is still confined to immediate wants, with British makes still largely favoured. Messrs Tate and Lyle's cubes, quoted 35s to 36s; granulated, fine, also coarse grain, 31s 1½d; No. 1, 30s 1½d; No. 2, also London and T.L., 30s 7½d; month forward, 30s 6d; yellow crystals, spot, 28s 1½d. Continental granulated maintained, while growers complain of insufficient moisture. Czechoslovak granulated, spot, quoted 29s 7½d; prompt shipment, also November-December, 16s 9d, f.o.b. Hamburg. Dutch "J" granulated, spot, 29s 7½d; ready for shipment, 16s 8½d, f.o.b. Rotterdam. Belgian ready, 16s 3d; November-December, 16s 3d, f.o.b. Antwerp. Polish crystals, prompt, 16s 1½d, f.o.b. Danzig. American granulated, spot, 29s 9d; ditto, July-August, London, 16s 10½d; and outports, 17s 3d, c.i.f. terms. Shippers of white Java show more reserve, as cheap second-hand sellers have practically withdrawn, and July-August quoted 15s 10½d, c.f. and i. London. Raw refining kinds steady, with a fair business in force. 6,000 tons Cuban, basis 96 per cent., July, sold at 12s 3d; and 12,000 tons, ditto, July-August shipment, at 12s 3½d, c.f. and i., U.K. Indian market steady, with more interest shown. White Java, October-December, sellers, 15s 9d; and January-March, 16s, c. and f., Calcutta. White terminal irregular, with fair inquiries. August, sold, 16s 4½d to 16s 1½d; November, 16s 3½d; December, 16s 7½d to 16s 4½d; March, 16s 8½d per cwt.

COCOA.—The general tone of the market remains steady. Grenada qualities being held for full rates, but business proceeded quietly. Accra flow for shipment, and F.F. grade, July-August, sellers, 38s per cwt, f.o.b. terms. English cocoa butter, prime quality, spot, 1s 6½d per lb.

COFFEE.—Spot parcels move off slowly, but late rates were maintained for all suitable home trade qualities. In auction, East India, fair to good bold, realised 13½s to 13½s; Kenya, fair bold, 140s 6d; Uganda, good ordinary, 114s; Costa Rica, good colour, 165s to 173s; fancy blue, 196s; Vera Paz, fair to bold, 141s; and Matagalpa, fine ordinary, 123s per cwt. Terminal market quiet.

TEA.—At public sales, Indian offerings for the week totalled 43,778 packages. A distinctly better tone prevailed, competition being more evenly distributed than at previous auctions. Prices, however, were again very irregular respecting common and low medium kinds, while in some instances realised slightly higher rates. All good autumnal invoices and tippy brokens commanded good support, and late rates were fully maintained. Pekoe sold, 11½d to 1s 6d, and broken orange pekoe, 1s 1½d to 2s 3d. Ceylon offerings were also lighter, comprising 27,350 packages. A good inquiry was dealt with, and where quality was maintained, good to fine liquoring grades formed a dearer market. Low medium and common sorts, however, although in fair request, ruled barely steady. Pekoe, sold, 1s 1½d to 1s 10d, and broken orange pekoe, 1s 7½d to 2s 1d. There is a steady inquiry for China teas, with regard to low and medium qualities of Keemuns at 1s 6d to 2s, while finer invoices of Keemuns, also Kintucks are held for 2s 6d to 3s 6d per lb, in bond. Small consignments of new season's arriving continue to show attractive liquoring quality. 5,450 packages Java and Sumatra in auction experienced a better demand, prices being ¾d to 1d per lb dearer. Leaf grades strong while supported by export orders. Pekoe, sold, 1s 1½d to 1s 2½d; broken pekoe, 5½d to 1s 3d; orange pekoe, 1s 0½d to 1s 4½d; broken orange pekoe, 10d to 1s 7½d; and pekoe souchong, ¾d to 1s 1½d per lb, in bond.

RICE market without new feature, demand on European account being slow though Eastern shippers adhere to steady asking prices.

Rangoon, two stars, spot, London sellers, 15s 6d; afloat, steamer, also June-July shipment, 15s 3d c.f. and i. terms. Brokens quiet. Spanish, spot, quoted 24s 6d; and Italian, ditto, 22s 6d to 23s cwt. Japanese peas steady. Spot quoted 24s; September-October, 22s. Beans quiet. Rangoon, hand picked, June-July, quoted 13s 9d. Madaga car butter beans, spot, 37s to 38s as to quality; ditto, for shipment, 36s 6d c.i.f.

SPICE.—Pepper quiet and tendency easier. Black Singapore, spot, quoted 7d; August-October, 6½d; Lampung, August-October, 6½d; white Muntok, spot, 11½d; August-October, 11½d. Cloves firm. Zanzibar, spot, 10½d to 11d; October-December, 10½d; Pimento, spot, 3½d per lb. Tapioca slow. Singapore flake, fair, spot 2½d; fine Java, 3d per lb. Singapore to Havre, July-August, 17s 6d; September-October, 17s 6d; Penang seed, to London, July-August, 16s 3d. Sago flour firmer. Sarawak to London, near sellers, 17s 6d; July-August, 16s; September-November, sold 15s 9d. Desiccated coconut steady. Spot halves, 39s 6d; afloat, 38s 6d; July-August, also August-September, 38s 3d per cwt c.i.f. terms, steady. Japan, spot 90s; July-August, 85s. West African, spot 64s; shipment, 61s cwt.

JUTE.—A quieter tone prevailed, and values in some instances were barely steady. Firsts, to Continent, July, new crop, quoted £44 15s; August, £41 10s; September, £39 10s; September-October, £38 7s 6d; October-November, also November-December, £37 7s 6d per ton. Hessians and twills move off slowly, with demand chiefly for spot parcels.

HEMP.—Manila in good demand, and prices continue to harden. J grade, July-September, also August-October, sold, £44 10s; K, ditto, £38; L, £38 to £38 10s, and M, £33 10s to £34. New Zealand H.P.F., July-August, quoted, £36; fair, £34. Sisal, No. 1 Tanganyika, ditto, £41 10s; No. 1 Kenya, ditto, £41 per ton.

SHELLAC quiet. T.N., spot, quoted 240s to 245s; August, 217s 6d; October, 212s 6d; December, 210s cwt.

COPRA remains an idle market. F.M.S. Straits, April-June, to Rotterdam, April-June, sellers, £30 7s 6d; May-July, £29 17s 6d, buyers; July-September, £29 15s; August-September, £29 12s 6d, with Dutch East Indies, 5s ton, less money. Ceylon, June-July, buyers, £31; South Sea Islands, F.M.S., May-June, £29. Palm kernels to Liverpool, July-September, value £21 per ton.

RUBBER in fair support, though movements were attended by slight irregularity and occasional weakness. Plantation standard sheet, spot, sold, 3s 1½d to 3s 3d; July, 3s 1½d to 3s 3d; August, 3s to 3s 1½d; September, 2s 11d to 3s 0½d; October-December, 2s 8d to 2s 9½d; January-March, 2s 5½d to 2s 6½d per lb. Fine hard Para, spot, sellers, 2s 10½d; soft, fine, ditto, 2s 6½d; and cauchó ball, 2s 4d per lb. To New York, ribbed smoked sheet, June-July, sold 3s 0½d to 3s 1½d; October-December, 2s 7½d to 2s 8½d; and January-December, 2s 2d to 2s 2½d, c.i.f. terms.

FRUIT (Dried).—Market steady, but trade proceeded quietly. Of currants, Pyrgos quoted 33s to 34s; Amalia, 36s to 37s; Patras, 38s to 40s; Gulph, 42s to 44s; Vostizza, 48s to 55s. Sultanias—Smyrna, fair quality, 55s to 62s; finer, 65s to 78s; Cretan, medium to good, 65s to 74s; Australian, 66s to 75s; South African, 65s to 78s. Figs—Natural, in bags, quoted 29s to 30s. Dates in moderate demand. Hallowee, spot, 19s 6d; Khadowie, 17s 6d; Siar, 16s. Evaporated fruits steady, with a good demand for apricots, but plums move off slowly. Californian apricots, standard, new extra choice, 127s 6d; fancy, 135s; Australian, 120s to 135s; Californian peaches, choice, 62s to 63s; extra choice, 65s to 66s; fancy, 70s. Plums—Oregon, new, size 30/40, quoted 71s to 72s; 40/50, at 50s to 51s; Californian, new, 40/50, 58s to 60s; 50/60, 50s to 51s; 70/80, 44s to 45s. Pears, choice, 90s; extra choice, 102s to 103s. Apple rings—Canadian, standard, 55s to 56s; Californian, extra choice, 62s to 63s; Oregon, extra choice, 72s to 73s per cwt.

CANNED GOODS.—Sardines quiet of sale, and prices easy for the lower qualities, best being in small supply. Portuguese, ½ flats quoted 4s 3d; clubs, 5s; 12 ozs, 7s 6d; 18 ozs, 12s per dozen tins. Salmon in fair demand, and market steady. ½ lb, flat tins, labelled, 76s to 77s 6d; tall, 1 lb, 50s to 51s; ½ lb, tall, pink, 26s to 28s; ½ lb flat, 32s 6d to 35s. Lobsters in good request, and halves quoted at 160s.

CANNED FRUITS.—The market is firm and good business passing. In view of the warm weather prevailing stocks may be insufficient to last until the arrival of new season's in the late autumn. Singapore pines firm, and in demand. 48-1½s quoted 86s to 87s; cubes, 2½s, in steady request. Californian pears, 15s 6d to 17s; peaches, 12s 3d to 14s; cherries, 13s 6d to 14s; apricots, 10s to 13s 6d; loganberries, 11s 6d to 14s; fruit salad, 1½s, 12s 6d to 13s 6d; 2½s, 21s 6d to 22s. Australian pears, 24-2½s, 16s to 16s 6d. Canadian, 14s to 14s 6d.

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MISCELLANEOUS.—Cocoanuts quoted 25s to 27s 6d per 100. Coir yarn: Ceylon, £25 to £39; Cochín, £30 to £54. Ceylon bristle, £19 10s to £25; cinnamon leaf oil, 4½d; citronella, Ceylon, 2s 4½d; Java, 4s.

OLSEEDS.—Linseed easier, but business more active at the decline. Calcutta to London, July-August, £20 10s; bold Bombay, ditto, £21 10s. Plate to Hull, June-July, sold, £18 10s; July-August, £18 12s 6d; September-October, £19 to £18 15s. Rapeseed easier. Toria to Continent, July-August, sellers, £21 10s; brown Cawnpore, £21. Cotton-seed quieter. Egyptian black, to Hull, July, £12 17s 6d; November-January, £12 10s; white, July, £12 7s 6d; November-January, sold, £12; Bombay, July-August, £9 7s 6d. Castor-seed dull. Bombay, June-July, £22 15s. Gingly seed quiet. Chinese to Continent, June-July, £28 5s; large Bombay ditto, £26 10s. Groundnuts steady. Coromandel machined, July-August, £25 12s 6d; Nigerian, June-July, £25 7s 6d per ton.

OILS.—Linseed irregular, but easier. Spot, net, naked, 40s 6d; August, 39s; September-December, 39s. Rape lower. Crude spot, 50s; refined, 53s. Castor-oil dull. First pressure, spot, quoted 58s to 59s; second pressure, 56s to 57s; and pharmaceutical, 63s to 64s per cwt, Hull, with London, 2s per cwt extra. Cotton seed. Crude Egyptian, spot, 42s 6d; Bombay, 39s; common edible, 47s; deodorised, 49s. China-wood firm. Hankow, spot (barrels), 70s; June-July, nominally 67s 6d. Coconut slow.

Ceylon, spot, 48s; June-July, 45s 6d; Cochín, ditto, ordinary packages, 60s. Soya quiet. Oriental, barrels, June-July, 43s; bulk, 41s 6d. Cod dull. English, spot, 33s to 34s. Groundnuts quiet. English, crushed, naked, spot, 49s 6d; deodorised, barrels, 57s. Turpentine quiet and easier. American, spot, 68s; July-December, 68s 3d. Rosin quiet. American, grade B/D, 19s 6d; E, 20s; F/G, 20s 9d; W/G, 26s; W/V, 30s per cwt. French FG, 21s 6d; W/V, 24s per cwt. Petroleum quiet. American, standard white, spot, 1s; and water white, 1s 1d per gallon.

METROPOLITAN CATTLE.—JULY 2.

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

Beasts—Devons.....	s	d	s	d	Beasts—Heavy Bulls ..	s	d	s	d
Shortboms.....	7	0	7	4	Canadian ..	..	..	..	..
Norfolks	7	2	7	6	Sheep—Downs (clipped)	9	8	10	1
Scottish	..	..	..	..	Ewes	7	6	7	8
Irish	..	..	..	..	Crossbred	..	..	..	..
Fat Cows	..	..	..	..	Scottish	..	..	..	..
					Lamb—Downs	12	0	13	0

LONDON POTATO MARKETS.—JULY 2.

Per Cwt.	s	d	s	d	Per Cwt.	s	d	s	d
English New Epicures	7	0	8	0	Jerseys	8	0	0	0
Sharps Express	8	0	9	0	Cherbourg	6	0	6	6

COMMERCIAL TIMES—WEEKLY PRICE CURRENT.

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

LONDON, FRIDAY.				DYE STUFFS, &c.—				METALS—B. Copper				SUGAR—per cwt, duty, 11s 8d,			
				Sells China, per cwt				Best selected.....				per cent. purification, s d s d			
COCOA—Duty, British grown,				Turmeric, Bengal.....				Sheets (strong).....				B.W.I., muscovado.....			
9s 4d, foreign, 14s cwt				Madras, finger.....				Standard.....				Crystallised.....			
Trinidad.....				Gambier, block.....				Lead Eng. Pig per ton				Java, white.....			
Grenada.....				Cutch, ord. to fair.....				Soft Foreign.....				May-June 15 10 0 0			
Ceylon, plantation.....				DYEWOODS—				Spelter G.O.B.....				REFINED—London—			
Guayaquil.....				Brazil.....				Tin—English ingots.....				Yellow Crystals.....			
Bahia, finest.....				Fustic, Jamaica.....				Do do bars.....				Cubes.....			
COFFEE—British grown,				Cuba.....				Standard cash.....				Crushed.....			
9s 4d, foreign, 14s cwt				Lima Wood.....				OILS—Fish, per ton—				Crystallised.....			
El. India, fine ord. g. mid 120				Logwood, Campeachy.....				Seal, pale.....				Castor.....			
Do good to fine.....				Pernambuco.....				Linseed, p. rap. net, naked.....				Pieces.....			
Costa Rica, ord. to mid.....				Jamaica.....				Crude.....				SPICES—Pepper, lb—			
Good to fine.....				Red Sanders.....				Cotton-seed, crude.....				Muntok, fair White.....			
Central American, g.d. ord.				Sapang Ceylon.....				Edible, refined.....				Black Singapore.....			
to mid.....				FLAX—spot—c.i.f.....				Cocoa-nut, crude.....				White Siam.....			
Mid to fine.....				Riga ZK.....				Refined.....				Pimento.....			
Colombian, ordinary.....				Pernau HD.....				Palm.....				Cinnamon—1st sort.....			
Do g.d. ord. to low mid.....				Slanets U/A Medium.....				Lard, American.....				Do 2nd.....			
Do mid to fine.....				FRUIT—				Petroleum—Oil, per 8 lbs.....				Do 3rd.....			
CHEMICALS—				Oranges, Murcia & Val. 300				Water-White.....				Cassia Lignea.....			
Acid, citric.....				Do.....				On tates, Linseed, Eng.....				Cloves Zanzibar.....			
Nitric.....				Do Cape.....				Oil Seeds—Linseed—				Madagascar.....			
Oxalic, net.....				Lemons, Naples.....				La Plata, p. ton July-Aug.....				Ginger—per cwt—			
Tartaric, English.....				Do Sicilian.....				Bombay, p. ton July-Aug.....				Cochin, small rough.....			
Foreign.....				Do.....				Calcutta, p. ton July-Aug.....				Do wormy.....			
Cream of Tartar.....				Do Malaga.....				PORTLAND CEMENT—Best English				Japan.....			
95%-100%.....				Grapes, Lisbon.....				per ton delivered, London 58/0 63/6				Jamaica, ord. to good.....			
Alum lump.....				Almeria.....				Rapid hardening "Ferrocete," 12/				Mace.....			
Do ground.....				Val. Ona.....				per ton extra.....				Nutmegs, 65's.....			
Ammonia, carb.....				Egyptian Ona.....				PROVISIONS—				110's and 80's.....			
Muriate, White.....				Apples—Australian.....				Butter—per cwt—				Chillies—per cwt.....			
Sulphate.....				Jons.....				Irish creamery.....				TALLOW—per cwt.....			
Arsenic, lump.....				Cleos.....				Do factory.....				Good mutton.....			
Powder.....				HIDES—Wet salted—				Australian.....				Beef.....			
Ashes, pot.....				Australian.....				Argentine.....				TAPIOCA—per lb—			
Pearl do.....				West Indian.....				Dutch.....				E. I. Flake, fair, spot.....			
Bleach ng powder, per ton				Cape.....				New Zealand.....				Medium Pearl.....			
Borax, gran.....				Lisbon.....				Danish.....				Seed.....			
Do crystals.....				Oporto.....				Bacon, engd.—Irish.....				TEA—duty 3 3d, British,			
Do powder.....				Dry & Drysalted Cape.....				Danish.....				foreign, 4d per lb—			
Calomel.....				Madagascar.....				Canadian.....				Indian and Ceylon—			
Iodine, dry.....				Central America.....				American.....				Broken Pekoe.....			
Nitrate of Soda.....				Buffaloes, Singapore.....				Ham—Irish.....				Orange Pekoe.....			
Potash—Chlorate, net.....				E. I.....				Canadian boxes.....				Broken Orange.....			
Prussiate.....				Market Hides, London—				Pork—per 8 lbs.....				Pekoe Souchong.....			
Do Foreign.....				Best hvy. ox & heifer.....				Beef—Frozen.....				TIMBER—ex. yd—			
Sulphate.....				Do light.....				Scotch.....				Swedish u/s 3 x 8, Pt. Std.....			
Sul-Ammoniac.....				2nd ox, heavy.....				Cheese—cwt—Canadian.....				Do 2 x 4.....			
Soda Bleach.....				Do light.....				New Zealand.....				Can'dn Spruce, Dis.....			
Crystals.....				Best cow.....				Eng. Cheddars.....				Pitchpine.....			
Alkali.....				Do 2nd.....				Cheshire.....				Rio Deals.....			
Caustic.....				Beast calf.....				Dutch.....				Teak.....			
Sulphate of Soda.....				Do 2d.....				Eggs, per 120—English.....				Honduras Mahg. logs, c.ft.....			
Foreign white.....				INDIA RUBBER—lb—				Irish.....				African.....			
Sulphate Quinine.....				Para, fine hard spot.....				FLOUR—280 lbs—				American Oak Boards.....			
English Brands.....				Plantation sheet.....				Eng. straight ex mil.....				Do Ash.....			
Foreign do.....				Bengal, good red violet to				RICE—per cwt, c.i.f.....				English Oak Planks.....			
Sulphate Copper.....				fine.....				Rangoon, No. 2.....				Do Ash.....			
Zinc, cut.....				Mid. ord. vio. to good.....				Broken la.....				TOBACCO—			
Sulphur Flour.....				Low to good ord.....				ROBIN—per ton—				Duty 8/2—10/4 1/2 per lb. Empire			
Do Roll.....				Madras, dry leaf, good.....				American.....				growths, 6 1/2 per lb.			
Vermilion, Chinese, per lb.....				Do low to ord.....				French.....				Virginia leaf.....			
English.....				Kurpah, g.d. mid. to g.d.....				SAGO—Pearl, per cwt.....				Common to fine.....			
Oil Peppermint, H.G.H.....				Do to mid.....				Shelllac—per cwt—				Strips.....			
COPRA—per ton, c.i.f.....				HEMP—per ton—				Orange, fair marks.....				Common to leaf.....			
Malabar, April-June.....				Italian P.C.....				Second, fair to fine.....				Strips.....			
Ceylon.....				Manila, July-Sept., "J".....				TN Orange.....				China.....			
Kato Singapore.....				Grade.....				Garnet, Lac. AC.....				Borneo and Sumatra.....			
BM Straits.....				N.Z., high point, fair.....				Black Pure.....				Nyasaaland.....			
COCHINEAL.....				July-Sept.....				Buckton (TN).....				Seedling.....			
DRUGS.....				JUTE—				SILK—per lb—				Havana.....			
Aloes, fine E.L.....				Native first marks, August.....				China—Blue Elephant.....				Greek.....			
Cape, good to fine.....				LEATHER—per lb—				Canton.....				East Indian.....			
Balsam Peru.....				Sole Bends 6/9 lb.....				Tussah.....				Cigars, duty 15/7 per lb.....			
Capivi.....				Do do 10/12.....				Re-realed.....				Cigarettes, duty 12s 7d per lb.....			
Camphor.....				Do do 12/14.....				Japan.....				TURPENTINE, p. cwt.....			
Japan, refined.....				Do do 14/16.....				Italian—Raw, fr. Milan.....				WOOL—per lb—			
Cardamoms, Ceylon.....				Do do 17 lb and up.....				SHELLS—M.-O.-P., per cwt—				English, Southdown, washed.....			
Cantharides, China, per lb.....				Bark Tanned, from DS Hides.....				Macassar, hold.....				Lincoln hog.....			
Castor oil.....				Shoulders from WS do.....				Sydney.....				Queensland, sud. super cmbg.....			
Gulistan, Benjamin Sum.....				Do Eng. from DS do.....				W. Australian.....				N.B.W. greasy, super.....			
Gulistan, drops, fair to good.....				Do Eng. or WS do.....				Bombay.....				N.Z., grvy, half-bred, 50-56.....			
Ipecacuanha.....				Dressing Hides.....								Crossbred 40-44.....			
Jalap.....				Ro. King, Cal. 20/30 lb.....											
Muska pod, China.....				Aust. Sides.....											
Oil, Cassia.....															
Aniseed.....															
Peppermint, Wayne County.....															

THE BALTIMORE & OHIO RAILROAD COMPANY.

(London Traffic Office: 33, BILLITER BUILDINGS, BILLITER STREET, E.C.3.)

Synopsis of ANNUAL REPORT for Calendar Year 1924.

The Annual Report for the calendar year 1924, which the President and Directors of The Baltimore and Ohio Railroad Company submit to-day to the Stockholders of the Company, marks the ninety-eighth year of the Railroad Company's existence.

The operated mileage of the Company is 5,196 miles. Including 104 miles of subsidiary companies, the first main track mileage is 5,300 miles, and the total mileage of all tracks 10,699 miles. In addition the Company exercises trackage rights for passenger traffic only from Philadelphia to New York, a distance of 97 miles.

The Company's equipment, valued at \$199,329,764, consists of 2,585 steam locomotives, 11 electric locomotives, 100,092 freight cars, 1,441 passenger cars, 3,202 work equipment units and 179 marine equipment units.

The recorded investment at December 31, 1924, of the property devoted to and used in transportation service is \$773,814,915, an increase over the previous year of \$20,684,074.

Owing to the general decline in business during the year 1924, the revenues of the Company were diminished, compared with the peak year of 1923 when the Company handled the largest volume of freight traffic in its history. But the loss in revenue in 1924 was overcome to a considerable extent by operating economies, resulting in the largest net railway operating income heretofore earned with the single exception of the year 1923.

With the exception of products of agriculture, which showed a slight increase, the decrease in traffic was general. Especially notable was the large decrease in bituminous coal, which is the largest single item of traffic handled by the Company. The explanation for this decrease, however, lies in the fact that the bituminous coal industry in the Northern bituminous coalfields has been handicapped in the Eastern markets by the lower mining costs prevailing in the Southern or Pocahontas, New River and other fields. This condition was partly offset by the Company handling a larger proportion of coal traffic from connecting lines and finding a market for it on or via its lines. Notwithstanding the reduction in coal traffic, the revenues of the Company were generally sustained owing to increased commercial and industrial activities in the territory served by its lines.

Gross revenues of the Company amounted to \$224,318,794, divided into freight revenue, \$180,179,357, passenger revenue, \$29,047,718, and other revenue, \$15,091,719. With the exception of 1920, and the peak year, 1923, the gross revenues were the largest in the history of the Company.

Even with the decline in traffic during 1924, compared with 1923, the Company was able to make material decreases in operating expenses. In expenditures for maintenance of way and structures, it showed a decrease of \$2,680,337. Expenses for maintenance of equipment were \$15,221,968 below the same figures for 1923. Transportation expenses in 1924 were \$9,362,906 less than in 1923, while the total of all operating charges for the year was \$172,752,632, a decrease of \$26,571,329.

Railway tax accruals, amounting to \$9,548,085, absorbed 18½ cents of every dollar of operating revenues remaining after the payment of operating expenses, and railway tax accruals and miscellaneous tax accruals combined, nearly equalled the amount paid during the year for dividends on the preferred and common stock of the Company, or nearly \$9,951,864.

The Company's net railway operating income for 1924 was \$38,084,323, as compared with \$42,133,129 in 1923, a decrease of \$4,048,805 or 9.61 per cent. and was equivalent to a return of 4.92 per cent. upon investment in property devoted to transportation service. Under the Transportation Act of 1920, properties under common control and management may be combined for the purpose of determining recapturable income. Consolidating the separately operated subsidiaries with the parent company the net railway operating income of the entire system was \$38,245,514, equivalent to 4.67 per cent. on the combined investment in property used in transportation service.

There was a decrease of \$375,230 in "Other income" during the year, due in part to the sale of certain railroad properties located in Kentucky, the net income from which was previously absorbed by the Company. The increase of \$1,678,809 in "Deductions from gross income" was due largely to increased interest charges occasioned by the issue of new and the refunding of old securities which were part of the large financing arranged by the Company during the year.

On the whole, the financial results were satisfactory. Net railway operating income, that is, the amount earned in the actual operations of the railroad property was..... \$38,084,323 while the return from other investments was..... 5,657,290

making a total income of..... \$43,741,613 from which were deducted fixed charges, etc..... 27,421,924

leaving a balance of..... \$16,319,689 and after payment of dividends on the preferred stock of..... 2,354,527

there remained..... \$13,965,162

showing an earning of 9.19 per cent. on the outstanding common stock of the Company. Quarterly dividends were maintained throughout the year at the rate of 4 per cent. per annum on the preferred stock and 5 per cent. per annum on the common stock.

The Company controls through ownership of the entire capital stock the following railroads:—

The Baltimore and Ohio Chicago Terminal Railroad Company 81 miles
The Staten Island Rapid Transit Company..... 23 miles

Total 104 miles

These properties, while separately operated, are component parts of the system and the net result of the operations is absorbed in the general or combined income of the Company, so that the net income is from the

operations of all the properties comprising the Baltimore and Ohio System.

On June 17, 1924, the Interstate Commerce Commission authorized the Company to issue and sell \$35,000,000 of its Refunding and General Mortgage Series "C" 6 per cent. bonds. Of these bonds \$30,000,000 were drawn to recoup the Company for expenditures previously made for additions and betterments and for other property coming under the mortgage, the remaining \$5,000,000 being issued to retire a like amount of outstanding obligations.

Anticipating the refunding of a part of the \$131,125,280 of bonds maturing in 1925, of which \$120,000,000 become due on July 1st, the Company took advantage of favourable money conditions and in August, 1924, with the authority of the Interstate Commerce Commission, issued and sold \$75,000,000 of its First Mortgage Bonds, bearing interest at 5 per cent. per annum. This action was taken to retire at or before maturity an equal amount of the Company's Prior Lien 3½ per cent. bonds, maturing July 1, 1925. A substantial amount of these bonds were specifically reserved under that mortgage to retire the Prior Lien bonds upon maturity.

Financing conditions continued favourable and the Company, with the approval of the Interstate Commerce Commission, called for redemption Lien Equipment Certificates and \$3,813,333 of 6 per cent. Deferred Lien 4½ per cent. Equipment Certificates through the issue and sale of \$9,504,000 of new Service Corporation Equipment Trust. This will result in a net saving to the Company in interest and other charges of approximately \$50,000 per annum for the duration of the trust.

Total of new debt incurred..... \$119,504,000
Total of old debt retired..... 76,569,835

Net increase in long term debt..... \$ 42,934,165
Less further provisions for retirement of obligations at or before maturity..... \$ 28,332,725

Leaving the actual net increase in long term debt..... \$ 14,601,440

In April, 1925, the Company also concluded arrangements for extending, on advantageous terms, \$45,000,000 of its South-western Division Bonds coming due July 1, 1925, so that provision has now been made for all the obligations of the Company which mature in 1925.

The Company continued its programme of betterment and enlargement of the property, and in addition added the following equipment: 73 locomotives, 55 passenger cars, 3,386 freight cars, 15 pieces of work equipment retired from the service during 1924 had a book value of \$3,160,449 and in making changes from one class to another, there was also a reduction in the book value of equipment of \$174,773, making the net increase in investment value of equipment \$9,564,932 for the year.

The Company has been experimenting with gasoline motors as substitutes for steam locomotives on branch lines and the Management is convinced that substantial economies will ultimately be realized from such changes, at the same time improving service to the public.

The total net increase in investment in property held for and used in the service of transportation, was:

Additions and Betterments to Road..... \$11,178,733
Additions and Betterments to Equipment..... 9,564,932

Less—Net decrease in other accounts..... \$20,743,665

Net Increase..... \$20,684,074

Principal among the improvements to the property was the completion of the huge concrete grain elevator and terminal facilities at Locust Point, Baltimore, Md. The elevator is of modern type, embodying the latest capacity of 3,800,000 bushels. Its unloading capacity is 32 cars an hour. As auxiliaries to the elevator, the new grain pier No. 7 has been finished and the combined grain and general cargo pier No. 6 has also been completed, both of which are connected with the elevator by long steel grain piers is 150,000 bushels an hour. Another large improvement completed during the year was the Millvale-Etna double track elevated line, 2.16 miles in length, enabling the Company to be independent of the use of tracks of other companies in Pittsburgh.

Grade crossing elimination continued. At Falkonville, Pa., Martinsburg, W. Va., Salisbury Jct., Pa., Taylorstown, Pa., and New Md., similar work is well under way, while agreements have been reached for the separation of grades at Cambridge and Mansfield, Ohio. New Ohio. Water treating plants were installed at these points and also East Dayton and Old River Junction, Ohio, and a new dam and reservoir were finished at Somerset, Pa.

Bridge work continued to progress, resulting in the use of heavier power on several divisions. The largest improvement of this kind was the construction of a modern bridge over the Kanawha River, at Parkersburg, W. Va. Passing sidings were extended at Beckemeyer, Lebanon and Caseyville, Ill., and a new 80 car-length siding was completed at O'Fallon, Ill.

Complying with the law of the State of New York, requiring the use of electric motive power in the operation of all trains in cities with inhabitants of 1,000,000 or more, the Company has undertaken through its subsidiary, the Staten Island Rapid Transit Company, to electrify the line between St. George and South Beach and between Clifton

The Baltimore and Ohio Railroad Company—contd.

Junction and Tottenville, located on Staten Island, N.Y., a distance of 16.9 miles. Satisfactory progress has been made upon this work, the cost of which, together with the cost of the new all steel passenger equipment, will be approximately \$5,000,000. This will be advanced by the Company.

In connection with the valuation of railroads, no tentative or final valuation has yet been served upon the Company or any of its constituent or subsidiary companies, but for the valuation of the Company's property there has been expended and charged to operating expenses \$3,861,608, up to December 31, 1924.

The Commercial Development Department, during the year 1924, was instrumental in locating on the lines of the Company 419 new industries and 48 expansions of existing plants, representing a total plant investment in excess of \$38,000,000. Through this department, the Company also conducted a soil fertility programme over its entire system, in co-operation with Extension Bureaux of State Colleges and County Agents. As another aid to agriculture in its territory, the Company operated better dairy sire trains, pure-bred ram sales, organised poultry clubs, etc., and co-operated in farm educational work through boys' and girls' clubs, in states through which it operates. In the last three years the Baltimore and Ohio awarded 37 scholarships permitting winners the alternative of university training or educational trips.

There were 63,939 employees in the service of the Company at December 31, 1924, of which 54,706 were members of the Relief Department.

Pension payments to retired employees, while administered through the officers of the Relief Department, are made wholly by the Company and constitute a special pay roll. The number of pensioners on this roll at the end of 1924, 1,290, a net increase of 16 for the year. Pension payments for 1924 amounted to \$456,885, an increase of \$21,882 over the previous year. Since the inauguration of the Pension Feature in October, 1884, the Company has paid \$5,980,491 on account of pensions to superannuated employees.

During the year the Baltimore and Ohio Company was able to furnish and did furnish, adequate, efficient and satisfactory service to its patrons, and the friendly relationship between the Company and the communities which it serves has been strengthened. Public Relations Committees of Baltimore and Ohio officers and employees have been organized in 156 of the Counties which are reached by Baltimore and Ohio rails, for the particular purpose of developing a better understanding between the Company and those who depend upon it for transportation. Meetings between these committees and groups of local representatives are held at frequent intervals and much good has already been accomplished by such conferences.

The policy of co-operation between the Baltimore and Ohio management and employees has been extended and further developed during the year. Practices and methods have been put in effect whereunder different groups of employees and officers meet in conference at least once and in many cases twice each month. At such conferences a free expression of views is encouraged, and many valuable and constructive suggestions have been made by men in all branches of the service. It should be said in this connection that the officers of the several labour organizations with which most of the men are affiliated, have been sympathetic with this policy and their co-operation has been very helpful.

There were 32,174 stockholders of the Company of record on December 31, 1924.

The Board takes pleasure in recording its appreciation of the loyal and efficient co-operation of officers and employees during the year, and is desirous that this sympathetic understanding and relationship now existing may be continued.

DANIEL WILLARD,
President.

INCOME ACCOUNT AND BALANCE SHEET.

INCOME ACCOUNT.	Year 1924.	Year 1923.	Increase or Decrease.
AVERAGE MILES OPERATED	5,196.18	5,206.87	10.69
RAILWAY OPERATING REVENUES:			
Freight	\$180,179,357.18	\$208,587,996.20	\$28,408,639.02
Passenger	29,047,718.38	30,752,790.80	1,705,072.42
Mail	2,709,836.58	2,526,213.34	183,623.24
Express	4,786,832.49	4,992,622.90	205,790.41
Other Transportation Revenue	3,451,561.02	3,535,610.59	84,049.57
Miscellaneous Revenue	4,143,489.20	5,199,201.43	1,055,712.23
Total Railway Operating Revenue	\$224,318,794.85	\$255,594,435.26	\$31,275,640.41
RAILWAY OPERATING EXPENSES:			
Maintenance of Way and Structures	\$26,638,363.05	\$9,318,700.72	\$17,319,662.33
Maintenance of Equipment	48,869,503.96	65,981,472.30	17,111,968.34
Traffic	4,242,475.18	5,316,435.76	1,073,960.58
Transportation	85,513,754.95	94,676,661.15	9,162,906.20
Miscellaneous Operations	1,789,046.20	1,653,199.60	135,846.60
General	6,169,512.10	5,917,658.45	251,853.65
Transportation of Investment	60,021.07	40,166.55	19,854.52
Total Railway Operating Expenses	\$172,752,632.37	\$199,323,961.43	\$26,571,329.06
NET REVENUE FROM RAILWAY OPERATIONS	\$51,566,162.48	\$56,270,473.83	\$4,704,311.35
Ratio of Operating Expenses to Operating Revenues	77.01%	77.98%	.97%
OTHER OPERATING CHARGES:			
Railway Tax Accruals	\$9,548,085.84	9,834,128.86	\$286,043.02
Uncollectible Railway Revenues	103,075.34	131,286.01	28,210.67
Equipment Rents—Net Debit	2,956,054.86	3,139,711.37	183,656.51
Joint Facility Rents—Net Debit	874,624.80	1,032,218.29	157,593.49
Total Other Operating Charges	\$13,481,838.84	\$14,137,344.53	\$655,505.69
NET RAILWAY OPERATING INCOME AS DEFINED IN THE TRANSPORTATION ACT OF 1920	\$38,084,323.64	\$42,133,129.30	\$4,048,805.66
OTHER INCOME:			
Income from Lease of Road	\$16,147.30	\$17,144.80	\$997.50
Miscellaneous Rent Income	1,020,084.00	968,560.11	51,523.89
Miscellaneous Non-operating	321,021.27	213,044.90	107,976.37
Physical Property	296,451.94	296,451.94	—
Separately operated Properties	1,910,941.92	1,914,723.50	3,781.58
Dividend Income	1,528,263.77	1,626,601.42	100,337.65
Income from Funded Securities	672,831.62	902,393.38	229,561.76
Income from Sinking and Other Reserve Funds	163,083.03	67,450.45	95,632.58
Miscellaneous Income	24,918.77	24,149.84	768.93
Total Other Income	\$5,657,289.68	\$6,032,520.34	\$375,230.66
GROSS INCOME	\$43,741,613.32	\$48,165,649.64	\$4,424,036.32
DEDUCTIONS FROM GROSS INCOME:			
Rent for Leased Roads	\$604,452.84	\$394,266.38	\$210,186.46
Miscellaneous Rents	270,428.92	519,196.36	\$248,767.44
Miscellaneous Tax Accruals	248,370.45	279,576.96	\$31,206.51
Separately Operated Properties	1,040,171.00	794,285.78	245,885.22
Interest on Funded Debt	24,950,935.43	23,333,142.78	1,617,792.65
Interest on Unfunded Debt	190,474.13	384,519.52	\$194,045.39
Miscellaneous Income Charges	117,090.93	118,625.36	\$1,534.43
Total Deductions from Gross Income	\$27,421,923.70	\$25,753,613.74	\$1,668,309.96
NET INCOME	\$16,319,689.62	\$22,422,035.90	\$6,102,346.28

Italics indicate decrease.
*Excludes the 96.71 miles of passenger trackage rights between Philadelphia and New York.

INCOME ACCOUNT AND BALANCE SHEET—Continued.

SURPLUS ACCOUNT.	
PROFIT AND LOSS ACCOUNT:	
Credit Balance, December 31, 1923	\$32,223,524.35
Net Income for Year 1924	\$16,319,689.62
Miscellaneous Adjustments—Net Debit	4,636,191.45
Total	\$43,907,022.52
APPROPRIATIONS DURING YEAR 1924:	
Income applied to Sinking and Other Reserve Funds	\$ 216,130.70
Dividends on Preferred Stock at 4 per cent. per annum	2,354,527.24
Dividends on Common Stock at 5 per cent. per annum	7,597,337.42
Credit Balance December 31, 1924	\$33,739,027.16
ADDITIONS TO PROPERTY THROUGH INCOME AND SURPLUS:	
Credit Balance, December 31, 1923	\$26,307,730.70
Miscellaneous	209,702.48
Credit Balance December 31, 1924	26,517,433.18
SINKING FUND RESERVES:	
Credit Balance December 31, 1923	\$ 193,843.84
Additions during Year	13,376.95
Credit Balance December 31, 1924	207,220.79
TOTAL CORPORATE SURPLUS, Credit Balance December 31, 1924	\$60,463,681.13
CONDENSED GENERAL BALANCE SHEET.	
ASSETS:	
Investment in Road and Equipment	\$460,221,933.46
Investment in Constituent Companies	307,151,781.69
Investment in Perpetual Leaseholds—(per contra)	6,441,200.00
Total Property Investment	\$773,814,915.15
Other Investments	75,851,319.80
Total Investments	\$849,666,234.95
Current Assets—Cash, Materials and Supplies, etc.	90,290,539.25
Deferred Assets	1,056,724.40
Unadjusted Debits	1,567,801.92
\$942,581,300.52	\$42,389,367.90 Inc.
LIABILITIES:	
Common Stock	\$151,945,428.54
Preferred Stock	58,863,180.95
Total Stock Outstanding	\$210,808,609.49
Funded Debt	574,004,137.35
Capitalized Leaseholds—(per contra)	6,436,200.00
Total Capital and Leasehold Obligations	\$791,248,946.84
Current Liabilities	31,166,854.61
Deferred Liabilities	1,850,550.63
Unadjusted Credits—Accrued Depreciation, Reserves, etc.	67,871,267.31
Corporate Surplus	60,463,681.13
\$942,581,300.52	\$42,389,367.90 Inc.

PRELIMINARY ANNOUNCEMENT.

WARING & GILLOW

LIMITED

Incorporated under the Companies (Consolidation) Act, 1908.

The Subscription Lists will open on Wednesday next of an
ISSUE AT 96½ PER CENT.

OF

£1,000,000 Six per Cent. First Mortgage Debenture Stock

(Interest payable half-yearly—1st January, 1st July).

The Stock is repayable within 30 years at 105 per cent. by means of a Cumulative Sinking Fund, commencing in 1926, and is secured by a Trust Deed constituting a specific Mortgage upon the Freehold and Leasehold Lands, Buildings, Fixed Plant and Machinery, and a floating charge upon the rest of the Company's undertaking, including the group of properties heretofore known as the Princess's Theatre site in Oxford Street, which are excluded from the specific charge.

The Prospectus, to which applicants are referred for further information, shows:—

The Company, which has now no fewer than six subsidiary undertakings, has traded under its present title since 1897 and is the successor of the famous firm of Gillows, established in 1695.

The total assets upon which the Debenture Stock is secured amount to £2,940,269, being about three times the amount of the Debenture Stock, and no less than £1,305,850 is represented by Freehold and Leasehold buildings.

The average profits for the last three years ended 31st January, 1925, amount to £113,063, which are sufficient to provide nearly twice the annual interest payment of £60,000 required for the present issue.

Holders of the outstanding Debentures of the Company applying on the conditions contained in special Application Forms supplied for the purpose will be entitled to an allotment for an amount up to, but not exceeding, the nominal amount of their present holding.

Applications from Shareholders and Customers of the Company, made on the special form provided for the purpose, will receive preferential consideration.

Prospectuses can be obtained, on Monday, July 6th, from the Head Office and Branches of
MIDLAND BANK LTD., 5, Threadneedle Street, E.C.2.
LLOYDS BANK LTD., 72, Lombard Street, E.C.3.

From the Brokers:—

J. & A. SCRIMGEOUR, 6, Austin Friars, London, E.C.2.
 BUCHANAN, GAIRDNER & TENNANT, 19, St. Vincent Place, Glasgow.
 HORNBY, TOBIN & OCKLESTON, 3, Tithebarn Street, Liverpool.
 FYSHE & HORTON, 3, Temple Row West, Birmingham.
 COPPOCK & BRATBY, 30, Cross Street, Manchester.

And from the Issuing House:—

THE BRITISH, FOREIGN & COLONIAL CORPORATION, LTD.,
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THE MONEY MARKET.

REPAYMENT to the Bank of England of the large sum borrowed at the end of June proceeded until Wednesday, when it was duly completed, without leaving the supply of credit uncomfortably scarce. The process was assisted by the receipt of another million in sovereigns from Holland on Monday, and on Thursday yet another million from the same source made its appearance. A strong Bank return was published on the same day, and the discount

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market became easier, with three months' bank bills taken at $4\frac{1}{8}$ per cent.

	July 10, 1925.	July 3, 1925.	June 26, 1925.	June 19, 1925.	Previous Rate and Date Changed.
Bank Rate	5%	5%	5%	5%	4 (Mar. 5, '25)
Banks' Deposit Rate	3	3	3	3	2 (Mar. 5, '25)
Discount/Call	3	3	3	3	2 (Mar. 5, '25)
Houses (Notice	$3\frac{1}{2}$	$3\frac{1}{2}$	$3\frac{1}{2}$	$3\frac{1}{2}$	$2\frac{1}{2}$ (Mar. 5, '25)
Market rate (3 months' bills)	$4\frac{1}{8}$	$4\frac{1}{8}$	$4\frac{1}{8}$	$4\frac{1}{8}$	..

The Bank return showed an increase of £1,259,000 in the stock of gold, of which £1,250,000 had been announced as received from abroad. The note circulation had declined by £1,424,000, and so the Reserve was £2,683,000 higher, with its proportion to liabilities 6 per cent. higher at 25.7 per cent. Government and Other securities declined by 4 millions and 24½ millions respectively, and Public and Other deposits by half a million and 25½ millions. There was an increase in Currency notes outstanding this week of £3,836,000, to £297,337,000, which includes £1,333,900 for notes called in but not yet cancelled. The fiduciary issue is £242,053,100, or £6,092,300 below the maximum for 1925.

NEW YORK MARKETS.

Our New York correspondent cables:—Markets remain buoyant under the influence of cheap money, and a growing confidence that business in the second six months of the year will be good. The Government report on the position of the crops at July 1st estimates total wheat yield as 680 million bushels, against a June 1st estimate of 661 million. The estimate of the maize yield is 3,095 million bushels, against last year's final figure of 2,437 million. The report, therefore, confirms the expectations of a large maize crop. Bankers are surprised and puzzled over the reduction in the French Bank rate. Money is easier since the holiday, as was expected, the call money rate being $3\frac{1}{2}$ per cent., and easy conditions are expected to persist through the summer. The Federal Reserve statement shows the contraction customary after the turn of the half-year. Discounts show a fall of \$27,400,000 for the New York Bank and \$61,000,000 for the whole system. Holdings of market bills and Government securities have also decreased, and the reserve ratio for the system has risen from 74.9 to 76.1 per cent.

THE STOCK MARKETS.

Business in the Stock Exchange has been uneven, but with the satisfactory arrangement of the account the tone appreciably improved towards the end of the week. In the gilt-edged market prices have recovered substantially, and a feature has been the steady absorption of recent new issues. In the foreign market French bonds are better and Chinese issues have recovered. Home rails were being sold at the beginning of the week, but these realisations were counteracted by a little bargain-hunting. Foreign rails show an improvement on balance. With the further rise in the price of the raw material, rubber shares have been booming. Tea shares are also strong and liquidation in oils appears to have ceased. Courtaulds and the tobacco group have been somewhat erratic. In the miscellaneous section, Guinness and Watney deferred have been prominent with sharp rises. Buying from Paris has helped the Kaffir market.

THE COMMODITY MARKETS.

In some respects we may detect a slight improvement in the commodity markets this week. Pig-iron quotations, however, have declined, and foreign competition hampers the manufactured iron and steel trade. The inland demand for coal has improved, but the export trade, though prices are hardening, shows little expansion. Raw cotton prices are being maintained, and orders for the Continent and home trade are more frequent. The London wool sale results are much better than was anticipated, fairly high prices being realised. In wheat a fair business is passing between Russia and the Continent. The market for both sugar and coffee is quiet. Tea is in good demand. Rubber prices have fluctuated, but business is good. The metal market is fairly active, especially in copper and lead.

FOREIGN EXCHANGES.

In the foreign exchanges business has been quiet, the market being particularly uncertain as to the future of the Paris rate, an uncertainty in no way removed by the announcement of the terms of the new gold loan. At first sight the fixing of a rate of 95f to the pound sterling would suggest that the French Government had decided to stabilise at somewhere near that level, and the rapid improvement in quotation as the result of official support a week ago gave colour to this view. There is, however, at the same time a strong feeling that it will be very difficult indeed to hold the franc at anything like this level, and an uncertain fear that perhaps there is no such intention to do so for very long. After the recovery to a closing price of 103.90 on the 3rd, the rate moved down at one time on the 6th to as low as 101.20, but selling from New York brought it up again, so that the closing rate on the 7th was 104.50. Since then the rate has moved between 103 and 104, being quoted yesterday morning at 103.40. Brussels has moved during the week from 104.80 to 104.95, not having followed the lead of Paris quite as closely as usual. Forward quotations in Paris have narrowed again from 30-35 centimes per month above spot to 15-20 centimes. In Brussels the quotation stands at 3-7 centimes per month below spot. The lira has shown a further recovery, moving from 136½ on the 3rd to 131½ yesterday morning, having been slightly lower once or twice during the week. The resignation of the Finance Minister would appear to have had no effect on the market. Sterling has been steadier even than before, being quoted the whole week at \$4.86½. Yesterday morning, however, it seemed for the moment slightly weaker at \$4.86½. Forward rates at approximately ½ cent per month below spot show little variation from last week. Amsterdam recovered over the week-end from 12.13½ to 12.12½, owing to a shipment of gold to this country, but reacted later, and yesterday again stood at 12.13½. Geneva is steady at 25.05, and Madrid at 33.45. Of the Scandinavian countries, Stockholm fell slightly from 18.14 to 18.12, but Copenhagen rose from 23.87 to 23.92, while in Oslo a pronounced depreciation was recorded, the rate moving from 26.70 to 28.00 between Monday and yesterday morning. This is believed to have been caused by rumours of further difficulties in the banking situation—rumours which are so far without confirmation. Helsingfors stands at 193½, as against 192½ a week ago. There is no change in Berlin, Vienna, Budapest, Prague, or Warsaw. In Bucharest an improvement from 1065 to 980 is recorded, for which no particular reason is apparent at the moment. In the East the rupee is once more at 1s 6 3-32d, while the yen has continued to appreciate, moving from 1s 8 5-32d to 1s 8½d. There has been little movement in silver, but a slightly better undertone is reported. Hong Kong stands at 2s 4½d. Singapore is also steady at 2s 4½d, but Shanghai has fallen from 3s 3d to 3s 1½d. In South America, Rio has appreciated slightly from 5 13-64d to 5½d, but Monte Video has weakened from 48½d to 48d. In Buenos Aires yesterday was a holiday, but Thursday's rate of 45 9-32d showed no change from the preceding week. Valparaiso continued to improve from 41.50 to 41.10 pesos.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the four days ended July 4th:—

EXPENDITURE.		RECEIPTS.	
	(000's omitted.)		
Supply Services	5,400	From Revenue	9,322
Interest, &c., on Debt	6,935	Increase in Debt	2,763
Sinking Fund	3		
Increase in Balances	136		
Sundries	211		
	12,685		12,685

Revenue for four days to July 4th amounted to £9,922,100, against £12,323,500 for five days last year. Property and Income-tax produced £2,547,000, against £4,184,000. Super-tax yielded £650,000, against £1,040,000. Customs yielded £1,376,000, against £2,057,000, and Excise £575,000, against £852,000. Estate Duties yielded £900,000, against £530,000. The four days' operations increased

the National Debt by £2,762,700, and caused the following changes:—

	(000's omitted.)		
Treasury Bills	+ 5,424	Bank of England Advances ..	— 9,750
Public Department Advances ..	+ 7,600	National Savings Certificates ..	— 230
		Sundries	— 311
	+ 13,024		— 10,291

The floating debt was increased by £3,135,000 to £794,655,000.

FINANCIAL YEAR, 1925-1926 (April 1st to July 4th.)

	£		£
Total Expenditure ..	233,007,768	Raised by Revenue ..	179,109,256
		Decrease in Balances ..	4,075,602
		Amount borrowed ..	49,822,910
Total	233,007,768	Total	233,007,768
ESTIMATES for FINANCIAL YEAR 1925-1926.			
Expenditure	799,400,000	Revenue	801,060,000
Surplus	£1,660,000.		£222

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—National Bank of New Zealand, Imperial Bank of Persia, Bank of British West Africa, Australian Estates and Mortgage, General Electric Company, Howard and Bullough, Mond Nickel Company, Java Para Rubber Estates, Buchanan-Dewar, Spiers and Pond, and Taquah and Abosso Consolidated.

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INSURANCE SUPPLEMENT.

With this number our readers will find a Supplement reviewing the progress and prospects of insurance. The topics dealt with include the recent experience of life offices, the increase of business, mortality, an analysis of their funds, valuation results and bonuses; the results of fire insurance in the past year; and the results recorded in the latest reports from the marine insurance world. The Supplement is not a mere record of company results, but a general survey of the insurance problems of the day.

TROUBLES AND TONICS.

ON Monday of last week the House of Commons discussed the problem of unemployment. On Monday of this week it considered the same problem in a different form, giving the day to debating a review of the general trade position, delivered by the President of the Board of Trade, Sir Philip Cunliffe-Lister. On the latter occasion the debate suffered somewhat from the rules governing the procedure of the House; for every time any speaker came to the subject of remedies for present troubles, he was ruled out of order, because most supposed remedies require legislation. Had the rules of procedure permitted, we might have seen the protagonists of various schools of thought, Protectionists, Inflationists, and others, come out more clearly in their true colours. This would have been instructive. But the loss was not so great as it might have been, for Sir Philip Cunliffe-Lister approached the problem from an angle which left his hearers in no doubt as to his prepossession for artificial methods of protection, while Sir Alfred Mond implicitly advocated inflation by the means of placing the blame for all our present troubles upon the financial policy which successive Governments have pursued. A third contribution to the debate, that of the ex-President of the Board of Trade, Mr Sidney Webb, was remarkable for the tone of optimism which it imparted into a diagnosis which might otherwise have ended on a note of despair.

Sir Philip's review, with the substance of which we have no quarrel, opened with some estimates of the position of the trade balance. In 1913 imports exceeded exports of commodities by £158 millions, but the country's final balance was estimated at £181 millions on the right

side. In 1923 a visible adverse balance of £203 millions was estimated to be turned by invisible items into a favourable margin of £102 millions—probably, according to Sir Philip's view, an underestimate. For 1924 the revised official view gives us a net favourable balance of between £30 millions and £50 millions, although the merchandise import excess reached £341 millions. These statistics Sir Philip brought up to date by giving an estimate for the twelve months ended May, 1925. It is, in brief, this: Imports, £1,390 millions; exports, £995 millions; "apparent" adverse balance, £395 millions; final result probably just about "all square." This result did not mean that we "are living on our reserves." But "we are undoubtedly very gravely below our pre-war capacity to invest. Before the war it used to be estimated that, including our foreign trade balance of £180 millions, we had in all some £350 millions of savings available for investment. We are nowhere near that position to-day, and yet to-day we need more and not less for investment." So far as our attenuated foreign lendings are concerned, "we are not saving enough ourselves to meet the whole of the foreign loans" (the word foreign was, perhaps, a slip for overseas or external) "that come in the market, and that means that we are re-investing borrowed money." We do not know whether the President agrees with our view that the overseas trade figures of the first five months of the present year have, for special reasons, been abnormal, but we are glad at least to see that he does not regard the present position, as indicated by the figures quoted above, as one which we have to face permanently, or one that we cannot hope to mend substantially. But it is when he comes to methods of "redressing the balance" that we join issue with him. We gather from his speech that the two main methods of redress which commend themselves to him are the restraint of imports, and the turning of our eyes from unsatisfactory old markets to the possibilities of developing new markets within the Empire, especially in the Crown Colonies. He did not actually prescribe a full-blown system of tariffs—from that he was precluded by the rules of debate, and also by Mr Baldwin's anti-tariff pledge, which, in spite of the recent fiscal sins of the Government, has still to be represented by his colleagues as intact. But the advocacy of a "voluntary" campaign by the whole nation to buy only British goods, and so to reduce imports of foreign goods, shows clearly enough that the advocate still clings to a creed which pronounces an anathema upon imports in general, and forgets the elementary truth that imports are paid for, not in cash, but by exports. "If thou wilt not import, neither shalt thou export" is one of the ten fiscal commandments, by the breach of which we should not mend but intensify the troubles of our manufacturers. Tariffs were spoken of in the course of the debate as a "tonic." We would liken them rather to the use of the leech as a cure for debility—a process, happily for the human race, now obsolete in medical science. But it is high time for the country to realise that, pledge or no pledge, the virus of the tariff nostrum is rapidly infecting the policy of the Government. Sir Philip Cunliffe-Lister's speech is a clear indication of it; the extent of the recent additions to the tariff list, to which we referred last week, is a clarion warning; and ominous meanings may be read into Mr Churchill's promise in the House of Commons to take steps to see that "future duties" should not be forestalled by importers in the manner which we have just witnessed; and, to take one more sign of the times, we find the Home Secretary delivering at Dudley, on Wednesday, the crudest of Protectionist speeches, in the course of which the following passage is reported:—"I am not going to tell you that the Conservative Government is going to put a Protective tariff upon iron and steel or anything else that comes into this country, but Mr Baldwin believes, as he did formerly, that it is no use fighting France and Germany with hands tied behind your back."

Equally eloquent of the lingering of protectionist obsessions were Sir Philip's references to new markets in the Empire. We yield to no one in our desire to see an expansion of trade with the rest of the world, nor do we minimise the potentiality of the Dominions to increase

their commercial dealings with the Old Country as the years roll by, as their development proceeds, and as their populations increase. Nor among distant factors in the outlook can one rule out the gradual increase in the importance of the Crown Colonies as producers of raw materials and purchasers of British goods. But any intelligent student of the facts and figures of our external trade must realise the futility of the idea that we can afford to neglect old markets or hope to create any sudden diversion in the general direction of our overseas exchanges. Any policy based on the belief that we can by Preference experiments, or any other measures, make up for the loss of old markets by a sudden magical expansion of business with new markets within the Empire is no better than a pursuit of the will o' the wisp—a pursuit that would quickly land us on more treacherous ground than that on which we stand at present.

As regards what the President of the Board of Trade would call our "old" markets, we venture in several respects to take a less pessimistic view than he does as to the long-distance, if not as to the immediate, prospects. We enjoy, he himself admits, a percentage, comparable to our pre-war percentage, of total international trade. That total trade is lower than in 1913, because of the circumstances which the war has left behind it. In time it will recover, and with it will grow the value of Britain's share, provided we do not prejudice our capacity for competitive export by travelling any further along the tariff path. Among the obstacles to our export trade, Sir Philip laid stress upon two—namely, the discrepancy in wages and standards of living in Britain and competing countries, and the growth of manufacturing, with the assistance of Government help and nationalist enthusiasms, in countries which hitherto relied more largely on imports for their manufactures. Time, we may legitimately expect, will bring some easement in both respects. Standards of living and wages in European countries are not likely to preserve indefinitely such remarkable discrepancies. And how long will consumers in countries now experimenting with manufactures to which they are unsuited be content to pay high prices for second-rate goods? As Sir Alfred Mond put it: "Are people permanently going to pay more for goods than the real market value? Are people indefinitely going to buy goods at a dearer figure for the pleasure of having them made at home rather than to buy them outside? And can countries which permanently adopt such a policy hope to continue to live in the world market of international competition?"

Two other points are in our favour, if we take a distant view. The return to a world of stable currencies, to which the reversion of Britain and other countries to the gold standard has already made a contribution the full effect of which is not yet seen, will eventually remove one of the leading troubles of our exporters. Then, again, is it not probable that we are at the moment at the bottom of a trade cycle, in a natural curve of depression greatly accentuated by abnormal circumstances? The present position is certainly clouded over with deep anxieties. But on the distant horizon there are streaks of sunshine, into which, with patience and hard work, we shall win our way, always provided that we do not allow the troubles of the moment to drive us into panic policies in the spheres of economics and finance.

THE CRISIS IN MOROCCO.

THE Moroccan crisis is at present focussed in four places: at Paris, where it is rapidly becoming the crucial question of French party politics; at Madrid, where a Franco-Spanish conference with a view to co-operation against the Rifis is in session, without appearing to make much progress; on the North Moroccan front, where the Rifi offensive is being pressed with unabated military vigour and with increasing political effect upon the Rifis' fellow-countrymen to the rear of the French lines; and at Tangier, where the French and Spanish elements in the local foreign population have chosen this juncture to come to loggerheads.

At the moment of writing the interest centres upon

the military operations. The danger-point continues to be the Taza sector, where the Rifis have been attacking both flanks of the Kiffane salient. So far Kiffane holds out, and the latest news to hand is that the French made a successful local counter-offensive on the night of July 3-4. Nevertheless, the European women and children have been evacuated from Taza; the Rifi forces have at one point advanced to within 12 miles of the railway; several tribes between the railway and the front who fought for the French when the campaign began have gone over to the other side (where naturally their sympathies lie); and it is evidently touch and go whether the whole native population in this sector will not rise in the French army's rear. In this district, which was only occupied by the French in 1914, the population is not inured to foreign dominion, and if they join forces with their independent kinsmen, the railway will be cut and the corridor between Algeria and Western Morocco, which the French have opened, and kept open, with so much effort during the last dozen years, will be closed. In that case, much more than the corridor itself will be affected, for the Rifis will then join hands with the still armed and independent tribesmen of the Atlas, whom the French have gradually ringed round on every side except the extreme south, but whom they have never yet subdued. If the Atlas rises under Rifi leadership, and smuggles in up-to-date small arms from the Rifi coastline, the military front will suddenly be extended enormously. The French will have to hold a line to the south-east of Fez as well as to the north of it; the Sultan's capital will be caught in a salient; and in that situation the evacuation of Fez, which hitherto has seemed a remote prospect, will become an imminent possibility.

The proper move, from the purely military point of view, in this perilous state of affairs would presumably be an offensive-defensive; but in Morocco the French Army is not fighting, as it was in France a few years ago, with a friendly country behind it. An overwhelming offensive would demand either more reinforcements from Europe than French public opinion could be induced to send, or else a local concentration of the existing forces on the spot. These forces, however, are scattered in garrisons in different parts of the occupied territory, and their withdrawal to fight on the northern front would be interpreted as a sign of weakness by the Moroccan population. Thus every French soldier transferred from the interior to drive back Abdu'l-Karim on the northern front might call to arms two or three tribesmen to fight on Abdu'l-Karim's side in the French rear. In fact, Abdu'l-Karim's strength is not merely military but political, and does not lie so much in the number of his own fighting men whom he can put into the line, but in the much larger number of his potential allies in the French Protectorate.

The crisis is so grave that the French Government has relieved the Resident-General, Marshal Lyautey, of the military command in order to offer it to some soldier who has not diverted his energies from the art of war to that of administration, but has profited by the most recent military experience (assuming that experience of European warfare is a good guide to the successful conduct of a war in North Africa under totally different social, economic, and topographical conditions). The Government first turned to no less distinguished an officer than General Guillaumat, the Commander-in-Chief of the Army of the Rhine, but apparently General Guillaumat prayed them to have him excused, and the post was then offered to, and accepted by, General Naulin, an officer with Moroccan experience and with a fine record in the European war, though he has not hitherto been prominent in the public eye. The Resident-General is still to retain the nominal Commandership-in-Chief in Morocco, as well as the actual direction of the civil administration, and communications between General Naulin and the Ministry of War in Paris are to pass through his hands. General Naulin, however, is to be his own master in all that concerns the conduct of the military operations. This change of organisation casts no reflection upon Marshal Lyautey, who could hardly be expected to have kept his professional knowledge up to date in addition to performing his remarkable achievements as an administrator. But France would never have taken a step which

might even appear to cast a reflection upon one of her sons, of whom she is so justly proud, unless she felt that her position in Morocco—a position which Marshal Lyautey has done more than any other Frenchman to build up—was gravely threatened.

Meanwhile the Franco-Spanish Conference, which is sitting in Madrid, has not come to any agreement for permitting the French Army—even supposing that it found itself able to assume the offensive—to carry its operations into the Spanish zone, a sequel which would be absolutely necessary to any offensive which was intended to bring about a military decision. The attention of the conference seems to have been diverted to Tangier, where the new régime recently introduced at the instance of France, in order to fortify the local authority of the Sultan of Morocco, and therewith the influence of France herself as his recognised protectress, has aroused resentment among the non-French majority of the foreign population. On July 2nd, the somewhat ostentatious abstention of the French element from taking part in a general strike on which the majority of the foreigners had decided in order to give point to a petition which they were addressing to the Sultan's representative, provoked a riot, in which French newspaper offices were wrecked and French shop-windows broken. Since the majority of the non-French population is Spanish, this incident has not promoted the cause of Franco-Spanish co-operation against Abdu'l-Karim. It is to be noted that the native Moroccan inhabitants of the Tangier zone behaved with exemplary orderliness during this miniature civil commotion among their European guests. They even offered their services to the international police to assist in restoring order—a strange reversal of the moral relations between the native and foreign elements in a country under the régime of the Capitulations! In consequence of this riot among the foreign-born element, it has been proposed that British, as well as French and Spanish troops, should be landed at Tangier to maintain order, but it is to be hoped that the Government will think twice before undertaking to pull our neighbours' chestnuts out of the fire. It is true that a British force in Tangier would be in little danger of coming into collision with the forces of Abdu'l-Karim, for the Rifi leader has consistently respected the neutrality of the Tangier zone (as it is his obvious interest to do), although the corridor of territory under Spanish occupation which separates Abdu'l-Karim's country from Tangier is even narrower than the corridor under French occupation which separates it from the tribes of the Atlas. There would be much more danger of our troops coming into collision with the Spanish, who latterly have been violating the Tangier zone in ways which could hardly be overlooked by us as parties to the Tangier Convention, if we had forces on the spot with a mandate to maintain order. Still worse, we might find ourselves forced to intervene in some fresh outbreak between the French and Spanish elements in the local foreign population. Why should we burn our fingers?

THE COAL TRADE CRISIS.

A GRAVE situation has developed in the coal-mining industry of the country. In last week's issue of the *Economist* a brief résumé was given of the new proposals of the coalowners. Those proposals, while providing for the continuance of the existence of the present National Joint Board, restricted considerably its powers, and aimed at the restoration of the autonomous authority of the districts in the matter of the regulation of wages. The owners suggested that the proceeds of the industry should, after the deduction of costs other than wages, be distributed in the proportion of 87 per cent. to wages and 13 per cent. to profits. This suggestion necessarily involved not merely the discontinuance of the present uniform national minimum wage of 33½ per cent. on the standard rates, but also immediate wage reductions. The position of the lower-paid workmen was to be secured by special provisions, but the cost of any allowances made

to these lower-grade workers were to be met out of the 87 per cent. proportion of the proceeds to be taken by labour and, therefore, at the expense of the higher-paid workmen. All these principles, however, were to be administered on a district, and not on a national, basis.

These proposals were considered by a special delegate Conference of the Miners' Federation of Great Britain held on Friday, July 3rd, in London, and on the recommendation of the National Executive unanimously rejected on the following grounds:—(1) That they removed the present guarantee of a minimum wage; (2) that they provided guaranteed profits to the owners irrespective of rates of wages; (3) that they involved immediate reductions in wages varying from 13.14 per cent. to 47.91 per cent. on basis rates; and (4) that they meant the continued separation of mining operations from those of coking and by-product installations. Moreover, the official resolution adopted re-affirmed the claim of the workmen to a wage rate "not less than is necessary to meet the increase in the cost of living." When making their proposals the owners invited the workmen to a joint meeting to consider them. That invitation has been refused. On Tuesday last Mr Evan Williams, the President of the Mining Association, wrote to Mr Herbert Smith, the President of the Miners' Federation, expressing his concern at the position taken up by the miners, and suggesting an immediate meeting of the Joint Committee in the belief that "an interchange of views would be of value." On the same day, Mr Herbert Smith replied that he did not see what good purpose would be served by a meeting of the Sub-Committee, whose duties, he stated, were "now at an end," and suggested to Mr Williams that if he had any further communications to make he should address it to Mr Cook, the Secretary of the Miners' Federation. Apparently, therefore, no further step is contemplated by the miners until the annual meeting of the Federation at Scarborough next week.

Meanwhile, the crisis has taken up much of the time and attention of the House of Commons. The questions addressed to the Government have related to matters of fact as well as to those of policy. The policy of the Government for the moment is to abstain from intervention. The Prime Minister does not consider that a deadlock has arisen, and is hopeful that the parties will explore every avenue with a view to finding a way out of their difficulties. The Minister of Mines has expressed the view that a Government inquiry into the question of the degree to which the depression in the industry is due to lack of efficient organisation would not help matters, although if either side had a suggestion to make regarding the position the Government, he said, could be approached in the usual way. Moreover, Sir A. Steel-Maitland, the Minister of Labour, in a discussion on unemployment in the mines in the House of Commons on Wednesday, stated that no trade, including the coal trade, ought to look to the State for a subsidy to enable it to carry on. In that debate Mr Vernon Hartshorn revived the idea of the unification of the industry, but the Minister of Labour contended that that expedient would not of itself solve the problem.

Perhaps the most important of the statements made during the week relating to the statistics of the industry was that issued on Wednesday by the Mines Department in the form of a White Paper, giving for each month from January, 1924, to March, 1925, the number and output of colliery undertakings in Great Britain, showing credit balances and debit balances respectively. This statement shows that in March last there were 291 collieries producing 11.6 million tons with credit balances, compared with 512 collieries producing 21.2 million tons in the corresponding month last year, and 320 collieries producing 9.9 million tons with debit balances, compared with 122 producing 1.8 million tons a year ago. The position of the exporting coalfields is relatively worse than that of the inland districts. Thus, in Northumberland last March only seven collieries had a credit balance, compared with 25 in March, 1924, and those with a debit balance 22, compared with 4; in Durham the remunerative collieries have decreased from 38 to 14 and the unremunerative increased from 14 to 32; while in South Wales the credit collieries have been reduced from 90 to 35 and the debit collieries increased from 30 to 80. It should be explained that the terms "credit balances"

and "debit balances" refer to the credit and debit balances respectively as determined for the purposes of the wages ascertainment. In arriving at these account is not taken of certain expenses, estimated by the Mining Association to amount to 3d per ton, which are not treated as costs of production for the purposes of the ascertainment. Another rather startling fact disclosed during the week is that at the end of May the registered unemployed in the industry totalled 301,000, compared with 199,000 at the end of April.

The industry was never in so serious a plight, and no one can see clearly a way out. The claim of the owners for a 13 per cent. share of the divisible proceeds comes into sharp conflict with the claim of the workmen to a minimum wage commensurate with the increase in the cost of living; the present capacity of the industry to pay wages and profits is greatly below that needed to satisfy the claims of employers and workmen; there is neither in the inland nor in the export trade position any indication of an early improvement; while the present policy of the Government is opposed both to subsidies and to any schemes involving drastic interference with the existing organisation of the industry. The coalowners will probably have to modify their proposal for a fixed proportion of 13 per cent. of the divisible proceeds. It is true that that proportion is less than the pre-war 17 per cent. normal ratio of profits to wages, but a sliding scale ratio securing for the owners a smaller percentage when trade is good than when trade is bad would probably be more equal in its incidence, and better adapted to existing conditions; but from the economic point of view there can be no satisfactory adjustment of the present difficulties that does not secure for the owners in the exporting districts some profit and does not lead to an immediate reduction in the cost of production.

ELECTRIC POWER SURVEY OF BRITAIN.

(BY A CORRESPONDENT.)

THE publication of the statistics of electricity supply by the Electricity Commission* after three years' preparation will serve to concentrate attention on the realities of the power situation in Britain and to lead to a clearer idea of the work that has been achieved and the task which must be confronted in the future. It was certainly time that something more solid than vague theorising and cloudy estimates should emerge from the discussions that have taken place round the subject of electric power and its significance for the industrial prosperity of Britain, and we have now definite figures to be used as a basis of criticism. The power survey covers the years 1920-23, terminating in the first quarter of 1923, but the situation as described here has not altered to any great extent during the last two years, and the reflections inspired by consideration of the statistics are, generally speaking, still applicable. The electrification of industry and the greater utilisation of electrical power for every service to which it can be adapted have risen out of the special sphere of the engineer and scientist, and become matters of urgent national importance. Coal conservation, cheap power, productive efficiency have ceased to be party cries; they are now problems which must be tackled if economic progress is to be achieved. From this standpoint alone, this census of electrical power has a vital significance at the present time.

The capacity of the generating plant installed in authorised undertakings' power stations in 1923 was 3,093,679 kilowatts, 2,663,950 kilowatts, or 86.11 per cent., being represented by steam-turbo plant, 373,867 kilowatts, or 12.08 per cent., by steam reciprocating plant, while water-power plant only represented 8,006 kilowatts, or 0.26 per cent. It is clear from this that coal is fundamental to the generation of electricity in Britain since 98.19 per cent. of the total plant installed depend

* Electricity Commission, Electricity Supply, 1920-23.

on it for fuel. Under an ideal system, the great proportion of this plant would be represented by large units of high efficiency housed in power stations of at least 50,000 kilowatts since it is only above 10,000 kilowatts that real economies in fuel consumption can be realised, smaller ratings being uneconomical and comparatively inefficient. On examination, however, we find that out of a total number of alternating current generators of 541, only 56 units had a higher capacity than 10,000 kilowatts, while 340 units were below 3,000 kilowatts. The average capacity per station was 6,550 kilowatts. These details are sufficient in themselves to show that the multiplication of small generating units and small power stations has been extensive in Britain, and this factor has been chiefly instrumental in raising the costs of electric power to the consumer.

In addition to this, lack of interconnection, the rigid observance of local monopolies, the refusal to pool power requirements and purchase in bulk, combined with incomplete utilisation of electric equipment on the part of the consumer have reduced the net earning power of the generating plant. In 1922-23, for example, 3,762 million units were sold, equivalent to 1,220 units per kilowatt of plant; in other words, the generating stations were earning revenue for only 1,220 hours in the year. With a higher number of hours, fixed charges would have been less, and the efficiency of the stations improved, leading to a considerable decrease in the price of power. The load factor, i.e., the percentage of actual to theoretical utilisation, was, in 1921-22, 27 per cent., and in 1922-23 28 per cent., when a reasonable standard should have been 40 per cent. In 1921-22, 73 per cent. of the undertakings had load factors of less than 25 per cent., and in 1922-23 67 per cent.

The relation between capacity of generating plant, maximum load, total connections to the networks, and load factor in ten of the most representative undertakings in Britain is given below:—

ELECTRICITY DEVELOPMENT in BRITAIN.
(1922-23.)

Authority or Company.	Capacity of Gen'rating Plant.	Load Factor.	Max. Load.	Total Connections.
Newcastle-on-Tyne Elec. Supply Co.	Kilowatt. 199,160	% 48.1	Kilowatt. 128,600	Kilowatt. 395,920
Clyde Valley Elec. Power Co.	87,500	36.1	39,100	124,000
Yorkshire Elec. Power Co.	33,500	37.1	28,092	82,000
South Wales Elec. Power Co.	14,000	40.9	15,330	65,164
Lancashire Elec. Power Co.	42,250	30.0	34,400	47,300
Manchester Corporation	126,650	29.4	94,800	229,561
Glasgow Corporation	111,000	27.9	73,200	180,490
Birmingham Corporation	95,000	25.2	75,692	157,637
Sheffield Corporation	98,500	26.9	64,186	212,190
Liverpool Corporation	78,300	29.4	52,155	94,763
Entire country	3,093,676	28.0	2,000,178	5,484,196

The power companies, owing to the preponderance of supply to industry, can show a better load factor than the municipalities, which depend on lighting and domestic demand for a considerable part of their sales, but only the Newcastle and South Wales companies can show an entirely satisfactory position in this respect. Viewed from an American standpoint, the largest British undertaking, with 199,160 kilowatts of generating plant and an output sold of 443 million units, is of only secondary importance, while the other undertakings given are insignificant. It is doubtful, however, whether the super-power zone or the super-power station on the American model will ever be realised in this country.

Owing to better utilisation of plant and operation of new power stations, the coal consumed per unit generated declined from 3.4 lbs in 1920-21 to 2.8 lbs in 1922-23, while, in some undertakings a lower average obtained in 1922-23; the Lancashire Power Company showed a record low figure of 1.80 lbs, the Newcastle Supply Company 1.86 lbs, and Glasgow Corporation 1.90 lbs. While one ton of coal generated nationally 802 units, in the Lancashire company the yield was 1,245 units. The effect of the poor load factor, small generating units, and lack of

inter-connection was to fix the national average price for power at 2.48d per unit sold in 1921-22 and 2.07d in 1922-23, twice the average charged in the United States and over three times that in Switzerland. In the ten undertakings listed below, the average price is considerably below this, and, in the case of the Newcastle, Lancashire, and South Wales companies, may be regarded as satisfactory:—

ELECTRICITY DEVELOPMENT IN GREAT BRITAIN (1922-23).

Company.	Average Cost per Unit Sold.	Average Price per Unit Sold.		
		Light and Domestic.	Power.	All Purposes.
Newcastle Elec. Supply Co.	0.51	4.15	0.65	0.76
Clyde Valley Elec. Power Co.	0.54	3.46	1.09	1.02
Yorkshire Elec. Power Co.	0.60	...	1.07	1.05
South Wales Elec. Power Co.	0.87	7.27	1.02	1.09
Lancashire Elec. Power Co.	0.45	...	...	0.95
Manchester Corporation	8.82	4.89	1.26	1.77
Glasgow Corporation	0.62	2.93	1.23	1.72
Birmingham Corporation	0.77	4.83	1.43	1.77
Sheffield Corporation	0.50	3.30	1.18	1.47
Liverpool Corporation	0.86	5.75	1.55	2.01
Entire Country	1.15	5.30	1.30	2.08

Since 1923 prices have fallen by 20 per cent. to 25 per cent., so that large industrial firms in the West of Scotland, Lancashire, Yorkshire, North-East Coast, and South Wales are now buying power at .55d to .7d per unit.

The total capital expended on electricity supply by authorised undertakings was, in 1921-22, £143,716,260, while £14,508,076 was added in the following year. Generation accounted for 46.5 per cent. of the total, the remaining 53.5 per cent. being covered by transmission, distribution, and other charges. The total revenue from operation was, in 1922-23, £35,520,539, and the gross surplus £16,480,082, equivalent to 10.8 per cent. of the total capital expenditure—a distinctly satisfactory position. The position in ten undertakings is shown below:—

ELECTRICITY DEVELOPMENT in BRITAIN (1922-23).

Station or Company.	Total Capital Expenditure. (Millions £).	Per Cent. of Surplus of Revenue over Expenses of Capital Expenditure.
Newcastle-on-Tyne Elec. Supply Co.	7.670	5.41
Clyde Valley Elec. Power Company	2.363	6.50
Yorkshire Elec. Power Company	2.093	7.74
South Wales Elec. Power Dist. Co.	1.033	2.97
Lancashire Elec. Power Company	1.630	10.37
Manchester Corporation	7.211	8.25
Glasgow Corporation	7.965	6.97
Birmingham Corporation	4.166	11.39
Sheffield Corporation	3.804	13.01
Liverpool Corporation (15 months)	3.734	15.96
Entire country	158.224	10.00

The degree of electrical penetration in Britain has been slight, over 56 per cent. of the areas supplied showing a consumption per head of population of less than 50 units, while 79 per cent. had less than 100 units. It is only possible to regard 6 per cent. of the areas (200 units and above) as moderately electrified, 94 per cent. under-electrified, while, even in the denser areas, industry has been responsible for the higher consumption. For lighting and domestic purposes, only 15 units were consumed, owing almost wholly to the fact that electricity is still too expensive, particularly in the areas served by London companies, where the principle of high profits, lack of efficient service, and excessive capital has made electricity a privilege of the leisured few, and, until the stigma of high prices is removed, it is difficult to see how this can be improved. Developments in the future will probably take the form of a general levelling-up of power consumption consonant with better facilities for standardisation of frequencies and pressures, wider regional distribution of electricity, and greater specialisation in generation and transmission, with its accompaniment in more extensive advocacy and use of bulk supplies from central stations. The regime of the small station supplying restricted localities has been shown, on the evidence of this publication alone, to be economically unjustifiable.

A GOLD STANDARD WITHOUT GOLD CIRCULATION.

(BY A CORRESPONDENT.)

THE new gold standard by which the gold held for monetary purposes is centralised in the Bank of England (and the Treasury), and no gold coins are permitted to pass into circulation—called in German *Goldkernwährung*—represents an innovation that was recommended by David Ricardo more than a hundred years ago in his pamphlet entitled "Proposals for an Economical and Secure Currency" (1816). Ricardo's main arguments in favour of his proposal may perhaps best be recalled by a quotation from his pamphlet: "The saving which would take place from not submitting the guineas to the loss of weight from the friction which they must undergo in their repeated journeys, as well as of the expenses of conveyance, would be considerable; but by far the greatest advantage would result from the permanent supply of the country as well as of the London circulation, as far as the smaller payments are concerned, being provided in the very cheap medium paper instead of in the very valuable medium gold, thereby enabling the country to derive all the profit which may be obtained by the productive employment of a capital to that amount. We should surely not be justified in rejecting so decided a benefit unless some specific inconvenience could be pointed out as likely to follow from adopting the cheaper medium."

It is fundamentally the same argument in favour of economy that has prevailed at the present juncture. The members of the Treasury Committee on the Currency and Bank of England give it as their opinion that the use of gold for domestic circulation is a luxury which can well be dispensed with, and which the English people are, in fact, at any rate during the next few years, not likely to be able to afford. It may be added that most countries all over the world take the same view. The result may be shown by the statistics of gold distribution as published by the Controller of the Mint in the U.S.A. in his annual reports, from which the following figures have been taken:—

Year.	Monetary Gold.			Gold in Circulation as Percentage of Total Monetary Gold.
	In Banks, &c.	In Circulation.	Total.	
1912	\$ 5,408,000,000	\$ 3,072,000,000	\$ 8,480,000,000	36.3
1923	\$ 9,300,575,000	\$ 107,186,000	\$ 9,407,761,000	1.1

Even if we must admit a comparatively large margin of error, the changes are so marked as to eliminate any doubts regarding the tendency.

We may now ask: What influence is this change likely to have on the value of gold? Curiously enough, Ricardo never put that question, and the report of the Treasury Committee does not deal with it. Perhaps the reply may seem simple: the new system limits the field of employment of gold, and thereby lessens the demand, with a consequent possibility of a lower gold value than under the old system. This is no doubt true in a way, but it is not a sufficient reply. Before going further, let us consider some of the forces which operated before the war to make gold a relatively stable commodity.

Suppose a country was inflating by granting too lavish credit facilities on the domestic market. In that case, prices rose and the exchange reacted in the usual way. There was a flow of gold abroad, and steps had to be taken to protect reserves. We may call this check No. 1. Suppose, on the other hand, that the lavish credit policy were adopted more or less by all countries, or that by reason of increased gold production credits were extended on the basis of the increased reserves. Prices would rise simultaneously in all countries, and check No. 1 would not come into operation. But there would be other safeguards. The rise in prices would make gold production less remunerative—check No. 2—though for many

reasons the falling off in gold production would probably take place very slowly. The cheapening of gold in relation to other commodities would increase the industrial demand for gold—check No. 3. This reaction might take place fairly quickly. In 1919, when gold had fallen to such a low value, the industrial demand absorbed about 60 per cent. of the new production, as against 20-37 per cent. before the war. The rise in prices of commodities would necessitate more gold coins in circulation. Check No. 4. If we compare the old and the new system we find that, while paper notes may be issued on the basis of a cover of 30 to 40 per cent., new gold coins, of course, demand 100 per cent. gold (or very nearly 100 per cent.). The automatic reaction against an inflationary credit policy has thus become considerably weakened under the new system. But is the disappearance of check No. 4 really of importance? Its importance may best be illustrated by considering the change that has taken place in the value of gold since the beginning of the war. In 1912 the total value of the gold coins in circulation was about \$3,000 millions. If prices rose by 60 per cent., the gold in circulation would have to rise by 60 per cent.—i.e., \$1,800 millions—nay, more, owing to the increase in population. The total amount of gold needed in circulation after prices had risen we may put at \$4,800 millions at least. Out of an aggregate stock of monetary gold of \$9,400 millions there would only be \$4,600 millions left for reserves in banks, &c., as against \$5,400 millions in 1912. But it would, in fact, have been necessary to increase the reserves, as the volume of credit would have risen *pari passu* with the increase in prices. Consequently a fall in the value of gold of such proportions as those we have experienced during the war would not have been possible if the old system had been adhered to. But the actual development shows that it can take place under the new system, and what has happened once may happen again.

Is it, then, possible to return to the old system? It is doubtful, as such a return would probably lead to an abrupt rise in the value of gold—very harmful to trade and industry—and also involve great cost to procure the necessary gold for poor European countries. Further, it may be doubted whether the public would be willing to exchange the more convenient notes against gold coins; at least, the experience of Switzerland during 1922, when the authorities practically failed in their attempt to introduce gold coins into circulation, points in that direction. But if gold has disappeared from circulation for good, we must find a substitute for the safeguard, the check we have lost. There can only be one—viz., that the leading banks of the world, as recommended by the Genoa Conference, should co-operate in order to stabilise the value of gold by an intelligent and universal credit policy. It is probably a development of that kind that the members of the Treasury Committee had in mind when they declared that "the payment of notes in gold is not in itself essential to the maintenance of the gold value under modern conditions." One might even go a step further. The accumulation of gold in the central banks gives ample elbow-room for carrying out a credit policy more free from legal restrictions than when the reserves were of smaller proportions. The new system leads necessarily to the adoption of new criteria for currency policy at the same time as it provides the legal possibility of such a development.

We may now ask whether the new system will really lead to a saving in gold. As the present low value of gold increases the industrial demand for gold, there will be a more productive use of gold. But the saving does not go further, as the only means of increasing the industrial stock of gold is to lower still further its value. It is unlikely that the industrial demand will exceed the annual production of gold. The large stocks of monetary gold at present held by the Federal Reserve and other central banks must thus be maintained even under the new system. The substitution of the cheaper medium paper for the more expensive medium gold, as advocated by Ricardo, may constitute a saving for one country, but it can never reduce the stock for the world taken as a whole without involving serious changes in the value of gold. The burden of keeping gold locked up unproductively is an inevitable element of the gold standard system.

THE CHEMICAL TRADE

(BY A CORRESPONDENT.)

THE past twelve months have witnessed a slow but steady improvement in the chemical trade and industry in the United Kingdom, though it must be admitted that most of the progress has been effected in the domestic markets. In the heavy chemicals, certainly, the position is fairly good, but a glance at the trade figures for the first few months of the current year will show that, whereas imports of chemicals and chemical products have risen in value from £6,127,000 in the period January 1 to May 31, 1924, to £6,321,000 in the corresponding period of this year, the exports have fallen in value from £11,087,000 to £10,407,000 respectively. Nevertheless, it is the considered opinion of Mr Roscoe Brunner, chairman of the well-known chemical-manufacturing firm of Brunner, Mond and Co., that the chemical trade is one of the very few trades in the United Kingdom which are expanding. Naturally, the chemical trade, and particularly the heavy chemical trade, is dependent to a very great extent upon the prosperity of the industries which it serves, as, for instance, the soap, paper, and textile industries. The keen competition experienced in the home market by British manufacturers from foreign suppliers has tended to bring prices down to comparatively low levels on the whole, though the gradual move towards more stable conditions abroad is bound to have its effect.

With the lessening fluctuations in exchange rates, and the improving economic position of not only our competitors, but also of our customers, there is more opportunity for the British exporter of chemicals to explore areas hitherto served by other interests. Unfortunately, tariffs still continue to be amended and revised, and in many cases higher barriers are being erected, with the consequent adverse effect. On the other hand, there is evidence of concession on the part of certain foreign countries; Czechoslovakia, for example, has made it possible to import fertilisers, dye extracts, nickel, sulphate, &c., into that country free of restriction. But the main difficulty of the future undoubtedly will be the intensive development of a national chemical industry in the principal countries of the world. It is hardly necessary to refer to the strides made by America, France, Italy, Japan, and the Dominions, whilst Germany has always been considered as one of the greatest factors in the world's chemical trade.

In the leading heavy chemicals, the soda compounds, British manufacturers, of course, stand pre-eminent, and not only supply the whole of the home market, but export very large quantities. Caustic soda is the only member of this group which shows a decline in exports during the first few months of this year as compared with 1924, but with sodium carbonate, bicarbonate, chromate and bichromate and sulphate heavy increases are recorded. Future developments in the markets for these products are to some extent affected by the recent acquisition by the Brunner Mond interests of the Magadi Soda Company's properties in East Africa, which had previously proved a severe competitor in the Far Eastern markets. In most of the other sodium compounds, Continental competition enters into the British market with a healthy effect. So far as the acids are concerned, far-reaching developments are taking place, which may influence very appreciably the outlook for sulphuric, nitric, and hydrochloric acids. The production of the first-named is largely dependent upon the twin fertiliser industries, ammonium sulphate and superphosphate, which together account for about half of the production. Since the capacity of the by-product ammonium-sulphate industry is distinctly limited, and the superphosphate manufacturers are under a cloud, the position of sulphuric acid is rather gloomy. Nitric acid manufacture, too, in this country is threatened with very severe competition from synthetic acid from Germany and Norway, and in many cases plant is being closed down, as the material can be purchased from abroad far more cheaply than it can be made here. There is, however, a promising possibility that the manufacture of nitric acid, so essential to the dyestuffs and explosives industries, may yet be pursued in Great Britain by the

newer methods. With regard to hydrochloric acid, which has such a wide range of uses in modern industry, the perfection of the process whereby the acid is produced synthetically from electrolytic chlorine has led to its increased production, not only in this country, but in America and Italy.

Of the other industrial chemicals, the potash compounds, which are mainly imported, are much more stable than was the case a year ago. The speculative element in these products has been largely eliminated by the formation of a convention in Germany to regulate supplies to importing countries. Lead products have varied, prices being influenced by the fluctuations in the value of the metal. Of the borax products, borax has shown the best results to British makers, but boric acid is rather a disappointing market. The persistent price-cutting war between British interests and importers has led to business being done on almost unremunerative lines, and it is quite possible that prices may move upwards again when economic pressure prevails. One of the most depressing features of the chemical trade is the unprecedented fall in arsenic values during the past few months, but there are signs that the American demand may again rise to large proportions later on. Barium compounds have met with considerable competition, and chloride has fallen in price by 30 per cent. since the beginning of 1925.

Pharmaceutical and fine chemicals have continued to decline in value over the first half of this year, but in one or two isolated instances higher figures are recorded. The most striking advance has occurred in the bromides, ammonium, potassium, and sodium, which are very firm at the present time, and likely to remain so. Otherwise, there is a general weakening, and should the protection now afforded by the Safeguarding of Industries Act be removed, which is hardly likely under the present régime, British manufacturers might temporarily find themselves in a difficult position. In the coal-tar products market, matters are distinctly disappointing. For some considerable time now the prices obtained for gas-works residuals have been on a very low level, and successive reductions have not resulted in any increase of business. Carboic acid crystals have, in common with other products, continuously declined, but the market is now inclined to be steadier, with some inquiry in evidence. There appears to be a feeling that rock-bottom quotations have been reached, and that any movement which may take place will be towards higher rates. The general dullness, however, does not lead to any such anticipations for the immediate future.

At this time of the year, fertiliser materials are usually at a low ebb, with manufacturers and importers stocking supplies against future demands. It is significant, however, that British manufacturers of ammonium sulphate have, in sympathy with foreign producers, reduced prices, both in the home market and for shipment, by a very considerable margin. The probability of steadily increasing supplies from the Billingham factory of the Brunner, Mond subsidiary concern, Synthetic Ammonia and Nitrates, Limited, doubtless influenced the British makers' organisation in their decision to lower prices. This has had its effect, and a fair volume of orders on next season's account has already been received. In the export market, total shipments are well maintained, the loss of the Japanese market to German competitors having been counterbalanced by the increased demand from Spain. The use of nitrate of soda as a fertiliser in this country has been slackening for some years now, and, indeed, it is much more expensive than the home-produced sulphate, based on the unit value of nitrogen content. The super-phosphate industry has received much attention during the past month or two in connection with the demand on the part of British manufacturers for a prohibitive duty on imports amounting to about 40 per cent. This is its own commentary. Basic slag as a fertiliser is not so popular as it once was, and the use of potash fertilisers does not appear to increase in large proportions. Extensive propaganda work is in progress in all classes of fertiliser materials, but there is every reason to believe that not only will existing markets increase their commitments, but potential markets like China, India, and South America will eventually realise the advantage of increased crop yields resultant upon the use of suitable artificial manures.

Finally, the most illuminating index, perhaps, to the position of British chemical industry and trade is to be found in the unemployment figures for the industry, and perusal of the official statistics reveals a steady diminution since the great slump of 1921. The opinion of Mr Roscoe Brunner, referred to at the commencement of the article, is reflected in the fact that of the total unemployed of three years ago, less than half remain outside the industry to-day, and the possibilities of further recuperation are most promising.

THE RUBBER BOOM.

(BY A STOCK EXCHANGE CORRESPONDENT.)

As most of the elements essential to a boom are apparent in the present excitement over rubber shares, the student of the market may justly fall into line with the Stock Exchange in applying that flamboyant description to the existing state of affairs. Day after day the market boils and seethes with a strenuous exuberance. The roar of the bidding goes on with little intermission from half-past ten in the morning until the House closes at four o'clock in the afternoon. Transactions on the telephone continue for another three or four hours. Night brings but brief relief at the settlement time, and those clerks count themselves fortunate who can catch the last trains home on the contango and ticket days. Telegrams arrive at all hours of the day, and, from the Continent, of the night. The mechanical part of the work is enormous, owing to the thousands of small bargains transacted on account of the men and the women with twenty pounds, fifty, or a hundred, the money being spread over purchases of handfuls of florin shares whose market prices stand in the early shillings. All classes of the community are taking a hand in the gamble. The name of a famous artist will appear on the same transfer deed as that of another client who does not mind calling himself a fitter. There cannot be scope for making any appreciable profit out of the purchase of, say, 200 shares at half-a-crown apiece, but the prospect of snatching a ten-pound note from the deal brings a fearful joy which sets a-tingling the speculative nerves of the country parson or the lady shopkeeper, and gives all the sensation that, by tradition, fires the spirit of the wild gambler. And to many of to-day's speculators the purchase of rubber shares is the merest chance of a name, seized upon as the result of tip from newspaper or friend, turning up trumps in the share market. It is open for all men to see, of course, that raw rubber has jumped up in price with a tremendous bound, more than doubling itself within a month. Manipulations or natural cause, the result must be a very profitable, however temporary, affair for companies producing rubber at a cost of a shilling to one and six per lb, and selling it at half-a-crown. The spot price of 3s 11d may be—probably is, speculation acknowledges—more or less artificial, but it governs the forward quotations as well, and, unless a company has sold forward at some low figure all its crop, it stands to reason that the producer is likely to net handsome profit. Bumper dividends appear in sight, and, as always happens in a boom, there seems little or nothing to stop the attainment of higher prices, bigger profits.

On the first of next month a further addition will be made to production of raw rubber through the raising of the percentage of output permitted to the companies complying with the Stevenson Restriction scheme. There is, as all admit, the rather unlikely prospect of restriction being removed entirely, which, if it came about, would allow of companies tapping to the maximum extent of their capacity in order to take full advantage of rubber's high price. Some experts say, however, that even the removal of all restriction upon production could not make much immediate difference to companies that are none too amply supplied, as things are, with labour forces, or the means for immediate handling of any great increase of rubber. Doubtless the American buyers would be only too pleased to see such a rise in the supplies as would enable those buyers to fill their requirements at a cheaper price than rules now. The holder of rubber shares is

not wholly displeased at the reflection that the appreciation in the market price of his interest has come about at the expense of that American buyer, whose methods of purchasing raw rubber have been so successful in the past in keeping down the price of the produce. Now that the boot is on the other foot, and the buyer is threatened with a shortage of supply, the sellers indulge the comfortable thought that they are now coming into their own inheritance, out of which they have been squeezed for so long a time by skilful organisation of their chief customers.

Already the dividend announcements are beginning to show, in their increased rates, what may be expected in the shape of distributions a year hence. New companies are being formed, floated, and their shares over-subscribed in the manner to which former booms have accustomed the public. There is so gay an air about the rubber share market as to make it seem almost churlish to dwell upon the desirability of dealing only in the good-class companies' shares, lest the unexpected should happen, and the boom become suddenly rent by the operation of forces that cannot be ignored when speculation is rife in the product of any tropical industry.

Notes of the Week.

The Position in India.—A glance back at the menacing conditions a year or so ago is enough to remind us that an improvement in the Indian position is one of the more promising features in the general outlook. This perhaps is the first thought that occurs to the reader of the two Parliamentary debates on India this week, on Monday in the House of Lords and on Thursday in the House of Commons. Lord Birkenhead's statement in the Lords was the more eagerly awaited because it was expected to disclose the results of recent consultations with Lord Reading. But if he disappointed his hearers in this respect, and said that he had "no decisions or conclusions" to announce, his review of the position was not lacking in interest or importance, and the tone of his pronouncement on the whole fulfilled the expectations expressed at the time of his succession to office, that he would approach Indian problems in a liberal spirit and with a broad outlook. Opening with a careful review of the financial, commercial, and agricultural position—a review in which a cheerful note predominated—Lord Birkenhead turned to the constitutional problem as his main theme. A generous tribute to the late Mr Montagu led up to a sketch of the working of the 1919 Act, and to the conclusion that the experiment has neither altogether failed nor altogether succeeded. He made it clear that the present Government's aim was to pursue the road towards self-government on which our feet are set. But "the door of acceleration was not open to menace; still less would it be stormed by violence." The Montagu-Chelmsford Act provided for a reconsideration by a Royal Commission after ten years—that is in 1929—or earlier. But "there could be no reconsideration until they saw everywhere among responsible leaders of Indian thought evidence of a sincere and general desire to co-operate with them in making the best of the existing Constitution." Having dwelt on the disastrous policy of non-co-operation, Lord Birkenhead, in a striking passage, threw out an invitation to the Swarajists to come forward with definite proposals of their own. This invitation, in slightly modified form, together with the gist of Lord Birkenhead's review, was repeated in the House of Commons by Lord Winterton, the Under-Secretary of State for India, whose statement was well received in all quarters of the House. Col. Wedgwood, who initiated the debate on behalf of the Labour Party, declared that "non-co-operation was the curse of India," while Mr MacDonald's speech was in most essentials in harmony with the Government's statements. The comparative harmony of the views of all parties on the general lines of Indian policy was merely silhouetted by the discordant note struck by Mr Saklatvala, who gloried in subversive propaganda. No greater mistake, however, could be made than to suppose that, because there is in this country no party conflict over Indian

policy, progress in the solution of the intricate constitutional problem is therefore easy. Any such complacent supposition is shattered by the news of the chilly reception accorded in India to Lord Birkenhead's speech—a first impression, which, we trust, will be modified by the subsequent study of the full text of the statement.

Forestalling the McKenna Duties.—The June returns of overseas trade will not be available till early next week, but one feature of them was disclosed by the Chancellor of the Exchequer in the House of Commons on Tuesday. In answer to questions, Mr Churchill revealed the extent to which motor cars and other goods which became dutiable on July 1st have been rushed to this country in order to forestall the new duties. He said:—"During the first month after the Budget announcement importations were not more than had been anticipated, and it was not until the early days of June that a large expansion of imports became evident. This continued during the whole month, and I regret to say that, on the average, nearly four months' importations have been forestalled, entailing a loss to the revenue, above what has been allowed for, of possibly a million on the McKenna duties." The Government had been considering, but had rejected, the obviously impracticable course of retrospective collection, but Mr Churchill foreshadows legislation to prevent such forestalment in future. Mr Wedgwood Benn voiced the fear that such legislation would mean that future duties would be imposed by a single resolution of the House of Commons. Mr Churchill denied that the legislation which he contemplates would have that effect. Obviously, if we are in for a succession of additions to our tariff, the Treasury will take steps to prevent the loss of revenue; but such legislation, when brought forward next year, will require the most careful scrutiny. For the moment the position is that Mr Churchill's wanton re-imposition of the McKenna duties has been made to look more foolish than ever, and the revenue which he may expect has been reduced to even more insignificant proportions. As to the future, his contemplation of legislation in time for next year's Budget ominously suggests that more bites at the tariff cherry are in prospect.

The French Bank Rate.—The announcement on Thursday that the discount rate of the Bank of France had been reduced from 7 per cent. to 6 per cent. caused surprise and comment in the market. It was, of course, a natural desire on the part of the Government to have as favourable an atmosphere as possible for the new gold loan, but the technical position of the Bank would seem to give no justification whatever for such a reduction, and in this way emphasises still more the political nature of this action. When the rate was raised from 6 per cent. to 7 per cent. on December 11th last, note circulation stood at 40,568 million francs, advances to the State at 22,700 million. From that time until the end of March the note circulation showed little movement, and advances to the State were slightly reduced. At the turn of the quarter came a sharp rise both in advances to the State and in note circulation. Recently, however, there has been the further rapid increase in advances to 27,400 million francs, and the rise, although less rapid in note circulation to 44,494 million. When the Bank rate was last raised sterling stood at about 88½; to-day, after the recent official support, it stands at 103.45. In December of last year the official French index number of wholesale prices stood at 586; in May, the last available figure, it stood at 601. In view of these factors, the reduction for any reason other than that of propaganda seems difficult to explain.

Austrian Bank Rate.—The statement made this week by Dr Reisch, President of the Austrian National Bank, to the effect that the anticipated reduction in Bank rate would not be made, will strengthen confidence in London in the National Bank's policy. The sharp rise in prices on the Vienna Bourse this week, after six months of comparative stagnation, is due partly to anticipations of a lower Bank rate, partly to the rumour that arrangements had been come to in Switzerland to carry Herr Bosel's

stocks, which the market had expected to be liquidated, and partly to bear covering on a large scale. Prices are admittedly low, but there are signs that funds might be found for speculation. Dr Reisch, however, insists that the rise must be gradual. He declares that the assistance of a committee of bankers will be employed to check an excessive or sudden rise by selling shares taken over with his help during the last crisis, and that, if necessary, Bank rate will be raised. Such action would be extremely unpopular, as the rate is at a burdensome level, but it is evident that the Austrian National Bank is acting on the lines favoured by the Bank of England and the Reichsbank.

Crop Prospects.—The monthly report of the Ministry of Agriculture and Fisheries states that wheat has done well during the hot weather, and looks better than it did earlier in the season. There are very promising crops in the Fens, and on heavy land where the plant withstood the winter, but, with a certain proportion of thin plants, the yield per acre over the whole country will probably be rather under average. Winter barley benefited from the sunny weather, but the spring sown, especially that sown late, suffered from the drought, and was losing colour and vigour towards the end of June. On present appearances the yield per acre of barley is expected to be poor. Over the greater part of England most of the oats had not suffered much from the lack of rain up to the end of June, but in the north-west many fields were losing colour. The corn crops are frequently short in the straw. Beans are promising on the whole. The prospective yield per acre is estimated as about average. Peas are variable and require rain badly in all districts. Early potatoes are mostly small and giving light yields. Main crops have grown fairly well, and are healthy, but were beginning to be checked by the lack of rain before the end of June. Yields on the whole are expected to be somewhat lighter than usual. Mangolds are fairly promising. Large areas intended for turnips were still unsown at the end of June as the land was too dry for germination, and heavy land was so hard that it could not be worked down into a satisfactory seed bed. On the whole there are good plants of sugar beet, but some of the later sown is patchy. The crop made good growth during June and prospects are generally favourable, especially in the Fens. An early start was made with the hay harvest, and in most parts of the country all the seeds and a good proportion of the meadow hay was in stack before the end of June. The average yield per acre of seeds hay over the whole country is estimated at about 29½ cwt per acre, or about 1 cwt per acre above average. Owing to the dry weather, meadows did not fill up well with bottom grass and yields are not expected to exceed an average of 20 cwt per acre, which is nearly 1 cwt per acre below average. On the whole the supply of labour is barely sufficient for the demand, and in some districts more casual workers for hay-making and root-hoeing could have been employed if available.

More Bank Dividends.—With the exception of Lloyds Bank, all the English banks have now declared their mid-summer interim dividends, and as will be seen from the table below, no changes have been made in comparison with the rates paid at this time last year:—

	Per Cent. per Annum.									
	1918	1919	1920	1921	1922	1923	1924	1925		
Bank of Liverpool and Martin's	16	15	16	16	16	16	16	16		
Barclays Bank "B" shares	20	20	14	14	14	14	14	14		
Lancashire and Yorkshire	16	16	16	19	19	20	20	20		
Lloyds	18	18	18	18	18	18	18	18		
Midland Bank	20	20	20	20	20	20	20	20		
Westminster Bank	15	15	15	15	15	16	16	16		
Manchester and County	15	15	15	15	15	18	18	18		
District Bank	17	17	18	18	18	18	18	18		
National Provincial Bank	16	16	16	16	16	16	16	16		
Williams, Deacon's	14	12	12	12	12	13	13	13		
Alexanders Discount	12	13	14	15	15	15	15	15		
National Discount "A"	11	12	12	12	12	10	10	10		
Do "B"	11	12	12	12	12	18	18	18		
Union Discount	13	14	14	14	15	15	15	15		

* Final dividend. † On old capital.

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

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This table presents a remarkably steady record of payments, the change from boom conditions to trade depression having had no apparent effect. However, such influence would be more likely to show itself in the final dividends, but in the past three or four years these have also been mostly unchanged. Conditions during the first half of the current year have been fairly good from the profit-earning point of view, and although allowances for bad debts may have to be slightly increased owing to the acute depression in certain industries, it seems hardly likely that dividends for the full year will have to be reduced. Hidden reserves are substantial, and there should be ample margin to enable rates to be maintained, even if profits should fall, or investment depreciation necessitate some allocation therefrom.

Shipping Freight Index Number.—Whole-cargo charter rates, as measured by our Index Number, fell in June by 6.61 per cent. The Index figure for the month, 106.73, compares with 114.28 for May, and 126.37 for June, 1924. The movement of the various groups in the Index are summarised as under:—

Date.	European Waters.	North America.	South America.	India.	Far East and Pacific.	Australia.	Total.
Basis (Average, 1898-1913).....	100	100	100	100	100	100	100
Average, 1913.....	110.03	113.09	123.37	106.29	117.38	127.89	116.34
February, 1920.....	814.31	529.89	757.52	744.81	587.02	712.16	690.95
December.....	268.90	277.17	244.10	256.79	286.72	347.18	280.14
December, 1921.....	160.06	164.07	163.72	144.43	141.25	166.47	156.67
December, 1922.....	137.09	135.15	129.19	122.61	136.08	159.34	136.67
December, 1923.....	134.03	132.72	120.09	124.35	125.07	144.21	130.08
July, 1924.....	123.66	121.87	121.91	120.13	114.69	121.96	120.70
August.....	120.45	128.10	119.94	118.97	113.31	128.19	121.49
September.....	117.90	138.94	123.20	124.93	122.19	144.22	128.66
October.....	118.80	143.09	125.96	126.59	135.47	156.68	134.43
November.....	115.01	137.32	120.31	120.50	131.95	162.02	131.18
December.....	117.44	129.18	119.45	119.76	129.29	161.13	129.38
January, 1925.....	115.26	134.60	120.38	123.83	132.44	172.70	133.20
February.....	114.92	146.54	118.04	121.95	129.99	178.04	134.91
March.....	116.34	130.81	110.41	116.99	118.42	151.33	124.05
April.....	114.18	133.39	110.62	115.95	114.60	138.87	121.27
May.....	109.86	124.85	110.97	108.43	105.16	126.41	114.28
June.....	109.25	104.78	108.24	105.53	100.43	112.17	106.73

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

	Index No.	Inc. or Dec. Points.		Index No.	Inc. or Dec. Points.
Home trade.....	93.59	- 1.41	S. America—outwards.....	134.84	+ 18.06
Bay—outwards.....	111.93	- 1.83	" homewards.....	81.64	- 20.52
" homewards.....	123.38	+ 0.80	India—outwards.....	122.11	+ 4.21
Mediterranean—outwards.....	127.46	- 1.24	" homewards.....	88.94	- 10.02
" homewards.....	105.55	+ 1.42	Far East, &c.....	100.43	- 4.73
North America.....	104.78	- 2.07	Australia.....	112.17	- 14.24

Homeward demand in June was reduced to a low level, grain moving slowly, and shippers generally finding the space offered by liner sailings adequate for their requirements. India and the Far-East had little or no business to provide for "tramp" shipping, and in the case of both the Americas redundancy of tonnage resulted in heavy concessions having to be made by owners. The coal trade in European waters was featureless, but as an offset to the fall in homeward rates from the Plate coal freights

to South America rose steeply. As compared with a year ago, outward and homeward quotations to the Argentine show a remarkable change:—

	Average, May-June, 1924.	Average, May-June, 1925.	June, 1925.
South America—			
Outward	98.42	127.31	134.84
Inward	169.82	91.91	81.64

The effect of this reversal is unfortunately adverse to exports of British coal to South America in competition with supplies from the States. The relation of the Index to the average for 1913 may be seen from the following table:—

Month.	(1913 = 100.)	1922.	1923.	1924.	1925.
January	131.60	114.05	117.11	114.49	
February	135.76	112.73	123.78	115.96	
March	135.53	115.23	122.09	106.63	
April	129.46	115.45	117.22	104.24	
May	125.12	114.55	114.27	98.23	
June	117.45	106.82	108.62	91.74	
July	114.52	103.39	103.75		
August	113.16	100.16	104.43		
September	110.37	103.04	110.50		
October	114.42	107.86	115.55		
November	119.43	111.21	112.76		
December	117.39	111.81	111.21		
Mean for year	122.02	109.69	113.44		

There is reason to think that, barring such a disastrous eventuality as a stoppage of work in the British coalfields, the downward swing of freights which normally takes place between spring and summer has now run its full course. In the past three years this seasonal decline has amounted in round figures to:—1923, 13 per cent.; 1924, 16 per cent.; 1925, 21 per cent. Thus the temporary summer depression now recorded by freight markets is somewhat more pronounced than in either of the last two years, a contributory factor being that, apart from dull demand, remarkably cheap quotations for bunker coals have tended to render possible acceptance of lower freights.

Empire Cotton Futures Contract.—Our Manchester correspondent writes:—This week the directors of the Liverpool Cotton Association have taken action which will probably have an important bearing upon the development of cotton-growing in the British Empire. For a long time a committee of the association has had under consideration a new futures contract, against which outside growths of cotton other than American and Egyptian can be tendered. There have been many difficulties in the way, but the members of the association have now adopted a new form of futures contract entitled "The Empire and Miscellaneous Cotton Delivery Contract," against which all growths of cotton not lower than the grade and value of strict low middling American cotton may be tendered, the contract only excepting certain grades of Egyptian cotton tenderable on the present Egyptian futures contract. The importance of this decision is that a hedge in the futures market is now provided for growers and importers of Empire cotton, and it is expected that this will greatly benefit cotton-growing in the British Empire. The contract will come into force on September 1st next for delivery of cotton in October and onwards. Trading will be in multiples of 50 bales (containing 24,000 lbs of cotton).

Shipbuilding and Textiles in Northern Ireland.—Our Belfast correspondent writes:—The fact that a conference of representatives of all branches of industry and labour has recently been sitting in Belfast to consider the question of unemployment is an indication of the state of local industry. At this conference special sectional committees were set up for different branches of industry to consider and report to the Ministry of Labour as to the causes of unemployment and to suggest remedies. In the case of shipbuilding and the linen industry, the causes of unemployment are well known, but the question of remedies is a different and a much more difficult matter. At the end of June the number of persons seeking employment through the Ministry of Labour was roughly 57,000, and this figure has been considerably augmented during the past few months by the declining amount of employment in the linen trade. In fact, both shipbuilding and

linen manufacture in Belfast, upon which the city mainly depends for its industrial prosperity, are both suffering severely from lack of orders. The state of the British shipbuilding industry is too well known to require comment, and Belfast yards, like those of Great Britain, are passing through a bad period. A record of the launchings from local yards during the past six months shows a total of about 34,000 tons, against between 58,000 and 59,000 for the same period last year. This record is the worst experienced in Belfast for some considerable time, and it is remarkable that, in a centre noted for big ships, not a single vessel with a tonnage of over 10,000 has been launched this year. A 22,000-ton motor-ship, the largest yet built, will, however, be launched early in July from Messrs Harland and Wolff's yard. Reports of new business are current, and it is hoped that these will materialise in order that more employment may be found for the skilled shipyard labour available. The condition of the linen industry is also very unsatisfactory. From all accounts the Irish flax crop will not even be so large as last year's, and this alone is a discouraging factor. High prices of raw material have to a large extent affected the selling price of the finished article, and much of the present depression can be traced to that cause. What is required is a cheap, ample, annual supply of flax, and until this is attained the linen industry will be faced with these periodic spells of bad trade. There are, however, other contributory factors, such as lack of confidence in yarn and cloth values, competition of foreign manufactures in both home and foreign markets, change of fashion, &c. The falling off in demand from the United States, which is the largest market for Irish linens, has been most marked. In May, 1924, about 7,000,000 square yards of linen piece-goods were exported to that market, whereas in May this year the figure had fallen to 2,235,900 square yards. Some other important overseas markets, such as Canada and Egypt, showed reduced takings of no less than 50 per cent. for the same month as compared with 1924, with the result that the adverse balance was roughly five million square yards on the month. Taking the situation broadly, there has been a declining cloth market since about October last. In the home market the influence has been felt of imports of linen goods from the Continent at prices well under those of home manufacturers. These imports of linen piece-goods totalled no less than 5,613,562 square yards in the first five months of this year. Irish flax spinners are also being faced by the competition of Belgian and French spun yarns, which, with recent exchange movements, are becoming still more competitive. Linen weavers, taken as a whole, are not producing 50 per cent. of their normal capacity. Damask manufacturers are having a very lean time, whilst makers of plain goods are rapidly depleting their order-books.

Conditions in Egypt.—An Alexandria correspondent writes:—Lord Allenby, after a proconsulate of six years, takes with him the good wishes of every class of resident in Egypt, and of none more than the British colony. He found British prestige at the lowest ebb; he has restored it to its highest flood in Egypt, which is already a considerable asset for his successor. What the future holds remains to be seen, but it cannot be denied that influential circles face it with, if not misgiving, at least a certain anxiety. The chief subject of economic interest in this country is always cotton. At present the position gives rise to some uneasiness. May opened with quotations at \$65 the cantar of 99 British pounds for June contracts, and though prices, with many fluctuations, have sagged since to 58, the feeling is still undecided. Very little cotton is left in the interior for delivery against contracts, and with the ever-present possibility that an oversold position may require to be liquidated, a renewed rise in spot prices is not to be ruled out of account. The market is very firm at present. Interest, however, is now being directed towards the new crop. A good deal of resowing, which means tardy development and liability to boll worm later, has been necessary, but that has now been completed. There are complaints that the cold nights of April have

kept the crop back a fortnight, and cotton worm and other pests have been reported from various localities, but these complaints are normal at this season, and are not always disinterested. Warm weather in May has enabled the plant to recover most of the lost growth, and, on the whole, the condition of the crop may be termed normal. The estimator is already at work. The area is considered to be greater than that of last year, by some valuers as much as 6 per cent. more, and an out-turn of 7.6 cantars is forecast. But such estimates have at present little real value, and the first reliable indication will be obtained when flowering becomes general in about a fortnight's time. The most recent statistics are as follows:—

	(Thousands of Cantars.)	1922-23.	1923-24.	1924-25.
Initial stock (Sept. 1)	1,332	803	260	
Arrivals to date	6,600	6,370	7,031	
Exports	6,517	6,399	6,540	
Stock at the port	1,415	774	751	

Arrivals of cotton seed at Alexandria have reached 3,638,000 ardebs, against 3,339,000 last year; exports (mostly to Great Britain) have been 2,555,000 ardebs, against 2,367,000; and local consumption has been about the same as last year, 1,000,000. The onion season is now nearly over. The crop has been above average, and since the opening of the export season on March 1st, 1,053,000 cantars have been exported, against 809,000 last year. The increase of trade between Egypt and the United States merits attention in Great Britain. During the first quarter of the year, the States imported from Egypt goods (almost entirely cotton) valued at \$19.3 millions, against \$13.9 millions last year. Since Egyptian cotton is very largely utilised in the manufacture of motor-car tyres, these figures relate to a resumed activity in automobile manufacture. The following figures for recent imports of motor-cars into this country are therefore of interest:—

MOTOR VEHICLES (COMPLETE) IMPORTED into EGYPT.					
		1924.		1925.	
Country.	No.	Value £s.	No.	Value £s.	
Great Britain....	37	7,302	61	17,484	
France.....	117	27,118	154	34,635	
Italy.....	258	63,197	321	69,841	
U.S.A.....	373	44,654	848	80,650	
All Countries	801	146,884	1,400	208,090	

The American imports consist mainly of Fords and other low-valued cars, which are favourably reported on, and of which great numbers are now to be found all over the country. Indeed, nothing strikes a visitor who knows Egypt more than the increase that has recently taken place in motor traffic, especially in the Delta, where the antediluvian, ramshackle conveyances, drawn by a pair of half-starved mules, that used to ply between village and village, have given place to small petrol 'buses of the charabanc type. Motor lorries, too, are replacing the immemorial camel in the conveyance of cotton and other agricultural produce, and Egypt would appear to be on the verge of a great extension of mechanical transport. The far-sighted road-making policy initiated by Lord Kitchener is now being justified.

Tariff Conflict Between Poland and Germany.—So far no agreement has been reached, writes a correspondent, in the economic conflict between Poland and Germany. The Germans are not likely in future to admit 500,000 tons of coal a month from Poland, as they had up to June 15th under the agreement concluded in 1922 on the partition of Upper Silesia. But they have already raised their offer from 60,000 to 100,000 tons, and the Polish allegations that Germany means to make the Polish part of Upper Silesia feel the consequences of the partition seem devoid of foundation. The mine-owners in Polish Upper Silesia and their employees are mainly German, and Germany naturally would wish to avoid anything which might weaken the German element in the Polish part of Upper Silesia, or impair its economic connection with Germany. These considerations account for the, on the whole, conciliatory attitude of the Germans. The Poles, on the other hand, seem at once to have adopted a sharp tone, and on June 17th published a long list of goods of which the import from Germany is to be stopped for the

time being. Such action would seem ill-advised, seeing that in reality normal economic relations between the two countries are of much greater importance for Poland than for Germany. The following figures show, in Polish zlotys, Poland's trade with Germany, and the percentage it forms of Poland's total imports and exports:—

	Imports From Germany. Millions.	% of Poland's Total Imports.	Exports to Germany. Millions.	% of Poland's Total Exports.
1922.....	312	37	324	49.5
1923.....	487	43.6	605	50.6
1924.....	506	34.3	536	42.4
Jan.-March, 1925	125	..	169	..

Germany thus takes almost half of Poland's export trade, whilst her exports to Poland form less than 5 per cent. of her total export trade. Moreover, there are hardly any imports from Poland which Germany could not easily obtain from elsewhere, whereas Polish industry is dependent on Germany for many half-manufactured articles (especially chemicals). Even now there are in Poland some 170,000 registered unemployed, besides many unregistered, and tens of thousands working part-time only. These figures are certain to rise as the result of a struggle, which Germany can endure much better than Poland. On May 19th Poland raised the imports duties on a number of articles to a truly prohibitive level, which, following directly on the conclusion of the commercial agreement with Czechoslovakia, has produced disappointment and dissatisfaction among the Czechs. It was given out in certain quarters that such prohibitive import duties were necessary to protect the Polish currency. But if that currency really requires such careful nursing, one wonders how it will be affected by the cutting of a large part of the Polish foreign trade, where, in addition, exports invariably exceeded imports.

U.S. Shipping Board.—A correspondent writes:—The *New York Evening Post*, after a careful survey of the official reports of the U.S. Shipping Board, pronounces it "one of the most expensive and utter failures ever experienced by any Government at any time," and supports its verdict by a damaging array of statistics. In nine years the Board has spent \$3,523,000,000, and its total assets to-day are not valued at more than \$300,000,000, which means that the total loss in this period has exceeded \$3,000 millions, or a sufficient sum to run the whole Federal Government for a single year. Seven years after the war the Government still owns 1,207 out of the original 2,200 ships, and out of this great fleet no fewer than 887 ships are idle, "chained together and rusting their heads off." Last year the 305 cargo ships in operation lost \$27,393,824 and the fifteen passenger ships lost \$4,420,850, the *Leviathan*, after being reconditioned at a cost of \$8 millions, losing a cool million in thirteen voyages. The *Post* urges that all this "floating junk" should be sold for what it will bring, and that the Shipping Board, which it depicts as a quarrelling body, should be abolished.

The Export of Roumanian Oil.—Last month a deputation from the oil industry waited upon the Roumanian Minister of Industry and repeated its requests, first, that the surtax of 50 per cent. charged by the Government on railway rates for oil destined for export overseas be abolished; secondly, that the export of residual fuel oil be freed. These requests were based upon the fact that the oil production of the country had largely increased; that oil storages both of the oil companies and of the railways were full to overflowing, and that with such a huge reserve of oil in the country there could be no political objection to the removal of the embargo on exports. It should be appreciated that the export of light fuel oil, such as diesel oil or gas oil, is permitted, but that there is an absolute embargo on the export both of crude oil and of the heavy residual oil left over in the first refining process. The oil companies are obliged to sell a proportion of this heavy oil to the Government for the railways and other Government undertakings at prices which the oil companies have always regarded as uneconomic. The striking increase in the production of the

Roumanian oilfields certainly lends force to the oil industry's application. The following table shows the output of the Roumanian fields during the first quarter of this year as compared with that of the corresponding quarter in 1924:—

	OUTPUT OF ROUMANIAN OILFIELDS.	
	First Quarter, 1924.	First Quarter, 1925.
	Metric Tons.	Metric Tons.
Prahova	302,041	421,709
Dambovită	57,490	67,243
Buzău	23,049	28,286
Bacău	9,868	11,330
	392,448	528,568

It will be seen that there was an increase in production during the first quarter of 1925 of no less than 136,114 tons. There is little need to question the oil companies' statement that oil storages are full to overflowing. Why the Government should not remove the embargo on surplus fuel oil which its railways and works cannot take is difficult to explain, but as regards the reduction in export taxes, it is not clear that it can take any action even if it desired to do so, for the external Government loans of 1913 and 1922 are specifically secured on the export taxes. The Roumanian Government has not lately shown itself unsympathetic with the oil industry's application, and the fact that it has agreed to abolish the surtax charged on Roumanian dividends received by foreign corporations is some evidence that it is becoming more mindful of the claims of foreign capital in Roumania.

The Outlook for Tin.—A correspondent writes:—It happens not infrequently that rubber and tin move together, and the marked strength displayed by the first-named commodity this week has begun to creep into the tin market, where the outlook is regarded with more confidence. The price of tin has now been maintained at a very satisfactory level for a long time, and the market has withstood with ease all sorts of adverse factors and bear raids. Taking the year ended June 30th last, the total supplies amounted to 111,235 tons and the world's deliveries during the same period were 111,263 tons. Thus the amount of tin used all over the globe was exactly 28 tons above total supplies, and from this it is quite easy to argue that any improvement in the industrial position would call for additional supplies of metallic tin. The world's visible supply now stands at 19,414 tons, and there are no other supplies anywhere, the last of the Eastern "pooled" surplus having been disposed of. The feeling in the market is becoming very bullish on tin, and no doubt sentiment has been helped by the firmness in rubber. The Eastern price has gone over £260 again, and on the London market the undertone of standard tin has been firmer, with a fairly good rise in values, the forward positions at one time evincing marked strength. The U.K. stocks this week have been reduced by 350 tons, and now stand at 5,275 tons, against 5,700 tons at the close of June. The Welsh tinplate trade is not very active at the moment, and the whole industrial position here is more or less overshadowed by the coal strike menace, but the bulk of the world's tin, it should be remembered, goes to the United States, where last year consumptive needs accounted for 68,000 tons. The Continent should call for tin at the rate of 20,000 to 25,000 tons per annum over the next year or two; thus in some quarters fair lines of the metal are being taken off the market and held for higher prices. The market at the moment looks very firm again, and assuming that the July shipments from the Straits come out at about 6,000 tons and the U.S. deliveries are up to recent average, the next monthly statement should favour the bulls. Reports from America indicate that a good packing season is expected, and if this is confirmed there should be a brisk demand for tin for American account over the next month or two. Many of the U.S. rubber users have been caught short of supplies through anticipating larger supplies and falling markets, and it is quite possible that some of the American tin users have made a similar mistake in regard to the extent of supplies of tin from the Straits. The margin is very slender, and there is no doubt that this would play a very important part on any new upward movement starting in the early autumn.

The Phoenix-Norwich Union Insurance Rearrangement.—It is not often that the word "unique" is correctly applicable to a business transaction. It certainly is to the remarkable case of the Phoenix and the Norwich Union Fire insurance companies. Five years ago the Phoenix Assurance Company bought the shares of the Norwich Union Fire Insurance Society, issued 10 fully-paid Phoenix £1 shares for each Norwich Union share (44,000 of them, £25 each, £3 paid up), combined the managements of the two companies, and, so far as the Phoenix is concerned, amalgamated the accounts. Now we learn that the Phoenix has sold all these Norwich Union shares, and the business that goes with them, at a price of £147 each (approximately), to the Norwich Union Mutual Life Office, a society which transacts exclusively life assurance business, and whose life funds are earmarked by the Assurance Companies' Act of 1909 for the benefit of life policyholders. It is not the first time that a mutual life office has acquired the shares of a composite insurance company. The Friends' Provident Institution bought, some time ago, the shares of the Century Assurance Company. But the curious circular route by which the Norwich Union Life and the Norwich Union Fire offices become one—after living and working side by side for a century or more—is the strangest instance of deferred insurance matrimony that we have heard of. As the transaction is one of share purchase, and the Norwich Union Fire Insurance Society has technically preserved its separate identity, the operation of transfer can scarcely present legal difficulties. But the Departmental Committee of the Board of Trade, which is inquiring into the working of the Assurance Companies Act, will probably have something to say about it. A good deal of evidence has already been taken by the Committee in regard to the Friends' Provident-Century transaction, and it was urged by some witnesses before the Committee that no mutual life office should be permitted to assume liability for the unpaid portion of the share capital in a composite insurance office. In this instance the unpaid liability under the Norwich Union Fire Office's shares is £968,000. It is not, perhaps, a very urgent liability, in view of the large free reserves of the Norwich Union Fire Office, but it exists, and clearly it cannot properly be laid upon the mutual funds of the Norwich Union Life Office, which are earmarked by statute for life policyholders. In view of the fact that this question is an important one for mutual life policyholders, and is a subject of inquiry at present by a Departmental Committee, it seems to us that the completion of this purchase transaction by the Norwich Union Mutual Life Office should be deferred until the Board of Trade Committee has reached the end of its labours and issued its report. It would place the Norwich Union Mutual Life Office in an invidious position if it had just done something on a large scale which the Departmental Committee recommended should be forbidden to mutual life offices by legislation.

Van Den Bergh's Report.—A substantial decline in the profits of Van Den Berghs, Limited, for the year 1924 is ascribed by the directors to conditions on the Continent, combined with heavy advertising expenditure, which affected the results of the associated companies unfavourably. Trading profit dropped from £457,500 to £295,200, and the net profit was £137,000 lower at £221,700. Results for the past three years are compared in the appended table:—

	1922.	1923.	1924.
	£	£	£
Net profit	346,842	358,757	221,681
Brought forward	106,964	108,327	114,624
	453,806	467,084	336,305
Preference dividend	157,000	157,000	157,000
Preference ordinary dividend....	140,625	140,625	140,625
Ordinary dividend	93,750	93,750	nil
	(50%)	(50%)	..
Total dividends	391,375	391,375	297,625
Less income-tax	45,896	38,915	25,908
	345,479	352,460	271,717
Carried forward	108,327	114,624	64,588

The ordinary shares of 5s, which received a 50 per cent. dividend in 1922 and 1923, get no distribution for 1924, and the balance forward is substantially reduced. New items in the balance-sheet are a loan from bankers for £400,000, secured by deposit of shares in an associated company, and liabilities on bankers' acceptances for £214,500. Bills payable are also £428,400 higher at £655,100. Holdings in associated companies are £690,500 higher, and stocks are £294,600 higher. Goodwill is unchanged at £656,500, but there is also included an unstated amount of goodwill in the item relating to associated companies.

Lipton's Setback.—We have to go back to the years 1915 and 1916 to find a period when the dividends on ordinary shares were passed, and shareholders will no doubt be disappointed after receiving the recent substantial dividends in the past few years to receive the accounts of Lipton, Limited, for the year ended March 31, 1925. The following table summarises results for some years past:—

Year Ended March.	Gross Profits.	Expenses, &c.	Net Profits.	Depreciation.	Div.
	£	£	£	£	%
1902.....	228,202	39,441	188,761	19,063	8
1908.....	274,335	83,935	190,400	27,624	8
1912.....	307,207	103,922	203,285	51,341	6
1913.....	315,606	111,967	203,639	41,095	6
1914.....	314,949	131,461	183,488	23,202	6
1915.....	272,182	149,509	122,673	262,274	nil
1916.....	295,089	125,645	169,444	45,104	nil
1917.....	442,776	140,189	302,587	44,057	7½
1918.....	544,322	126,222	418,100	44,055	12½
1919.....	579,678	130,902	448,776	47,411	12½
1920.....	644,564	177,005	467,559	51,866	12½
1921.....	433,230	158,061	275,169	57,103	12½
1922.....	561,833	167,521	394,312	82,601	12½
1923.....	547,342	140,374	406,968	69,912	12½
1924.....	502,758	129,809	372,949	80,704	10
1925.....	349,674	126,006	223,668	80,955	nil

* Including £220,889 drawn from "premium on shares account."

This, however, is not the full story of the check to what appeared to be excellent progress to at least a decade of prosperity. The report states that liability for taxation has been practically agreed with the Board of Inland Revenue, and to meet claims £75,000 has been set aside from the general reserve. In referring to the decline in profits, the directors state that "steps have, however, already been taken to remedy the position, and these measures, it is considered, will prove effective." Turning to the balance-sheet, we notice that cash is down from £197,464 to £66,471, but stocks are up from £1,161,016 to £1,306,463. The former reserve of £400,000 is now split into income-tax reserve £75,000 and general reserve £325,000. Savings banks deposits, together with accrued interest, figure at £148,277, as against £153,409 a year ago, while interest paid on these deposits during the year amounted to £5,285, as against £5,544. The balance-sheet will be found fully analysed in our usual column. It is a pity that the directors do not state in the balance-sheet how much of the first item under assets, consisting of goodwill and property, represents goodwill.

Glasgow Corporation Tramways.—For the second time only in a quarter of a century the tramways undertaking of the Glasgow Corporation shows a deficiency in net revenue after providing for depreciation and renewals. The previous occasion was a deficiency of £108,531 in respect of the year 1919-20; the present deficiency for 1924-25 is £80,276. The financial year of the undertaking ends on May 31st, and the accounts show receipts for the year 1924-25 of £2,352,470, against £2,323,245 in 1923-24. The working expenses, exclusive of depreciation, were £1,746,000, against £1,691,170, and the net revenue balance on working £606,469, as compared with £632,075. After adding interest on investments, the net income was £634,407, as

compared with £634,565. This net revenue was charged with losses on the subway section and the buses, income-tax, sinking fund, and Parliamentary expenses, and the net revenue balance was then £406,799, as compared with £512,687 in the previous year. A provision for depreciation and renewals was then made of £490,075, against £463,488, leaving a net deficiency of £80,276 for 1924-25, as compared with a net surplus of £49,199 for 1923-24. More passengers were carried last year than in the previous year—439 millions, as against 430 millions—but the average traffic revenue per car mile was lower at 18.22d, as against 18.77d. The deficiency for last year has been carried to the balance-sheet, which is in a healthy condition. The net loan debt on May 31st last stood at £2,469,488, against which there was a depreciation and renewals fund of £1,398,199, leaving £1,071,289, as compared with a total capital outlay of 6½ millions. In 1916-17 the balance of the loan debt was paid off out of the depreciation and renewals fund, and the net loan debt, less depreciation and renewals (£1,071,289), incurred since then has been in respect of new works. The total balances contributed by the Tramways undertaking to the Common Good of the City of Glasgow have amounted to £1,216,504. The only years since 1894 in which there have been no contributions have been 1919-20, 1920-21, and 1924-25.

Mount Morgan.—Our mining correspondent writes:—For several years past this important Queensland proposition has provided the spectacle of a good mine struggling against adversity. No dividend has been paid since the early part of 1920, and it would appear doubtful whether another will be forthcoming. In their report for 1924-25, a cabled summary of which is now to hand, the directors intimate that the assistant general manager has just returned from a visit to America paid for the purpose of investigating the most economical methods of treating low-grade copper ore. Armed with his report, they propose visiting the mine, there to consider the important question of continuing mining treatment operations, which are being carried on at a serious loss. The phrase has an ominous look. It certainly does not constitute an exaggeration. Last year's operations showed a deficit of no less than £157,400, reduced by interest on investments, &c., to £66,400. In the twelve months ended May, 1914, there was a working deficit of £65,100, cut down to £15,300 by interest and the like. The present parlous condition of affairs has been brought about by a number of adverse factors. The value of the ore has fallen off, both in copper and gold content, and during the past session the premium on the last-named metal, of course, disappeared. There has been a constant succession of labour troubles of one kind and another. As a counterblast to some of these adverse influences, great efforts have been made by the management to secure better results from the treatment plant. The success achieved has, unfortunately, been neutralised by other conditions—in particular, an underground movement. Unless a change for the better occurs in the position generally, it would be to the advantage of shareholders for the company to go into liquidation. The last complete accounts available—those for 1923-24—showed net cash assets to the amount of £420,000. This, irrespective of other items, would represent fully 8s per share, now quoted under 6s.

Transvaal Gold Mining Estates.—This company has been "in the public eye" on several occasions recently by reason of the circumstance that its properties are situated in the Lydenburg district, some not far from areas upon which discoveries have been made. Speculators rushed in to buy on the announcement that prospecting operations were to be commenced, and rushed to sell when it was intimated that results had proved unsatisfactory. The limited work was, however, performed under difficulties, and in their annual report the directors state that in view of the situation of the farm, a further investigation will be made under the more favourable conditions of the

winter season. From a financial point of view, the net outcome of last year's operations corresponds very closely to that of the twelve months ended March, 1924. An increased tonnage was crushed at a lower cost ratio, but these factors were rather more than offset by the reduction both in the average yield of gold itself and in the price secured. Hence the working profit came out some £5,000 down at £50,800; the difference was, however, fully compensated for by a surplus from sundries instead of a deficit. The increase in the dividend from 5 to 7½ per cent. is accounted for by the liberal policy followed on the part of the directors. Expenditure on prospecting to the amount of £10,900 now figures in the appropriation account, also £9,900 net capital outlay. These sums were in effect provided out of the carry forward, reducing the latter to £167,800. As an outcome of the improved developments in the Vaalhoek mine, the ore reserves have become increased by 17,200 tons to 702,900 tons, the value of 8.2 dwts. being a shade less than before. Development at Elandsdrift—the richer of the three principal mines—has been hampered by the large amount of water in the lower levels, but the indications at depth are stated to be good. On last year's dividends the shares yield 9 per cent., and there are, of course, the "platinum possibilities."

The Colombian Northern Railway.—A correspondent writes:—The cancellation by Presidential Executive of the remaining 75 years of the concession granted to the Colombian Northern Railway has caused an unfavourable impression upon the Stock Exchange, in spite of the mitigating effects mentioned officially, while something like consternation has been expressed in Colombia itself owing to the impression that it is bound to have upon future foreign investments there. Although a certain amount of misunderstanding has existed for some time between the Government and the company (an action brought in the Supreme Court had been decided, upon certain points, against the Northern Railway Company), there was no reason to suppose that such drastic steps would be taken or allowed to stand. The reason for action is the alleged non-fulfilment of certain requirements by the company according to the terms of the concession. It is barely a year since the President of the Republic paid a friendly visit to the extension works carried on by the company, which had made so much progress upon a difficult undertaking as to promise speedy completion to the town of Chiquinquirá; while by 1928 the line, which has been a good many years in building, would have been completed by the company to Bucaramanga, capital of the important Department of Santander del Sur. The construction of this line, which doubtless will now be undertaken by the Government, will shorten considerably the journey from the coast to the capital, Bogotá. The distance between Bucaramanga and Chiquinquirá, via the Sogamoso River, is not more than 200 kms. The completion of the line means the joining-up of the three Departments of Cundinamarca, Boyacá, and Santander, linking them with the Magdalena River. Thus would be provided a direct route to the principal countries of the world, and finding therein markets for the abundant products of the great agricultural districts. The Colombian Northern Railway had reason to expect very much more profitable business than last year, which, however, marked an improvement upon the earnings of both 1923 and 1922 as regards goods and passenger traffics. Up to the end of June, 1924, the net receipts had reached £67,130, compared with £59,538 in 1923 and £53,476 in 1922, while the ratio of working expenses, in spite of additional trains run, showed a sensible reduction. In the chairman's speech in December last, at the twenty-fifth ordinary general meeting of the company, Mr P. C. Matts, who had recently returned from a visit to Colombia, referred to the lawsuit now pronounced, upon final appeal, against the company, describing it as "a vindictive action of a person or persons actuated by personal gain rather than loyally serving the best interests of the country. Indeed," added Mr Matts, "I am not sure that the credit of Colombia may not suffer by their misplaced zeal in instituting the lawsuit and its results."

Obersea Correspondence.

UNITED STATES.—THE STOCK MARKETS AND MONEY—ALLIED DEBTS—CROP PROSPECTS—TRADE CONDITIONS.

(FROM OUR CORRESPONDENT.)

NEW YORK, June 30.

News of the California earthquake brought a sharp burst of selling on the Stock Exchange yesterday, but the reaction was of short duration. The news came in the early afternoon, and the selling was general for a half-hour or so. Before the close, however, a good rally set in. To-day the rally continued. All the loss was made good within a period of 24 hours. The selling that occurred is considered to have been of poor quality. The reaction probably occurred because the market had been rising for several days and the technical position had been somewhat weakened. The incident is interpreted as indicating that the market is resting on a firm foundation, no small part of which is the extremely strong demand for investment securities. As for the earthquake itself, the disaster clearly is of minor magnitude, and should have no appreciable effect on general business conditions. Santa Barbara is a small city, and tourist business is the leading source of revenue.

The stock market has also shown an ability to disregard a material tightening in the call money market. The call rate on the Stock Exchange recently advanced to 6 per cent., which is the highest quotation since December, 1923. The disregard displayed is probably due in part to a firm belief that the tightening in call money is only temporary. The markets realise that higher rates at the turn of the half-year are quite the normal thing. Funds are accumulated to meet the very large July 1 interest and dividend disbursements. After these are out of the way, however, a period of ease usually ensues that lasts until the preparations for fall trade and the crop-moving season begin to make themselves felt. The summer ease generally is most pronounced shortly after the middle of August. In the present instance some of the tightness in the call money market is being ascribed to the maintenance by bankers of strong cash positions in anticipation of an early call for statements of condition from the Comptroller of the Currency. In any event, the industrial and trade situations do not nourish the idea that larger demands for credit are likely to be made during the next six weeks. During this period money is expected to continue to search for employment. No change is anticipated in the official banking position. The Federal Reserve authorities, as judged by their operations, are still steady rather than leading the money market. They are believed to be satisfied with the existing situation. Francs and lire are, it is true, weak, but the explanation of this weakness is found in the trade and fiscal positions of the individual countries and in the situations with regard to their debts to the American Government. The Federal Reserve authorities would hardly change their rate policy to assist these currencies, even if they thought that such a change in policy would render effective aid to the currencies in question.

The Administration's attitude with regard to funding of the foreign debts apparently calls for definite action on the part of the debtors that shall show a clear intention to arrive at a settlement. It is believed that the Administration is prepared to adopt what it considers a lenient attitude with regard to terms; it declines, however, to be put off longer with vague assurances. The British settlement is thought to be taken as a model of what the other debtors will be allowed. The precedent to be

followed, however, is likely to be that of principle rather than that of precise terms. It will be recalled that the British settlement recognised a distinction between the treatment of principal and interest. The opinion is held that in the present instance the Administration will insist that the debtor Governments begin payments on account of the principal of their debts, but that it will be willing to make the payments on account of interest on the principal distinctly easy. Meanwhile, it is felt that the debtors' ability to pay will be given appropriate weight. It is clear, of course, that if settlements within the debtors' capacities can be reached, the debtors' credit will be considerably improved in this market. At present the absence of funding negotiations is proving an effective bar to new borrowing in certain instances.

Crop news is somewhat better than was the case a month or so ago, and the prospects in the agricultural districts are now regarded rather cheerfully. While official data still is lacking, the outlook for corn has improved very materially. The crop that is coming on promises to be, in fact, one of the largest on record. Such a crop would mean much to the livestock growers and to the farmers in general. Wheat still promises to be short because of the smaller winter crop, but the spring crop continues to make good progress, and prices are reasonably good. The signs still point to a large yield of cotton. Travellers who have returned from the agricultural districts emphasise the fact that different localities present sharply different appearances with regard to the same crop. However, the aggregate result promises to be reasonably satisfactory. Owing to the smaller estimates of wheat, it has been inferred that the farmers would be in no mood to hasten marketing, but would hold their grain for higher prices later in the crop season. Early returns from the south-west report, however, that, contrary to such expectations, a strong early shipping movement has developed. The movement is explained on the basis partly of the unusually early harvest, and partly of the hot weather of early June. Nevertheless, the development probably has real significance, and may forecast an earlier arrival of autumn trade than might otherwise be the case.

Evidence continues to accumulate to show that the way has been cleared for an industrial revival and active trade in the fall. The steel situation is fairly well stabilised, although prices still are unsatisfactory and weakish. Surplus stocks of steel, which were not large, seem to have been worked off, while consumption remains high. Speaking generally, the situation with regard to stocks of goods seems to be strong, there having been little departure from the established policy of hand-to-mouth buying. General trade has held up well through the spring reaction in industry, and purchasing power seems strong, even though it is exercised with discrimination. Here, again, conditions are "spotty," a few industries finding the going hard, while others are prosperous, and many small manufacturers and traders finding profits scanty, while the large and efficient organisations are earning well. Important readjustments in the organisation of the country's economic fabric still are going on, and seem likely to go on for some time to come. But that the country as a whole has been prosperous during the first six months and is likely to remain so during the second six months seems a matter that is beyond doubt.

Part of the stability of business during the last few years has been due to the efficient service supplied by the railroads. With their equipment in first-class condition, the carriers have been able to handle a record-breaking volume of freight without delay, and without anything resembling a car shortage. This obviously has made possible a continuance of short-time buying, and has helped to prevent over-buying and an inflation of the demand for goods. Some thoughtful observers have been making inquiries to determine whether this condition will persist through the coming autumn, or whether the moving of the crops and of the other commodities that make up the heavier traffic of the fall season would use up the railroad's surplus carrying capacity, and so bring about a car shortage. If such a condition developed, the industrial and price situations might undergo a sharp and radical change. So far, however, the inquiries have been reassuring. The best judges believe that we shall get through the fall without a shortage.

National Bank of Commerce in New York

Chairman of the Board
JAMES S. ALEXANDER

President
STEVENSON E. WARD

Capital Paid up	\$25,000,000
Surplus	\$25,000,000
Undivided Profits	\$14,000,000

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FRANCE.—BUDGET PROGRESS—THE NEW CONVERSION ISSUE—RETURNING CONFIDENCE—DECLINING DEFICIT.

(FROM OUR CORRESPONDENT.)

PARIS, July 8.

WITH the progressive revelation of M. Caillaux's proposals for the restoration of the national finances, there are increasing signs that the confidence of the French public in the future of the country is rapidly returning, and the outlook is now brighter than it has been for many months. M. Caillaux has now, after many difficulties, succeeded in inducing the Chambers to take what he has always insisted must be the first step towards a return to financial health, and has forced through the Lower House (as stated last week) a really balanced Budget. The Senate is still engaged in discussing the measure as sent up for a second time from the Chamber, with not only M. Caillaux's own additions, but also with several of the contentious clauses reinserted that have already been once rejected by the Upper House. It is evident that some of the latter, at any rate, will again meet with sharp opposition by the Senate, and that the Bill, before final adoption, will be shuttlecocked an appreciable number of times between the two Chambers before agreement is finally reached. Last week, also, M. Caillaux succeeded in inducing both Houses to adopt his proposal for the issue of an unlimited amount of an entirely new form of bond, which is to be utilised for the consolidation of the bulk of the floating debt. It will be remembered that these bonds are to be subscribable only by holders of National Defence Bonds (the total issue of which is understood to amount to about 56,000,000,000fr.), and that both Chambers agreed that the detailed conditions of the issue shall be legalised by decree. The text of this decree was promulgated last Saturday, and it reveals that the interest yield of the new bonds has been fixed, as was anticipated, at 4 per cent., and that for all practical purposes the issue will be one of *perpetuelle* (or irredeem-)

able) Rentes, backed by a guarantee that, whatever variation there may be in the value of the franc, the real value of the interest yield will remain constant. It will not, however, be paid in gold, as was unofficially stated last week would be the case. The scheme put forward by M. Caillaux is an exceedingly ingenious one, and appears to have in it all the elements of success.

The new issue is not a loan proper, but a conversion operation. It will only be obtainable in exchange for existing National Defence Bonds, but no holder of these bonds is under any compulsion to exchange them against the new scrip. The future authorised limit of the floating debt (exclusive of the advances made by the Bank) will be fixed at the total amount existing after the subscriptions for the new issue have closed. While not in the nature of a gold loan, in the proper sense of the word, the new issue is really better than what would be known by this name. It may be defined as a loan comparable to a gold loan when the franc falls, but assimilable to the franc when the latter improves. This is ensured by fixing the half-yearly interest payments on the basis of the franc at 95 to the pound. (It may be noted that M. Caillaux has chosen sterling rather than the dollar in this connection.) Let us take a subscription of 10,000 of the new scrip for the purpose of setting forth the mechanism of the *garantie de change*. So long as the pound remains at 95, the holder will receive 400f paper, or 4 per cent. per annum. If the franc falls to 120, the holder of the bonds will receive interest in paper francs at the rate of 500f a year, or, with the pound at 145, 600f a year. If, on the other hand, the franc improves to 75, 50, or even higher levels, the Government will continue to pay the holder the base figure of 400f a year. While never less than 4 per cent. of the nominal capital value of the bond, the holder, if the pound stands at 100, will receive 4.20 per cent.; at 110, 4.60 per cent.; at 120, 5.05 per cent.; at 130, 5.60 per cent.

In order that potential subscribers may be assured that the capital value of their scrip will not shrink in a similar manner to that suffered by practically the whole of the other so-called gilt-edged French Government issues, the Government reserves the right to redeem the bonds by buying in on the Bourse, subject to the undertaking that in no case will bonds be redeemed at less than 50 times the amount of the previous half-yearly coupon. That is to say, that if the coupon were the normal one of 2f, the bond would be redeemed at 100f; if the coupon were 2f 21c, the redemption price would be 110.50; if 2.52, 126f; if 2f 73c (in which case the pound would be in the neighbourhood of 130), the redemption price would be 136f 50c per 100f nominal. The subscription lists are to open on July 20th and close on September 6th. Although nominally irredeemable, the Treasury will have the power to buy in a certain quantity of the new bonds every year, the amount that can be so dealt with being limited to the difference between the total annual debt service on the 5 per cent. National Defence bonds and the interest service in respect of the new 4 per cent. issue. Enough has been said, perhaps, to support the statement previously made as to the ingenious nature of the scheme and as to its prospects of success. The opinion is already being expressed that it is more than within the bounds of possibility that M. Caillaux's new issue may result in wiping out practically the whole of the 56,287 millions of Bons de la Défense Nationale (which was the figure at which they stood on July 31st last), and thus reducing the total of the floating debt (exclusive of the sum borrowed from the bank) to a comparatively negligible figure.

Proof of the extent to which confidence has begun to return since M. Caillaux reassumed the headship of the Treasury is shown by the renewed absorption of National Defence bonds. Nothing showed more strongly the alarm and distrust caused by the exposure of the financial methods of the Herriot Government than the falling off which occurred in the renewal of these bonds towards the end of 1924. The culminating point was reached in April, when the demands for repayment exceeded the sales of new bonds by over 1,000 million francs, and in May, when there was a further deficit of 597 millions in the first half of the month, and of 585 millions in the second. During the first half of June the deficit fell to 255 millions, while the second half of the month showed a slight surplus of sales over repayments. The fact that

since the Finance Minister's proposals concerning the new issue became known, this improvement has been enormously increased is striking proof of M. Caillaux's ability to gauge the financial psychology of his fellow-countrymen.

No details have yet become known as to M. Caillaux's further plans for dealing with the inter-allied debt and other financial problems. It should be remembered, however, that the last clause of the Bill authorising the increase of the authorised limit of advances to the State by the Bank of France and the issue of the new 4 per cent. bonds, the Government undertook to lay before the Chamber before the end of the session a project of financial reform "including the amortisation of the public debt," which is to be carried out by the creation of a special organism. At the same time, proposals for modifying succession duties in cases where the estate consists of French State issues will also be put forward.

The last word on the Budget for 1924, which has now been finally closed, was said in the Senate by M. Henry Bérenger, in his report on the Bill authorising supplementary credits for the past financial year and annulling others, in order to close the account. The accounts finally show that during 1924 the national expenditure amounted to 32,490,775,314f, and the total revenue to 29,036,153,000f, leaving a deficit of 3,454,622,014f. The Rapporteur claimed that these figures indicate progress towards the re-establishment of Budgetary equilibrium, in view of the fact that the annual deficit has now reached the vanishing point. In 1920 it amounted to 20 milliards, in 1921 to 13 milliards, in 1922 to 11 milliards, and in 1923 to 10 milliards. M. Bérenger insisted that, had Germany fulfilled her treaty obligations, the Budget for 1924 would have shown a surplus of 3,600 millions, instead of a deficit of 3½ milliards.

The 1925 Budget Bill, as already remarked, has still to stand fire in the Senate, but it is expected that most of M. Caillaux's own additions to the Bill as originally drafted will be accepted. The Chamber approved, after all, his proposal to revise upwards the scale of assessment to income-tax of incomes derived from agricultural profits. The schedule rates on agricultural incomes up to 10,000f (subject to abatement in respect of the first 6,000f) have been increased by 75 per cent., while those between 10,000 and 20,000f have been increased by 150 per cent., and those above 20,000f by 225 per cent. Increased postal and telegraphic rates were also approved. The most significant feature of the Budget debate was relative to the proposal that the State shall in future share the profits of insurance companies, which is worthy of detailed reference later, in view of the fact that, as M. Bokanowski stated, the question was "the most serious, from the economic point of view, that has been raised since the general elections."

GERMANY.—TARIFF—TAXATION—CREDIT— VALORISATION.

(FROM OUR CORRESPONDENT.)

BERLIN, July 8.

THE Cabinet's plan to get the Tariff Bill through the Reichstag by about the middle of the month has been abandoned. The prolongation of the Reichstag session until the beginning of August is being considered. Decision concerning the Food Duties has been delayed by the institution of a Reichstag Commission of Enquiry. The tariff question is complicated by the failure of and suspension of the Franco-German negotiations. The German negotiators considered the French concessions regarding the chief German export wares—that is, chemicals, machinery, small iron articles, optical and electro-technical wares, leather, pottery, and toys—insufficient, and the French were not satisfied with German offers regarding wines, woollen wares, and motor vehicles. German buying of French textiles is a very important question for France, very large exports to Germany of Alsace-Lorraine textiles having taken place when these were duty-free. The question of foreign wines is a sore one in West Germany. The Commercial Treaty with Spain was strongly opposed on this score, and nearly failed to obtain ratification. According to the first official and other statements the private iron and steel agreement with the

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French "heavy industry" cannot come into force until the French concessions regarding German finished goods are made, which will not be, at soonest, before September next; but the French trade Press writes as if the agreement is to come into force at once. The Reichstag trade-political committee has approved of the proposed increases in the textiles duties. The Enquiry Commission into the Food Duties has brought some expert evidence, so far mostly unfavourable to the proposals. Reasons have been given why food prices will continue to rise, and why intensive agriculture will continue to be profitable.

A settlement of the financial relations between the Republic and the States and municipalities has not yet been come to. The temporary regulation contained in the Third Taxation Decree of February, 1924, expired on March 31st this year, and was replaced by a provisional regulation lasting until September 30th. In the pending Bill the Republic claims 25 per cent. of the yield of income and corporation income-tax, and (after the first six months) 80 per cent. of the Sales Tax. The Reichsrat, representing the State Governments, would concede only 10 per cent. of income-tax and 70 per cent. of Sales Tax. The Republic, as compensation, offered the States the right, from April, 1926, on, to impose supplements of unlimited amount to the income-tax. This condition is strongly opposed by business. The maximum income-tax rate has been raised by the Reichstag Taxation Committee from 33½ per cent. (as in the Cabinet Bill) to 40 per cent., and unlimited supplements by the local governing organs might tax away the greater part of income. The Government parties in the Reichstag have also condemned the unlimited supplement, and they propose that no supplement at all should be allowed before April, 1927. The Taxation Committee has approved of compromise proposals, which may not go through. The Federal Finance Minister announces that it adheres to the claim for 25 per cent. of the income-tax yield. The Taxation Committee has approved an amendment giving the Republic a right of direct supervision (not control) over the municipal finances. At present this right belongs exclusively to the States.

The demand for money which set in in late June has continued, owing apparently to the marked increase in business activity. The interest rate on day money in the first week of July was 9½-10½ per cent.; the rate for monthly loans 10½-11½ per cent.; private discount rate 7½ per cent. Very little money is being borrowed for Bourse purposes. The Rentenbank Credit Institution Bill has got through its first reading in Reichstag Committee, with alterations in the directorate which will increase the influence of the states and diminish that of agriculture. The Reichsbank's return for June 30th shows only moderate pressure as a result of month-end demand. Discounts increased by 32½ million marks, advances by 39½ million marks, and circulation by 236 million marks. The circulation of all currencies at the end of June was 4,790 million marks, against 4,786 million marks at the end of May. Changes in the chief Reichsbank items during the past half-year have been:—

	(000's omitted.)	Dec. 31, 1924.	June 30, 1925.
Gold	759,609	1,061,717	353,905
Exchange valid as cover	253,202	1,691,467	46,453
Discounts	2,064,094	639,327	2,474,416
Advances	16,960	564,446	724,116
Other assets	1,654,426	492,820	539,406
Note circulation	1,941,440		
Deposits	820,865		
Other assets	1,570,581		
Re-discount liabilities	492,820		

A Reichs-Kredit A.G. report for the first half of 1925 puts the foreign payment balance as follows:—

JANUARY-MAY INCLUSIVE.		(Millions of Marks.)	
PASSIVE.		ACTIVE.	
Import surplus	2,119	"Invisible exports"	150
Reparations deliveries	431	Foreign loans, investments,	
Export credits	200	return of capital, realisa-	
		tions of exchange, &c.	2,600
	2,750		2,750

Of the 2,600 million marks, 215 millions were long-term foreign loans. Discussing general conditions, the report predicts that industrial production will continue to increase over the home demand. The loss through Reparations deliveries will prevent or retard any increase in home-buying power. Sharp competition will therefore be the rule, and in industries which are organised in cartels the less economically working undertakings will be closed down, output being maintained by rationalisation of the more efficient undertakings, accompanied with reduced cost of production. A process of transfer of capital and labour from unprofitable into profitable branches will take place. The influence of the banks will favour these changes. In the western "Heavy Industry" there are already signs of this process; many important changes are reported in the higher management of the coal and steel concerns; also some cessations of operation. Unemployment continues to decline. The number of publicly supported unemployed fell further to 214,092 on June 15th. The cost-of-living index for June is 138.3, against 135.5 in May; the wholesale index for July 1st, 134.9, against 134.2 on June 24th. Wages are still rising. The average weekly skilled wage in six raw material producing industries in May was 42 marks 75 pf, against 41 marks 60 pf in April; in four finishing industries 35 marks 43 pf, against 35 marks 25 pf. The highest wage is in building, 49 marks 43 pf, the lowest in textiles, 27 marks 55 pf for men and 21 marks 89 pf for women.

The Valorisation Bills are practically disposed of. Both have been amended and made more elaborate, the private debts Bill being expanded from 15 to 86 articles. Extant mortgages and secured debts of similar type have been valorised to 25 per cent. of the original gold value. Debts of these classes which were paid off after June 15, 1922, in paper marks are revived, and valorised also to 25 per cent., less the gold value of the repaid paper marks. Where the securing property has been sold mortgage free, the revived claim lies against the seller only, and is therefore unsecured. Company debentures paid off in the inflation years are not revived; and the 15 per cent. valorisation of extant debentures is in principle retained, but "old" holders of debentures who acquired before July 1, 1920, get an additional 10 per cent., only, however, after the debtor undertaking has paid certain dividends. Repayment of mortgage and debenture capital cannot be claimed before January 1, 1932; meantime interest rises from 1.2 per cent. in the first half of 1925 to 5 per cent. after January 1, 1928. For federal loans the discrimination between "old" and "new" bondholders (date also July 1, 1920) is maintained. The "old" holder will receive for every 1,000 marks nominal of paper mark bonds 50 reichsmarks nominal of "loan redemption debt." "Old" holdings are estimated at 20 milliard marks nominal. The "loan redemption debt" issued to "old" holders will be amortised within 30 years at a 150 per cent. premium, plus simple interest between January 1, 1926 and the date of amortisation. The "old" holder of 1,000 marks nominal will therefore receive 125 reichsmarks, plus, should he be repaid only in 1956, 30 times 4½ thereon. Where more than 50,000 marks nominal are held, the valorisation is reduced. A special fund for shortening the amortisation term may be created. The "new" bondholder will for every 1,000 marks nominal of paper mark bonds get 25 reichsmarks nominal of "loan redemption debt," which will bear no interest and will not be amortisable until after Reparations are paid. The provisions regarding state loans are general similar, but a clause forbidding States to valorise more liberally than the Republic has been dropped. Municipal bonds will be valorised by, according to the financial position of the municipality, between 12½ and 25 per cent.

HOLLAND.—GENERAL ELECTIONS—TARIFF ACT AND TAX ON LUXURIES—ECONOMIC POLICY—DUTCH-GERMAN ECONOMIC DIFFICULTIES.

(FROM OUR CORRESPONDENT.)

AMSTERDAM, June 24.

IN economic matters of action there have been few interesting events to note of late in this country. The influence of the summer season is strongly felt, and another factor is the approach of the general elections for the Second Chamber on July 1st. The Government now in control, supported by a majority in the Second Chamber, which is largely made up of the so-called "Christian" parties (Church parties), has, particularly last year, passed a number of regulations which have brought about much opposition. Among these is the new Tariff Bill, which is now to take effect on July 1st, election day; this Act is looked upon by many as a dangerous step in the direction along the way which might lead to Protection. The Government, however, has defended its introduction thereof on purely revenue grounds. It has similarly defended the proposed tax on luxuries, which was discussed at some length in the *Economist* of February 28th. Under pressure of protests against these proposals, and in view of the elections, the Government has now adopted some changes, which, however, are of very small extent.

The action of Germany with regard to Dutch trade has attracted attention. Measures which Germany, under the new Tariff Bill, proposes to take will especially hit Dutch agriculture hard. While, for instance, before 1914 only spring potatoes were taxed, it is now proposed to levy a duty of not less than five marks per 1,000 kg on all potatoes (until August 1, 1926, 2.50 marks). Further, vegetables, fruit, butter, cheese, and meat will be taxed when imported into Germany.

A few figures will be sufficient to show what this means for Holland. In 1924 Holland exported to Germany 185,000 tons of potatoes, or 45 per cent. of Dutch potato exports; 32,000 tons of cheese, or 59 per cent. of Dutch cheese exports; 23,000 tons of butter, or 65 per cent. of Dutch butter exports. Livestock, dairy products, and agricultural produce together, Holland exported to Germany in 1924 to the value of more than 300 million francs, which is more than 18 per cent. of the entire Dutch exports. Should these products be taxed, as now proposed by Germany, it is clear that large Dutch interests will be seriously affected.

In the second place, it has long been a thorn in the flesh that Germany has introduced special railway rates for carriage of a large number of articles to the ports of Hamburg and Bremen. These tariffs—introduced one and a-half years ago—had as their purpose the diversion of the transportation of certain goods from the harbours of Amsterdam and Rotterdam to Hamburg and Bremen. Protests on the part of Holland were immediately made, and the expectation was entertained that changes would be introduced; not by again increasing the tariffs to Hamburg and Bremen, but by bringing the rates to Amsterdam and Rotterdam to the same level. The German railways, however, have now proposed a regulation which knocks out the bottom of this hope. In certain respects Holland is even placed at a disadvantage *vis à vis* Belgium.

All this has caused the greater surprise, because the attitude of Holland towards Germany has always been exceptionally conciliatory.

Some time ago the Netherlands Bank decided that drafts which have been drawn in connection with commercial reimbursement credits may be discounted, even if Dutch interests are not exclusively served hereby; in other words, the close policy formerly adhered to, in which it was prescribed that *only* Dutch interests would be considered, has become much milder. The possibility was hereby created that the international banks established in this country should be able to extend their foreign credit business, and especially the reimbursement credit business. It seems now that the Netherlands Bank intends again to introduce the severe policy formerly in vogue, unless Germany in the meantime shall have changed her trade policy with regard to our country.

Consultations between the Governments of the two countries have now begun concerning these difficulties. Germany has declared that it was not the intention of the Government to cause injury to Netherlands interests. In other respects, it seems, they have declared themselves prepared to lighten some of the specifications of the Tariff Bill which are particularly disadvantageous to Holland. As for the special railway rates for the North German seaports, the negotiations are still in progress.

GREECE.—THE BUDGET—PUBLIC DEBT—A NEW REFUGEE LOAN—GENERAL CONDITIONS.

(FROM OUR CORRESPONDENT.)

ATHENS, July 3.

THE Budget for the current year has now been ratified by Legislative Decree. The estimates anticipate an equilibrium of revenue and expenditure, as is shown in the following table, in which comparison is made with the estimates for the financial year 1924-1925:—

		(Millions Drachmæ.)			
		1924-25.	1925-26.	Estimates—	
				(+) Increase or	(-) Decrease.
I. Revenue—					
Ordinary	4,411	6,906	.....	+	2,495
Extraordinary	1,325	114	.....	-	1,211
	5,736	7,020	.....		
II. Expenditure					
Ordinary	3,986	4,927	.....	+	941
Extraordinary	2,743	2,093	.....	-	650
	6,729	7,020	.....		
Estimated deficit..	993	.....	.....	+	291

As regards the financial year 1924-25, ordinary revenue receipts up to March 31, 1925, amounted to 4,496 millions, while expenditure, ordinary as well as extraordinary, for the same period is slightly over 5,025 millions. Estimates for the current year show an increase in ordinary revenue (almost entirely from taxation) of 2,495 millions, of which 1,300 millions represent newly-imposed taxes. After covering ordinary expenditure, they leave a surplus of 1,979 millions, which very nearly balances extraordinary expenditure. The latter includes 101 millions for reduction of circulation, 750 millions for amortization of the floating debt, and 275 millions for the refugees.

The yield of the revenues assigned for the service of the public debt, including the Refugee Loan, amounted in 1924 to 1,459 million drachmæ, as against 970 millions in 1923. In both cases the yield from the special revenues guaranteeing the Refugee Loan are not included, as they have been assigned since January 1, 1925. For the first four months of 1925 the yield of all these revenues amounted to 719 millions, as against 470 millions for the same period of last year. Deducting from the first figure the proceeds of the special revenues added this year—that is, 204 millions—there remains a net increase in receipts of 105 millions. Total receipts for the whole year are officially estimated to exceed 2,000 million drachmæ.

It is now announced that the proceeds of the Refugee Loan will not suffice for the settlement of all the refugees, whose number has very considerably increased since the original estimates were drawn up, on the basis of which the amount of the loan was fixed. A new loan of a smaller amount will have to be issued next year, for which the Government is ready to grant special guarantees. It is expected that to that effect Greece will apply to the Council of the League of Nations in the course of this year. Meanwhile the work of the Refugee Settlement Commission is showing satisfactory progress.

The revolution has left people quite apathetic. Business is going on normally. The decision of the National Assembly to dissolve at the end of the year for the purpose of holding general elections early in 1926, which will allow the country to enter in a normally Parliamentary life, is put to the credit of the revolution.

Foreign exchange rates have hardened. This is attributed to the large imports of last year owing to bad crops and to a great industrial and building expansion. Forecasts for this year are more encouraging, especially since the outlook for the crops is very promising. A great stringency of money is being experienced.

CANADA.—CROP REPORTS—WESTERN OPTIMISM—TRAGIC END OF THE PETERSEN CONTRACT—RAILWAY FREIGHTS—THE AUSTRALIAN COMMERCIAL TREATY.

(FROM OUR CORRESPONDENT.)

OTTAWA, June 23.

THE bright spot on the Canadian horizon is the uniformly optimistic character of the crop reports now being received from Western Canada. Heavy and regular rains during the first half of June, which were followed first by a cool, drying spell and then by equable warm weather, have produced abnormally favourable growing conditions, and it is many years since there was at this date such a hopeful promise of an exceptionally good wheat crop on the prairies. The acreage is about the same as last year, and Mr James Stewart, formerly chairman of the Canadian Wheat Board, who is now recognised as the leader of the grain trade in Winnipeg, has recently prophesied of the grain trade in Winnipeg, has recently prophesied a western wheat crop of 500 million bushels. Normally such a prophesy would have caused a serious slump in prices, but it happens that reports about the American wheat crop are decidedly pessimistic, the latest estimate from Washington forecasting a decline of over 200 million bushels from the 1924 figures. If this estimate is reasonably correct, it means that the United States will have no wheat available for export, and will probably require larger supplies from Canada than in recent years. Under such circumstances, the grain trade in Canada is expecting the price of No. 1 wheat to be maintained around \$1.50 per bushel, which for a heavy crop would yield very satisfactory returns for the farmer. Of course, the Canadian wheat crop is never immune from various vicissitudes until it is reaped, but its present condition is creating a very optimistic spirit among the numerous people whose welfare depends directly or indirectly upon its fate. Already there is said to be visible a certain stimulus to business in the Western towns and cities, and unless some disaster overtakes the crop a progressive improvement is looked for.

Elsewhere agricultural conditions are by no means so good. The fruit crop in British Columbia has been seriously impaired by excessive drought, and considerable damage has been suffered by Ontario farmers and fruit-growers from a similar cause. However, at least in the East, heavy rains have now come to relieve the situation, and the spell of fine, warm weather which is now being experienced will work wonders.

The strange project for providing competition for what was regarded as an oppressive monopoly created by the operations of the North Atlantic Steamship Conference has come to a tragic and decisive end. The plan never commanded any enthusiasm, even among supporters of the Government, and the character of the evidence rendered before the committee did little to convince people of its merits and revealed various dangers and difficulties involved in it. Before the hearings of the committee were concluded, proof was available that the Government had abandoned any hope of securing endorsement for the original contract, and had made arrangements with Sir William Petersen for drastic modifications. When the committee came to discuss a report, out of its 15 members only one or two Liberals were ready to endorse the original Petersen contract, but the Government are understood to have exercised strong pressure for a report which would endorse the contract in its modified form. However, Mr A. R. Macmaster, the able Liberal who served with admirable impartiality as chairman of the committee, absolutely declined to endorse even the modified report, and without his signature even a majority report favouring it would have been valueless. The Conservative members of the committee stuck out for a categorical condemnation of the contract as unwise and dangerous, but eventually a majority report was evolved without their concurrence. It declared, in substance, that a steamship combine did exist, that there was good ground for the contention that rates on many commodities had been unduly enhanced, specific cases being quoted, and that some form of regulation of ocean freight rates was desirable. But it found that it could not recommend endorsement of the Petersen contract, and would only advise that Sir William Petersen should be given an opportunity to sub-

stantiate, without help of a subsidy, the claims made by him in respect to his corrugated ships under conditions which would ensure him freedom of competition in obtaining cargoes.

Sir William Petersen, whose health had not been good for some time, had remained in Ottawa to await the result. He had been persuaded that the committee would endorse the contract in modified form, and the contents of their report proved such a shock that he collapsed and died almost at the very moment it was being submitted to the House of Commons. His death, which is deeply deplored, was a most fortunate event for the Government, for Mr Mackenzie King met with no opposition to his suggestion that under the circumstances further discussion of the project was inadvisable, and thereby evaded what would certainly have been a most damaging debate. Since Sir W. Petersen's enterprise was purely personal, nothing more will be heard of it, and the general view is that the Government's shipping venture had ended in a humiliating fiasco.

For the next few months the Railway Commission will have its hands more than full with a task which has now been entrusted to it by Parliament. It is nothing more than a wholesale reconstruction of the railway rate structure of the Dominion. The proposals of the Government which gave statutory permanence to the special eastbound rates on grain and flour, but left the fixation of all other rates to the unfettered discretion of the Railway Commission, was opposed by the members from the prairie provinces, who contended that the virtual elimination of the Crows' Nest Pass agreement involved a gross breach of faith with thousands of people who had settled in Western Canada on the strength of its terms. The Westerners claimed that rates on the prairies, where cost of operation is lower, were on the average higher than rates for parallel distances in the East, and they moved an amendment which sought to instruct the Railway Commission that no Western rate should ever be more than 10 per cent. higher than the Eastern rate for the same distance. At one time the Westerners threatened to organise a prolonged blockade of the Bill, but bad leadership and Parliamentary inexperience foiled their plans, and when they found all the Eastern members, regardless of party, arrayed against their amendments, their resistance collapsed, and the Bill was sent on to Senate, who are not likely to change it.

On May 22nd the House of Commons gave consideration to the trade treaty with Australia, which has at last emerged from its lair. The negotiations have been extremely protracted and surrounded by mysterious circumstances, but the treaty as it now appears seems to have been shorn of some of its more objectionable features. At any rate, the plan for raising a number of items in the Canadian tariff on agricultural products in order to make possible preferences for Australia has been abandoned, and most of the preferences given are achieved by reductions of existing duties. Mr Robb, the acting-Finance Minister, after tracing the long and involved history of the treaty, explained its salient features and expatiated upon the benefits which it was likely to confer upon certain industries, like motor and pulp and paper manufactures; he also maintained that some of the reductions, particularly on the butter duties, would reduce the cost of living to the Canadian consumer. Likewise he intimated that negotiations were proceeding for further concessions from Australia, and intimating that "It was not all plain sailing in Australia with regard to our trade relations," besought the House to use discretion and discuss the treaty in moderate language. He must have been very disappointed at the reception which it met, for it was subjected to a formidable barrage of criticism from the Opposition benches. A group of Conservative members for rural constituencies protested that the reductions of duties on farm produce would be harmful to agrarian interests, and Mr Stirling, a British Columbian Conservative, joined Mr Robinson, a Liberal from Nova Scotia, in objecting to its probable effect upon the fortunes of Canadian fruit-growers. But the worst blow came when Mr Forke, the leader of the Progressives, while disclaiming any fears of the danger of serious competition for Canada's farm products, fastened upon the provisions in regard to dried fruits, whereon the general tariff is substantially raised; he declared that it could not fail to in-

crease the cost of living, and therefore, on principle, he felt bound to oppose the treaty. Apart from the Minister in charge, the only vigorous support for the Bill came from a political friend of the pulp and paper manufacturers, who are very anxious for its passage, and the Government, fearing the possibility of defeat, suspended its attempt to get the Bill through. Its fate is now extremely doubtful, and there is a surmise that it may be quietly dropped for this session at least.

AUSTRALIA.—CONVERSION LOAN—QUARTERLY BANK RETURNS.

(FROM OUR CORRESPONDENT.)

MELBOURNE, May 28.

As a preliminary to the Conversion Loan to be issued to provide for the 4½ per cent. War Loan of £68 millions maturing next December, the Commonwealth Government invited holders to tender for immediate repayment on May 29th. Tenders for about £2,000,000 have been accepted, and, allowing for recent sinking fund purchases, the total outstanding is thus reduced to about £65 or £66 millions. Although no announcement has at the moment of writing been made as to the terms of the Conversion Loan, the Government has settled one point, much discussed lately in business circles, by stating that the new loan will not be free of income-tax. The earlier War Loans at 4½ per cent. were issued free of income-tax, following previous practice by the various State Governments in issuing loans locally, but in 1918 the Commonwealth Government decided that all its subsequent loans should be subject to Federal income-tax, though this has meant paying higher rates of interest. The exemption in the case of the earlier loans was specially attractive to wealthy individuals, whose rate of tax on the graduated scale is high, and who appreciated the certainty of a net fixed rate of interest. It is feared, however, that some of the present holders of the 4½ per cent. loan maturing in December will prefer to look outside Australia for an investment of their money instead of accepting conversion terms, seeing that the tax-free method is not to be followed.

The principal totals of the quarterly average returns to March 31st of the banks in Australia and New Zealand (exclusive of the Commonwealth Bank of Australia) compare with those for the previous quarter and the corresponding quarter of 1924 as follows (the figures relating only to local business, exclusive of London):—

	March 30, 1924.	December 31, 1924.	March 31, 1925.
Deposits—			
Australia	£ 244,274,262	£ 234,683,749	£ 251,483,695
New Zealand	51,693,551	46,856,013	53,090,842
Total deposits	295,967,813	281,539,762	304,574,537
Advances, &c.—			
Australia	212,446,077	210,539,099	208,373,310
New Zealand	50,496,157	52,048,080	49,898,909
Total advances	262,942,234	262,587,179	258,272,219
Cash items—			
Coin and bullion (Australia and New Zealand)	27,877,587	27,905,209	29,466,807
Australian notes	24,778,237	*23,821,957	*28,684,773
Legal tender notes of other banks (New Zealand only)	448,308	278,531	269,806
Total cash	53,104,132	52,005,697	58,421,386

* Including cash with Commonwealth Bank.

During the quarter deposits have increased by £23,034,775, and advances (inclusive of Government securities) have decreased by £4,314,960. The increase in deposits is a normal movement at the period when the proceeds of annual production are coming in freely, but on the present occasion the increase is exceptionally large, owing to the extreme prices at which a considerable proportion of the wool clip was realised and the high prices obtained for wheat, of which the Australian crop was one of the best on record. The movements as compared with

a year ago are an increase of £8,606,724 in deposits, and a decrease of £4,314,960 in advances. These movements are in favour of the banking position, while the ratios of cash to liabilities have been improved by the importation of over £10,000,000 in gold, though the full effect of this will only be apparent in later figures than those shown above.

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

	March 30, 1924.	Dec. 31, 1924.	March 31, 1925.
Deposits	£ 29,940,516	£ 27,099,919	£ 26,051,895
Savings bank deposits	38,739,378	39,621,386	39,750,611
Balances due to other banks	24,512	20,812	3,309,563
Discounts, bonuses, &c.	13,935,591	10,943,996	12,489,389
Govt. and municipal securities	39,464,547	38,933,457	38,758,386
Coin and bullion	2,226,862	1,994,093	2,559,566
Australian notes	3,990,336	9,549,397	9,252,489
Balances due from other banks	6,163,056	4,422,781	4,669,798

A feature is a fall of nearly £4 millions in deposits as compared with a year ago.

UNION OF SOUTH AFRICA.—MANAGING DIRECTOR OF CROWN MINES ON UNION'S HEAVY TAXATION—LEGISLATION AND MINING COSTS—COST OF COMPANY LIQUIDATION—PLATINUM.

(FROM OUR CORRESPONDENT.)

JOHANNESBURG, June 3.

MR SAMUEL EVANS, chairman and managing director of the Crown Mines, who has been a profound student of economic questions ever since he came to the Rand, entirely endorses the views I have expressed in your columns concerning the extravagance of the Central and Provincial Governments of the Union. He contends that there are "few, if any, European communities in the world that have to carry on their shoulders such a crushing burden of taxation as that imposed on the white inhabitants of South Africa." The heavy additions made to public expenditure in the past ten years, and largely since the Armistice, have been met by an increase of over 60 per cent. in the direct taxation of the mining industry. Customs revenue has doubled, Excise has trebled, stamp duties and fees nearly doubled. Before 1914-15 there was no income-tax. In the first year of its introduction the exemption was £1,000, as it still is in Rhodesia, though it has fallen to £300 for married persons in the Union, with an allowance of £50 for each child. Now it is second only to Customs in its magnitude. Compared with the first year of its imposition, there has, avers Mr Evans, been an advance of no less than 1,386 per cent. in the collections. The revenue of the Postal and Telegraph Department, which, it may be argued, is largely in respect of services rendered, has more than doubled. Provincial Councils have quadrupled their exactions. "Our present plight," declared Mr Evans, "is mainly the result of unsound currency and extravagant policies indulged in after the Armistice." In 1899-1902 the Crown Mines paid less than 3 per cent. of its distributed net profit in taxation. Last year it paid 16 per cent., while the phthisis levy represented 9½ per cent.

Furthermore, Mr Evans said, and I think he is right, that the gold mines of the Transvaal "are more heavily taxed and subjected to greater Government interference, and to more numerous and vexatious Government regulations than any other metalliferous mines in the world." But these regulations are being made more vexatious, and the excessive burdens added to by four new Bills, increasing the already extravagant compensation payable to miners' phthisis beneficiaries, amendment of mining regulations preventing the industry employing thoroughly competent natives in any occupation which, in the opinion of the Minister of Mines, should be reserved for Europeans, and a couple of specious wage Bills "which

inevitably lead to dismissal of practically all coloured persons now employed in certain occupations on the mines." The Crown Mines is doing remarkably well on a recovery of 6½ dwts, and when in long months it is able to deal with 230,000 tons, earns a profit of about £92,000. For May, costs were reduced to 18s 2d per ton. The opening up of the southern area is progressing steadily, but involves a large amount of work and considerable capital expenditure. Working costs are now down within a florin a ton of the rate in 1914, when workings were much shallower, a lesser proportion of development was being done, and the assessment for Miners' Phthisis Compensation much lower.

Mr Evans considers it certain, if the Bills become law, "working costs would be increased to such an extent as to involve the closure of several mines, and the rendering unpayable of a considerable body of low-grade ore in the other mines." That this is not mere special pleading is shown by the fact that in April no less than eight mines on the Rand made a profit of below a shilling a ton, while a further batch of seven made less than a modest half-a-crown; only one mine (namely, Sub Nigel) out of three working in outside districts secured a profit. May results are not yet available in detailed form, but the Consolidated Main Reef has also fallen into the low profit category, making only 1s 4d per ton, "owing to abnormally low yield." In the Central Mining-Rand Mines group, with which Mr Evans has so long been prominently connected, 416,100 tons, or nearly 40 per cent. of the whole, was milled by these small-profit mines for a net profit of only £6,770, or about 4d a ton, so there is little attraction left for shareholders.

Some really astonishing figures were given recently as to the cost of liquidation. In the case of the S.A. Toilet Requisite Company the assets realised £43,363, while the costs of administration swallowed up no less than £25,147. Preferential and secured creditors received £17,850, while unfortunate concurrent creditors, whose claims were £18,830, had perforce to be content with a meagre £365 in dividends! Then, again, the Meat Producers' Exchange's assets realised £71,405, while the cost of realisation was £28,558; in this case concurrent creditors, with claims of £41,054, received 7s 3d in the £.

Sir Ernest Oppenheimer, M.L.A., in the course of his speech at the annual meeting of the Anglo-American Corporation of S.A., Limited, put the gold currency premium at £2,386,500, while the estimate of Mr H. R. Hill in the engineering report of the Union Corporation estimates the figure as high as £4,075,000. The difference of no less than £1,688,500 between the two sets of figures, the one being net and the other gross, presumably represents the cost of realisation, which on this basis works out at 3s 7d per ounce. A very substantial proportion of this would represent bank charges levied for returning proceeds of sales, or such portions as are required locally to meet wages and stores accounts and provide for payment of dividends.

Several platinum syndicates and companies, mainly of merely local importance, have been subscribed during the past month or so. The offer of 120,000 shares of 5s issued (as in the case of "Hendies" at 7s 6d) were promptly taken up. Its sponsors are calculating on an extraction of 5 dwts gold and 15 dwts platinum per ton; so with working costs even at 30s a ton, a substantial profit is expected. Mr W. H. A. Lawrence, the chairman of the Transvaal Consolidated Land and Exploration Company, at the annual meeting emphasised that the Onverwacht occurrence was "not merely a lucky chance," as Dr Mellor's systematic investigation had led to the decision to "prospect that farm and certain neighbouring farms, mainly for chrome ore, but bearing prominently in mind the known possibilities of locating platinum occurrences. The results exceeded expectations, and it was only some time afterwards learned that similar discoveries had already been made in the vicinity by other parties, who had succeeded in keeping their knowledge entirely secret." On the 100 foot level the deposit has been proved over a distance of 34 feet north and south, and 48 feet east and west. The highest value so far disclosed is on this level, where a sample over 6 feet in the north crosscut assayed 137 dwts. "The ore body is columnar, or pipe-like, in form, a condition which favours its continued persistence in depth."

Letters to the Editor.

AUSTRALIAN BORROWING IN AMERICA.

TO THE EDITOR OF THE ECONOMIST.

SIR,—It is reported that the Commonwealth of Australia is negotiating for a loan of \$100,000,000 in New York because our Government and its financial advisers in the City discourage any further Australian borrowing in London at present. It is obvious that Australia must borrow in order to pay off loans falling due in London this year.

New York bankers will lend the money readily enough, or rather supply Australia with the goods she requires at prices which will not only be remunerative to her financiers, but will provide employment for American workers. Then the New York banks will send the 20 million sterling in gold to London, and pay off Australian loans falling due here. This gold, which America does not want and cannot use, will go into the Bank of England, and make money "easy" for financiers in London; but what this country wants is work for the unemployed, which can only be found by increasing our manufactures and filling our ships with exported goods.

A little less "sympathy" and a little more practical help might convince the working classes that our Government and their financial advisers have the well-being of the country really at heart.—Yours, &c.,
G. S. PAWLE.
London, July 9th, 1925.

Books and Publications.

LAND AND LABOUR.*

It is claimed that this book "throws a new light on the land question." It is mainly a concise and clearly-written re-statement of the main facts of English economic history viewed from the same standpoint as that of the Hammonds in their more detailed history of the Village Labourer. The sorry story of the Enclosures in England and of the clearances in the Highlands is told again forcibly and lucidly. The happy centuries when the country was "self-supporting" are depicted with an admiration which conveniently ignores the fact that from time to time famine decimated the population, and that among the most frequent causes of death was starvation. Our present parlous state with "millions of acres unused or very much under-used" is contrasted with the productivity of the common-field system of mediæval farming, and generally the present position of English agriculture in the twentieth century is compared, to our discredit, both with that of our past and with that of other countries. The author sets out to discover the cause of unemployment, and to indicate the remedy. Shortly he finds the cause to be "the Land Monopoly" and the remedy "access to the land." Both phrases are familiar, but in themselves are not very helpful. The practical question is how to abolish the one and secure the other. It is here that the author is less explicit. He speaks of "forcing the land into use," and it may be gathered that he thinks this can and should be done by taxation. The weapon of taxation is no doubt a powerful one, but whether it would be effective in extending the use and increasing the production of agricultural land is a question which the author does not discuss. Like many other advocates of the taxation of land values, he appears to assume that its results would be the same in town and country, without attempting to justify the assumption.

* "Land Tenure and Unemployment." By Frank Geary, B.Sc. Econ. (Hons.). George Allen and Unwin, Limited. 10s 6d net.

TWO ECONOMIC TEXT-BOOKS.

PROFESSOR BYE, of the University of Pennsylvania, and Mr S. E. Thomas, of the British Institute of Bankers, have produced almost simultaneously two complete and comprehensive text-books*, covering in broad outline the whole field of economic theory. Neither adds anything—indeed, do not their modest authors hasten to confess as

* "Principles of Economics." By R. T. Bye. Alfred A. Knopf (New York). Pp. vi.-x., 508.

"Elements of Economics." By S. E. Thomas. The Donnington Press. Pp. 650. Price. 10s 6d.

much—to the science which they so compendiously summarise. Neither contains any notable lapses or outstanding absurdities. Both are written in concise and decent English. Both are as orthodox as economic text-books can be. Both, one must confess it, are a little uninteresting, and doubtless for the reason that the immediate incentive of their authors has been to provide convenient and non-controversial information for the day to day class and examination needs of a given set of students. Indeed, it must be further confessed that in the case of Mr Thomas' book, this particular need has engendered a passion for condensation and classification which is likely to deter, on the threshold of study, any reader whose interest in economics is not inspired by pressing examination necessities.

Of definite and irresistible criticisms we have, considering the vast extent of the area under fire, singularly few. We are inclined to quarrel with Mr Thomas' analogy of rent and profits, and with his statement that profits, like rent, do not enter into price. And we think that he has adopted an unduly naïve version both of the Labour and Cost of Production Theories of Value, for purposes of subsequent (and duly classified) criticism. Meanwhile, Prof. Bye introduces a time element into his statement of the Law of Diminishing Returns, of which Prof. Cannan, with whose works he appears to be generally familiar, would make short work. And in omitting to consider the theory of Economic Rent in relation to incomes other than those derived from the ownership of land, he neglects an interesting and socially significant development of modern economic theory. Both authors, and in this they further demonstrate their unimpeachable orthodoxy, give rather poor summaries of the Malthusian Law of Population. Both, but especially Prof. Bye, deal fairly, squarely, and lucidly with the main theory of Distribution.

On the whole, therefore, both authors deserve a mead of praise. So long as Economics remains an examination subject (and long may it do so), those who work for pass degrees and diplomas will require text-books of this kind, and will doubtless derive much benefit from their use.

BOOKS RECEIVED.

- The Reconstruction of Europe.* By Louis Aubert. (London) Oxford University Press. 10s 6d net.
- Kenya.* By Norman Leys. (London) The Hogarth Press. 15s net.
- Double Income-tax Relief.* By H. E. Seed and A. W. Rawlinson. (London) Sir Isaac Pitman and Sons, Limited. 10s 6d net.
- Collectivist Economics.* By James Haldane Smith. (London) G. Routledge and Sons, Limited. 8s 6d net.
- The Bases of Indian Economy.* By B. G. Bhatnagar, M.A. (Allahabad) Ram Marain Lal. 2s.
- India's Exchange Problem.* By B. F. Madon. (Bombay) The Commercial Printing Press.
- Wages and the Family.* By Paul H. Douglas. (Chicago) University of Chicago Press. \$3.00 net.
- Bulletin of the Imperial Institute.* July, 1925. (London) John Murray. 3s 6d net.
- Bulletin Mensuel de l'Office permanent. Institute International de Statistique.* Juin, 1925. (La Haye) W. P. Van Stockum et Fils. 1.50 florins.

OFFICIAL PUBLICATIONS RECEIVED.

- The following may be obtained from H.M. Stationery Office, Adastral House, Kingsway, W.C. 2 :—
- Census of England and Wales, 1921.* General Tables comprising Population, Housing, Institutions, Ages and Marital Conditions, Education, Birthplace and Nationality, Welsh Language. 13s net.
- Report of the Board of Education for the year 1923-1924.* Cmd. 2443. 3s net.
- Annual Report of the Chief Inspector of Factories and Workshops for the year 1924.* Cmd. 2437. 2s 6d net.
- Report by the Government Actuary on the Financial Provisions of the Unemployment Bill, 1925.* Cmd. 2451. 2d net.
- Second Report on Canadian Marine Insurance Rates.* Cmd. 2447. 6d net.

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STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET, July 22. ACCOUNT, July 23.

Business in the Stock Exchange markets is singularly patchy and uneven. A few departments are exceedingly busy. Firms connected in any way with the rubber share market found the ticket day to be extraordinarily heavy. Many men worked through the night, well into the small hours of Thursday morning. The tendency throughout the House strengthened after the general account had been arranged, and it became commonly known that difficulties which threatened had been passed, or, at all events, smoothed over. One of the features of the moment is the steady manner in which absorption of new issues is going on in the gilt-edged and in other investment securities.

The War Loan has moved up to par, and a rise of 10s in Conversion stock in a single day exemplified the changed conditions of the monetary outlook. The scrip stocks of New Zealand, New South Wales, and the L.C.C. have all advanced materially above the prices at which they stood a fortnight ago. A jump in Synthetic Ammonia Fives lifted the stock to 2½ pm. There is still a fair amount of new Great Western 5 per cent. preference stock on offer at 95½—i.e., 5s above the issue figure. Several new loans are said to be awaiting a favourable opportunity for putting in an appearance whose advent was delayed by the Bank rate fears, which blighted prices in the Consol market a month ago.

French Government bonds are distinctly better, and the French Railway guaranteed quartette has risen substantially on the latest proposals that are made for setting the finances of France upon a sound foundation. Chinese bonds have recovered, and, after a shake-out, the European Reconstruction varieties developed renewed strength. Rio Tintos came into active demand following upon an acute spasm of flatness.

Home Railway stocks gave way heavily at the beginning of the week. The industrial crises led to further sales of comparatively large amounts of stock on behalf of proprietors who saw no hope in the immediate future for railway stock. These realisations were counteracted by a little bargain-hunting, and prices rallied as soon as a few supporters came in. The Undergrounds are weak, however, and the temper of the market is extremely sensitive. Argentine Rails are a little better, and United of Havana enjoyed a brisk rise.

The rubber market has been booming, as it could scarcely be otherwise considering the rise in raw rubber to 3s 11½d per lb, comparing with 1s 9d at the beginning of May. An enormous business is doing in the shares, and a good deal of indiscriminate buying is now indulged in by an ever-widening circle of the public. Tea shares are also strong. The leading shares advanced hand over fist, taking the rest of the list with them, though more temperately. The oil market is better, in consequence of the liquidation having ceased. Courtaulds and the tobacco shares have pursued a somewhat erratic course, having been swayed also by rumours of trouble and its surmounting. Textiles, apart from Courtaulds, are heavy as a whole.

In the insurance market, the not-unexpected developments in connection with Phoenix and Norwich Union shares brought about moderate rises. The banking market is steady to quiet, Hongkong and Shanghai fluctuating sharply. Liptons went flat, on the issue of the report, and Baldwins gave way on the directors' decision to pass the dividend on both classes of preference due to be paid next month. In brewery stocks, Guinness and Watney deferred stand out with conspicuous rises. County of London Electric eased off. Gas Light ordinary stock is harder. Cable securities are inclined to be heavy; in the wireless group there is little doing.

Dunlops went up again, on the expectation that there will be another rise in the price of tyres. Furness Withy are better in the shipping list, though Royal Mail became pressed for sale upon an unwilling market.

Paris veered round from its selling mood, and turned a

buyer of De Beers, Chartered, and some of its favourite gold shares, with the result that Kaffir prices are better as a rule. Chartered rallied without much difficulty after a fall, said to have been caused by the realisation of a well-known deceased account. The platinum group has proceeded a little more slowly, prices keeping on the firm side, the Cape appearing as the principal operator in this market. Malayan Tin shares have swung idly within narrow bounds, and amongst West Africans the volume of trade on account of the public has subsided to a mere trickle.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded.....	£ 114,061,974	£ ..	£ ..	£ ..
ISSUES OF THE WEEK—				

NATIONAL SAVINGS CERTIFICATES.

NET RECEIPTS INTO THE EXCHEQUER FOUR DAYS ENDED JULY 4, 1925.

	£	£	£	£
April 1, 1925, to July 4, 1925, £1,050,000.....	Dr200,000	Dr200,000	Dr200,000	Dr200,000
To the Public—				
Yorkshire Paper Mills, 25,000 Ord. Shares, £1, at par	25,000	25,000	3,125	21,875
Do 80,000 8% Cum. Pref., £1, at par	80,000	80,000	10,000	70,000
Sungei Raya Rubber, 850,000 Shares, 2s, at par	85,000	85,000	21,250	63,750
Bright and Colson, 225,000 7% Cum. Pref., £1, at par	225,000	225,000	56,250	168,750
East Kent Gas, 100,000 Shares, £1, at par	100,000	100,000	10,000	90,000
Waring and Gillow, £1,000,000 9% First Mt. Deb. Stk. at 95% (less £402,600 for repayment of existing Debts.)	597,400	576,491	29,870	546,621
Layang Rubber Plantations, 1,250,000 Shares, 2s, at par	125,000	125,000	31,250	93,750
William Hancock and Co., £400,000 6% 1st Deb. Stk. at 97 (less £192,454 for repayment of existing Debts.)	207,546	201,275	20,754	180,521
Total offered to the public.....	1,417,766	1,417,766	182,499	1,235,267
To Shareholders only—				
Denny, Mott, & Dickson, 140,000 New Ord., £1	140,000	140,000	140,000	..
Do 280,000 Pref. Ord., £1	280,000	280,000	280,000	..
Entesee Trust, 250,000 Shares, 2s, at par	25,000	25,000	12,500	12,500
Home and Colonial Stores, 325,000 Ord., £1, at £1 10s	325,000	487,500	40,625	446,875
Team By-product Coke, £62,500 10% Income Deb. at par	62,500	62,500	31,250	31,250
Total offered to shareholders only	995,000	995,000	504,375	490,625
Total offered for subscription to date				
1925.....	116,274,740	1924.....	209,326,100	
1926.....	117,097,640	1923.....	271,393,173	
1927.....	186,880,610	1922.....	573,675,650	
1928.....	468,381,129	1921.....	388,978,203	
1929.....	128,977,209	1920.....	367,549,656	
1930.....	248,216,197	1919.....	1,036,069,961	

Bright and Colson, Limited.—Authorised capital £400,000. This company has been formed to amalgamate Bright's Stores, of Bournemouth, including all the issued ordinary shares of the subsidiary concern, Bright's (Southsea), nary shares of the subsidiary concern, Bright's (Southsea), Limited, Southsea, and Colson and Co., of Exeter. The capital is divided into 250,000 7 per cent. cumulative preference and 150,000 ordinary shares of £1 each, and there are now being issued at par 225,000 preference shares, of which 55,415 will be allotted in part payment of the purchase price. There are also being issued 110,000 ordinary shares, of which 80,666 are to be allotted in part satisfaction of the purchase consideration, and 29,334 have been applied for by the directors and their friends, and will be paid for in cash. There are no debentures. The certified combined net profits for the last four years, after charging all working expenses, depreciation, and directors' salaries, but before charging taxation, interest, and directors' commissions, show a yearly average of £49,100, sufficient to cover the amount required to pay £15,750, the dividend on the preference shares now being issued, very comfortably. No commission (as distinct from salary) can be paid any director who may be appointed a manager or director or manager until 7 per cent. has been paid on the preference share capital and 10 per cent. on the ordinary share capital, while at least £5,000 a year is to be placed to reserve in each year before the ordinary dividend for such year is increased beyond 10 per cent. until such reserve amounts to not less than £25,000. This appears to be an informative prospectus, and the amalgamation should effect economies.

William Hancock and Co., Limited.—Authorised and issued share capital £545,000. This is an offer for sale of £400,000 6 per cent. first mortgage debenture stock at £97 per cent. An outstanding issue of £192,454 4 per cent. debenture stock is in part being converted into the 6 per cent. stock, and the balance will be repaid in cash out of the proceeds of the issue. The stock will constitute a specific first charge on the company's properties, and a floating charge upon the undertaking and other assets. It will be repayable by means

of a sinking fund beginning on June 1, 1927, and calculated to redeem the stock on or before June 1, 1960. Power will be reserved to redeem any amount outstanding at £103 per cent. on or after June 1, 1935. The company operates at Cardiff, and was incorporated in 1887. It now controls three breweries. The proceeds of the present issue, after providing for the cancellation of the existing debenture stock, will be utilised in paying off all other mortgages and loans, and the balance—about £60,000—will be available for general purposes. Net assets are stated at £1,126,596. A table of the profits for the last 30 years is given. The precise value of the properties to be included in the specific charge is not clearly stated.

The Tarapaca and Tocopilla Nitrate Company, Limited.—Particulars have been published in the Press for public information only of an issue of £400,000 6½ per cent. debentures in registered debentures of £100 each of the Tarapaca and Tocopilla Nitrate Company, Limited. The whole of the issue has been placed at the price of 96½. These debentures are to be secured by a first mortgage and charge upon the property of the company (under Chilean law). They will be repaid by the operation of a sinking fund of £34,000 per annum, beginning in the year 1928, to be applied annually in purchasing debentures when their price (exclusive of accrued interest) is below 102 per cent., and in drawing at 102 per cent. when the price (exclusive of accrued interest) is 102 per cent. or over.

Yorkshire Paper Mills, Limited.—Capital £130,000, divided into 80,000 8 per cent. cumulative preference shares of £1 each, 45,000 ordinary shares of £1 each, and 20,000 deferred shares of 5s each. Holders of the ordinary shares are entitled to a 10 per cent. distribution and 25 per cent. of surplus profits; the remaining 75 per cent. going to deferred shareholders. This is an offer at par of 80,000 preference and 25,000 ordinary shares. The undertaking has been formed to carry on the paper-making business formerly known as Charles Marsden and Sons, Limited. The latter business has been run for some time past by the receiver for the debenture-holders, and profits during this period are mentioned. Properties have been independently valued at £223,000, and as the price which the company is paying to the vendor is but £65,000, one is left wondering how the receiver for the debenture-holders came to consent to the original sale. The old undertaking has, however, supplied its products to many influential newspapers in and around Yorkshire, and as this is a brave attempt to put fresh life into the concern, no doubt support will be forthcoming from the debenture-holders in Charles Marsden and Sons, Limited.

The East Kent Gas Company, Limited.—Authorised capital £350,000, in shares of £1 each. Excluding the present issue, 71,479 shares have been issued. This is an issue of 100,000 shares of £1 each at par. The directors will proceed to allotment on a minimum subscription of 40,000 shares—an amount which they have guaranteed personally, free of any underwriting or other commission. The company has the statutory right to supply gas over a territory of about 200 square miles in East Kent, comprising a population estimated at over 100,000. Among the assets already owned is 93½ per cent. of the issued share capital of the Whitstable Gas and Coke Company, Limited, which was acquired for £67,860. The prospectus shows an estimated revenue equal to nearly 8 per cent. on the capital issued and now offered; but those conservative investors who prefer gas supply undertakings will probably consider that an estimated 8 per cent. is not sufficient inducement to take shares in the concern.

Hoscote (Malaya) Rubber Estates, Limited.—Authorised capital £250,000 in shares of £1 each, of which it is agreed that £185,000 shall be issued. This is a prospectusless proposition, but full details are published in the Press, to comply with Stock Exchange regulations. The company has been formed for the purpose of acquiring and further developing two rubber estates in Negri Sembilan and another in Johore, comprising some 5,400 acres, of which the total mature area is given at 2,027 acres, while out of the proceeds of the issue the planted area is proposed to be increased by 906 acres. Standard production is put at 568,251 lbs. The estimated output is given at 493,000 lbs in the year to June 30th next, rising to 890,000 lbs in 1929. The all-in cost for the first year is taken at 11½d, declining to 9½d during the four years' period. The announcement proceeds to point out that "the proceeds of the present issue, allowing for the premium at which the shares are being sold, will amount to £222,000. After providing for the purchase price of £150,000 and preliminary expenses estimated at £4,000, a sum of £68,000 will be available for maintenance and development of the estates and proposed extensions, and for the general purposes of the company." The undertaking appears to be in capable hands.

Layang Rubber Plantation, Limited.—Authorised share capital £150,000, in ordinary shares of 2s each. This is an issue of £1,250,000 shares at par. The company has been formed to acquire certain rubber plantations in the Malayan State of Johore. The estates cover a total area of

3,483 acres, and the vendors have guaranteed that the area of five to twelve-year-old rubber exceeds 1,500 acres, and have agreed in the event of any shortage to accept a proportionate reduction in the purchase price, which is approximately £87,500, against a valuation of £107,211. The output of the present planted area for 1925-26 is estimated at 227,500 lbs. increasing by 1930-31 to 619,400 lbs. For the current year the standard production is 443,750 lbs. Production costs are estimated not to exceed 9d in the first year, 8d in the second, 7½d in the third, and 7d in the following years. On an estimated basis of output and costs the profits for 1925-26 in respect of the present planted area are estimated at £8,531 with rubber at 1s 6d per lb, and at £11,375 with rubber at 1s 9d, rising to £28,389 and £36,132 respectively by 1930-31. These figures are subject to transport, selling charges, and London expenses. The company is not committed to any forward sales, and will derive immediately the benefit of selling the monthly output of approximately 19,000 lbs at market prices. A reasonable speculation.

Sungei Raya Rubber Estate, Limited.—Authorised capital £100,000 in ordinary shares of 2s each. Subscriptions are invited at par for 850,000 shares. The company has been formed to acquire property covering about 1,640 acres on the Island of Langkawi, State of Kedah, Malaya. The present standard production of the estate is warranted at 415,000 lbs per annum. A purchase price of £66,385 (equal to £55 per planted acre) is payable in cash, and the vendors also have the option until June 30, 1928, of subscribing at par for the unissued 150,000 shares of the company's capital of £100,000. On the basis of seven years' purchase, with rubber at 1s 4d per lb and output restricted to 60 per cent. for three years, the estate is valued at £98,410. Preliminary expenses amounting to £4,500, in addition to brokerage and underwriting commission and cost of and stamp duty upon transfer of the property, are payable by the company. The issue has been underwritten for a commission of 4 per cent. and an over-riding commission of 1 per cent. A speculation.

ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Price Last Week.	Latest Price.	Rise or Fall.
War (3½%, 1925-28) .. 96½	96½	96½	—
Loans (4½%, 1925-45) .. 94½	94½	94½	—
Loans (5%, 1929-47) .. 99½	99½	99½	—
Loans (4½%, 1929-42) .. 99½	99½	99½	—
Funding Loan 4% .. 86½	86½	86½	—
Victory Bonds 4% .. 90½	90½	90½	—
Conversion Loan 3½% .. 75½	75½	75½	—
Consols 2½% .. 56½	56½	56½	—
Irish Land Stock 2½% .. 57½	57½	57½	—
Local Loans 3% .. 63½	63½	63½	—

British Railways.

	Price Last Week.	Latest Price.	Rise or Fall.
Great Western, Ord. .. 89½	87½	87½	—
London & North-Eastern .. 61½	60½	60½	—
Do Pref. Ord. .. 22½	21½	21½	—
Do Def. Ord. .. 22½	21½	21½	—
London, Mid., and .. 81½	79½	79½	—
Scottish, Ord. .. 70½	68½	68½	—
Metropolitan .. 47½	45½	45½	—

Colonial and Foreign Railways.

	Price Last Week.	Latest Price.	Rise or Fall.
Antofagasta Cons. .. 79½	81	81	—
B.A. and Pacific .. 79½	80	80	—
B.A. & Southern .. 85½	86½	86½	—
Buenos Ayres West. .. 70½	71½	71½	—
Canadian Pacific .. 147	146	146	—
Central Argentine .. 72	72½	72½	—
Corrientes, Ord. Stk. 15 .. 14½	14½	14½	—

American Railroads.

	Price Last Week.	Latest Price.	Rise or Fall.
Cheapeake & Ohio .. 98	97	97	—
Erie .. 29	29	29	—
Do 4% 1st Pref. .. 29	29	29	—

Banks.

	Price Last Week.	Latest Price.	Rise or Fall.
Barclays B (£1, 10s) .. 23	22½	22½	—
Chartered Bk of India .. 19½	19½	19½	—
Lloyds (£5 with £1 paid) .. 3½	3½	3½	—
Midland (£12, with £2 paid) .. 8½	8½	8½	—
Nat. Bank of Egypt (£10) .. 31½	31½	31½	—

Foreign Government Securities.

	Price Last Week.	Latest Price.	Rise or Fall.
Argentine 5%, 1886-7-100x .. 99	99	99	—
Austrian 6% Guar. 94 .. 94	94	94	—
Belgian 3% .. 73	73	73	—
Brazil 5% Fund., 1914-76 .. 86	86	86	—
Chilian 4%, 1896 .. 86	86	86	—
Do 7½% .. 103x	103x	103x	—
Chinese 5%, 1912 .. 60	60	60	—
Egyptian 4% .. 82	82	82	—
French 5% .. 14½	14½	14½	—
Do 4% .. 12	13	13	—
German 3% Loan .. 98½	98½	98½	—
Do 7%, 1924 .. 98½	98½	98½	—

Telegraphs.

	Price Last Week.	Latest Price.	Rise or Fall.
Anglo-American "A" .. 24	24	24	—
Marconi Wireless .. 14½	14½	14½	—
Marconi Canada .. 7½	7½	7½	—
Marconi Marine .. 12½	12½	12½	—

Miscellaneous.

	Price Last Week.	Latest Price.	Rise or Fall.
Aerated Bread (£1) .. 1½	1½	1½	—
Amal. Cottons (£1) .. 3½	3½	3½	—
Anglo Persian Oil (£1) .. 3½	3½	3½	—
Armstrong (Sir W.G.) and Co. (£1) .. 3½	3½	3½	—
Ass. Paint, Cement (£1) .. 3½	3½	3½	—
Barker, John (£1) .. 3½	3½	3½	—
B'ham Small Arms (£1) .. 3½	3½	3½	—
British Traction (£100) .. 56½	58	58	—
British-American Tobacco (£1) .. 58	58	58	—
British Controlled Oil (£85) .. 1½	1½	1½	—
Burmah Oil (£1) .. 4½	4½	4½	—
Cans (J. and P.) (£1) .. 3½	3½	3½	—
Centrales (£1) .. 5½	5½	5½	—
Cunard (£1) .. 1½	1½	1½	—
Dorman, Long (£1) .. 1½	1½	1½	—
Dunlop Rubber (6/8) .. 1½	1½	1½	—
Fine Cotton Spinners (£1) .. 2½	2½	2½	—
Forestral Land (£1) .. 1½	1½	1½	—
Furness, Withy (£1) .. 1½	1½	1½	—
Highlands and Lowlands Rubber (£1) .. 2½	2½	2½	—
Hudson's Bay (£1) .. 4½	4½	4½	—
Imperial Tobacco (£1) .. 4½	4½	4½	—

Mines.

	Price Last Week.	Latest Price.	Rise or Fall.
Ashanti Gold (4) .. 3½	3½	3½	—
Draxman (£1) .. 3½	3½	3½	—
Broken Hill Prop. (£1) .. 1½	1½	1½	—
Burma Corp. (Rs. 10) .. 8½	8½	8½	—
Cain & Motor (£1) .. 2½	2½	2½	—
Central Mining (£8) .. 13½	13½	13½	—
Chartered (15) .. 2½	2½	2½	—
City Deep (£1) .. 2½	2½	2½	—
Cons. Gold Fields (£1) .. 1½	1½	1½	—
Crown Mines (10) .. 2½	2½	2½	—
De Beers Def. (£2½) .. 10½	10½	10½	—
East Rand Prop. (£1) .. 3½	3½	3½	—
Geduld (£1) .. 3½	3½	3½	—
Gov. Gold Areas (£1) .. 7½	7½	7½	—
Johannesburg Cons. .. 2½	2½	2½	—
Modderfontein (10) .. 4½	4½	4½	—

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

THE STANDARD BANK OF SOUTH AFRICA, LIMITED

(with which is incorporated the AFRICAN BANKING CORPORATION, LTD.)

Bankers to the Government of the Union of South Africa; to the Imperial Government in South Africa; and to the Governments of Northern and Southern Rhodesia, Nyasaland Protectorate, and Tanganyika Territory.

AUTHORISED CAPITAL ..	£10,000,000
SUBSCRIBED CAPITAL ..	£8,916,660
PAID-UP CAPITAL ..	£2,229,166
RESERVE FUND ..	£2,893,336
UNCALLED CAPITAL ..	£6,687,496
	£11,809,996

Board of Directors.

William Relferson Arbuthnot, Esq.	Solomon B. Joel, Esq., J.P.
Sir David M. Barclay, K.C.S.I., K.C.M.G.	Horace Peel, Esq.
Edward Clifton Brown, Esq.	Rt. Hon. the Earl of Selborne, K.G.
Stanley Christopherson, Esq.	William Smart, Esq.
Robert E. Dickinson, Esq.	Rt. Hon. Lord Sydenham, G.C.S.I., G.O.M.G., G.O.I.E., G.B.E.
James Fairbairn Finlay, Esq., G.S.I.	

Senior General Manager in South Africa—J. P. Gibson.
Joint General Managers in South Africa—John Jeffrey, James S. Shiel.
Asst. Gen. Managers in South Africa—G. F. Le Sueur, W. K. Robertson.
London Manager—Bertram Lowndes. Secretary—Herbert G. Hoey.

Head Office: 10, CLEMENTS LANE, LOMBARD ST., LONDON, E.C.4
and 77 King William Street, E.C.4.
London Wall Branch: 63, London Wall, E.C.2.
West End Branch: 9, Northumberland Avenue, W.C.2.
(Opposite the Royal Colonial Institute.)
NEW YORK AGENCY: 67 WALL STREET.

HAMBURG AGENCY:
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DEPOSITS RECEIVED for fixed periods at rates which may be ascertained on application.

Every facility afforded for the Development of Trade with all parts of South and East Africa, the United States of America and the Continent of Europe.

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SECURITY FIRST ROYAL INSURANCE COMPANY, LIMITED

HEAD OFFICES: LIVERPOOL AND LONDON

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

COMPANY MEETINGS, &c.

NATIONAL BANK OF NEW ZEALAND, LIMITED. IMPROVED NET PROFITS.

The fifty-third ordinary general meeting of the National Bank of New Zealand, Limited, was held, on the 8th instant, at 17 Moorgate, London, the Hon. William Pember Reeves, chairman of the company, presiding.

The Chairman, in moving the adoption of the report and accounts, said: Our net profit is £279,826, as against £243,934 last year, an increase of £35,892, or, including the carry forward, a total increase of £45,882, out of which we have to provide for the increased amount of dividend required for the capital issued last year. This balance we show after paying a bonus to the staff of £13,100.

The dividend and bonus which we propose to pay to you are the same as last year.

We have allocated £9,000 to the pension and gratuity fund, which will be our normal contribution to the fund on its present basis. The reduction from £28,000 last year only indicates that the special grant made by us to establish pensions for sickness has been fully paid and therefore does not recur.

Gross profits show an increase of £28,026, and expenses a slight decrease, and we are able to carry forward £167,697, which is £12,139 more than last year.

EXCHANGE POSITION.

A year ago I told you that exchange between Australia and New Zealand and this country had been very unstable, and that the only solution of the difficulty was a general adoption of the gold standard. Now that the gold standard has been re-established in Great Britain and Australia the position has become stabilised and rates are much lower. If I have not dwelt much on this exchange problem in previous addresses, it has not been because I regard it as unimportant, but the only real remedy—a return to the gold standard—was one which a small community like that of New Zealand could not venture to try alone. It was obvious that we must wait until the Motherland and Australia made a move. This has now been made with the result of a sharp reduction in charges, which, while it is of especial value to the New Zealand exporters, should be more or less advantageous to all concerned in our commerce from both ends. This time last year the selling rate for telegraphic transfers to New Zealand was 30s per cent. premium, but has now been reduced to 5s per cent. premium.

The banking averages for the first quarter of 1925 afford clear proof that the Dominion has recovered from the depression of 1920-21. The figures are:—

	£
Deposits ..	49,897,000
Advances ..	43,730,000
Excess of deposits ..	6,167,000
Deposits increased by ..	2,854,000
Whilst advances decreased by ..	673,000
Or an increase in banking resources of ..	3,527,000

On the whole I think the position to-day is more satisfactory than that of 1919, because apart from the feverish rise in wool last November, there is nothing abnormal about it. There has been a substantial increase in production, freedom from serious industrial conflicts, and an absence of any very mischievous speculation.

FURTHER ADVANCE.

In speaking to you last year I was able to claim that the improvement in the state of the country amounted to "a further stride towards complete recovery." In other words, the improvement which began in 1922 had last year been well sustained. I can only say as much—perhaps rather more—for the advance

made during the year from March, 1923, to March, 1924. The banking figures were better than for many years past, there was a marked and very satisfactory advance in values of primary products, the restored balance of trade was fully maintained, the public revenue was buoyant, especially that brought in by the Customs, the concessions to taxpayers encouraged traders, the cry of the unemployed was not heard in the land, and although there were sporadic outburst by dissatisfied labour, there was no prolonged trouble.

At one time it seemed likely that New Zealand would be dragged into the Australian shipping and waterside conflicts, but she escaped that after a few anxious days. Once more, therefore, it may be chronicled that the amount of time and money actually lost by capital and labour in New Zealand in needless conflicts has been extremely small.

NEW ZEALAND FINANCES.

As you are aware, the Government was able to show a substantial surplus—£1,235,000. This is all the better because it follows a reduction of taxation. The income-tax was reduced from a maximum of 5s 10 2-3d to 4s 10 2-3d. The land tax was reduced by 10 per cent., and it was estimated that the loss of revenue under these two headings would be more than £720,000. Direct taxation in New Zealand is now more reasonable than it was, but it is still high—indeed, too high. Another improvement to be noted is that arrangements have been made for ending the moratorium on mortgage debts which has been such an uncomfortable feature of the economic position of New Zealand for a very long time. One may hope that the result will be an increasing readiness on the part of lenders to advance money on land to a reasonable extent. Of recent years they have shown a preference for lending to local bodies, a form of loan which has been favoured by substantial concessions in the way of taxation.

One of the results of the reluctance of capitalists to lend on mortgage has been the insatiable demands made on the Government to do the lending itself by way of advances to farmers and house builders. Owing to this and other causes, the Government of New Zealand still continues to be a heavy borrower. In previous speeches, I have more than once told you plainly that I think the New Zealand Government is borrowing too heavily. A country as prosperous as New Zealand can well afford to reduce the annual dose of stimulant from outside. The more she does so, the more easily will she be able to borrow when depression again overtakes her, as some day it might, and a certain amount of stimulant may be judicious.

TRADE FIGURES.

For the financial year to March 31st the overseas trade was:—

Exports ..	£54,771,000
Imports ..	49,821,000

Surplus of exports .. 4,950,000

For the calendar year 1924 the overseas trade amounted to over £100,000,000. This has only been exceeded in one previous year, and that a year when there was a most undesirable excess of imports. The trade is now over £70 per head of population—a remarkable figure.

I note that imports from Australia increased from £3,600,000 to £6,600,000, and that the balance of trade between Australia and New Zealand was not less than £4,100,000 against New Zealand. This is almost entirely due to the fact that New Zealand does not now produce enough wheat and coal to meet her own requirements. The only country in the world with which New Zealand does a very large trade with a balance heavily in her favour is the United Kingdom.

Prices for wool during last season took a course curiously different from that of the previous summer. In 1923-24 they began to rise very gradually in November, but went on rising to the closing sales in March. In the season just ended there was in November a sensational advance of not less than 25 per cent. After December, however, a steady decline set in, until at the March sales the sharp advance of November had been completely lost. This, of course, was disappointing. It may, however, be pointed out that the amount of wool sold for cash during the first half of the season was large enough to put a very handsome sum in the pockets of New Zealand growers. The causes of this fluctuation, so far as they originated in New Zealand and Australia, were partly the erratic character of American buying out there and partly financial. Nevertheless, the present price is by no means bad. Prices obtained at the close of last season were still ahead of the "commandeer" prices for New Zealand wool by the Imperial Government during the war. Moreover, the statistical position is very strong.

We may, perhaps, see some clash of rival forces. Still, I cannot, taking a long view, regard the outlook for New Zealand wool as bad.

It is interesting to note that the Government is giving attention to the large areas of land in the North Island, where settlement in the past has been slow.

CHAIRMAN'S VISIT TO NEW ZEALAND.

The Chairman, in conclusion, intimated that, at the desire of his colleagues, he was about to pay a visit to New Zealand on the business of the bank. It would be his duty there to discuss affairs with their very able general manager, Mr Jolly, to visit most of their branches, and to make the personal acquaintance of their inspectors, managers, and other members of the staff. In addition, he hoped to go through the Dominion from end to end and make a careful economic study of its development, condition, and prospects. He hoped the knowledge thus obtained would be of benefit to the bank in the future; but, in any case, he would spare no pains to make it as full, exact, and trustworthy as possible. He concluded by moving the adoption of the report and accounts, and the payment of the dividends as recommended.

The Hon. Sir Arthur Myers seconded the motion, which, after some congratulatory remarks from shareholders, was unanimously agreed to.

IMPERIAL BANK OF PERSIA.

GOVERNMENT'S INCREASED STRENGTH AND EFFICIENCY.

The thirty-sixth ordinary general meeting of the Imperial Bank of Persia was held on July 7th at Cannon street Hotel, London, Sir Hugh S. Barnes, K.C.S.I., K.C.V.O. (the chairman), presiding.

The manager and secretary (Mr Sydney Rogers) read the notice convening the meeting and the auditors' report.

The Chairman, in the course of his speech, said: As the report discussed at our general meeting a year ago was for six months only, the accounts now before you should be compared with those dealt with at our meeting in December, 1923. The past year has been one of ordinary, steady, and progressive business, about which there is little to remark, except that our profits have been well maintained, that the financial position of the bank is strong, and that the final dividend we propose to pay makes the total dividend for the year the same as before—namely, 9s per share, free of tax. This, I trust, you will consider satisfactory.

But while the business and progress of the bank have been comparatively uneventful, the year has been an interesting one for Persia, and for the growing power and popularity of the Prime Minister and Commander-in-Chief of the Army, Reza Khan Pehlevi, by whom, in the absence of H.M. the Shah, the Government has been carried on with increased strength and efficiency. This remarkable officer became Minister of War in the summer of 1921, when the Ghavam-us-Saltaneh was Prime Minister, and, in spite of several changes of Government, he continued to hold this post undisturbed until he was also appointed Prime Minister in October, 1923. Since that date he has remained in power, and has governed the country with a firm hand. During the past 12 months his great achievement has been his successful assertion of the authority of the Central Government over such semi-autonomous chiefs as the Sheikh of Mohammerah, the Wali of Pusht-i-Kuh, and the Bakhtiari and Luristan Khans. At one time it looked as if there might be serious fighting in Arabistan—or Khuzistan, as it is called by the Persians—but the determination displayed by the Commander-in-Chief and his prompt movement of troops to the south enabled him to overcome all opposition with little more than a show of force. He himself proceeded to Mohammerah and Ahwaz to arrange matters with the Sheikh, and he took the opportunity to pay a visit to the oilfields and the Anglo-Persian Oil Company's refinery at Abadan, by which we are told he was very favourably impressed.

IMPROVED FINANCES.

In the domain of finance, judging by the quarterly reports now issued by the American Mission, considerable progress has been made under the auspices of the Administrator-General, Dr Mills-paugh, and his staff. Last year Dr Millspaugh budgeted for a small surplus; whether it will be realised remains to be seen, but the influence of the American Mission is being felt practically in every department, and there is no doubt that the revenues have increased, that there is a much stricter control of expenditure, and that the system of taxation is being steadily reformed.

We continue to receive satisfactory reports of the trade of the country, which, year by year, shows expansion. The latest figures, just received by telegram, are: Imports, Ts. 77,000,000, and exports Ts. 100,000,000, as against the figures I mentioned last year of Ts. 69,400,000, and Ts. 76,700,000 respectively. I think we may accept this as mainly the result of the improvement that has taken place in the Government of the country, and the safer conditions that exist for carrying on trade. It is needless to remind you that good trade has an important relation to the well-being of Persia, and incidentally of the bank, and, given security and the

continuanee of sound financial administration, the volume of trade can hardly fail to increase.

COMMUNICATIONS.

There is one branch of the administration which has hitherto been rather neglected; better communications are sorely needed, so that quick transport facilities may be at the disposal not only of merchants and traders, but also of the Government, for the preservation of peace by the necessary movement of troops to outlying districts, and for the prevention of famine by the timely transfer of foodstuffs from a district where crops are good to one where famine conditions prevail, which is almost impossible to accomplish with the slow methods of the caravan—mule or camel. In this respect the Prime Minister is credited with a far-seeing policy; as a military man, he recognises the value of mobility in his army, and as a good administrator he knows well the needs of his country and the advisability of having a well-fed and contented population.

The question of railway construction stands well in the foreground of his views, and I understand that all the recent plans for pushing on the various schemes suggested for linking up the capital with the sea emanate from him. The main roads have of late years received attention, and, with the advent of the motor-car, they are serving their purpose fairly well, but there is still much room for improvement. You have no doubt seen it publicly announced that the Persian Parliament had in contemplation the institution of a surtax on tea and sugar entering the country, the proceeds of which are to be devoted to railway and road construction. In all these matters the bank will no doubt be called upon to take its part, and I need hardly say that the Government may rely upon us, as the State bankers, to assist in any sound and progressive programme.

The report was unanimously adopted.

BANK OF BRITISH WEST AFRICA, LIMITED.

BETTER TRADE PROSPECTS

The thirty-first annual general meeting of the Bank of British West Africa, Limited, was held, on the 9th inst., at the head office, 37 Gracechurch street, London.

The Right Hon. the Earl of Selborne, K.G., G.C.M.G., who presided, said that the profits amounted to £112,352, or some £16,000 more than a year ago, and, while he was not disposed to be too optimistic as to the future, he thought they might congratulate themselves upon this definite evidence of some improvement in West African trade. In the balance-sheet, current, deposit, and other accounts, at £6,726,000, showed an increase of £186,000, but, with the disappearance of their Egyptian deposits, owing to the amalgamation of their business in Egypt with that of Lloyds Bank, Limited, in that country, they must expect that a reduction in the total deposits would be shown next year so far as their own accounts were concerned, although Lloyds Bank's Egyptian business would have benefited. Bills for collection showed a gratifying increase of £120,000.

On the assets side, cash in hand showed a decreased of £185,000, but trade bills and loan totals showed that £500,000 more than a year ago was being employed in financing trade transactions. At the last two general meetings he had stated that they wanted to use more of their money in trade, also that they were in a position to meet increased demands, and it was pleasant to observe a movement in the desired direction. They had applied £25,000 to contingency fund, as they did a year ago, and £25,000 to writing down the cost of premises and furniture. The dividend of 5 per cent. proposed was the same as that paid in each of the last two years. Uncertainty and unrest still prevailed in the world, disturbing the course of trade, but he trusted that conditions might so improve that they might be able some day to give the shareholders a larger return on the capital they had invested.

Reverting to the arrangement arrived at in Egypt with Lloyds Bank—who, he said, were the largest shareholders in the Bank of British West Africa—the Chairman stated that this bank retained a substantial interest in the results of this amalgamated Egyptian business carried on by Lloyds Bank, and, with the saving in overhead expenses which would result, the goodwill which each side to the bargain brought in, and the local experience now united, they looked forward with confidence to increasing profits from the combined business.

Their business in Morocco continued to be carried on under the disadvantages of unstable exchanges, and there were other problems connected with that country which also tended to make conditions difficult. Perhaps there was no more important matter from the point of view of British trade interests than that of the capitulations. It was most earnestly to be hoped that our Foreign Office would resist any and all attempts to deprive our country of our capitulatory rights in Morocco.

So far as exports were concerned, the quantities of many pro-

ducts exported from British West Africa were greater in 1924 than in any previous year, and, presuming the absence of any untoward and unforeseen occurrences in Europe or America, he saw no reason why these exports should not continue to increase, and thereby enable the West African Colonies to acquire and consume an increasing quantity of manufactured goods notwithstanding the higher prices they were called upon to pay for them.

Mr Leslie Couper, C.M.G., their general manager, paid his second visit to West Africa early in the present year, and had reported hopefully to the board with regard to trade prospects there.

The report and accounts were unanimously adopted.

GENERAL ELECTRIC COMPANY, LIMITED

PROFITS EXCEED £1,000,000.

The annual general meeting of the General Electric Company, Limited, was held, on the 8th instant, at Magnet House, Kingsway, London, Sir Hugo Hirst, Bart. (chairman and managing director), presiding.

The Chairman, in moving the adoption of the report and accounts, said: It is a great satisfaction to your directors that both balance-sheet and profit and loss account show that the company has overcome the difficulties caused by the aftermath of the war. They also feel some sense of pride that their provision as to the services which the electrical industry can render has been justified by our expanding business and corresponding results. Our profits, which for the first time in our history exceed the million pound mark, are nearly £200,000 in excess of those of last year. These results are not only due to a greater demand for our goods; they reflect also the increasing efficiency of our recent enterprises, but they are mainly due to the comparative industrial calm which we enjoyed during the last twelve months—the first year since the war without any serious disturbance of the relations between employers and employed.

I will only just mention one or two of the products of this company which, to the uninitiated, seem to have developed into staple industries, and I am sure the few facts I tell them will cheer them up as to what is in store and what we may look forward to. The supply of electricity in the London area by some seventy or eighty authorities has involved a capital expenditure of over thirty millions. If the engineers of this company were given the chance of a modern lay-out of a big power station, we could, for less than half that capital, give a bigger output at a considerably reduced cost of production. This is just an indication of what will happen sooner or later to 90 per cent. of existing power stations in the country. But we need not wait for the reconstruction of power supplies; our ordinary staple articles offer great opportunities.

TELEPHONE AND ELECTRIC LIGHTING.

Look at the telephone industry, one of the essential means of modern communication. Whilst the United States have 142 telephones per thousand inhabitants, Denmark 88, New Zealand 79, Sweden 67, Switzerland 45, Great Britain is still twelfth on the list with 26 telephones per thousand inhabitants. Good reasons can be given for this slow development, but the point that interests us is that an industrial and trading company such as Great Britain has no business to be so low down in the scale, and I am glad to know that the Government have realised for some time the need for speeding up a big development programme. Industry is both ready and anxious to do its share to retrieve the misfortunes and mistakes of the past. This company is well equipped to meet the demand for automatic or any other kind of telephone service.

A similar state of affairs exists still in the lighting industry. Official figures were presented at last year's world power conference showing that the lamps per head of population used in U.S.A. are 1.74, in Switzerland 1.62, Germany .88, France .72, and in the United Kingdom .42. The improvement of lamps and the study of better lighting methods have led to a considerable increase in the use of electric light during the last few years, and I am satisfied that the combined efforts of the industry to educate the public in the proper use of lighting, how to light houses, shops, streets, and factories, will mean a considerable growth of this industry in which we hold an important place.

WORLD'S WORKING CONDITIONS.

The recent investigation which my colleague, Mr Railing, and I made of the working conditions of the Continent satisfied us that most industries in most Continental countries work up to 55 hours and more. Whilst there is such a tremendous difference in the working hours of our people compared with the foreigner, our greater skill, our greater loyalty, our greater efficiency cannot make up the difference; we must realise that we must meet the situation in this direction somehow, particularly in the basic industries of coal, steel, and iron, on which almost every other industry depends. But there is one other aspect of the present state of production throughout the world to which I would like to

make reference. Even if we settled all our differences, even if we worked as long as the foreigner, I still feel that the power of production of the world is too great for the absorbing power of the world at the present moment. The great needs of the war developed the power of production of each country to at least double what it requires; if wild competition between countries is allowed to go on unchecked, it will lead to political difficulties and to great industrial crises, first in the weaker countries, but eventually to the detriment of all, and particularly to the detriment of the wage earners. I cannot but feel that the big industries of the principal countries will have to put their heads together in a spirit of collaboration rather than in a spirit of the "survival of the fittest." They will have to discuss standardisation, working conditions, and sharing of markets. Only by such collaboration can industrial steadiness gradually be obtained and the steady recovery of the world can be helped.

Mr E. G. Byng seconded the motion, which was carried unanimously.

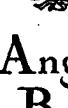
AUSTRALIAN ESTATES AND MORTGAGE COMPANY, LIMITED.

MR WILLIAMSON ON POSITION OF WOOL INDUSTRY.

The annual ordinary general meeting of the Australian Estates and Mortgage Company, Limited, was held, on the 8th instant, at the Cannon Street Hotel, London.

Mr Andrew Williamson (the chairman of the company) presided, and in the course of moving the adoption of the report and accounts said: When I last addressed you I had to report on a year of severe drought over large areas in both Queensland and New South Wales. The severity of the drought in 1923 and its continuance into the beginning of 1924 left its mark in the reduced number of sheep shorn, the net reduction in shearing numbers being equivalent to nearly 70,000 grown sheep. The average cut per head was, however, nearly 2 lbs more than in 1923, so that the 1924 clip was heavier by nearly 500,000 lbs. This increased clip was disposed of at very satisfactory prices, resulting in an increase of substantially over £100,000 in the proceeds.

After providing for interest on the debenture stocks, a net profit is left of £211,902 10s 3d, from which £90,000 has been transferred to reserve, leaving a balance of £129,293 to be dealt with. Out of this the directors recommend that £25,000 be carried to a special



The Anglo-South American Bank Limited.

Head Office,
117 Old Broad Street, London, E.C. 2

<i>Authorised Capital</i>	.	.	.	.	£10,000,000
<i>Reserve Fund</i>	.	.	.	.	£4,000,000
<i>Issued Capital</i>	.	.	.	.	£3,734,660
<i>Paid-up Capital</i>	.	.	.	.	£4,367,330

The Bank, in addition to 6 Branches in

SPAIN

has with its

AFFILIATED INSTITUTIONS

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

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Auxiliaries Abroad.

ANGLO SOUTH AMERICAN TRUST CO.
(Incorporated under the laws of the State of New York).
NEW YORK.

BANQUE ANGLO-SUD AMERICAINE, SOC. ANON.,
PARIS.

Northern District Office: 63, Market Street, BRADFORD.
Lancashire Branch: 19, Spring Gardens, MANCHESTER.

reserve account, with a view to establishing a superannuation or provident fund. Out of the balance of £104,223 the directors recommend the payment of a dividend for the year 1924 of 6 per cent. and a bonus of 4 per cent., in all 10 per cent., less tax. The prosperity which we have experienced during the past year was mainly due to our increased wool clip, and to the very satisfactory prices at which we were able to dispose of it. This year we have the prospects of a good clip, and somewhat larger than last year. Prices, however, since the very high point reached at the end of last year, have given way very seriously, and the present position as regards market values is full of difficulty and uncertainty.

CHAIRMAN'S WARNING JUSTIFIED.

At our last two annual meetings I have given you very full information with regard to the statistical position of wool, showing the growing tendency of production to fall short of consumption, and the prospect this gave of a continuance of highly satisfactory returns to the wool growers. I was, however, careful to sound a warning note. I said that there was a danger of prices going too high, for that inevitably produced reaction. In the November-December sales buyers rushed prices up to a level that was unwarranted by the general condition of the trade. This was immediately followed by a cessation of orders, a sudden and severe break in wool values, and a heavy fall in prices of manufactured goods. Just as the prices paid for wool in December were not justified by the condition of the trade as a whole, so the subsequent fall has, in my judgment, been overdue. There is no likelihood of any material increase in production (indeed, the likelihood is all the other way), and the experience of a long series of past years shows a steady tendency to the increased use of wool fabrics. The steady continuance of this expansion, however, must depend on the prices for wool being prices the consumer can afford to pay. The position we are faced with to-day is no new one.

CAUSES OF THE SLUMP.

The questions that interest us most are, how long is it likely to last, and what is the best way to meet them? To find the answer to these questions, we have first to ascertain the causes of the calling off in consumption, and the slump in values. One has been the prices obtainable for the manufactured article lagging so far behind the high prices reached in December for the raw material. Then a further very important factor has been the continued prolonged abstention from buying on the part of the United States of America, for which many causes have been assigned, and in which doubtless many causes have contributed.

It is reasonable to regard this as a temporary phase. The difficulties, industrial and financial, of the Continental markets for our wool, together with the troubles from which Japan has recently been suffering, and the alarming upheaval now distressing China, have been a powerful temporary restriction in consumption. Another factor having some influence, though a minor one, in regard to consumption has been the introduction of new fabrics, such as artificial silk, used both as substitutes and for blending. To these, too, high wool prices prove a perfect godsend. Last, but by no means least, temporary loss of confidence on the part of buyers and manufacturers, who, in the circumstances, naturally fear further falls in values.

Returning now to the question of what is the best way for wool growers to meet the present adverse situation, it seems to me that the only way that is not open to fatal objection is to agree to regulate the offerings at the public sales so as to ensure that the market is not at any time flooded with excessive quantities of wool, and at the same time taking care not to starve the market.

The Chairman concluded by stating that they were definitely against the new proposal for a semi-Government institution to control the export and marketing of Australian wool.

The resolution was carried unanimously.

JAVA PARA RUBBER ESTATES, LIMITED. DIVIDEND OF 17½ PER CENT.

The fourteenth annual general meeting of the Java Para Rubber Estates, Limited, was held, on the 7th inst., in the Council Room of the Rubber Growers' Association, 2-4 Idol lane, London.

Mr R. J. Arnold (chairman of the company) presided.

The secretary (Mr J. J. Sneddon, A.C.I.S.) having read the notice convening the meeting,

The Chairman, in moving the adoption of the report and statement of accounts, said that the final result of the year's working was a profit of £37,390, which, being added to the balance brought forward from last year's accounts, made a total of £51,136. He thought the shareholders had good reason to be satisfied with the results, which, however, would have been much higher but for the facts that they were now charging against revenue the expenditure on the upkeep of immature areas, that they had started depreciating their leasehold estates, and, further, that there had

been considerable increase in Java taxation. It was proposed to declare a dividend of 17½ per cent. for the year 1924, which would absorb £28,000, and to carry forward to next year £23,136.

With regard to the current year, 1925, their restricted crop of rubber was estimated at 800,000 lbs, and of this amount 487,214 lbs had been collected for the six months ended June 30th. They had sold forward five tons a month from January to December of this year at 15½d per lb ex warehouse Java, equal to at least 18½d per lb London. They had also sold forward five tons per month from January to December, 1926, at 18½d per lb ex warehouse Java, equal to 18½d per lb London. He did not desire to discuss the wisdom of forward contracts, but in the board's opinion it was desirable to ensure a regular monthly revenue in Java, sufficient, at any rate, to meet the cost of the development of their young estate Tjikasso. With regard to coffee, the estimate for the year was 6,500 piculs, equal to 7,893 cwt, and up to the end of June 2,252 piculs, equal to 2,735 cwt, had been harvested. The condition of the estates was in every way satisfactory. The visiting agent stated that he was looking forward with confidence to Tjikasso soon taking its place in the front rank.

Dealing with the rubber position, the Chairman said that the commodity had now reached a price which the most sanguine had hardly hoped for; and a very satisfactory feature was that, although forward prices were absurdly below the price of spot rubber, the forward market was gradually creeping up, and they were beginning to hope that the poor producer was about to recoup a portion of his losses.

Colonel the Hon. Edward Coke seconded the resolution, which was unanimously adopted.

TAKUAH AND ABOSSO CONSOLIDATED, LIMITED. REDUCED WORKING COSTS—BRIGHT PROSPECTS.

The ordinary general meeting of the members of Takuah and Abosso Consolidated, Limited, was held, on the 6th instant, at the Institute of Chartered Accountants, Moorgate place, London, Mr T. F. Dalglish (the chairman) presiding.

The secretary (Mr T. J. Foster, F.C.I.S.) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said: Turning to the balance-sheet, the issued capital remains at the same figure as last year, namely, £233,305 15s; sundry creditors in London show an increase of £6,052, which is more than accounted for by a reserve for taxes. In Africa there is a small decrease. Bills payable are about the same.

On the credit side property account has not been altered, and remains at £111,804 10s. I would remind you that this item represents concessions covering an area of over 12 square miles of mining rights, through which our reef runs for about three and a-half miles, and 39 square miles of timber concessions.

Plant and machinery, &c., has been increased by £6,970, which includes the cost of a Merrill plant, which has much improved the process of recovery of gold, a Bellis and Morcom steam and electric engine, new electric cables, a locomotive and sundry items necessary to bring the Adjah Bippo mine into production. The cost of a new water service and improvements in the native village is also included.

Mine development shows an increase of £10,577 13s 3d, which is accounted for by the cost of opening up and reconditioning the Adjah Bippo mine, and of an internal shaft in the Abosso mine. The total ore reserves of 529,270 tons now stand at a cost of rather less than 2s 6d per ton, and are estimated of the value of 38s per ton. Stores and materials are normal. Sundry debtors call for no comment. Preliminary expenses have been written down by a third. Shareholdings have been reduced £2,735 19s 8d, being half the cost of the shares held in the Takuah Central Mines, referred to in the general manager's report.

Taking the stores and materials and adding the Government securities and the gold and cash, amounting together to £64,002 2s 7d, and deducting sundry creditors, bills payable and unclaimed dividends, amounting together to £29,245 8s, there is a surplus of liquid assets amounting to £34,756 14s 7d, which, I think you will agree, is a very satisfactory financial position.

PROFIT AND LOSS ACCOUNT.

Taking now the profit and loss account, each item, except development redemption, I am glad to say, shows a reduction, although about the same tonnage of ore was passed through the mill. The net result is that we have effected a reduction of 1s 7.8d per ton compared with the costs of the previous year. The working profit amounts to £44,818 8s 9d. After writing off the items shown in the account there is a balance of £35,029 2s 2d, from which an interim dividend of 5 per cent. was paid in October last. We now recommend the payment of a final dividend of 7½ per cent., which will leave, with the amount brought forward from the previous year, a balance of £10,680 13s 2d.

With regard to the mines, the work of development has not proceeded as fast as we could have wished owing to the shortage of labour. The work done in the Abosso mine has disclosed both a good width and good values up to the lowest point reached. The internal shaft is now down 90 feet below No. 14 level, and assays 56s per ton over 50 in. The lowest point reached is in a winze at 270 feet S., which is now down about 160 feet. The reef in this winze shows an average value of 38s 6d per ton, which is above the average value of the mine. We hope to open up No. 15 level during the current year.

In the Adjah Bippo mine the ore included in our reserves is entirely to the south of the main shaft. As you will have seen from the general manager's report, the water is now down to the 10th level, and a large amount of resampling has been done, which proves that the tonnage and value in this mine are calculated on a very conservative basis. There are still three levels below No. 10 which we have not tackled yet. In the Taquah mine we have still 86,400 tons of ore averaging 51s per ton.

At the present rate of crushing our total reserves are five years ahead of the mill.

REDUCTION OF COSTS.

With the gradual disappearance of the premium on gold, our efforts have been concentrated on the reduction of our costs. During the year, as I have already pointed out, these have been reduced by 1s 7.8d per ton. This reduction has been progressive throughout the year. During the first six months the working costs were 36s 4.6d per ton, during the second 34s 11.1d, as against 37s 3.6d in the previous year. For April and May of the current year they were still further reduced to 31s 9.8d.

It is not always wise to prophesy, but I think with such evidence of economy and promise of increased production before us we are justified in expressing the hope that the profits for the current year will show a welcome increase.

Mr William Clark seconded the resolution, which was carried unanimously.

HOWARD AND BULLOUGH, LIMITED. "BETTER TRADING YEAR." DIVIDEND MAINTAINED.

The 31st annual ordinary general meeting of the shareholders of Howard and Bullough, Limited, was held at Globe Works, Accrington, on Wednesday, at 12 o'clock noon.

The chairman of the company, Sir George Bullough, Bart., presided.

The report of the directors and auditors and balance-sheet was taken as read.

In moving the adoption of the reports and accounts, the Chairman said:—I assume you will allow the report and balance-sheet to be taken as read, and this being so, I would like to call your attention to the fact that, although the amount of net profit shown this time is less than before, we have had a better trading year than last. For two-thirds of the year we have had the good fortune of being able to work full time, resulting in a larger output at average prices closely approximating those of the previous year.

SATISFACTORY RESULTS.

Having regard to the very keen competition arising from an insufficient demand to keep all textile machine makers fully occupied, this must be considered very satisfactory, and goes to show that our high standard of manufacture is fully maintained and recognised.

In our previous balance-sheet we had the help of a substantial profit which the sale of a block of shares in the Howard and Bullough American Machine Company brought us. This was an exceptional transaction, and the profit this year is therefore due to more extensive trading.

I am glad to say that a better demand has sprung up during the last few months both at home and abroad. On the Continent, the last few months both at home and abroad. On the Continent, South Germany, Holland, and Italy have been most prominent. But the America and also Mexico have shown greater liveliness, but the demand from India is not as brisk as it was; and as regards the Far East, the many disturbing influences there have militated against a resumption of nominal trading conditions.

Our works are at present fully employed, and we are deriving the benefit of the extensions completed over twelve months ago, whereby we are enabled to cope with the many urgent demands for delivery made upon us.

DIVIDEND MAINTAINED.

We are maintaining our regular dividend of 10 per cent. on the ordinary shares, and are proposing to carry forward the balance of £155,129 to next year's account. I beg to move that the report of the directors and auditors as presented in the balance-sheet be allowed and passed.

The resolution was duly carried, after being seconded by Mr F. J. Fletcher, of Oswaldtwistle.

It was moved by Mr T. Harrop, of Haslingden, seconded by Mr V. Murphy, of Blundellsands, and agreed to, that a dividend be paid for the half-year ending May 31, 1925, at the rate of 6 per cent. per annum, less income-tax, on the preference shares, and a fourth quarterly dividend of 2½ per cent., making with the dividends already paid, 10 per cent. for the year, less income-tax, on the ordinary shares.

RE-ELECTION OF DIRECTORS.

Mr J. A. Hall, of Ansdell, expressed his pleasure in moving the re-election of Sir George Bullough, Bart., and Mr. C. A. Peltzer, as directors of the company.

This was seconded by Mr W. Hay, of Manchester, and afterwards unanimously approved of. In tendering thanks for their re-election, Sir George added that it was very gratifying to have the confidence of the shareholders, especially during the difficult times they had to pass through.

Messrs John Adamson, Son and Co., of Manchester, were re-elected auditors of the company, on the same terms as before, under a resolution moved by Mr C. Moorhouse, of Altham, and seconded by Mr J. Drake, of Altham.

Mr A. Webster, of Accrington, proposed a vote of thanks to the chairman and co-directors.

Mr R. Hacking, of Accrington, seconded.

Sir George Bullough, Bart., suitably responded, and expressed his personal thanks, along with those of his co-directors, and remarked that they had been very ably helped by the staff and workers.

SPIERS AND POND, LIMITED. PROFIT MAINTAINED.

The forty-first annual general meeting of Spiers and Pond, Limited, was held, on the 8th instant, at the Hotel Cecil, Strand, London.

Mr J. Douglas Broad presided, in the absence through illness of the chairman, Sir J. Harwood Banner.

The Chairman, in moving the adoption of the report and accounts, said that the trading profit at £139,977 was practically the same as in the previous year. The profit carried to appropriation was £108,949, and the board recommended the payment of a final dividend of 7½ per cent. on the ordinary shares, making, with the interim dividend 12½ per cent. for the year. Further, they recommended the allocation of £15,000 to reserve, bringing it up to £150,000. On the assets side of the balance-sheet the property account had increased by £11,700, which was accounted for by the purchase of 83 acres of freehold land at Bushey held previously under a lease. They now had about 180 acres as their Bushey freehold, and the board looked upon that as a very valuable asset. Referring generally to the business of the past year, the Chairman said it had been confidently anticipated that the Wembley Exhibition would benefit London hotels. Undoubtedly it did benefit them, but, unfortunately, it reacted to the detriment of provincial hotels. So far as they were concerned, the position was a case of "swing and roundabout"—what they lost on the one they had made on the other. They could thus report that their hotels as a whole fully maintained their usual satisfactory return, and indications pointed to a continuance of good business in that department. As to the catering at Wembley, it had been mentioned several times to him (the chairman) that their tender was not accepted. The facts were that after careful con-

KANSALLIS - OSAKE - PANKKI

(National Joint Stock Bank).

Established 1889.

Head Office: Helsinki (Helsingfors), FINLAND.
134 BRANCHES at all important business centres in Finland.

Capital	Fmk. 150,000,000
Reserve Fund and Profits	115,000,000
Deposits, etc. (31/12/24)	1,704,000,000

All descriptions of banking business transacted.

Telegraphic Address: KANSALLISPANKKI.

(July 11, 1925.)

	Amount, July 8, 1925.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Rest	3,466,151	+	46,403
Public deposits	11,250,201	+	1,322,201
Other deposits	118,652,498	+	25,238,814
Government securities	42,516,733	+	4,060,734
Other securities	17,992,362	+	24,285,856
Reserve	33,405,986	+	2,682,863
Note circulation	145,205,750	+	1,423,735
Coin and bullion	158,861,736	+	1,259,128
% of reserve to liabilities	24%	+	6%

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Gold in or out of Bank.	Reserve and % of Reserve to Liabilities.	Bank Rate.
1925.							
May 27	156,690,279	148,182,610	122,494,483	112,078,247	769,000 in	28,257,669	23 5/8
June 3	156,472,603	148,831,010	125,714,307	116,106,863	226,000 in	27,391,593	23 1/2
10	157,071,195	148,026,195	121,381,641	110,377,665	607,000 in	28,795,000	23 1/2
17	157,596,429	145,972,465	122,994,853	109,451,284	525,000 in	31,373,964	23 1/2
24	157,183,429	145,270,460	131,813,435	119,054,916	424,000 in	31,663,324	23 1/2
July 1	157,608,608	146,628,485	135,610,626	124,854,891	540,000 in	30,721,124	23 1/2
8	158,861,736	145,270,460	129,907,659	114,509,035	1,250,000 in	33,405,986	25 1/2

Week Ending—	Town.	Metropolitan.	Country.	Total.
1925.				
January 1 to June 24	17,491,687	806,388	1,443,674	19,741,749
July 1	855,731	33,690	52,915	942,336
8	697,556	41,819	72,101	811,476
Total to date 1925	19,014,974	881,897	1,563,690	21,459,561
Do 1924	18,757,967	840,645	1,526,300	21,124,972
Increase or decrease in 1925	+ 256,907	+ 41,252	+ 42,390	+ 370,589
	+ 1 5/8 %	+ 4 9/8 %	+ 2 9/8 %	+ 1 7/8 %
Total for year 1924	35,038,605	1,594,114	2,900,145	39,532,864
Total for year 1923	32,270,373	1,546,565	2,810,654	36,627,592
Increase or decrease in 1924	+ 2,768,232	+ 47,549	+ 89,491	+ 2,905,273
	+ 8 5/8 %	+ 3 0/8 %	+ 3 1/8 %	+ 7 9/8 %

Month of June.	Aggregate Weekly Totals to July 4.
1924.	1925.
Number of Working Days	24 25
BIRMINGHAM	9,968,000 10,243,000
BRISTOL	4,533,000 4,504,000
DUBLIN	150,530,800 141,716,500
HULL	4,121,000 4,049,000
LIVERPOOL	4,017,000 3,744,000
LEICESTER	3,223,000 3,270,000
MANCHESTER	32,949,000 35,926,000
NEWCASTLE-ON-TYNE	61,234,000 63,167,000
NOTTINGHAM	7,402,000 7,586,000
ROTHAMPTON	2,503,000 2,608,000
SHEFFIELD	4,119,000 3,962,000
Total	134,069,000 137,519,000

OVERSEAS BANK RETURNS.

NOTE.—The latest return of the Rentenbank appeared in the *Economist* of April 11; Roumania in April 11; Canada, Estonia, Danzig, Bulgaria, Greece, and Egypt in June 27; Italy, Portugal, Russia, Poland, Switzerland in July 3.

RESOURCES.	July 3, 1925.	June 26, 1925.	June 19, 1925.	June 12, 1925.
Total gold reserves	2,785,560	2,810,760	2,821,070	2,821,090
Total bills discounted	511,630	455,450	441,560	417,130
Bills bought open in market	249,090	241,670	246,080	274,950
Total U.S. Government securities	353,580	324,610	306,400	359,850
Total earning assets	1,127,040	1,034,470	1,007,200	1,064,680
Total resources	4,853,060	4,749,470	4,922,690	4,787,480
LIABILITIES.	July 3, 1925.	June 26, 1925.	June 19, 1925.	June 12, 1925.
Federal Reserve notes in actual circulation	1,653,010	1,634,240	1,643,050	1,659,670
Deposits—Member bank—reserve account	2,198,630	2,139,780	2,212,770	2,156,090
Total deposits	2,252,390	2,210,410	2,244,600	2,256,610
Capital paid in and surplus	333,540	333,400	333,380	333,360
Total liabilities	4,853,060	4,749,470	4,922,690	4,787,480
Ratio of total reserves to deposit and Federal Reserve note liabilities combined	74 9/8 %	77 0/8 %	76 3/8 %	76 3/8 %

NEW YORK FEDERAL RESERVE BANK.—In \$'s (000's omitted).	July 3, 1925.	June 26, 1925.	June 19, 1925.	June 12, 1925.
Total bills discounted	151,110	120,890	118,260	123,680
Bills bought in open market	46,990	35,590	30,860	64,880
Total U.S. Government securities	287,630	57,790	58,270	70,200
Deposits—Member bank—res. acc't	243,940	217,100	210,220	261,600
Ratio of total res. to dep. and Federal Res. note liabilities combined	78 8/8 %	83 8/8 %	83 0/8 %	80 3/8 %

SOUTH AFRICAN RESERVE BANK.—In £'s (000's omitted).	June 13, 1925.	June 6, 1925.	May 30, 1925.	May 23, 1925.	May 16, 1925.	June 14, 1925.
ASSETS.						
Gold coin and bullion	4,186	5,184	4,763	3,997	3,152	54
Gold certificates	9,964	9,964	9,976	9,974	10,224	10,102
Subsidiary coin	50	50	50	50	50	50
Bills discounted	3,859	2,829	3,371	3,070	4,152	3,407
Loans & advances to Govt.	524	524	523	523	523	2,400
Investments	524	524	523	523	523	17
LIABILITIES.						
Capital	1,000	1,000	1,000	1,000	1,000	1,000
Reserve	258	153	153	153	153	40
Notes in circulation	9,997	10,365	10,666	10,121	10,172	10,348
Bankers' deposits	6,822	6,294	5,760	6,370	5,696	4,997
Ratio of cash reserves to liabilities to public	82 6/8 %	87 8/8 %	85 5/8 %	83 4/8 %	83 %	69 7/8 %

IMPERIAL BANK OF INDIA.—In rupees (000's omitted).	June 12, 1925.	June 5, 1925.	May 29, 1925.	May 22, 1925.	May 15, 1925.	June 13, 1925.
ASSETS.						
Total securities	15,20,995	15,21,47	15,34,26	15,37,34	15,32,22	15,37,34
Loans	20,05,92	21,44,11	22,74,41	23,54,28	25,13,68	22,57,46
Cash and bullion	33,45,33	35,85,57	36,35,98	35,44,65	37,71,63	37,71,63
Inland bills	7,55,69	8,42,52	9,66,86	10,44,58	10,95,12	12,54,04
Foreign bills	2,41,16	16,71	25,92	27,18	32,33	19,47
Dead stock	2,41,16	16,71	25,92	27,18	32,33	19,47
Balance with other banks	80,27	2,79,82	2,80,50	2,80,02	2,78,47	2,55,61
Cash	23,29,02	21,10,32	21,64,29	21,50,32	20,28,65	16,56,74
LIABILITIES.						
Capital paid up	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50
Reserve	4,67,50	4,67,50	4,67,50	4,67,50	4,67,50	4,67,50
Total deposits	91,60,92	93,97,71	97,70,72	94,18,62	94,34,04	90,36,92
The above includes						
Deposits in London	1,228	1,193	1,200	1,129	1,198	1,476
Advances in London	1,137	1,137	1,137	1,137	1,138	443
Cash, &c., at other Banks in London	536	188	148	100	178	1,123

BANK OF JAPAN.—In yen (000's omitted).	June 6, 1925.	May 30, 1925.	May 23, 1925.	May 16, 1925.	June 14, 1925.	Position May 31, 1924.
ASSETS.						
Cash and bullion	1,122,707	1,122,504	1,121,675	1,120,743	1,110,800	221,320
Discounts	162,890	200,399	128,436	118,902	317,224	41,740
Advances	121,429	127,958	122,756	125,766	270,453	70,540
LIABILITIES.						
Notes	1,156,805	1,209,125	1,089,613	1,078,148	1,212,073	362,270
Govt. deposits	652,326	667,787	637,453	638,852	1,026,113	87,340
Other deposits	87,733	74,995	105,240	115,558	93,590	11,440

BANK OF FRANCE.—In francs (000's omitted).	July 9, 1925.	July 2, 1925.	June 25, 1925.	July 10, 1925.	Position May 28, 1924.
ASSETS.					
Gold coin and bullion	5,546,772	5,546,722	5,546,681	5,543,284	3,730,625
Of which held abroad	1,864,321	1,864,321	1,864,321	1,864,321	1,864,321
Silver coin and bullion	3,114,16	3,114,16	3,114,16	3,114,16	3,114,16
Discounts and advances	6,409,202	7,346,026	6,893,456	7,646,817	632,650
Advances to the State	27,400,000	27,400,000	25,650,000	23,000,000	2,327,775
LIABILITIES.					
Notes	44,493,751	43,799,528	43,000,170	40,224,979	5,811,875
Government deposits	14,098	29,839	36,127	15,235	183,700
Private deposits	2,473,875	3,077,793	2,409,433	2,200,242	845,560

NATIONAL BANK OF BELGIUM.—In francs (000's omitted).	July 2, 1925.	June 18, 1925.	June 11, 1925.	June 4, 1925.	July 3, 1924.	Position May 28, 1924.
ASSETS.						
Coin (gold & silver and bullion)	383,836	381,836	380,804	379,850	354,613	322,650
Securities	1,325,019	1,210,424	1,238,615	1,126,853	1,325,043	697,600
LIABILITIES.						
Notes in circulation	7,562,465	7,384,243	7,485,165	7,530,611	7,582,979	934,150
Current accounts	249,579	239,641	226,546	188,066	319,082	112,126

NETHERLANDS BANK.—In florins (000's omitted).	July 6, 1925.	June 29, 1925.	June 22, 1925.	July 7, 1925.	Position May 31, 1924.
ASSETS.					
Gold	445,644	455,323	455,340	455,336	531,511
Silver	22,238	22,577	22,414	21,970	10,032
Discounts and advances	436,131	440,171	428,078	437,894	430,195
LIABILITIES.					
Notes in circulation	903,374	889,861	868,922	882,451	993,530
Deposits	35,153	47,772	51,366	55,166	65,400

BANK OF JAYA.—In florins (000's omitted).	July 4, 1925.	June 27, 1925.	June 20, 1925.	June 13, 1925.	July 5, 1924.	Position May 31, 1924.
ASSETS.						
Gold	181,500	181,500	182,500	182,500	150,644	22,971
Silver	181,500	181,500	182,500	182,500	150,644	22,971
Discounts, advances, and other investments	133,660	127,310	124,800	114,020	138,591	77,567
LIABILITIES.						
Notes in circulation	299,000	294,000	292,500	293,000	256,643	109,499
Deposits and bills payable	50,500	51,500	48,000	45,000	28,087	11,250

SWISS NATIONAL BANK.—In francs (000's omitted).	June 30, 1925.	June 23, 1925.	June 16, 1925.	June 9, 1925.	June 2, 1925.	Position May 31, 1924.
ASSETS.						
Gold	498,311	482,163	482,067	482,037	512,872	171,175
Silver	89,312	93,110	89,736	89,315	99,773	18,350
Assets & advances	263,306	262,965	250,198	246,335	255,893	103,000
LIABILITIES.						
Notes in circulation	839,049	763,897	771,975	792,556	877,104	275,925
Deposits	111,390	131,566	115,584	88,521	62,915	33,750

NATIONAL BANK OF DENMARK.—In kroner (000's omitted).	June 30, 1925.	June 23, 1925.	June 16, 1925.	June 9, 1925.	June 2, 1925.	Position May 31, 1924.
ASSETS.						
Coin and bullion	209,445	209,445	209,445	209,445	209,445	76,644
Loans & discounts	348,136	426,452	421,022	448,455	510,452	88,470
Debtors abroad	64,913	37,781	34,865	23,648	3,449	24,102
Securities	7,910	7,911	8,637	8,636	9,391	11,988
LIABILITIES.						
Circulation	468,279	467,255	462,345	453,487	477,411	157,266
Deposits	28,377	35,235	45,861	63,749	78,582	6,696

REICHSBANK.—In Reichsmarks* (000's omitted).					
Assets.	June 30, 1925.	June 23, 1925.	June 16, 1925.	June 9, 1925.	June 2, 1925.
Reichsbank shares not yet issued	1,061,717	1,061,717	1,061,717	1,061,717	1,061,717
Gold and bullion	1,061,717	1,061,717	1,061,717	1,061,717	1,061,717
Of which deposited abroad	91,908	96,994	104,194	105,841	105,841
Reserve in foreign currencies	353,903	353,886	353,886	353,886	353,886
Of exchange and cheques	1,061,467	1,061,020	1,061,532	1,061,532	1,061,532
And other coin	67,347	72,101	69,895	65,999	65,999
Of other German banks	12,399	12,018	12,286	15,496	15,496
Reserves	46,453	7,068	8,874	4,233	4,233
Monetary assets	201,315	201,264	201,165	201,016	201,016
Assets	639,337	1,009,691	1,078,895	1,078,895	1,078,895
LIABILITIES.					
Issued capital.	122,788	122,788	122,788	122,788	122,788
Use of capital (shares not yet issued)	177,212	177,212	177,212	177,212	177,212
Reserve in circulation	2,474,416	2,474,416	2,474,416	2,474,416	2,474,416
Daily clearing obligations.	564,446	802,210	717,261	5,636	5,636
From Rentenbank	2,357	2,419	2,419	2,419	2,419
Liabilities	724,116	750,266	776,776	776,776	776,776

OVERSEAS BANK RATES.

Bank	Changed.	%	Bank	Changed.	%
Amsterdam	Jan. 14, 1925	4	Oso	May 9, 1925	6
Athens	Feb. 5, 1925	8	Paris	July 9, 1925	7
Belgrade	Feb. 26, 1925	8	Riga	Mar. 25, 1925	7
Berlin	Jan. 22, 1925	6	Rome	Feb. 16, 1924	8
Brussels	Sept. 4, 1920	6	Sofia	June 18, 1925	7
Bucharest	May 28, 1925	9	Stockholm	Nov. 9, 1923	5
Budapest	July 2, 1925	4	Swiss Bank		
Calcutta	Jan. 17, 1924	7	places	July 14, 1923	4
Copenhagen	Mar. 6, 1925	9	Tokio	April 15, 1925	7.5
Danish	Mar. 5, 1924	9	Vienna	April 24, 1925	11
Helsingfors	Sept. 12, 1923	9	Warsaw	(See note below)	
Lisbon					
New York Fed.	Feb. 26, 1925	3			
Reserve	Mar. 23, 1923	5			
Madrid			Irish	Mar. 5, 1925	6

The Bank Rate of the South African Reserve Bank is 5½% for first-class commercial bills (90 days), and 6% for agricultural bills (of not more than six months).

Warsaw (Poland).—From November 28, 1924, discount rate, gold francs, 10% loans on collateral security, gold francs, 13%.

We are informed that the head office of the De Javasche Bank at Batavia, as from October 20th, has increased its discount rate for bills from 3½ per cent. to 4½ per cent.

CURRENT RATES IN NEW YORK.

The Irving Bank—Columbia Trust Company cable the following money and exchange rates in New York:—

	July 10, 1924.	June 11, 1925.	June 18, 1925.	June 25, 1925.	July 2, 1925.	July 9, 1925.
Call money	2½	3½	3½	4½	5	3½
Time money (90 days' mixed coll)	3½	3½	3½	3½	4	4
Bank acceptances:—						
Members—eligible, 90 days	2½	3½	3½	3½	3½	3½
Non-mem.—eligible, 90 days	2½	3½	3½	3½	3½	3½
Ineligible, 90 days	2½	3½	3½	3½	3½	3½
Commercial accept., 90 days	3½	4	4	4	4	3½

Rates of Exchange.	Par Level.	July 10, 1924.	June 25, 1925.	July 2, 1925.	July 9, 1925.
New York on—					
London—					
60 days		4.3666	4.3062	4.8125	4.8506
Cable			4.3362	4.8625	4.8613
Cheques			4.3362	4.8625	4.8562
Paris—cheques			5.1075	4.895	4.84
Brussels			4.525	4.58	4.61
Switzerland			18.04	19.42	19.385
Italy			19.30	4.265	3.6975
Berlin			23.81	23.81	23.80
Vienna			14.07	14.00	14.00
Madrid			13.24	14.555	14.53
Amsterdam			40.195	37.75	40.05
Copenhagen			15.95	19.58	20.56
Oso			13.34	17.28	18.26
Stockholm			26.59	26.75	26.82
Athens			1.7175	16.0	16.450
Montreal			100	1.2 pm	1.2 pm
Kokohama			49.85	41.61	40.60
Hong Kong			52.37	59.25	57
Shanghai			51.00	78.50	76.875
Calcutta			30.901	36.70	36.62
Buenos Aires			103.65	135.5	109.50
Rio de Janeiro			32.42	10.10	10.80
Valparaiso			20.60	10.25	11.375

GOLD MOVEMENTS.

The following table shows arrivals and withdrawal of gold during this week:—

1925.	ARRIVALS.	£	1925.	WITHDRAWALS.	£
July 4	bars bought	405,000	July 4	bars sold	nil
" 6	Holland	1,000,000	" 7	Chile	13,000
" 7	Holland	6,000	" 7	Holland	6,000
" 8	Holland	163,000	" 8	India	163,000
" 9	Holland	7,000	" 9	bars sold	7,000
" 10	bars bought	6,000	" 10	bars sold	nil
Total arrivals		1,411,000	Total		189,000
Net influx		£1,222,000.			

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates:—

	Union of South Africa.		Union of South Africa.	
	From close of Mail, June 5, 1925.		From June 4, 1925.	
	London on South Africa.		South Africa on London.	
	Buying.	Selling.	Buying.	Selling.
T.T.	1 1/2 % dis.	1 1/2 % dis.	1 1/2 % prem.	1 1/2 % prem.
Demand	2 % "	2 % "	2 % dia.	2 % dia.
30 days	2 1/2 % "	2 1/2 % "	2 1/2 % "	2 1/2 % "
60 days	2 1/2 % "	2 1/2 % "	2 1/2 % "	2 1/2 % "
90 days	3 % "	3 % "	3 % "	3 % "
120 days	3 1/2 % "	3 1/2 % "	3 1/2 % "	3 1/2 % "

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

	London on Australia and New Zealand.				Australia and New Zealand on London.			
	Buying.		Selling.		Buying.		Selling.	
	Aus- tralia.	New Zeal'nd	Aus- tralia.	New Zeal'nd	Aus- tralia.	New Zeal'nd	Aus- tralia.	New Zeal'nd
T.T.	100	100	100	100	99	99	100	100
Demand	99	99	99	100	99	99	99	99
30 days	98	98	98	99	98	98	98	98
60 days	97	97	97	98	97	97	97	97
90 days	96	96	96	97	96	96	96	96
120 days	95	95	95	96	95	95	95	95

CENTRAL AMERICAN EXCHANGE RATES.

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

Country.	Par Value.	Usancos.	1925.	Rate.
Ecuador	Sucros to £	1000	Sight London	July 4 25.00
Venezuela	Bolivares to £	2525	June 30	25.20
Colombia (Bogota)	Pesos to £	100	July 7	100.25
Guatemala	Quetzales to £	48665	April 30	4.80
San Salvador	Colonos to £	973	July 4	9.85
Costa Rica	Pesos to £	9023	July 4	9.92
Bolivia	Colonos to £	1045	May 21	10.92
	pence to Boliviano	1920	June 16	17.18

BULLION.

IMPORTS AND EXPORTS OF GOLD.

Week ended July 8, 1925.

Imported into Great Britain and Northern Ireland.		Exported from Great Britain and Northern Ireland.	
From—	£	To—	£
Netherlands	1,000,624	Germany	18,740
France	10,119	Netherlands	92,750
British West Africa	27,851	France	1,364
British South Africa	495,523	Spain	1,700
Other countries	214	Egypt	14,700
		British India	220,900
Total declared value of imports	1,534,331	Total declared value of exports	349,724

Messrs Samuel Montagu and Co. write on July 8th as follows:—

GOLD.

The following movements of gold to and from the Bank of England have been announced since our last issue:—

	Received.	Withdrawn.
July 2	nil	nil
" 3	27,000	nil
" 4	nil	nil
" 6	1,405,000	nil
" 7	nil	19,000
" 8	nil	163,000

Of the £1,405,000 gold received on the 6th inst., £1,000,000 was from Holland in the form of sovereigns, whilst the balance, £405,000 in bar gold, was generally understood to be African, though the origin was not officially disclosed. The destinations of the £182,000 sovereigns withdrawn were given as follows:—£163,000 to India, £13,000 to Chile, and £6,000 to Holland. During the week under review £1,250,000 on balance has been received by the Bank. The net influx since the resumption of an effective gold standard is now £3,023,000.

The following figures show the imports and exports of gold to and from the United States of America during May last:—Imports, \$11,404,051; exports, \$13,389,967.

SILVER.

The market has been rather quiet. In the absence of pronounced views as to the future, business has been restricted to actual necessities and to the prolongation of contracts falling due. During the last day or so India has shown more interest, and some buying coming upon a rather scantily supplied market has acted as a tonic. The undertone seems fairly good. Trade is moving to some extent in Shanghai, and alarmist views are not held as to developments, though the situation, especially upcountry, naturally still possesses possible seeds of trouble.

INDIAN CURRENCY RETURNS.

(In Lacs of Rupees.)

	June 15.	June 22.	June 30.
Notes in circulation	17,492	17,653	17,825
Silver coin and bullion in India	7,542	7,703	7,875
Silver coin and bullion out of India			
Gold coin and bullion in India	2,232	2,232	2,232
Gold coin and bullion out of India			
Securities (Indian Government)	5,718	5,718	5,718
Securities (British Government)	2,000	2,000	2,000

No silver coinage was reported during the week ending 30th ult. The stock in Shanghai on the 4th inst. consisted of about 58,800,000 ounces in sycee, 44,500,000 dollars, and 4,050 silver bars, as compared with about 62,600,000 ounces in sycee, 44,000,000 dollars, and 3,510 silver bars on the 27th ult.

GOLD AND SILVER PRICES.

1925.	Gold Per Ounce.	Silver—Per Ounce.	Date.	Silver.
	Cash.	Forward.		Cash.
July 4	84 11	31 1/2	July 18, 1919	54 1/2
6	84 11	31 1/2	16, 1920	52 1/2
7	84 10 1/2	31 1/2	15, 1921	37 1/2
8	84 10 1/2	32 1/2	14, 1922	35 1/2
9	84 10 1/2	32 1/2	13, 1923	30 1/2
10	84 10 1/2	32 1/2	11, 1924	34 1/2

NOTICES.

The Midland Bank announces the opening of a new office at 36 Grange road, Ramsgate, under the supervision of Mr C. C. Beardon, manager of the High street, Ramsgate, branch; and also at 2 Hanbury road, Bargoed, near Cardiff, under the management of Mr H. Marson. An office has also been opened at Foel, near Welshpool, Montgomery.

Barclays Bank, Limited, announce that they have opened a new sub-branch at 3 Morfa Hill, Rhosneigr, under the management of Mr D. O. Jones, also manager of Holyhead branch.

Branches of the Commercial Bank of Australia, Limited, have been opened at the following places:—Auburn (Victoria), Redcliffs (Victoria), Grenfell street, Adelaide (South Australia), and South Kensington (New South Wales).

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per annum, except where marked % or stated in Cash.			Dividend for Whole Year.	
	Interim or Final.	Date of Payment.	Method of Payment.	Lat'at Year.	Pre-vious Year.
Railways.					
Gt Southern of Spain, Inc. Deb.	..	..	Less tax 4/6 in £	% 4	% 2
Banks.					
Bank of Liverpool and Martins	16*	July 22	Subject to tax	..	..
Central Bank of India	10*	..	..	..	..
District Bank	18*	Aug. 1	Subject to tax	..	..
Equitable Bank	16*	July 24	Less tax	..	..
Hong Kong & Shanghai Banking	£3 p.s.*	Aug. 10	Subject to tax	..	..
Lancashire and Yorkshire Bank	20 p.s.*	..	Subject to tax	..	..
Manchester and York	16*	..	Subject to tax	..	..
Midland Bank	18*	July 15	Less tax	..	..
National Provincial Bank	16*	July 25	Less tax	6	5 1/2
P. & O. Banking Corporation	14 1/2	Aug. 1	Less tax	..	..
Provincial Bank of Ireland	15 1/2	..	Less tax	15	15
Union Bank of Australia	20*	..	Less tax	..	..
Union Bank of Manchester	20*	..	Less tax	..	..
Westminster Bank (£20)	12*	Aug. 1	Less tax	..	..
Do (£1)	12*	Aug. 1	Less tax	..	..
Insurance.					
Scottish Automobile & General	12 1/2*	..	Less tax	..	..
Mining.					
Clydesdale (Transvaal) Collieries	..	..	..	6 1/2	5
Electrolytic Zinc of Australasia.	..	..	..	..	..
Pref., Ord., and Def. Ord.	12	Sept. 3	Less tax	..	..
Hollinger Consolidated	16 %	July 15	..	..	..
Tea and Rubber.					
British North Borneo Rubber	..	..	Less tax	5	..
Trust	15 % +	..	Less tax	20	5
Kawie (Java) Rubber.	..	..	Less tax	..	..
Kepong (Malay) Rubber	12 1/2 %	July 23	Less tax	..	..
Leheney Tea	24 %	July 17	Less tax	17 1/2	15
Malayan Plantations	12 1/2 %	July 30	Less tax	4	nil
Marawan (Java) Rubber	..	..	Less tax	12	10
Mount Austin (Johore) Rubber.	..	..	Less tax 4/6 in £	10	5
Perak Rubber	..	..	Less tax	10	5
Rim Rubber	..	..	Less tax	40	30
Rupaguli Tea	..	..	Less tax	10	5 1/2
Selangor United Rubber	..	..	Less tax	..	..
Other Companies.					
A. and S. Henry	4 % *	..	Less tax	10	..
Arnold Van den Bergh	..	July 6	Less tax	..	..
Assets Co.	3 % *	..	Less tax	22	5 1/2
Baldwin's 5 1/2 % Cum. Pref.	nil +	..	..	5	5
Do 5 % Cum. "B" Pref.	nil +	..	..	..	..
Blue Bird Motor, Pref.	8	Aug. 20	..	..	..
Bournemouth & Poole Electricity	4 1/2 % *	July 15	Less tax	..	..
Bradbury, Greatorex.	5 *	July 31	Less tax	11	11
Bristol Gas	12 1/2	July 30	Less tax	12 1/2	11 1/2
Brit. Steamship Investment, Def.	7 1/2 % *	July 17	Less tax	10	10 1/2
Buckley's Brewery	6 1/2 % *	..	Tax free	..	..
Canadian Car and Foundry, Prf.	12 %	Oct. 9	..	..	..
Clontarf Tramroad	3 p.s. *	..	Less tax	20	12 1/2
Commercial Brewery	7 1/2 % *	July 10	..	..	..
Cornbrook Brewery	16 p.s. *	July 31	Tax free	..	..
Courtauld's	7 1/2 % *	..	..	..	..
Dawn Spinning	1 1/2 p.s. *	..	Tax free	..	..
Dublin Artizans' Dwellings	6 1/2 p.s. *	..	Less tax	10	10
Dublin United Trams	4 *	..	Less tax	..	..
Dundee Shipping	6 1/2 % *	..	Tax free	..	..
East End Dwellings	5 *	July 15	Less tax	..	..
Fore Street Warehouse	5 *	Aug. 1	Less tax	..	..
Gillette Safety Razor	\$1 p.s.	Sept. 1	Less tax	5	5
Glasgow Corn Exchange	6 p.s. *	..	..	..	..
Granville Spinning, Oldham	15 p.s. *	..	Less tax	5	5
Greenwood and Batley	2 1/2 % *	..	..	..	..
Hollins Mill	3 1/2 % *	Aug. 31	Less tax	..	..
Indestructible Paint	5 % *	..	Less tax	20	19
International Tea Stores.	..	..	Less tax	..	..
Kingston-on-Thames Gas	3 1/2 % *	Aug. 5	Less tax	..	..
L. and J. Weber and Phillips	5 % *	July 14	Less tax 4/12 in £	..	..
Lennards	10 % *	Now	Less tax	..	..
Lloyd and Yorath	5 *	Aug. 1	Less tax	5	17 1/2 (b)
Lochelly Iron and Coal	2 1/2 % +	..	..	..	..
London and British North	..	..	Less tax	5	5
America	..	..	Less tax	..	..
Manchester Bonding Warehouse	18 p.s. *	..	Less tax	..	..
Manchester Commercial Bldgs.	16 p.s. *	..	Less tax	4 1/2	4
Mellin's Food	..	..	..	..	..
Mercantile Investment and	10 *	Aug. 1	Less tax	..	..
General Trust	4 p.s. *	July 31	Less tax	..	..
Notting Hill Electric, Def.	5 % *	July 21	Tax free	5	5
Peel River Land and Mineral	..	..	Less tax	..	..
Port Madryn (Argentina)	..	..	..	..	..
Railway Debenture and General	2 1/2 % *	..	Less tax	..	..
Trust	2 % *	..	Less tax	13	13
Railway Share Trust, &c.	..	..	Less tax	..	..
Scottish American Mortgage	8 *	Aug. 1	Less tax	..	..
Scottish Wagon.	..	..	..	..	..
Soudan (Middleton) Spinning	5 p.s.	..	..	..	..
State Spinning (Rochdale)	13 p.s.	..	..	..	..
Stockport Ring Spinning	14 p.s.	..	..	..	..
Tarncliffe	16 p.s. *	Aug. 1	Tax free	15	15
United States Mort. of Scotland	10 % +	..	Less tax	..	..
Victoria Spinning	13 p.s.	..	Less tax	10	12 1/2
Wembley Park Estate.	..	..	Less tax	..	..
Wharfedale Silkstone Colliery.	13 p.s. *	..	..	..	..
Whitworth Spinning (Rochdale)	1 p.s. *	July 26	Less tax	..	..
York Gas	2 % *	..	..	..	..

(b) Tax free. (c) Also Scrip bonus 100 per cent.

ANALYSIS OF BALANCE-SHEETS.

BANK OF LIVERPOOL AND MARTINS, LIMITED.

LIABILITIES.		ASSETS.	
Amount.	Compared with June 30, 1924.	Amount.	Compared with June 30, 1924.
£20 shares, £24 paid	2,348,890 ..	Cash in hand & with Bank of England	6,341,166 ..
Reserve fund ..	1,700,000 .. + 100,000	Reserve ..	732,424 ..
Current, deposit, & other accounts	58,050,861 .. - 3,716,486	British banks ..	2,084,528 ..
Bank's acceptances ..	1,171,024 .. - 650,250	Money at call or notice ..	4,286,933 .. + 753,454
Endorsements, &c.	3,299,221 .. + 209,913	Investments ..	8,000,736 .. - 1,194,336
		Bills of exchange ..	2,201,521 .. - 1,773,668
		Loans and advances to customers, &c.	37,651,174 .. - 289,174
		Customers' liability for bank acceptances ..	1,171,024 .. - 650,250
		Bank premises ..	1,533,693 .. - 180,542
		Endorsements, &c.	3,299,221 .. + 209,912
Total	66,569,996 .. - 4,056,823	Total	66,569,996 .. - 4,056,823

BARCLAYS BANK, LIMITED.

LIABILITIES.		ASSETS.	
Amount.	Compared with June 30, 1924.	Amount.	Compared with June 30, 1924.
Current, deposit, & other accounts	298,947,270 .. + 3,249,164	Cash	44,044,078 .. + 383,542
Acceptances ..	10,980,330 .. + 1,727,984	Money at call & notice ..	20,549,615 .. + 663,161
Capital paid up ..	15,592,372 ..	Reserve ..	58,552,256 .. - 4,917,700
Reserve ..	8,250,000 ..	Shares in allied banks ..	7,456,195 .. + 4,238
		Advances ..	149,603,033 .. + 7,264,542
		Acceptances ..	10,980,330 .. + 1,727,984
		Bank premises ..	5,176,003 .. - 76,501
Total	333,769,972 .. + 4,977,148	Total	333,769,972 .. + 4,977,148

WESTMINSTER BANK, LIMITED.

LIABILITIES.		ASSETS.	
Amount.	Compared with June 30, 1924.	Amount.	Compared with June 30, 1924.
Paid-up capital ..	9,051,718 .. + 4,104	Cash	42,625,604 .. + 4,175,245
Reserve ..	9,051,718 ..	Money at call & notice ..	24,298,584 .. + 5,640,859
Current, deposit, & other accounts, including balance profit and loss ..	269,015,340 .. - 1,150,688	Bills discount'd ..	34,342,721 .. - 25,929,710
Acceptances ..	11,175,673 .. + 1,812,171	Advances ..	128,678,661 .. + 20,039,774
Note issue in Isle of Man ..	13,223 .. - 1,135	Investments ..	50,034,441 .. - 5,896,566
Total	298,307,672 .. + 664,452	Total	298,307,672 .. + 664,452

LIPTON, LIMITED.

LIABILITIES.		ASSETS.	
Amount.	Compared with Mar. 31, 1924.	Amount.	Compared with Mar. 31, 1924.
5% cum. pref. ..	1,000,000 ..	Goodwill, property, &c.	2,314,865 .. + 24,528
9% cum. pref. ..	600,000 ..	Plant, &c.	823,154 .. + 3,512
Ord. shares ..	1,000,000 ..	Stocks ..	1,306,463 .. + 145,447
Debentures ..	1,000,000 ..	Sundry debtors ..	428,840 .. - 66,933
Bills payable ..	26,238 .. + 12,812	Insurance, &c.	19,854 .. + 4,510
Bank creditors, &c.	554,904 .. + 45,231	Investments ..	180,586 .. - 13,415
Savings bank deposits ..	148,277 .. - 5,132	Cash at bank and on hand ..	66,472 .. - 130,991
Unclaimed dividends ..	5,293 .. - 64		
Interest accrued ..	9,000 ..		
Div. on 9% pt. shs. ..	20,925 ..		
Benefit fund ..	926 ..		
Income-tax res.	75,000 .. + 75,000		
Reserve ..	325,000 .. - 75,000		
Profit and loss ..	25,597 .. - 92,287		
Total	5,140,234 .. - 40,366	Total	5,140,234 .. - 40,366

VAN DEN BERGH, LIMITED.

LIABILITIES.		ASSETS.	
Amount.	Compared with Dec. 31, 1923.	Amount.	Compared with Dec. 31, 1923.
8% cum. pref. shrs.	450,000 ..	Goodwill	656,463 ..
6% "B" cum. pref. 1,000,000 ..		Properties ..	598,481 .. - 10,510
7% "C" cum. pref. 1,000,000 ..		Associated & subsidiary cos.	3,099,193 .. + 690,496
Ord. shares ..	187,500 ..	Sundry debtors ..	1,271,635 .. + 85,627
Loan from banks ..	400,000 .. + 400,000	Stocks ..	613,181 .. - 294,591
Bankers' acceptances ..	214,503 .. + 214,503	Bills receivable ..	4,614 .. - 7,614
Bills payable ..	655,116 .. + 428,417	Cash ..	199,536 .. - 17,609
Sundry creditors ..	1,082,985 .. + 59,821	Investments ..	105,996 .. + 4,564
Do associated companies ..	99,077 .. + 15,312	Reserve fund ..	111,991 .. + 145
Reserve ..	500,000 ..	Expenditure carried forward ..	19,414 .. - 4,915
Profit and loss ..	153,826 .. - 93,279		
Total	6,680,507 .. + 1,024,774	Total	6,680,507 .. + 1,024,774

NATIONAL PROVINCIAL BANK, LIMITED.

LIABILITIES.		ASSETS.	
Amount.	Compared with June 30, 1924.	Amount.	Compared with June 30, 1924.
Capital paid up ..	9,479,416 ..	Cash	38,512,475 .. - 185,275
Reserve ..	9,479,416 ..	Money at call and notice ..	18,150,630 .. + 1,741,564
Acceptances, &c.	9,285,478 .. + 825,202	Investments ..	42,856,279 .. - 7,140,450
Deposits, &c.	254,290,571 .. - 4,000,806	Discounts, &c.	163,337,101 .. + 1,474,288
		Bank premises ..	4,392,918 .. + 109,067
		Acceptances ..	9,285,478 .. + 825,202
Total	282,534,881 .. - 3,175,604	Total	282,534,881 .. - 3,175,604

TRANSVAAL GOLD OUTPUT STATISTICS.

Name of Mine.	May, 1925.			June, 1925.		
	Ore.	Est. Yield.	Est. Profit.	Ore.	Est. Yield.	Est. Profit.
Aurora W. United (10s shares) ..	13,300	13,899	1,613	11,600	13,777	1,509
Brakpan ..	83,500	134,999	56,295	78,200	126,718	50,100
Central West ..	94,500	150,586	42,864	92,000	144,362	38,114
City Deep ..	59,500	69,002	4,000	53,400	75,169	7,413
Consolidated Main Reef ..	228,000	297,941	90,987	217,000	284,881	86,290
Crown Mines (10s shares) ..	37,300	49,784	1,134	34,500	45,972	2,221
Durban Roodpoort Deep ..	142,000	140,764	511	128,000	133,264	263
East Rand Proprietary ..	33,900	36,013	5,044	31,200	35,718	5,377
Ferreira Deep ..	78,000	115,866	47,211	75,000	111,620	45,540
Geduld Proprietary ..	64,300	64,621	2,168	56,600	56,794	2,855
Gezinsbuis Deep ..	5,100	8,630	105	4,900	8,530	584
Glyn's Lydenburg ..	180,000	302,943	170,311	157,000	293,127	162,246
Government Areas ..	53,500	55,430	3,037	50,300	49,981	3,150
Kleinfontein, New ..	80,500	91,382	11,333	75,000	91,151	11,578
Langlaagte Estate ..	15,300	31,815	15,017	14,900	31,199	15,078
Meyer and Charlton ..	63,000	105,014	44,248	63,000	99,611	41,148
Modderfontein B.	43,800	99,179	65,276	42,500	96,242	63,002
Modderfontein Deep Levels ..	31,500	40,244	2,943	29,400	37,751	4,391
Modderfontein East ..	127,000	278,861	173,118	121,000	263,957	161,243
Modderfontein, New (4s shs.) ..	71,000	118,083	48,648	71,000	119,519	48,191
New State Areas ..	51,500	58,147	1,058	47,500	53,303	1,123
Nourse Mines ..	25,500	19,797	2,841	18,800	18,052	1,456
Primrose, New ..	194,000	218,948	45,018	182,500	210,833	40,151
Randfontein Estates ..	9,300	9,440	2,708	9,400	9,743	1,809
Robinson (£5 shares) ..	74,000	104,813	39,452	69,000	98,411	35,936
Robinson Deep ..	59,000	55,433	10,011	56,000	63,093	9,964
Simmer and Jack ..	77,000	64,317	8,282	68,300	65,093	6,549
Spring Mines ..	65,000	122,664	57,165	61,500	119,100	55,425
Sub-Nigel ..	10,800	29,159	8,431	10,000	27,812	8,156
Transvaal Gold Mining Estates ..	15,280	24,281	3,463	16,150	23,291	3,264
Van Ryn ..	66,100	107,438	7,041	35,200	38,62	10,331
Village Deep ..	60,000	75,760	53,288	65,200	103,030	49,271
West Rand Consolidated ..	40,000	39,573	7,655	37,000	71,738	8,226
West Springs ..	48,000	76,610	34,184	46,200	38,592	4,038
Witwatersrand Deep ..	44,800	53,866	12,166	43,000	52,631	33,941
Witwatersrand (Knights) ..	50,000	45,197	4,100	45,500	44,687	11,268
Wolhuter ..	30,000	29,836	842	30,000	30,915	3,866

* Loss. a At normal price. b 4s 4d per fine oz. c At standard price.

MINING OUTPUT STATISTICS FOR JUNE, 1925.

Gold.	Tons Crushed.		Gold Recovered.		Value.	Profit.
	Mill.	Cyande Works.	Mill.	Cyande Works.		
Ashanti Goldfields ..	6,652	..	..	..	28,788	..
Associated Gold ..	5,732	..	..	..	8,272	..
Associated North Blocks—Iron Duke ..	..	..	..	..	..	9
Balaghat ..	3,400	8,100	2,461	376	2,837	..
Blackwater ..	3,321	..	..	..	7,009	2,622
Boulder Perseverance ..	4,722	..	..	..	13,982	1,040
Cam and Motor ..	19,400	..	..	..	8,539	36,214
Champion Reef ..	10,000	18,692	4,452	661	5,113	17,390
El Oro ..	37,620	..	..	..	129,150	18,695
Fairbanks ..	6,237	..	..	..	1,834	..
Globe and Phoenix ..	9,370	..	..	..	4,350	6,536
Golden Horse Shoe ..	10,823	..	..	..	4,610	668
Great Boulder Proprietary ..	10,823	..	..	..	19,660	22,602
Lake View and Star ..	15,064	..	..	..	6,777	16,598
Mexican Mines of El Oro ..	..	..	..	..	158,130	158,130
Mining Cor. of Canada ..	18,852	31,398	8,662	1,555	125,204	10,217
Mysore ..	66	..	..	..	177	..
North Kalguri ..	10,730	28,272	4,279	867	5,146	..
Nundydroog ..	14,000	..	8,610	246	9,856	..
Oreugum ..	2,897	..	..	..	995,193	11,809
Oroya ..	6,300	..	..	..	13,729	6,280
Rezenze ..	51,000	..	..	..	32,157	8,116
Shamva ..	2,200	..	..	..	7,319	4,349
Sherwood Starr ..	12,022	..	..	..	12,465	..
Sons of Gwalia ..	7,395	..	..	..	16,562	2,504
South Kalguri ..	8,210	..	..	..	32,500	..
St John del Rey ..	17,000	..	3,891	..	16,535	2,405
Taqua and Abosso ..	1,970	..	..	..	87,500	..
Victorious ..	5,120	..	..	..	5,464	1,580
Vipond Consolidated ..	..	..	..	..	46,200	..

BROKEN HILL PROPRIETARY.—Four weeks ending June 17, 1925:—Iron and steel works, Newcastle, N.S.W.: Coke ovens produced 21,096 tons of coke, 237,633 gallons of tar, and 265 tons of sulphate of ammonia. Nos. 1 and 2 blast furnaces produced 21,914 tons of pig-iron. Open-hearth furnaces produced 24,584 tons of steel. Blooming Hill produced 22,375 tons. 28 in. mill produced 15,154 tons. 18 in. mill produced 5,146 tons. 12 in. mill produced 2,199 tons. 8 in. mill produced 1,208 tons. Rod mill produced 6,880 tons. Steel foundry produced 1,015 tons of cast-iron. 11,709 tons of crude ore raised. Crushing plant treated 10,179 tons of crude combined production from 16s and 18s lead concentrates, 1,919 tons. Figures do not include tonnage other companies.

BURMA CORPORATION.—During the month of June 27,580 tons of ore were mined, including 4,032 tons of high-grade ore. 19,100 tons of ore were milled in the treatment plant, producing 8,029 tons of lead concentrates; 10,450 tons of lead-bearing material, including 3,388 tons of high-grade ore, were smelted in the blast furnaces, producing 3,648 tons of hard lead for treatment in the refinery. Refinery products were 3,504 tons lead and 383,264 ozs silver. Of silver production, 56,993 ozs were recovered from the treatment of copper matte. Experimental zinc plant produced 1,200 tons concentrates, assaying 15% zinc. Experimental zinc plant produced 435 per cent. zinc. In addition to the above, 718 tons copper matte were produced from the accumulated smelter by-products and 3,792 tons copper ore; 150 tons of antimonial lead were also produced. Included in the tonnage of refined lead is 451 tons recovered from the smelting of copper ore.

THE MOUNT MORRAN GOLD MINING COMPANY, LIMITED, have received the following cable, dated 7th inst., from Melbourne:—For the month of June treated 1,787 tons of Mount Morgan ore, 5,486 tons concentrates, and 493 tons of purchased ore and secondary products. Produced 407 tons blister copper, containing 403 tons copper and 4,406 ozs gold, including 58 tons of copper from purchased ore and secondary products. Concentrator treated 17,596 tons ore for a production of 7,485 tons of concentrates, containing 386 tons copper and 3,831 ozs gold. In addition to above production, have matte on hand, containing 43 tons copper and 651 ozs gold.

OIL OUTPUTS.

BRITISH CONTROLLED OILFIELDS, LIMITED.—By cable for the week ending July 1st:—Production, 42,000 barrels; shipments, 6,600 tons.

CALTEX OIL COMPANY.—The Caltex Oil Company advises having received the following cable from Mexico:—Production for June, 10,426 barrels, or 1,655 tons.

LOMITO OILFIELDS, LIMITED.—The production for June is cabled as 19,163 tons.

KERN RIVER OILFIELDS OF CALIFORNIA, LIMITED.—The total production during June amounted to 148,880 barrels, or approximately 21,268 tons, as follows:—

	Barrels.	Approx. tons.
Kern River Oilfields of California, Limited ..	46,691	6,670
St Helens Petroleum Co., Limited ..	32,105	4,586
Kern Trinidad Oilfields, Limited ..	36,297	5,185
Kern Romana, Limited ..	3,503	509
Kern Mex Oilfields, S.A.	30,224	4,318
Total ..	148,880	21,268

STEAUA ROMANA (BRITISH), LIMITED.—The production of the Steaua Romana Company, Bucharest, for June was 25,240 tons, which brings the total production for the half-year to 140,168 tons, as compared with 125,287 tons for the corresponding period of 1924.

VENEZUELAN OIL CONCESSIONS, LIMITED.—Production for the week ended July 4, 1925—La Rosa, 4,376 m. tons. Previous week ended June 27, 6,299 m. tons. Maracaibo district, 1,835 m. tons. Previous week ended June 27, 1925, 2,456 m. tons.

Reports and Notices.

Lord Balfour of Burleigh has accepted a seat on the London board of the Australian Mutual Provident Society.

We are officially informed that Oscar B. Cintas has been elected a director of the Cuba Railroad Company.

Mr H. Hobson has left the staff of Messrs Merz and McLellan to take up the position of joint manager of the County of London Electric Supply Company, Limited.

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SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Debenture Interest.	Amount Available for Distribution.	Appropriation.				Corresponding Period Last Year.	
					Dividend.		Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.	Dividend.
					Prefee.	Ordinary.				
		£	£	£	Amount.	Amount.	Rate.	£	£	%
Banks.										
Belfast Discount	June 30*	648	266	914	..	400	%	250	264	..
National Bank of Australasia....	Mar. 31	108,342	538,832	647,174	..	400,000	10	132,471	114,703	10
P. & O. Banking Corporation	Mar. 31	17,567	136,215	153,782	..	106,198	5	30,000	17,584	5½
Electric Lighting and Power.										
Edmundsons' Electricity	Mar. 31	16,375	74,784	91,159	28,000	28,000	7	20,000	15,159	58,360
Financial, Land, &c.										
Australian Agricultural	Dec. 31	5,580	69,380	74,960	..	64,000	8½	5,000	5,960	80,016
Dominion of Canada Invest., &c..	April 30	4,797	14,349	19,146	4,734	7,364	7	2,000	5,048	15,475
Trustees Corporation	May 31	52,815	92,286	145,101	18,408	33,882	8	38,331	54,480	80,729
Iron, Coal, and Steel.										
Greenwood and Batley	Mar. 31	15,270	30,679	45,949	7,027	17,420	5	6,000	15,502	30,237
Peters	Mar. 31	30,885	25,087	55,972	11,063	..	..	20,000	24,909	15,182
Platt Brothers	Mar. 31	118,484	188,898	307,382	76,677	143,769	10	..	86,943	344,367
Motor and Cycle.										
Karrier Motors	Dec. 31	Dr 410,540	2,170	Dr 408,370	..	..	..	Dr 408,370	Dr 60351	..
Rubber, &c.										
Anglo-Ceylon & General Estates ..	Mar. 31	42,257	81,469	123,726	..	75,000	15	5,000	43,726	106,606
Baru (Java)	Dec. 31	4,886	17,688	22,574	..	15,000	15	2,500	5,074	11,438
Lambok	Mar. 31	2,502	6,839	9,341	..	3,624	2½	4,500	1,217	4,009
Manchester North Borneo	Mar. 31	25,894	22,382	48,276	1,127	20,625	12½	..	26,524	17,574
Martapoera	Mar. 31	2,129	7,277	9,406	..	5,484	7½	2,000	1,922	470
North Hummick	Mar. 31	4,860	12,136	16,996	..	9,600	4	2,500	4,896	7,304
Perak Plantations	Mar. 31	3,207	8,760	11,967	..	8,900	10	..	3,067	5,672
Rim (Malacca)	Mar. 31	10,435	7,200	17,635	..	8,000	10	..	9,635	3,591
Rosehaugh Co.	Dec. 31	21,697	17,272	38,969	33,841	..	..	..	5,128	16,442
Selangor United	Mar. 31	3,151	10,303	13,454	..	8,815	10	2,000	2,639	5,335
Tremelby (Selangor)	Mar. 31	4,182	18,013	22,195	..	13,800	5	4,000	4,395	11,177
Shops and Stores.										
International Tea Co.'s Stores....	April 25	123,048	351,721	474,769	53,500	170,000	20	125,000	126,269	349,643
Lipton	Mar. 31	42,884	86,713	129,597	104,000	..	..	..	25,597	236,244
Tea.										
Borelli	Dec. 31	4,244	56,739	60,983	383	39,085	50	15,000	6,515	44,886
Moabund	Dec. 31	4,549	49,987	54,536	2,500	40,000	40	5,000	7,036	32,854
Rungajau	Dec. 31	14,017	18,700	32,717	870	13,061	45	5,000	13,786	31,085
Upper Assam	Dec. 31	30,750	78,684	109,434	..	55,905	30	15,000	38,529	76,142
Other Companies.										
Allen-Liversidge	April 30	7,404	46,816	54,220	1,547	37,500	12½	10,000	5,173	25,077
Apollinaris and Johannis	Mar. 31	..	14,450	14,450	..	..	..	..	14,450	8,843
Asprey and Co.	Mar. 31	8,947	24,118	33,165	11,500	11,000	11	2,000	8,665	23,174
British Borneo Timber	Dec. 31	Dr 3,419	Dr 14,735	Dr 23,154	..	..	..	..	Dr 23,154	..
British Broadcasting Company ..	Mar. 31	..	84,857	84,857	5,172	..	..	..	79,685	..
British Oxygen Co.	Mar. 31	202,179	92,090	294,269	..	75,000	10	..	219,269	150,278
Handford, Greatorex, and Co.	Mar. 31	125	2,641	2,766	..	2,400	..	..	366	Dr 2,912
Lovell and Christmas	June 13	102,640	107,480	210,120	23,438	66,625	14	17,000	103,057	106,390
Millars' Timber, &c.	Dec. 31	163,587	160,843	324,430	204,000	..	..	5,000	115,430	106,301
New Darvel Bay (Borneo) Tobacco	Dec. 31	Dr 23,109	18,536	Dr 10,573	..	..	..	..	Dr 10,573	Dr 1,253
Van den Berghs	Dec. 31	114,624	221,681	336,305	131,092	140,625	15Pfr	..	64,588	358,756
William Asquith (1920)	Mar. 31	418	11,019	11,437	..	..	..	..	11,437	11,867

* Half-year.

† Tax free.

a Including arrears.

interest certificates. These amounts, together with the interest earned by the sinking funds, have secured the purchase in the market at current rates of debenture stock, nominal value, £4,886, deferred interest certificates, nominal value, £3,756, which will be cancelled. During the past year the sales of Apollinaris have shown considerable expansion. But the hopes, previously expressed, that a more stable political situation on the Continent would result in a reduction in costs, have not materialised. With stabler exchanges on the Continent the costs of marketing both Apollinaris and apenta water have risen very considerably, thus largely reducing the benefits arising from the increased output. The usual amounts for depreciation have also, as customary, been written off.

AUSTRALIAN ESTATES AND MORTGAGE.—The profit and loss account shows that the gross profit for the thirtieth year of the company's operations to end of 1924 amounted to £460,156, and after deducting the current expenditure and English and Australian income-tax a balance of £297,793 is brought down. After providing for the interest on the debenture stocks the net profit for the year was £211,902, to which is to be added the amount brought forward from last year, £7,391—£219,293, less transferred to reserve account, bringing this up to £275,000, £90,000, leaving an available balance of £129,293, which the directors recommend should be appropriated as follows:—To a special reserve account with a view to establishing a provident or superannuation fund, £25,000; to the payment of a dividend for the year 1924 of 6 per cent. and a bonus of 4 per cent., in all 10 per cent., less tax, on the consolidated ordinary stock and the capital paid up on the ordinary shares, £95,516; to carry forward to next account, £8,777. It is pointed out that the year 1924 was an exceptionally prosperous one for the company. Favourable seasonal conditions were experienced on most of the properties in both New South Wales and Queensland. The wool clip, which was somewhat larger than in 1923, sold at very satisfactory prices. The market for sheep during the year was also good, and receipts from that source showed an appreciable increase. On the other hand, prices for cattle were not on a remunerative basis. Fairly good results were obtained from the sugar estates.

Commercial Reports.

THE CORN TRADE

Mark Lane, Friday Evening.

Although useful rains have fallen over most parts of the country, further moisture is needed, as the spell of dry weather has had a detrimental effect on spring crops. Winter wheat and oats, however, are in good condition, and cutting should commence in a few weeks' time. English wheat continues in light supply, and prices without material alteration. Business during the week proceeded on quiet lines, though there was rather more inquiry for imported wheat at the lower rates recently ruling. A dull tone, however, prevailed in the floating and forward cargo section, business being restricted to a few cargoes to the Continent. Holders, from North and South America, and values maintained a steady level. Steamers of Rosafe 63½ lbs arrived sold 55s 9d, South America arrived 54s 3d to Spain, Victorian afloat 54s to Alexandria, and a sailer of South Australian 53s 6d. A feature was the report sale of several cargoes of South Russian wheat to the Continent for August and September shipment, and further tonnage has since been booked for these positions. Of maize, Plate steamers, loading, sold, 38s 1½d, June shipment, 39s 3d, June-July, 37s 6d to 38s, July-August, 37s 3d, and Jugo-Slavian, afloat, 39s 6d, all per 480 lbs c.i.f. Wheat firm. No. 1 Northern Manitoba quoted 62s 6d, No. 2 ditto 61s 6d ex ship, No. 1 Northern Duluth 58s ex ship, Australian 56s 6d ex ship per 496 lbs. English quoted 11s 2d-11s 9d per 112 lbs, free on rail. Flour steadies. London standard straight run quoted 46s 6d, patents 48s 6d. 49s 6d, town whites 46s 6d per sack, delivered in the Home Counties, with 6d to 1s per sack less for deliveries in London districts.

tricts. Of imported, Manitoba patents range from 46s-48s 6d, Minneapolis 45s 6d-46s 6d, Kansas patents 45s-46s, Australian 41s 6d per 280 lbs ex store. Barley quiet. Californian quoted 45s-52s, Chilian Chevalier 47s-65s, brewing 50s-54s, according to quality, Australian 57s-63s ex store per 448 lbs. No. 4 Canadian Western, landed, 37s 3d, Karachi landed 37s 6d, Morocco 36s 6d per 400 lbs. English ranges from 9s 2d-11s 3d, the latter for finest malting per 112 lbs. Maize quiet. Plate landed 42s 6d, ditto ex ship arrived 40s 6d per 480 lbs. Oats firmly held. Plate ex ship to arrive quoted 26s, landed 27s 3d, No. 2 Canadian Western ex-ship 31s 6d, landed 32s 9d, No. 2 Canadian feed ex-ship 25s 6d, landed 26s 6d, Chilian Tawny 27s, South African (Cape) 27s landed, all per 320 lbs. English quoted 9s 10d-10s 8d per 112 lbs, free on rail.

Millers' offalls steady. Broad bra quoted 8s, millings 7s 9d-8s, fine ditto 9s 3d bags included ex-mill, powdered oat husks 6s 3d, feed oatmeal 7s 9d, ground oats 12s 9d per cwt, free on rail. Oatmeal unaltered. London-made flaked 19s, rolled oats 18s, medium also fine cut 18s, coarse also medium pinhead 18s ex-mill, ordinary Scottish oatmeal 18s 6d, American ditto 17s 9d per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest years 1924-25, 1923-24, 1922-23, 1921-22.

	1924-1925.	1923-1924.	1922-1923.	1921-1922.
Estimated sales of home-grown wheat—	Cwts. 85,060	Cwts. 36,254	Cwts. 117,946	Cwts. 63,640
1 week to July 4	10,688,842	12,606,894	16,642,389	15,626,844
44 weeks to July 4	..	..	..	..
Average price of English wheat per cwt.	s d 12 3	s d 11 9	s d 10 11	s d 12 1½

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1921 to 1924:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1925.	Cwts. 109,052	Cwts. 12,450	Cwts. 20,782	s d 12 7	s d 10 0	s d 10 5
June 27	85,060	10,437	17,191	12 3	9 10	10 5
July 4	..	..	..	..	..	..
1921	26,516	9,561	9,669	20 8	12 0	14 1
1922	77,631	5,468	6,070	12 3	11 3	11 9
1923	78,489	11,732	7,905	11 0	8 7	10 10
1924	36,254	3,012	5,308	11 9	10 11	10 3

AMERICAN WHEAT MARKETS.

In the early part of the week there was an active covering demand for October, on account of a lower official crop estimate than was expected. This, together with unfavourable weather advices, good export business, and the holding tendency of farmers, caused prices to rise, but the reports of Continental buying of Russian wheat exercised a restraining influence.

Recent market quotations:—

	July 11, 1924.	Jan. 2, 1925.	June 25, 1925.	July 2, 1925.	July 9, 1925.
Winnipeg (No. 1 Manitoba)—Cents p.r. 80 lbs	124½	183	164½	156½	159½
Chicago (No. 2 Winter)—Cents p.r. 60 lbs	120½	177	152½	143½	148½
(b) July delivery.					

IRON, STEEL, AND COAL.

We extract the following from the weekly report issued by the London Iron and Steel Exchange:—There has been a fair volume of inquiry, considering that midsummer conditions have ruled in this market. In the pig-iron department prices have gradually sagged, until in some cases firms must be producing at a loss in order to keep their plant employed. Competition from foreign iron is still keenly felt in those districts which are within easy reach of the coast, but consuming points further inland are experiencing less competition, owing to the high cost of delivery. A slackening of operations in most branches of the steel trade is recorded. In the semi-finished department inquiry has been brisk, one of the features of the position being the active overseas demand for rods for wire making. Canadian works, however, have been pressing the sale of similar material in this country. The quantities of semi-finished material offering from the Continent have diminished somewhat. Business in finished iron and steel materials has been particularly dull, both on home and export account, and British works continue to experience great competition in all overseas markets, as well as in the home market, from Continental manufacturers. The actual amount of business which has been transacted has been small.

Our Middlesbrough correspondent's report, dated July 9th, is as follows:—Pig-iron: Since our last week's report the market has declined still further, and the general quotation for No. 3 G.M.B. pig-iron is now 71s 6d per ton. East Coast mixed numbers hematite is also down to 77s per ton, but business is very limited. Manufactured iron and steel: Local steel makers are still being undersold by foreign competition, and this branch of the trade has relapsed into a state of partial inactivity. The following may be taken as approximate quotations:—Steel ship plates, £8 15s; steel ship angles, £8 5s; iron bars, £11 12s 6d; steel rails, £8 10s. Iron ore: With freights very low and sellers eager for business, the best Bilbao Rubio quotation may be put at 20s 6d, but there are no buyers.

Our Glasgow correspondent writes as follows:—The iron and steel market shows practically no change, general weakness characterises all branches. Pig-iron is lower in value, and with Continental and Indian brands offering at cheap rates consumers are only taking small quantities of home production to cover immediate needs. The shipments from Glasgow harbour last week of all grades totalled 440 tons, of which 390 tons were for foreign destination. For the corresponding week of last year the shipments were 1,722 and 1,485 tons respectively. The approaching holiday period is foreshadowed by the paucity of business in the finished steel and iron trades. Large quantities of Continental steel are coming in, both as finished ship plates and semi-raw material, at prices substantially below what home producers can quote. Belgian sheet bars have been offered here as low as £5 7s 6d per ton delivered, as against £7 10s for British steel. Makers of black sheets are only moderately busy. Galvanised sheets are in fair request, and works are well employed and booked till after the middle of August. The outlook in shipbuilding is slightly better, one or two further contracts having been placed this week. Coal trade is experiencing a very brisk demand from both home and foreign buyers. Prices are stiffening up, and some brands are difficult to procure. All the collieries are well sold up with output till after the Fair holidays, but forward position obscure.

Our Sheffield correspondent writes:—The severity of the depression in the heavy steel branches is reflected in the action of a number of large firms, who on the occasion of stocktaking have closed their works for a week. The market for pig-iron steel billets and rolled steel is flatter, as the possibility of a stoppage of the coal supply is having a paralysing effect upon trade generally. The execution of orders from China has been suspended. The production of open hearth steel has dropped considerably. Trade is also poor in wire rods. The steel foundries are moderately employed on castings of special steels for engineering work. The light foundries specialising on castings for the building trade are fully occupied. Machine tools are quiet. Sheffield's best customers at the moment for light steel and tools are the motor and electrical industries, whose requirements have been expanding continuously since the opening of the year. The demand for farm and building tools, saws, and files continues brisk. Specifications for railway tyres, axles, springs, and forgings are on a declining scale, as the British railway companies find it imperative to adopt a policy of severe economy. The collieries are buying little or nothing in the way of equipment and tools. Exports are being maintained in hand tools, but are easier in tool steel, cutlery, and plate. The coal market continues unsettled with prices anywhere. Heavy stocks exist at most of the collieries, and bargains are available for users in a position to take prompt delivery. We have heard of no orders being placed in anticipation of a strike or lock-out in the coal trade. In this district few of the manufacturing firms possess any facilities for storing fuel, and supplies are usually brought to the works from day to day.

Our Cardiff correspondent writes:—On the Cardiff coal market this week the improvement in the inland demand has been maintained, and the export prices have shown a hardening tendency. There has been very little increase, however, in the volume of export business and the absence of any demand pressure, with the possibility of a general stoppage at the end of the month is probably unprecedented. From the purely commercial point of view sellers would probably welcome a several weeks' stoppage, for stocks are heavy, and the new impetus which the crisis has given to the arrangement of contracts for the supply of foreign coals will further restrict the demand for South Wales coals for some months to come.

The following are the current approximate quotations:—Best Admiralties, 25s 3d to 26s; seconds, 24s 6d to 25s; best dries, 24s 6d to 25s; black veins, 24s to 24s 6d; Western Valleys, 23s 3d to 23s 6d; Eastern Valleys, 23s to 23s 3d; best bunker smalls, 14s 6d to 15s; ordinary cargo smalls, 11s 6d to 13s; coking smalls, 14s 6d to 15s; anthracite best large, 43s to 45s; red vein large, 27s to 31s; machine-made cobbles, 51s 6d to 53s 6d; French nuts, 52s 6d to 55s; stove nuts, 48s to 51s; rubble culm, 12s 6d to 13s; coke (special qualities), 40s to 45s; patent fuel, 23s 6d to 26s; pitwood, ex ship, 32s to 32s 6d.

The Welsh tinplate market is still in a depressed state. Prices are a shade steadier at 10½ 3d to 19s 6d, f.o.b. per basis box.

METALS.

The market for tin opened with a quiet tone and sellers inclined to press, but subsequently prices improved on buyers showing more interest, combined with higher cable advices from the East. A good turnover resulted, and sales comprised standard cash at £253 10s to £258 10s and £257 10s, three months registered at £256 to £260 5s and £258 17s 6d. Sales in the East were reported at £260 10s-£261 15s and £261 and £262 10s. Copper also steadier, with dealings on a liberal scale, though movements were attended by slight irregularity. Standard cash sold £60 11s 3d to £61 12s 6d, three months £61 2s 6d to £62 10s and £62 7s 6d. Lead irregular, but fairly active dealings were recorded. Good soft foreign pig July sold £33 5s-£34 5s and £34 2s 6d. August £33-£33 12s 6d and £33 17s 6d, September £32 15s-£33 12s 6d and £33 10s. Spelter firmer, and a good business transpired. July sold £34 7s 6d to £34 13s 9d, August £34 3s 9d-£34 10s, September £3

48 GRACECHURCH STREET, E.C.3

Groundnuts easier. Coromandel machined, July-August, £25; Nigerian, June-July, £25 per ton.

OILS.—Linseed firm. Spot, net, naked, 41s 6d; August, 40s 6d; September-December, 40s 9d. Rape quiet. Crude spot, 50s; refined, 53s. Castor-oil lower. First pressure, spot, quoted 56s 6d; second pressure, 54s 6d; and pharmaceutical, 61s 6d per cwt. Hull, with London, 2s per cwt extra. Cotton slow. Crude Egyptian, spot, 42s 6d; Bombay, 39s; common edible, 47s; deodorised, 49s. China-wood easier. Hankow, spot (barrels), 68s; June-July, nominally 67s. Coconut slow. Ceylon, spot, 48s; June-July, 45s 3d; Cochin, ditto, ordinary packages, 60s. Soya quiet. Oriental, barrels, June-July, 43s; bulk, 40s. Cod dull. English, spot, 33s to 34s. Groundnuts quiet. English, crushed, naked, spot, 49s 6d; deodorised, barrels, 57s. Turpentine quiet and easier. American, spot, 66s 3d; July-December, 67s. Rosin firm. American, grade B/D, 19s 9d; E, 20s; F/G, 20s 9d; W/G, 26s; W/W, 30s per cwt. French FG, 21s 6d; W/W, 25s 6d per cwt. Petroleum quiet. American, standard white, spot, 1s; and water white, 1s 1d per gallon.

TALLOW.—Messrs Colchesters and Woolner write on July 8th as follows: The tallow market was quiet during the week, and prices were unchanged to-day. Higher prices are asked for shipment from Australia as well as from South America, but buyers on this side do not respond sufficiently for business to result. At auction to-day 401 casks tallow were offered, and 222 were sold. Quotations are:—Australian mutton: Fine, 46s 6d; good to fair, 46s to 44s; dull

to dark, 41s 6d to 40s; hard, 46s. Australian beef: Fine, 46s; good to fair, 45s to 43s; dull to dark, 41s to 39s; sweet, 46s. Present shipment from Australasia: Good mixed, 45s. Present shipment from South America, 44s 9d. The market letter is unchanged. Town tallow, 41s 6d per cwt. Rough fat per 8 lbs, 4d; melted stuff 32s per cwt. Quotations are:—Town, 41s, net cash, naked, ex works. Country: Frail casks, 41s; home melted, shipping casks, net, f.o.b., good coloured, 44s; fair to dull, 41s 6d to 40s 6d. Bone fat: white, none; pale, none; benzine, 38s; melted stuff, 37s f.o.b.

METROPOLITAN CATTLE.—JULY 9.

British Beasts, per stone of 8 lbs to sink the offal. Sheep, per stone.			
Beasts—Devons.....	s	d	s
Short-horns.....	7	0	7 4
Norfolk.....	7	0	7 4
Scottish.....	..	..	..
Irish.....	..	..	..
Fat Cows.....	..	..	..
Beasts—Heavy Bulls ..	s	d	s
Canadian.....	10	0	11 0
Sheep—Downs (clipped).....	7	6	7 8
Ewes.....	..	..	..
Crossbred.....	..	..	..
Scottish.....	..	..	..
Lamb—Downs.....	11	6	12 6

LONDON POTATO

English New Epicures	s	d	s
Sharps Express	8	0	9 0
Per Cwt.	s	d	s
St. Malo	8	0	0 0

MARKETS.—JULY 9.

Per Cwt.	s	d	s
St. Malo	8	0	0 0

COMMERCIAL TIMES—WEEKLY PRICE CURRENT.

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

LONDON, FRIDAY.			
COCOA—Duty, British grown, 9s 4d, foreign, 14s cwt			
Trinidad	s	d	s
Grenada	66	0	76 0
Ceylon, plantation	85	0	110 0
Guayaquil	68	0	80 0
Bahia, finest	50	0	51 0
COFFEE—British grown, 9s 4d, foreign, 14s cwt			
E. India, fine ord. gd. mid. 115	0	140	0
Do good to fine	120	0	158 0
Costa Rica, ord. to mid. 120	0	155	0
Good to fine	120	0	156 0
Central American, gd. ord. to mid. 115			
Mid to fine	150	0	155 0
Colombian, ordinary	113	0	115 0
Do gd. ord. to low mid. 118	0	128	0
Do mid to fine	130	0	148 0
CHEMICALS—			
Acid, citric	per lb	1	5 0 0
Nitric	0	24	0 4
Oxalic, net	0	6	0 14
Tartaric, English	1	1	1 14
Foreign	0	11	1 0
Cremon Tartar	per cwt.	76	0 78 0
Alum lump	per ton	10/10/0	11/0/0
Do ground	£11/10/0	12/0/0	
Ammonia, carb.	ton	37	0 39 0
Muriate, White	ton	25	15 31 15
Sulphate	£14	0	15 0
Arsenic, lump	per ton	75	0 80 0
Powder	per cwt	23	0 25 0
Ashes, pot	per cwt	65	0 70 0
Pearl do	per cwt	23	0 25 0
Bleach ng powder, per ton	9/0/0	9/10/0	
Borax, gran.	cwt	24	10 0 0
Do crystals	25	0	0 0
Do powder	26	0	0 0
Calomel	per lb	4	0 4 3
Iodine, dry	per oz	1	0 1 1
Nitrate of Soda	per ton	13/0/0	13/10/0
Potash—Chlorate, net	0	42	0 43
Frassiate	0	73	0 8
Do Foreign	12	0	15 0
Sulphate	per lb	1	10 2 0
Sal-Acetone	per cwt	50	0 52 6
Sal-Ammoniac	per ton	29/0/0	10/10/0
Soda Bicarb.	per ton	5/0/0	5/5/0
Crystals	6/15/0	17/0/0	
Alkali	14/12/6	17/0/0	
Caustic	0/0/0	0/0/0	
Sugar of lead, white	£49	0	50 0
Foreign white	2	3	0 0
Sulphate Quinine	2	2	2 3
English Brands	2	2	2 3
Foreign do	2	2	2 3
Sulphate Copper	per ton	24/10/0	25/10/0
Zinc, out	9/0/0	9/10/0	
Sulphur Flour	8/0/0	8/10/0	
Do Roll	4	6	5 0
Vermillion, Chinese, per lb	4	6	5 0
Oil Peppermint, H.G.H.	31	7	6
COPRA—per ton, c.i.f.			
Malabar, April-June	30	10	0
Ceylon	29	7	6
FMS Singapore	30	10	0
FM Straits	29	7	6
COCHINEAL			
DRUGS—	s	d	s
Aloes, fine E.I.	per cwt	30	0 150 0
Cape, good to fine	41	0	42 8
Balsam Peru	3	7	6
Capivi	2	0	2 3
Camphor	2	94	2 10
Cardamoms, Ceylon	6	0	8 0
Cardamoms, China, per lb	4	0	0 0
Castor-oil	85	0	95 0
Gum Benjamin Sum.	10/0/0	10/0/0	
Olibanum, drops, fair to good	60	0	105 0
Ipecacuanha	8	6	0 0
Jalap	2	0	0 0
Musk ped. China	80	0	86 0
Oil, Cassia	8	6	9
Aniseed	3	0	3 1
Peppermint, Wayne	70	0	75 0
Rhubarb, China	3	0	3 3
DYE STUFFS, &c.—			
Galls, China	per cwt	60	0 62 6
Turnerie, Bengal	37	6	40 0
Gambier, block	57	6	0 0
Cutch, ord. to fair	55	0	0 0
DYEWOODS—			
Brazil	per ton	18	0 18 0
Fustic, Jamaica	8	10	
Cuba	15	0	
Lima Wood	20	0	
Logwood, Campeachy	9	0	
Honduras	10	10	
Jamaica	7	15	
Red Sanders	12	0	
Sapang Ceylon	15	0	
FLAX—spot—c.i.f.	£	s	s
Riga 2K	82	0	0 0
Pernau HD	82	0	0 0
Slanets U/A Medium	95	0	0 0
FRUIT—			
Oranges, Murcia & Val. 300	26	0	41 0
Do	36	23	0 37 3
Do Cape	13	0	29 0
Lemons, Naples	0	0	0 0
Do	9	0	28 0
Do Sicilian	5	0	17 0
Do Malaga	8	0	17 0
Grapes, Lisbon	0	0	0 0
Almeria	0	0	0 0
Val. Ona	9	0	12 0
Egyptian Ona	0	0	0 0
Apples: Tasmanian	11	6	14 0
Cleos	11	0	15 6
Shoemer Pippin	11	0	14 6
French Crab	11	0	14 6
HIDES—Wet salted—			
Australian	per lb	0	54 0 62
West Indian	0	4	0 62
Cape	0	6	0 72
Lisbon	0	54	0 72
Opoko	0	4	0 72
Dry & Drysalted Cape	0	8	0 113
Madagascar	0	69	0 73
Central American	0	73	0 102
Buffaloes, Singapore	0	4	0 12
Penang	0	5	0 102
E. I.	0	5	0 144
Market Hides, London—			
Best hvy. ox & heifer	0	7	0 8
Do light do	0	6	0 63
Best ox, heavy	0	64	0 78
Do light	0	54	0 64
Best cow	0	54	0 64
2nd do	0	54	0 64
Best calf	0	102	0 148
2nd do	0	98	0 124
INDIA RUBBER—lb—			
Para, fine hard spot	3	4	0 0
Plantation sheet	3	104	0 0
INDIGO—per lb—			
Bengal, good red violet to fine	6	6	7 0
Mid. ord. vio. to good	6	0	6 6
Low to good ord.	5	0	6 0
Madras, dry leaf, good	3	0	4 0
Do low to ord.	1	0	3 0
Kurpah, gd. mid. to gd.	4	0	5 0
Low to mid.	3	0	4 0
HEMP—per ton—			
Italian P.C.	87	0	
Manila, July-Sept. "J"	48	0	
N.Z., high point, fair, July-Sept.	40	0	
JUTE—			
Native first marks, Aug. 43/10/0			
LEATHER—per lb—			
Sole Bends 6/9 lb	1	3	1 10
Do do 10/12	1	3	1 10
Do do 12/14	1	4	2 6
Do do 14/16	1	5	2 8
Do do 17 lb and up	1	6	2 6
Bark Tanned Sole	2	6	3 3
Shoulders fm DS Hides	0	9	0 11
Do Eng. or W8 do	0	104	1 8
Bellies from DS do	0	74	0 84
Do Eng. or W8 do	0	84	1 1
Dressing Hides	1	8	2 2
Ro. Eng. Cal. 20/30 lb.	4	0	5 6
Aust. Sides	1	0	1 3
METALS—B. Copper			
Best selected	63	5	64 10
Sheets (strong)	90	0	0 0
Standard	61/5/0	61/7/6	
Lead Eng. Pig per ton	35/5/0	35/0/0	
Soft Foreign	34/2/6	33/8/8	
Spelter G.O.B.	34/19/0	34/2/6	
Tin—English ingote	257/10/0	258/0/0	
Do do bare	258/10/0	259/0/0	
Standard cash	257/5/0	257/10/0	
OILS—Fish, per ton—			
Seal, pale	40	0	41 0
Linseed, p. ton net, naked	41	0	0 0
Rape, refined	53	3	0 0
Crude	50	0	0 0
Cotton-seed, crude	39	0	42 0
Edible, refined	47	0	49 0
Cocoa-nut, crude	48	0	0 0
Refined	53	0	54 0
Palma	39	10	40 5
Lard, American	70	0	78 0
Petroleum—Oil, per 8 lbs. 1/0	0/0		
Water-White	1/1	0/0	
Oil Cakes, Linseed, Eng. per ton			
per ton	£12/15/0	£13/0/0	
Oil Seeds—Linseed—			
La Plata, p. ton July-Aug. 19	0	0	0
Bombay, p. ton July-Aug. 22	0	0	0
Calcutta, p. ton July-Aug. 20	0	0	0
PORTLAND CEMENT—Best English per ton delivered, London 58/0			
58/0	58/0	53/6	
Rapid hardening "Ferrocrete," 1 1/2 per ton extra	13/0		
PROVISIONS—			
Butter—per cwt.—	s	d	s
Irish creamery	183	0	188 0
Do factory	160	0	176 0
Australian	174	0	190 0
Argentine	170	0	186 0
Dutch	184	0	186 0
New Zealand	160	0	196 0
Danish	190	0	192 0
Bacon, engd.—Irish	110	0	130 0
Danish	105	0	115 0
Canadian	100	0	108 0
American	98	0	104 0
Hams—Irish	130	0	136 0
Canadian	123	0	128 0
American	106	0	106 0
Lard—Irish bladders	56	0	56 0
American boxes	6	0	7 2
Pork—per 8 lbs	6	0	7 2
Beef—Frozen	2	2	2 5
Scotch	7	6	8 8
Cheese—cwt.—Canadian	102	0	106 0
New Zealand	104	0	118 0
Eng. Cheddars	96	0	114 0
Cheshire	96	0	114 0
Dutch	66	0	104 0
Eggs, per 120—English	15	0	16 0
Irish	13	6	14 0
FLOUR—280 lbs—			
Eng. straight ex mil.	44	6	0 0
RICE—per cwt, c.i.f.			
Bangkok, No. 2	15	3	0 0
Broken la	12	6	0 0
ROBIN—per ton—			
American	19/10/0	30/0/0	
French	21/10/0	25/10/0	
SAGO—Pearl, per cwt.	30	0	0 0
SHELLAC—per cwt—			
Orange, first marks	300	0	355 0
Second, fair to fine	262	0	295 0
TN Orange	240	0	245 0
Garnet, Lac. AC	240	0	0 0
Button—Pure	270	0	0 0
Blocky (TN)	225	0	0 0
SILK—per lb—			
China—Blue Elephant	18	0	0 0
Canton	22	24	6 0
Tussah	13	0	12 0
Re-reeled	0	0	0 0
Japan	28	0	30 0
Italian—Raw, fr. Milan	27	0	30 0
SHELLS—M.-P., per cwt—			
Manila, bold	26/0/0	10/0/0	
Macassar	7/13/6	12/0/0	
Bray	5/0/0	11/12/6	
W. Australian	7/0/0	12/12/6	
Bombay	7/0/0	12/12/6	
SUGAR—per cwt, duty, 11s 8d, B. L. m. pol. polarisation 24 s d			
Cr. cent. polarisation	s	d	s
Peru	15	9	0 0
Java, white	15	9	0 0
REFINED—London—			
Yellow Crystals	27	7 1/2	0 0
Cubes	34	6	35 6
Crushed	32	6	0 0
Granulated	30	14	30 7 1/2
Crystals, No. 3	30	0	0 0
Castor	32	3	24 1/2
Pieces	34	6	29 0
SPICES—Pepper, lb—			
Muntok, fair White	0	11 1/2	0 0
Black Singapore	0	11 1/2	0 0
White Siam	0	11 1/2	0 0
Pimento	0	32	0 0
Cinnamon—1st sort	1	9	0 0
Do 2nd	1	8	0 0
Do 3rd	1	7	0 0
Cassia Lignea	47	6	0 0
Cloves, Zanzibar	0	11	0 0
Madagascar	2	2	2 4
Ginger—per cwt	1	3	1 5
Cochin, small rough	105	0	0 0
Do wormy	0	0	0 0
Japan	95	0	0 0
Jamaica, ord. to good	110	0	130 0
Mace	per lb	3	8 4 6
Nutmegs, 65's	2	8	0 0
110's and 80's	2	4	2 7
Chillies—per cwt	36	0	97 6
TALLOW—per cwt.			
Good mutton	46	0	0 0
Beef	45	0	0 0
TAPIOCA—per lb—			
E. I. Flake, fair, spot	0	2 1/2	0 0
Medium Pearl	22	6	28 0
Seed	17	0	28 0
TEA—Duty 3d, British, foreign, 4d per lb—			
Indian and Ceylon—	s	d	s
Pekoe	1	1 1/2	1 11
Broken Pekoe	1	1	2 1
Orange Pekoe	1	1 1/2	2 3
Broken Orange	1	2 1/2	4 2
Pekoe Souchong	1	0 1/2	1 10
TIMBER—ex. yd—			
Swedish u/s 3 x 8, Pt. Std.	20	0	0 0
Do 2 x 7	20	0	0 0
Do 2 1/2 x 7	20	0	0 0
Can'dn Spruce, Dis.	17	10	0 0
Pitchpine	per load	9	0 0
Rio Deals	per std.	32	0 0
Hoak	per load	20	0 0
Hoak, 1st Mahg. logs, c.f.t.	0	11	6 6
African	0	6	6 6
American Oak Boards	0	6	0 0
Do Ash	0	6	0 0
English Oak Planks	0	7	0 0
Do Ash	0	6	6 6
TOBACCO—			
Duty 8/2—10/4 per lb. Empire			
growths, 5/11 per lb.	s	d	s
Virginia leaf—	s	d	s
Common to fine	1	3	2 3
Strips	2	0	2 6
Common leaf—	s	d	s
Common to fine	1	0	1 6
Strips	1	3	1 9
China	0	9	2 6
Borneo and Sumatra	1	0	7 0
Nyasaland	0	6	2 6
Seedleaf	1	6	8 6
Havana	0	10	6 6
Greek	0	6	1 3
East Indian	0	6	1 3
Cigars, duty 15/7 per lb.	2	0	0 0
Cigarettes, duty 12s 7d per lb.	2	0	0 0
TURPENTINE, p. cwt. 66 s d			
Wool—per lb—	d		
English, Southdown, washed ..	23		
Lincoln hog	14 1/2		
Queensland, red, super cmbg.	57		
N.E.W. Grey, super	53		
N.Z. Grey, hyf.	27		

in Government securities shown in the Bank return was puzzling to those who still try to account for the movements displayed in it; the obvious inference is that the Bank does not wish credit to be too abundant in view of approaching holiday demands and autumnal problems later on.

	July 17, 1925.	July 10, 1925.	July 3, 1925.	June 26, 1925.	Previous Rate and Date Changed.
Bank Rate	5	5	5	5	4 (Mar. 5, '25)
Banks' Deposit Rate	3	3	3	3	2 (Mar. 5, '25)
Discount/Call	3	3	3	3	2 (Mar. 5, '25)
Houses (Notice	3½	3½	3½	3½	2½ (Mar. 5, '25)
Market rate (3 months' bills) ..	4½	4½	4½	4½	..

The Bank return showed an increase in the stock of gold of £2,705,000, of which £2,703,000 had been reported as received from abroad. Notes had come back from circulation to the extent of £2,057,000, with the result that the Reserve was £4,762,000 higher, while its proportion to liabilities had risen by 4.1 per cent. to 29.8 per cent. Government and Other securities declined by £6,510,000 and £308,000. Public deposits rose to the extent of £1,345,000, and Other deposits declined by 3½ millions. Currency notes outstanding increased this week by £733,200 to £298,070,200, which includes £1,333,200 for notes called in but not yet cancelled. The fiduciary issue is £242,787,000, or £5,358,400 below the maximum for 1925.

The June statement of average weekly balances of the London Clearing Banks, given in full in a later column, bears the marks of "window dressing" for the half-yearly balance-sheets. The latter are examined in a leading article. The aggregate figures of the nine English banks compare with previous months as follows:—

	June, 1924.	Dec., 1924.	Mar., 1925.	Apr., 1925.	May, 1925.	June, 1925.
Capital and reserves	1192	1194	1196	1196	1196	1196
Acceptances	853	1099	1139	1078	998	902
Deposits (incl. undiv. profits, &c.) ..	1,651.9	1,666.1	1,605.0	1,608.2	1,598.1	1,624.5
Total Liabilities	1,856.4	1,885.4	1,838.5	1,833.6	1,817.5	1,834.3
Coin, notes, balance at bank, and cheques in course of collection ..	249.1	259.7	237.1	243.3	236.2	253.9
Money at call	108.1	112.8	108.0	112.2	104.3	113.0
Investments	349.3	328.8	308.2	303.5	300.0	292.6
Accounts	245.0	234.4	202.3	190.9	200.1	205.5
Loans and advances	791.7	811.2	840.8	847.6	848.6	850.5
Over for accept., premises, &c.	113.2	138.5	142.1	136.1	128.3	118.8
Total assets	1,856.4	1,885.4	1,838.5	1,833.6	1,817.5	1,834.3

Deposits have risen by over £26 millions, as compared with May, but are £27 millions lower than at this time last year. The increase in deposits last month is covered by additions of £17½ millions to cash and £8½ millions to money at call. Advances rose by a further £2 millions, and discounts are £5½ millions higher, but there was a further reduction of £7½ millions in investments, the latter now being nearly £57 millions lower than at this time last year.

NEW YORK MARKETS.

Our New York correspondent cables:—The markets retain their buoyancy, with Stock Market call money at 3½ per cent. Monetary ease is expected to continue next month until fall business approaches. Most observers are distinctly optimistic as to the outlook for business during the second half of the year, laying stress on the good crop prospects and the well-liquidated condition of industry. The Bureau of Labour index number is up 1.4 per cent. at 157.4, the chief increases being in farm products and foodstuffs. Clothing, metals, and building materials are slightly lower. The Federal Reserve ratio is 76.1.

THE STOCK MARKETS.

Attention in the stock markets has been mainly centred in the rubber share market, which has been in a state of feverish activity, the price of the raw material having risen to 4s 6d per lb. The oil share market has also been very active in the last few days. Elsewhere business has been on quite a moderate scale, though the gilt-edged market shows a number of gains on balance owing to easier conditions in the money market. Home rails have been quiet, but steadier. The industrial section appears to be overshadowed by the boom in rubber shares, and

there have been but few features. The recent favourites, Courtaulds and tobacco shares, are somewhat subdued. The only feature in the mining section is a revival of prices of the shares in the platinum group.

THE COMMODITY MARKETS.

The slight improvement recorded in the commodity markets last week has been fairly well maintained. Business in pig-iron shows a little more activity, but the market for manufactured iron and steel remains quiet. The price of coal has hardened, and the home demand has improved. Raw cotton prices are fluctuating but inquiry from India and China is on a larger scale. The turnover for the Continent and the United States is encouraging. The wool trade is overshadowed by the possibility of a stoppage on account of wage reductions. Wheat is rather quiet. Sugar, tea, and coffee realise steady prices. Rubber has risen to 4s 6d per lb, and business is good. The metal market is firm, copper prices showing some advance.

FOREIGN EXCHANGES.

The week in the foreign exchange market has been extremely quiet. The Paris rate moved within narrower limits than has been the case for a considerable time past. This is to be attributed largely to the public holidays in France on Monday and Tuesday, but also in part to the final passing of the Budget for 1925, and the enthusiastic notices in the French Press regarding the new loan. How far these reports are justified it is as yet too early to say. From 103.60 on the 10th, the rate fell to 103.35 by Monday, and after a relapse to 103.75 on Tuesday, to 103 on Wednesday. Since then a slight setback appeared, and the rate touched 103.30 yesterday morning. On the other hand, the margin between Belgian and French francs has once more widened to approximately 2 francs, after a narrowing to 1.10 francs at the beginning of the week. Brussels followed the Paris movement, falling from 105 on the 10th to 104.40 on Monday, and moved within those limits until yesterday morning, when it opened at 105.30. Forward quotations in Paris have widened again from 15.20 centimes per month above spot to 25.30 centimes. In Brussels the quotation is par-5 centimes below spot for one month. Italy, at 131½, shows little change on balance, though at one time on the 11th a recovery to 128½ was reported. Sterling has again been very steady, the variations not having exceeded ¼ cent on either side of 4.86½. New York forward rates are slightly narrowed at ¼ cent per month below spot. Amsterdam has moved slightly, but steadily against us, and stood on Friday morning at 12.12½, as compared with 12.13½ a week ago. Geneva is steady at 25.05. Madrid, on the other hand, fell during the week-end from 33.45 to 33.53, but recovered subsequently to 33.49. A more distinct movement is reported from the Scandinavian countries. Oslo recovered during the week from 27.70 to 27.05, largely, it is believed, owing to American speculative purchases of kronen. Copenhagen followed a similar movement from 23.70 to 23.20, and Stockholm from 18.11 to 18.09. Helsingfors is steady at 193. Berlin is unchanged at 20.42, Vienna at 34.55, and Budapest at 346,000. Prague has not varied from 164, nor Warsaw from 25.40. In the East, the rupee is steady at 1s 6 3/32d, but the yen has moved from 1s 8½d to 1s 8¾d. The silver market has been quiet, but prices have been maintained on inquiries from the Far East, though the prices offered from India have been at too low a figure for business to result. Hong Kong still stands at 2s 4½d, Singapore at 2s 4½d, and Shanghai at 3s 1½d. In South America, Rio at 5½ shows little change. Buenos Aires is steady at 45½d, but Monte Video is ¼d stronger at 48½d. Valparaiso has moved from 41.10 to 41 pesos.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended July 11th:—

EXPENDITURE.		RECEIPTS.	
(000's omitted.)		(000's omitted.)	
Supply Services	£ 8,005	From Revenue	£ 14,157
Interest, &c., on Debt	2,613		
Sinking Fund	649		
Increase in Balances	44		
Sundries	221		
Reduction of Debt	2,625		
	14,157		14,157

Revenue amounted to £14,157,500, against £12,460,300 in the corresponding period last year. Customs receipts were higher at £2,172,000, as compared with £1,821,000. Excise at £983,000, compared with £1,115,000. Property and income-tax yielded £6,472,000, against £5,717,000, and super-tax £1,080,000, against £980,000. The week's operations reduced the National Debt by £2,625,000, and caused the following changes:—

(000's omitted.)	
Public Department Advances	£ 250
National Savings Certificates	200
Treasury Bills	1,905
Sundries	270
	2,625

The floating debt was reduced by £2,165,000 to £792,490,000.

FINANCIAL YEAR, 1925-1926 (April 1st to July 11th.)

£		£	
Total Expenditure ..	244,495,495	Raised by Revenue ..	193,266,724
		Decrease in Balances ..	4,030,861
		Amount borrowed ..	47,197,910
Total	244,495,495	Total	244,495,495
ESTIMATES FOR FINANCIAL YEAR 1925-1926.			
£		£	
Expenditure	799,400,000	Revenue	801,060,000
Surplus	£1,660,000.		

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—P. and O. Banking Corporation, Anglo-Ceylon and General Estates, Kwaloe Rubber Estates, Dalkeith (Ceylon) Rubber Estates, Aramayo Mines in Bolivia, General Mining and Finance Corporation, Apollinaris and Johannis, Louise and Co., Van Den Berghs, Liptons, John Walker and Sons, and International Tea Company's Stores.

ECONOMIST INTELLIGENCE BRANCH.

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

GERMAN ECONOMIC SUPPLEMENT.

We publish this week a Supplement surveying economic conditions in Germany, with special reference to the actual working of the Dawes Plan. An outline of the Plan itself is given: the work of the London Conference is briefly surveyed, and the stages through which the execution of the Plan has passed recorded. These sections are followed by an analysis of the German Budget and an account of the commercial and industrial position of Germany to-day. Finally, the question of Germany's competition and the effects of its payment of Reparation on the recipients are discussed.

BRITISH TRADE AND OVERSEAS MARKETS.

MR MACDONALD, during his Premiership, appointed a Committee, with Sir Arthur Balfour as chairman, to investigate the conditions and prospects of British industry and commerce, with special reference to the export trade. The task of exploring so vast a field must obviously absorb a long time. Yet the subjects to be investigated are of such immediate and urgent importance that some light upon them was expected from the Committee at the earliest moment. Most welcome, therefore, is the action of the Committee in issuing this week a volume embodying a series of surveys of overseas markets, together with a long introduction drawing attention to facts and figures of primary interest. It is not a Report in the proper sense of the word, since no recommendations are made; but it is none the less a document of first-class importance, since it presents a valuable collection of essential data and a thorough prefatory comment in which the main deductions to be made from these data are suggested; and we welcome the decision to price this volume of 700 pages at the by no means prohibitive level of six shillings. We shall take the opportunity to discuss in future issues various aspects of the economic data presented, and pro-

pose in this article to attempt no more than a brief survey of some main points.

The first question to which the Committee addresses itself is the volume of international trade and of Britain's share in that volume. The result of statistical investigation on this point is that so far from declining, our pre-war percentage of the world's volume of export trade has increased. In 1913, we are told, the aggregate sterling value of the exports of the world was £4,035 millions. In 1923 the latest year for which complete figures can be obtained, the corresponding aggregate was £5,299 millions. In the two years respectively, the exports of the United Kingdom were valued at £525 millions and £743 millions. This means that the British proportion of the world's export trade, measured in sterling values, was 14 per cent. in 1923 as compared with 13 per cent. in 1913. A similar conclusion is reached by the method of comparing British exports with the total aggregate value of the imports received by all other countries. In other words, British exporters are more than holding their own in world competition. The reason why, in spite of this fact, British export industries are in a period of extreme difficulty is that, owing to the general rise in prices, the increased value figures of world trade represent a substantially smaller actual volume of commodities than before the war. Although our export trade in 1923 represents a larger percentage of the world's export trade than in 1913, the volume of our exports in 1923 was only 74.5 per cent. of that recorded in 1913. The Committee's investigations, therefore, start by underlining the truth that it is in the decline in the volume of international trade that the chief cause of the malaise of our own export industry must be sought.

Having established this point, the Committee turned to examine this decline in international trade, and to analyse its causes under three headings:—(1) Decline of purchasing power by local populations. (2) The growth of local manufactures. (3) Displacement of British imports by imports from other countries. Dealing with these three causes in detail, the Committee describe the decline in purchasing power as a factor of "predominating" weight in the years immediately following the war, and as one which still retains considerable, though decreasing importance. Under this heading, brief reference is also made to currency and exchange disorganisation, shortage of capital, and obstacles imposed by the terms of credit. Turning to the question of local manufacture, the Committee described this factor as "perhaps the most important permanent factor, tending either to limit the volume or to modify the character of British export trade." We are not quite sure that the Committee have correctly balanced the emphasis laid on this factor in relation to the other restrictive factors discussed, and doubt on this point is not removed by a study of the Committee's detailed discursus upon the various means by which the growth of local manufactures is assisted in various countries—such as Customs tariffs, import prohibitions or restrictions, and State control or monopoly. As regards Customs tariffs, on which subject a mine of statistical data is presented in the volume, the conclusion is as follows:—"It is a legitimate inference that, taking British trade as a whole, tariff increases since 1913 have not so far been an important factor in retarding recovery." As regards *ad valorem* incidence of tariff increase, the following passage is highly instructive:—"A study of the table and note in question will make it clear that, given the nature of the material available and the very wide range of diversity in the movements of tariff rates on particular articles in different markets, any general estimate based on averages can only be regarded as a very rough approximation, and must only be employed with important qualification. Subject to this caution, it may be stated that the average increase of tariffs on the articles selected as representative—i.e., the increase of charge expressed in terms of sterling per unit of product (not per unit of value), has not materially exceeded the average increase in value of the articles exported."

The harmful effect on trade of import prohibition and restriction is suitably emphasised, and attention is drawn to the uncertainty with which they operate and the delays and difficulties which they cause, but it is agreed that a tendency is making itself felt towards the removal of these hampering restrictions—a tendency which has

been fostered by numerous international conferences of recent years. Under the heading of "State Monopoly or Control," the Committee indicate that, except as regards Soviet Russia, British trade "does not appear to have been materially affected by an abnormal increase in such monopolies in recent years." Some weight—probably too much weight—is also given in the report to the multiplication of Customs formalities, while the more important subject of flag discrimination is also discussed. This leads up to the last section of the Introduction, which is, perhaps, the most interesting of all. This section deals with the effect on British trade of the competition of goods exported from other countries, and shows that the result of the war has been to strengthen some of our competitors and to weaken others. In this connection some striking figures are given. It is shown that, on the basis of 1913 prices, the exports of Germany and Belgium in 1923 amounted to only 53 per cent. and 63 per cent. respectively of the 1913 volume, while those of France and the United States have risen to 106 per cent. and 120 per cent. respectively. It is, however, pointed out (and in this connection we may refer our readers to the Special Supplement which we publish with this issue) that the working of the Dawes Scheme, if successful, entails the rehabilitation of German industry and the increase in the severity of the foreign competition which some branches of British trade must expect to meet in future years.

Inevitably, before its close, the Committee's survey leads it into the realms of fiscal controversy. The Committee, it must be remembered, represents all parties and all angles of fiscal belief; nor is it in the present document attempting to indicate recommendations or to go beyond the task of presenting facts with broad comment. But there is in this volume, none the less, plenty of good meat for the student of fiscal policy. Two points in particular should be noted. Less than two years ago Mr Baldwin told the country (as he may tell it again) that he must "have tariffs to bargain with," because British exports are being shut out by high tariff walls. We commend to him the Committee's brief conclusion, based on an exhaustive study. It is as follows:—"Taking it all round, there is no doubt that British trade is treated at least as favourably in foreign markets as that of any other country." In other words, thanks to the "most-favoured-nation" treatment accorded to us in most countries, the high tariffs of competing countries have not in the least assisted the manufacturers of those countries to surmount tariff walls any more easily than their confrères of Great Britain. The second point is one which demands the attention of that school of thought which tells us that we can, and must, replace old and unsatisfactory markets by developing trade within the Empire. "The percentage of British exports," we are told, "taken by Empire destinations rose from 37.3 before the war to 38.5 in 1924, while concurrently the *ad valorem* rates of the preferences have, generally speaking, grown materially in recent years." In spite of growing preferences, and in spite of the fact that many parts of the Empire were, comparatively speaking, very little damaged economically by the war, the proportion of our trade with the Empire to our total trade recorded only an insignificant increase. Such figures as these, as we have frequently pointed out, prove the futility of any attempt to make a sudden or drastic diversion of the natural direction of our overseas commerce.

This work of Sir A. Balfour and his colleagues will, we hope, be studied carefully by all sections of trade and industry; and the effect should be to remove the tendency to extreme pessimism which is all too prevalent at the moment. In our view, there are three main lessons to be drawn from the volume before us. Our own troubles are, in the main, the reflection of world conditions, and will mend as and when those conditions improve. Secondly, of the main export difficulties, of which we hear so much to-day, most appear to be temporary rather than permanent. Thirdly, we have nothing whatever to gain and everything to lose by rash experiments in fiscal policy. The world is still impoverished by the war. The re-establishment of its purchasing power can only take place slowly as a result of hard work under conditions conducive to security and confidence. For the pace of that recovery much will depend upon the wisdom of the Chan-

celleries. But, as the Balfour Committee point out, "other forces, like the growth of manufacture in the less industrially developed countries, undoubtedly represent permanent tendencies, with which traders must inevitably reckon in future, and to which it is, therefore, essential that they should strive with all their power to accommodate their outlook, their methods and their organisation." Great Britain, the Report conclusively shows, has more than held her own in world competition in a period of intense difficulty. This fact, even amid the great difficulties that remain, should hearten our industrialists, both employers and employed, to redouble their pursuit of efficiency by the road of goodwill and co-operation.

THE NATION'S HEALTH.

THE Annual Report of the Chief Medical Officer of the Ministry of Health "on the state of the public health" invariably arouses mixed feelings. Those who read its pages must thrill with satisfaction at the gradual conquest of life over death. But this lively sense of gratification is marred by the reflection that disease and death still levy an unnecessarily heavy toll upon the community, and that our knowledge of certain diseases is inadequate.

The birth rate continues to decline. With the exception of the war years, the birth rate of 1924 was the lowest yet recorded. The general death rate, though 0.6 per cent. higher than in the previous years, remains low. In the decade 1871-80 the average annual death rate was 21.4 per 1,000. During the decade 1901-10 it had fallen to 15.4, and since the war the rate has sunk below this level, the lowest rate being 11.6 per 1,000 two years ago. Equally significant is the striking decline in the mortality amongst infants. During the last ten years of the 19th century the average annual infant death rate per 1,000 births was 153. During the years 1911-15 it was 110, and from 1916 to 1920 it averaged 90 per 1,000. The lowest rate recorded was 69 in 1923, the figure being 75 for last year. Though the population of England and Wales is over half as large again as it was half a century ago, the number of deaths each year at all ages is actually over 40,000 per annum less, an enormous saving of human life, behind which lies an equally welcome improvement in the standard of health and in length of life.

A clean and ample water supply, effective sewage disposal, street cleansing, the increasing belief in the value of fresh air and sunshine, to mention but a few factors, have rid or are ridding this country of many a scourge. Last year, for example, there was not a single case of plague in England and Wales, though during the past quarter of a century the officially reported total plague mortality in India exceeded eleven millions. Cholera has been virtually extirpated, whilst smallpox and typhus fever are immensely less potent sources of death than they used to be. Similarly, the death rate from the various forms of tuberculosis has in recent years showed a marked decline. According to the official returns, there were 53,120 deaths in 1911, 40,788 in 1923, and 41,108 last year. "The figures for 1924 indicate, as regards tuberculosis of the respiratory system, a check in the decline which has been experienced since 1918." The report states that several observers are inclined to attribute the increased death rate last year "to poverty and distress associated with the large amount of unemployment. In certain cases an increased mortality from pulmonary tuberculosis was noted in 1923, and the conditions associated with lack of employment seemed to be the probable explanation."

There is little doubt as to the general trend of public health statistics. At the same time, notwithstanding the decline in the general death rate and in the infant mortality rate, and all that this decline implies, there is a large canker of disease and disability representing a drain upon health, strength, and efficiency which a nation called upon to husband its resources cannot view with equanimity.

The disparity between the infant mortality rates in different places, and between those for legitimate and illegitimate children indicates the leakage of life which is still taking place and the impairment of health amongst those who survive. The following table, summarising

statistics from Sir George Newman's Report, throws a most disconcerting light upon the variations in the infant death rate:—

	Legitimate.	Illegitimate.
Administrative counties	62	116
County boroughs	77	153
Metropolitan boroughs	58	139
Total (England and Wales)	67	132

The legitimate infant mortality may be used to show the differences which exist between one district and another.

ADMINISTRATIVE COUNTIES.

Lowest.	Highest.
Isle of Wight	Durham
W. Sussex	West Riding
Buckinghamshire	Cardiganshire
Surrey	Lancashire

COUNTY BOROUGH.

Lowest.	Highest.
Eastbourne	Oldham
Oxford	Rotherham
Bath	Newcastle-on-Tyne
Croydon	Sunderland

METROPOLITAN BOROUGH.

Lowest.	Highest.
Woolwich	Shoreditch
Westminster	City of London
Stoke Newington	Holborn
Lewisham	Bermondsey

It is clear that there is still room for a further improvement in the death rate. It is also clear that there is still an enormous mass of sickness, much of it preventable. Some measure of this may be obtained from the statistics of National Health Insurance quoted in the Report. "The total number of weeks represented by the sickness and disablement payments in 1924 may be estimated at about 7½ million weeks' sickness and 6½ million weeks' disablement for men, and at 5 million weeks' sickness and 4 million weeks' disablement for women. These figures, which do not include the first three days of incapacity for which sickness benefit is not payable, give a total of 23½ million weeks' work lost in 1924 through sickness, or a period of 447,115 years. That is to say, in England and Wales there was lost to the nation in the year, among the insured population only, and excluding the loss due to sickness for which sickness or disablement benefit is not payable, the equivalent of twelve months' work of 447,115 persons. Moreover, it must be remembered that it is not only the working equivalent of 447,115 persons that was lost, but also the labour and expense involved in their care during their incapacitation." As is said in another place in the Report, these figures show "what temporary and often preventable conditions really cost a nation when reviewed in bulk. In a word, national ill-health loses time and reduces production as well as resulting in suffering, discontent, and premature death."

It is recorded, so far as last year was concerned, that "the returns of the notifiable infectious diseases show a great increase in the number of cases of smallpox and of the epidemic disorders of the nervous system, particularly encephalitis lethargica.....Pneumonia was also more prevalent than at any other time during the last five years, and though on a smaller scale the same must unfortunately be said of enteric. The last-named and smallpox are controllable, smallpox directly and enteric fever indirectly. Their occurrence in epidemic form is almost culpable."

The truth is that knowledge is ahead of its general application. This, of course, is not to say that the pursuit of knowledge should cease. What is needed is that the fullest use should be made of the knowledge now available and more particularly of the knowledge which would prevent the onset and spread of disease. But it is equally important that the work of research should be actively developed. The Report draws attention to recent reports and memoranda embodying the results of research and experience, to the investigations now being carried on at the Ministry of Health's Pathological laboratory, and to other researches into problems affecting public health. The general impression produced by Sir George Newman's Annual Report is that, whilst there are many baffling problems which up to the present have defied solution, there has been very substantial progress towards a satisfactory standard of national health, but that much still remains to be done, largely because of the lack of an energetic public opinion. "It is the business of the

Public Health Service," as Sir George Newman rightly says, "to concern itself in all that saves life, that postpones the event of death, that reduces sickness and invalidity, and that increases human energy, enlarges its capacity and develops productivity. Thus it should contribute to the efficiency and happiness of life." "The public health," he goes on to say, "is the primary asset of the nation's welfare, whether measured by capacity, employability and production, or by length of days, or by personal wellbeing." It is, therefore, the duty of local authorities and of individuals to lend full and active support to the Public Health Service. It is equally the duty of industry to insist upon a proper social environment and the essential conditions of a healthy life for the mass of workers, partly because preventable disease and disability are intolerable burdens upon the national income, but partly because modern industry demands the highest possible standards of efficiency in those it employs. It cannot be denied that industrialists in the past have, with individual exceptions, shown little sympathy with public health developments, and that industry has often been careless of the health and vigour of its servants. But the stern call of the times demands the wholehearted adoption of new standards in industry. A perusal of the Report on the State of Public Health will bring home with great force the need for and possibilities of a new standard so far as the health of the people is concerned.

INDUSTRIAL PROFITS.

OUR quarterly figures of the profits of industrial companies show a further increase in aggregate net profits, the percentage increase in the past quarter, which covers the largest number of companies, amounting to over 11 per cent. During the past three months the reports of 492 industrial undertakings have been analysed in our weekly summary of profit and loss accounts, and the aggregate net profits for their past financial year, after payment of debenture interest, &c., amounted to £56,985,900, as compared with £51,283,900 earned by the same companies in their preceding financial year, an increase of £5,701,900, or 11.1 per cent. The majority of the profit and loss accounts analysed refer to the years ended December 31, 1924, or March 31, 1925, but some are for earlier or intervening periods. During the past twelve months the reports of 1,443 companies have been analysed, and these show an increase of 9.7 per cent. in net profits, as may be seen from the following table:—

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

	Number of Companies.	Reports Published in		Increase.	
		1923.	1924.		
Third quarter	214	£ 17,667,060	£ 18,029,800	402,740	2.3
Fourth quarter	312	26,142,899	29,616,628	3,473,729	13.3
First quarter	425	41,542,744	45,306,369	3,763,625	9.1
Second quarter	492	51,283,900	56,985,863	5,701,919	11.1
	1,443	136,636,643	149,978,660	13,342,017	9.7

At this time last year our analysis of the accounts of 1,406 companies showed an increase in net profits of 11.8 per cent. These percentages at first sight may appear rather large, but they assume lesser importance in the light of the next table, which shows the quarterly increases since the beginning of 1919:—

	1919.	1920.	1921.	1922.	1923.	1924.	1925.
First quarter	+10.4	+26.9	+6.5	-3.4	+11.4	+7.7	+8.1
Second quarter	-5.1	+37.8	+8.4	-33.7	+32.1	+3.0	+11.1
Third quarter	-3.4	+41.9	-42.4	-23.5	+65.2	+2.3	..
Fourth quarter	+10.5	+27.1	-52.9	+3.9	+11.4	+13.3	..

The heavy decreases disclosed in 1921 and 1922 have not yet been made good. Take the second quarters of the year, for example. If 1921 be taken as 100, the profits disclosed in the second quarter of 1922 will be approximately 66, in 1923 80.6, in 1924 83, and in 1925 92.2; so that the profits disclosed in the past quarter are nearly 8 per cent. less than in the same period of 1921, which, in turn, were over 8 per cent. lower than in the preceding year. This is, of course, only a rough approximation, for the companies are not identical from year to year, but we mention it in order that the impression may not be given that as a result of a number of successive

increases in profits the earnings of industry have now recovered to or surpassed the level of the post-war boom.

In the next table we classify the profits disclosed during the past twelve months into 20 groups of companies, giving a comparison with those of the preceding financial year:—

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

	Number of Companies	Reports Published in Year Ended June 30.		Increase.		Decrease.	
		1924.	1925.	£	%	£	%
Breweries	86	8,496,184	9,835,788	1,339,604	15.8		
Canals	8	522,409	530,767	8,358	1.6		
Electric Light & Power	42	4,330,133	4,749,863	419,730	9.7		
Gas	49	2,844,577	2,857,413			187,164	6.6
Hotels, restaurants, &c.	25	1,755,084	2,218,236	463,152	26.4		
Iron, coal, and steel	109	12,890,359	9,269,358			3,627,994	28.2
Land, mortgage, &c.	77	4,886,014	5,556,810	670,796	13.7		
Motor and cycle	27	652,848	1,301,626	648,778	99.4		
Nitrate	17	546,148	1,467,478	920,330	168.8		
Oil	16	9,933,170	11,875,539	1,942,369	19.6		
Rubber	274	2,592,369	3,846,401	1,254,032	48.4		
Shipping	28	5,188,698	5,984,577	795,879	15.3		
Shops and stores	51	5,713,180	6,413,760	700,580	12.3		
Tea	19	4,618,708	5,121,739	503,031	10.9		
Telegraphs, &c.	46	3,407,787	3,804,144	396,357	11.6		
Textiles	21	1,310,229	1,500,266	190,037	14.5		
Tramways	76	4,931,128	5,706,685	775,557	15.7		
Trust	27	846,854	859,074	12,220	1.4		
Water	266	46,778,627	52,211,466	5,432,839	11.6		
Miscellaneous							
		1,443,136,643	1,497,660,134	55,523,491	3.8		

The large decline shown by the iron, coal, and steel group, which contains 109 companies, is a reflection of the severe depression through which these industries are passing. Nearly two-thirds of the decrease is shown by 42 companies whose profits were disclosed in the past quarter. In contrast with these unsatisfactory figures is the increase of nearly 100 per cent. shown by the motor and cycle group, the British motor trade having been able to double its profits in spite of the removal of the McKenna duties. The nitrate group is prominent with a large increase, while the rubber companies make an excellent showing, with the price of rubber, of course, at less than half its present figure. The hotel companies have done well, partly, no doubt, owing to the British Empire Exhibition, while the increase in the shipping group is larger than might have been expected.

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

DISTRIBUTION OF PROFITS.

	Net Profits.	Ordinary Dividend.	Preference Dividend.	To Reserve, &c.
Third quarter 1924	18,069,800	10,737,274	59.4	3,255,099
Fourth quarter 1924	29,616,628	17,201,668	58.1	5,096,814
First quarter 1925	45,306,369	26,590,348	58.7	7,859,662
Second quarter 1925	56,985,863	32,673,351	57.4	12,997,105
	149,978,660	87,202,641	58.2	29,248,680
			19.5	33,527,339
				22.3

The sum of £33½ millions, equal to 22.3 per cent. of net profits, which was not distributed to shareholders, compares with £27 millions, or 20.3 per cent., twelve months ago. These amounts include not only specific reserve allocations, but also the differences between the amounts brought forward and the sums carried forward to next accounts. The larger percentage of profits going to preference shareholders in the last quarter is partly due to the fact that the companies concerned have proportionately more preference capital than those issuing reports in the preceding quarters.

The following table shows the method of distribution adopted by each of the groups:—

	Net Profits.	Ordinary Dividend.	Preference Dividend.	Carried to Reserve, &c.
Breweries	8,835,788	5,778,697	58.8	1,470,213
Canals	530,767	271,275	51.1	255,234
Electric light and power	4,749,863	1,422,408	29.9	1,041,752
Gas	2,857,413	2,326,957	81.4	530,456
Hotels, restaurants, &c.	2,218,236	913,343	41.2	375,177
Iron, coal, and steel	9,269,358	5,749,747	62.1	2,804,345
Land, mortgage, &c.	5,556,810	3,218,425	57.9	940,564
Motor and cycle	1,301,626	597,837	46.0	180,580
Nitrate	1,467,078	1,014,634	69.1	452,444
Oil	11,875,539	8,191,585	69.0	1,749,465
Rubber	3,846,401	3,238,480	84.2	66,781
Shipping	5,984,577	2,509,328	42.0	1,487,130
Shops and stores	6,413,760	3,065,170	47.8	1,751,463
Tea	5,121,739	3,480,574	68.0	970,689
Telegraphs, &c.	3,804,144	2,376,190	62.5	298,404
Textiles	1,500,266	554,944	37.0	587,879
Tramways	5,706,685	3,247,865	56.9	1,427,407
Trust	859,074	542,229	63.1	196,667
Water	52,211,466	29,903,338	57.3	11,745,965
Miscellaneous				
	149,978,660	87,202,641	58.2	29,248,680
			19.5	33,527,339
				22.3

The most conservative distribution is that of the Electricity group, which conserves nearly one-half of net profits. The motor section appears to be proceeding reasonably cautiously, but the rubber group hands over the bulk of its profits to ordinary shareholders. Apart from the tramway group, which reserves nearly 24 per cent. of profits, the public utilities make a poor showing. The oil group appears to distribute a high proportion in dividends.

In the next table we give the ratio to total ordinary and preference capital of net profits and of amounts reserved in each of the past four quarters:—

	Total Ord. and Pref. Capital.	Net Profits.	Carried to Reserve, &c.
1924.	£	£	%
Third quarter	186,170,600	18,069,800	9.7
Fourth quarter	260,143,703	29,616,628	11.4
1925.	£	£	%
First quarter	404,258,351	45,306,369	11.2
Second quarter	554,033,191	56,985,863	10.3
	1,404,615,845	149,978,660	10.7
			33,527,339
			2.4

The ratio of profits to capital has shown a steady improvement in the past three years, the figure a year ago being 9.9 per cent., two years ago 9.1 per cent., and three years ago 6.8 per cent. In July, 1921, however, a ratio of 13.2 per cent. was shown.

The average rates paid on the three classes of capital quarter by quarter since the beginning of 1922 are set out below:—

AVERAGE RATES PAID.

	On Debenture Capital.				On Preference Capital.				On Ordinary Capital.			
	1922.	1923.	1924.	1925.	1922.	1923.	1924.	1925.	1922.	1923.	1924.	1925.
1st quarter	4.70	4.61	4.62	4.63	5.53	5.57	5.53	5.53	8.55	9.2	9.6	10.5
2nd "	5.00	4.68	5.17	5.40	5.50	5.54	5.55	5.8	8.8	9.9	10.1	9.9
3rd "	5.21	4.90	4.77	5.28	5.5	5.4	5.5	5.8	7.6	8.8	9.0	9.9
4th "	4.83	5.03	4.94	5.2	5.5	5.4	5.8	5.8	8.6	9.6	10.0	10.0
Year	4.91	4.90	4.92	5.2	5.5	5.3	5.4	5.8	8.4	9.3	9.8	10.0

The average dividend on ordinary capital for the past quarter shows a decline in comparison with the first quarter of the year, but is a shade higher than the average for the calendar year 1924. The fluctuations shown in the rates of preference dividends for comparable periods are partly due to payments of accumulations of arrears.

The final table sets out the average rates paid by each of the groups during the past 12 months, together with the average rate of ordinary dividend shown in our article a year ago:—

	Debenture Capital.	Rate of Interest.	Preference Capital.	Rate of Dividend.	Ordinary Capital.	Rate of Dividend.	Rate a Year Ago.
Breweries	34,344,894	4.3	26,895,363	5.5	3,967,399	14.5	14.8
Canals	1,542,284	3.6	5,484,310	4.7	6,813,316	3.9	3.6
Electric lighting and power	20,057,944	5.3	18,504,655	5.6	20,871,597	6.8	8.2
Gas	11,107,636	4.1	8,997,019	4.4	41,693,482	5.5	5.5
Hotels, restaurants, &c.	5,122,040	6.3	9,897,681	5.3	9,173,070	9.9	9.2
Iron, coal, and steel	51,644,008	5.6	58,725,559	4.8	140,202,320	4.1	5.0
Land, mortgage, &c.	21,674,953	4.3	19,854,968	4.7	33,386,634	8.2	6.9
Motor and cycle	5,063,326	6.7	6,592,186	2.7	14,599,872	4.1	2.3
Nitrate	1,080,780	6.3	Nil		4,468,570	12.0	14.3
Oil	9,193,878	8.0	26,147,847	6.7	44,302,501	18.3	18.2
Rubber	1,762,125	7.1	1,194,224	5.6	46,623,794	6.9	6.9
Shipping	28,345,958	5.2	26,135,130	5.7	41,179,627	6.1	6.0
Shops and Stores	7,557,780	5.0	24,434,306	7.1	26,193,670	11.7	10.2
Tea	1,017,656	5.1	4,658,705	6.0	9,912,868	35.1	33.6
Telegraphs	6,234,551	4.8	6,443,889	4.6	27,538,202	8.6	13.4
Textiles	19,248,689	4.7	43,692,752	4.7	62,460,292	14.1	11.1
Tramway	12,240,536	4.6	11,847,337	5.0	13,916,499	4.0	5.2
Trust	37,069,848	4.2	35,616,482	4.1	40,346,807	8.1	7.2
Waterworks	3,565,187	4.6	3,843,833	5.1	7,584,803	7.2	7.1
Miscellaneous	65,874,244	5.6	189,929,418	6.2	234,797,758	12.8	11.4
	354,760,517	5.0	528,275,434	5.5	876,340,411	9.9	9.5

Six groups show a reduction in the average rate of ordinary dividend, the most prominent being the fall from 13.4 to 8.6 per cent. in the telegraph section. Increases in capital account partly for the lower average rate in the electricity group. Prominent increases are shown by the motor and tea groups.

THE BANKING HALF-YEAR.

In a previous issue we have set out the rates of interim dividend paid by the joint-stock banks for the past half-year, which in every case were the same as were distributed at this time last year. Beyond this we are afforded no indication as to the results of the operations of the past six months, as no profit and loss accounts are submitted with the half-yearly figures. Monetary conditions have been fairly favourable from a profit-earning point of view, the rise in Bank rate from 4 to 5 per cent. at the beginning of March being of more importance to revenue from advances than the previous rise from 3 to 4 per cent. which took place in July, 1923, for a minimum rate is usually charged for advances, which would come into operation in almost all cases when a 3 per cent. Bank rate is in force. The figures of average weekly balances of the Clearing banks have shown a steady expansion in the total of loans and advances, from which the banks derive a large percentage of their revenue. Furthermore, while the average rate paid on deposits was 2½ per cent., or ⅓ per cent. more than in the first half of 1924, the average rate obtained for short loans was 1 per cent. higher at a shade under 3½ per cent. The margin between the average market rate of discount for three-months' bills and deposit rate was 1½ per cent., as against 1½ per cent. in the corresponding period of last year. It would thus seem probable that banking profits were higher than they were in the first half of 1924, but it is quite possible that, with the continuation of the severe depression in many branches of industry, it has been found necessary to provide larger sums for bad and doubtful debts. No allowance has probably been necessary to meet depreciation in the market value of securities, and there seems to be no reason to think that ordinary expenditure has risen.

Turning to the figures of the half-yearly statements as at June 30th, we append a table comparing the aggregate figures of the "big five" banks with those of December 31st last and June 30, 1924:—

(Million £'s.)

	June 30, 1925.	Compared with Dec. 31, 1924.	Compared with June 30, 1924.
Paid up capital	60.6	— 0.2	+ 0.1
Reserves	48.7	— 22.7	+ 6.8
Acceptances and endorsement	79.8	— 20.6	— 9.7
Deposits (including undivided profits)	1509.0		
Total	1698.1	— 43.5	— 2.8
Cash, notes, balances at bank, and cheques in course of collection ..	252.4	— 10.2	+ 6.2
Ratio to deposits	(16.7%)	(— 9.5%)	(+ 0.5%)
Money at call and short notice	101.6	+ 3.0	+ 12.8
Investments	264.7	— 32.8	— 54.3
Discounts	188.4	— 18.6	— 31.5
Loans and advances	785.8	+ 37.2	+ 56.6
Premises and sundries (including cover for acceptances)	105.2	— 22.1	+ 7.4

The monthly figures of average weekly balances have indicated that these changes were taking place, the most prominent of which are the expansion in loans and advances and the decline in deposits. The monthly figures showed that the reduction in deposits was most pronounced in March, the figure for the nine English Clearing banks dropping by over £38 millions. In the same month advances increased by nearly £20 millions. These large movements were counterbalanced by declines of £9 millions in cash, of £13 millions in money at call, of £4½ millions in investments, and of £31 millions in bills discounted. The balance-sheet figures show that the increase in advances over the six months has mainly been met by sales of investments, there being a small reduction in cash, a slight increase in money at call, and very little change in discounts. Acceptances, which are substantially lower than they were six months ago, are still considerably higher than at this time last year.

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In the next table we show the changes in the items of the individual banks as compared with six months ago:—

COMPARISON WITH DECEMBER 31, 1924.
(Million £'s.)

	June 30, 1925.	Barclays.	Lloyds.	Midland.	National Provincial.	Westminster.
Deposits	— 2.0	— 3.0	— 9.1	— 1.5	— 5.0	
Acceptances	— 0.3	— 3.8	— 9.7	— 3.7	— 5.2	
Cash, &c.	— 2.0	— 5.1	+ 0.7	— 1.9	— 1.9	
Money at call	+ 0.1	+ 0.7	— 0.8	+ 2.2	+ 0.9	
Investments	— 4.3	— 15.6	— 6.7	— 2.9	— 3.3	
Discounts	— 5.5	+ 4.8	— 9.7	— 0.6	— 7.6	
Advances	+ 9.5	+ 12.0	+ 7.3	+ 1.6	+ 6.8	

An increase in advances and a reduction in investments is general, but the tendency is very marked in the case of Lloyds, whose investment holding is now £32 millions lower than it was twelve months ago, having dropped from £93 to £61 millions. This reduction has been made almost entirely in British Government securities, which now amount to £50 millions, as against nearly £82 millions at June 30, 1924. Only small changes are recorded by the National Provincial, but the Westminster shows the heaviest decline in deposits, and has met the increase in advances more by reducing bills discounted (which include Treasury Bills) than by selling investments. Barclays and the Midland have also substantially reduced their holding of bills.

The figures of the five principal provincial banks show less pronounced changes:—

COMPARISON WITH DECEMBER 31, 1924.
(Million £'s.)

	June 30, 1925.	Bank of Liverpool & Martins.	District Bank.	Lancashire and Yorkshire.	Manchester & County.	Williams, Deacons.
Deposits	— 3.5	— 3.3	— 1.1	— 1.5	— 2.1	
Acceptances	— 3.8	— 2.1	..	— 0.6	— 1.6	
Cash, &c.	— 1.8	— 3.1	— 0.8	— 1.7	— 0.6	
Money at call	+ 0.7	— 0.5	..	— 0.3	— 1.2	
Investments	— 1.5	— 1.8	— 0.1	— 0.3	— 1.0	
Discounts	— 1.2	— 0.3	— 0.6	..	— 1.1	
Advances	+ 0.3	+ 2.6	+ 0.5	+ 0.6	+ 1.8	

The same tendencies are shown here as with the "big five," the largest increase in advances being recorded by the District Bank, whose cash holding has been substantially reduced. The Bank of Liverpool and Martins shows a very small expansion in advances, accompanied by an appreciable increase in bills discounted. Both deposits and acceptances show a large reduction.

In the concluding table we show the ratios of the advances of the big five banks to their deposit liabilities at the dates mentioned:—

THE WORLD'S MERCHANT FLEETS.

THE publication of a new edition of Lloyd's Register of Shipping—the Domesday Book of the various merchant fleets—renders opportune a survey of developments in the size and structure of the world's mercantile marine. This year's Register Book puts the total tonnage owned in the world (excluding small craft of under 100 tons) at 64,641,418 gross tons, an increase of 617,851 tons, as compared with a year ago, but 524,820 tons below the "peak" reached in 1923. Since, however, sailing tonnage has declined by 248,385 tons in the last twelve months, and by 569,823 tons since 1923, the aggregate tonnage of steamers and motorships in June, 1925, reached the highest level yet recorded. In the following table the growth of British and world shipping—and, incidentally, the passing of "sail"—during the last 30 years is summarised:—

SHIPPING AFLOAT, 1895-1925.

Year.	Gross Tonnage (in Millions) owned in:—					
	United Kingdom.			World.		
	Steam & Motor.	Sail.	Total.	Steam & Motor.	Sail.	Total.
1895.....	9.7	2.4	12.1	16.9	8.2	25.1
1905.....	14.5	1.3	15.8	30.0	6.0	36.0
1915.....	19.2	0.3	19.5	45.7	3.5	49.2
1925.....	19.3	0.1	19.4	62.4	2.2	64.6

In each of the two decades ending with 1915, British tonnage increased by 3.7 million tons, while the total tonnage owned in the world rose by 10.9 and 13.2 million tons respectively in the two periods. The British share of the whole had fallen from 48 per cent. in 1895 to 40 per cent. in 1915, but (excluding sailing vessels) the merchant tonnage owned in this country had doubled itself in these 20 years. In the decade now concluded there is recorded an addition of 15.4 million tons to the world fleet, while the expansion of British tonnage is shown to have been completely arrested, the present British proportion of the world total being no more than 30 per cent. The effects of the years 1914-18 are still only too apparent.

The foregoing figures, however, include a quantity of Lake tonnage and of wood and composite steamers unimportant as a factor in international trade. The relative developments of the various national fleets is therefore more fairly presented in the next table, which comprises only sea-going steel and iron steamers and motorships. The fleets of Denmark, Norway, and Sweden are grouped under "Scandinavia," while the tonnage of Italy and Austria (the latter being now shipless) is, for comparative purposes, combined:—

SEA-GOING STEEL AND IRON STEAMERS AND MOTOR SHIPS.
(Thousands of Gross Tons.)

Country of Ownership.	June, 1914.	June, 1921.	June, 1923.	June, 1925.
U.K.	18,877	19,288	19,077	19,274
British Dominions	1,407	1,950	2,219	2,230
U.S.A.	1,837	12,314	12,467	11,605
Austria and Italy	2,480	2,378	2,788	2,894
Germany	5,098	654	2,496	2,993
France	1,918	3,046	3,265	3,262
Holland	1,471	2,027	2,606	2,585
Scandinavia	3,683	4,188	4,311	4,778
Japan	1,642	3,063	3,402	3,741
Other countries	4,101	5,129	5,308	5,423

World total..... 42,514 54,217 57,939 58,785

Comparing, first, the position in June, 1925, with that in June, 1914, it will be observed the bulk of the increase in the world total is due to the rise of 9½ millions in American tonnage, the other countries showing the largest increases being Japan, 2 million tons; Italy, 1.5 millions; France, 1.3 millions; Holland, 1.1 millions; and Scandinavia, just over 1 million tons. The British increase is less than 400,000 tons. Developments from 1921 to date—i.e., since the collapse of the war "boom"—indicate, however, that a process of attrition is beginning substantially to reduce the artificially inflated U.S.A. fleet, and that the expansion of French and Dutch shipping (on the evidence of the last 24 months) is being checked. On the other hand, the fleets of Japan and the Scandinavian coun-

tries show a consistently high rate of growth. Reconstruction of the German fleet has slowed down considerably, while the increase in the tonnage owned by the British Dominions and Italy this year, as contrasted with 1923, is much less than the corresponding increase in the two preceding years. It is satisfactory to note that, following on a decline between 1921 and 1923 the volume of British tonnage is now on the up grade again, and as a further corrective to pessimism regarding our shipping position, it may be pointed out that what Italy has gained Austria has lost, and that the combined tonnage of France, Holland, and Germany is now little greater than before the war, so that we can be said to have lost ground only to Scandinavia, Japan, and the United States. In the case of the last-named country, the trading losses of whose ships are notorious—some 4 million tons being laid up—the nominal figure of tonnage owned does not represent the "effective" position from the competitive aspect; Norway and Denmark are confronted with the loss of the advantage recently accruing to their shipowners from their comparatively low internal price levels; while the rise of Japan as a shipping power conforms to that country's general development, and in no real sense represents a "loss" to Great Britain. We still own five times as much tonnage as any other country except the U.S.A., and our supremacy as the world's greatest sea-carrier remains unchallenged.

None the less, when every allowance is made for "economically-defunct" American vessels, and for the 5 million odd tons of "tankers" included in the total world fleet, it is apparent that the cargo-carrying space available remains, as throughout the last four years, considerably in excess of requirements—as the present freight-depression demonstrates. This being so, considerable interest attaches to statistics, included in the Register for the first time, showing tonnage broken up. As compared with the pre-war normal rate, scrapping has recently proceeded as under:—

	Tons.
1908-13 (average)	171,000
1921	77,545
1922	315,110
1923	962,506
1924	1,174,258

During 1925 the process of breaking-up is stated to have shown a "decided falling off," due, one may imagine, to slower demand for scrap steel. Seeing that shipbuilding is likely to be limited, for the next few years at least, to replacement of discarded vessels, this recent diminution of "scrapping" is, from the aspect of shipyard employment, disappointing. From the point of view of shipping efficiency, it is also disconcerting to find that aged vessels are increasing, while the proportion of new ships declines. The following are the figures for the last four years:—

Year.	OLD and NEW SHIPPING (in Millions of Gross Tons).		25 Years Old and Over.	
	Under Five Years Old.	World Total.	British.	World Total.
1922	6.01	25.01	1.53	7.07
1923	5.57	21.93	1.56	7.42
1924	4.95	16.56	1.62	7.77
1925	4.92	13.09	1.65	8.25

That the British proportion of up-to-date tonnage should be increasing is satisfactory, but it is unfortunate that we should share the world's tendency to cling to vessels outworn and economically inefficient. It is perhaps significant that half the total "over-age" tonnage in the world is between 1,000 and 4,000 tons in size, the post-war tendency, as disclosed by Lloyd's statistics, being for larger vessels to replace this type of unit. In 1914 there were 3,608 vessels of over 4,000 tons; there are now 6,069. More recent changes in the composition of shipping can be seen from the following:—

SIZE OF UNITS.

Number of ships in the world of gross tonnage between:—

	A.		B.		C.		Total.
	1,000 and 5,000 Tons.	5,000 and 8,000 Tons.	8,000 and 10,000 Tons.	10,000 and 15,000 Tons.	15,000 and 20,000 Tons.	20,000 and 30,000 Tons.	
1921	10,048	3,315	727	14,090			
1923	10,226	3,580	791	14,597			
1925	9,977	3,622	823	14,422			

In the British fleet between 1921 and 1925 the numbers of vessels in Class A alone fell from 3,057 to 2,906; the numbers in Classes B and C rose respectively from 1,151 and 372 to 1,214 and 395. The larger units, usually run

as "liners," and belonging to the big shipping combines, are thus steadily replacing the smaller "tramp" type of vessel, many of which are now, as already shown, specially handicapped by excessive age, as well as by their haphazard and often wasteful system of operating.

Equally striking are recent changes in methods of ship propulsion. The percentages of the total world fleet propelled as specified hereunder may be thus summarised:—

	June, 1914.	June, 1923.	June, 1924.	June, 1925.
Steamers (coal-fired)	88.8	68.9	66.2	64.8
" (oil-fired)	2.6	24.2	26.8	27.5
Motorships	0.5	2.6	3.1	4.2
Sail	8.1	4.3	3.9	3.5

The percentage of oil-fired steamships has increased somewhat more than ten times since 1914, and the motorship percentage just under ten times. Since 1923, however, the increase in the proportion of oil-fired steamers has been 13.6 per cent., and of motorships no less than 67 per cent. With this evidence of the progress being made towards the greater efficiency and economy which the Diesel engine represents, it is satisfactory to find that, of the 2½ million tons of motorships existing, this country is by far the greatest single owner, operating at present 734,000 tons, against Norway, 325,000 tons; Sweden, 260,000 tons; Germany, 234,000 tons; and America, 216,000 tons. As a curious contrast to the generally progressive tendency of Japanese shipping, "Dieselisation" has made almost no progress in that country, Japanese-owned motorships totalling only 41,000 tons.

HALF-YEAR'S OVERSEAS TRADE.

In his statement to the House of Commons on the forestalling of the McKenna duties, to which we referred last week, Mr Churchill had prepared us for abnormal import figures in the June returns. The official statistics, however, show that it was not merely goods of the McKenna duty classes that figured to an exceptional extent. Imports of silk and silk manufactures also for reasons of forestalment were £5.8 millions against £1.8 millions in the previous June. Raw rubber imports also show a rise of over £1 million, owing largely to the rise in price. The result of these and other movements is that total June imports are £22 millions higher than those of a year ago. At the same time exports have fallen off by £3 millions. A summary comparison of the value figures reads as follows:—

MONTH OF JUNE.

	1924.	1925.	Increase (+) or Decrease (—) in June, 1925.	
	£	£	£	%
Imports	88,556,714	110,982,155	+ 22,425,441	+ 25.3
British exports	62,024,238	58,893,190	- 3,131,048	- 5.1
Re-exports	10,023,513	10,600,201	+ 576,688	+ 5.7
Total exports	72,047,751	69,493,391	- 2,554,360	- 3.5
Excess of imports over total exports	16,508,963	41,488,764	+ 24,979,801	+ 151.4

Coal exports account for nearly £2 millions of the export decline, while exports of iron and steel and manufactures thereof and of woollen and worsted goods and manufactures are each £1 million or more below the level of June, 1924.

A merchandise import excess for June of £41½ millions is certainly disquietingly large; but since some of the factors contributing to it were so abnormal, it is the figures of the past half-year's trade rather than those of the past month that provide a profitable yield for study. A summary of the value figures for the first six months of this year and last is appended:—

SIX MONTHS JANUARY TO JUNE.

	1924.	1925.	Increase (+) or Decrease (—) in 1925.	
	£	£	£	%
Imports	598,302,268	677,543,832	+ 79,241,564	+ 13.2
British exports	388,464,802	392,659,170	+ 4,194,368	+ 1.1
Re-exports	74,128,131	77,449,087	+ 3,320,956	+ 4.4
Total exports	462,592,933	470,108,257	+ 7,515,324	+ 1.6
Excess of imports over total exports ..	135,709,335	207,435,575	+ 71,726,240	+ 52.9

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The President of the Board of Trade told the House of Commons last week that for the twelve months ended May last the adverse balance on the merchandise figures was £395 millions, and the final balance, after allowing for all invisible items, about "all square." We may assume, therefore, that an import excess of £207 millions for the past six months—that is, at the rate of £414 millions per annum—leaves us no margin for investment abroad. In the past half-year, however, imports have been subject to a number of disturbing influences, such as price rises for wheat, wool, rubber, and tin, as well as duty-forestalling, that one may perhaps expect a rather less unhealthy movement in the balance during the remainder of the year. Some of the more striking import movements are shown below:—

	First Half of 1924.		First Half of 1925.	
	Quantity.	Value.	Quantity.	Value.
Wheat	cwt.	£	cwt.	£
Barley	8,417,933	3,941,663	4,603,338	2,962,862
Raw cotton	6,852,389	56,281,785	9,761,245	66,934,523
Sheep and lambs' wool ..	5,187,770	44,294,524	4,647,540	49,810,158
Raw rubber	701,953	4,024,512	760,214	6,113,706

While cotton prices have fallen, the effect of the price rises is clearly shown in the other items in this list. The composition of the £79 millions increase in imports in the half-year is as follows:—Food, drink, and tobacco, + £16.6 millions; raw materials and articles mainly manufactured, + £27.7 millions; articles wholly or mainly manufactured, + £34.4 millions. To this last-named figure of £34.4 millions the following are among the noteworthy contributions:—Non-ferrous metals and manufactures thereof—mainly semi-finished goods—+ £4.3 millions; silk and silk manufactures, + £5 millions (here the forestalling of the duty is the chief cause); vehicles, + £3,804,497—an important part of the increase being again due to duty forestalling. These examples are perhaps sufficient to illustrate the point that the increase of £34.4 millions under this class of imports by no means represents purely manufactured goods, and is also due to some important extent to non-recurring factors.

When we turn to the export side of the accounts, coal, of course, provides the most lamentable feature. In value coal exports were lower in January to June, 1925, than in the corresponding period of 1924 by £11.1 millions, while the drop, as compared with the first six months of 1923 was £23.5 millions. In quantity the coal exports in the first half of 1923, 1924, and 1925 respectively have been 50,415,430 tons, 38,002,992 tons, and 26,912,336 tons. The bunker coal figure for the past six months is 8,260,926 tons, against 8,608,033 in the first half of 1924, and 9,118,233 the first half of 1923. The progress, or backsliding, of some other leading exports is shown in the following table, which gives export quantities for the first half of this and the two previous half-years:—

	1922.	1923.	1924.	1925.
Iron and steel and manufactures thereof	1,539,938	2,215,643	2,024,549	1,831,556
Cotton yarns	106,309,100	70,225,700	87,485,600	96,815,500
Cotton piece goods	1,850,860,000	2,106,868,600	2,224,012,700	2,284,112,500
Woollen tissues	56,740,900	69,365,500	75,503,000	66,517,900
Machinery	187,675	224,755	215,509	253,721
Motor cars	1,347	2,258	6,124	10,594

Iron and steel, though the falling-off in the past two years is serious, is well above the 1922 figure. Imports, how-

ever, have risen very largely, the figures for the first six months of the past three years being 665,237 tons, 1,171,621 tons, and 1,396,182 tons respectively. The cotton export movement is upward, although woollen exports have receded. Machinery shows up well, and motor-cars, for a period when the McKenna duties were not in force, make an exceedingly good showing.

The bullion and specie figures for the first half of 1923, 1924, and 1925 read as follows:—

Imports.	Exports.
£	£
23,401,980	24,595,860
25,488,405	38,692,492
29,464,791	33,669,767

In May and June, the two months since the gold standard resumption, the gold figures have been as follows:—

	Imports.	Exports.
	£	£
May	2,650,224	2,634,393
June	5,620,459	1,616,455

The movements are insignificant compared with expectations.

The trade returns include figures of shipping engaged in the overseas trade. These show that in the past half-year the tonnage cleared with cargoes was 30,662,951, as compared with 31,561,345 and 34,910,322 in the first half of the two previous years respectively. An analysis of the chief value figures for June and the six months of this year and last will be found in the statistical section of this issue.

ELECTRICAL DEVELOPMENT COMPANIES.

The growth and development of undertakings catering for the requirements of those who have devised and planned our progress in the use of electricity is a subject deserving more space than we can spare in these columns. From cable-manufacturing companies to the General Electric Company and Metropolitan-Vickers may appear to be a big stride, but the connection will be more fully realised if the history of electrical development in this country is considered. To some extent the activities of those concerns which experienced the wave of prosperity arising from the laying of the network of cables encircling the globe have changed, and place is given to production of rubber tyres, &c. But although conditions have changed, it is quite clear that, given efficient directorates, these concerns can adapt themselves to the many changes which economic developments will dictate.

Companies engaged in these allied industries have enjoyed a good measure of prosperity during the past year. In order to illustrate the trend of operations, we have grouped together a number of representative undertakings, showing net profit over the past two years, also the amount brought in and how the available balance was utilised:—

Name of Company.	Year.	Amount Brought In.	Net Profit After Payment of Dividend.	Preference Dividend.	Ordinary Dividend.	Amount Placed to Reserve, &c.	Carried Forward.
British Insulated & Helsby Cables	1923	391,675	306,198	30,000	150,000	105,000	412,873
British Insulated & Helsby Cables	1924	412,873	323,244	30,000	150,000	334,407	221,710
British Thomson-Houston	1923	236,671	197,051	80,609	92,250	50,000	210,863
British Thomson-Houston	1924	210,863	225,433	81,376	50,000	211,920	211,920
Brush Electrical Engineering	1923	103,819	59,197	..	45,856	38,635	78,525
Brush Electrical Engineering	1924	74,918	63,365	..	45,856	15,000	77,427
Callender's Cable & Construction	1923	226,901	250,586	56,000	75,000	315,287	315,287
Callender's Cable & Construction	1924	315,287	308,208	56,000	75,000	462,695	462,695
English Electric	1923	68,983	112,439	50,464	61,244	..	69,714
English Electric	1924	69,714	127,698	59,014	64,481	..	73,917
General Electric	Mar. 31, '24	174,121	594,320	252,000	105,599	198,390	212,452
General Electric	Mar. 31, '25	212,452	791,455	252,000	158,398	379,253	379,253
Henley's (W. T.)	1923	323,988	187,843	9,000	97,500	26,156	314,176
Henley's (W. T.)	1924	377,925	127,033	9,000	130,000	0.582	480,396
Telegraph Works	Mar. 31, '25	3,592	56,344	12,500	37,500	39,278	10,658
India Rubber, Gutta Percha, &c.	Aug. 31, '24	10,658	101,317	12,500	37,500	40,000	21,975
Johnson & Phillips	1923	18,114	28,715	..	21,875	..	24,954
Johnson & Phillips	1924	21,954	105,838	..	50,000	..	77,792
Metropolitan-Vickers Electric	1923	105,310	140,963	73,980	71,775	15,000	85,518
Metropolitan-Vickers Electric	1924	85,518	178,808	77,314	69,626	25,000	92,386
Siemens Bros. and Co.	1923	127,310	70,452	45,000	..	..	152,762
Siemens Bros. and Co.	1924	152,762	187,641	32,875	112,500	..	195,028
Telegraph Construction & Maintenance	1923	114,085	128,714	..	89,640	30,000	123,159
Telegraph Construction & Maintenance	1924	123,159	111,343	..	89,640	30,000	114,862

† For 15 months.

Progress has been complete and general, since in every case the companies included in our list increased their net profits last year. In some instances the increases were of substantial amount, notably in the case of the General Electric, where the figure went up from £594,320 to £791,455, and the reserve was brought up to a total of £1,229,403 by the allocation of £172,386. This increase, the report states, "is largely due to the recovery of a pre-war debt." The directors, however, with a view to consolidating the position, have decided to apply the increase of £587,000 in liquid assets, together with a portion of the trading profits, "to writing off from the balance-sheet the two nominal assets—'Premium on purchase of Fraser and Chalmers, £110,000,' and 'Expenses of Issue of Mortgage Debenture Stock, £409,403.' The reserve account will then stand at the increased figure of £710,000." Another good achievement was that of Siemens Bros., whose net profits rose from £70,452 to £187,641. For 1923 the company was enabled to pay off six months' arrears of preference dividend; this time it is able to pay an ordinary dividend of 7½ per cent. Johnson and Phillips' profits rose from £28,715 to £105,838, those of the British-Thomson-Houston from £197,051 to £225,433, and those of the British Insulated and Helsby Cables from £306,198 to £323,244. The last-named company increased its reserve appropriation from £105,000 to £334,407. The companies have good reason to feel pleased with their year's work—a pleasure that will be heartily endorsed by shareholders.

We now tabulate the principal balance-sheet items, showing how they compare with the preceding balance-sheet:—

Name of Company.	End of	An Analysis of Principal Liabilities and Assets.						
		Share Capital and Reserves.	Debentures and Loans.	Creditors.	Properties, Plant, &c.	Stocks.	Cash and Investments.	Debtors
British Insulated & Helsby Cables	1923	1,960,000	729,856	770,973	977,184	977,972	1,102,876	902,457
British Insulated & Helsby Cables	1924	2,171,000	821,582	994,197	1,068,591	985,007	986,648	1,275,897
British Thomson-Houston	1923	3,700,000	1,624,055	1,082,328	2,294,175	1,724,830	819,782	1,526,736
British Thomson-Houston	1924	3,720,000	1,608,045	1,361,396	2,511,775	1,686,150	630,184	1,833,560
Brush Electrical Engineering	1923	683,563	300,068	152,464	532,695	237,229	281,406	216,776
Brush Electrical Engineering	1924	684,736	300,907	110,541	523,293	292,837	248,610	154,726
Callender's Cable & Construction	1923	1,425,000	317,272	592,370	646,661	274,143	638,844	1,027,332
Callender's Cable & Construction	1924	1,425,000	658,782	750,924	748,164	374,498	597,045	1,533,839
English Electric	1923	2,772,588	2,500,926	851,544	1,009,910	1,354,920	1,921,440	1,502,182
English Electric	1924	2,772,588	2,180,816	1,336,714	1,253,477	1,766,735	2,023,003	1,934,543
General Electric	1923	6,418,922	4,271,600	1,476,883	1,083,223	1,991,501	2,010,574	3,036,721
General Electric	1924	6,421,975	3,387,500	1,723,966	1,075,602	2,079,850	2,567,111	3,183,523
Henley's (W. T.)	1923	1,120,000	150,000	824,280	633,531	534,602	894,831	439,217
Henley's (W. T.)	1924	1,150,000	150,000	881,828	696,418	576,421	881,831	439,217
India Rubber, Gutta Percha, &c.	1923	1,180,000	400,000	435,603	752,189	329,967	661,481	371,193
India Rubber, Gutta Percha, &c.	1924	1,220,000	400,000	262,473	738,184	325,732	690,026	182,542
Johnson and Phillips	1923	567,943	348,165	140,902	343,728	372,063	166,963	218,712
Johnson and Phillips	1924	636,831	332,339	214,888	359,154	418,455	189,075	342,809
Metropolitan-Vickers	1923	2,845,000	1,036,353	1,361,986	1,157,525	1,724,040	1,002,687	1,536,088
Metropolitan-Vickers	1924	2,870,000	1,036,353	1,378,826	1,184,852	1,582,131	631,938	2,071,311
Siemens Bros.	1923	2,137,774	904,100	322,740	833,761	960,649	1,038,256	592,368
Siemens Bros.	1924	2,285,904	877,300	418,210	930,723	1,252,160	1,424,305	609,940
Telegraph Construction & Maintenance	1923	1,106,400	..	1,189,192	277,908	..	1,424,305	813,767
Telegraph Construction & Maintenance	1924	1,136,400	..	1,136,557	408,775	..	1,357,399	716,874

(a) Year ends March 31. (b) Shows position at end of 1923 and at March 31, 1925. (c) Year ends August 31.

The British Insulated and Helsby Cables has reorganised its loan capital. During the year it reduced the total of 4½ per cent. first mortgage debenture stock from £508,718 to £82,897, and the 5 per cent. second mortgage debenture stock from £203,874 to £27,146, but issued £700,000 of 5 per cent. mortgage debenture stock. The increase under the heading in the case of Callender's is accounted for by a gain in bills payable from £17,272 to £358,782. The report states that, in view of the rapidly expanding business, the existing capital resources are inadequate, and "the directors, therefore, consider that the capital should be increased by an issue of ordinary shares" to the extent of £200,000. The directors of Siemens also report that extensions have necessitated the use of further capital, so that during the year 250,000 10 per cent. preference shares were issued. Taking all the companies, creditors are higher, and a number of increases occurred in properties and plant. Changes under the heading of cash and investments are fairly numerous, as is to be expected with trade so active. The English Electric Company increased its holdings in subsidiary and other companies from £1,921,440 to £2,023,003, while sundry creditors have risen from £851,544 to £1,336,714. On the present occasion, however, this item includes a secured bank loan. The General Electric's interest in British Government securities rose from

£294,575 to £899,078, but the totals of both cash and investments of the Metropolitan-Vickers are lower. In the majority of cases debtors figure for more.

Our concluding table shows the highest and lowest prices of ordinary shares for year 1924, dividends for 1923 and 1924, and prices and yields at the end of June, 1924, and end of June, 1925:—

Name and Amount of Share.	Prices, Year 1924.		End of June, 1924.			End of June, 1925.		
	Hgst.	Lwst.	Div.	Price.	Yield.	Div.	Price.	Yield.
British Insulated (£1).....	2½	2½	15	2½	5 14 3	15	3½	4 16 0
British Thomson-Houston, 7% Cum. Pref. (£1).....	1½	1½	7	1½	6 4 6	7	1½	6 4 6
Brush Electrical (£1).....	1½	1½	10	1½	5 17 0	10	1½	5 17 0
Callender's Cable, &c. (£1).....	3	3	15	2½	5 18 6	15	2½	5 18 6
English Electric (£1).....	1½	1½	5	1½	5 0 0	5	1½	5 0 0
General Electric (£1).....	1½	1½	15	2½	5 11 9	15	3	5 0 0
Henley's (W. T.), &c. (£1).....	2½	2½	15	2½	7 5 9	15	1	15 0 0
India Rubber, &c. (£1).....	1½	1½	5	1½	5 6 9	10	2½	4 17 0
Johnson and Phillips (£1).....	1½	1½	8	1½	7 2 3	8	1½	6 18 3
Metropolitan-Vickers (£1).....	1½	1½	nil	1½	nil	7½	1½	5 14 3
Siemens Brothers (£1).....	1½	1½	nil	1½	nil	7½	1½	5 14 3
Telegraph Construction, &c. (£12).....	26½	22	110	24½	14 19 6	110	27	14 9 0

† Free of income-tax.

The prosperity enjoyed during the year 1924 has been reflected in the noteworthy advance that has taken place in share values. Prices are now well above the lowest of 1924.

The need of electrical development in this country and throughout the world has so often been pressed home to the public that there is a slight chance of the progress actually made being overlooked, on account of the many trumpet blasts. But it does not need much imagination to visualise the requirements of our railways alone years hence without taking into consideration the use of electricity in our households. Therefore it is reasonable to conclude that an efficiently managed company manufacturing electrical apparatus should have an excellent investment.

Notes of the Week.

The Coal Crisis.—The present position of the coal mining dispute is perhaps best described by a narrative of the disquieting events of the past week. The rejection by Mr Herbert Smith last week of the suggestion of Mr Evan Williams, the president of the Mining Association, for an interchange of views on the owners' proposals led to the mediation of Mr Bridgeman, the First Lord of the Admiralty, who interviewed both sides in an attempt to persuade them to reopen negotiations. The miners' leaders demanded the withdrawal by the owners both of the notice to terminate the present agreement and the proposals for a new agreement. The Mining Association regretted that it could not consent to the withdrawal of the notice, but Mr Evan Williams undertook to recommend the association to meet the Miners' Federation "in conference on an open situation, taking up the discussion at the point where it was suspended." This offer was unacceptable to the miners, and on Saturday, July 11th, the General Council of the Trade Union Congress, with whom the Executive Committee of the Miners' Federation had been in conference the previous day, issued a manifesto pledging "complete support" to the miners. In these circumstances, the Government, on July 15th, announced the appointment of a Court of Inquiry to investigate "the causes and circumstances of the dispute," and constituted by Mr H. P. MacMillan, K.C., Sir Josiah Stamp, and Mr W. Sherwood, the Prime Minister in making the announcement expressing the hope that it might be of some assistance. That day the South Wales Coalowners' Association, meeting at Cardiff, issued notices terminating all service contracts in the coalfield at the end of the month, but intimating at the same time that the pits would remain open from August 1st under new terms and conditions. Meanwhile, the Miners' Executive, which had assembled at Scarborough for the annual Conference of the Miners' Federation, was reconsidering the offer made by the owners to Mr Bridgeman to meet the workmen in conference on "an open situation," and Mr Evan Williams was asked by telegram if the Mining Association had adopted his recommendation,

and if such recommendation meant the withdrawal of the owners' proposals. In this communication no reference was made to the question of the withdrawal of the notice. On the following day Mr Williams replied that the proposals had not been withdrawn, that they still represented the views of the association in regard to the basis of a new agreement, but that the owners were prepared to meet the workmen's representatives and discuss any proposal they cared to submit. This reply extinguished a flickering hope of an immediate resumption of negotiations which Monday's telegram from the Miners' Executive to Mr Williams had raised, and on Wednesday the delegate conference adopted a recommendation of the executive expressing the willingness of the federation to meet the owners' representatives in an open conference "as soon as they have withdrawn their proposals," and rejecting the Court of Inquiry appointed by the Government. In the terms of reference to the Inquiry, the duty imposed on the Court is to inquire into "the causes and circumstances of the dispute," but the Miners' Executive are distrustful of the course the proceedings of the Court may take, and the communication made to the Government was that the miners "can accept no Inquiry that has for its object the ascertainment of whether mine-workers' wages can be reduced, or their hours extended, as these questions were fully discussed at the last Inquiry." The reply of the Government to this communication has not yet been published. The Court met yesterday, but adjourned to give the miners further opportunity to attend. A complete deadlock has thus been reached. Matters have gone too far to allow the owners to withdraw their proposals. The financial position of the industry is worse than it was a month ago, and the owners in some of the coalfields have already given effect provisionally to the proposal conferring autonomous powers on the districts to apply the suggested principles of a new national agreement. If the miners insist on a national agreement and on a minimum wage commensurate with the increase in the cost of living since 1914, it is difficult to see how now either a national or a number of sectional stoppages can be averted in August.

The Government and Economy.—At a dinner given at the Mansion House on Wednesday to the Chancellor of the Exchequer and the Governor and Court of Directors of the Bank of England, Mr Churchill made a speech which was important in several respects. It was remarkable chiefly for a cogent defence of the gold standard policy, and an exposition of the illusory, transient, and dangerous stimulus to be obtained by currency depreciation. At the same time, the Chancellor took the opportunity to deliver a survey of the economic situation, which, while not minimising present troubles, may serve as a corrective to the more extreme phases of pessimism. There was, however, one passage in his speech which gives rise to serious misgivings. This passage referred to the possibility of economy in public expenditure. We quote from the report in the *Times* of Thursday:—

The vested interests of expenditure were so strongly entrenched that it would take all the efforts of a united Cabinet to achieve even a moderate reduction next year. He would be misleading them if he led them to suppose that such a reduction is now in sight. On the contrary, they were endeavouring at present, not so much to reduce the total of expenditure, but to prevent that total being seriously increased by the dull tide of upward expansion. It was not until they had stemmed that tide and resisted the automatic growth of expenditure that they would be free to move forward into the more hopeful sphere of a positive reduction.

Such phrases as these, and their difference in tone from the promises of economy contained in the Budget speech, seriously detract from the satisfaction with which the appointment of a Cabinet Committee on retrenchment, announced in the House of Commons by the Prime Minister on Thursday, would otherwise have aroused. The question of Departmental expenditure was also to the fore in the debate on the Navy on the same day, in the course of which Commander Hilton Young, himself ex-Financial Secretary of the Treasury and a student of naval matters, roundly declared that "it was notorious in all naval circles that the dockyards of Chatham, Sheerness, and Pembroke were wholly unnecessary and excessive for the requirements of the Navy." He also demanded a reduction of the Admiralty staff—now 60 per cent. higher

than before the war, and reminded his fellow-members of the elementary truth, which most are apt to forget—namely, that “if we are sincere in our advocacy of economy, we must be prepared for economy not only in the other fellow’s estimates, but in those which we care most about.” Mr Bridgeman’s reply, weakened by the fact that he had no policy to announce, did not deny that economies could be made at the Admiralty, but somewhat naively stated that the Admiralty was not alone in this respect. “Let them make their cuts,” he solemnly remarked, “in all the Government Departments.” The Cabinet Committee should ask Mr Bridgeman to explain his views on the subject in detail. The Navy debate will, we hope, have a sobering effect on the present Cabinet deliberations on cruiser-building policy and the Singapore dock project; for the savings to be obtained by staff reductions are trivial in amount compared with those that may be effected by high Government policy.

Germany, the Pact, and the League.—The centre of international interest at the moment lies at Berlin, where Dr Stresemann is fighting for his life. Less fortunate than French Ministers, who have secured the adjournment of the Chamber and thus gained some months’ respite, Dr Luther and his colleagues are still plunged in full crisis as result of the threats of the Nationalists to withdraw from the Ministry altogether. Once more great international decisions are at the mercy of domestic differences of incomparably less importance. So far Dr Stresemann, who has to bear the full brunt of the attack, has weathered the storm, and appears to have gained the approval of the Cabinet for his reply to the French note. The situation must, for the moment, at any rate, be discussed on the assumption that this Note will make continuation of the Pact discussions possible. It may be doubted, none the less, whether the German reply will in itself carry matters much further. Even moderate Germans find so much to criticise in the Allied Note that the Cabinet will have all its work cut out to frame an answer which, without adopting a tone of hostile criticism, will emphasise the need for second thoughts on certain of the Allied, or French, suggestions, and at the same time keep the door well open for a continuance of the conversations. On the whole, the complaint that while Germany merely threw out certain broad principles as basis for discussion, the Allies have at once entered into practical and premature detail has little ground. A first step must be followed by a second, and the general must lead to the particular. There is more substance in the objection to the French proposal that France (and possibly other Western States) should act as guarantors of the eastern arbitration treaties, with, by implication, at any rate, the right to take immediate action in the event of those treaties being, in France’s opinion, violated, while the reservation of all the rights of forcible action embodied in the Treaty of Versailles is hardly calculated to secure the enthusiastic approval of Berlin. In an agreement in which the basis of the whole plan is arbitration, Germany is fully entitled to insist that no forcible action shall be taken anywhere without recourse to arbitration first, and if she takes that ground, as no doubt she will, it is hard to see how British opinion can refuse to support her. But far more important in its ultimate effects than any regional pact is the question of Germany’s entry into the League of Nations. If the Pact negotiations secure that they will have done their best work, and once Germany is in the League the Pact provisions will, for the most part, be superfluous. On the question of the League, public opinion in Germany may not have moved much, but official opinion, and, in particular, the opinion of Herr Stresemann himself, has undoubtedly moved a good deal. There is in such circles only one serious difficulty remaining, the old and familiar one involved in the rôle Germany might be called on to play in connection with the possible imposition of sanctions under Article XVI. of the Covenant. The strength of German opinion on that point has, on the whole, been underrated in Great Britain. The time, unfortunately, is short, if there is to be any hope of seeing Germany admitted in September, but so long as even a remote hope exists, every effort to clear away any outstanding obstacle must be made. Presumably the German reply will suggest a conference between the British,

French, and German Foreign Ministers. If it is declined by the Allies, any hope of seeing Germany a member of the League before September ends will have vanished. If, on the other hand, such a meeting does take place—and the obvious place and time are Geneva and the latter part of August—then there is at least a prospect, even if it cannot be called a probability, that the three apparently inseparable questions of the Pact, Germany’s entry into the League and the evacuation of the Cologne zone, may be liquidated by a bold stroke of statesmanship in time for a German delegation to take part for the first time in the work of the League Council and Assembly.

French Coal Output.—While the output of coal in Great Britain during the year ending May 31st was 92,000 tons less than during the previous twelve months, French coal production returns continue to show a steady increase in the monthly output. The total output of the French collieries for the first five months of the present year (writes our Paris correspondent) was 19,871,998 tons, as compared with 18,692,800 tons for the first five months of 1924, or an increase of 1,255,102 tons, equivalent to nearly 7 per cent. The average daily output of the mines (which stood at 136,147 tons in 1913, before the return of the Alsace-Lorraine pits to France), was 121,064 tons in January, 1923, 144,680 tons in January, 1924, 160,445 tons in January, 1925, and 159,530 tons in May. The number of men employed, which stood at 203,208 in 1913, and at 242,566 in January, 1923, has averaged 311,000 since the beginning of the present year. The progress of the reconstitution of the mines in the Pas de Calais and the Nord, which were wrecked by the Germans on their retreat, may be gauged by the fact that the average daily output during May was 95,005 tons, or 3,708 tons more than in 1913. Taking the pits that were within the French frontiers before the war, these alone produced a daily average of 141,758 tons in May, or 5,611 tons a day more than before the war. These figures suggest that, in view of the steady increase in the use of oil fuel for shipping and the progress that is being made in the scheme for replacing coal with electricity as a source of motive power on the French railways, there is little likelihood that this country will absorb in the future anything like the same amount of British coal as she has required in the past. During May the French coke plants produced 255,301 tons of metallurgical coke, and thus for the first time since the war exceeded the monthly output of 245,000 tons produced in 1913.

Iron and Steel Production.—The statistics of output just issued by the National Federation of Iron and Steel Manufacturers shows that the production of iron and steel continues to decline. Nine blast furnaces went out of operation during the month, leaving the number blowing at the end of June at 148. Production of pig-iron therefore also declined, and amounted to only 510,300 tons, compared with 574,700 ton in May. This figure is lower than in any month since November, 1922. The output of steel, which was partly affected by the Whitsun holidays, declined from 651,600 tons in May to 585,400 tons in June. The recent decline in the franc is not yet reflected in the import figures, which, in fact, fell slightly from 205,400 tons in May to 201,700 tons in June; the decline in exports was, however, much greater, and amounted to nearly 50,000 tons (from 322,100 tons in May to 275,700 tons in June). The following table shows the production, imports, and exports of iron and steel for the first six months of 1925, compared with the same period in 1924, from which it will be seen that the production of pig-iron declined by 11 per cent. and steel ingots and castings 15 per cent., while imports increased by 19 per cent. and exports declined by 9½ per cent.:

	Production.		Imports.	Exports.
	Pig Iron.	Steel Ingots and Castings.		
	Tons.	Tons.	Tons.	Tons.
1st six months, 1925.....	3,379,100	3,776,700	1,396,100	1,831,700
Do, 1924.....	3,795,000	4,451,500	1,171,700	2,024,500
Increase (+) or decrease (—) per cent.	— 11%	— 15%	+ 19%	— 9½%

While production continues to decline in Great Britain, output in France, Belgium, Luxembourg, and the United States continues at a consistently high level, as will be seen from the following table, which compares the output of these countries in the first six months of 1925 with the same period last year:—

Country.	(Production in Thousand of Tons.)			
	Pig Iron.		Steel Ingots and Steel Castings.	
	First Six Months.	First Six Months.	First Six Months.	First Six Months.
	1924.	1925.	1924.	1925.
United Kingdom	3,795-0	3,379-1	4,451-5	3,776-7
France.....	3,705-6	4,013-6	3,336-9	3,501-1
Belgium.....	1,346-8	1,538-7	1,392-3	1,458-5
Luxembourg.....	1,042-7	1,114-8	891-6	992-6
United States.....	17,429-1	19,010-5	19,649-0	22,499-0

Thus production in all countries except Great Britain was higher in the first half of 1925 than in 1924. Production figures are not available yet for Germany, although the Dawes Scheme laid it down that the publication of monthly figures of output should be resumed.

Employment in June.—There was a decline in employment during June. According to the *Ministry of Labour Gazette*, the total number of registered unemployed on June 29th was 1,368,000, as compared with 1,253,000 on May 25th, an increase of 115,000. At the end of June, 1924, the total was 1,049,000. Among the 11,500,000 workpeople insured under the Unemployment Insurance Acts, the percentage unemployed at June 22nd was 12.2 per cent., as compared with 11.2 per cent. at May 25th and 9.4 per cent. at June 23, 1924. The percentage of members of trade unions unemployed was 12.3 at the end of June, as against 10.1 per cent. at the end of May and 7.2 per cent. at the end of June, 1924. The table below gives the trade union figures for a number of past years:—

TRADE UNION UNEMPLOYMENT PERCENTAGES.									
	1913.	1919.	1920.	1921.	1922.	1923.	1924.	1925.	
End of—	%	%	%	%	%	%	%	%	%
January ..	2-2	2-4	2-9	6-9	16-8	13-7	8-9	9-0	
February ..	2-0	2-8	1-6	8-5	16-3	13-1	8-1	9-4	
March	1-9	2-9	1-1	10-0	16-3	12-3	7-8	9-0	
April	1-7	2-8	0-9	17-6*	17-0	11-3	7-5	9-4	
May	1-9	2-1	1-1	22-2*	16-4	11-3	7-0	10-1	
June	1-9	1-7	1-2	23-1*	15-7	11-1	7-2	12-3	
July	1-9	2-0	1-4	16-7	14-6	11-1	7-4	..	
August	2-0	2-2	1-6	16-3	14-4	11-4	7-9	..	
September ..	2-3	1-6	2-2	14-8	14-6	11-3	8-6	..	
October.....	2-2	2-6	5-3*	15-6	14-0	10-9	8-7	..	
November....	2-0	2-9	3-7	15-9	14-2	10-5	8-6	..	
December...	2-6	3-2	6-0	16-5	14-0	9-7	9-2	..	

* Excluding coal miners.

The increase in unemployment in June was due mainly to the decline in employment in the coal industry. There was also increased unemployment in the iron mining, iron and steel, shipbuilding, cotton, wool textile, jute, carpet, pottery, and brushmaking industries; but in a number of other industries, including tinplate and steel sheet manufacture, the linen industry and glass trades, minor improvements were recorded.

Cost of Living.—There was a slight increase during June in the cost-of-living index number calculated by the Ministry of Labour. Taking the figure for July, 1914, as 100, the cost-of-living for an average working-class family was 173 on July 1st, as compared with 172 on June 2nd. The monthly changes in the percentage increases over July, 1914, are shown below for a number of years:—

1st Day of	1918.	1919.	1920.	1921.	1922.	1923.	1924.	1925.
	%	%	%	%	%	%	%	%
Jan.....	85-90	120	125	165	92	78	77	80
Feb.....	90	120	130	151	88	77	79	79
March...	90	115	130	141	86	76	78	79
April ..	90-95	110	132	133	82	74	73	75
May ..	95-100	105	141	128	81	70	71	73
June ..	100	105	150	119	80	69	69	72
July ..	100-105	105-110	152	119	84	69	70	73
Aug....	110	115	155	122	81	71	71	..
Sept....	110	115	161	120	79	73	72	..
Oct....	115-120	120	164	110	78	75	76	..
Nov....	120-125	125	176	103	80	75	80	..
Dec....	120	125	169	99	80	77	81	..

The rise in the percentage in June was due to an increase in the food group from 66 to 67 per cent. above the pre-war level.

Petrol Consumption.—As the Customs authorities are now publishing the details of oil exports and re-exports under the headings of the different products to correspond with the headings of the oil imports, it is possible to estimate the consumption of motor spirit with a greater degree of accuracy. Imports of petrol for the half-year ended June amount to 217,199,299 gallons, as compared with 184,990,147 gallons for the corresponding half of 1924. Estimating the amount of petrol refined in this country at 20 per cent. of the amount of crude oil imported, the new supply of petrol for the six months amounts to 270,459,175 gallons, against 222,907,973 gallons for the first half of 1924. Exports of petrol refined in this country are shown as 22,455,905 gallons and re-exports as 21,059,955 gallons, as compared with 10,089,675 gallons and 17,747,889 gallons respectively last year. This leaves the net supply at 226,943,315 gallons for the first half of this year, against 195,070,409 gallons for the first half of 1924. Assuming that there has been no change in stocks, and that the amount of petrol refined from Scottish shale oil together with the amount of benzol refined from crude tar would increase supplies by about 8,000,000 gallons, we arrive at a consumption of 234,943,315 gallons for motor spirit this half-year, as compared with 187,070,409 gallons in the corresponding half of 1924, an increase of about 25 per cent. Seeing that the increase in consumption of motor spirit last year was nearly 30 per cent., the figures this year point to a very large trade. There is no doubt that the stabilisation of the price of petrol by the large distributing companies at the low level reached in September, 1924, has acted as a stimulus to the increase in motor traffic. The price of petrol has recently been advanced by some small merchants, who are anxious to advance in gasoline prices in the United States, but there is no indication that the large petrol distributors are contemplating any change in their prices, in view of the success of their policy of small margins on a high turnover.

The Rubber Boom.—A Stock Exchange correspondent writes:—Last Monday was a day which is likely to stand out for many years to come in the annals of the rubber share market as being one of the maddest that the Stock Exchange has witnessed since the outbreak of war. Over the week-end there was a sharp rise in the price of the raw material. The public’s appetite was evidently whetted by the Stock Exchange holiday on the previous Saturday, and, as soon as business started this week, it assumed proportions so gigantic as to defeat literally its own eager desires. Round the principal dealers in the market there surged impatient crowds of brokers and authorised clerks, anxious to buy rubber shares, and caring little what price they paid so long as they were able to execute their orders and escape from the heated furnace of the market ardour. One firm dealing in the smaller-priced varieties turned over 260,000 shares in the day, this excluding every order under 1,000 shares, and also leaving out of account a few lines running into 50,000 shares or more. Shares were quoted at different prices in different parts of the market. Not everyone was a buyer, but it seemed as though 95 per cent. of the brokers wanted to purchase shares. Considerations of merit in the shares dealt in were disregarded. The very fury of the movement led to the enthusiasm being spent and tired by the end of the day. The Government have definitely declined to interfere with the operation of the Stevenson restriction scheme. The present Chancellor of the Exchequer was the original author, it may be recalled, of the proposal to set up the Stevenson Committee. Mr Churchill must be watching with profound interest the result of his action, taken with the professed intention of saving the British rubber industry from destruction. The Government’s attitude, as enunciated in Parliament this week, is that the present high price of the produce will prove to be temporary. Common sense will endorse this official viewpoint. Rubber, no more than anything else, can for long command a price that offers a profit of 400 to 500 per cent.

for spot delivery. To-day's position is abnormal; the economic situation artificial. This the Government recognise, as do business men. The speculator and the gambler are struggling to make their fortunes before the boom shall break. Of some such fracture the market gave signs on Wednesday, when tens of thousands of shares were forced to market in consequence of a slight reaction in raw rubber. The supply became absorbed without much effort, and the market rallied. But the public had been given a brief object lesson in what can happen when the brake is applied to any wild buying movement. The people who have been selling Home Railway stocks, tobacco shares, Kaffirs—even the War Loan—in order to embark, at tolerably high prices, upon speculation in the popular market of the moment may find that even this risky policy may provide satisfactory results if the expected buying of rubber shares should materialise, next week, for the mid-August settlement. So long as rubber remains at anything like 4s per lb for cash, and at relatively high prices for later positions, there can hardly be a real slump in the market for rubber shares.

Agricultural Progress.—A correspondent writes:—The annual show of the Royal Agricultural Society affords an opportunity each year of a survey not only of the livestock interest, but also of the progress made in the application of mechanical ingenuity to the processes of the farm. The live-stock at the Chester Show were up to the usual high standard of quality, and the notable features were the predominance of dairy cattle and the continued multiplication of breeds. In the implement section the mole-drainer shown by John Fowler and Co. was the most important novelty. That the draining of land has been generally neglected for many years past is recognised, but its high cost at present is a serious deterrent. By this machine not only can the drain be bored, but pipes can be inserted without more digging than that of making pits or "lead holes" at intervals of 60 to 100 yards. The cost is reduced at from £4 3s 6d to £5 12s per acre, according to the width of the drains apart. These figures represent a saving of at least 50 per cent. One of the first-fruits of the Institute of Agricultural Engineering recently established at Oxford was a crop-drying plant shown by Gascoigne and Co., and applied to a hayrick. Hot air is generated and injected into a space formed in the interior of the rick. The idea seems sound, and it will no doubt be further developed. The silver medal of the society was awarded to three other new implements—a combined tractor harvester and binder shown by the International Harvester Company, a mower shown by Blackstone and Co., and a manure distributor shown by Birtwistle and Co. There were numerous other new implements, some of evident merit, which did not win the medal. It is clear that the makers of farm implements are alert in attempting to meet the needs of the times. Another sign of progress was the conference on the use of electricity in agriculture, held in the show yard under the chairmanship of Lord Bledisloe. The problem of the supply of cheap power to farms is not solved, though steady progress is being made in some districts. For its ultimate solution organisation over wide areas in a nationally co-ordinated scheme is needed.

Canada's Railway Problem.—For two months, writes our Ottawa correspondent, a special committee of the Canadian Senate has been holding behind closed doors an exhaustive inquiry into the country's railway problem, whose gravity has been steadily increasing each year. Under a guarantee that no statements or suggestions of witnesses would be published, a number of witnesses of the highest standing, including the presidents of the Canadian Pacific and Canadian National systems, Sir Herbert Holt, Sir Joseph Flavelle, Judge McKeown, the chairman of the Railway Commission, Sir Clifford Sifton, Mr D. B. Hanna, and some American railway experts, have freely expounded their views to the committee. Five alternative solutions were carefully examined, and the opinions of the witnesses about them invited. Four were rejected as politically or economically impossible, but the report of the committee recommends a fifth scheme as worthy of the Government's consideration. It proposes the amalgamation of the C.P.R. and C.N.R., under the

absolute control of a board of fifteen directors, of whom five would be nominated by the Government and five by the C.P.R. and the balance co-opted by these ten members. It suggests that the Canadian National system be re-valued on the basis of its earning power and its quota of capitalisation readjusted, that the C.P.R. dividend be guaranteed, and that any surplus over the C.P.R. dividend and the fixed charges on the new valuation of the C.N.R. be divided equally between the C.P.R. and the Government. Other issues are dealt with in the report, and it is understood that most of the witnesses took a very pessimistic view of the situation, and expressed the conviction that heroic remedies were necessary. The Senate as a body will probably not officially sponsor such a solution, but will urge the Government to give careful consideration to it or some alternative scheme of amalgamation.

The Rise in Copper.—A correspondent writes:—The feature this week in the non-ferrous metal markets has been the strength of copper, with a very marked expansion in the daily turnover. This is in accordance with the forecast made late in June, when it was suggested that the statistical position would bring about an improvement in the commodity. The dealings in standard copper since the beginning of the present month have been on a heavy scale, and this week sales of 1,500 tons to 2,500 tons have been recorded day by day. This has led to a further improvement in values, and at the mid-week session cash touched £62, with three months £63, electrolytic rising sharply to over £66 per ton. According to reports from the States, the copper market in New York is very firm, and rates have gone well above 14 cents per lb, both for nearby metal and for forward shipment. The June production goes to prove that the output is being kept down, and with deliveries well above current output the stocks at the close of last month were down to 81,250 tons, against 122,500 tons at the close of March last. There has thus been a shrinkage of well over 40,000 tons on the quarter, and this is certainly a bull point for the commodity. Recent offers for fairly big quantities of refined copper sent from this side to the States have been refused, and it certainly looks as though all the second-hand metal had been cleared off the market. There is, considering all things, a good demand for Continental account, and French business is becoming more prominent again. There are numerous schemes under contemplation, including electrifying railways and building cruisers, which will call for large supplies of copper, and thus the outlook for the commodity must be considered favourable, with every prospect of a further recovery in values once the industrial outlook is better again.

Furness, Withy, and Co.—A slight decrease in profits is recorded in the report of Furness, Withy, and Co. for the year ended April 30th last. The report mentions that, owing to the continued depression in the shipping industry, the profits are again derived mainly from other branches of the company's business and from dividends on investments. As will be seen from the table below, profits are now below the level of the years immediately preceding the war:—

	Total Profit.	Depreciation.	Reserve, &c.	Dividends.	Ord. Rate.
1908-9	£ 267,075	£ 114,897	£ ..	£ 166,361	% 5
1909-10	332,992	145,417	..	187,575	5
1910-11	440,732	179,603	50,000	220,620	7½
1911-12	653,207	240,000	125,000	270,620	10
1912-13	756,141	350,000	125,000	270,620	10
1913-14	620,928	350,000	..	270,620	10
1914-15	653,548	350,000	15,000	268,431	10
1915-16	1,386,960	350,000	300,000	463,125	20
1916-17	*787,564	350,000	200,000	456,250	20
1917-18	645,077	200,000	..	456,250	20
1918-19	747,661	..	300,000	452,500	20
1919-20	1,004,821	500,000	..	452,500	10
1920-21	782,944	300,000	..	452,500	10
1921-22	655,207	..	200,000	452,500	10
1922-23	552,511	200,000	..	356,250	7½
1923-24	572,443	200,000	..	358,122	7½
1924-25	528,742	200,000	..	358,122	7½

* After payment of two years' Excess Profits Duty.

Depreciation is again credited with £200,000, and the ordinary dividend is maintained at 5 per cent., with a bonus of 2½ per cent., both free of income-tax, leaving £187,259 to be carried forward, as against £216,637 brought into the accounts from the previous year. The balance-sheet shows that the item "steamships, investments in associated shipping companies, and payments on account of new tonnage" stands at £4,873,730, as against £5,402,906 a year ago. Investments in gilt-edged securities total £3,863,237, as compared with £3,661,073. Total assets are well over half a million higher at £12,677,391. A detailed analysis of the balance-sheet will be found in a later column.

English Sewing Cotton.—A substantial reduction in profits is shown in the accounts of the English Sewing Cotton Company, Limited, for the year ended March 31st last, the net profit being over £180,000 lower at £450,100. As will be seen from the table below, however, this figure is considerably better than the profit for 1920-21 and 1921-22:—

	1913-14.	1919-20.	1920-21.	1921-22.	1922-23.	1923-24.	1924-25.
Trading profits	£ 376,365	£ 794,136	£ 254,242	£ 414,915	£ 725,328	£ 712,352	£ 521,975
Dep. and deb. int.	65,843	64,012	64,497	66,754	72,530	72,647	71,846
Net profit	310,522	730,124	189,745	348,161	652,798	639,705	450,129
Brought forward	100,079	193,563	358,608	198,353	196,514	187,405	165,359
Amount available	410,601	923,687	548,353	546,514	849,312	827,110	615,488
Preference dividend ..	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Ordinary dividend	130,000	300,000	300,000	300,000	400,000	400,000	400,000
	(13%)	(15%)	(15%)	(15%)	(20%)	(20%)	(20%)
Reserves, &c.	125,000	415,307	..	..	211,907	211,751	11,682
Carried forward	105,601	158,608	198,353	196,514	187,405	165,359	153,796

* Includes £200,000 transferred from stock contingencies reserve.

There is a reserve fund for the equalisation of dividends amounting to £400,000, so that the directors appear to be justified in maintaining the dividend on the ordinary shares at 15 per cent., together with a bonus of 5 per cent. No allocation is made to reserve, but a transfer of £11,700 goes to pension fund. The balance-sheet shows a reduction of £80,300 in stock-in-trade, which, valued on the basis of cost or market value, whichever is lower, stands at £733,000. Investments in British Government securities figure at the substantial amount of £1,219,000, an increase of £49,000 as compared with last year, while cash is £33,300 higher at £72,200. Creditors have been reduced by £124,200 to £221,700, but £139,100, or or £117,300 more, is owed to subsidiary and other companies. An analysis of the balance-sheet will be found in another column.

British Celanese.—"Subject to the adequacy of the provision for depreciation, in our opinion the.....balance-sheet is properly drawn up." We extract these words from the auditors' report attached to the report and accounts of British Celanese, Limited, for the year ended February 28, 1925. Shareholders have little to congratulate themselves about, in spite of optimism expressed in the directors' report. It is true that belatedly appears the notice that "These accounts have been drawn up in a somewhat different form, and in more detail than heretofore, in order that shareholders shall have as full information as possible as to the position and progress of the business." It would be interesting to know from whence comes this sudden desire to enlighten shareholders about their own property. Anyway, the recognition that shareholders are entitled to more light is a welcome sign. Frankly, the accounts are not clear. In the accounts for the financial year 1924 we read the definite statement that there is a "trading loss for the year ended February 29, 1924," of £34,478. Yet in the accounts for 1925 it is stated that "the trading profit for the year under review amounted to £408,809, as compared with £101,559 for the previous year. This trading profit is, however, something in the nature of an optimist's hope, for we find that net profits are whittled down to £193,494, these finally disappearing by transferring them to a depreciation reserve. The report naively points out that "hitherto it has not been possible to provide for depreciation." Meanwhile the balance-sheet presents a sorry spectacle. Assets total £6,283,792,

THE MERCANTILE BANK OF INDIA, LTD.

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Reserve Fund and Undivided Profits 1,458,221

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

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showing a deficit of £565,827 when compared with liabilities. Out of these assets goodwill, patents, and patent rights account for £1,886,945. This item is taken at cost. In the accounts for the year ended June 30, 1920, this item is given as £1,884,678. Evidently the goodwill has not conducted to profits. We would suggest that when the depreciation reserve is to be allocated, this item should receive generous treatment. Although the prospectus of this concern, issued in March, 1920, held out promise of early success, and the board had "exact knowledge of the cost of manufacture," we ventured to point out at the time that the company had yet to prove that it could "produce artificial silk on a commercial basis." The balance-sheet is fully analysed on another page. We wonder if it has occurred to the directors that reconstruction might be a subject worthy of discussion.

Malayan Tin Dredging Results.—Our mining correspondent writes:—Three well-known companies of this group—the Tronoh, the Sungei Besi, and the Ipoh—held their annual meetings yesterday. The price of tin having ruled at an increased average during the period covered by the reports presented, the latter naturally show increased profits. In some respects, however, the operating results differ considerably. Thus both the Tronoh and the Sungei Besi (its subsidiary) turned out a slightly larger quantity of the metal than in 1923; but whereas the tin ore produced by the former company realised an average of £146 per ton, that of the latter fetched £152 12s. The profit from mining of the Tronoh amounted to £68,800, supplemented by £13,700 from realisation of investments. For 1923 the figures were £49,700 and £4,350 respectively. Payment of dividends totalling 5s. per share (against 4s.), left a balance of £63,500. This is carried forward, presumably to assist in the financing of the new area of 1,300 acres, although additional capital is to be raised by the issue of 25,000 shares on bonus terms. The fortunate shareholders are also receiving one bonus share in respect of every eight shares held. Investments figure in the balance-sheet at £161,000, an increase of over £30,000 on the year. The holdings are not specified, but at the date of the latest available information they included 300,000 shares in the Sungei Way, 71,800 in the Sungei Besi, 14,300 in the Kepong Dredging, and 16,500 (preference) in the Pengkalen. Last year's profit of the Sungei Besi, £46,200, showed an expansion of £15,600 upon that of 1923. The dividend total, however, remained at 4s. per share, the substantially increased balance of £30,500 being carried forward "in view of commitments in the acquisition of further areas." While this procedure will doubtless redound to the benefit of the shareholders in the long run, it has proved a great disappointment to those who purchased shares on the prospect of increased dividends in the near future. On the basis of the distributions of the past two years, the shares, even at 2½, yield no more than 8 per cent. Six months ago the price was around £3. Some people had expected that Ipoh would pay a final dividend of 1s 6d, or possibly even 1s 9d, per share. The actual declaration of 1s 3d made a total for the year of 3s 6d, as against 2s 6d for the twelve months ended March, 1924. The accounts show that a larger dividend could have been paid, a sum of £20,000 being placed to reserve. On last year's distributions the yield indicated is 10 per cent. Should the

metal maintain anything like its present enhanced price, increased returns may be anticipated for 1925-26. The directors intimate that of the total area of 518 acres owned, 123 acres have so far been worked out.

Transvaal Gold Output in June.—According to the figures published by the Transvaal Chamber of Mines, the gold output of the mines of the Transvaal declined from 813,249 ozs of fine gold in May to 780,251 ozs in June. The output for the month of June, 1924, was 773,053 ozs of fine gold. The following table shows the monthly output for the past six years:—

	1919.	1920.	1921.	1922.	1923.	1924.	1925.
	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.
January..	676,059	670,503	651,593	639,728	764,469	796,768	821,692
February..	636,728	625,330	558,137		704,970	760,617	753,925
March ..	712,379	707,036	671,123		761,586	795,671	825,479
April	694,944	686,979	681,382	511,338	743,651	768,923	787,519
May	724,995	699,041	687,775	629,786	786,564	809,003	813,249
June	702,379	715,957	678,490	675,697	755,309	773,053	780,251
Total 6 months	4,147,484	4,104,846	3,928,501	2,456,549	4,516,549	4,704,035	4,784,115
July	725,497	736,099	689,555	730,635	754,306	829,437	..
August ..	706,669	702,083	711,526	752,490	769,371	809,571	..
September	698,558	682,173	691,026	747,089	739,504	799,422	..
October..	723,722	662,472	707,825	778,159	793,842	827,583	..
November	677,970	633,737	704,236	764,476	780,639	802,313	..
December	650,791	632,815	661,847	790,712	778,849	825,273	..
Total	8,330,091	8,153,625	8,114,516	7,020,110	9,133,060	9,597,634	..

The following table shows the number of natives employed at the end of the last few months by members of the Witwatersrand Native Labour Association and Contractors:—

	Nov., 1924.	Dec., 1924.	Jan., 1925.	Feb., 1925.	Mar., 1925.	Apr., 1925.	May, 1925.	June, 1925.
Gold mines	177,733	177,292	180,970	182,099	179,061	176,188	172,982	169,810
Coal mines	15,183	15,121	15,279	15,530	15,634	15,823	16,180	16,474
Diamond	2,769	2,739	3,011	3,187	2,969	3,071	3,172	2,969
	195,685	195,152	199,260	200,816	197,664	195,082	192,334	189,273

The number employed at the gold and diamond mines again shows a decline.

THE eleventh International Fair will be held at Prague from September 6th to 13th.

Overseas Correspondence.

UNITED STATES.—STOCK MARKETS—THE OUTLOOK—COMMODITY PRICES—CROP PROSPECTS—TRADE.

(FROM OUR CORRESPONDENT.)

NEW YORK, July 9.

HAVING disregarded the California earthquake and 6 per cent. call money, the markets were called on to meet another test, and came through in impressive fashion. Quite unexpectedly, the suspension of a large Stock Exchange house was announced last Friday morning. The assets and liabilities involved were stated to run between \$30,000,000 and \$35,000,000, which placed the failure among the largest of its class. The difficulties of the firm in question, which was identified with large Chicago grain interests, were precipitated by the calling of bank loans. The volume of selling was not, however, large, and the market was not much worse than irregular. The irregularity that resulted from the announcement lasted, furthermore, for only an hour or two. The market, in other words, displayed a rather impressive ability to disregard an unexpected piece of bad news, a circumstance that argues well for its technical position. At the present moment it appears that the matter may be cleared up without a protracted receivership.

The bond market continues to display a steady tone, although events seem to prove that the huge reinvestment demand that centres around the turn of the half-year had been pretty well anticipated. Bond prices weakened slightly, in fact, toward the last of June as it became apparent that the dealers had stocked up with securities with which to supply their customers when the July 1st

funds became available. Since the first of the month the market has turned upward again, but the gains average out at relatively small fractions. Many shrewd observers now believe that the bond market will reach its peak in the fall, and then will ease off moderately as expanding business makes larger demands for capital. At the same time, some of these observers declare that after this reaction has run its course, the next rally will reach a higher top than will be seen this year. Altogether, there is a strong undertone of confidence with regard to the future of bond prices. The money market, meanwhile, has achieved the relaxation that was expected to follow the completion of the special early July transactions. Call money on the Stock Exchange, which reached 6 per cent. about a week ago, is now back to 3½ per cent. The other forms of money are unchanged, but, it must be remembered, these forms did not advance with the call rate. In order to meet the special demands of the period, the member banks increased their discounts with the Federal Reserve banks, and the latter entered the open market and bought rather freely of short-term paper, thus helping to keep the sensitive call rate from advancing too sharply. Circulation also expanded to supply the currency needed to finance the holiday. As a result of these things and of a loss of \$25,000,000 in gold holdings, the reserve ratio of the system fell 2.1 per cent. to 74.9 per cent. Changes of this kind are, however, quite normal to the season. The succeeding Federal Reserve statements probably will reveal a corresponding contraction as the effects of the July 1st demands disappear. Easy money until, and if, trade and industry pick up in the autumn, continues to be generally expected.

Both Dun's and Bradstreet's indices of wholesale commodity prices moved to slightly higher levels during June. The Dun index gained 0.4 of 1 per cent., and on July 1st stood at 162 per cent. of the 1913 average, as compared with 153 a year ago. The Bradstreet index gained 1.7 per cent., and came to 150 per cent. of pre-war, as compared with 133 on July 1st last year. The advance in the Dun index constituted the first gain since February 1st; that in the Bradstreet index followed an advance during May. These statistics suggest what is the fact—namely, that the movement of prices during the last month or so has been distinctly irregular. What is apparent, however, is that a clear-cut movement came to an end in the spring, this movement being a fairly sharp reaction that reflected the slackening in industry brought on by the rising prices of the post-election period and by the high production of the first quarter of the year. How irregular the price movement is may be seen from the fact that while breadstuffs fell sharply during June, this loss found an offset in a sharp rise in meats. The industrial groups of commodities were relatively little changed in June, textiles being up slightly and metals being off a little. If one were to say that the general level is holding relatively steady in preparation for a new swing in industry, and that fairly sharp group movements meanwhile are taking place in response to special circumstances, one probably would not go far wrong.

The Government report on the condition of the cotton crop as of June 25th proved quite a surprise. Earlier ideas of a big crop had been somewhat modified, particularly as the Government had just reduced the pars at which the estimate was to be made from 208 to 195 bales to the acre. Notwithstanding these things, the Government placed the indicated yield at 14,339,000 bales. This crop, if realised, would be the third largest on record. It would be exceeded only by the 14,885,000 bale crop of 1911, and by the high record crop of 16,135,000 bales that was harvested in 1914. The feature of the report was the enormous estimate of acreage, 46,448,000 setting a new high record for all time, and comparing with 42,641,000 a year ago. Rightly or wrongly, the market felt that the Government estimators had been inclined to give the benefit of the doubt to the farmers. As a result, it swung over from its expectation of a smaller yield to one calling for even the latest Government figures to be exceeded. Prices broke sharply on the announcement, the leading futures reacting about one cent a pound to about 23 cents. About two-thirds of the loss subsequently was recovered, the rally being helped by bullish weather reports.

This afternoon's Government crop report confirmed expectations of a big corn crop. The Department of Agriculture places the condition of the crop as of July 1st at 86.4. This compares with 72.0 a year ago, and with a ten-year average of 83.6. The estimated yield is placed at 3,095,000,000 bushels, which compares with last year's final of 2,437,000,000 and with a five-year average of 2,935,000,000. As corn is perhaps the most important to the farmer of all the crops, the Government's estimate will be interpreted as a bullish point on general business. The report also revealed an improvement in the estimated condition of the wheat crop. The condition of winter wheat is reduced from 66.5 on June 1st to 65.9, and the yield on this part of the crop is estimated 3,000,000 bushels lower at 404,000,000 bushels. The condition of spring wheat, on the other hand, has been marked up from 87.1 to 88.1, and the estimated yield has been raised from 254,000,000 bushels to 276,000,000. As a result the total yield of wheat now is placed at 680,000,000 bushels, as against 661,000,000 in the June 1st estimate. That the wheat crop is subnormal to date may be seen when these figures are compared with last year's yield of 873,000,000 bushels and with the five-year average of 837,000,000. However, there is still time for a further improvement in the crop, while it also must be noted that the farmers are receiving some 50 cents more a bushel for their wheat than they did a year ago. Altogether it would appear that the crops promise to be sufficiently good to support a satisfactory degree of prosperity throughout the country. With money plentiful and cheap, with industry well liquidated, with employment and purchasing power high, and with good crops, the prospects seem promising. However, there is little expectation that a business revival will develop inflationary tendencies.

Industrial news continues encouraging, although the normal quietness of the summer season prevents it from being decisive. The steel industry still is operating at close to 70 per cent. of capacity, and the producers are taking a firmer line in the matter of prices. They anticipate a good autumn business. Pig-iron prices still are at low levels; but here, too, sentiment among the producers is more cheerful. Automobile manufacture is showing the normal seasonal slackening, but output is holding remarkably high. Preliminary estimates for June suggest that about 370,000 passenger cars were produced during that month, a record that is only slightly below those established during April and May.

FRANCE.—BUDGET PASSED—NEXT YEAR'S BUDGET NEW TAXES.

(FROM OUR CORRESPONDENT.)

PARIS, July 15.

AFTER over nine months of discussion, the Budget Bill for 1925, which was originally drafted by M. Clementel, M. Herriot's Minister of Finance, in the hope that it would be passed into law by Christmas, was finally adopted after repeated all-night sittings, shortly before six o'clock on Monday morning, and has already become operative. Never, it may safely be said, has a French Budget Bill undergone so many vicissitudes and transformations. It has undergone modifications without end, not only at the hands of both Houses of Parliament, but also by three successive Finance Ministers, and its final passing has been due above all to the extraordinary persistence, grip of Parliamentary tactics, and financial genius of M. Caillaux, whom nobody believed a year ago would ever hold high office in the State again. The result of all the changes that have been made has been crystallised into the following figures, which represent the provisional aspect of the French national balance-sheet for 1925 (the word provisional being necessary because it yet remains to be seen what effect the supplementary credits that are sure to be asked for and the unexpected balances of the authorised credits will have upon these figures when the real final statement of the year's accounts is presented after the close of the present financial year):—

	Francs.
Estimated revenue.....	33,150,844,678
Estimated expenditure	33,137,180,618
Estimated surplus	13,664,060

Both M. Caillaux and his predecessor, it will be recalled, insisted that the Budget for 1925 must be a balanced Budget, and undoubtedly, in the qualified sense in which the term was used, the Finance Act of 1925 conforms to that stipulation. If "a balanced Budget" means one in which provision is made for all the authorised expenditure of the year to be met from taxation, which was the definition given to the term by both M. Clementel and his successor, then the claim put forward for the present Finance Act may be admitted as well founded. On the other hand, from the normal or British point of view, the French Budget cannot yet be regarded as having anything like attained what is usually regarded as a balance in the proper sense of the word. This, indeed, was recognised by no less an authority than M. Henry Bérenger, the *rapporteur général* of the Budget in the Senate, when he announced the final figures. "The Budget is sincere," he stated, "in the form in which it has been presented. But between the Treasury and the annual Budget there is still a difference of several milliards, including certain capital expenditures which do not belong to the Budget, but also certain disbursements which should be included in the Budget, which are still extra-Budgetary." Chief among these are, of course, the expenditure which still has to be faced in regard to the reconstitution of the devastated regions, and a large proportion of the necessary expenditure on war pensions. It was M. Caillaux's original intention to utilise the French share of the yield from the operation of the Dawes Plan for some of these purposes, and in his original revenue estimates he ignored entirely the fact that this country will receive a certain amount from this source during the current year. Under pressure of circumstances, however, he was ultimately compelled to incorporate the estimated yield from the Dawes Plan on the revenue side of his Budget, and leave the amount required for reconstitution and pension purposes to be found by other means.

It would be churlish, however, to condemn the Finance Minister on this ground. M. Caillaux, it will be agreed, has handled in a masterly manner the first part of the colossal task of restoring the national finances, and his unqualified success so far is an augury that he will have to a very large extent the support of all parties in the Chamber and the Senate—with the exception, perhaps, of the doctrinaire Socialists—in his efforts to carry out the remainder of his plans. His next step, which has already been authorised, is the issue of the new form of 4 per cent. bonds, which are designed to get rid of the perilous burden of floating debt constituted by the 56 or more milliards of National Defence bonds, by transforming them into Perpetual Rentes. The belief that M. Caillaux's brilliant efforts have already resulted in inspiring renewed confidence in investors has again been confirmed by the fact that on July 10th and 11th the total purchases of National Defence bonds in Paris alone exceeded the demands for repayment by 100,000,000f. Similar reports have been received from provincial France.

Although both Chambers have adjourned until October, the Finance Minister is already well advanced with his Budget for 1926, which he proposes to hammer through at any cost before the end of the current year, in order to avoid the costly expedient of *douzièmes provisoires* in the future. The net result of the eight monthly votes on account that have had to be asked for this year is that the Treasury, owing to the delay in passing the Budget into law, has been deprived of nearly three-quarters of the yield that would have been received from the new taxes had they come into operation on January 1st. To this end M. Caillaux, before the Decree proroguing the Chambers was signed, formally laid before Parliament his Budget Bill for 1926 in blank. By this means it will be possible for the Finance Commission of the Chamber to begin its work at once, and to consider the various credits as and when they are successively laid before them. It is probable the Commission will be convoked by the end of July, so that the Minister's further proposals may be thoroughly threshed out during the recess. These proposals will include those which M. Caillaux is understood to be framing for dealing with the inter-Ally debts.

The taxes imposed by the new Budget Act include many novelties, among them being an appreciable revision upwards of the schedule rates for income-tax on agricultural

profits, which have been brought approximately nearer to the level of those in respect of incomes derived from other industries. The amount of abatement allowed in respect of incomes derived from wages and salaries has been raised from 6,000f to 7,000f, and has been made uniform throughout the country, instead of varying according to population. A tax of 68f per head has been imposed on foreigners, who must procure an "identity card" (renewable every two years) if they reside more than two months in France, this being reduced to 10f in the cases of foreign wage-earners, "fathers or mothers of one or more French children," students and authors, the tax in the case of employees being payable by the employer. The scale of taxation on motor-cars is substantially increased. A tax of 20 per cent. is imposed on the total net revenue of all insurance companies. This replaces M. Caillaux's original proposal that 50 per cent. of all premiums should be handed over to the State; but it is understood to be intended merely as a preliminary step with a view to an eventual "participation by the State" in the profits of such "practical monopolies" as M. Caillaux regards the insurance industry to be. The adoption of this proposal was largely due to the revelation that for many years past most of the French insurance companies have escaped scheduled income-tax by carrying their profits to reserve and investing them. One company, which declared a loss on the year, admitted having 36 millions of invested reserves.

GERMANY.—VALORISATION OF BONDS—COMMERCIAL TREATIES AND TARIFF—TAXATION—CREDIT—CROPS.

(FROM OUR CORRESPONDENT.)

BERLIN, July 15.

THE amendment in Reichstag Committee of the Public Debts Valorisation Bill by reducing to half the already meagre dole to "new" bondholders caused a great stir here, and, judging by reports from London and New York, has evoked protests abroad. Immediately after the amendment was accepted, all bourses closed in protest for one day; and federal, state and municipal bonds are removed from the bourse quotation lists, dealings in them being forbidden. The Bankers' Association has also protested against the amendment. The ground of these protests is that the bonds were bought and sold for four months on the basis of Cabinet and party declarations that they would be valorised to a certain measure, and that the sudden reduction to half is a blow to confidence, and will damage credit at home and abroad. This view seems to be justified. But foreign protests based on the belief that "new" bondholders will suffer material losses from the amendment, and that in general they will lose on their investments or speculations, indicate misunderstanding. As reported last week, "new" bondholders (those who acquired after June 30, 1920) are to get 25 reichsmarks nominal of new "loan redemption debt" in exchange for 1,000 marks nominal of their old (paper-mark) loans, and the new bonds will bear no interest until after Reparations are paid. The original Bill promised 50 reichsmarks per 1,000. The Reichstag Valorisation Committee a week ago accepted a snap Socialist amendment reducing the amount to 25 marks. Thereupon began the protests. The protests from German quarters are, however, merely on principle. According to actuarial calculations (based on the present high rates of interest), the 50 reichsmarks originally to be given per 1,000 marks nominal have a present value of about 52 gold pfennigs. The original valorisation was, therefore, equivalent to repudiation; and only very large "new" bondholders would have found it worth their while to hand in their paper-mark bonds for exchange; in fact, the whole 50 milliards nominal which are officially estimated to be in "new" hands would have had a present value of about £12,500,000. Materially, and apart from the question of principle, the reduction to 25 reichsmarks is therefore of no importance. Further, the "new" bondholders will not sacrifice much except their expectations. The bonds were mostly bought in the expectation that the paper-mark would either itself increase in gold value or would be retained and fixed by financial measures at some

moderate proportion of its old gold value. In either of these cases the value of bonds would have automatically increased. The "new" bondholders invested practically nothing. Before 1923 bonds were quoted in paper-marks below par, there being no question of valorisation; a bond's then gold value depended only upon the value of the mark at the time of purchase. Before 1923 War Loan sold at around 80 paper-marks per 100 marks nominal. On the first bourse day of 1923 it sold at around 81. With the dollar exchange at 7,500, and the mark's depreciation 1,800 paper-marks to 1 gold mark, War Loan cost about 5 gold pfennigs per 100 marks nominal. When the mark exchange in 1923 began its runaway course, bond paper-mark quotations began to rise; but the gold prices remained microscopic, and at the end of the year War Loan (quotation, 50 milliard paper-marks per 100 marks nominal, at exchange of one billion paper-marks to one gold mark) was still selling at about 5 gold pfennigs per 100 marks. Between June, 1920 (the date qualifying "new" bondholders), and the end of 1922 the gold prices of bonds on the Bourse were also microscopic. "New" bondholders who acquired before 1924 will, therefore, lose nothing; they will make a profit of several hundred per cent. In 1924, when the Valorisation question first came up, gold prices of bonds rose considerably. At the end of 1924 War Loan sold at 85 gold pfennigs per 100 marks. As the holders will get "loan redemption bonds" for 2 marks 50 pfennigs in new currency, with an estimated present value of some 25 pfennigs, they will lose; but the sum here involved is wholly insignificant. On the average "new holders" will get much more than they invested. The real losers are such of the "old" bondholders as subscribed at first or bought when the mark exchange stood high, who to-day are promised only 12½ per cent. valorisation. The handling of the Valorisation questions by the Cabinet and Reichstag has not been skilful, but the foreign belief that some new drastic expropriation is involved by the amendment of last week is mistaken. The expropriation took place when the mark depreciated, and nobody except very badly informed speculators believed that it would ever be made good.

The Tariff Bill has made little progress. The Food Duties continue to dominate the question; but the Reichstag Commission of Inquiry has not yet rendered its report. Owing to the attitude of the Centre, it is doubtful whether the proposed minimum Food Duties can be imposed. The German Nationals insist upon the minimal duties, threaten to wreck the whole Bill if they do not get them, and oppose the suggested compromise of a sliding scale. The Foreign Minister desires to get the Commercial Treaties, in particular that with Great Britain, through the Reichstag at once, but the People's party has raised objections to the British Treaty. The pig-iron duties have been upheld in Committee, against Socialist and Democratic demands for a reduction. A mutual most-favoured-nation treaty agreement has been come to with Turkey, and a provisional agreement for four months with France admitting Saar iron duty free into Germany and admitting limited quantities of German goods into the Saar district. No understanding has been come to with Poland, and a trade war is under way. The provisional Commercial Treaty with Belgium proclaims in principle for mutual most-favoured-nation treatment; but for periods of six months or one year exceptions for certain goods are made, Belgium undertaking not to impose on these goods duties exceeding her minimum by more than 50 per cent., while Germany imposes her normal tariff on Belgian goods on her exception list. For other classes of goods both countries make concessions. The negotiations for the provisional Commercial Treaty with France have been suspended until September 15th, and until then both countries promise to take no aggressive trade measures. Meantime, the undertaking to admit French and Luxemburg iron does not come into force; but the question of Saar iron is provisionally regulated by the agreement mentioned above. The bounty payable upon iron exports has been increased from (for bars) 12½ to 15 marks per metric ton. The fund for these bounties is fed by producers themselves. Iron trade journals state that whereas bars here sell at 130 marks per ton, they are exported at 114 marks, or net (after deduction of cost of

water transport) 110 marks, a price at which, even, including the 12½ marks bounty, is below the home price and even the production cost. The iron and steel market, both home and export, is increasingly dull. In the coal trade further discharges of miners are reported: Coal output is as follows:—

	JANUARY to MAY INCLUSIVE. (Metric Tons.)		
	Coal.	Lignite.	Coke.
1925	54,673,980 ..	56,724,170 ..	11,820,616 ..
1924	42,397,564 ..	49,271,739 ..	8,461,936 ..
1913 (present area)	58,084,360 ..	35,041,459 ..	12,243,418 ..
(then area)	77,048,129 ..	35,041,459 ..	13,333,419 ..

No agreement has been yet come to concerning the distribution of the tax yield between Republic, States, and municipalities. The Sales Tax is to be reduced from 1½ to 1¼ per cent. A Cabinet Bill has been submitted freeing professional men and artists from Sales Tax on their receipts in so far as these do not exceed 1,500 marks per quarter. Concerning the beer tax, a compromise has been come to, under which the yield will be 40 to 45 per cent. above the present yield. The new tax rises from 6 marks per hectolitre on the first 1,000 h brewed to 9 marks per h on production exceeding 60,000 h. Money remained tight between the end of last month and the beginning of this week. Interest rates have fallen slightly in the last few days, but new tightness is expected, owing to the impending quarterly Income-tax and Sales Tax payments. The Reichsbank's report for the first week of July shows the usual decline in credits. Discounts fell by 112 million marks to 1,579½ million marks; circulation by 32 million marks to 2,422½ million marks. Gold cover was 43.6 per cent.; combined gold and exchange cover 58.2 per cent. The wholesale prices index number on July 8th was 135.8, against 134.9 one week earlier. Under a decision of the Reichstag Taxation Committee rents are to be raised to at least the pre-war level by April, 1926, and thereafter between 15 and 20 per cent. of gross rents will be taken for subsidising house-building. Bankruptcies in the first half of 1925 numbered 4,324, against 1,184 in the corresponding half of 1924. Bankruptcies now average about the same as before the war.

The crops report for July 1st shows a slight deterioration in conditions, due to drought. This in the main affected only spring sowings, and the index figures for all crops are still materially better than at the same date in 1924. With the exception of spring wheat and oats, all crops register as better than middling.

ITALY.—THE FOREIGN EXCHANGES SCORE—EXTRAORDINARY PAYMENTS FOR WHEAT—PAPER ISSUES STATIONARY—THE INTER-ALLIED DEBT PROBLEM.

(FROM OUR CORRESPONDENT.)

TURIN, July 4.

THE new turmoil has apparently spent itself. The past month was characterised by a continuous rise in the foreign exchanges rates, which eventually took a rather alarming turn. The financial world has been since February last in an excitable mood. I have endeavoured to describe in past letters the origin and the phases of the crisis so far as relates to bourses, quotations of joint-stock securities, losses of operators, and so on. Operators, when their mind was concentrated on the slowing-down of prices of variable dividends securities, were not alive to the undercurrents in the foreign exchanges. Meanwhile, little by little there was originating in the exchange market a very delicate situation.

In the year 1924 imports were exceptionally heavy:—19,388.4 millions lire against exports of 14,318.3 millions lire. The adverse movement was accentuated in the first four months of the present year:—9,088.3 million lire on the side of imports and 5,346.1 on the side of exports. The excess of imports over exports, which was 5,070.1 million lire in 1924, reached 3,742.2 million lire for the four months January to April, 1925. The most important cause of the adverse balance was the low wheat yield of the past agricultural year. In the four months from January to April, 1925, we were obliged to import 1,198,312 tons of wheat, against 582,865 tons in the corresponding months of the preceding year. The exceptional

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26 Old Broad Street 3 & 5 Place Vendôme

rise in the adverse commercial balance was not compensated by invisible exports. The number of foreign visitors in Italy is, indeed, increasing enormously, especially since April, in virtue of the jubilee year of the Roman Catholic Church. But we are feeling the pinch of diminished remittances of emigrants from America. In the first place, the quota of Italians admitted in the United States is ridiculously low; and, in the second place, emigrants already living in America are urged to deposit their savings in local savings banks, so that remittances to Italy may be diminished.

Against the increased need of foreign exchanges, importers were slow to cover themselves. When in the period January to April the price of the pound sterling oscillated between 115 and 117 lire, importers postponed covering, in the hope that the price to be paid might diminish. They preferred to borrow exchanges from month to month. Exchange borrowings were repeatedly prolonged, until early in June importers, seeing that foreign exchanges, instead of receding, continued to rise, suddenly took alarm. Then came a stampede, when, fearing still higher increases, everyone began to cover.

A second cause of the rise was the conduct of certain exporters, who, seeing sterling and dollars go up, preferred not to sell bills received in payment of goods sold abroad, in the hope of a more profitable sale later. The general public came third. When the pound reached 130 lire wild fancies spread: that the lira would be de-valued; that the Government planned the introduction of a new gold-lira, which the public assumed would mean outright cancelling of the present paper-lira. The beginning of official Washington conversations on the inter-Allied debt problems and the publication of the huge bill of \$2,133 millions presented by America instantly persuaded some people that we would never be able to pay, that the State was bound to bankruptcy, and that the lira would follow the German mark. From Saturday, June 27th, to Wednesday, July 1st, we lived days of true panic. People began to sell Consols at every price: old 3.50 per cent. Consols were to be had for 58 lire net, new 5 per cent. for 80, Treasury seven and nine-year bonds were offered for 80 lire, a price which in certain cases of bonds falling due in 1928 signified an investment at 12 or 13 per cent. July 1st was the blackest day, when Consols and Treasury bonds found no buyers, and the exchange on London ran almost to 150 lire, and on New York to 30.60. The reaction from the worst was sudden. Signor Mussolini promptly issued a declaration that the Government had not even thought of a gold-lira; and the Washington conversations were suspended until the Italian delegates could bring back from Italy facts and figures illustrating the effective ability of Italy to pay.

At this point reaction was imminent. Foreign exchanges receded; and at the time of writing (July 4th) the pound sterling is to be had for 133 lire and dollar for 28; old 3.50 per cent. Consols are up to 67.40; new 5 per cent. to 86.35; and seven and nine-year Treasury bonds to 91 lire. People are wondering how they were scared out of their securities at the level of 58 and 80 lire respectively.

Figures of total paper issues are as follows:—December 31, 1923, 19,674.3 million lire; June 30, 1924, 19,952.8. December 31, 1924, 20,514.2; May 31,

1925, 19,843.5. As long as the Treasury and banks of issue do not increase the quantity of paper issued, how can paper depreciate? In an editorial note, your newspaper wondered why Italy delayed, notwithstanding our good financial situation, to stabilise the lira at a fixed gold exchange. It is extensively felt in Italian financial circles that the problem of the stabilisation of the lira cannot be put on the practical stage until the problem of inter-Allied debt is settled. Very small sums can be paid by our taxpayers to the service of external debt. But Italy must know exactly where she stands before embarking on new monetary schemes.

AUSTRIA.—STATE FINANCES—ECONOMIC POSITION—VIENNA BANKS—FOREIGN CREDITS.

(FROM OUR CORRESPONDENT.)

VIENNA, July 1.

THE Austrian Government intends increasing the "Normal Budget" by another 50 million gold kronen, and hopes to get the consent of the League of Nations to this measure. On the other hand, the Government tries to cut down expenses by reducing the State's subsidies which were granted to banks and industries in order to facilitate the repayment of pre-war debts; the Treasury intends reducing these subsidies by S.14,000,000. Banks and industries, however, fiercely oppose this plan. During the next months a considerable reduction of the staffs of the various Ministries will be carried through. It is also intended to obtain savings by reforming the administration of the State forests and by reducing the interest of the Treasury in State enterprises, which, as, per example, the Arsenal, are working at a loss.

The most important feature to mention is that unemployment is slowly but steadily decreasing. Whilst on January 1st the number of unemployed was over 200,000, it amounts now to 120,000. This is mainly due to an improvement in the engineering, the shoe manufacturing, the building, and the food industries. In trade, however, the situation is still very unsatisfactory, and also the number of dismissed bank clerks is still increasing. But the decrease in the number of bankruptcies and arrangements with creditors shows that the economic depression is gradually lifting. In the banking business no failure at all has occurred for some time. Another instance of the improvement of the economic situation is the fact that a larger influx of foreign capital can be noted, and that the loan of 88 million gold kronen granted by the League of Nations for the electrification of the Federal Railways will supply a great part of the Austrian industries with orders for the next three years. The agreeable surprise that the League of Nations not only gave this amount free, but even found some encouraging words for Austrian reconstruction work, had a very favourable influence on public feeling.

During the month under review all the big Vienna banks have published their balance-sheets. The Credit-Anstalt, the Bodencreditanstalt, the Niederösterreichische Escomptegesellschaft, the Wiener Bankverein, and the Mercurbank are paying the same dividends as for last year, the Unionbank has reduced its dividend by a mere trifle, and even the Allgemeine Verkehrsbank, which for some time had to struggle against difficulties, has succeeded in overcoming them, and is paying a dividend of 3,000 kronen—against 5,000 kronen last year. The Anglo-Austrian Bank, however, will again this year pay no dividend. It must be considered that although the Vienna banks during the last year suffered considerable losses by the failure of the Depositenbank and by their action of supporting the Stock Exchange during the heavy and long slump, they were all able to write off these losses in the recently published balance-sheets. The banks also succeeded in notably cutting down their overhead expenses, by reducing their staffs, and closing down unnecessary branch offices. At present the business of the banks is satisfactory only in the foreign exchange and deposit business, whilst the issue and stock exchange business is still quite dull.

The Austrian Provinces, Upper Austria, Salzburg, Tyrol, Styria, and Carinthia, had arranged to contract a joint loan in the U.S.A., and had entered into negotia-

tions with two American groups. In the last moment, however, difficulties arose, and only Upper Austria concluded with a group formed by the New York bankers Messrs. Morgan, Livermore, and Co., and Messrs. Blyth, Witter, and Co., who have placed an issue of 5,000,000 dollar mortgage loan bonds in New York. The other provinces are still negotiating with another American group formed by Mr James Speyer, the Equitable Trust Company, and Blair. A number of Austrian industrial firms have succeeded in placing issues of 7 to 8 per cent. debentures in the U.S.A. The proceeds of these loans is nearly always used for paying off the debts contracted with Vienna banks, as the rate of interest to be paid for these American loans generally amounts to not more than 10-11 per cent., including all charges, whilst credits in kronen are still more expensive. Some industrial firms, however, are afraid to issue such debentures, as they are of the opinion that money conditions in Austria will improve before long, and are therefore not willing to contract long-term loans at a comparatively high rate of interest. Recently it could be noted that several foreign credits which were placed in Germany were, after the Stinnes crisis, withdrawn and placed in Austria.

ROUMANIA.—THE CROP SITUATION—EXPORT TAXES—BESSARABIA—OIL.

(FROM OUR CORRESPONDENT.)

BUCHAREST, July 1.

ECONOMICALLY, Roumania is practically standing still, waiting for the grain harvest. Commercial expectations run high for the autumn, but, at the moment, business is completely stagnant. The spring optimism in regard to crop anticipations is now undergoing what has come to be looked upon as the usual summer reaction, the Department of Agriculture's "provisional" figures on the autumn and spring plantings having turned out to be much smaller than anticipated. The published figures for the principal grains are as follows:—

(Areas Sown—Hectares.)

	1923-4.	1924-5.
Wheat.....	3,172,102 ..	3,065,781
Rye.....	271,454 ..	233,318
Barley.....	1,850,731 ..	1,407,037
Oats.....	1,236,580 ..	884,146
Maize.....	3,621,454 ..	2,286,148

Official reports state that the condition of the crops throughout the Old Kingdom, Bucovina, and Transylvania continues highly satisfactory, but that the crops in Bessarabia have been "compromised" by the long spring drought. Private reports, however, indicate that the Bessarabian crop is almost a total loss, and it is significant that the Government a few days ago arranged with the National Bank for the opening of a special credit of Lei 2,000,000 for provisioning the province. Foodstuffs are now being shipped to Bessarabia from the Old Kingdom, which, in turn, is still importing American wheat to tide over until the new crop comes in. Meanwhile, the Council of Ministers announced a few days ago that all grains from the new crop would be permitted for export, and that the export taxes would be determined later.

It is not so much spring droughts that are "compromising" Roumanian agriculture as the export tax on grain. The Roumanian peasant-farmers simply will not raise large surpluses of grain for export which, because of the export tax, they must sell at approximately 75 per cent. (or less in the case of wheat) of the world-market price. The greater part of the maize shown as having been exported from Roumania so far this year is actually Yugoslav maize that has been shipped out from Danube ports. Roumanian farmers cannot market their surplus of maize from last year's crop in competition with Yugoslav maize, because the Roumanian grain must stand an export tax. One direct result of this is that the area planted to maize this year is some 1,400,000 hectares less than in 1924.

Official figures on grain exports for the first quarter of the present year, shown in comparison with the same period of 1923 and 1924, are as follows:—

(JANUARY 1ST TO MARCH 31ST.)

(Metric tons.)

	1923.	1924.	1925.
Exports of grain from Roumania	335,607 ..	311,537 ..	212,237

While agrarian reform and grain export taxes have left their mark on the economic life of Bessarabia, just as they have on other sections of Greater Roumania, Bessarabia has been under the further handicap since the war of having been abruptly separated from its natural markets. Bessarabia before the war had a definite place in the economic life of Russia, and particularly that part of pre-war Russia which is now Poland. Since the war, however, trade has not been permitted between Roumania and Russia, and the bulk of Bessarabia's exportable products (all agricultural) must either surmount the Polish or Czechoslovak tariff walls or be absorbed by the Old Kingdom, which itself produces much the same commodities as does Bessarabia. It is a necessary re-alignment that is proving very difficult of accomplishment.

Oil continues to be the one economic activity in Roumania (with the possible exception of lumber) that is showing any distinct signs of advancement—due in large measure, no doubt, to foreign capital and enterprise. The following table shows the production of crude oil for the first five months of the years indicated, and the export of finished products for the first three months, these being the latest figures yet available:—

(Metric Tons.)

	1923.	1924.	1925.
Crude production, Jan. 1 to May 31 ..	636,630 ..	707,724 ..	872,257
Refined oil exports, Jan. 1 to March 31 ..	73,918 ..	61,962 ..	139,486

The export figures could be increased considerably if the Government would permit the export of fuel oil, the stocks on hand of which now approximate 250,000 tons, much to the embarrassment of the big refiners which have considerable storage and large amounts of capital immobilised by what now seems to be an entirely unjustified export prohibition. The oil companies have made repeated requests to the Government for permission to export fuel oil, but, so far, without avail.

JAPAN.—TRADE BALANCE—SILK MARKET—NORTHERN SAGHALIEN—TRUST COMPANIES.

(FROM OUR CORRESPONDENT.)

TOKIO, June 11.

THE foreign trade returns for the first five months of the year show that the value of imports totalled 1,298,516,000 yen, and that of exports totalled 802,407,000 yen, the excess of imports amounting to 496,109,000 yen. As compared with the corresponding period of last year, imports record a slight expansion, a falling off in value by 190,000,000 yen in iron and steel, timber, machinery, and other "reconstruction materials" having been set off by an increase in value by 200,000,000 yen in raw cotton, while exports are found to have increased in value by 140,000,000 yen, for which raw silk and cotton manufactures are mainly responsible.

Since the heavy imports season had practically come to an end by last month, these figures are sufficient enough to predict the whole balance of trade of the present year. Judged from the record of the past five months, it is inferred that, if the adverse effects on the trade of the present disturbance in China may not prove so serious, the balance of trade will possibly be reduced to about 350,000,000 yen. On the most favourable estimates, therefore, the year's final adverse balance of trade, after allowing for all the invisible items, which is nearly 100,000,000 yen, would amount to 250,000,000 yen in round numbers. This is a colossal sum for this country, and must be met with specie held abroad, which now leaves a very little margin to be available. The cardinal point in the country's financial policy is to minimise the payments abroad. The Treasury, forming an *ad hoc* committee, is considering how to make a substantial saving in its own payments abroad. The Government also intimates a strong wish that a very tight rein should be kept upon flotation of foreign loans by municipalities and business concerns.

The spring cocoon crops are arriving at the markets. They are quoted at 10.70 yen per kwan, being 4.50 yen higher than last year. This is accounted for by a smaller stock of raw material in the reellers' hands, poor crops

owing to the bad weather during the season, the encouraging tone of the trade at Yokohama, and the plentitude of the reellers' funds due to easy money. Financed by the bankers, who are eager to employ their idle funds, the reellers are buying heavily to replenish their stock. But the raw silk price to be worked out of the present price of cocoons should be over 2,000 yen per 100 kin, or about 50 yen higher than the ruling price at the Yokohama silk exchange. It is feared by a sober section of the business circles that the price is out of business calculation.

After a conference at the Premier's official residence on Wednesday, the Government and the representatives of the business interests came to an understanding about the organisation of "parties of exploiters in Northern Saghalien, to be named under the new Russo-Japanese treaty." The two companies, one for the oil concession and another for coal concession, are to be capitalised at 10,000,000 yen each. The first is to be known as the Saghalien Oil Company, and the second, for coal-mining, is to be called the Northern Saghalien Mining Company. According to the prospectuses, the oil company, with a paid-up capital of 4,000,000 yen, will earn net profits of 500,000 yen in its third business year, and pay 8 per cent. dividends on its shares, while the colliery company, with a working capital of 6,000,000 yen, can secure net profits of 131,000 yen in its third business year and pay the first stock dividends at 2 per cent. per annum.

An enlarged interest in the organisation of the trust company is now manifested in this country. Since the incorporation of the Mitsui Trust Company under the new law just a year ago, the Yasuda family of Tokio and the Sumitomo family of Osaka have followed suit. A few other financial families are said to be contemplating the establishment of such companies. The Mitsui Trust Company is paying 7.2 per cent. per annum interest on the money in trust, while the banks' interest on deposit is 6 or 6.5 per cent. The higher interest naturally appeals to the investing public, and consequently the trust money is rapidly on the increase at the expense of bank deposits. This is why the financial families are organising trust companies as the "flying column" of their banking institutions.



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Banks.				Foreign Government Securities.			
Bank.	Price Last Week.	Price 1st Week.	Rise or Fall.	Bank.	Price Last Week.	Price 1st Week.	Rise or Fall.
Barclays B. (61. f.p.d.)	24 1/2	24 1/2	0	Nat. Bank of S. Africa	7 1/2	8 1/2	+ 1
Chartered Bk of India	19 1/2	19 1/2	0	National Provincial	11 1/2	11 1/2	0
Lloyds (65 with 1/2)	3 1/2	3 1/2	0	(£20, with 1/2 paid)	11 1/2	11 1/2	0
Midland (62, with 1/2)	8 1/2	8 1/2	0	Standard of S. Africa	11 1/2	11 1/2	0
Nat. Bank of Egypt	31 1/2	31 1/2	0	(£20, with 1/2 paid)	11 1/2	11 1/2	0
				Westminster Bank	18 1/2	18 1/2	0
				(£20, with 1/2 paid)	18 1/2	18 1/2	0
Telegraphs.				Mines.			
Anglo-American "A" 24	24	24	0	Ashanti Gold (4)	8 1/2	8 1/2	0
Marconi Wireless 18	18	18	0	Brasserie (4)	3 1/2	3 1/2	0
Miscellaneous.				Broken Hill Prop. (4)	1 1/2	1 1/2	0
Aerated Bread (61)	1 1/2	1 1/2	0	Burma Corp. (Rs.10)	1 1/2	1 1/2	0
Amalg. Cottons (61)	3 1/2	3 1/2	0	Cam & Motor (4)	2 1/2	2 1/2	0
Anglo Persian Oil (61)	3 1/2	3 1/2	0	Central Mining (4)	1 1/2	1 1/2	0
Armstrong (Sir W.G.)	3 1/2	3 1/2	0	Chartered (4)	1 1/2	1 1/2	0
and Co. (61)	3 1/2	3 1/2	0	City Deep (4)	1 1/2	1 1/2	0
Ass. Ind. Cement (61)	3 1/2	3 1/2	0	Cons. Gold Fields (4)	1 1/2	1 1/2	0
Barker, John (61)	3 1/2	3 1/2	0	Crown Mines (4)	1 1/2	1 1/2	0
B'ham Small Arms (61)	3 1/2	3 1/2	0	De Beers Def. (4)	1 1/2	1 1/2	0
British Traction (100)	58	58	0	East Rand Prop. (4)	1 1/2	1 1/2	0
British-American	58	58	0	Geduld (4)	1 1/2	1 1/2	0
Tobacco (61)	58	58	0	Gov. Gold Areas (4)	1 1/2	1 1/2	0
British Controlled	58	58	0	Johannesburg Cons.	1 1/2	1 1/2	0
Oil (61)	58	58	0	Modderfontein (4)	1 1/2	1 1/2	0
Burmah Oil (61)	58	58	0	Modderfontein (4)	1 1/2	1 1/2	0
Coats (J. and F.) (61)	58	58	0	Modderfontein (4)	1 1/2	1 1/2	0
Courtaulds (61)	58	58	0	Modderfontein (4)	1 1/2	1 1/2	0
Cunard (61)	58	58	0	Modderfontein (4)	1 1/2	1 1/2	0
Dorman, Long (61)	58	58	0	Modderfontein (4)	1 1/2	1 1/2	0
Dunlop Rubber (61)	58	58	0	Modderfontein (4)	1 1/2	1 1/2	0
Fine Cotton Spinners	58	58	0	Modderfontein (4)	1 1/2	1 1/2	0
(61)	58	58	0	Modderfontein (4)	1 1/2	1 1/2	0
Forestral Land (61)	58	58	0	Modderfontein (4)	1 1/2	1 1/2	0
Furness, Withy (4)	58	58	0	Modderfontein (4)	1 1/2	1 1/2	0
Highlands and Low-	58	58	0	Modderfontein (4)	1 1/2	1 1/2	0
lands Rubber (61)	58	58	0	Modderfontein (4)	1 1/2	1 1/2	0
Hudson's Bay (61)	58	58	0	Modderfontein (4)	1 1/2	1 1/2	0
Imperial Tobacco (61)	58	58	0	Modderfontein (4)	1 1/2	1 1/2	0

ANALYSIS OF BALANCE-SHEETS.

ENGLISH SEWING COTTON.				BRITISH CELANESE, LIMITED.			
March 31, 1925.				February 28, 1925.			
LIABILITIES.	Amount.	Compared with Mar. 31, 1924.		LIABILITIES.	Amount.	Compared with Feb. 28, 1924.	
Ord. shares	1,000,000	0		Ord. shares	1,150,000	0	
4% 1st mort. deb.	967,271	0		7% deb.	700,000	0	
Creditors	221,677	-124,226		4% deb.	286,000	0	
Subsidiary cos.	139,091	+117,267		Loan	50,000	-25,000	
Pension fund	88,308	+10,059		Sundry creditors	220,124	+40,072	
Reserve	400,000	+100,000		Depreciation re-	193,494	+193,494	
Div. reserve	200,000	0		serve account.	193,494	+193,494	
Stock reserve	50,000	0					
Insurance reserve	465,489	-211,621					
Profit and loss	5,931,816	-8,521					
Total	5,931,816	-8,521					
MARCONI INTERNATIONAL MARINE COMMUNICATION.				FURNESS WITHY, AND CO.			
December 31, 1924.				April 30, 1925.			
LIABILITIES.	Amount.	Compared with Dec. 31, 1923.		LIABILITIES.	Amount.	Compared with April 30, 1924.	
Capital	1,192,726	0		Ord. shares	4,000,000	0	
5% 1st mort. deb.	57,300	-20		Prof. shares	1,500,000	0	
General reserve	268,014	0		Reserves	2,000,000	0	
Sundry creditors	367,167	+35,511		Sundry creditors	4,344,473	-615,281	
Profit and loss	91,199	-35,696		Profit and loss	187,259	-29,378	
Total	1,916,406	+795		Total	12,031,732	-645,659	

MIDLAND BANK, LIMITED.				LLOYDS BANK, LIMITED.			
June 30, 1925.				June 30, 1925.			
LIABILITIES.	Amount.	Compared with June 30, 1924.		LIABILITIES.	Amount.	Compared with June 30, 1924.	
Capital paid up, viz.—				Current, deposit, and other ac-			
2,869,079 shrs. of £12 each	7,172,697	0		counts	338,371,355	+2,238,801	
£2 10s paid	1,921,577	0		Acceptances, &c.	18,930,519	+3,462,352	
of £2 10s each, fully paid	4,804,193	+2,536		Capital paid up	14,372,956	0	
Reserve fund	11,976,890	+2,535		Reserve fund	10,000,000	0	
Current, deposit, and other accounts (in-							
cluding balance of profit and loss act.)	348,359,435	-10,057,391					
Acceptances & engagements on account of customers	29,482,109	-955,523					
Total	401,795,324	-11,007,843					
ASSETS.				ASSETS.			
Amount.	Compared with June 30, 1924.			Amount.	Compared with June 30, 1924.		
Cash	51,563,186	-3,243,009		Cash	48,214,179	+1,668,196	
Balances with, and cheques in course of collection on other banks in Great Britain and Ireland	17,760,013	+2,384,806		Cash at call and notice	22,548,452	+6,968,644	
Money at call & short notice	16,101,353	-2,228,918		Bills of ex-	48,684,415	+3,124,972	
Investments—				change	54,338,956	-31,848,206	
War Loan (£428,067 10s lodged for public & other accounts)	281,294	-26,251		Advances	6,581,138	+901	
War Bonds & other short-dated British Government Securities	34,404,445	-4,529,762		Acceptances, &c.	176,688,694	+22,422,813	
Stocks guaranteed by the British Government and Indian Railway guaranteed debts	675,809	+45,296		Bank premises	5,688,477	-98,519	
Colonial and Foreign Government Stocks and Bonds	189,389	-276,862					
Sundry Investments	96,633	-10,083					
Bills discounted	41,043,679	-6,323,607					
Advances	198,027,998	+3,414,842					
Acceptances	29,482,109	-955,523					
Bank premises	5,930,632	+346,421					
Belfast Banking Co., Ltd.—							
200,000 shares of £12 10s each, £3 paid	600,000	0					
Reserve and undivided profits	689,019	0					
The Clydesdale Bank, Ltd.—							
100,000 shares of £50 each, £10 paid	1,250,000	+349,818					
25,000 shares of £10 each, fully paid	250,000	0					
Reserve and undivided profits	1,351,040	0					
North of Scotland Bk., Ltd.—							
165,000 shares of £28 each, £6 10s paid	1,059,500	0					
Reserve and undivided profits	944,227	0					
The London City and Midland Executor & Trustee Co., Ltd.—							
200,000 shares of £5 each, £1 paid	200,000	+44,989					
Reserve and undivided profits	144,989	0					
Total	401,795,324	-11,007,843					

FURNESS WITHY, AND CO.				THE BANK OF TAIWAN, LIMITED.			
April 30, 1925.				(Registered in Japan, 1899.)			
LIABILITIES.	Amount.	Compared with April 30, 1924.		Capital Subscribed	Y80,000,000		
Ord. shares	4,000,000	0		Capital Paid Up	Y52,500,000		
Prof. shares	1,500,000	0		Reserve	Y14,180,000		
Reserves	2,000,000	0		Head Office - TAIPEH, FORMOSA.			
Sundry creditors	4,344,473	-615,281		London Office 25 OLD BROAD STREET, E.C.2.			
Profit and loss	187,259	-29,378		BRANCHES: Amoy, Batavia, Bangkok, Bombay, Calcutta, Canton, Foochow, Hankow, Hongkong, Keelung, Kobe, New York, Osaka, Semarang, Shanghai, Singapore, Soerabaya, Swatow, Tainan, Tokyo, Yokohama, &c., &c.			
Total	12,031,732	-645,659		and Correspondents in every principal town in the World.			
ASSETS.				The Bank is incorporated by a Charter and is under special supervision of the Imperial Japanese Government, issues its own notes in Formosa, conducts general Banking, and acts as Agents for other Banking Institutions. Deposits are received for fixed periods on terms which may be ascertained on application.			
Amount.	Compared with April 30, 1924.						
Steamships, investments in associated cos., and payments on account of new tonnage	4,873,730	-529,176					
Investments	5,863,237	-202,164					
Properties	287,104	-61,873					
Sundry debtors	1,569,725	-502,790					
Bankers' balances, &c.	1,437,936	+245,816					
Total	12,031,732	-645,659					

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

COMPANY MEETINGS, &c.

THE P. AND O. BANKING CORPORATION, LIMITED.
A CONSERVATIVE POLICY.

The fifth ordinary general meeting of the P. and O. Banking Corporation, Limited, was held, on the 10th instant, at 122, Leadenhall street, London, E.C.

The Right Hon. Viscount Inchcape, G.C.S.I., G.C.M.G., K.C.I.E. (the chairman), presided.

He reminded the shareholders that last year he had briefly set out the lines upon which, in his view, their policy should run. As a young bank they must, he said, go slowly, conserve their resources in their business, and build up their reserves, distributing their profits with cautious regard to possible vicissitudes which might arise in the trades they were financing. In this policy he was sure they, the board, would have the shareholders' complete agreement.

TRADE DIFFICULTIES.

Last year he had referred to the hopes expressed in some quarters of an early revival of trade. These hopes had not been realised; on the contrary, there was an even greater uncertainty now than there had been at that time, while in the last few weeks a new cloud, the trouble in China, had appeared on the horizon. In such conditions they would, he felt sure, endorse the board's view that it was wise and prudent to increase the bank's reserves rather than to distribute up to the hilt.

THE YEAR'S RESULTS.

The year's results showed very little material change, and they were indebted for the surplus on the year's operations to the efforts of the management at home and abroad. Their current and deposit accounts stood at £9,419,000, much the same figure as last year; and this important branch of their business was everywhere being steadily maintained. Liabilities on loans against security had been reduced to about 3½ million pounds; on the *contra* side, they had—in their cash money at call, £2,476,224—a satisfactory reserve of 26 per cent. against their liabilities on current and deposit accounts. Their investments, loans, and advances did not differ materially from last year's. The decline in the amount of bills in their portfolio on March 31st did not imply a decline in the bank's share of the financing of Eastern trade; on the contrary, their bill business to and from India and China had greatly increased, the turnover having been more than two and a half million pounds greater.

The past year had not been without its anxieties. Bad trade all over the world was bound to be reflected in a bank's business; but with a return of prosperity, peace in industry, and settled conditions, which they hoped soon to see, those banks which had conducted their business prudently would, he concluded, reap the reward of their prudence.

The Chairman then moved:—"That the directors' report and statement of accounts for the twelve months ending March 31, 1925, be, and the same are, hereby adopted."

Mr Alastair Cameron seconded the motion.

The resolution was unanimously adopted.

THE DIVIDEND.

The Chairman then proposed:—"That a dividend of 5 per cent. per annum, less income-tax at 3s 7½d on 259,416 shares, be, and the same is, hereby declared payable on July 16, 1925, to the members who were on the London and Bombay registers of the corporation respectively on July 3, 1925."

The Earl of Selborne, K.G., G.C.M.G., seconded the motion, which was carried unanimously.

The retiring directors, Sir Frederick Eley, Bart., Mr W. O. Grazebrook, the Hon. Alexander Shaw, and Mr Alastair Cameron, were unanimously re-elected directors of the corporation.

Messrs Peat, Marwick, Mitchell and Co. were re-elected auditors of the corporation.

A cordial vote of thanks to the chairman, the directors, the managers, and the staffs of the bank, both at home and abroad, terminated the proceedings.

GENERAL MINING AND FINANCE CORPORATION, LIMITED.
IMPROVED OUTLOOK.

The annual meeting of the General Mining and Finance Corporation, Limited, was held, on the 14th instant, in Johannesburg, Mr Arthur French (acting chairman and managing director) presiding.

The Chairman, in moving the adoption of the report, said: The very great improvement manifest in the affairs of the corporation during the past few years had been more than maintained, mainly by reason of the much enhanced prospects of some of the more important mining companies controlled by the corporation. A large proportion of this improvement was directly traced to the continuance of more efficient work on the mines, which had been so much in evidence since the management had been able with the reasonable co-operation of the workmen to organise the work without undue interference from irresponsible and extremist quarters.

This state of affairs encouraged us to acquire additional mining ground in the instance of all our gold-producing mines, which in each case promises to be remunerative to the company concerned. It also prompted us to increase very extensively the development programme on our largest subsidiary, West Rand Consolidated Mines, with very gratifying results, to which I will refer later.

DIVIDEND PROSPECTS.

The general reserve had been increased by £150,000 to the total amount of £250,000. The reasons which influenced the directors in adopting this course instead of declaring a dividend out of the profits of last year had been explained in the directors' report, and he could only add that the directors saw no reason to alter their considered opinion that the policy of conserving the resources of the corporation so as to place it in a better position to carry out its functions will eventually lead to a higher earning capacity, and thus ultimately be to the permanent benefit of the shareholders. This was the sole reason for the non-payment of a dividend last year, and as the financial position of the corporation had been adequately strengthened by the creation of a large reserve, he thought they could now look forward to re-entering on the dividend-paying stage in the early part of next year.

Turning to the profit and loss account, the chairman said the revenue from dividends—namely, £126,789—showed an increase of nearly £60,000 as compared with the previous year. Profit on stocks and shares of £55,752 reflected an improvement of £14,525. Administration expenses of £34,146 showed an increase of £11,524, owing to the necessity of employing a large staff to deal with the claims on the Custodian of ex-Enemy Property, and also because the amounts received from other companies showed a diminution as compared with the previous year. The net profit of £151,047 must be considered as highly satisfactory, as it reflected an increase of £50,714 over the previous year.

WEST RAND CONSOLIDATED.

The Chairman then dealt with the results of the operations of the mines controlled by the corporation since the beginning of the current year, and having dealt at some length with the West Rand Consolidated results, continued:—

As a result of the greatly improved outlook for the company, we are now considering a scheme for doubling the treatment capacity plant in order to effect a reduction in the present high scale of standing charges per ton milled, and thus increase both the profit per ton and the total profit.

When he mentioned that, by doubling the capacity plant to a total output of approximately 1,000,000 tons per annum, a reduction of 2s per ton in the working costs was anticipated, it would be seen that, even at the present grade of ore reserve, a substantial profit was likely to be earned by this company. More than this he did not care to say at the moment, except to repeat that the position was unquestionably most encouraging, and that the time when a scheme could be put forward for enlarging the plant

prove of considerable value to the company, particularly since they can be opened up and placed under attack without any additional shaft sinking other than that required for the development of the existing claim holding of the company. This huge property now consists of 2,135 main reef claims, of which 806 are also underlain by the battery reef.

The Cinderella Consolidated Company's negotiations with the East Rand Proprietary Company have not yet reached any finality, but the merging of two such large and important properties naturally involves a solution of difficult questions before arriving at terms satisfactory to both parties.

In conclusion, the Chairman said, it would not be an exaggeration to state that the corporation had never in its history been on stronger ground.

ARAMAYO MINES IN BOLIVIA COMPANY.

A VERY SATISFACTORY YEAR—LARGE DIVIDENDS DISTRIBUTED.

The fifth ordinary general meeting of Compagnie Aramayo de Mines en Bolivie was held on Tuesday, July 7, 1925, at the company's offices, 16 Quai de la Poste, Geneva, Mr A. Charpentier presiding, in the absence of Mr F. A. Aramayo, whose written report he read as follows:—

Ladies and Gentlemen,—As you have already seen from the balance-sheet and the directors' report, which you have before you, the balance of profit and loss at December 31, 1924, as remitted by the local administration in Bolivia, shows as the result of the year a profit of 5,534,201.83f. Exchange account was reduced during the year from 997,879.59f, at which it stood in 1923, to 651,268.78f, due to the continued enhancement of the Bolivian dollar in relation to the Swiss franc, it having risen from the equivalent of 1.70f to 1.75f. You will also see that this exchange account has totally disappeared from the balance-sheet, the amount of same having been deducted from the accumulated balance of profit and loss of previous years. The profit is also modified by the addition to the credit of interest upon investments, which amounted to the sum of 259,738.35f, as also by a small amount of local exchange in Geneva amounting to 212.85f, also by an item on the debit side for depreciation of investments which amounts to 31,932f. The net profit for the year is, therefore, 5,762,221.03f, against 4,798,608.87f for the previous year.

SALES OF VARIOUS PRODUCTS.

The sale of tin barilla during the period of these accounts was 2,202.35 tons at an average price of £125 8s 10d, against 2,590.62 tons at an average price of £101 3s 5d in 1923. The sale of silver sulphides was 939,895.756 ozs troy at the price of 35.5d per oz, against 815,798.42 ozs at the price of 33.7d the previous year. That of rich silver ore 418,898.83 ozs at 32.7d per oz, against 619,997.53 ozs at 29.7d in 1923. The sale of copper cement was 115.64 tons at an average price of £33 11s 6d, against 124.6 tons at £37 11s 10d in the year before. The sales of bismuth have risen considerably, although the price obtained was lower than that of the year before. The total production of barilla (60 per cent. concentrates) in the various mining sections of the company was 2,572.5 tons, as against 2,506 of the year 1923. The production of metallic bismuth in bars, residues, and export ores was 210,731 kilos, against 163,635 kilos and that of silver sulphides, export ore and copper cement amounted to 1,528,715.53 troy ozs, against 1,369,496.69 troy ozs in 1923. The cost of production of tin barilla has risen considerably principally owing to important development work which has been carried out in the San Bartolomé mine of Chorolque, and also on account of the heavy tax on mining profits which was imposed at the commencement of 1923. On this account the cost of production of tin barilla has increased from £64 12s 9d to £47 6s 8d per ton. The cost of bismuth has been reduced in comparison with that of last year on account of the greater production.

WORK ON THE MINES.

The total metres run during the year are 1,531.2, against 2,349.35. In the Chorolque section work has been limited to the sinking of the shaft in San Bartolomé, whilst in Chocaya it has been considered that development is sufficiently advanced to allow of a reduction in expenditure in this direction. This explains the important diminution in the total of metres run. There has also been a reduction in the Tasna section on account of the unsatisfactory state of the bismuth market, which has caused all superactivity in production to be considered unnecessary. It is only lately that conditions have changed for the better in the demand for bismuth, thereby permitting work in these mines to be recommenced. The new shaft in San Bartolomé is down to a depth of 71 metres. There has been no difficulty with water since its commencement, but a powerful pump has been installed to meet all eventualities. Development in the mine of Chocaya in both

silver and tin has been on the best of conditions. In spite of the reduction in the number of metres run, and of the increase in the amount of ore extracted, new reserves during 1923 have been prepared to the extent of 21,115 tons of a grade of 97.04 czs of silver to the ton, and 3.27 per cent. of tin over a mean width of 1.43 metres, which brings the figures of total reserves in this mine to 243,670 tons of ore with an average contents of 71.41 ozs per ton of silver and 5.6 per cent. of tin over a mean width of 1.18 metres. In this calculation the "Llampera" and "Judios" veins, rich only in silver, are included, which consequently brings down the average contents of tin. If these are not taken into account the average of the rest of the mine would be 6.32 per cent. of tin. The latest news as to the running of the Establishment of Telamayu is favourable, and very shortly extraction will be perfect.

CURRENT YEAR'S WORKING.

I have recently received the result for the first six months of 1925 which shows that as compared with the same period of 1924 the production of tin has increased by 281 tons, silver by 35,000 ozs troy, bismuth by 18 tons, and copper by 20 tons. The news concerning the increase in the ore reserves of Chocaya is satisfactory. There has been a reduction in the production of rich silver ore and this reduction will continue for the reason that it has been decided to treat the whole of the silver ore in Telamayu without selecting the rich silver mineral for exportation. I have pleasure in stating that the technical staff in Bolivia continues to give every satisfaction. In January, 1925, Mr Carlos Victor Aramayo returned to France on leave after having handed over the direction of affairs to Mr Malcolm Roberts, the consulting engineer of the company.

INCREASE OF CAPITAL.

As a great part of the accumulated profits over preceding years was already employed in Bolivia in the construction of the Telamayu establishment, and in the aerial ropeway, as also in the purchase of new mining properties, your directors decided at their meeting of October 6, 1924, to raise the capital of the company to 21,000,000f by the issue of 240,000 fully-paid shares. This decision was approved at the extraordinary general meeting of October 20th last. I may add here that we obtained the authorisation of the Bolivian Government to this operation.

DISTRIBUTION OF THE PROFIT.

In view of the result of the profit and loss account and balance-sheet which you have already had, your directors propose that you should approve the interim dividends paid during the year 1924, amounting to 21 per cent., upon the old capital of the company, to vote a bonus of 10 per cent. upon the capital as increased, to transfer to statutory reserve the sum of 300,000f, and to carry forward the remaining balance of 5,524,020.62f.

RESIGNATION.

And now, gentlemen, it is left for me to make a request which is painful, but which I believe necessary. In view of my age, and the care which my health now calls for, I must ask you to relieve me of my duties of director and managing director of this company, and I propose that you should replace me by my son, Mr Carlos Victor Aramayo, whose suitability for the position you are able to appreciate by the services which he has already rendered as general manager in Bolivia.

No questions being asked, and after the reading of the auditors' report, the following resolutions proposed by the Board were carried unanimously:—

1. The meeting approves the statement of accounts presented for the year 1924, and gives entire discharge to the directors, especially Mr F. A. Aramayo, as regards the management of the company's affairs in his capacity as managing director.

2. The four interim dividends, totalling 21 per cent., paid during 1924 on the old capital are confirmed.

The declaration of a bonus of 10 per cent. also for 1924, but upon the increased capital, which will absorb the sum of 2,100,000f, is approved, as well as the transfer to statutory reserve of the sum of 300,000f, and the balance of 5,524,020.62f is carried forward.

3. Mr Carlos Victor Aramayo is duly elected a member of the board in the place of Mr Felix Avelino Aramayo, resigned.

4. Messrs. Tribe, Clarke, Painter, Darton and Co., chartered accountants, are duly reelected auditors of the company for the year 1925.

The Chairman informed the meeting that the board had elected Mr Carlos Victor Aramayo as managing director of the company in the place of Mr Felix Avelino Aramayo, and asked the meeting to confirm this appointment.

This appointment was unanimously confirmed, and Mr Charpentier expressed the unanimous regret of the meeting that for reasons of health Mr Felix Avelino Aramayo was obliged to relinquish his position in an enterprise which had been the work of his life, and to which he had devoted the whole of his strength and abilities. The meeting expressed the hope that at some future

date he would be able to again occupy the position which he had held with such distinction and competence.

Mr Charpentier also welcomed Mr Carlos Victor Aramayo, and expressed the hope that in following the footsteps of his father he would conduct the company's affairs as brilliantly as the former chairman and managing director.

Mr Carlos Aramayo thanked the chairman on behalf of his father and of himself.

The meeting unanimously decided to forward to Mr Felix Aramayo a telegram of regret, and also expressed their warm thanks to Mr Malcolm Roberts, the company's consulting engineer, and the staff in Bolivia for their continued able services.

The Chairman informed the meeting that the board had decided to pay a third interim dividend on account of the current year, payable on August 1st next, together with the bonus of 10 per cent., to all shareholders. That is to say, as far as the registered holders are concerned, to all those on the register of the company on July 21st.

The proceedings then terminated.

ANGLO-CYLON AND GENERAL ESTATES COMPANY, LIMITED.

RECORD TEA CROP.

The thirty-ninth annual ordinary general meeting of the Anglo-Ceylon and General Estates Company, Limited, was held, on the 16th instant, at 6, Laurence Pountney Hill, London, Sir Edward Rosling (the chairman) presiding.

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

The Chairman, in moving the adoption of the report and accounts, said: The tea crop in Ceylon again shows a satisfactory increase on the previous year of 329,075 lbs, a total of 3,581,234 lbs having been harvested. Our previous record crop was in 1916-17, when 3,453,372 lbs was made from estate leaf, but since that date there has been an increase in our acreage under tea. The quality of our tea has been well maintained, so far as climatic conditions would permit, and the net price realised was a shade under 1s 6d per pound, as compared with a trifle over 1s 4½d in the previous season.

The disappointing feature is that, in spite of the increased crop, there is again an increase in the cost of production. The actual cost, including general cultivation and manufacturing charges, is little more than in the previous season—namely, 54.45 cents, as against 53.32 cents, but the rise in exchange accounts for 1.36d, the increase in the cost of rice for .28d, and the maintenance and renewals of buildings for .57d. Exchange and rice are beyond our control, as is, to a certain extent, the expenditure on buildings, in that we are required to bring up all labourers' dwellings to a certain standard as laid down by the Government. In addition, we have continued the policy of gradually bringing our factories and bungalows up to date. Our cacao crop was again a good one, giving a total of 6,284 cwts, as against 6,032 cwts in the previous season.

RUBBER CROP.

The rubber crop was 202,531 lbs, but our exportable allowance was only 178,207 lbs, which netted 1s 3½d, an improvement of nearly 3½d per pound. Our standard production is 285,279 lbs, and if the price remains at 1s 6d for the current season we shall be allowed to export nearly 77 per cent. of our standard, which would be an increase of 42,000 lbs on last season. We have sold forward approximately half our crop for July-December at 2s 3d, and about half our crop for January-December, 1926, at the equivalent of 2s.

In regard to our acreage, small additions to our Ceylon estates have been made at Delmar, Niriella, Kondesalle, and Mahaberiatenne, and since the close of our financial year we have purchased the remaining quarter of Nilloomally, so that the whole estate now belongs to us, and after this the small acreage known as Ellerton will be included as a division of Nilloomally.

In Mauritius there has been an addition to Highlands by the purchase of 118 acres, part of the St. Antoine estate.

The year's working results in a profit from the Ceylon estates of £87,564, an increase of over £8,000 as compared with the previous year. There is an increased income from interest, commission, &c., of rather more than £2,750; this account now shows an income of over £25,000. The Mauritius account shows a loss of £9,667, and the London expenses an increase of rather over £700, or practically the same as in the season 1922-23. We have also utilised £10,000 out of our machinery improvement account by the purchase of a new third mill and a new millhouse for our Britannia sugar estate.

CURRENT YEAR'S PROSPECTS.

In regard to the prospects for the current year, given a normal season we would expect our tea crop to be maintained at last year's

level, if not increased. The market for Ceylon tea is practically the same as a year ago, and there are at present no indications of any material change one way or the other, but much depends on what sort of crop India produces. As our main cacao crop is harvested towards the end of our financial year, any forecast is of little value, but at present the outlook is quite normal. The prospects for rubber show a great improvement, and, instead of being restricted to 178,000 lbs, we hope to be able to ship nearly 220,000 lbs. We also look for increased dividends from our rubber investments. In regard to sugar, I am afraid we cannot look for any very material improvement in the near future. The crop is expected to be rather under than over that of last year, and the sugar market continues on an unduly low level. I have no doubt whatever that we shall eventually see the swing of the pendulum, and that sugar will once more give satisfactory profits.

I may say that the present value of our investments is considerably more than the amount at which they appear in our books.

As you have been advised by circular, our outstanding debentures are due to be paid off on October 4th. The circular sets out clearly the proposals of the directors, and I do not think I can add anything to it.

The report and accounts were unanimously adopted.

At an extraordinary general meeting resolutions were passed providing for the insertion of a new "objects" clause in the memorandum of association and the adoption of new articles, in view of the enlarged scope of the undertaking.

DALKEITH (CEYLON) RUBBER ESTATES, LIMITED.

FAVOURABLE FORWARD SALES.

The ordinary general meeting of the Dalkeith (Ceylon) Rubber Estates, Limited, was held on the 13th instant, at Winchester House, Old Broad Street, London, Mr A. J. Gordon Field (the chairman) presiding.

The Chairman, in moving the adoption of the report and accounts, said that it afforded him great pleasure to present to them the report and accounts for the past year, and he thought they would agree with him that the shareholders were to be congratulated on the results set out therein, which, in the whole circumstances, should be considered satisfactory. The total crop harvested was only 431,729 lbs, as compared with 615,008 lbs in 1923, and,



The Anglo-South American Bank Limited.

Head Office:
117 Old Broad Street, London, E.C.2

Authorised Capital		£10,000,000
Reserve Fund		£4,000,000
Issued Capital		£8,734,000
Paid-up Capital		£4,367,330

The Bank, in addition to 6 Branches in
SPAIN
has with its
AFFILIATED INSTITUTIONS
THE BRITISH BANK OF SOUTH
AMERICA, Ltd., and
THE COMMERCIAL BANK OF
SPANISH AMERICA, Ltd.

53 offices in the principal countries of
LATIN AMERICA

Auxiliaries Abroad.
ANGLO SOUTH AMERICAN TRUST CO.
(Incorporated under the laws of the State of New York).
NEW YORK.
BANQUE ANGLO-SUD AMERICAINE, SOC. ANON.
PARIS.
Northern District Office: 65, Market Street, BRADFORD.
Lancashire Branch: 19, Spring Gardens, MANCHESTER.

although the average gross price realised was 1s 2.68d, as against 1s 0.14d per lb in the previous year, the net profit only amounted to £8,130. The "all in" cost showed an increase of nearly 2½d, chiefly due to the decrease in the amount of rubber harvested, the rise in the rate of exchange, and the rather heavy loss on rice. In view of the modest profit actually earned, the board's recommendation of a final dividend of 5 per cent., making 10 per cent. for the year, might at first sight appear to be open to some criticism, but, in view of the fact that they had made such favourable sales during the early part of the current year, they felt perfectly justified in the policy they had adopted.

The argument of some of the opponents of selling forward was that producers would have had all their year's crop of rubber available for sale at current prices had they not entered into forward contracts. The objectors to forward sales must, he thought, have lost sight of the fact that the present shortage of supplies on the London market was very largely, if not entirely, due to the heavy shipments being regularly made direct to New York and elsewhere under those very forward sales which they so much disliked. The board's policy had invariably been to sell the whole of the company's rubber on the London market, with the exception of a small quantity ex-go-down Colombo. At the same time they considered that it would have been mistaken policy on their part not to take advantage of such opportunities as had recently occurred to sell forward a portion of their crop at prices which, at the time, appeared to be so tempting.

No less than 182 rubber companies had made forward sales at an average price of round about 1s 6d per lb. He was, therefore, not going to make any apology for having sold forward a portion of the company's crop at the very satisfactory average price of 1s 8½d per lb. With an assured profit of 1s per lb, or a little over, on 284 tons of rubber, the difference between the forward sale price and the average price realised for the whole of last year's crop would amount to a very appreciable sum, and if they got anything like the rate ruling to-day for the balance of the crop the shareholders would have very little cause for complaint.

The report was adopted.

LIPTON, LIMITED.

RESULTS OF A DIFFICULT YEAR.

The annual general meeting of Lipton, Limited, was held on the 13th inst. at Winchester House, Old Broad street, London, Sir Thomas Lipton, Bart. (the chairman), presiding.

The Chairman, in moving the adoption of the report and accounts, dealing with the fall in trading profit, said that he was far and away the principal sufferer, holding, as he did, the whole of his original shares and a very large number that he had bought since. They all, from the Government down to the humblest worker, had been looking forward with hopeful anticipation to a recovery from the serious and prolonged depression, which had proved such a hindrance to progress and rendered it difficult, and in many cases impossible, to maintain profits. A large part of their business was done in many districts where trade depression and unemployment were at their worst, and if any of them were inclined to make unfavourable comparisons of the company's figures with those of some other companies, he would ask them to bear in mind that their business was so widely extended that, as the company benefited from the conditions of local prosperity, so it must also suffer from local adversity.

FALL IN PRICES.

Although the fall in prices had not been so marked as during the last two years, the company had again suffered substantially through reductions, as, in the event of any fall in prices, the benefit was immediately passed on to their customers. This had been particularly the case during last year with regard to tea and sugar, consequent on reductions in Customs duties. It was not his object or intention, however, to be pessimistic as to the future. His confidence in the soundness of the business, which had been built up during the last 50 years, was as strong as ever it was. He and his co-directors, he could assure the shareholders very strongly, were taking every possible step to cope with the situation and to bring back the business to its former prosperity. The times were difficult, and their task not easy, but they were bringing all their resources, their experience, and their energies to bear upon this work, and with the support of the shareholders they were confident of success. The most careful attention was being paid to economies in working and administration, which, without adversely affecting the efficiency of the business, should have the effect of substantially reducing expenditure and improving the profits. Their factories had been maintained in a state of first-class efficiency, and they were kept thoroughly up to date, advantage being taken of every advance in technical

science for the improvement of their products and their manufacture on the most economical and profitable lines.

CHANGES IN ADMINISTRATION.

They all would be pleased to see Mr J. Frank Gregory as a member of the board again, and by the acquisition of his services the technical side of the administration had been considerably strengthened. They had also appointed Mr Tomlin to the position of managing director; he had had a long experience of the grocery and provision business, which would be of great value to the company. There was much for them all to do before they could say they were back at their old standard of prosperity, but there was every sign of encouragement, and, with the support of the shareholders, he felt confident of greatly improved results soon. Referring to the company's tea estates, the chairman said that they were being kept in first-class order and condition, and were among the best, if not the best, on the island of Ceylon. In conclusion he said:—"Permit me to say just this: It is many, many years ago since I first began, in a single shop in Glasgow, to build up this business. In those earliest days I was very confident of success. To-day, after a lapse of over half a century, I am just as confident as I was then. I ask you now to give me and my directors your confidence, and I am sure that the future will show that it was not misplaced. From the day this company was formed I have retained my faith in the business of which we are all the joint proprietors, for I have never sold a single share of my original holding. On the contrary, I have bought many additional shares on the market, some of them at very high prices, and I hold them all to-day, notwithstanding many tempting inducements to sell, and I may say nothing would persuade me to part with a single one of them. If actions speak louder than words, what better proof could I give you of my faith in the future of the business? I know that if the directors are assured that the shareholders are behind them with their united strength and support, the work which is before them will be accomplished with complete success. I now beg to move: "That the report and statement of accounts as submitted be received, approved, and adopted."

Mr J. Frank Gregory (deputy-chairman), in seconding the resolution, observed that he did not believe in prophesying, but he could only say that if he had not the strongest belief in the possibilities of this business, nothing would have induced him to return to it.

The report and accounts were adopted.

KWALOE RUBBER ESTATES, LIMITED.

FAVOURABLE PROSPECTS.

The fifteenth ordinary general meeting of the Kwaloe Rubber Estates, Limited, was held on the 14th instant, at 2, Idol lane, London, Mr Richard J. Arnold, chairman of the company, presiding.

The Chairman, in moving the adoption of the report and accounts, said that in respect of the year 1924 they had cashed something over £24,000 for 371,523 lbs of rubber, and had spent slightly less than half the income. The net price averaged 1s 3½d, the f.o.b. costs were just under 7d, and the profit was £12,302. The dividend would absorb £12,000, leaving £4,509 to be carried forward, or £302 more than was brought in from 1923. The dividend was only payable on £120,000, as two years ago £30,000 of capital was written off to get rid of the debit of profit and loss account and a heavy item of preliminary expenses. As was then explained, this action enabled them to distribute any profits up to the hilt, especially as they resisted the temptation to pay a dividend for 1923, although quite a substantial sum was earned. They must always remember, in estimating the value of the property, that actually £30,000 was spent in excess of the amount of the capital. For 1925 they had sold 83 tons at a London equivalent of 1s 6d, fully covering the cost of an expected crop of 190 tons. The profit for 1925 would, therefore, be the amount realised for about 107 tons, which would give exactly 10 per cent. dividend for every 1s realised for such balance. Thus, 2s 6d would earn 25 per cent., and 3s would give 30 per cent. For 1926, also, they had sold sufficient for all outgoings, viz., 60 tons at an average of 2s 2d. The crop of 1926 was placed at the conservative figure of 220 tons, and the forward sales thus left 160 tons with which to pay the 1926 dividend. For every 1s realised for that quantity they would earn almost 15 per cent. on the capital. Thus, the present forward price for 1926 being 2s 8d, they could, if they wished, secure a 40 per cent. dividend for the year. The board might be tempted to make a further forward sale if the forward price approached closer to the present high spot price. If they got 60 per cent. for the years 1925 and 1926 it would make 70 per cent with the dividend now proposed, and such a return over the 16 years of the company's existence could not be called profiteering, for it was only about 4½ per cent. per annum. They would eventually get larger

crops, increasing gradually to between 650,000 lbs, and 700,000 lbs per annum. He thought rubber was likely to remain at a remunerative price for quite a long period.

The report and accounts were unanimously adopted.

APOLLINARIS AND JOHANNIS, LIMITED.

IMPROVED POSITION AND PROSPECTS.

The 28th ordinary general meeting was held, on the 14th instant, at the Holborn Restaurant, London, Mr Alfred R. Holland (the chairman) presiding.

The Chairman, in moving the adoption of the report and accounts, said that the sales of Apollinaris had increased considerably, but profits had not shown corresponding expansion, owing to cost having gone up. Such increase in cost had neutralised to some extent the additional profits which the increased sales should have given. Profits had grown from £2,000 in 1920 to £60,000 this year. This sufficed to pay debenture and certificate interest, also to provide for the sinking funds, and to carry forward £8,669, but shareholders must still have patience. Some time must elapse before profits would suffice to justify a dividend on the ordinary shares. To the carry-forward of £8,669 should be added £37,605, brought in from previous years, making £46,274.

Though trade in this country showed expansion, many export markets were closed by the enormous duties. The Irish Free State recently placed a high duty on bottles, as well as on mineral water, and even declined to allow a refund on the empty bottles when re-exported. If such difficulties were met so near home, it would be realised how difficult it was in foreign countries. Expansion of American trade was slow, but seemed to justify rather a larger sum being spent on advertising in that market. As the company sold in the States in dollars, and were unable easily to vary such selling prices, the rise in sterling had the effect of reducing by several thousands of pounds the proceeds of such dollar sales.

Under the settlement of the German claims the company had to receive about £50,000 for liquidation, and about £37,000 for compensation. The money for liquidation had been promptly paid. A year ago only 15s in the £, or some £27,600, had been received for compensation. The remaining 5s in the £, or £9,081, had since come in, and £1,142 for interest. These moneys, belonging to capital account, were not included in the profits, but the financial position was strengthened thereby.

A claim against the Hungarian Government was brought before the Mixed Arbitral Tribunal, which granted £3,870 as compensation. So far only 3s 6d in the £, or £681, had been received, and £3,189 still remains to be paid.

Though progress had been slow, yet forward movement was being made, and the chairman believed that the time would not be too far distant before the ordinary shareholders would also be satisfied.

The report and accounts were unanimously adopted.

JOHN WALKER AND SONS, LIMITED.

"STILL GOING STRONG."

The second annual general meeting of the shareholders of John Walker and Sons, Limited, was held, on the 15th instant, at the registered office of the company, 12 Mark lane, London.

Sir Alexander Walker, K.B.E., presided.

The Chairman, in moving the adoption of the report and accounts as at March 31, 1925, said: "The accounts speak for themselves, and with your consent I will take them as read. You will agree with me that they are satisfactory. Our stocks have been valued on conservative lines, and in our recommendations as to the final dividend on the ordinary shares and the sums to be placed to reserve and carried forward we have borne in mind the need for consolidating our financial position. These reserves strengthen the security of our debenture stockholders and our preference shareholders."

The period under review in the accounts is for ten months only, as it has been found expedient to have our annual accounts made up to March 31st instead of May 31st in each year to suit the arrangements of the Distillers Company, Limited, who now hold the bulk of our ordinary shares.

PRE-EMINENT POSITION MAINTAINED.

The figures show that the company maintains its pre-eminent position in the trade, and that the popularity of its whisky is higher than ever. It will be our endeavour still further to entrench ourselves in public favour. While we are satisfied that our quality cannot be surpassed, by research and methodical care we are continually improving the product of our distilleries.

Our stocks are now much greater than at any period of our history, so that we can continue to ensure uniformity in the age and style of our brands.

ASSOCIATION WITH THE DISTILLERS COMPANY.

The change which has taken place in the ownership of the ordinary shares of the company will make no difference to the conduct of the business. We shall continue to carry on the old firm on the traditions and policy of the past, and "Johnnie Walker" will still be individual in his attitude and service to his good friends in the trade. We have every reason to believe that our association with the Distillers Company, Limited, will be advantageous to all concerned.

It is gratifying to record the fact that our sales have been maintained during these times of depression in industry.

We are very fortunate in having in our various departments and branches a loyal and efficient staff, and I take this opportunity of thanking them for their services.

WORLD-WIDE CONNECTIONS.

Lord Stevenson, in seconding, said that the well-established business of Johnnie Walker was "still going strong." Its profits were not dependent upon dealings with bootleggers, and its connections stretched out from every village and hamlet in the United Kingdom to the Dominions, Colonies, Protectorates, and mandated territories, as well as to foreign countries.

The report and accounts were unanimously adopted.

The retiring directors, Messrs A. J. Hogarth, A. C. Smith, W. H. Ross, and A. J. Cameron, were duly re-elected, as were also the retiring joint auditors, Messrs Dunlop and Murray, of Glasgow, and Messrs Baker Sutton and Co., of London.

VAN DEN BERGHS, LIMITED.

"DISTINCTLY BRIGHTER PROSPECTS."

The twenty-fifth ordinary general meeting of Van den Berghs, Limited, was held, on the 14th instant, at Winchester House, Old Broad street, London, Sir Walter Townley K.C.M.G., presiding.

The Chairman said: "Ladies and Gentlemen—I regret to say that your chairman has been indisposed for some weeks past and cannot, therefore, attend this meeting. I have seen him, and he has handed me the statement of the board, which, with your permission, I will read out to you. It is as follows:—

"Many of you will probably have read the balance-sheets of other companies in our line of business, and you will have gained the impression that the year under review has not been a good one for the margarine trade. If I am not mistaken, none of these companies have paid dividends on their ordinary shares, and we are not in a more favourable position. The competition has been very strong, yet we are satisfied with our achievements last year, as we have secured for ourselves a strong position by the introduction of proprietary brands. These brands, through the excellence of their qualities, stand out above all others, and command better prices."

"BLUE BAND" ON THE CONTINENT.

"At former meetings you have been told that we successfully launched 'Blue Band' in this country, and this success induced our associated companies to follow in our footsteps. Thus Holland has taken up the sale of 'Blue Band.' Belgium and France followed, and in the course of last year it has been introduced in Germany. The managers in that country hesitated at first to take this step, as the purchasing capacity there, especially during the first half of last year, was at a low ebb; later in the year, however, when conditions improved, they introduced the brand, and supported it by a very extensive advertising campaign, and, according to the reports of this associated company, a very large sum was spent with the object of establishing the brand on that important market. I am extremely pleased to say that they have succeeded beyond expectations; to-day the sales are large, and the quality is of the highest standard, while new processes secure absolute uniformity, and a good price is obtained; the public are asking for the brand and they insist on obtaining it. I wish I could convey to you an idea of the value of the goodwill thus acquired, as I am glad to say that the trade is not only fully maintained, but is still extending considerably. This being so, it would have been a fair policy for our associated companies to have written off the expenditure incurred on this advertising over a number of years, but it was considered a sounder policy to write the whole of it off in 1924 and start the new year with a clean sheet. This, in short, explains to a large extent the absence of a dividend on the ordinary shares for 1924. It was a year of transition, and we are satisfied beyond doubt that we shall derive great benefit from the course adopted."

HOME TRADE PROGRESS.

"We are fairly satisfied with the trade carried on in this country during the year covered by the accounts before you. Notwithstanding the larger butter imports, to which Russia contributed as a new entrant, the quantity of margarine turned out in the home

trade shows a satisfactory increase. The remarks made with regard to the uniformity of qualities and best brands in respect of associated companies also apply to this country, where our brands continue in great favour. The policy of promoting the sale of the higher grades is proving a sound one, and, although we are still faced with many difficulties, your directors consider that the course which they are following will prove beneficial to the company, and that inspires confidence with regard to the future. One of the difficulties with which we had to contend, and to which I wish to draw your attention, arose from the fluctuations in the prices of raw materials. Some of these raw materials required for the higher grades, in which we specialise, showed an increase of no less than 75 per cent. between the months of April and November last year. We have, however, reason to be satisfied with the result of our efforts to cope with these difficulties (which, on the other hand, have proved very troublesome for a number of the competitors of our associated companies on the Continent.)"

The Chairman, having dealt with the accounts, said:—

"Business during the first few months of this year did not show much improvement, but since then the results have become better through increases of prices, both here and on the Continent. The prospects of the business at the moment are distinctly brighter.

"In conclusion, I would say that margarine has lost nothing of its popularity, and that the high prices realised by colonial butters lead us to think that the article will prove more and more a boon to the population."

I now beg to propose: "That the directors' report and statement of accounts as at December 31st last, now submitted to this meeting, be and the same are hereby received and adopted."

Mr Jacob Van den Bergh seconded the resolution, and, the Chairman having replied to questions, it was carried unanimously.

INTERNATIONAL TEA COMPANY'S STORES, LIMITED.

RECORD PROFIT.

The thirtieth annual general meeting of the International Tea Company's Stores, Limited, was held, on the 16th instant, at Winchester House, London, Mr G. Collier (vice-chairman) presiding.

The Chairman, in moving the adoption of the report and accounts, and after referring to the unavoidable absence of the chairman, Mr Tonge, said:—I am very glad to have a most satisfactory balance-sheet to submit to you this morning. The profit of £439,120 is a record, and is even better than appears on the surface, because this year is a normal one of 52 weeks, whereas last year we took in an extra week, making 53 weeks for the year, as we are compelled to do about once every seven years. This result, I am sure you will agree, is most encouraging, especially when you remember that the first and second preference dividends absorb only £53,500. I do not propose to elaborate on the balance-sheet; the figures speak for themselves, but there is one item of particular importance to us as a multiple shop concern in view of the very high rents ruling to-day, and that is the item £848,845 for freehold properties. As our chairman has often told you, these properties are undoubtedly worth a great deal more than the amount which appears in the balance-sheet.

Debtors, £285,344, refers chiefly to our wholesale trade, and, as our trading is done on a short credit, you may be sure that the whole of this amount has now been liquidated.

PROSPERITY OF THE BUSINESS.

In regard to the general prosperity of the business, I think this may be summed up very briefly in a few words—it is dependent on work, hard work, and still more hard work. These are some tendency to-day, or so it appears to me, throughout the country, to wait for the State to provide rare and refreshing fruits, instead of working hard on one's own allotment.

With sane and proper management in the future, we must go on showing the same progress that we have been able to show for so many years past.

Mr F. Drowley seconded the resolution, which was carried unanimously.

Mr Paterson proposed a hearty vote of thanks to the chairman, directors, and staff, and congratulated them on the satisfactory results shown by the accounts, which, he said, were largely due to the management and devotion on the part of those who conducted the business.

Mr Beale seconded the vote, which was passed unanimously.

LOUISE AND COMPANY, LIMITED.

RESULTS OF A DIFFICULT YEAR.

The 30th annual general meeting of Louise and Co., Limited, was held, on the 17th instant, at Winchester House, Old Broad street, London, Mr F. R. Brighton (general manager) presiding. The Chairman, after apologising for the absence of the chair-

man of the company, Mr Edgar Cohen, said that the year under review had been one of equal or even greater difficulty than the preceding year. The condition of Regent street, so far as rebuilding operations were concerned, had gone from bad to worse, and practically from one end to the other building materials, bricks, sand, and rubbish had been dumped in the street, rendering comfortable shopping facilities an absolute impossibility. On the other hand, the company's interest in the magnificent block of premises which had been erected under the pooling arrangement with Messrs. Liberty and Co., extending from Beak street to Regent place, represented a capital accretion the full extent of which it was difficult to estimate. At any rate, it was extremely valuable, and, as soon as the general upheaval due to the rebuilding of Regent street had subsided, should become a substantial revenue-producing asset, and a valuable addition to the increased returns of their London business, which, it was hoped, would accompany the restoration of normal trading conditions. The buildings were now rapidly approaching final completion, and it was hoped that the rebuilt premises, 152 and 154 Regent street, at the corner of Beak street (formerly occupied by the company), would be finished and ready for occupation within the next month or six weeks.

The diminution in profits of £6,900 was almost entirely accounted for by increased expenses in the Continental establishments, due largely to the increased cost of living in France, which had necessitated considerable increases in almost every item of expenditure, so that, whilst the turnover had been maintained, the trading profit had been very considerably affected. The question of the French exchange continued to receive the anxious consideration of the board. The matter, however, was one entirely beyond their control, and until some method was found of more or less stabilising the rate of exchange, it seemed hopeless to endeavour to deal satisfactorily with the problem. If only they could see some prospect of the stabilisation of the French exchange, the shareholders might confidently look forward to the time when the directors would be in a position to place before them some scheme for the reorganisation of the company's finances and a return of the company to a dividend-paying basis.

After some discussion the report and accounts were adopted.

GOVERNMENT RETURNS, &c.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £35,000,000 in Treasury Bonds and Treasury Bills were opened on July 17, 1925, and the total amount applied for was £49,605,000. For bills at three months dated Monday to Friday, £98 18s 7d, about 28 per cent., above in full. Saturday's bills at £98 18s 10d, and above in full. The amounts allotted were as follows:—In bills at 3 months, £31,000,000; in bonds, nil.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months, Average Rate.	4% Treasury Bonds, Average Price.
1925.				
May 22.....	35,000,000	54,380,000	4 9 59	£ s d
May 29.....	40,000,000	54,460,000	4 6 448	nil
June 5.....	40,000,000	47,945,000	4 7 662	nil
June 12.....	40,000,000	54,150,000	4 7 1014	nil
June 19.....	40,000,000	49,235,000	4 8 335	nil
June 26.....	40,000,000	60,805,000	4 10 519	nil
July 3.....	40,000,000	52,085,000	4 10 247	nil
July 10.....	35,000,000	51,850,000	4 7 1046	nil
July 17.....	35,000,000	49,605,000	4 4 641	nil

Tenders will be received on July 24, 1925, for Treasury Bills and Treasury Bonds to be issued to the maximum amount of £35,000,000. The amount of Treasury Bonds issued will not exceed £3,000,000.

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

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Redemption Account.					
			Silver Coin.	Gold and Bullion.	Bank of England Notes.	Ratio to Notes.	Govern. Secut. ties.	Balance at Bank of England.
1922.								
Mar. 23.....	300,351	14,255	5,000	28,500	19,450	15.9	261,479	177
June 28.....	295,374	13,338	6,000	28,500	19,650	16.3	254,312	260
Sept. 27.....	289,127	12,648	7,000	27,000	21,150	16.6	246,456	169
Dec. 27.....	301,337	12,872	7,000	27,000	21,150	15.9	258,922	137
1923.								
Mar. 28.....	285,616	12,318	7,000	27,000	22,450	17.3	241,294	190
June 27.....	286,503	12,516	7,000	27,000	22,460	17.5	242,446	123
Sept. 27.....	282,784	12,401	7,000	27,000	22,450	17.5	238,595	140
Dec. 26.....	299,070	12,571	7,000	27,000	22,450	16.5	255,032	159
1924.								
Mar. 26.....	281,538	11,908	7,000	27,000	22,450	17.6	236,867	130
June 25.....	290,316	12,472	7,000	27,000	22,450	17.0	246,198	140
Sept. 24.....	285,592	12,297	7,000	27,000	22,450	17.3	241,185	184
Dec. 31.....	296,261	12,812	7,000	27,000	26,950	18.2	248,111	132
1925.								
Mar. 25.....	284,256	11,882	7,000	27,000	26,950	18.9	235,076	112
June 24.....	292,278	12,265	7,000	27,000	26,950	18.5	243,474	119
July 1.....	293,501	12,128	7,000	27,000	26,950	18.4	245,536	143
15.....	297,337	12,469	7,000	27,000	26,950	18.1	248,720	136
Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £320,600,000, for 1921 at £317,555,200, for 1922 at £309,988,400, for 1923 at £270,183,800, for 1924 at £248,190,900, and for 1925 at £248,145,400.								

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1925-26. (See Note)	Total Receipts into the Exchequer from		RECEIPTS.	
		Apr. 1, 1925, to July 11, 1925.	Apr. 1, 1924, to July 12, 1924.	Week Ended July 11, 1925.	Week Ended July 12, 1924.
Balances in Exchequer on 1st April:—					
Bank of England.....	5,341,778	5,069,613	5,069,613	..	..
Bank of Ireland.....	1,215,322	1,562,001	1,562,001	..	..
..	..	6,557,100	6,631,614	..	..
REVENUE.					
Customs.....	102,040,000	27,729,000	28,738,000	2,172,000	1,821,000
Excise.....	137,220,000	31,085,000	32,247,000	983,000	1,115,000
Motor Vehicle Duties ..	17,500,000	3,628,000	3,011,000	508,000	375,000
Stamps, &c., Duties.....	66,500,000	17,330,000	18,270,000	980,000	840,000
Land Tax, House Duty & Mineral Rights Duty	1,000,000	140,000	550,000	..	..
Property & Income Tax	262,000,000	49,167,000	54,441,000	6,472,000	5,717,000
Super-Tax.....	63,300,000	20,400,000	19,190,000	1,080,000	980,000
Excess Profits Duties, &c.	4,000,000	..	..	..	..
Corporation Profits Tax	9,000,000	3,730,000	5,270,000	230,000	310,000
Post Office.....	57,000,000	14,000,000	13,700,000	700,000	750,000
Crown Lands.....	900,000	220,000	270,000	..	..
Interest on Sundry Loans.....	12,600,000	5,701,227	5,623,392	412,468	249,113
Miscellaneous.....	..	3,265,534	3,915,690	..	..
Ordinary Receipts...	30,000,000	11,579,963	11,549,201	..	28,905
Special Receipts.....	801,060,000	193,266,724	201,015,213	14,157,468	12,460,270
Revenue.....	..	199,823,824	207,646,827	..	..
OTHER RECEIPTS.					
Temporary Advances Repaid:—					
Under the Unemployment Insurance Act, 1921.....	380,000	3,940,000	130,000	470,000	..
Money Raised by Creation of Debt:—					
(a) For Capital Expenditure Issues:—					
Under the Telegraph (Money) Acts, 1922 and 1924.....	3,050,000	2,200,000	..	..	..
Under the Housing Act, 1914 ..	3,000	1,000	..	..	..
Under the West Indian Islands (Telegraph) Act, 1924 ..	11,533	..	..	..	..
(b) Under the Unemployment Insurance Act, 1921.....	920,000	..	..	..	..
(c) For other issues:—					
By Treasury Bills.....	687,646,000	660,076,000	52,435,000	42,175,000	..
By 3% Conversion Loan ..	23,079,560	8,000,000	350,000	600,000	..
By National Savings Certificates	10,850,000	..	..	..	..
By Treasury Bonds, 1925 ..	10	13,426,970	..	283,950	..
By 4% Treasury Bonds, 1931-33 ..	..	..	..	..	..
(d) Ways and Means Advances ..	240,185,000	273,941,500	8,950,000	9,450,000	..
Repayments—					
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921 ..	66,108	505,894	..	..	..
Total.....	..	1,166,015,235	1,169,738,191	76,022,468	65,439,220

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1925-26. (See Note)	Total Issues out of the Exchequer to meet Payments from		ISSUES.	
		Apr. 1, 1925, to July 11, 1925.	Apr. 1, 1924, to July 12, 1924.	Week Ended July 11, 1925.	Week Ended July 12, 1924.
EXPENDITURE.					
National Debt Services:—					
Interest, &c.....	305,000,000	125,778,718	123,062,807	2,612,928	707,067
Sinking Fund.....	50,000,000	12,320,484	7,862,865	648,862	100,000
Road Fund.....	16,900,000	2,040,044	1,795,044	..	..
Payments to Local Taxation Accounts, &c. ..	13,329,000	989,615	1,009,000	..	169,000
Payments to Northern Ireland Exchequer ..	4,000,000	1,163,194	1,123,863	..	..
Land Settlement ..	700,000	103,525	261,488	283	19,842
Other Consolidated Fund Services.....	2,000,000	846,751	715,336	220,492	..
Supply Services.....	407,471,000	100,665,164	101,219,337	8,005,164	8,650,000
Expenditure.....	799,400,000	244,496,495	237,049,740	11,487,727	9,545,909
OTHER ISSUES.					
Temporary Advances:—					
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	36,891	36,891	..	..	..
Under the Unemployment Insurance Acts, 1921.....	1,250,000	..	..	..	..
Issues to meet Capital Expenditure:—					
Under the Telegraph (Money) Acts, 1922 and 1924.....	3,450,000	2,320,000	400,000	120,000	..
Under the Housing Act, 1914 ..	3,000	1,000	..	..	..
Under the West Indian Islands (Telegraph) Act, 1924 ..	11,533	..	..	..	..
Unemployment Insurance Act, 1921 ..	250,000	3,320,000	..	..	..
Repayment of amounts borrowed ..	..	..	..	..	..
Redemption of Debt:—					
Treasury Bills.....	863,265,000	656,215,000	54,340,000	42,740,000	..
Principal of National Saving Certificates.....	8,900,000	9,900,000	550,000	550,000	..
Principal of Exchequer Bonds paid off ..	306,667	..	..	..	..
Principal of National War Bonds paid off.....	3,639,550	..	..	..	..
Principal of Treasury Bonds paid off ..	23,645,860	..	..	..	..
Other Debt under the War Loan Acts, 1914 to 1919 ..	..	50	..	..	..
Ways and Means Advances Repaid ..	214,235,000	258,323,500	9,200,000	12,350,000	..
Total.....	1,163,488,996	1,166,466,181	75,977,727	65,405,509	..
Balance in Exchequer:—					
Bank of England.....	2,026,778	1,955,681	102,886	..	..
Bank of Ireland.....	499,461	1,316,329	147,827	135,000	..
Total.....	2,526,239	3,272,010	44,741	33,311	..

NOTE.—Budget Estimate as in H.C. No. 84 of 1925.

Treasury, July 13, 1925.

NATIONAL DEBT.—(Million £).

	Aug. 1, 1914.	Dec. 31, 1919.	Mar. 31, 1921.	Mar. 31, 1922.	Mar. 31, 1923.	Mar. 31, 1924.	Dec. 31, 1924.	Mar. 31, 1925.	July 11, 1925.
Funded Debt	588	315	315	315	314	314	314	314	314
Term Annuities	30	18	18	16	14	14	14	14	13
3% Conversion Loan ..	..	..	..	266	684	666	666	666	739
4% Conversion Loan ..	..	..	..	..	..	..	210	210	210
3% War Stock	..	63	63	63	63	63	63	63	63
4% War Stock	..	13	13	13	13	13	13	13	13
4% and 5% War Stock ..	..	2,047	1,955	1,953	2,095	2,166	2,017	2,052	2,052
National War Bonds ..	..	1,509	1,413	1,201	953	820	813	780	777
4% Funding Loan	..	409	406	401	399	396	396	395	395
4% Victory Bonds	..	350	347	335	326	315	314	308	308
Treasury Bonds	..	360	347	463	411	467	468	459	458
Exchequer Bonds	80	323	289	185	150	150	69	32	32
National Savings Certs...	..	267	285	342	354	368	364	368	370
Other Debt*	..	1,306	1,132	1,087	1,157	1,128	1,132	1,124	1,124
American Loan (Anglo-French)	..	..	..	..	..	..	..	..	..
Treasury Bills	15	51	1,121	878	678	588	526	575	600
Temporary Advances ..	1	1,107	1,141	778	194	188	220	166	192
		943	154	147	194	588	588	575	600
	654	8,033	6,574	6,655	7,749	7,641	7,726	7,645	7,695
Other Capital Liabilities	57	4,436	49	756	70	66	68	72	69
Total Liabilities	711	8,079	7,623	7,721	7,812	7,707	7,794	7,718	7,764

MONTHLY STATEMENT OF LONDON CLEARING BANKS.
(000's omitted.)

Average Weekly Balances, June, 1925.	Bank of Liverpool and Martins, Limited.	Barclays Bank, Limited.	Coutts and Co.	Glyn, Mills and Co.	Lloyds Bank, Limited.	Midland Bank, Limited.	National Bank, Limited.	National Provincial Bank, Limited.	Westminster Bank, Limited.	Willmshurst & Deacon's Bank, Limited.	Total.
ASSETS.											
Coin, bank and currency notes, and balances with the Bank of England ..	6,129	38,492	1,576	3,126	37,241	51,603	3,844	27,614	28,372	3,940	201,937
Bills discounted ..	1,950	8,769	606	1,243	9,706	14,782	162	8,131	9,473	1,161	55,983
Investments ..	3,532	22,956	3,380	3,353	19,397	15,549	3,687	16,772	25,608	2,486	116,720
Advances to customers and other accounts ..	2,336	30,716	1,491	1,506	52,957	40,839	2,730	37,489	35,928	2,214	208,206
Liabilities of customers for acceptances, endorsements, &c.	8,361	58,563	4,281	9,255	54,477	35,987	16,553	40,740	50,655	4,607	283,479
Bank premises account ..	38,389	148,784	7,442	8,892	174,528	197,680	16,604	130,513	123,879	20,337	867,048
Investments in affiliated banks ..	4,837	10,841	35	1,613	19,326	30,390	..	9,979	11,686	1,472	90,215
Ratio of cash to current, deposit, and other accounts ..	1,530	5,096	346	695	5,674	5,789	759	4,428	4,177	872	29,366
LIABILITIES.											
Reserve fund ..	67,100	331,673	19,157	29,683	379,887	398,565	44,339	278,420	292,770	37,089	1,878,683
Current, deposit, and other accounts ..	10-53	12-96	8-99	11-88	11-07	14-99	9-99	11-06	10-78	12-12	12-14
Capital paid up ..	2,348	15,592	800	1,060	14,373	11,977	1,500	9,479	9,052	1,875	68,056
Reserve fund ..	1,700	8,250	800	530	10,000	11,977	1,225	9,479	9,052	1,250	54,263
Current, deposit, and other accounts ..	58,179	296,990	17,523	26,309	336,188	344,221	38,461	249,483	262,966	32,492	1,662,812
Acceptances, endorsements, &c.	4,873	10,841	34	1,613	19,326	30,390	..	9,979	11,686	1,472	90,214
Notes in circulation ..	..	..	..	..	..	..	3,153	..	14	..	3,167
Reduction of bank premises account ..	..	..	..	..	..	..	..	..	..	..	171
	67,100	331,673	19,157	29,683	379,887	398,565	44,339	278,420	292,770	37,089	1,878,683

PROVINCIAL CLEARING RETURNS.

	Month of June, 1924.	Month of June, 1925.	Aggregate Weekly Totals to July 11, 1924.	Aggregate Weekly Totals to July 11, 1925.
Number of Working Days ..	24	25		
BIRMINGHAM ..	9,968,000	10,243,000	66,201,000	71,566,700
BRISTOL ..	4,533,000	4,504,000	31,916,000	32,164,000
DUBLIN ..	1,421,000	4,049,000	15,575,500	146,416,500
LIVERPOOL ..	4,217,000	3,794,000	29,413,100	29,631,300
LEEDS ..	3,223,000	3,270,000	21,473,700	28,557,900
MANCHESTER ..	32,949,000	25,926,000	218,909,800	257,771,100
NEWCASTLE-ON-TYNE ..	6,123,000	63,167,000	426,282,900	451,366,900
NOTTINGHAM ..	7,402,000	5,986,000	53,413,400	46,811,700
SHEFFIELD ..	2,503,000	2,658,000	17,370,300	19,010,100
SHEFFIELD ..	4,119,000	3,962,000	30,381,100	29,307,800
Total ..	134,069,000	137,519,000	..	..

OVERSEAS BANK RETURNS.

NOTE.—The latest return of the Rentenbank and Rumania appeared in the Economist of April 11; Canada, Estonia, Danzig, Bulgaria, Greece, and Egypt in June 27; Netherlands, Denmark and Lithuania in July 11.

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

RESOURCES.	July 10, 1925.	July 3, 1925.	June 26, 1925.	June 19, 1925.
Total gold reserves ..	2,784,260	2,785,560	2,821,070	2,821,070
Total bills discounted ..	450,330	511,630	455,450	441,960
Bills bought open in market ..	240,710	249,090	241,670	246,080
Total U.S. Government securities ..	338,960	333,580	324,610	306,400
Total earning assets ..	1,042,750	1,257,040	1,034,470	1,007,200
Total resources ..	4,781,490	4,853,060	4,749,470	4,922,690
LIABILITIES.				
Federal Reserve notes in actual circulation ..	1,652,290	1,653,010	1,634,240	1,643,050
Deposits — Member bank — reserve account ..	2,147,100	2,198,630	2,139,780	2,212,770
Total deposits ..	2,187,750	2,259,390	2,210,410	2,244,600
Capital paid up and surplus ..	333,450	333,540	333,400	333,380
Total liabilities ..	4,781,490	4,853,060	4,749,470	4,922,690
Ratio of total res. to dep. and Federal Res. note liabilities combined ..	76.1%	74.9%	77.0%	76.3%

NEW YORK FEDERAL RESERVE BANK.—In \$'s (000's omitted)

RESOURCES.	July 10, 1925.	July 3, 1925.	June 26, 1925.	June 19, 1925.
Total bills discounted ..	133,780	151,110	120,890	118,260
Bills bought in open market ..	38,450	46,990	35,590	30,850
Total U.S. Government securities ..	71,220	86,210	57,790	58,270
Total earning assets ..	236,290	287,160	217,100	210,220
Deposits — Member bank — res. acc't ..	826,450	843,940	808,190	851,030
Ratio of total res. to dep. and Federal Res. note liabilities combined ..	81.4%	78.8%	83.8%	83.0%

SOUTH AFRICAN RESERVE BANK.—In £'s (000's omitted).

ASSETS.	June 30, 1925.	June 13, 1925.	June 5, 1925.	May 30, 1925.	May 23, 1925.	May 21, 1925.
Gold coin and bullion ..	2,562	4,186	5,184	4,763	3,997	549
Gold certificates ..	9,951	9,964	9,964	9,976	9,974	10,163
Subsidiary coin ..	50	50	50	50	50	50
Bills discounted ..	3,450	3,859	2,829	3,371	3,070	3,444
Loans & advances to Govt. ..	524	524	524	523	523	2,400
Investments ..	..	..	..	..	..	17
LIABILITIES.						
Capital ..	1,000	1,000	1,000	1,000	1,000	1,000
Reserve ..	258	258	258	258	258	258
Notes in circulation ..	9,907	9,997	10,365	10,166	10,121	10,231
Bankers' deposits ..	5,247	6,192	6,294	5,790	6,370	5,197
Ratio of cash reserves to liabilities to public ..	81.2%	82.6%	87.8%	85.5%	83.4%	69.7%

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

ASSETS.	June 19, 1925.	June 12, 1925.	June 5, 1925.	May 29, 1925.	May 22, 1925.	June 20, 1924.
Total securities ..	14,657,70	15,400,39	15,214,47	15,342,26	15,373,34	11,666,90
Loans ..	19,06,31	20,06,39	21,44,11	22,74,41	23,54,28	21,04,57
Cash credits ..	32,15,05	33,45,33	35,36,57	36,35,98	35,44,65	39,11,67
Inland bills ..	6,83,77	7,55,69	8,42,52	9,66,56	10,44,58	10,06,07
Foreign bills ..	25,83	32,16	16,71	25,92	27,18	25,60
Dead stock ..	2,80,46	2,80,35	2,79,82	2,80,50	2,80,02	2,56,35
Bal. with other banks ..	10,76	80,27	27,66	21,81	14,74	1,69,68
Cash ..	27,54,03	23,29,02	21,10,33	21,64,29	21,50,32	18,34,30
LIABILITIES.						
Capital paid up ..	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50
Reserve ..	4,67,50	4,67,50	4,67,50	4,67,50	4,67,50	4,67,50
Total deposits ..	91,99,61	91,60,92	93,97,71	97,70,72	94,18,62	91,50,07
The above includes ..						
Deposits in London ..	1,112	1,128	1,193	1,200	1,129	1,440
Advances in London ..	1,138	1,137	1,137	1,137	1,137	444
Cash, &c., at other Banks in London ..	73	536	188	148	100	1,131

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

ASSETS.	June 13, 1925.	June 6, 1925.	May 30, 1925.	May 23, 1925.	June 14, 1924.	Position May 30, 1914.
Cash and bullion ..	1,123,632	1,129,707	1,122,504	1,121,675	1,110,800	221,320
Discounts ..	178,550	162,800	200,399	128,436	317,224	41,740
Advances ..	128,868	121,429	127,958	122,756	270,453	70,540
LIABILITIES.						
Notes ..	1,182,808	1,156,805	1,209,125	1,089,613	1,212,073	362,270
Govt. deposits ..	658,918	652,326	667,787	637,453	1,026,113	87,340
Other deposits ..	78,656	87,733	74,995	105,240	95,590	11,440

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

ASSETS.	July 16, 1925.	July 9, 1925.	July 2, 1925.	July 17, 1924.	Position May 28, 1914.
Gold coin and bullion ..	5,546,798	5,546,772	5,546,722	5,543,354	3,730,625
Of which held abroad ..	1,864,321	1,864,321	1,864,321	1,864,321	1,864,321
Silver coin and bullion ..	311,941	311,416	312,271	299,986	638,650
Discounts and advances ..	6,185,000	6,409,202	7,346,026	7,434,417	2,327,776
Advances to the State ..	27,850,000	27,400,000	27,700,000	22,900,000	..
LIABILITIES.					
Notes ..	44,533,375	44,493,751	43,799,528	40,155,862	5,811,875
Government deposits ..	32,380	14,098	29,839	14,282	183,700
Private deposits ..	2,495,911	2,473,875	3,077,793	2,181,752	845,950

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

ASSETS.	July 9, 1925.	July 2, 1925.	June 18, 1925.	June 11, 1925.	July 10, 1924.	Position May 28, 1914.
Coin (gold & silver and bullion) ..	384,827	383,836	381,836	380,804	354,070	322,650
Securities ..	1,369,546	1,325,019	1,210,424	1,238,515	1,243,188	697,600
LIABILITIES.						
Notes in circulation ..	7,590,034	7,562,465	7,384,243	7,485,165	7,609,100	934,150
Current accounts ..	213,229	249,579	239,641	226,546	231,960	112,126

BANK OF JAVIA.—In florins (000's omitted).

ASSETS.	July 11, 1925.	July 4, 1925.	June 27, 1925.	June 20, 1925.	July 12, 1924.	Position May 30, 1914.
Gold ..	180,570	181,500	181,500	182,500	144,179	22,971
Silver ..	..	..	..	..	65,530	28,785
Discounts, advances, and other investments ..	134,080	133,660	127,510	124,800	145,641	77,567
LIABILITIES.						
Notes in circulation ..	307,000	299,000	294,000	292,500	260,201	109,498
Deposits and bills payable ..	44,500	60,500	51,500	48,000	8,259	11,250

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

ASSETS.	July 7, 1925.	June 30, 1925.	June 23, 1925.	June 16, 1925.	July 7, 1924.	Position May 31, 1914.
Gold ..	498,493	498,311	482,163	482,087	505,587	171,175
Silver ..	89,153	89,112	90,110	89,736	99,183	16,350
Assets & advances ..	244,059	253,306	262,965	250,198	249,760	175,000
LIABILITIES.						
Notes in circulation ..	808,316	834,019	763,897	771,975	850,191	275,925
Deposits ..	97,373	111,380	131,568	115,584	74,112	33,750

THE REICHSBANK.—In Reichsmarks* (000's omitted).

ASSETS.	July 7, 1925.	June 30, 1925.	June 23, 1925.	June 15, 1925.
Reichsbank shares not yet issued ..	177,212	177,212	177,212	177,212
Gold and bullion ..	1,061,717	1,061,717	1,061,717	1,040,194
Of which deposited abroad ..	90,654	91,908	96,994	75,745
Reserve in foreign currencies ..	355,200	353,905	353,905	347,880
Bills of exchange and cheques ..	1,579,680	1,691,467	1,566,026	1,402,532
Silver and other coin ..	66,930	67,347	72,101	69,895
Notes of other German banks ..	15,833	12,399	51,048	22,286
Advances ..	15,811	46,453	7,068	8,874
Investments ..	201,344	201,315	201,264	201,165
Other assets ..	685,708	639,327	1,009,694	1,078,845
LIABILITIES.				
Reduced capital ..	122,788	122,788	122,788	122,788
Increase of capital (shares not yet issued) ..	177,212	177,212	177,212	177

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

Assets.	June 24, 1925.	June 17, 1925.	June 9, 1925.	June 2, 1925.	June 25, 1924.
Coin and bullion ..	9,733	9,730	9,692	9,700	9,486
Of which gold	8,577	8,577	8,577	8,577	8,577
Of which silver	1,156	1,153	1,115	1,123	909
Government loans ..	1,485,647	1,493,681	1,503,303	1,512,250	1,401,936
Notes in circulation ..	1,610,280	1,622,694	1,639,584	1,640,993	1,580,680
Deposits	56,531	55,922	48,212	48,496	34,991

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

Assets.	June 20, 1925.	June 10, 1925.	May 31, 1925.	May 20, 1925.	June 20, 1924.	Position May 31, 1914.
Total cash	1,536,372	1,529,494	1,547,561	1,578,309	1,567,433	1,221,875
Inland bills	4,020,862	3,816,270	3,882,569	3,722,137	3,120,342	418,400
Advances to the Treasury ..	5,383,150	5,383,200	5,382,713	5,383,225	5,667,591	nil
Other advances ..	2,596,338	2,544,261	2,565,034	2,614,680	1,744,401	79,175
Securities	369,088	368,883	367,773	371,782	374,605	205,700
LIABILITIES.						
Note circulation ..	14,031,032	13,780,774	13,789,869	13,483,865	12,638,961	1,556,929
Deposit & drafts ..	1,596,700	1,438,920	1,570,516	1,410,279	2,079,844	193,975

LONDON RATES.

	July 10, 1925.	July 11, 1925.	July 12, 1925.	July 13, 1925.	July 14, 1925.	July 15, 1925.	July 16, 1925.	July 17, 1925.
Bank rate (changed from 4% March 5, 1925)	5%	5%	5%	5%	5%	5%	5%	5%
Market rates of discount—								
60 days' bankers' drafts	4½	4½	4½	4½	4½	4½	4½	4½
3 months' do	4½	4½	4½	4½	4½	4½	4½	4½
6 months' do	4½	4½	4½	4½	4½	4½	4½	4½
Discount (Treasury Bills)—								
2 months'	4½	4½	4½	4½	4½	4½	4½	4½
3 months'	4½	4½	4½	4½	4½	4½	4½	4½
6 months'	4½	4½	4½	4½	4½	4½	4½	4½
Loans—Day to day	3½	3½	3½	3½	3½	3½	3½	3½
Short	3½	3½	3½	3½	3½	3½	3½	3½
Deposit allowances: Banks	3½	3½	3½	3½	3½	3½	3½	3½
Discount houses at call	3½	3½	3½	3½	3½	3½	3½	3½
At notice	3½	3½	3½	3½	3½	3½	3½	3½

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

Comparison with previous weeks:—

Comparison with Previous Week:										
		Short Loans.	Bank Bills.			Trade Bills.				
			3 Months.	4 Months.	6 Months.	3 Months.	4 Months.	6 Months.		
1925.		%	%	%	%	%	%	%	%	%
June 26	3	5 1/2	4 7/8	4 7/8	4 1/2	4 7/8	5	5	5	5
July 3	3	5 1/2	4 7/8	4 7/8	4 1/2	4 7/8	5	5 1/2	5	5
July 10	3	5 1/2	4 7/8	4 7/8	4 1/2	4 7/8	5	5	5	5
July 17	3	5 1/2	4 7/8	4 7/8	4 1/2	4 7/8	5	5	5	5

OVERSEAS BANK RATES.

Changed.	%	Changed.	%
Amsterdam	Jan. 14, 1925 .. 4	Oslo	May 9, 1925 .. 6
Athens	Feb. 5, 1925 .. 3½	Paris	July 9, 1925 .. 6
Belgrade	Feb. 5, 1925 .. 6	Prague	Mar. 25, 1925 .. 7
Berlin	Feb. 26, 1925 .. 9	Riga	Feb. 16, 1924 .. 8
Brussels	Jan. 22, 1923 .. 5½	Rome	June 18, 1925 .. 7
Bucharest	Sept. 4, 1920 .. 6	Sofia	Nov. 9, 1923 .. 5½
Budapest	May 28, 1925 .. 9	Stockholm	Nov. 9, 1923 .. 5½
Calcutta	July 2, 1925 .. 4	Swiss Bank	July 14, 1923 .. 4
Copenhagen	Jan. 17, 1924 .. 7	Tokyo	April 15, 1925 .. 7-3
Danish	Mar. 6, 1925 .. 9	Vladivostok	April 24, 1925 .. 11
Helsingfors	Mar. 5, 1924 .. 9	Warsaw	(See note below)
Lisbon	Sept. 12, 1923 .. 8		
New York Fed- eral Reserve ..	Feb. 26, 1925 .. 3½		
Madrid	Mar. 23, 1923 .. 5		

The Bank Rate of the South African Reserve Bank is 5½% for first-class commercial bills (90 days), and 6% for agricultural bills (of not more than six months).

Warsaw (Poland).—From November 28, 1924, discount rate, gold francs, 10% loans on collateral security, gold francs, 12%.

We are informed that the head office of the De Javasche Bank at Batavia, as from October 20th, has increased its discount rate for bills from 3½ per cent. to 4½ per cent.

CURRENT RATES IN NEW YORK.

The Irving Bank—Columbia Trust Company cable the following money and exchange rates in New York:—

	July 17, 1924.	June 18, 1925.	June 25, 1925.	July 2, 1925.	July 9, 1925.	July 16, 1925.
Call money	2½	3½	3½	3½	3½	3½
Time money (90 days' mixed coll) ..	2½	3½	3½	3½	3½	3½
Bank acceptances—						
Members—eligible, 90 days ..	2½	3½	3½	3½	3½	3½
Non-mem.—eligible, 90 days ..	2½	3½	3½	3½	3½	3½
Ineligible, 90 days	2½	3½	3½	3½	3½	3½
Commercial accept., 90 days ..	3½	4½	4½	4½	4½	4½

Rates of Exchange.

	Par Level.	July 17, 1924.	July 2, 1925.	July 9, 1925.	July 16, 1925.
London—					
60 days	4.8666	4.3375	4.8506	4.81	4.8106
Cable		4.3675	4.8618	4.8662	4.8612
Cheques		4.365	4.8575	4.85625	4.8506
Paris	19.30	5.0925	4.64	4.69	4.7225
Brussels	19.30	4.61	4.62	4.62	4.6475
Switzerland ..	19.30	18.17	19.385	19.42	19.42
Italy	19.30	4.3075	3.4975	3.6675	3.71
Berlin	23.81	.0014	23.80	23.80	23.80
Vienna	14.07		14.00	14.00	14.00
Madrid	19.30	13.28	14.53	14.525	14.525
Amsterdam ..	40.195	37.89	40.05	40.04	40.05
Copenhagen ..	26.80	16.14	20.56	20.35	20.94
Oslo	19.30	13.44	16.26	17.47	17.93
Stockholm ..		26.62	26.62	26.63	26.87
Athens		1.7025	1.6450	1.6475	1.6500
Montreal	100	99.78	99.78	99.78	99.78
Yokohama	49.85	41.2	40.78	41.2	41.2
Hong Kong		52.5	57	57	57.375
Shanghai		51.125	76.875	76.60	76.85
Manila		31.42	36.62	36.65	36.58
Buenos Aires ..	103.65	135.5	109.60	109.50	109.50
Rio de Janeiro ..	34.42	9.65	10.80	11.10	11.20
Valparaiso	20.60	9.75	11.625	11.50	11.875

RATES OF EXCHANGE.

London on	Usance	Par.	July 18, 1924.	July 10, 1925.	July 17, 1925.
Paris	francs to £1	T.T.	25.22½	85.80-90	103.43-48
Berlin	marks to £1	T.T.	20.43	182.184 bln.	20.40-43
Vienna	schillings to £1	T.T.	34.58½	307/312,000	34.55-60
Prague	krone to £1	T.T.	24.02	147½-147½	34.55-60
Warsaw	zloty to £1	T.T.	25.22½	22.60-75	163½-164½
Riga	latas to £1	T.T.	1775	1810-1850	1810-1850
Kovno	litas to £1	T.T.	25.22½	22.63-76	25.06-30
Bukarest	lei to £1	T.T.	25.22½	970-980	49.15-49.55
Budapest	kr. to £1	T.T.	24.02	340/370,000	1000-1015
Constantinople ..	piastres to £1	T.T.	110	855-865	345/347,000
Sofia	leva to £1	T.T.	25.22½	590-610	872-882
Belgrade	dinars to £1	T.T.	25.22½	363-373	670
Amsterdam	florin to £1	T.T.	12.107	11.52½-53½	275-278
Brussels	francs to £1	T.T.	25.22½	96-96½	12.13-13½
Oslo	kroner to £1	T.T.	18.159	16.40-43	105.35-40
Stockholm	kronor to £1	T.T.	18.159	16.40-43	27.68-73
Copenhagen	kroner to £1	T.T.	18.159	27.20-25	18.08-09
Helsingfors	F. marks to £1	T.T.	25.22½	174½-175	23.65-70
Greece	drachmas to £1	T.T.	25.22½	258-263	192½-192½
Italy	lire to £1	T.T.	25.22½	101½-101½	304-307
Switzerland	francs to £1	T.T.	25.22½	24.00-05	131½-131½
Madrid	pesetas to £1	T.T.	25.22½	32.92-95	33.03-04
Lisbon	escudos to £1	T.T.	53½	1½-1½	24½-24½
Alexandria	piastres to £1	T.T.	4.86½	4.86½-86½	4.86½-86½
New York	dollars to £1	Cable	4.86½	4.86½-86½	4.86½-86½
Montreal	dollars to £1	Cable	4.86½	4.86½-86½	4.86½-86½
Buenos Aires	pesos to £1	T.T.	47.62½	40½-40½	45½-45½
Rio de Janeiro ..	pesos to £1	T.T.	16	5½	5½
Montevideo	pesos to £1	T.T.	51	41½-42	47½-48
Valparaiso	pesos to £1	T.T.	13.33	42-80	41-40
Lima	soles to £1	T.T.	10 to 18	19% prem.	18% prem.
Calcutta	ster. to rupee	T.T.	10 to 18	19% prem.	18% prem.
Bombay	ster. to rupee	T.T.	10 to 18	19% prem.	18% prem.
Madras	ster. to rupee	T.T.	10 to 18	19% prem.	18% prem.
Hong Kong	ster. to dollar	T.T.	10 to 18	19% prem.	18% prem.
Shanghai	ster. to tael	T.T.	10 to 18	19% prem.	18% prem.
Singapore	ster. to dollar	T.T.	10 to 18	19% prem.	18% prem.
Yokohama	ster. to yen	T.T.	24.58½	1s 10½d-4½d	2s 4½d-4½d
Manila	ster. to peso	T.T.	24.066	12s 2½d	1s 8½d-7½d
Mexico	pesos to £1	T.T.	26-30d	24½d-24½d	24½d-24½d

† Rate for previous day.

(b) Represents krone to £1, at a par value of 24.02 to £1.

† 1 schilling=10,000 paper crowns.

MOSCOW QUOTATIONS FOR CHERVONETZ.

According to advices received in London, the following are the Moscow quotations for chervonetz:—

£1,000 sterling equals 94½ chervonetz.
\$1,000 „ „ 194 „

GOLD MOVEMENTS.

The following table shows arrivals and withdrawal of gold during this week:—

1925.	ARRIVALS.	1925.	WITHDRAWALS.
July 11	nil	July 11	nil
" 13	bars bought 613,000	" 13	bars sold 10,000
" 13 S. Africa	sovs. 1,000,000	" 14	bars sold 80,000
" 14	bars bought 245,000	" 15	bars sold 136,000
" 15	bars bought 100,000	" 15 India	bars sold 28,000
" 16	bars bought 254,000	" 15 Singapore	bars sold 63,000
" 17	bars bought 153,000	" 16	bars sold 6,000
		" 17 Java	bars sold 5,000
Total arrivals	2,371,000	Total	328,000
		Net influx, £2,043,000.	

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates:—

	Union of South Africa.		Union of South Africa.	
	From close of Mail, June 5, 1925.		From June 4, 1925.	
	London on South Africa.		South Africa on London.	
	Buying.	Selling.	Buying.	Selling.
T.T.	1½ % dis.	1½ % dis.	1½ % prem.	1½ % prem.
Demand	1½ % dis.	1½ % dis.	1½ % prem.	1½ % prem.
30 days	2½ % "	2½ % "	2½ % dis.	2½ % "
60 days	2½ % "	2½ % "	2½ % "	2½ % "
90 days	3½ % "	3½ % "	3½ % "	3½ % "
120 days	3½ % "	3½ % "	3½ % "	3½ % "

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.								
	London on Australia and New Zealand.				Australia and New Zealand on London.			
	Buying.		Selling.		Buying.		Selling.	
	Aus- tra- lia.	New Zeal'nd	Aus- tra- lia.	New Zeal'nd	Aus- tra- lia.	New Zeal'nd	Aus- tra- lia.	New Zeal'nd
T.T.	..	..	100½	100½	99½	..	100	100½
Demand	99½	99	99½	100	99½	99	99½	100½
30 days	98½	98½	..	..	98½	98½	99½	99½
60 days	98½	97½	..	..	98½	98	99½	99½
90 days	97½	97½	..	..	97½	97½	98½	99

CENTRAL AMERICAN EXCHANGE RATES.

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

Country.	Par Value.	Usance.	1925.	Rate.
Guatemala	Guatemalas to £	10-00	Sight London	July 11
Venezuela	Bolivars to £	25-25	"	July 9
Colombia (Bogota) ..	Pesos to £	100	"	July 13
Nicaragua	Colonias to £	4-8665	"	July 11
San Salvador	Pesos to £	9-73	"	July 11
Guatemala	Colonias to £	90-23	"	July 11
Costa Rica	Pesos to £	10-45	"	May 21
Bolivia	Pesos to Bolivianos	19-20	"	June 16

GOLD STANDARD RESERVE.

Statement showing the form in which the balance of the reserve was held on June 30, 1925:—

	£	Nil
In India	639	
In England—		
Cash at the Bank of England	639	
British Government securities—		
Value as on March 31, 1925	29,225,876	
Since purchased (cost price)	11,167,914	
	40,394,429	
	40,394,429	

SIDNEY TURNER, Accountant-General.

India Office, July 13, 1925.

BULLION.

The Government of India have announced that £8,451,000 has been remitted to the Secretary of State for India during the quarter

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Dividend Interest.	Amount Available for Distribution.	Appropriation.				Corresponding Period Last Year.	
					Dividend.		Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.	Dividend.
					Prefce.	Ordinary.				
					Amount.	Rate.				
Banks.										
Munster and Leinster	June 30*	44,034	92,997	137,031	..	45,000	18†	45,000	47,031	96,866
National Bank of South Africa ..	Mar. 31	28,128	216,283	244,411	..	..	..	200,000	44,411	202,991
Provincial Bank of Ireland	June 30*	41,459	68,011	109,470	..	31,320	14‡	35,000	43,150	66,062
Standard Bank of South Africa ..	Mar. 31	112,281	508,952	621,233	..	312,083	14	200,000	109,150	181,489
The National Bank	June 30*	29,539	186,807	216,346	..	88,375	14	97,000	30,971	121,889
Union Bank of Australia	Feb. 28	90,003	590,399	680,402	..	487,500	15†	100,000	92,902	550,292
Breweries.										
Hoare and Co.	April 18	7,541	279,932	287,473	..	125,180	10	157,434	4,859	207,656
Financial, Land, &c.										
Port Madryn (Argentina)	June 30	7,105	5,333	12,438	..	6,125	5	..	6,313	5
Macfarlane and Robinson	Dec. 31	Dr 15,537	Dr 5,768	Dr 21,305	..	..	..	Dr 21,305	8,015	..
Oregon Mortgage	May 31	20,078	19,279	39,357	..	6,825	12	..	20,381	14
Scottish American Mortgage	May 31	87,720	93,659	181,379	..	43,550	13	..	98,829	12
Wembley Park Estate	June 30	1,390	5,132	6,522	..	7,462	10	Dr 2,500	1,560	..
Iron, Coal, and Steel.										
David and Wm. Henderson & Co.	April 30	102,523	15,843	118,366	..	15,000	20	5,670	37,696	21,244
East Indian Coal	April 30*	8,544	26,580	35,124	..	12,000	10	15,000	8,124	22,996
Lochelly Iron and Coal	May 31	65,255	41,904	107,159	..	6,888	30,253	9,779	60,239	128,832
W. and T. Avery	Mar. 31	38,112	79,032	117,144	..	52,425	15	10,000	43,572	76,059
W. H. Dorman and Co.	Mar. 31	Dr 46,424	3,623	Dr 42,801	..	..	..	..	Dr 42,801	1,040
Wm. Roberts (Tipton)	Mar. 31	1,998	515	2,513	..	..	..	..	2,513	..
Rubber, &c.										
Emerald Rubber and Coconut ..	Jan. 31	16,530	9,562	26,092	..	16,722	10	2,000	7,370	7,289
Malayalam Plantations	Mar. 31	19,783	282,174	301,957	..	195,221	17‡	66,915	39,821	208,450
Mount Austin (Johore)	Mar. 31	26,429	59,857	86,286	..	72,000	12	..	12,341	44,394
Port Dickson-Lukut	Mar. 31	7,044	19,095	26,139	..	18,485	7‡	..	7,654	10,451
Tai Tak Plantations	Mar. 31	..	1,168	1,168	..	..	..	..	1,168	..
Timbang-Deli (Sumatra)	Mar. 31	18,471	19,609	38,080	..	8,712	2‡	28,113	1,255	20,389
Shipping.										
Argentine Navigation	Dec. 31	Dr 501,467	Dr 34,305	Dr 535,772	..	..	..	Dr 535,772	163,785	..
Furness, Withy, and Co.	April 30	216,637	528,741	745,378	..	300,000	7‡	200,000	187,259	572,443
Sutherland Steamship	June 30	8,582	11,483	20,065	..	6,415	3‡	7,000	19,771	5
Trawlers (White Sea and Grimsby) ..	Mar. 31	2,532	11,991	14,523	..	5,104	5	6,500	2,919	8,885
Telegraphs, &c.										
Marconi International Marine ..	Dec. 31	7,623	83,576	91,199	..	89,455	7‡	..	1,745	..
Textiles.										
English Sewing Cotton	Mar. 31	165,359	450,129	615,488	..	50,000	20	11,692	153,796	639,705
Other Companies.										
British Celanese	Feb. 28	Dr 565,827	193,494	Dr 372,333	..	..	..	193,494	Dr 565,827	Dr 74,046
Cork Improved Dwellings	June 30*	246	944	1,190	..	750	5	156	284	912
Gloucester Railway Carriage, &c.	May 31	8,594	66,373	74,967	..	26,250	5	..	48,717	..
National Smelting	Dec. 31	..	65,986	65,986	..	42,598	..	..	23,383	..
S. Hoffnung	Mar. 31	35,819	111,409	147,228	..	33,750	25	28,000	40,478	110,047

† Tax free.

* Half-year.

South African Cape), 27s landed, all per 320 lbs. English quoted 10s-10s 9d per 112 lbs, free on rail. Millers' Offals tend firmer. Broad bran quoted 8s, middlings 8s-8s 3d, fine ditto 9s 6d bags included ex-mill, powdered oat husks 6s 3d, feed oatmeal 7s 9d, ground oats 12s 9d per cwt, free on rail. Oatmeal steady, quiet. London-made flaked 19s, rolled oats 18s, medium also fine cut 18s, coarse also medium pinhead 18s ex mill, ordinary Scottish oatmeal 19s 6d 20s, American ditto 17s 9d-18s per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest years 1924-25, 1923-24, 1922-23, 1921-22.

	1924-1925.	1923-1924.	1922-1923.	1921-1922.
Estimated sales of home-grown wheat—				
1 week to July 11	Cwts. 74,694	Cwts. 25,651	Cwts. 38,808	Cwts. 65,408
45 weeks to July 11	10,763,536	12,632,545	16,759,686	15,769,879
Average price of English wheat per cwt.	s d 11 11	s d 11 10	s d 11 2	s d 12 3

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1921 to 1924:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1925.						
July 4	Cwts. 85,060	Cwts. 10,437	Cwts. 17,191	s d 12 5	s d 9 10	s d 10 5
July 11	74,694	11,321	12,431	11 11	10 2	10 2
1921	16,950	5,354	9,795	20 2	11 11	14 1
1922	65,409	3,239	8,964	12 5	11 0	11 10
1923	38,808	10,450	6,694	11 2	8 5	10 11
1924	25,651	664	3,276	11 10	10 9	9 10

AMERICAN WHEAT MARKETS.

Prices continue to advance in the American wheat markets, the rise being partly due to the prolonged hot weather, lack of rain, and reports of black rust, and partly due to rumours that Russia is asking buyers to make partial payments on their wheat purchases. A slight set-back occurred in the middle of the week owing to scattered liquidation, but recovery took place on reports of hailstorm damage in Saskatchewan and an improved export inquiry. Recent market quotations:—

	July 18, 1924.	Jan. 2, 1925.	July 2, 1925.	July 9, 1925.	July 16, 1925.
Winnipeg (No. 1 Manitoba)—Cents per 60 lbs	148‡	183	(b) 156‡	(b) 159‡	(b) 165‡
Chicago (No. 2 Winter)—Cents per 60 lbs	127‡	177	143‡	148‡	158

(b) July delivery.

IRON, STEEL, AND COAL.

We extract the following from the weekly report issued by the London Iron and Steel Exchange:—Business has shrunk to the small volume usually associated with the summer months. The industrial unrest in the coal and engineering trades and the railways has had a discouraging effect on trading, and until some indication can be obtained as to the future outlook there is little prospect of active trade developments. Prices generally are weak in the absence of any sustained demand on either home or export account. In the pig-iron market the offerings of Continental iron have declined somewhat, partly as the result of the Belgian strike, the iron and steel trade. The demand for British iron continues on spreading, and difficulties are now being experienced regarding materials contracted for some time ago and now due for delivery, particularly in the case of semi-finished and finished steel materials. British steel manufacturers, in view of the industrial situation in holidays in Scotland and the North, are disinclined to commit themselves.

Our Middlesbrough correspondent's report, dated July 16, 1925, is as follows:—There has been a little more activity in the pig-iron market, but this is confined to small quantities required by local consumers. The nominal quotation for No. 3 G.M.B. remains at 77s per ton, whilst mixed numbers East Coast hematite are quoted at 77s per ton, but in both cases for good business these prices could be shaded. Manufactured iron and steel: With the exception of the corrugated sheet trade, the works are very quiet, and are short of orders. Prices are weaker, and the following are the nominal

OVERSEAS TRADE RETURNS.

IMPORTS (Value C.I.F.).

	Month Ended June 30.		Six Months Ended June 30.	
	1924.	1925.	1924.	1925.
I.—Food, Drink, and Tobacco—				
A. Grain and flour	7,994,883	8,287,655	47,237,631	54,067,142
B. Feeding stuffs for animals	561,329	530,069	3,538,699	4,557,791
C. Meat	8,405,896	10,484,190	52,735,254	62,339,655
D. Animals, living, for food	1,655,559	1,107,630	9,382,997	6,999,306
E. Other food and drink, non-dutiable ..	13,347,239	15,870,578	79,339,033	88,115,080
F. " " dutiable ..	7,804,883	8,278,594	63,262,181	56,877,541
G. Tobacco	706,198	842,105	7,665,491	6,819,308
Total, Class I.	40,475,987	45,400,820	263,151,287	279,773,823
II.—Raw Materials and Articles Mainly Unmanufactured—				
A. Coal	463	1,361	8,335	10,453
B. Other non-metallic mining and quarry products and the like	426,496	478,989	2,878,144	2,876,846
C. Iron ore and scrap	757,015	352,119	4,656,115	2,881,558
D. Non-ferrous metalliferous ores and scrap	1,085,013	1,326,505	7,578,639	8,080,299
E. Wood and timber	4,011,432	4,584,809	16,433,191	17,696,832
F. Raw cotton and cotton waste	6,116,510	4,857,925	57,521,053	68,036,721
G. Wool, raw and waste, and woollen rags	4,871,525	6,276,598	46,423,378	51,898,030
H. Silk, raw, knaps and nolls	153,809	442,945	793,386	1,188,267
I. Other textile materials	520,347	734,440	7,021,527	9,845,524
J. Oil seeds, nuts, oils, fats, & gums ..	3,822,480	4,576,790	24,664,099	28,374,915
K. Hides and skins, undressed	1,628,762	1,817,469	10,185,517	11,496,569
L. Paper-making materials	1,848,507	987,413	4,549,616	4,897,192
M. Rubber	523,598	1,702,456	4,709,057	6,564,241
N. Miscellaneous raw materials and articles mainly unmanufactured ..	643,638	905,362	4,670,223	5,535,328
Total, Class II.	25,809,585	28,945,161	192,082,580	219,771,775
III.—Articles Wholly or Mainly Manufactured—				
A. Coke and manufactured fuel	143	..	4,019	2,530
B. Earthenware, glass, abrasives, &c.	682,196	796,353	4,012,432	4,631,960
C. Iron and steel and manufactures thereof	1,692,851	1,871,031	11,022,976	12,451,264
D. Non-ferrous metals and manufactures thereof	2,384,538	4,013,285	15,079,771	19,371,298
E. Cutlery, hardware, implements, and instruments	395,793	1,609,646	3,539,648	5,737,485
F. Electrical goods and apparatus ..	207,077	290,734	1,373,879	2,032,105
G. Machinery	848,591	933,135	5,134,320	5,975,791
H. Manufactures of wood and timber ..	393,160	476,937	2,431,403	3,038,530
I. Cotton yarns and manufactures ..	658,571	945,464	4,329,519	5,440,941
J. Woollen and worsted yarns and manufactures	1,138,482	989,379	7,478,063	7,367,426
K. Silk and silk manufactures	1,762,473	5,831,904	12,057,588	17,534,586
L. Manufactures of other textile materials	1,135,180	2,774,124	7,847,706	11,317,112
M. Apparel	1,475,281	2,857,366	8,222,445	12,711,470
N. Chemicals, drugs, dyes, & colours ..	1,018,816	1,262,862	7,146,279	7,583,703
O. Oils, fats, and resins, manufactured ..	3,359,853	3,133,527	18,411,593	19,116,940
P. Leather and manufactures thereof ..	1,044,255	1,234,934	6,433,234	7,621,216
Q. Paper and cardboard	955,632	1,456,784	6,403,172	7,022,231
R. Vehicles (including locomotives, ships, and aircraft)	565,562	2,732,823	4,332,314	8,136,811
S. Rubber manufactures	328,158	634,218	2,806,756	3,303,082
T. Miscellaneous articles, mainly or wholly manufactured	1,776,109	2,670,819	12,006,504	14,702,074
Total, Class III.	21,822,721	36,214,325	140,075,721	174,508,535
IV.—Animals, not for food	159,277	245,132	875,981	1,014,831
V.—Parcel post, non-dutiable articles ..	289,144	276,717	2,106,699	2,484,868
Total	88,556,714	110,982,156	598,302,268	677,543,832

EXPORTS OF PRODUCE AND MANUFACTURES OF THE UNITED KINGDOM. (Value F.O.B.)

	Month Ended June 30.		Six Months Ended June 30.	
	1924.	1925.	1924.	1925.
I.—Food, Drink, and Tobacco—				
A. Grain and flour	£ 522,607	£ 761,227	£ 3,274,083	£ 5,151,644
B. Feeding stuffs for animals	197,739	272,975	1,524,873	1,820,485
C. Meat	96,584	115,550	781,390	807,639
D. Animals living, for food	26,989	19,549	143,174	85,030
E. and F. Other food and drink	2,451,737	2,382,523	16,283,008	15,392,166
G. Tobacco	518,151	503,656	3,363,335	3,266,538
Total, Class I.	3,813,807	4,058,286	25,314,863	26,123,933
II.—Raw Materials and Articles Mainly Unmanufactured—				
A. Coal	5,728,045	3,769,521	38,002,992	26,912,333
B. Other non-metallic mining and quarry products and the like	168,761	175,311	1,097,790	972,477
C. Iron ore and scrap	47,690	40,618	249,609	254,435
D. Non-ferrous metalliferous ores and scrap	90,257	115,140	640,490	781,560
E. Wood and timber	45,486	57,970	306,164	338,35
F. Raw cotton and cotton waste	156,264	88,722	983,301	1,021,700
G. Wool, raw and waste, and woollen rags	618,548	603,127	6,008,153	6,112,22
H. Silk, raw, knubs and noils	2,303	2,560	82,816	44,28
I. Other textile materials	31,017	29,850	226,852	236,69
J. Oil seeds, nuts, oils, fats, resins, and gums	446,238	550,722	3,379,774	3,301,16
K. Hides and skins, undressed	153,285	159,544	1,477,944	1,752,76
L. Paper-making materials	135,700	159,825	924,078	1,008,62
M. Rubber	9,421	20,612	60,889	98,57
N. Miscellaneous raw materials and articles mainly unmanufactured	160,979	184,883	2,394,420	2,073,81
Total, Class II.	7,800,056	5,948,426	55,825,282	45,019,738
III.—Articles Wholly or Mainly Manufactured—				
A. Coke and manufactured fuel	342,700	247,196	3,350,212	1,831,93
B. Earthenware, glass, abrasives, &c.	1,034,448	1,115,178	6,303,536	6,444,52
C. Iron and steel and manufactures thereof	6,300,115	5,225,780	39,029,960	34,562,36
D. Non-ferrous metals and manufactures thereof	1,203,349	1,464,164	8,068,251	7,899,72
E. Cutlery, hardware, implements, and instruments	717,960	768,574	3,974,359	4,512,90
F. Electrical goods and apparatus	659,262	845,222	4,759,956	6,142,30
G. Machinery	3,536,468	3,879,708	21,510,140	24,376,97
H. Manufactures of wood and timber	164,408	171,428	986,626	1,162,97
I. Cotton yarns and manufactures	16,076,057	15,463,728	98,984,597	100,987,61
J. Woollen and worsted yarns and manufactures	5,725,235	4,694,343	32,192,804	30,785,86
K. Silk and silk manufactures	185,735	163,368	1,036,770	916,314
L. Manufactures of other textile materials	2,264,759	2,209,721	12,938,279	14,645,94
M. Apparel	2,022,593	1,916,752	15,568,497	14,228,17
N. Chemicals, drugs, dyes, & colours	1,902,644	1,951,446	12,698,315	12,358,10
O. Oils, fats, & resins, manufactured	858,746	654,926	5,001,590	4,934,68
P. Leather and manufactures thereof	542,715	534,284	3,387,495	3,560,18
Q. Vehicles (including locomotives, ships, and aircraft)	702,495	705,740	4,327,709	4,765,76
R. Rubber manufactures	2,112,819	2,414,330	11,438,763	10,783,36
S. Miscellaneous articles mainly or wholly manufactured	446,741	680,069	2,910,569	3,758,70
Total, Class III.	2,659,027	2,615,075	15,365,832	16,081,26
Total, Class III.	49,468,048	47,718,996	301,315,828	312,719,53
IV.—Animals, not for food				
	166,591	132,958	948,206	918,687
V.—Parcel Post				
	785,736	1,034,524	5,060,623	7,597,224
Total	62,024,238	58,893,190	388,464,802	392,659,107

The Colonies are falling off to a considerable extent. The coal market remains slack. Billets have been reduced in price, Siemens acid being 10s lower at £10 10s. Acid wire rods have fallen £2 per ton to £16, and there have also been declines in medium basic wire rods to £12 5s for lots under 50 tons, and £11 15s for 50 tons and over, while hard basic wire rods have fallen to £14 per ton (under 50 tons), and £13 10s (50 tons and over).

Our Cardiff correspondent writes:—On the Cardiff coal market this week all classes of coal have been stronger. The supply of shipping has been very scarce. Tonnage is being laid up wholesale, and at none of the South Wales docks have all the tips been employed. Although prices are harder, and in most cases higher than they were a week ago, the volume of trade has shown very little increase over the average of recent weeks, while at Swansea it has been reduced by the strike of the miners employed in the anthracite coalfield. For inland consumption stocks are being accumulated at an increasing rate to meet the contingency of a general stoppage of work throughout the South Wales coalfield. It is expected that the terms and conditions on which the pits will be kept open for work on August 1st will be posted at the collieries next week, and that the changes they will propose will be stubbornly resisted.

The following are the current approximate quotations:—Best Admiralties, 26s to 26s 6d; seconds, 25s to 26s; best dries, 25s to 25s 6d; black veins, 25s to 25s 6d; Western Valleys, 24s 9d to 25s; Eastern Valleys, 24s to 24s 6d; best bunker smalls, 15s 6d to 16s; ordinary cargo smalls, 12s 6d to 14s; coking smalls, 15s 3d to 16s; anthracite best large, 43s to 47s 6d; red vein large, 27s to 31s; machine-made cobbles, 51s 6d to 53s 6d; French nuts, 48s to 51s; stove nuts, 48s to 51s; rubbly culm, 13s to 14s; coke (special qualities), 40s to 45s; patent fuel, 24s to 26s 3d; pitwood, ex ship, 37s to 37s 6d.

The situation in the tinplate trade shows no improvement; on the contrary, outputs continue considerably below normal, and prices have, in some cases, fallen to 19s per basis box.

METALS.

The market displayed very firm features during the week, and prices advanced sharply under stimulating advices from the East, combined with a good demand. Later, however, selling orders imparted some irregularity. Standard cash sold £257 15s to £259 10s, £258 10s, and £261, three months £260-£262 10s-£260 15s-£263 7s 6d. Sales in the East were reported at £265 to £268 10s c.i.f. terms. Copper was accorded active support, and prices hardened, while sellers exercised reserve. Standard cash done at £61 7s 6d to £62, and three months £62 7s 6d-£63. Lead slightly irregular, but a good business transpired. Good soft foreign pig, July, sold £34 7s 6d-£34 15s, and August £34 2s 6d-£34 7s 6d; and £34 5s; September £34-£33 16s 3d, October £33 17s 6d-£34, and £33 18s 9d ton. Spelter steady, with fair support accorded. July sold £34 12s 6d to £34 18s 9d, August £34 12s 6d-£34 13s 9d, and £34 16s 3d, September £34 10s-£34 12s 6d, and £34 7s 6d, October £34 5s-£34 10s, and £34 5s, and £34 10s. Antimony firm. English special quoted £74 10s to £85, as to quality and make, foreign refined £63 10s to £64 10s ton, ex warehouse. Aluminium nominal at £120 to £125 per ton, ex warehouse. Quicksilver firm. Spot quoted £14 to £14 5s per bottle. Wolfram firm at 17s per unit, ex warehouse.

THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—July 10, 1925.

Descriptions.	Official Quotations.									
American.....	G.O. 800. L.M. 11-87 12-47 12-57	S.L.M. 13-27 13-67 13-82	Md. 14-17 14-47 14-57	S.M. 14-17 14-47 14-57	G.M. 11-07 11-37 11-47	S.G.M. 11-07 11-37 11-47	M.P. 11-07 11-37 11-47			
	120 60 30	20 60 30	on on on	on on on	on on on	on on on	on on on			
Braslian—										
Permac, Macao, &c.	Mid. Fair. 13-32	Fair. 14-32			Gd. Fair. 15-32					
Parahyba, Rio										
Grande.....	13-32	14-32			15-32					
Ceara, &c.....	13-32	14-32			15-32					
Sao Paulo.....	12-82	13-32			14-32					
Peruvian—										
Rough.....	M.F. 12-82	Fair. 13-32	Gd. Fr. 14-32	Good. 15-32						
Moderately rough		16-25	17-25	18-25						
Smooth.....	13-57	14-32	15-07	15-57						
Tangue.....	14-57	15-07	15-57	16-57						
Mitah.....		20-00	21-50	23-00						
Egyptian—										
Upper.....	Fair. 16-80	Gd. Fr. 17-80	F.G.F. 18-70	Good. 20-60	Fine. 21-85	Ex. Fine 22-95				
Sakellaris.....	20-85	21-85	22-85	23-85	24-85	25-85				
Brown.....	21-80	22-80	23-80	24-80	25-80	26-80				
Soudan.....	Mid. 13-05	M.F. 13-15	Fair. 13-25	Gd. Fr. 13-35	Good. 13-45	Fine. 13-55	Ex. Fine 13-65			
West Indian.....										
Do Sea Island.....	12-80	13-80	14-80	15-80	16-80	17-80	18-80			
East African.....	Mid. 13-05	F.M. 13-15	G.M. 13-25	F.G.M. 13-35						
West African.....	13-05	13-15	13-25	13-35	13-45	13-55	13-65			
Australian.....										
East Indian—										
Surat.....	G.F. 10-75	F.G.F. 11-15	Gd. Fr. 12-00	Good. 12-40	Fine. 12-80	Ex. Fine 13-20				
Bombay.....	10-75	11-15	12-00	12-40	12-80	13-20				
Tinnivelly.....	11-55	12-35	13-15	13-55	14-35	14-75				
Amer. Sind/Punjab.....	11-35	12-15	12-55	13-35	14-15	14-55				
*Western.....	11-00	11-20	11-40	11-60	11-80	12-00				
*Northern.....	11-05	11-25	11-45	11-65	11-85	12-05				
Cocoonada.....	(Fair. 11-70)									
Comphah.....	11-30	11-70	12-10	12-50	13-30	13-70				
Comra, No. 1.....	10-50	11-00	11-40	11-80	12-20	12-60				
Comra, No. 2.....	10-50	11-00	11-40	11-80	12-20	12-60				
Kharab.....	10-50	11-00	11-40	11-80	12-20	12-60				
Bengal.....	10-50	11-00	11-40	11-80	12-20	12-60				
Sind.....	10-50	11-00	11-40	11-80	12-20	12-60				

* Hand-ginned 40 points less.

MANCHESTER, July 16.

Sellers in the market continue to be encouraged by a rather larger inquiry, but buyers are slow in coming up in price. The undercurrent of demand, however, is healthier than a little time ago. The fluctuations in raw cotton rates are disconcerting, and there is some anxiety as to the outcome of the labour dispute in the coal industry. In cloth for India inquiry has again been on a freer scale. More transactions have been put through for Calcutta in grey shirtings and lighter bleaching descriptions. A scattered business has also been done for Bombay and Madras. Favourable advices are being received as to the progress of the monsoon. China reports also continue better, a few fresh contracts having been arranged. The Near Eastern outlets have given very little support, but an encouraging turnover has taken place for the Continent and the United States. Quotations in American and Egyptian yarns remain irregular. There has been a restricted turnover in home counts and export numbers.

(I.) Comparative Statement of the Cotton Trade.

	Price, July 16, 1925.	Previous Weeks in 1925.					
		Price, July 9.	Price, July 2.	Price, June 25.	Price, June 18.	Price, June 11.	
Raw Cotton—Mid. American.....per lb	13-72	13-65	13-78	13-53	13-55	13-18	
— Sakellaridis Fully Good Fair Egyptian.....per lb	31-30	31-35	32-60	31-45	31-75	31-70	
Yarns—32's twist.....per lb	20 1/2	20 1/2	20 1/2	21	21	21	
— 40's twist.....per lb	21	21	21 1/2	21 1/2	21 1/2	21 1/2	
— 60's twist (Egyptian).....per lb	37	38	39 1/2	39 1/2	41	41	
32-in. Printers, 116 yds, 16 by 16, 32's and 50's.....	32 0	32 0	32 3	32 3	32 6	33 0	
36-in. Shirtings, 75 yds, 19 by 19, 32's and 40's.....	36 3	36 3	36 6	36 6	36 9	37 3	
38-in. ditto, 38 yds, 18 by 18, 10 lbs.....	17 9	17 9	18 0	18 0	18 0	18 3	
39-in. ditto, 37 1/2 yds, 16 by 16, 8 1/2 lbs.....	16 0	16 0	16 3	16 3	16 3	16 4 1/2	

(II.) Compared with Previous Years.

	Price, July 16, 1925.	Corresponding dates in					
		1924.	1923.	1922.	1921.	1920.	
Raw Cotton—Mid. American.....per lb	13-72	17-12	15-71	13-70	8-34	27-29	
— Sakellaridis Fully Good Fair Egyptian.....per lb	31-30	23-75	15-65	19-75	15-50	67-00	
Yarns—32's twist.....per lb	20 1/2	25	22 1/2	20 1/2	17 1/2	54 1/2	
— 40's twist.....per lb	21	25 1/2	22 1/2	19 1/2	16 1/2	50	
— 60's twist (Egyptian).....per lb	37	34 1/2	28 1/2	30	31	58	
32-in. Printers, 116 yds, 16 by 16, 32's and 50's.....	32 0	35 0	31 6	32 6	32 0	87 6	
36-in. Shirtings, 75 yds, 19 by 19, 32's and 40's.....	36 3	40 0	34 9	31 6	31 6	81 6	
38-in. ditto, 38 yds, 18 by 18, 10 lbs.....	17 9	20 6	18 3	18 3	18 9	48 6	
39-in. ditto, 37 1/2 yds, 16 by 16, 8 1/2 lbs.....	16 0	18 9	16 9	17 3	16 9	42 0	

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THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—The outstanding feature this week has been the decision of the employers to post notices intimating an all-round reduction in wages amounting to about 5 per cent. on average. This action has been taken as a result of the inability of the Industrial Council to negotiate a settlement of the wages question. There seems to be a very general impression that a strike will follow, for the employers' leaders have already announced that trade unionists are not to accept the terms offered by the employers. In these circumstances business is again being conducted on exceedingly restricted lines. Neither spinners nor manufacturers are anxious to add to their present commitments until the outlook becomes clearer, and it is obvious that if a strike occurs there will be a certain amount of bother in connection with urgent deliveries. Topmakers' quotations show very little change compared with those ruling a week ago. The real fact is that the course of trade in London and in Australia has had very little effect on this centre so far. Wool is selling well at prices quite beyond the reach of most users here, and this is almost entirely due to the strong Continental buying of raw material. Bradford buyers are getting very little wool at the sales, simply because they cannot obtain for tops anything approaching cost of production.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

Considerable interest continues to be displayed in the course of the raw material, and wool sales may now be said to be in full swing with the reopening of the auctions in Australia. All markets are certainly better, as the direct result of the six to eight weeks' rest. The lesson of the cessation of wool sales is obvious to those who have made a careful study of the position. Whenever there is a repetition of similar conditions, it will be wise to give buyers a rest, and it is apparent that even America is now feeling inspired to enter the Australian market and purchase the best wools. We think the buying should be encouraged, and growers can help in this direction by meeting the market. We do not see the slightest good to be obtained by putting on excessive reserves, either in London or Australia, because there is nothing to warrant any permanently higher prices than are being paid. It is acknowledged by buyers who have come home during the interval that Australian values were slightly below a London parity when the auctions finished, and we attach far more importance to the spirit and temper of buyers in Australia and the willingness to operate freely than we do to any 5 to 10 per cent. advance that is recorded in the best merinos and comebacks. Now that Australia has recommenced selling, we sincerely hope there is sufficient buying power in the trade to maintain the sales, and that there will be equally as good a response at both Brisbane and Sydney.

The course of the auctions in London can be regarded as good, and the irregularity in prices is very slight. The worst feature in Coleman street is that the bulk of the buying of merinos is having to be done by the Continent, the home trade not being disposed to operate at all freely. No doubt the threatened strike throughout the whole of the textile areas of the West Riding is playing some part in the sale-room, and certainly influencing buyers adversely. There is nothing now to prevent a strike, except the willingness of the operatives to submit to a 5 per cent. reduction in wages on their net earnings.

HIDE, LEATHER, AND ALLIED TRADES.

The hide market remains very steady at the recent advances established. Best ox hides again sold at Thursday's Bermondsey auctions from 6½d to 8½d, and seconds from 6½d to 8½d per lb. Best cow hides made from 6½d to 8d. Calfskins were also firm, best selections selling from 7½d for heavy, to 1½d for light in the best pelts from 5s 9d to 7s 6d each. Fregoric hides share in a general firmness, and sales have been made of Argentine ox on a basis of 8½d to 8½d, with Montevideos at 9½d. 16,000 Liebig saladeros ox have, however, been sold to the Continent from 8½d to 11½d has been obtained for B.A. Americanos. The Chicago market is cabled as strong, with best heavy packers selling at 17 cents. Tanners are in an awkward position, as it seems impossible to control the raw hide market, and equally difficult to obtain prices for leather which will show a profit. The turnover in sole and prices, and tanners are now holding out for list prices again. Light dry hide bends are still the best sellers, but the advent of the autumn and winter trade has led to more enquiries for medium and heavier weights. The upper leather position remains quiet, with small parcels selling at firm prices. Kip and heavy chrome leathers are still dull, and curriers not well employed. Patent black glaze and coloured kid are selling fairly well. Imports of dressed leather continue to advance, the values for the first six months of 1924-25 being £3,499,650 and £3,779,002 respectively. On the whole, the boot trade is better employed. The export section, however, remains fairly good, as the values of exported leather footwear for the first six months of 1924-25 amounted to £2,179,630 and £2,160,750—the slight drop this year being due to a decline in Free State orders.

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VEGETABLE OILS AND OILSEEDS.

Linseed oil has been a somewhat erratic market, and recent advances have not been maintained. Prices have moved principally in sympathy with seed, and only a moderate business has been done. Thursday's value ex Hull mill was £41 per ton naked for spot, July-August and later positions being at a slight discount. Demand for cotton oil continues poor, but there is not much offering, crude Egyptian now being held for £43 and ordinary refined for £42 prompt. Soya oil has recovered to £41 15s, and palm kernel oil is dearer at £43. Rape and other oils are unchanged.

In the oilseed section demand for linseed by crushers has been almost negligible, and, following lower Plate options, prices have had a declining tendency. Spot and near positions are weak, and forward are lower, though on balance above those of a week ago. Up to £19 15s has been paid for August-September to Hull, and £22 for Calcutta to London, same positions. Further business in new crop Plate for January-February shipment is reported at £19 7s 6d after £19 12s 6d paid. Egyptian cottonseed old crop is held by shippers for £13 5s, July, and new £12 12s 6d November-January. Trade in oilcakes is quiet, as is usual at this time of the year.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, July 17.

SUGAR.—The market is firm, but at the same time generally quiet, and the continuance of a hand-to-mouth policy on the part of manufacturers and distributors favour the sale of British refined goods. No change was made in quotations of spot parcels. Crop prospects in Europe, with perhaps the exception of Germany, remain favourable, and the situation is still mainly dominated by America. Liberal and comparatively cheap offers of this granulated are made to the United Kingdom, while Cuba continues to furnish the raw product to British refiners. Messrs Tate and Lyle's cubes quoted 34s 6d to 35s 6d; crushed, 32s 6d; nibs, 35s; granulated stove, 32s 10½d; fine, also coarse, 30s 7½d; No. 1, 30s 4½d; No. 2, also London and T.L., 30s 1½d; ditto, month forward, 30s; yellow crystals, spot, 27s 7½d; caster, finest, 34s 4½d; A, 33s 10½d; B, 32s 3d; pulverised, 33s. Czech granulated, spot, 29s 6d; November-December, 16s 4½d, f.o.b., Hamburg. Dutch granulated, J quality, spot, 29s 6d; August, 16s 4½d, f.o.b., Rotterdam. Belgian crystals, ready, 16s 1½d, f.o.b., Antwerp. Polish crystals, ready, 15s 10½d, f.o.b., Danzig. American granulated, spot, 29s 4½d; July-August, London, 16s 6d; outports, 16s 9d, c.f. and i. terms. White Java, July-August, to London, quoted 15s 9d, c.f. and i. Cuban basis, 96 per cent., July-August, 12s 1½d, c.f. and i. White terminal market firm, with fair dealings. August delivery sold, 15s 9½d to 15s 11½d to 15s 9d; December, 16s to 15s 11½d and 16s; March, 16s 3d to 16s 1½d and 16s 3½d; May, 16s 6d to 16s 7½d per cwt.

COFFEE.—A steady tone governed the market, and fair absorption took place, both on home and export account, of the finer qualities. Common, however, remained difficult of sale. Costa Rica, bold hard grey to fancy blue, sold, 173s to 179s; Kenya, bold, 125s 6d to 144s 6d. Brazilian varieties for shipment met with very slow support.

COCOA.—Spot market steady, but business proceeded quietly. Accra, F/F, July-August, quoted 39s 6d; August-September, 40s; October-December, 42s, f.o.b.

TEA.—About 43,700 packages Indian were brought to auction and experienced subdued competition. All the finer liquoring teas, however, realized steady prices but medium and common ruled 3d to 3d per lb lower. Pekoe sold 1s 1d to 1s 8d; broken orange pekoe, 1s 3d to 2s 2d. Ceylon sales of 31,700 packages disclosed features similar to those prevailing for Indian. Pekoe sold 1s 2d to 1s 10d; broken orange pekoe 1s 6d to 2s 2d per lb in bond. In auction 7,900 tons Java and Sumatra were submitted. A quiet tone prevailed, with common and low medium sorts 3d to 3d per lb lower, but all the finer grades realised steady prices. Pekoe sold 1s to 1s 2d; broken pekoe 3d to 1s 5d; orange pekoe, 1s 3d to 1s 5d; broken orange pekoe 1s 2d to 1s 7d; and pekoe Souchong 10d to 1s 1d per lb in bond.

RICE.—Firm, but buyers do not show much interest at the moment. Rangoon two stars, spot, London, quoted 15s 6d; float, steamer, 15s 3d; June-July, 15s; July-August, 15s 1d, c.i.f. Japanese peas,

spot, 25s; September-October, 24s 4d. Madagascar butter beans, spot, 36s to 37s 6d, as to quality; July-August shipment, 34s, c.i.f.

SPICE.—Pepper steady, but generally quiet. Black Singapore, spot, quoted 74d; L.S., August-October, 74d; Lampung, spot, 74d; August-October, 7d; white Muntok, spot, 1s; August-October, 1s 1d to 1s 2d. Zanzibar cloves, spot, 11d to 11d; October-December, 11d to 1s. Sellers, 10d, c.i.f. and i., per lb. Tapioca steady. Fair Singapore, flake, spot, 23d; fine Java, 3d per lb. Singapore, August-September, to Havre, quoted 18s 3d; September-October, 18s 6d; Panang seed to London, July-August, 16s 9d. Sago flour quiet. Sarawak, July, to U.K., quoted 16s 6d; July-August, 16s 3d; September-October, 15s 10d. Desiccated coconut, fine cut, spot, 39s 9d; medium, 40s; halves, August-September, 39s 6d per cwt. Ginger steady, Japan, spot, 90s; August-September, 85s; West African, spot, 64s; shipment, 61s per cwt, c.i.f. terms.

JUTE.—Steady, with moderate inquiries. Firsts to Continent, July, quoted 44s; August, 44s 10s; September, 44s 10s; October, 44s 10s; October-November also November-December, 44s 10s. Lightnings quoted at 30s per ton less. Hessians and twills firm; especially for near positions, but trade generally quiet.

KEMF.—Manila dull, and trend of values weaker. J grade, August-October, 47s 10s; K ditto, 42s; L, 42s 10s; M, 43s 10s. New Zealand H.P.F., August-October, 44s; fair at 43s. African sisal, No. 1 Tanganyika, August-October, 44s; and Kenya, 44s 10s per ton.

COMMERCIAL TIMES—WEEKLY PRICE CURRENT.

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

LONDON, FRIDAY.		DYE STUFFS, &c.		METALS—B. Copper		SUGAR—per cwt duty, 11s 8d	
JOCOA—Duty, British grown	55 0 0	Galla, China, per cwt	60 0 0	Best selected	51 15 0	B.W.I., muscovado	24 0 0
Do do, foreign, 14s cwt	55 0 0	Turmeric, Bengal	nom	Sheets (strong)	90 0 0	Crystallized	24 0 0
Trinidad	55 0 0	Madras, finger	37 6 0	Standard	61 17 6	Java, white	24 0 0
Grenada	55 0 0	Gambier, block	57 6 0	Lead Eng. Pig per ton	35 15 0	Refined—London	24 0 0
Ceylon, plantation	55 0 0	Cutch, ord. to fair	55 0 0	Boit Foreign	34 10 0	Yellow Crystals	27 7 6
Guayaquil	55 0 0	DYEWOODS	55 0 0	Spelter G.O.B.	34 17 6	Cubes	32 6 0
Bahia, finest	55 0 0	Brazil, per ton	18 0 0	Tin—English ingots	26 15 0	Crushed	32 6 0
COFFEE—British grown	55 0 0	Finest, Jamaica	18 0 0	Do do bars	26 15 0	Granulated	30 14 0
Do do, foreign, 14s cwt	55 0 0	Cuba	15 0 0	Standard cash	26 15 0	Crystals, No. 3	30 0 0
E. India, fine ord. g.d. mid. 11s	0 140 0	Lima Wood	20 0 0	OILS—Fish, per ton	40 0 0	Castor	32 3 4
Do good to fine	150 1 58 0	Logwood, Campeachy	9 0 0	Seal, pale	40 0 0	Pieces	24 0 29 0
Costa Rica, ord. to mid.	150 0 0	Honduras	10 10 0	Linseed, p. ton net, naked	42 0 0	SPICES—Pepper, lb	
Good to fine	170 0 196 0	Jamaica	7 15 0	Edible, refined	53 10 0	Muntok, fair White	0 11 1 0
Central American, g.d. ord.	115 0 145 0	Red Sanders	12 0 0	Cocoa-nut, crude	48 10 0	Black Singapore	0 7 0 0
Do good to fine	150 0 155 0	Sapang Ceylon	15 0 0	Refined	53 0 54 0	White Siam	0 11 0 0
Colombian, ordinary	113 0 115 0	FLAX—spot, c.i.f.	82 0 0	Palm	39 10 40 5	Pimento	0 11 0 0
Do g.d. ord. to low mid.	118 0 122 0	FLAX—spot, c.i.f.	82 0 0	Lard, American	70 0 78 0	Cinnamon—1st sort	1 9 0 0
Do mid to fine	130 0 148 0	FLAX—spot, c.i.f.	82 0 0	Petroleum—Oil, per 8 lbs.	1 10 0	Do 2nd	1 8 0 0
CHEMICALS		FLAX—spot, c.i.f.	82 0 0	Wax—White	1 10 0	Do 3rd	1 8 0 0
Acid, citric	per lb 1 5 0 0	FRUIT	82 0 0	Oil Cakes, Linseed, Eng.	1 10 0	Cassia Ligna	47 6 0 0
Nitric	per lb 0 24 0 4	Oranges, Murcia & Val. 300	35 0 0	per ton	21 15 0	Cloves—Zanzibar	0 11 0 0
Oxalic, net	per lb 0 6 0 6	Do Cape	16 0 0	Oil Seeds—Linseed	41 10 0	Penang	2 2 0 0
Tartaric, English	per lb 1 1 1 1	Lemons, Naples	12 0 0	La Plata, p. ton Aug-Sept.	19 10 0	Madagascar	1 3 1 5
Foreign	per lb 0 11 1 0	Do Do	12 0 0	Bombay, p. ton Aug-Sept.	21 17 6	Ginger—per cwt	1 10 0 0
Creosote of Tartar	per lb 0 78 0 0	Do Sicilian	12 0 0	Calcutta, p. ton Aug-Sept.	22 7 6	Do wormy	1 10 0 0
99% 100%	per cwt 76 0 78 0	Do Malaga	12 0 0	PORTLAND CEMENT—Best English	per ton delivered, London 58/0 63/6	Japan	0 0 0 0
Alum lump	per ton 10/10/0	Do Do	12 0 0	per ton delivered, London 58/0 63/6		Jamaica, ord. to good	0 0 0 0
Do ground	per ton 12/10/0	Grapes, Lisbon	0 0 0 0	Rapid hardening "Ferrocement"	13 10 0	Mace	0 13 0 0
Ammonia, carb.	per ton 15 0 15 0	Algeria	0 0 0 0	per ton extra		Nutmegs, 65's	3 9 0 0
Muriatic, White	per ton 25 15 31 15	Val. Ona	12 0 0	PROVISIONS		110's and 80's	2 4 0 0
Sulphate	per lb 0 15 0 0	Egyptian Ona	12 0 0	Butter—per cwt	48 0 0	Chillies—per cwt	36 6 97 6
Arsenic, lump	per ton 75 0 80 0	Apples, Tasmanian	0 0 0 0	Irish creamery	nom	Beef	47 6 0 0
Powder	per cwt 25 0 25 0	Gloss	10 6 14 0	Do factory	nom	E. I. Flake, fair, spot	0 22 0 0
Asbes, pot	per cwt 65 0 70 0	Sturmer Pippin	9 0 14 0	Do factory	nom	Medium Pearl	22 6 28 0
Pearl do	per cwt 65 0 70 0	French Crab	10 0 12 6	Do factory	nom	Seed	17 0 28 0
Bleach ag powder, per ton	9/10/0	HIDES—Wet salted—		Do factory	nom	TEA—duty 3d, British	
Borax, grade	per ton 34 0 0	Australian	0 54 0 63	Do factory	nom	foreign, 6d per lb	
Do crystals	per ton 25 0 0	West Indian	0 4 0 63	Do factory	nom	Pekoe	0 11 1 10
Do powder	per ton 25 0 0	Cape	0 6 0 72	Do factory	nom	Broken Pekoe	1 0 2 0 4
Jalomet	per lb 4 0 4 3	Lisbon	0 52 0 72	Do factory	nom	Orange Pekoe	1 2 2 1
Iodine, dry	per oz 1 0 1 1	Oporto	0 4 0 7	Do factory	nom	Broken Orange	1 3 2 2
Nitrate of Soda	per ton 13/0/0	Dry & Drysalted Cape	0 4 0 11 3	Do factory	nom	Pekoe Souchong	1 0 1 10
Potash—Chlorate, net.	0 42 0 44	Madagascar	0 6 0 9	Do factory	nom	TIMBER—ex, yd—	
Prussiate	0 8 0 9	Central American	0 7 0 10 2	Do factory	nom	Swedish u/s 3 x 8, Pt. Std.	20 0 0 0
Sulphate	per lb 1 0 2 15 0	Buffaloes, Singapore	0 7 0 10 2	Do factory	nom	Do 2 x 4	20 0 0 0
Sulphate	per lb 1 0 2 15 0	Penang	0 6 0 10 2	Do factory	nom	Do 2 x 4	20 0 0 0
Sulphate	per lb 1 0 2 15 0	E.L.	0 5 0 14 1	Do factory	nom	Canad Spruce, Dls.	17 10 0 0
Sulphate	per lb 1 0 2 15 0	Market Hides, London	0 7 0 8	Do factory	nom	Pitchpine	17 10 0 0
Sulphate	per lb 1 0 2 15 0	Best hy. ox & heifer	0 6 0 8	Do factory	nom	Rio Deals	per load 9 0 0
Sulphate	per lb 1 0 2 15 0	Do light	0 6 0 8	Do factory	nom	Task	per load 33 0 0
Sulphate	per lb 1 0 2 15 0	2nd ox, heavy	0 6 0 8	Do factory	nom	Honduras Mahg. logs, c.ft.	0 11 6
Sulphate	per lb 1 0 2 15 0	Do light	0 6 0 8	Do factory	nom	African	0 6 6
Sulphate	per lb 1 0 2 15 0	Best cow	0 6 0 8	Do factory	nom	American Oak Boards	0 6 6
Sulphate	per lb 1 0 2 15 0	2nd do	0 6 0 8	Do factory	nom	Do Ash	0 6 6
Sulphate	per lb 1 0 2 15 0	Best calf	0 6 0 8	Do factory	nom	English Oak Planks	0 6 6
Sulphate	per lb 1 0 2 15 0	2nd do	0 6 0 8	Do factory	nom	Do Ash	0 6 6
Sulphate	per lb 1 0 2 15 0	INDIA RUBBER—lb		Do factory	nom	TOBACCO—	
Sulphate	per lb 1 0 2 15 0	Para, fine hard spot	4 0 0 0	Do factory	nom	Duty 8 1/2-10 1/4 per lb	
Sulphate	per lb 1 0 2 15 0	Plantation sheet	4 0 0 0	Do factory	nom	growths, 6 1/2 per lb	
Sulphate	per lb 1 0 2 15 0	INDIGO—good red violet to		Do factory	nom	Common to fine	1 3 2 3
Sulphate	per lb 1 0 2 15 0	English	6 6 7 0	Do factory	nom	Strips	2 0 2 6
Sulphate	per lb 1 0 2 15 0	Malabar, April-June	31 15 0	Do factory	nom	Kentucky leaf	
Sulphate	per lb 1 0 2 15 0	Ceylon	30 17 6	Do factory	nom	Common to fine	1 0 1 6
Sulphate	per lb 1 0 2 15 0	FMS Singapore	29 12 6	Do factory	nom	Strips	1 3 1 9
Sulphate	per lb 1 0 2 15 0	FM Straits	29 12 6	Do factory	nom	China	0 9 2 6
Sulphate	per lb 1 0 2 15 0	COCHINEAL—per lb	2/9 3/6	Do factory	nom	Borneo and Sumatra	1 0 7 0
Sulphate	per lb 1 0 2 15 0	Alone, fine E.L.	0 150 0	Do factory	nom	Nyassaland	0 6 1 6
Sulphate	per lb 1 0 2 15 0	Cape, good to fine	41 0 42 6	Do factory	nom	Seedling	0 6 1 6
Sulphate	per lb 1 0 2 15 0	Balsam Peru	7 5 7 6	Do factory	nom	Havana	1 6 4 6
Sulphate	per lb 1 0 2 15 0	Cajup	2 0 2 3	Do factory	nom	Greek	1 6 6 0
Sulphate	per lb 1 0 2 15 0	Campor	2 9 2 10	Do factory	nom	East Indian	0 10 1 3
Sulphate	per lb 1 0 2 15 0	Japan, refined	2 9 2 10	Do factory	nom	Cigars, duty 15/7 per lb	3 0 0 0
Sulphate	per lb 1 0 2 15 0	Oakum, Ceylon	4 0 0 0	Do factory	nom	Cigarettes, duty 12s 7d per lb	3 0 0 0
Sulphate	per lb 1 0 2 15 0	Castor-oil	85 0 95 0	Do factory	nom	WOOL—per lb	
Sulphate	per lb 1 0 2 15 0	Gum Benjamin Sum.	5/0/0 10/0/0	Do factory	nom	English, Southdown	67 6 0 0
Sulphate	per lb 1 0 2 15 0	Oilbanna, drops, fair to	60 0 105 0	Do factory	nom	Lincoln hog	33 3
Sulphate	per lb 1 0 2 15 0	good	8 6 0 0	Do factory	nom	Queensland, seed, super ombg.	57
Sulphate	per lb 1 0 2 15 0	Peppercorn	70 0 75 0	Do factory	nom	N.S.W. greasy, super	53
Sulphate	per lb 1 0 2 15 0	Shadon	3 0 3 1	Do factory	nom	N.Z., grav. half-bred, 80-85	15
Sulphate	per lb 1 0 2 15 0			Do factory	nom	Crossbred 60-64	14

COPIA firm, with a moderate demand. F.M.S. Straits, April-June, Rotterdam, quoted 31s 2s 6d; May-July, buyers, 30s 15s; July-September, 30s 12s 6d; August-October, 30s 10s. Dutch E.L., May-July, 30s 10s; July-September, 30s 5s. Ceylon, July-August, 31s 15s. M.S. South Sea Islands, July-August, 29s 12s 6d. Palm kernels, August-October to Liverpool, quoted 22s per ton.

SHELLAC easier. Fair T.N., August, sold, 217s 6d; December, 20s per cwt.

ESSENTIALS.—Star aniseed oil, spot, 3s; Cinnamon leaf oil, spot, 4d; shipment, 4d; Citronelle oil, Ceylon, spot, 2s 4d; shipment, 3s 2d; Java, spot, 3s 9d; shipment, 3s 10d; lemongrass oil, spot, 3s 13d; shipment, 3s 6d per lb.

EGG PRODUCTS quiet. Dried yolk, spot, quoted 11d; Albumen, spot, 4s; July-August, 3s 9d lb. Prime hen liquid yolk, 75s to 80s per spot; and July-August, 70s per cwt.

RUBBER.—Prices further hardened under sustained buying orders, though movements were attended by some irregularity. Plantation standard sheet, spot, also July, sold, 4s 5d to 4s 6d; August, 4s 4d to 4s 5d; September, 4s 3d to 4s 4d and 4s 4d; October-December, 3s 10d, 3s 11d, 3s 10d and 4s; January-March, 3s 5d to 3s 6d per lb.

FRUIT (Dried).—Market steady, but business proceeded on quiet lines. Of currants, Pyrgos quoted 33s to 34s; Amalia, 35s to 36s; Atlas, 38s to 40s; Gulph, 40s to 42s; Vostizza, 45s to 53s. Sultanias: myrta, fair quality, 58s to 62s; finer, 65s to 78s; Cretan, medium to good, 68s to 74s; Australian, 6s to 75s; South African, 65s to 75s. Figs: Naturals, in bags, quoted 29s to 30s. Dates quietly steady. Hallowee, spot, 19s; Khadowie, 17s 6d; Siar, 16s. Raisins: south African, 40s to 50s; Lexias, 50s. Evaporated fruits quiet, apart from a fair demand for apricots. Californian apricots, standard new extra choice, 127s 6d; fancy, 135s; Australian, 120s to 135s; Californian peaches, choice, 62s to 63s; extra choice, 65s to 66s; fancy, 70s. Lums: Oregon, new, 30/40, quoted 71s 10 72s; 40/50, at 50s 51s; Californian, new, 40/50, 58s to 60s; 50/60, 50s to 51s; 70/80, 4s to 45s. Pears, choice, 90s; extra choice, 102s to 103s. Apples: California, extra choice, 50s to 51s; Oregon, extra choice, 5s per cwt.

CANNED GOODS.—Sardines in moderate demand at late rates, with fine quality scarce. Portuguese, 3 flats quoted 4s 3d; clubs, 5s; 2 ozs, 7s 6d; 18 ozs, 12s per dozen tins. Salmon continues in good request at full rates. 1 lb, flat reds, labelled, 77s to 78s; tall, 1 lb, 52s 6d to 53s 6d; 1 lb, tall, pink, 26s to 27s; 1 lb flat, 33s to 36s. Lobsters in good request, and halves quoted 165s.

CANNED FRUITS.—Market generally unaltered, with a steady demand. Loganberries are again firmer, and parcels not up to grade are practically cleared. Singapore pines continue in demand, and prices tend firmer. 48-1 1/2's quoted 86s 6d to 87s 6d; cubes, 2 1/2's, 3s to 13s 6d; slices, 24-2 1/2's, 12s 6d to 13s 6d; South African and Hawaiian in steady request, at late rates. Californian pears, 15s 6d to 7s; peaches, 12s 3d to 14s; cherries, 13s 6d to 14s; apricots, 10s to 13s 6d; loganberries, 13s 6d to 16s; fruit salad, 1 1/2's, 12s 6d to 14s; 3's, 21s 6d to 22s 6d; Australian pears, 24-2 1/2's, 16s to 16s 6d. Canadian, 14s to 14s 6d.

MISCELLANEOUS.—Cocoanuts quoted 25s to 27s 6d per 100. Coir yarn: Ceylon, 25s to 33s; Cochinchina, 30s to 34s. Ceylon bristle, 19s 10s to 25s; cinnamon leaf oil, 44d; citronella, Ceylon, 2s 4d; Java, 3s 9d.

OILSEEDS.—Linseed irregular, with a fair demand. Calcutta to London, August-September, sold, 22s 2s 6d to 22s 17s 6d; bold Bombay, ditto, 22s 2s 6d. Plate to Hull, July-August, sold, 19s 15s to

19s 2s 6d; September-October, 22s to 22s 10s; January-February, 19s 10s to 19s. Rapeseed firm. Toria to Continent, July-August, 21s 17s 6d; brown Cawnore, 20s 17s 6d. Cotton-seed firm. Egyptian black, to Hull, July, 13s 7s 6d; November-January, sold, 12s 12s 6d; white, July, 12s 12s 6d; November-January, sold, 12s 12s 6d; Bombay, July-August, 19s 10s. Castor-seed steady. Bombay, July-August, 22s 10s. Gingly seed quiet. Chinese to Continent, July-August, 27s 15s; large Bombay ditto, 26s 5s. Ground-nuts firmer. Coromandel machined, July-August, 25s 10s; Nigerian, July-August, 25s 10s per ton.

OILS.—Linseed irregular. Spot, net, naked, 42s; August, 41s; September-December, 41s 3d. Rape easier. Crude, spot, 48s 6d; refined, 51s 6d. Castor-oil quiet. First pressure, spot, quoted 56s 6d; second pressure, 54s 6d; and pharmaceutical, 61s 6d per cwt. Hull, with London, 2s per cwt extra. Cotton seedier. Crude Egyptian, spot, 43s; Bombay, 39s 6d; common edible, 47s 6d; deodorised, 49s 6d. China-wood easier. Hankow, spot (barrels), 68s; June-July, nominally 67s. Coconut firm. Ceylon, spot, 48s; June-July, 46s 6d; Cochinchina, ordinary packages, 60s. Soya quiet. Oriental, barrels, July-August, 43s; bulk, 40s. Cod dull. English, spot, 33s to 34s. Ground-nuts steady. English, crushed, naked, spot, 49s 6d; deodorised, barrels, 57s. Turpentine firmer. American, spot, 67s 6d; August, 67s 9d; September-December, 68s 6d. Rosin firmer. American, grade B/D, 20s 6d; E, 21s 6d; F/G, 22s; W/G, 28s; W/W, 30s per cwt. French F/G, 21s 6d; W/W, 26s 9d per cwt. Petroleum quiet. American, standard white, spot, 1s; and water white, 1s 1d per gallon.

TALLOW.—Messrs Colchesters and Woolner write on July 15th as follows: The tallow market was firmer during the week, and prices were 2s dearer to-day. The spot demand showed some improvement and the small quantity offered being insufficient for requirements, met with lively competition. Shipments of tallow from Australasia during June amounted to 6,900 tons, against 1,700 tons during the corresponding month of last year. At auction to-day 768 casks tallow were offered, and 715 were sold. Quotations are:—Australian mutton: Fine, 49s; good to fair, 48s to 45s 6d; dull to dark, 43s 6d to 41s; hard, 48s. Australian beef: Fine, 48s; good to fair, 47s 6d to 44s 6d; dull to dark, 43s to 40s; sweet, 48s 6d. Present shipment from Australasia: Good mixed, 46s. Present shipment from South America, 46s 3d. The market letter is dearer. Tallow, 1s; stuff, 1s. Town tallow, 42s 6d per cwt. Rough fat per cwt, 43s 6d to 44s 6d; dull to dark, 43s to 40s; sweet, 48s 6d. Present shipment from South America, 46s 3d. The market letter is dearer. Tallow, 1s; stuff, 1s. Town tallow, 42s 6d per cwt. Rough fat per cwt, 43s 6d to 44s 6d; dull to dark, 43s to 40s; sweet, 48s 6d. Present shipment from South America, 46s 3d. The market letter is dearer. Tallow, 1s;

make weekly advances below $3\frac{1}{2}$ per cent. were not successful. Discount rates, after being weak, steadied appreciably when it was found that money was less easy, and had apparently been helped to become so by a further reduction in the Bank of England's holding of securities. The transfer of another half million in Bank notes to the Treasury note reserve was another indication in favour of caution, calling emphatic attention to the approach of the holiday demands for currency. Treasury bills had been dealt in as low as $4\frac{1}{8}$ per cent., but yesterday's batch went about $\frac{1}{8}$ above this rate. Bank bills were wanted on Continental account, but the working rate for them was practically $4\frac{1}{8}$ per cent.

	July 24, 1925.	July 17, 1925.	July 10, 1925.	July 3, 1925.	Previous Rate and Date Changed.
Bank Rate	5%	5%	5%	5%	4 (Mar. 5, '25)
Banks' Deposit Rate	3	3	3	3	2 (Mar. 5, '25)
Discount (Call)	3	3	3	3	2 (Mar. 5, '25)
Houses (Notices)	$3\frac{1}{2}$	$3\frac{1}{2}$	$3\frac{1}{2}$	$3\frac{1}{2}$	2 (Mar. 5, '25)
Market rate (3 months' bills) ..	$4\frac{1}{8}$	$4\frac{1}{8}$	$4\frac{1}{8}$	$4\frac{1}{8}$	..

The Bank return showed an increase in the stock of gold of £1,667,000, which is £2,000 below the amount announced as having been received from abroad during the week. The note "circulation" increased by £243,000, £500,000 having been transferred to the currency notes account, also the Reserve was £1,424,000 on balance higher, with its proportion to liabilities 1.5 per cent. higher at 31.3 per cent. Government and Other securities declined by one and two millions respectively, and Public deposits expanded by three millions; the Other deposits were thus $4\frac{1}{2}$ millions lower. Currency notes outstanding increased this week by £866,000 to £298,936,000, which includes £1,332,600 for notes called in, but not yet cancelled. The Bank of England notes in the Currency Note Redemption Account increased by £500,000 to £54,450,000. The fiduciary issue is £243,153,100, or £4,992,000 below the maximum for 1925.

NEW YORK MARKETS.

Our New York correspondent cables:—Cotton has risen \$7 per bale on the bullish Government estimate, which puts the condition at 70.4 and the probable yield at 13,339,000 bales. The deterioration in condition is due to hot dry weather in the south-west. The security market has shown slight signs of tiredness, with bond prices soft, but stocks still show little real inclination to go down. The money market remains easy, with more talk of hardening as autumn approaches. The Federal Reserve ratio is 77.1.

THE STOCK MARKETS.

Easier monetary conditions have reacted favourably on investment business. Prices have been advancing in the Consol market, and quotations for various issues are better on balance. A new South African loan for £4 millions was underwritten yesterday. The strength of French Railway bonds was an outstanding feature in the foreign market, and Home Rails also enjoyed substantial rises, but fell back yesterday. Business in Rubber shares, though less exuberant, is still of large dimensions, but Tea shares are neglected. Among Industrials, Textiles are firm, and the Shipping stocks rather better than of late, but Iron and Steel shares still lack public support. The Kaffir market is featureless.

THE COMMODITY MARKETS.

Business in the coal market has been more active this week, in view of consumers' apprehensions of a stoppage at the end of July. In iron and steel, however, very little business is being done for the same reason. An increased demand has been experienced in the cotton trade, buyers apparently having more confidence of the future of prices in this market. The wool textile industry of the West Riding being faced with prospects of a labour stoppage next week, very little business has been done at Bradford during the last few days. The hide market remains firm. Wheat has moved irregularly during the week. In the metal markets tin has been strong, with a sharp advance

in price. Copper and lead have also been firm. Dealings in sugar are featureless, and in tea, irregular. Rubber continues its active course.

FOREIGN EXCHANGES.

Business on the foreign exchange market has again been very quiet, the most marked activity being in French francs. Official intervention has continued to keep the rate relatively steady with some improvement down to as low as 102.50 at one time on the 21st, as compared with the closing rate of 103.25 on the 17th. On Wednesday and Thursday, in spite of a more favourable Bank return, there was a slight reaction up to 103.75 at one time on Thursday, but yesterday morning the quotation was back at 103.07 $\frac{1}{2}$, and the situation would appear for the time being to be well under control. Brussels has continued to show a marked spread, having moved from 105.20 to 105.07 $\frac{1}{2}$. Forward rates in Paris have widened again from 25.30 to 30.33 centimes above spot for one month ahead. Brussels for the same period stands at 7.4 centimes below. Italy, after a slight recovery at the end of last week, has again shown an upward tendency, being quoted as high as 133.75 at one time on the 23rd, as compared with a closing price of 131 $\frac{1}{2}$ on the 17th. Yesterday morning the rate stood at 133. Sterling has remained very stable; in the earlier part of the week there was a slight improvement to \$4.86 $\frac{1}{2}$, but the quotation is now back again at \$4.86 $\frac{1}{8}$. Forward dollars have narrowed again to 5.32-1-32 cent for one month ahead. Amsterdam, which stood at 12.11 $\frac{1}{2}$ on the 17th, improved sharply down to as low as 12.09. Since then there has been some reaction to 12.10 $\frac{1}{2}$. In spite of the strong disfavour with which the recent rapid appreciation is viewed both in Oslo and Copenhagen, the currencies of both centres have continued to improve, that of Norway from 27 to 26.57 $\frac{1}{2}$, and of Denmark from 23.02 $\frac{1}{2}$ to 21.87 $\frac{1}{2}$. The cause of this movement would appear to be speculative buying from abroad on the recent announcement of the policy of the Bank of Norway gradually to return to pre-war parity. In view of such announcement the action of the speculator is quite comprehensible, and it is difficult to see what action can be taken against such buying, in spite of the disadvantages which are caused to the trade of the two countries. In the case of Denmark, where no policy has been defined, the speculator would seem to be acting merely on the assumption that Denmark will in any case follow the example of Norway. Stockholm, over the week, has moved slightly in our favour from 18.08 to 18.08 $\frac{1}{2}$. Madrid has again moved up from 33.51 $\frac{1}{2}$ to 33.60 $\frac{1}{2}$, after being higher. Switzerland has risen from 25.03 to 25.03 $\frac{1}{2}$. The gold exchanges, Berlin, Vienna, Warsaw, Budapest, &c., show no appreciable change, and Helsingfors and Prague remain at their stabilised rates. Athens shows a rising tendency, but in Budapest there is a marked improvement from 1,005 to 920. In the East the rupee is very slightly cheaper at 1s 6 $\frac{1}{2}$ d, as compared with 1s 6 3-32d, but the yen has appreciated slightly from 1s 8 13-32d to 1s 8 11-32d. The silver market has been steady, but extremely sluggish, and both Hong Kong and Shanghai are unchanged. In South America Rio shows a distinct improvement from 5 $\frac{1}{2}$ to 5 13-16d, after being as high as 5 29-32d. Buenos Aires has also moved up slightly from 45 $\frac{1}{2}$ d to 45 11-32d, while Monte Video has risen from 48 $\frac{1}{2}$ d to 49 $\frac{1}{2}$ d. In Valparaiso there is also a slight appreciation from 40.80 to 40.60 pesos.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended July 18th:—

(000's omitted.)		(000's omitted.)	
EXPENDITURE.	£	RECEIPTS.	£
Supply Services	8,850	From Revenue	20,034
Interest, &c., on Debt	699		
Sinking Fund	270		
Increase in Balances	260		
Surpluses	1,433		
Reduction of Debt	8,522		
	20,034		20,034

The Revenue for the week amounted to £20,033,900, as compared with £18,350,000 in the corresponding week last year. Customs were slightly higher at £1,356,000, against £1,217,000, while Excise was lower at £7,016,000, against £7,407,000. Property and Income-

tax brought in £5,431,000, as compared with £5,756,000, and Super-tax amounted to £740,000, against £550,000. Ordinary Receipts, at £120,200, were £10,200 higher, while Special Receipts brought in £2,315,000, against nil last year. The week's operations reduced the National Debt by £8,522,000, and caused the following changes:—

(000's omitted.)	
Treasury Bills	+ 3,891
National Savings Certificates ..	+ 150
Surpluses	+ 287
	+ 4,328
Public Department Advances ..	— 12,850
	— 12,850

The floating debt was reduced by £8,935,000 to £783,555,000.

FINANCIAL YEAR, 1925-1926 (April 1st to July 18th.)

£	£
Total Expenditure .. 255,747,467	Raised by Revenue .. 213,300,587
	Decrease in Balances 3,770,970
	Amount borrowed .. 38,675,910
Total	255,747,467

ESTIMATES FOR FINANCIAL YEAR 1925-1926.

£	£
Expenditure	799,400,000
Revenue	801,060,000
Surplus	£1,660,000.

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—Standard Bank of South Africa, Dorada Extension Railway, Argentine Navigation Company, Distillers Company, British Celanese, Furness, Withy, and Co., Malayalam Plantations, and Transvaal Gold Mining Estates. At the Furness, Withy meeting Sir Frederick Lewis referred to the shipbuilding orders placed abroad by the company. At the Distillers Company meeting the terms of an agreement for exchange of capital with the Scottish Malt Distillers, Limited, were announced.

ECONOMIST INTELLIGENCE BRANCH.

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

MONTHLY TRADE SUPPLEMENT.

We publish this week our Monthly Supplement, in which will be found an appreciation of the trade situation at home and abroad, together with statistical information on the foreign trade, price movements, currency, and production of the leading commercial countries of the world. Its contents include a summary of the Balfour Committee's Survey of British Trade in Overseas Markets.

THE VICTORY OF THE "VESTED INTERESTS."

THE Government's Navy Estimates, as presented in March, showed an increase of £4,700,000, and this although no new construction was included. Until Thursday, although questions were repeatedly asked, no official information was forthcoming as to the Admiralty's plans under this head. Sanguine persons hoped that, since our complement of modern (i.e., post-1915) cruisers was more than equal to that of the United States, Japan, France, and Italy added together; since the proposed pact advocated by Mr Chamberlain was, professedly, a step in the direction of disarmament; since the world pants for peace, and this country for economy, the dead silence of the Government implied that Mr Churchill's reference, in his Budget speech, to a £10 millions saving, and his talk of a Committee "overhauling expenditure in blocks" could be taken as implying that, for once, the Cabinet, and not the Lords of the Admiralty, were to control naval spending. So it was hoped; but, as the weeks ran out, and rumours of struggles behind the scenes began to percolate, the hope grew fainter. Speaking at the Mansion House in the middle of last week, the Chancellor of the Exchequer used an expression of sinister augury. "The vested interests of expenditure are so strongly entrenched," he said, "that it will take all the efforts of a united Cabinet to achieve

even a moderate reduction this year." In his next sentence he at once proceeded to extinguish the tiny candle of optimism thus lit. Really, there was no question of a reduction; the fight was against a further increase in the naval bill. "We are endeavouring at present not so much to reduce the total of expenditure, but to prevent that total being seriously increased by the dull tide of upward expansion." In the House of Commons, next day, powerful arguments were adduced in favour of reduction, both on domestic and on international grounds. Commander Hilton Young, in particular, dealt in advance with any plea for new construction. Efficiency to-day lay along the road of reduced outlay; it was folly to build ships at a time when design was rapidly changing. This is a point that applies at least with equal force to what is called replacement. The First Lord said nothing in his reply, but during the week-end the rumblings of battle, inside the "united Cabinet," became more and more audible, and rumours of resignation flew about.

In the upshot the "vested interests" have triumphed. The "dull tide of upward expansion" has flowed over those who attacked them. The Sea Lords have maintained their claim to determine policy. Presumably they have won because their threat of resignation was taken seriously, while that of Mr Churchill, if made, which is doubtful, was not. Anyhow, on Thursday afternoon Mr Baldwin, who has talked so eloquently about economy, and actually, with a singular sense of humour, proceeded to do so then, announced that the Admiralty's "minimum" programme had been sanctioned. Seven cruisers are to be built. Four are to be laid down in this financial year, two in October, two in February; then three more in every year during the life of the present Parliament. The Admiralty wanted eight; they have got seven. They wanted a "continuous programme" of 45, over a period of nine years. They have made a very good start. The "dull tide" is flowing.

Whenever or however it is paid, the bill for these cruisers is an addition to the Navy Estimates. These Estimates, at £60 $\frac{1}{2}$ millions, represent an increase of nearly £5 millions over the Labour Government's actual expenditure, which included charges for five cruisers and two destroyers, part of the replacement programme they had inherited from their predecessors and substantially cut down. At £60 $\frac{1}{2}$ millions, the Estimates show an increase of no less than 24 per cent. (£11,667,000) over those for 1913-14, although the latter included large amounts on account of new construction. To that huge bill the new cruiser programme is an addition. The Opposition has asked for Vote 8 to be taken on Tuesday. The debate then will give an opportunity for discovering, with rather more precision than is possible at present, what the addition is to mean. The Prime Minister, with singular naïveté, coupled his announcement with the declaration that a Committee of three outsiders is to be appointed to look into economies in the service departments. Presumably this is on top of the "overhauling" committee to whose beneficent operations Mr Churchill referred. In any case, its field seems restricted in advance. Individuals, when hard up, do not, as a rule, go out and make extensive purchases, and then call in an outsider to advise them how to make ends meet; or, if they do, they find themselves in the Bankruptcy Court. It is difficult to take this part of the Prime Minister's announcement seriously.

The general position is, however, very serious. The King's Speech promised that "Every effort will be made to reduce public expenditure to the lowest possible limit consistent with the security and efficiency of the State. The present heavy burdens on the taxpayer are a hindrance to the revival of trade and employment. Economy in every sphere is essential if we are to regain our industrial and commercial prosperity." That was in December. In July, growing unemployment, a heavier burden of depression throughout our major industries, a mounting adverse trade balance, a menacing industrial crisis, register the effect of the disregard of this solemn warning, uttered by the Government to itself. Economy is a rigorous and concrete process. Words do not further it. It has to be addressed specifically. What is should be addressed to unproductive services. What is actually happening? On Thursday the Prime Minister's

announcement of more money for cruisers was immediately followed by a dreary debate on education, from which the Front Bench, perhaps from a sense of shame, conspicuously absented themselves, while the Minister wrung his hands and said he could not do what he would because there was no money. That is one side of the picture. On the other, £116 millions for armaments, apart from this new incalculable addition. What Singapore is going to cost us, nobody knows. What the new cruisers are going to cost us, nobody knows. What we do know, however, is that no expert has yet justified the expenditure, and that we cannot afford it.

From the international point of view, the case is even worse. The Prime Minister's announcement is a declaration to the world which the world will be only too ready to understand. Cruiser building is a gesture, which no arguments about subsequent economies, replacements, and so on, can offset. With the German fleet at the bottom of the ocean, the Washington Agreement for limitation signed and sealed, and the League of Nations Covenant binding all its signatories to "reduce armaments to the lowest point consistent with national safety," Great Britain embarks on a new building programme. Inevitably, the action is read as wantonly queering the pitch, in advance, for any effort at disarmament. Small wonder that the French Press again resounds with complaints of British hypocrisy and declarations that we have now shown the insincerity of our pacific professions. France is asked to reduce its military forces. Is it likely that it will do so, or that anyone else will do so, with this flag of aggression flaunting before their eyes? It can have no effect but an all-round revival of the old, mad race of competitive preparations—always called "insurance," "security," and so on, always, inevitably, creating the very danger that is feared and, at once, re-establishing the old bad atmosphere of mutual suspicion and distrust. At Washington we agreed to limit our battleships, and the gesture was applauded to the echo. What is the effect likely to be on our moral status, and on the authority of any disarmament conference or any effort at international agreement, of the discovery that, having signed a pledge in the letter, we immediately proceed to violate its spirit? We are not building battleships of over 10,000 tons. The letter has been observed. But we are building a fleet of cruisers—because they are not specifically included. How can we expect that a pact or any other instrument can ensure peace when we give such practical demonstration of our disbelief in it?

GERMANY'S REJOINDER.

THE German reply to the Allied Note of June 16th on the original Rhineland Pact proposals has been received with considerable relief. In view of the difficulties the Nationalists have been making for Herr Stresemann, a much less satisfactory document might reasonably have been expected. As it is, while protracted and possibly difficult negotiations are in store, progress is, at any rate, being registered, and the German communication, so far from arresting the march of events, does represent definitely a further step towards peace and stability in Europe. We are still, it is true, in the region of elucidations. The Allies devoted themselves in June to eliciting explanations of certain doubtful points in the deliberately vague German proposals of February. To-day Germany, in her turn, perplexed and a little uneasy about certain Allied stipulations, is endeavouring to discover precisely where she stands. But the upshot of the whole thing is that we are making headway, and shall make it more effectively when the time comes for abandoning written interchanges and substitute the more swiftly moving mechanism of personal conversations. Germany clearly thinks the time for that has come already, and most people in this country will be disposed to agree with her on that point.

The German Note deals with two sets of questions: those as to which there is substantial agreement between

Germany on the one side and Great Britain and France on the other, and those as to which there so far manifestly is not. The former, fortunately, predominate. Germany, for example, admits at once that the conclusion of the proposed Rhineland Pact is to be in no sense dependent on a modification of Treaty provisions regarding the military occupation of parts of Germany, though she points out, quite reasonably, that the very fact of the conclusion of a Pact will create an atmosphere in which a new view may well be taken of conditions in the occupied territories and the whole question of occupation in general. She is in agreement with the Allies on the conclusion of a system of arbitration treaties, though there is an important difference, regarding which something more must be said in a moment between the German and the Allied conception of the nature of such Treaties. She has no objection to linking the two problems of security and entrance into the League of Nations, though she is not so far satisfied as to the conditions under which she might enter the League. In a word, to quote the actual text of the German Note, "The interested Governments are in principle unanimous in the earnest desire to settle the Security problem by a Guarantee Pact, as suggested by Germany, and by further development of the system of arbitration treaties."

There remain two points on which Germany definitely registers reserves. One is the right of the Allied Governments to take coercive action under the Treaty of Versailles, the other the suggestion that signatories of the Treaty of Versailles or of the Rhineland Pact should have the option to be guarantors of any Arbitration Treaties to be concluded between Germany and her neighbours in the East. It is to such problems as these that the statesmen of the three countries primarily concerned must apply themselves, and there is little time to be lost if difficulties are to be sufficiently cleared away for Germany to apply for membership of the League of Nations in September. As to the original proposal of a Rhineland Pact, agreement is already sufficiently general to enable action to be taken if the Pact proposal could, as it cannot, be isolated and dealt with by itself. In Germany those sections of Liberal opinion represented by the *Berliner Tageblatt* who have been criticising the German Government's proposals do so on the ground of their Eastern implications, but are entirely satisfied with the actual Rhineland plan. France, again, has obvious reason to be content with a proposal which establishes finally the existing situation in Alsace Lorraine and leaves the temporary Saar arrangements unchallenged. As for this country, most people will agree, even though it may be reluctantly, with Mr R. B. Mowat's contention in Thursday's *Times* that should fighting break out on the Rhine we should be implicated in any case, and that the only effect of our accepting obligations in advance in regard to such a possibility is to make any outbreak much less likely.

Our obligations on paper will be extensive. They will amount to a pledge of the whole of our armed forces. They will no doubt involve negotiations of some delicacy with the Dominions, though General Smuts' warning on that point has created little disquiet. The South African statesman has been long cut off from any close personal contact with European problems, as is shown by his confident reference to the revision of the Peace Treaties, a proposal which, if seriously pressed at this moment, would make inevitably not for peace but for war. Towards modifications of the peace settlement we must evolve by slow stages, and nothing will so much promote progress in that direction as the strengthening of the League of Nations, and, to a lesser degree, the creation of such a sense of security as the Rhineland Pact is designed to confer in one particular region. Whether all or any of the Dominions will be ready to associate themselves with the Rhineland Pact obligations is still quite uncertain, but it is hardly to be contemplated that their attitude should be such as to fetter Great Britain's freedom to apply her own policy in regard to a region in which her geographical position gives her a definite concern. Our position in the British Empire cannot affect the hard facts of our relationship to Europe.

British obligations, under the German proposals, will be confined to the guarantee of the existing situation on the Western frontiers of Germany, for there is no prospect whatever of the assumption of any commitments beyond those already embodied in the Covenant of the League of

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Nations in regard to other frontiers in Europe. The course of future negotiations would be greatly simplified if France, too, were content, apart from the special Rhineland arrangement, to rely on the Covenant of the League. Germany has, not unnaturally, taken exception to the suggestion of Western Guarantees of the Eastern Treaties. She translates that in one way only. To contract an arbitration treaty with Poland, and to have that treaty guaranteed by France, the formal ally of Poland, is an arrangement she could hardly be expected to find satisfactory, even though—theoretically, of course—France would guarantee Germany against Poland, as much as Poland against Germany. There ought, however, to be no difficulty here that will not yield to frank diplomatic discussion. With regard to the form of the arbitration treaties generally, a more serious question arises. Germany now makes it clear, what was a little doubtful before, that the treaties she proposes are of the type she has herself contracted with Sweden, Switzerland, Finland, and other countries. Those treaties provide that the decision given in any purely legal or justiciable dispute shall be final and binding, but that broader political differences shall merely be submitted to a process of conciliation, neither side undertaking to abide by the findings of the arbitrators. That, of course, leaves the door open to war, and the whole purpose of the present arrangement is to close doors to war. Other and more numerous treaties contracted in recent months—as, for example, between France and Switzerland, Switzerland and Italy, Poland and Czechoslovakia, provide for a decision that shall be binding in the case of every dispute submitted. The system of treaties proposed by Germany can only be watertight if the agreements are of the latter comprehensive character, not of the type she has so far favoured. It is not clear what importance Germany herself attached to the distinction between the two classes of treaty. If she is wedded to the more limited type, there may be some difficulty in reaching agreement.

But on a long view the most important passage in the Note is that regarding Germany's attitude towards the League of Nations. Her objections to entering the League are, to all appearance, fined down to one point, the obligation on every member State to grant passage to the troops of another country acting at the behest of the League against a violator of the Covenant. That might mean for Germany, theoretically at any rate, allowing a French force to go through to help Poland against Russia, and from that possible commitment Germany still shrinks. Whether, if the League stands firm, she will in the end abandon her scruples is a question no one can answer with any assurance, but the prospect is too doubtful to justify any unnecessary risks. If Germany stays out of the League there can be no question of any passage of troops across her territory. If she comes in there can be every question of it, subject, it may be, to some safeguards or reservations which it ought to be possible to devise without seriously weakening the force of one of the most important articles of the Covenant.

Agreement on such matters is unlikely to be reached by a

further interchange of Notes, the inevitable defect of which is that each side is compelled to assume before the world some position from which it is for that very reason the harder to retreat. Moreover, Germany's lack of imagination about the League and the prestige and influence her membership of it would confer on her makes it the more essential that personal conversations shall be entered on as soon as may be. That does not mean a formal conference, for which the situation is by no means ripe. But a frank interchange of views between the Foreign Ministers of Great Britain, France, and Germany, and, if desired, of Belgium, should with goodwill and earnestness on each side result in a broad agreement bringing, as a whole, sufficient advantage to everyone concerned to command general approval in each country in spite of concessions which must inevitably be made as the price of accord. The Pact as a whole is a paper agreement, but even as such it promises to have a certain value as a factor for peace. Germany's entrance into the League of Nations, on the other hand, would be the beginning of a living and continuing co-operation and the establishment of a relationship which alone would suffice to reduce to compassable volume the varied difficulties of the future as they arise. That particular step forward is so important, and the time between now and September, when the League Assembly meets, is so short that Germany's concealed but unmistakable desire for direct conversations ought at once to be gratified.

REPARATION AND INTERNATIONAL TRADE.

APPOINTED by the Economic Restoration Committee of the International Chamber of Commerce, a sub-committee composed of Sir Josiah Stamp, Signor Alberto Pirelli, and Comte André de Chalendar, has issued a report on Reparation Payments and Future International Trade,* setting forth (a) the economic principles underlying the problem, and (b) a programme of action and research by the Restoration Committee. It begins by correcting a common misapprehension concerning the Dawes Commission, which ascribes to it the task of "settling reparations." This, it says, was not, as such, the business of the Commission, which had been set up to make proposals for stabilising the mark and balancing the German budget; but in dealing with both these problems it inevitably came into contact with Reparations, which stood in the way of each of them. Such, at least, is the account of the matter given in this report, which must be accepted as correct, seeing that it is signed by Sir Josiah Stamp, who was a member of the Dawes Commission. At the same time it may be suggested that popular error is not really so very erroneous, seeing that if it had not been for the general desire for a settlement of the Reparation question, there would not

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have been so much eagerness on the part of Germany's neighbours and creditors to help her to stabilise her currency and balance her budget.

But whether the dog wagged the tail or the tail wagged the dog, it is certainly true that the question of the amount that Germany will finally pay to the Allies has been left to be settled by the course of events. The Dawes report recommended that a certain number of gold marks should be collected each year in Germany, and left the conversion of these marks into foreign currencies to a transfer committee, whose duty it will be to see that "only so much of the funds provided by Germany shall be removed from Germany as can safely be done without endangering German financial stability." The report now before us points out that assuming Germany's obligation to produce a given annual amount in marks to be duly met, the success of the transfer stage depends upon two main factors:—(1) The capacity of Germany to export, (2) the ability or willingness of the inhabitants of the creditor countries to receive, these two problems being closely interwoven. The report is a masterly exposition of the difficulties that surround both these questions, with interesting proposals for surmounting them, and though from the nature of its inquiry it calls special attention to the difficulties, it is careful to point out that "the problem is not insuperable." This cheerful decision may be commended to the attention of those who have concluded in advance either that it is impossible for Germany to pay, or that if she does the receipt of her payments will ruin her creditors. A sense of proportion is necessary in considering the question, and may be assisted by the figures of international trade in the aggregate. As was shown in last week's *Economist*, the total sterling value of the exports of the world, as estimated by the Committee on British Industry and Commerce, was in 1923, the last year for which figures are available, £5,299 millions. The addition to this total of 2½ milliards of gold marks, the sum expected from Germany in a standard year, does not look so very terrifying. To England the problem is simplified by the fact of her debt to America, to which receipts from Germany would be a set-off; and since by the Balfour Note she has engaged herself not to ask more from her Allies in repayment of war debts—a problem which is closely connected with that of German Reparation payments—there is just a possibility that she may some day be neither a debtor nor a creditor on balance, but just an "honest broker" reading through, as they say on the Stock Exchange, between one account and another. This does not mean that her export industries may not be uncomfortably affected by the process, but it does mean a certain alleviation of the difficulties involved by international payments on the scale that would be involved if Germany and all the Allies were to join in a harmonious chorus of full payment.

As to whether Germany can pay—not only collect the marks internally, but have them transferred into foreign currencies without impairing her financial stability—the Committee decides that her pre-war experience, or that of any other country, is of little value as a guide. It concludes that "no reason exists to throw doubt upon Germany's capacity to produce an adequate surplus of exportable goods." This conclusion is based on the following, among other considerations:—(1) Pre-war figures have to be corrected to agree with current values; (2) productive plants have been greatly increased; (3) power to produce exports has been set free by the reduction of military service, and of munitions manufacture; (4) the ruin inflicted on the propertied classes by the wiping out of debts has obliged the leisured class to work; and (5) capital accumulation can be diverted into exports or into investment for export. Whether such alterations in German conditions, and what the Committee calls the "entirely new economic dynamic which exists because of the obligation to pay Reparations," will produce the necessary export surplus, time will prove; in the opinion of the Committee, as shown, there is no reason to doubt that they may.

All the more urgent, therefore, becomes the problem of thinking out methods by which the payments may inflict least hurt upon those who receive them. The

Committee asserts "without hesitation" that "the only way in which a debtor country can really pay its debts is by the harder work and superior skill, and by the more economical living of its inhabitants"; and it urges that it is inconsistent for the creditor countries to wish to receive reparations while limiting the industrial activity of their debtor. There is certainly a good deal of inconsistency about the whole business. We, for example, cry out because we are burdened with a debt to America; at the same time, some of us cry out because our burden is lightened by a debt from Germany, sometimes at the same moment urging that our debt burden ought to be still more lightened by the payment of their debts by our Allies. As the Committee shows, the inconsistency is chiefly superficial. As taxpayers and consumers we are all hurt by the American debt, and shall all benefit by receipts, if any, from Germany and the Allies. But our export industries (including our rubber and tea plantations) are stimulated by our debt to America, and all our industries that compete with foreign goods may feel greater pressure from this competition owing to the payment of their debts by Germany and our Allies. This pressure will be lightened by relief to taxation here, and by its increase in the paying countries, and it need hardly be said that anything like real revival of international trade would reduce the whole problem to much more manageable dimensions. The fact remains that, as the Committee says, the "advantages of Reparation payments are so diffused over the country as not to be easily discernible, whereas the disadvantages for particular industrial sections are striking and obvious, and, therefore, doubtless more vocal." It considers, however, that the moral objection to a defeated enemy's escaping his just obligations is so strong that insistence on the nation's rights, even at some discomfort to individual industries, seems to be "an obligation in the interests of civilisation and moral principle."

In order to make the process of payment as smooth as possible for all parties, the Committee concludes that it will best be carried out, firstly, by a considerable expansion of German exports to general world markets in the ordinary course; secondly, by arrangements between each Ally creditor and Germany with a view to developing deliveries in kind—locomotives to Serbia, coal to Italy, dyestuffs and potash to England and France, and so on; thirdly, by a system of what are called "Assisted Schemes." It is to be noted that Signor Pirelli makes reservations concerning the feasibility of this system, and it certainly bristles with difficulties. Under it there would be a general invitation to allied and neutral countries to submit such schemes as might be eligible for assistance now or later on. As an example, it is suggested that Argentina might put forward a scheme for a railway or dock which could be supplied to the extent of 40 per cent. from outside, calling for no immediate payment of interest; that the whole undertaking is to cost £2 millions, and that the prospect of return rises from nil in the first year to 6 per cent. in the eighth year. Argentine interests, with the sanction of their Government, put the scheme before an Argentine sub-committee, and this body commends it to a Central Committee, "which chooses it as eligible and passes it through its recognised agency to the notice of, say, British financial or Government interests for development as an assisted scheme. The British Government agree after the financial interests concerned have given the necessary assurances that marks to the extent of £800,000 for the British Reparation account can be spent in Germany for purchases for the scheme when the contract and local position is elaborated to British satisfaction." It is supposed that the Argentine Government might guarantee the interest on the £2 millions, or at least on the £800,000 to be spent in Germany; the British Government would receive bonds of the undertaking for the marks that it supplied, would sell them to British investors and use the proceeds for redeeming war debt. The number of committees involved by this system is in itself a serious bar to its practical working, and one can imagine the mutterings of our industrialists and the outcry in our Yellow Press at a process definitely designed to send contracts to Germany. But if Reparations are to be paid, Germany will have to be allowed, and helped, to work to pay them.

THE COTTON TRADE.

(BY OUR MANCHESTER CORRESPONDENT.)

THE past three months has been an unsatisfactory period for cotton spinners and manufacturers. The sales have been less than the production, and in the circumstances producers have lost ground. Order lists in piece goods have been reduced, and stocks of yarn have increased. Selling prices, therefore, are less favourable. The limited business has been largely due to an anticipation of lower values, and, owing to the comparatively small turnover, prices for manufactured goods have given way, although there has not been any marked change in raw material rates.

On March 31st the quotation for middling American cotton on the spot in Liverpool was 13.52d. Prices during April fluctuated a good deal, and the figure on the 30th was 13d. Early in May there was a downward movement to 12.11d on the 13th. By the 29th, however, the price had recovered to 13.04d. The rising tendency was maintained in June until 13.71d was registered on the 17th. After a decline on the 20th to 13.43d, there was another advance to 13.93d on the 30th. The quotation on Thursday last (July 23rd) was 13.48d. As is usual at this time of the year there has been increasing interest in the prospects for the new crop in the United States. According to the Government, the condition of the growth on June 25th was 75.9 per cent., against 76.6 per cent. a month earlier and 71.2 per cent. at the same time last year. The area under cultivation has been estimated at 46,348,000 acres, an increase of nearly 9 per cent. on the previous year. On the basis of these statistics the indicated crop at the time of writing is 14,339,000 bales. It must be said that many things may happen to the plants during the next couple of months, but there is a possibility of a big output. The absence of rain in certain parts of the belt is injuring the plants, but in large areas the conditions are very favourable. On the whole, users are anticipating lower prices. With regard to Egyptian cotton, many ups and downs in prices have taken place. On March 31st the quotation for fully good fair sakellaridis on the spot in Liverpool was 32.10d. By April 14th there had been a decline to 30.15d, but there was a rise to 32.55d on the 21st, with a drop to 30.20d on the 28th. By May 9th the price had risen to 33.05d, but there was a fall to 29.25d on the 18th, the figure on the 29th being 30.25d. Fluctuations continued during June, the quotations on the 30th being 32.30d. On Thursday last (July 23rd) the quotation was 32.40d. Conflicting advices are coming to hand relating to Egyptian cotton supplies for next season, and so far there have not been any official statistics as to acreage or probable output. On the whole, however, the outlook is fairly good.

During the past quarter the feature of interest in the cloth market in Manchester has been the determination of buyers to purchase only limited quantities. It is a long time since orders were of such retail dimensions, and occasional transactions of moderate size have caused comment. Merchants and dealers are afraid to operate with any freedom, as there is much fear of depreciation in values later on. Naturally, the disturbances in China have had a very adverse effect upon trade for that part of the world, and a few weeks ago exporters were compelled to suspend shipments and to ask manufacturers to stop deliveries for the time being. Since then rather better news has come through, but it is realised that some time will have to elapse before fresh business of any importance can be done. This situation is a serious matter for Lancashire, as China is our second most important outlet. For India a miscellaneous business has been done from week to week, but the turnover has not been sufficient to meet the requirements of makers, and order lists have run down. Our customers in India are not in any hurry to place contracts, as in their opinion conditions in Manchester are not likely to go against them just at present. A policy, therefore, of purchasing from hand to mouth has been adopted. The monsoon season is developing on right lines, and, on the whole, the trade position in India is not unsatisfactory. Fairly encouraging support has been met with from the minor outlets of the Far East, such as Java and Singapore, but demand recently for Egypt and the

Near East has fallen off, and less favourable reports have been received from those outlets. A steady demand has been met with for Central and South America without individual contracts being important. Quite a healthy business has been done for Continental countries, especially in finishing styles. The home trade has benefited from the hot weather, and heavy clearances have been effected in light goods, with the result that stocks in the distributing houses are now comparatively low. Production in the weaving towns of Lancashire is now very irregular as a result of the annual holidays.

The following is a comparative table of exports of cotton piece goods from the United Kingdom, the figures being given for the six months ended June in each year:—

	Yards.	£
1913	3,582,788,800	48,756,738
	Square Yards.	
1923	2,106,868,600	70,098,846
1924	2,224,012,700	75,635,829
1925	2,284,112,500	79,290,645

It has been a very trying three months for spinners of yarn. In all counts and qualities there has been a distinct reduction in the margin of profit which has resulted in numerous spinners being compelled to sell at prices which only just cover the cost of production, and in some cases at a loss. In the American section there has been considerable discussion as to the policy of organised short time. At the beginning of April the mills were working 35 hours a week. A little later production became very irregular owing to certain firms disregarding the scheme of the Masters' Federation. The committee, therefore, asked for an undertaking from the members that they would not exceed the hours stipulated. The replies were not satisfactory, and it was decided to relieve all spinners of their promise to run the mills only 35 hours a week. It was recommended that curtailment to the extent of 8½ hours per week should take place, making the weekly hours 39½. A ballot on this proposal has been successful, and the owners of 90 per cent. of the spindles in this section have supported the scheme. It is feared, however, that production on this scale will be more than sufficient to meet the requirements of users. There has not been much activity in shipping yarns. Continental demand has kept up fairly well, but it has been hard work to secure orders of any importance for India. Restricted operations have occurred in Egyptian yarns. No organised restriction of output exists in this branch of the industry, but some mills have part machinery stopped. There is a possibility of better times in this department when new cotton is available.

The following is a comparative table of exports of yarn from the United Kingdom, the figures being given for the six months ended June in each year:—

	Lb.	£
1913	106,409,000	7,512,062
1923	70,225,700	10,170,024
1924	87,486,600	14,170,024
1925	96,815,500	16,462,934

Cotton spinners, manufacturers and merchants have united in their opposition to the duties on artificial silk. Although the Government has granted some concessions from the original scheme the protests have not been strong enough to prevent the duties becoming an established fact. These taxes are causing much irritation and annoyance, and whatever may be the effect upon values and the extent of trade in the future, strong objection is taken to the principle of placing duties upon raw material.

The immediate outlook for the industry is not very cheerful. Recent events in relation to trading conditions between the countries of the world are having an adverse effect upon developments. Merchants are certainly more nervous as to the future, and in all directions there is determination to limit commitments as much as possible. In the circumstances, enterprise is at a very low ebb. Possibly, however, a short interest is being created, and we may experience a rather unexpected rush of business before very long. Cloth manufacturers would like to see practically all the markets of the world wanting goods at the same time, but nowadays either one outlet or another seems to be out of joint and unable to give any support. Consequently buyers for the other markets feel there need be no hurry to place orders. Industry, of course, cannot be healthy when there are more sellers than buyers.

In the spinning branch of the industry we are again suffering from over production, and that, of course, always means unprofitable prices. A great need at the moment is a reduction in production costs and overhead charges so that prices for manufactured articles may be brought to a level more in keeping with values for other commodities. Fortunately, there is every likelihood of a substantial output of American cotton next season, and this should at any rate prevent prices from rising.

INSURANCE COMPANIES AND MOTOR ACCIDENTS.

WE shall be doing no injustice to insurance officials as a class if we describe their mental attitude towards motor-car accidents in a single sentence: "It is our business to pay for accidents, not to prevent them." This is a particular application of the general doctrine that the business of insurance is to insure. And yet under stress of everyday practice the logical severity of this central idea of insurance is tempered very considerably. Marine underwriters employ salvage steamers and plant to save vessels from the full consequences of strandings; fire underwriters save goods from burning premises; and underwriters of boilers see to it by inspection that the boilers should be up to the work expected of them. On the economic side, the side of premiums, much pressure is exerted to improve risks and to keep down casualties. Marine underwriters will cover the fleets of good and careful owners more cheaply than those of inferior owners; fire underwriters make strict regulations in regard to the construction and equipment of the factories and warehouses which they insure, they penalise risky buildings or risky employment of buildings, and give rebates for safety equipment such as sprinklers. Both on the material and on the economic side insurance offices do a great many things to reduce and prevent casualties, because, in the first place, it pays them to reduce risks, and, in the second place, because they are conscious of being organisations upon which fall public responsibilities. They exist and flourish not merely because they earn dividends for shareholders, but because they discharge an essential public service. They admit, in deeds if not in words, that it is part of their job to prevent accidents as well as to pay for them.

Motor-car insurance is a new branch of business. Twenty-five years ago it scarcely existed, twelve years ago it was still feeling its way by trial and error; to-day it is the largest earner of premiums among the miscellaneous newcomers to the insurance fold. Motor-car insurance premiums in the aggregate exceed those paid for workmen's compensation, and are a very substantial factor in the annual accounts of many companies. The business has expanded so rapidly, especially since the war ended, that managers have been more concerned with putting and keeping the various categories of risks on a paying basis than with exerting material and economic pressure on motorist for the prevention of accidents. Yet something has been done, and much more—if we may judge by the practice in older branches of insurance—much more will be done.

A rebate of 10 per cent. of the premium is given to a motor-car owner who makes no claim during the first year of insurance, and this rebate is repeated as a bonus for subsequent clean years. A motorist is allowed one accident in a year; if he should have the misfortune to incur two accidents in the same year he may find it difficult to get a renewal of his policy. That penalty may in some cases be too severe, for the accidents may not have been the fault of the insured. Where accidents do not involve large claims—for third party damage, for example—the offices directly involved pay without determining the degree of culpability of their insured customer. This is called "knock for knock"; a collision always involves two cars, and usually two insurance offices. The cost of investigating every accident would be prohibitive, so that losses rest where they fall unless the amounts involved are large. It seems to us that the rebate for a clean policy (10 per cent.) is scarcely generous enough, and that

the penalty of refusing renewal may be too severe. We would suggest for consideration: a progressive rebate for the second and subsequent clean years; and for persistent claimants a progressive increase in rates of premium. Seeing that the clean policies are no more than 40 per cent. of the whole number in a year, a system of progressive rebates in premium would need to be offset by progressive penalties on the errant 60 per cent. who caused claims. In many of the States of the American Union the no claim bonus is as much as 33½ per cent., but since the motor-car population is seven times as thick in the United States as it is here, the proportion of no-claim policies is probably lower.

On the material side something is done to prevent accidents. It is the practice of some offices to maintain an inspection department, which examines all second-hand commercial cars before they are accepted for insurance. By this means defects in brakes, steering gear, and bearings are discovered and put right before they reach the stage of causing accidents. This inspection is similar in principle to boiler inspection, and should be of great value. Then in America—though, we believe, not yet in this country—the use of front and rear spring steel "bumpers" is encouraged by rebates of premium. The allowances in America for these collision shock absorbers is 10 per cent. for front bumpers and 2½ per cent. for those at the rear (12½ per cent. for both together), the percentage being reckoned on the collision portion of the premium, which is between 60 and 70 per cent. of the whole premium paid for the car. When we bear in mind that some 2,000 new cars are each week being put upon our British roads this summer, and that most of their owners are new hands at driving, it would seem worth while to encourage the fitting of bumpers. It is claimed for the best of them that up to 15 miles an hour one may run them with impunity into a lamp-post. If this be well founded, they should prove a most useful barrier between new owners of light cars and more delicate and more mobile victims than lamp-posts.

It is not possible for roads to expand at anything like the pace at which motor cars can be multiplied. We may not for many years reach the ludicrous congestion of the large American cities, but we are moving in that direction. We shall find, as has been found in America, that the proportion of accidents to cars registered rapidly and inevitably increases. We shall be obliged, for our own safety's sake, to prevent all accidents that may be preventable, and here the insurance offices can undoubtedly help us. So far they have not done much. We shall also be compelled before long to clamour for the enforcement of driving tests before new owners are granted licences for their cars. There is no great security in tests; some of the most dangerous "hogs" would easily pass any test. But the first twelve months of a motorist's driving life are his most fruitful months—in accidents—and strict tests would at least ensure that he understood how to handle his car and was acquainted with the rules and courtesies of the road. We are the one country in the civilised world which allows anybody to drive any car anywhere without inquiry if he knows his right hand from his left, and is aware of the difference between the clutch and the brake pedal.

NITRATE PRODUCING COMPANIES.

ACCORDING to estimates appearing in the half-yearly report of Henry Bath and Son, Limited, the world's consumption of nitrate of soda during the 12 months ended June 30th amounted to about 2,350,000 tons, compared with 2,190,000 tons in the previous 12 months, and happens exactly to confirm the forecast of a year ago, while at the same time belying the somewhat pessimistic views concerning the season's prospects which were expressed in December last. A very substantial increase in consumption was registered in the U.S.A.; Egypt increased by over 25 per cent., France and Poland by 10 per cent. and Belgium by 8 per cent.; Germany's consumption of Chilean nitrate more than doubled itself, but amounted only to about 20,000 tons, while the demand from Russia fell from 15,000 tons to 2,000 tons. In other Euro-

pean countries consumption was well maintained, except in Holland, where a slight decrease is perceptible, and in the United Kingdom, where an improved inquiry from agriculture failed to counterbalance a reduced demand for industrial purposes. Notwithstanding a growth of demand in some of the newer markets, shipments to the rest of the world showed a small falling-off, and this must be attributed almost entirely to a loss of ground in Japan, where the consumption of nitrate has declined from 59,000 tons to 34,000 tons, whilst that of sulphate of ammonia has largely increased.

The following table, showing shipments, production, and stocks for various periods, is compiled from statistics presented in the half-yearly report of Messrs Aikman (London), Limited. The figures for the six and twelve months ended June 30, 1914, 1923, 1924, and 1925 are shown:—

(In Thousand Tons.)

	1914.	1923.	1924.	1925.
Shipments to Europe and Egypt for six months ending June 30	831	500	380	405
Shipments to Europe and Egypt for twelve months ending June 30	2,025	991	1,066	1,296
Shipments to United States for six months ending June 30	510	482	524	725
Shipments to United States for twelve months ending June 30	547	912	930	1,206
Shipments to other countries for six months ending June 30	41	79	68	52
Shipments to other countries for twelve months ending June 30	87	169	145	134
Production in Chile for six months ending June 30	1,455	841	1,150	*1,145
Production in Chile for twelve months ending June 30	2,822	1,476	2,184	*2,360
Visible supply for Europe and Egypt at June 30	416	173	127	*234
" " United States " "	84	54	62	*127
" " other countries " "	11	26	20	*13
Stocks in Chile at June 30	754	997	1,024	*848
Total supply in sight at June 30	1,265	1,250	1,233	1,222

* Estimating production in June at 180,000 tons, and shipments at 120,000 tons to Europe and Egypt, 80,000 tons to the United States, and 10,000 tons to Japan and other countries. † Excluding about 60,000 tons reserve stock held by the American Government.

From this table it will be seen that shipments to the United States continue to expand, the past year's figure being more than double that of 1914. The shipments to America in the last half of the year, it will be observed, were larger than in the preceding six months, but the dispatches to Europe and Egypt and those to other countries were not so good as in the earlier period. Production in Chile was maintained at about the same level in the second as in the first half of the year. Stocks in Chile at June 30th were lower than at the same date in 1924, but with the exception of "other countries" the visible supplies for all countries were higher.

Since January the Chilean exchange has fluctuated between \$12.30 and \$13 per £ for gold and \$40.70 and \$44.10 for paper currency. Labour troubles have been marked during the period under review in the industry. A long succession of strikes in Chile culminated in a very serious disturbance, when strikers took possession of certain oficinas, after killing a number of employees. Military intervention restored order, but only after about 1,000 casualties had been inflicted upon the rioters, the ringleaders having been deported. Transactions on c.i.f. conditions were effected at £11 19s 6d in January down to £11 10s in April, and up to £11 18s 6d at the end of May, since when no c.i.f. business for the usual range has taken place. Nitrate freights during the spring ruled steady at about 27s 6d per ton. Heavy fixtures of liner space for the new season were effected at about 25s June-July, 26s July-December, 26s 6d July-March, and 27s 6d September-December, since when values have slumped to about 20s for early loading. Tramp steamers were fixed for June-August loading from 27s to 22s per ton, basis Bordeaux-Hamburg range, when sailers for summer and autumn loading realised 24s 6d and 25s per ton.

LEGAL & GENERAL ASSURANCE SOCIETY LIMITED

Established 1836.

ESTATE DUTY ASSURANCES

Head Office: 10, FLEET STREET, LONDON, E.C.4.
near Temple Bar.

Assets Exceed - - £16,750,000

General Manager: W. A. WORKMAN, F.I.A.

In our next table we show the amount brought in to the 1923 and 1924 accounts, together with net profits for each year and how the available balances were utilised:—

Name and Year.	Brought In.	Net Profit after Payment of Deb. Interest.	Ordinary Dividend.	To Reserve.	Carried Forward.
	£	£	£	£	£
Angela Nitrate	1923 1,004	24,498	17,500	3,350	4,652
	1924 3,804	23,638	17,500	5,000	4,942
Lagunas Nitrate	1923 14,353	18,775	18,000	15,128	15,128
	1924 15,128	16,398	18,000	..	15,526
Lautaro Nitrate	1923 100,714	46,663	..	..	147,377
	1924 147,377	671,375	446,603	..	372,149
New Paocha and Jazampa	1923 1,017	6,824	4,122	..	3,719
	1924 3,719	4,684	3,195	..	5,208
Rosario Nitrate	1923 28,614	51,303	50,554	..	28,193
	1924 29,180	50,554	51,160	..	28,584
Salar Del Carmen	1923 16,218	78,053	50,737	27,040	16,494
	1924 16,494	33,985	42,625	..	7,854
San Sebastian	1923 8,055	8,418	5,525	5,000	5,948
	1924 5,948	7,668	5,570	..	8,046
Santa Rita	1923 6,333	20,672	15,000	..	12,605
	1924 12,605	20,808	17,500	..	15,913
Tarapaca and Tocopilla ..	1923 54,682	43,634	38,438	30,000	29,878
	1924 29,878	41,599	31,000	..	40,477

The Lautaro Company has done very well indeed, its net profit rising from £46,663 to £671,375—a result which is the more noteworthy, as in only one other instance has an advance been achieved. This was done by the Santa Rita, whose figure rose from £20,672 to £20,808. The gross trading profits of the Lautaro amounted to £814,365, against £230,292, and whereas in 1923-4 dividends on investments totalled £78,387, for the last financial year they were £296,669. During the year the company acquired control of the Compañía Salitrera Lastenia and the Compañía Salitrera Encalada. At the same time we notice that included in the gross profit is an amount of £411,131, being the reserve fund transferred from the Lastenia Company, and while this is more than wiped out by an allowance of £443,174 for capital amortisation on nitrate grounds, properties and equipment, expenses of debenture issues, and increase of capital, its inclusion renders difficult direct comparison of results. The Salar Del Carmen did not have a very satisfactory experience, its net profits declining from £78,053 to £33,985. Otherwise, results for 1924 were very much the same as those for 1923.

Our next table shows the balance-sheet totals and principal assets and liabilities during the past two years:—

Name and Year.	Balance-sheet Total.	Share Capital and Reserves.	Debentures and Loans.	Creditors.	Properties.	Stocks.	Cash and Investments.	Debitum.
	£	£	£	£	£	£	£	£
Angela Nitrate	1923 154,862	105,000	..	131,360	40,477	41,842	31,139	41,410
	1924 152,448	110,933	..	121,073	40,477	57,311	42,658	12,000
Lagunas Nitrate	1923 1,056,762	1,000,000	..	20,783	810,747	99,147	139,194	7,673
	1924 1,072,510	1,000,000	..	31,303	817,765	118,635	131,942	4,168
Lautaro Nitrate	1923 2,987,519	583,211	207,478	48,077	1,052,999	249,967	1,527,941	106,329
	1924 6,424,447	591,331	1,500,000	438,136	4,453,498	1,099,389	652,338	219,221
New Paocha and Jazampa ..	1923 114,613	101,578	..	4,647	63,764	8,646	31,424	10,781
	1924 104,251	80,700	3,416	11,159	52,330	42,604	5,753	3,564
Rosario Nitrate	1923 862,105	680,000	..	138,787	572,092	161,996	113,453	14,563
	1924 923,406	660,000	19,000	184,466	737,259	156,373	21,577	8,197
Salar del Carmen	1923 414,166	303,531	..	124,820	229,442	83,904	98,572	2,248
	1924 377,943	323,344	..	12,644	279,351	78,146	18,256	2,190
San Sebastian	1923 207,532	147,202	18,565	124,613	135,797	61,826	8,855	1,083
	1924 182,293	146,959	8,000	115,181	125,467	46,542	4,883	5,402
Santa Rita	1923 181,522	140,000	..	13,856	83,895	63,955	21,165	2,507
	1924 188,059	140,000	..	19,155	92,223	71,696	14,320	9,820
Tarapaca and Tocopilla ..	1923 640,131	501,518	..	70,208	344,947	69,562	216,383	9,239
	1924 817,592	501,664	..	244,450	537,835	91,463	186,707	2,587

† Includes bills payable.

The development campaign undertaken by the Lautaro is reflected in an increase in the total of assets from £2,987,519 to £6,424,447, an advance in share capital and reserves from £2,583,211 to £3,911,331, and a gain

in debentures and loans from £207,478 to £1,500,000. Properties have advanced from £1,052,994 to £4,453,498 and stocks from £249,957 to £1,099,389, but cash and investments have declined from £1,527,941 to £652,338. On the whole, stocks are higher than a year ago, notably in the case of the New Paccha, where the total has risen from £8,646 to £42,604, but cash and investments generally have declined. Debtors on balance figure for more, while creditors also are higher.

Our final table shows prices, dividends, and yields of the companies listed above:—

PRICES, DIVIDENDS, and YIELDS.

Company.	Share.	June 30, 1923.			June 30, 1924.			July 23, 1925.		
		Price.	Div.	Yield.	Price.	Div.	Yield.	Price.	Div.	Yield.
Angela	1	14 ¹ / ₂	10	6 ¹ / ₂ %	24 ¹ / ₂	25	10 ¹ / ₂ %	24 ¹ / ₂	25	11 ¹ / ₂ %
Lagunas	1	14 ¹ / ₂	2 ¹ / ₂	6 ¹ / ₂ %	14 ¹ / ₂	2 ¹ / ₂	5 ¹ / ₂ %	14 ¹ / ₂	2 ¹ / ₂	8 ¹ / ₂ %
New Paccha	1	14 ¹ / ₂	5	3 ¹ / ₂ %	14 ¹ / ₂	6	5 ¹ / ₂ %	14 ¹ / ₂	6	6 ¹ / ₂ %
Rosario	1	14 ¹ / ₂	10 ¹ / ₂	6 ¹ / ₂ %	14 ¹ / ₂	11	6 ¹ / ₂ %	14 ¹ / ₂	11	8 ¹ / ₂ %
Salar del Carmen	1	3 ¹ / ₂	25 ¹ / ₂	7 ¹ / ₂ %	3 ¹ / ₂	30 ¹ / ₂	8 ¹ / ₂ %	2 ¹ / ₂	25	9 ¹ / ₂ %
San Sebastian	1	14 ¹ / ₂	nil	nil	14 ¹ / ₂	5	10 ¹ / ₂ %	14 ¹ / ₂	5	14 ¹ / ₂ %
Santa Rita	1	14 ¹ / ₂	10	5 ¹ / ₂ %	14 ¹ / ₂	15	7 ¹ / ₂ %	14 ¹ / ₂	17 ¹ / ₂	11 ¹ / ₂ %
Tarapaca and Tocopilla	1	14 ¹ / ₂	10	7 ¹ / ₂ %	14 ¹ / ₂	12 ¹ / ₂	8 ¹ / ₂ %	14 ¹ / ₂	10	8 ¹ / ₂ %

* Free of income-tax.

It will be seen that during the past few years yields have materially advanced, although dividends have been kept at quite satisfactory levels. The uncertainty of the position in Chile regarding the export duties in the Republic has doubtless played a prominent part in the general marking down of prices, which has been accentuated more recently by fears of severe competition from synthetic nitrogen. Moreover, the labour question should not be overlooked. It might be a considerable advantage to the investing public if more detailed information of the labour troubles during the year and a considered estimate of the outlook for the future could be published. Nitrate shares have been out of favour with the public for some little time, and when interest does revive it is probable that considerably higher prices will prevail. Confidence is, however, wanting. And more light will assist to restore it.

Notes of the Week.

The Coal Crisis.—The situation in the coal mining dispute is worse than it was a week ago. The course of events since Friday, July 17th, has been as follows:—On that day the court of inquiry met, but adjourned until the following Monday to give the workmen's representatives another opportunity to attend. In reply to the invitation of the court, Mr A. J. Cook, the secretary of the Miners' Federation, stated that he had nothing to add to the telegram which had already been sent to the Minister of Labour, and in which the Federation had declared that they could "certainly take no part in the proceedings when the terms of reference, and the constitution of the court, were so obviously designed to justify the present attack on the mineworkers' standard of living, and in respect of which we were in no way consulted." In their telegram to Sir A. Steel-Maitland, however, the miners repeated their willingness to meet the owners "in an open conference, after and when their proposals were withdrawn." On Monday the Court of Inquiry resumed its proceedings, during which the chairman, Mr MacMillan, questioned Mr Evan Williams, the president of the Mining Association, as to the interpretation placed by him on the workmen's demand for the withdrawal of the owners' proposals. Mr MacMillan pointed out that the conference would not be "open" if it were merely to consider the owners' proposals, and that the withdrawal of the proposals did not necessarily mean that they did not still represent the views which the owners might advance in further argument. Mr Williams replied that the owners were not in the least desirous of laying down what should be the procedure if they again met the miners, and while

prepared "to meet the workmen's representatives in an absolutely open position they could not say that the views they had put forward were no longer held by them." This interchange of views as to the implications of the term "withdrawal" led to a temporary improvement in the outlook, and on Tuesday morning the coalowners' representatives were hopeful of an immediate joint conference. A private conversation between officials of the two organisations, on Monday evening, and the publication on the following morning in the Press of a statement by Mr A. J. Cook that there was, apparently, a misunderstanding that should be removed, were followed by an early meeting of the coalowners' executive committee, and the despatch by hand of a communication from Mr W. A. Lee, the owners' secretary, to Mr A. J. Cook, stating that, "in view of the misunderstanding which evidently exists as to what each side means by its recent declarations in regard to a further joint conference," the two executives "should meet as early as possible to ascertain exactly what each side does mean." Mr Cook replied immediately that Mr Lee's letter would be submitted to the executive committee of the Federation on Wednesday morning, but on his own authority he added, "I can assure you that a meeting between the two sides could be arranged to-morrow (Wednesday) if you could see your way clear to withdraw your proposals, and thus clear the ground for an open conference wherein both sides should bring forward whatever proposals they choose." This is the first occasion on which an official explanation has been given on behalf of the workmen that their demand for the withdrawal of the owners' proposals did not mean a demand for their abandonment. Apparently, however, the action of Mr Cook was repudiated by his executive. That body disclaimed the misunderstanding which Mr Cook admitted in his statement to the Press on Tuesday, and they instructed him to reply to Mr Lee that, "in their view, there can be no misunderstanding regarding the situation. Our position is simply that we agree to meet the owners in open conference if, and when, their proposals are withdrawn." The deadlock has thus hardened. It now seems clear that the demand of the workmen means the abandonment by the owners of their proposals for a new national agreement. The court of inquiry concluded its work on Thursday, and its report is expected to be in the hands of the Government during the week-end. Meanwhile, the colliery owners in the various districts are acting in accordance with the principles laid down in the owners' proposals. In some of them the terms and conditions on which the pits will be open for employment on August 1st have been posted, while in the midlands an intimation has been given that the collieries will be open for work under existing conditions on day-to-day contracts pending a settlement. The Miners' Federation, however, has banned any negotiations on a district basis, and is now relying mainly on the support of the other Labour organisations in the country. The notices expire on Friday next, but the fact may be recalled that leading officials of the Federation have stated repeatedly that they will not enter on another national struggle without the support of the workmen in the other industries. Dramatic developments are probable during the next few days.

The Family Wage System.—Under the terms and conditions which the South Wales coalowners have posted at their collieries for employment on and after August 1st next, the principle is introduced for the first time, we believe, in the history of coal mining in this country of family subsistence allowances. In France, Belgium, and other Continental countries the family wage has made considerable progress in recent years. In France to-day the system applies to nearly 10,000 undertakings employing over a million workmen, and involving an expenditure in allowances for children of between 130 and 140 million francs per annum. In Belgium it has been adopted by firms employing in all about 280,000 men, of whom 160,000 are in the coal industry. The practice on the Continent is to make monthly allowances in respect of the children of the workmen. In Belgium these monthly allowances range from 10f for one child to 100f for four children, and in France from about 16f to 124f respectively. The terms offered by the South Wales coalowners

differ both in character and in their financial incidence on those in force at Continental collieries. The allowances are graded not only in accordance with the size of the family, but also in accordance with the standard basis rates of the various grades of labour employed, and are thus intended to discriminate between single and married adults, and to remove the anomalies created by the present individual subsistence wage. There is an allowance of 1s 3d per shift for the wife of a low-grade day worker engaged at the minimum standard rate of 5s per shift, but none to a higher-grade worker with a standard rate of 6s 10d per shift. Between these two extremes the wife allowance falls as the standard rate increases. In addition to the wife allowance, there is another of 5d for the first child, 4d for the second, 3d for the third, and 2d for the fourth. A low-grade workman with a wife and two children is thus guaranteed a subsistence wage per shift of 7s, and a higher-grade workman with a standard rate of 6s 10d and with a wife and two children a subsistence wage of 7s 7¹/₂d per shift. These allowances are to be met out of the 87 per cent. of the proceeds of the industry allotted to wages after the deduction from the total proceeds of costs other than wages. If the divisible balance of the industry is large enough to pay wages above the subsistence rates, then the day-wage worker will share equally with other grades of labour in the percentage payable on standard rates. The scheme, however, involves a reduction below the present individual subsistence wage of 8s. per shift, and the offer of the South Wales coalowners has excited no enthusiasm.

The Outlook in China.—The situation in China has shown little sign of change in the last few days, and there is some ground for hoping that the worst of the immediate trouble is over. Student demonstrations still continue, the Peking Government doing nothing to discountenance them. Rather the reverse, indeed, for free railway tickets appear to be at the disposal of any agitator who wants them. But the strike is petering out in certain of the industrial centres, and there are indications that the merchants who care about unimpeded trade are gradually beginning to reassert themselves. As regards Shanghai in particular, a new inquiry into the recent incidents in the international settlement is in prospect, the Diplomatic Body at Peking being about to propose a public investigation to supersede the private inquiry whose results have never been disclosed here, though persistent rumour has it that the Municipal Council and the police force came in for pointed criticism. All that, however, though it happens to be immediate, is of small account compared with the wider problems the Western Powers have to hammer out in relation to China. The ratification by France of the Washington agreements has removed the last formal obstacle to the long-anticipated conference on a revision of tariffs, and the American desire for the despatch of an international commission of investigation into the whole question of extra-territoriality seems likely to be approved by the British Government in spite of the hesitations that prevailed for a time in Whitehall. The recommendations of such a commission were never intended to be more than recommendations, so that no Government is committed to anything by taking part in the inquiry, which would be of value both for its immediate results and for the fresh opportunity it might provide for establishing fruitful contacts with China. But the problem, of course, with regard both to this and to the tariff inquiry, is how to find a China with which effective negotiations can be conducted at all. To talk to the existing Peking Government would seem futile enough, though it must be remembered that in China more than in most countries an administration which so far as internal affairs are concerned may be virtually impotent, often has a real claim to voice the national will in relation to foreign States. In that lies, perhaps, the only hope of effecting progress through the tariff conference. Both that and the extra-territoriality commission will be so important for China that even as things stand it may be realised in time that obligations must be contracted by some Government with authority to contract them. Even a temporary composition of differences between the principal tuchuns and military leaders might give the necessary opportunity for sober counsels to pre-

vail in the interchanges with representatives of the nine Treaty Powers. In view of the possibility, even though it be only a remote possibility, of that, the choice of the British representative at such a conference is a matter of the first importance. There will no doubt be work for experts, and experts must be there, but the opportunities that may quite conceivably open up call imperatively for the presence of a statesman.

Conditions in the Irish Free State.—Our Dublin correspondent writes:—The half-yearly balance-sheets of such of the banks in the Irish Free State as publish them make a good showing. There are large deposits well balanced by assets, mostly liquid, on the other side of the account, and there are satisfactory half-year's dividends after full provision has been made for reserves and contingencies. The National Bank, the Munster and Leinster Bank, the Provincial Bank of Ireland, and the Hibernian Bank are in this category. The Bank of Ireland does not publish a half-yearly balance-sheet, nor does the Royal Bank of Ireland; nor, again, do the Ulster Bank and the Northern Banking Company, which both do a substantial business in the Free State. The first half of 1925 has, however, been a period of continued depression—contrary to expectation in some respects. There was a marked decline in the export of livestock—due apparently to the unfavourable weather conditions of last autumn and winter, when incessant rainfalls led to a prevalence of "fluke," a parasite fatal to sheep, which on this occasion unprecedentedly extended its depredations to cattle also. The extent to which the resultant losses occurred appears to have been much greater than was generally known. This was an additional factor to the bad in the gradual process of recuperation after political and economic troubles. The Government schemes for stimulating agriculture and industrial enterprise, and for improving the methods employed in both have had, so far, no time to bear fruit. For this reason a great deal depends on the next two months' weather, and upon whether the promise of a satisfactory harvest is safely fulfilled. The Oireachtas, the legislature of the Free State, has adjourned for some months. Political interest will now centre in the Senatorial elections, which have the merit of novelty at least in their conditions. Seventy-six candidates will present themselves for election to nineteen vacancies by the whole electorate (aged thirty years and upwards) of the twenty-six counties of the Free State voting as a single constituency on the P.R. method. The seventy-six are intended by the Constitution to be candidates with special qualifications, and a record of useful public service. The method of securing compliance with this condition is also novel. Nineteen of the seventy-six are outgoing Senators retiring by rotation, and eligible for re-election. A further nineteen have been nominated by the Seanad itself, as the result of an election, also on the P.R. method, from a large number of candidates put forward, seconded by senators. The remaining thirty-six were nominated by the Dail, also on the P.R. method, under similar arrangements. There is some disposition to criticise the system, but the election will arouse some interest, and the results will be scrutinised closely by students who wish to judge of its value. The revenue is coming in well, and the increased return from stamps in particular seems to point to some stir in the business world—in preliminary stages at least. A slight falling off in customs and excise is evidence doubtless partly of depression, and partly of the relief from indirect taxation afforded by Mr Blythe's Budget.

Industrial Life Assurance.—Mr G. Stuart Robertson, who combines the office of Industrial Assurance Commissioner with that of Chief Registrar of Friendly Societies, has produced an attractive report on the first year's working of the Industrial Assurance Act, 1923. The subject may sound severe, yet in Mr Robertson's hands it sparkles with interest and wit. His main job at first is to employ the very wide powers of his statutory office to abolish insolvent collecting societies, and to screw up (kindly and gently) the less bad societies to the point when they may become both solvent and able to deposit £20,000 as the price of lawful continuance. As regards the others within

his jurisdiction—the strong companies and the solvent societies—he has merely to see that they observe the new law as laid down in 1923. He writes unofficially and pleasantly, with many a quip and agreeable turn of phrase, and actually ends his preface with a Latin quotation. So far he has not put any society out of existence solely from inability to put up the statutory deposit. He has allowed temporary exemption, so that societies which are decently conducted, though not actually solvent, may have an opportunity of putting their finances straight. But in some cases which were specially inspected, Mr. Robertson has shown that he is prepared to act promptly in the interests of policyholders. Inquiries were heard in respect of seven collecting societies. The Commissioner, on the recommendation of his inspector, ordered three of them to be wound up—they had practically no assets—and two others were taken over by a stronger society. The reports of the deputy commissioner, Mr. Fox, who inspected these societies, are most lucidly phrased, and show how urgently necessary the Act was. Of one of them, the United National Friendly Assurance Collecting Society, Mr. Fox writes: "I have endeavoured to find anything which could be said in favour of the officials of the society in connection with their conduct of its affairs, but, in my opinion, there is nothing. They entered into a transaction which they knew to be illegal, and sought to cover up their actions by issuing false accounts." That society has been wound up; there were no assets available for distribution. Another, which has also disappeared under Mr. Robertson's reforming boot, combined the business of industrial assurance with that of selling tea. "From the evidence which I heard," wrote the inspector, "there can be no doubt that the main object of the promoters of the scheme was to sell tea, and that the object of tacking insurance business on to the sale of tea was to use the insurance as a lever to induce people to continue the purchase of tea upon the assumption that if they discontinued the purchase they would lose the benefit of their past contributions for insurance." Mr. Robertson has begun admirably, and we shall look forward to his subsequent reports with the deepest interest.

Cotton Trade Short Time.—Our Manchester correspondent writes:—The position of the American spinning section of the Lancashire cotton industry remains very unsatisfactory, and the situation has again been discussed this week by the Masters' Federation. At present the mills are working only 39½ hours per week instead of 48 hours, the curtailment of production by 8½ hours per week being organised by the Federation. It is now recommended that the mills should close down for a full week between now and the end of August. This means an extra stoppage of 39½ hours, in addition to the weekly curtailment of 8½ hours. At present the output of yarn is more than equal to the requirements of users, and during the last few weeks stocks have increased in first hands. It is thought likely that this extra restriction of output, and the Oldham holidays which come at the end of August, will relieve the depression, and enable spinners to sell at prices which, at any rate, will not result in any loss.

Lancashire and Artificial Silk Duties.—This week the members of the Manchester Chamber of Commerce have supported the action of the board of directors in their strong protests against the duties on artificial silk. This action was taken at the half-yearly meeting of members held on Monday last. A resolution was moved in the following terms:—"That the Manchester Chamber of Commerce at this, the first meeting of members held since the proposal was made by the Chancellor of the Exchequer to impose a duty on artificial silk, takes this opportunity to support the board of this Chamber and its Merchants' Committee in their strong protests against the taxation of a raw material which was becoming so important to the cotton trade, and urge the board to take every opportunity of impressing on the Government their conviction that the taxation of artificial silk will prove damaging and detrimental to the home and export trade of Lancashire."

The resolution was moved and seconded by members who hold no official position in the Chamber. There was some opposition, and an amendment was moved that the resolution be left on the table for further consideration. This was seconded, but the President (Dr. A. Ree) declared it to be substantially defeated. When the resolution was put to the meeting it was carried by 75 votes to 33. The opinion is being expressed in cotton trade circles that the organisations connected with the industry might have done more to prevent the duties on artificial silk becoming an established fact. Manchester firms are now receiving the forms from the Customs officials which have to be filled up for the purpose of claiming the rebate on goods for export, and the information required will mean a large amount of work. Merchants are being considerably irritated and annoyed by the necessary regulations.

The American Cotton Crop.—Late on Thursday last, writes our Manchester correspondent, the Agricultural Bureau of the American Government published its third report on the cotton crop for 1925-26. A return of 70.4 per cent., indicating a yield of 13,588,000 bales, was much worse than the market expected, and after the figures became known there was a distinct rise in prices. A fortnight earlier the condition was given as 75.9 per cent., indicating a crop of 14,339,000 bales. It is understood that the decline in condition is largely due to the dry weather in Texas. Lancashire spinners are disposed to discredit the Government statistics as it is well known that in most parts of the belt the plants are doing well, and the area under cultivation is nearly 9 per cent. bigger than a year ago. The advance in prices, if maintained, will be unfortunate for Lancashire, as dearer goods are likely to restrict consumption.

The Quarter's Shipbuilding.—"Lloyd's Register" shipbuilding returns for the quarter ended June 30th show that the tonnage under construction in Great Britain and Ireland—1,093,587 tons—is about 72,000 tons less than at the end of March, 1925, and about 423,000 tons less than the tonnage building twelve months ago; the tonnage on which work was suspended at the end of June, 1925, amounts to 76,000 tons, as compared with only 52,000 tons at the end of June, 1924. The average tonnage building during the twelve months immediately preceding the war was 1,890,000 tons, i.e., 796,000 tons more than the present total. A slight decrease is shown in the tonnage commenced during the quarter, namely, 189,805 tons, as compared with 202,352 tons during the first quarter of 1925, and the tonnage launched during the present quarter—298,161 tons—is 40,959 tons lower than that for the previous three months. The total merchant tonnage building in other countries—1,276,244 tons—is about 45,000 tons more than at the end of March, 1925. The figures for the leading countries abroad are: Germany, 407,366 tons; Italy, 212,798 tons; France, 169,485 tons; Holland, 100,682 tons; and United States 92,001 tons; 232,309 tons were commenced abroad and 295,126 tons were launched, an increase, as compared with the previous quarter, of 39,691 tons in the tonnage commenced, and of 28,025 tons in the tonnage launched. The total world tonnage under construction—2,369,831 tons—shows a decrease of 27,000 tons as compared with the previous quarter, and is 1,076,727 tons below the highest pre-war record reached on June 20, 1913, viz., 3,446,558 tons. There are at the present time under construction in the world 23 vessels of between 10,000 and 20,000 tons each and nine of 20,000 tons and upwards. Twelve out of the 23, and five of the larger vessels, are building in Great Britain and Ireland. The returns show that there are at the present time 53 steamers and motorships, each of over 1,000 tons, with a total tonnage of 372,267 tons, under construction in the world for the carriage of oil in bulk. Of these tankers, 24 of 165,467 tons are under construction in Great Britain and Ireland, twelve of 105,600 tons in Germany, and ten of 54,200 tons in Holland. The tonnage of vessels now building in the world, which are to be fitted with internal combustion engines, amounts to 1,129,912 tons, while the tonnage of steam vessels under construction is 1,212,525 tons. The motor tonnage thus equals over 93 per cent.

of the steam tonnage, showing the remarkable development which is taking place in the adoption of this system of propulsion. The tonnage of motorships building at the end of June in Great Britain and Ireland—399,070 tons—amounts to 58 per cent. of the steam tonnage under construction. In Denmark, Germany, Holland, Italy and Sweden the motor tonnage under construction greatly exceeds the steam tonnage; the combined totals for these five countries being 216,257 tons of steamers and 645,600 tons of motorships. The world figures include 115 motorships each of between 5,000 and 10,000 tons; five of between 10,000 and 15,000 tons; and seven of between 15,000 and 25,000 tons. For the first time since these returns have been issued by Lloyd's Register, figures have been compiled showing the number and the horsepower of the marine engines (intended for the actual propulsion of vessels) under construction in the world. The total horsepower of the engines building or being installed on board vessels at the end of June, 1925, amounted to 1,721,378 h.p., of which 709,202 h.p. are building or were built in Great Britain and Ireland, 294,801 h.p. in Germany, 155,800 h.p. in France, 128,050 h.p. in Denmark, and 433,525 h.p. in other countries. These totals, as stated in the return, are not quite complete as regards steam engines for the smaller vessels building abroad and not classed with Lloyd's Register. Excluding engines of less than 500 h.p., the average horse-power of each set of engines reaches 3,356 h.p.; the average for reciprocating steam engines being 1,995 h.p., for oil engines, 4,027 h.p., and for steam turbines 10,387 h.p.

The Rubber Boom—and After.—A Stock Exchange correspondent writes:—Mad Monday, as the first business day in last week is coming to be called in the Stock Exchange, provided cause for a good deal of mild trouble, which cropped up in the course of settling the rubber share account this week. The public, as already noticed, poured in buying orders without discrimination; in too many cases, without giving any limit to the price beyond which the shares should not be purchased. Shares were bought at all kinds of prices, which in some instances turned out to be reasonable, and to be less than the quotations which prevailed a little later on. The buyers, in other words, were offered the opportunity for selling subsequently at a profit. If the full list of rubber shares could be analysed, it is probable that there would be a fairly equal division between the shares which reached their highest prices on the Monday, and the others which enjoyed further improvement later in the week. The mischief, however, lay in the fact that hundreds of people from all over the country bought shares on the Monday which they intended to keep for a short profit, but which, as it turned out, they did not sell. This week the holders have been trying to get out of such purchases. It became obvious, before the contango-day, that a good many people had bought more than was good for them. The attempt to carry-over was met by polite refusals on the part of jobbers to contango shares which the buyers could very reasonably be called upon to pay for. The contango account became enormously expanded, but obviously it was impossible for Stock Exchange members to finance the full extent of the boom, the result leading to a considerable stream of selling which took place early this week. It has to be remembered that the sellers, though faced with the necessity for accepting lower prices than had prevailed a few days earlier, were still able to secure, with many shares, a substantial profit upon original prices. These realisations had an effect upon the market less than might have been expected. The sales were absorbed readily, and, although prices gave way, the reaction proved to be slight as compared with the rises that had occurred beforehand. On Wednesday in this week, however, the dullness became accentuated by news that 5,000 tons of rubber, held up ever since 1923, had been released for the next quarter, subject to the export duty of 42 cents per lb, which is the maximum rate of penalty provided in the Stevenson Restriction Scheme for shipments in excess of the officially permitted output. This announcement came on the top of pressure still exerted upon the Government to induce the latter to grant

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unrestricted production in the interests of the India Rubber Manufacturers' Association, and of other users of the commodity. As the principal buyer of rubber is America, the benefit to be secured by the India Rubber Manufacturers' Association would be a trifle when matched against that of the United States if the price of rubber were to be suddenly lowered, as a result of the agitation to do away with restriction altogether. The Government have taken up a firm stand on the ground that the rise in the price of raw rubber is a temporary movement, and that the produce can be trusted to find its own price level in due course. But the speculator in rubber shares looks at the persistency of the effort to induce a greater production, and is undoubtedly impressed by the check administered to the boom. Experience shows that as soon as any such condition of boom in the Stock Exchange markets comes to a halt, it is not often that the excitement can be recreated to anything like the extent which prevailed before the air of wild optimism had been cooled by a readiness to take good profits. Companies continue to make forward contracts at prices that will give them remarkably fine profits for a year or two. Hints of labour trouble in the Middle East are not disregarded, but the people who have money in sound rubber shares are not shaken in their confidence that the prosperity of the rubber industry is far from being over, whatever hiatus may occur in the hectic madness of a boom that rushed, as all booms do, too fast and furiously at first.

Oil Imports and Coal Bunkers.—Figures published by the Customs show an increase of 15 per cent. in the imports of crude oil and refined oil products for the six months ended June, as compared with those of the first half of 1924. The totals were 808,540,064 gallons and 699,982,193 gallons respectively. Exports at 54,523,668 gallons were 9 per cent. higher and re-exports 23 per cent. higher at 34,282,736 gallons. The oil trade, at any rate, continues to expand, particularly the refining end of the business. The imports of crude oil for British refineries were 40 per cent. greater at 266,299,386 gallons (this is the more remarkable, as last year's imports were 39 per cent. above those of 1923), whereas the imports of refined oils were only 6 per cent. greater at 542,240,678 gallons. The refined oils, however, remain more than double the volume of the raw material imports. These imports appear large, but when reduced to tons—taking 250 gallons to the ton for black oils and about 300 gallons to the ton for white oils—it will be seen that their proportions are small compared with those of the coal industry. Taking the case of fuel oil, which is generally regarded, though not always rightly, as the competitor of coal, it will be found that in the first half of this year 489,787 tons of fuel oil were shipped as bunkers for vessels in the foreign trade, as compared with 495,352 tons in the corresponding half of 1924. This decline, though slight, does not suggest that the coal bunkering trade has lost business to oil this year. Last year 1,007,900 tons of fuel oil were taken for bunkers (a small proportion of which was diesel oil for use in internal combustion engines), against 17,689,000 tons of coal—in both cases for vessels in the foreign trade. These figures show up the competition of oil in its true and humble proportions. Even taking less than two tons of oil as the equivalent for steam-raising purposes of three tons of coal, and five or six tons of coal as the equivalent

of one ton of diesel oil, it cannot be held that the competition of oil is appreciably responsible for the prevailing depression in the coal bunkering industry. Oil captured the passenger steamship bunker trade some years ago, and the growth of motor ships is not yet big enough to have displaced any considerable quantity of coal bunkers.

United States Oil Consumption.—Our New York correspondent writes:—One part of the stock market that has moved against the general trend during recent reactions is the oil group. The shares have been notably firm, and the explanation is to be found in the recently published statistics on gasoline production and consumption. The outstanding fact is that gasoline consumption set a new high record during April for any month in history, 811,000,000 gallons being taken, and this despite the fact that the peak of seasonal demand generally comes in August. As a result of this remarkable consumption, which was 35 per cent. ahead of that of April last year, stocks of gasoline declined in the face of record production. Here again the decline is bullish, as stocks generally go on increasing until later in the season. Last year they increased until June. Stocks on hand at the end of April amounted to 1,561,000,000 gallons, which is less than on the corresponding date last year. Consumption of gasoline during the first four months of the year has run 30 per cent. above that in the same period of last year. This gain has exceeded sanguine expectations. Early in the year a 25 per cent. gain was about the best that had been hoped for; some even thought that it might be no more than 15 per cent. Under these circumstances oil prices are firm, and are materially above the level of twelve months ago. Accordingly, with consumption at record-breaking heights, with stocks reduced, and with prices higher, the refiners are expected to have a very satisfactory season. There has been, during the last month or two, some over-production of crude oil, but this excess has been in the heavier grades. The gasoline situation has not been affected by it. The remarkable consumption of gasoline is due partly to the large number of new motor-cars that have been placed in service this spring. One may recall that the production of cars during April set a new record. The May figures are expected to show that the demand has been maintained. In addition, the closed car is coming into greater and greater use. The General Motors Corporation, which makes a diversified line of cars, for example, is now giving over about 60 per cent. of its production to the closed type of vehicle. This type naturally increases the consumption of gasoline during the inclement seasons. The greatly increased use of trucks and buses also is swelling gasoline consumption. Altogether, it seems as if the refining industry has an excellent opportunity to extricate itself from the somewhat uncomfortable position in which it has been for the past several years.

Venezuelan Oil Industry.—In recent months progress in two of the oilfields of Venezuela—El Mene and La Rosa—has received a distinct check, though there are now signs that the worst of the trouble has been overcome. In April both the production of the British Controlled Oilfields in the El Mene field and the production of the Venezuelan Oil Concessions, Limited, and the Lago Petroleum Corporation in the La Rosa field, began to fall off for quite different causes. The following table of shipments will show that if the production from the Mene Grande Field of the Caribbean Petroleum Company of the Royal Dutch-Shell Group had not continued to increase in a satisfactory manner, there would have been a sensational drop in the output of the Venezuelan oil industry:—

SHIPMENTS OF VENEZUELAN OIL (BARRELS).

District.	January.	February.	March.	April.	May.	June.
Mene Grande	311,000	321,000	466,000	441,000	532,000	*
El Mene	243,000	222,000	319,000	185,000	175,500	147,500
La Rosa	634,000	726,000	932,000	744,000	468,000	*
Total	1,188,000	1,269,000	1,717,000	1,370,500	1,175,500	..

* Not yet available.

The decline in output is capable of simple explanation. As regards the El Mene field, the rise in production in the first quarter was due to a large number of wells having

been drilled into the oil sand within a few weeks of one another, on completion of the new pipe line from the field to the Lake. This meant a sudden flush production, and in most of these wells the falling off from flush to normal production occurred simultaneously. As there were no new wells in the proved area of the field ready to make good the loss of flush production—the work of the field staff had been concentrated at that time on drilling exploratory wells, which were not wholly successful—the fall in the output of the field was naturally severe. As regards the La Rosa field, the intense competitive drilling of the three companies—V.O.C., Limited, Lago, and Gulf—had resulted during May in several of the wells sanding up. Off-setting, or “staggering,” as it is called, in this field was so intense that 45 wells have been drilled within a small area on the shore and foreshore of the Maracaibo Lake. In a field where wells ordinarily are inclined to sand up, offsetting on this scale prevents scientific draining of the oil sand. At the beginning of May the production of the Lago fell from 15,000 barrels a day to about 3,000 barrels a day, while that of the V.O.C., Limited, fell from about 20,000 barrels a day to 13,000 barrels. Then, on June 1st, one of the V.O.C., Limited, wells blew in at a rate of 40,000 barrels a day, and on June 2nd caught fire. The burning oil spread over the lake and set on fire the piers and derricks of some of the Lago wells. All the wells had temporarily to be shut in. On the following day the V.O.C. well sanded up and so extinguished its own fire. This put back development just when it was most needed. Fortunately, the damage done was not great, and good has come out of it. The sanding-up difficulties and the fire taught the competing companies a much-needed lesson. They have now come to an agreement to drill wells farther apart, not directly offsetting one another. This is perhaps the best news that has yet come from Venezuela. Production should now go ahead. The Lago has proved the existence of a second and lower sand in La Rosa, which should ensure a long life to that field. Moreover, in the El Mene field the British Controlled Oilfields are completing five wells in the proved area, and have extended the area of the field to the west. The output of this field, too, should now increase.

Bad Debts in the Export Trade.—We have written more than once on the developments in that very difficult branch of insurance which seeks to cover the risks of loss to British exporters through the inability of their overseas customers to pay. The system of the Trade Indemnity Company, Limited, organised by Mr Cuthbert Heath and Mr Spain, has been running alongside the Government system by export credits worked through bankers; both have been useful, though neither fully meets the needs of British exporters. Mr Heath has frequently urged upon the Government the consideration of a method under which the State, in return for a premium, should reinsure what is called the “catastrophe risk” involved in export credit insurance. This means, roughly, the risk of war or revolution, which no commercial company can possibly include within the cover of its contracts. In order to go fully into a very intricate subject, Mr A. M. Samuel, Parliamentary Secretary of the Department of Overseas Trade, has appointed a Committee, with the Hon. Sidney Peel as chairman, “to consider the question of insurance against bad debts in export trade.” The Committee is a strong one, representative of banks, accepting houses, insurance companies, Lloyd’s, the Association of Chambers of Commerce, the Federation of British Industries, and the Department of Overseas Trade. The secretary is Mr F. H. Nixon, of the Government Export Credits Department, 30-31 King Street, Cheap-side, London, E.C. 2.

Tariff Reinsurances.—In the report for 1924 of this company, which was started since the war ended, the decision is announced of discontinuing for the present marine business. The accounts for recent years consisted entirely of cargo risks which run off comparatively quickly. There was a credit balance on the 1922 account of £3,775, and in the 1923 account of £10,860; these amounts, together with the balance on the 1924 account, make a marine reserve of £28,729. In the fire account

last year the premiums were £169,200, and the surplus transferred to profit and loss £4,153, after provision for unexpired risks. In the accident and general account the premiums were £27,239, and the deficiency taken from profit and loss £7,249, to make up the reserve for unexpired liabilities to 40 per cent. of the premiums. Interest receipts, less tax, amounted to £11,499. At the end of the year, after providing for the deficiency on the accident and general account, and adding £2,000 to the fire fund, there was a credit balance at profit and loss of £1,347. It is stated that an offer by Tariff Reassurances, Limited, to purchase the shares of the City Fire Office—also a reinsurance company—at 18s 6d for each £1 share, 5s paid, and £3 14s for each £1 share, fully paid, has been accepted by over 99 per cent. of the shareholders of the latter company, and the agreement has therefore become absolute. The City Fire Office will be continued as a separate company, and three of the present directors will remain on the board, Mr. E. C. Fester, Mr. S. P. J. Melin, and Mr. Wharton Tomson, directors of Tariff Reinsurances, Limited, have joined the board. Mr. Louis J. Jarvis will continue as manager and secretary of the company. The head office has been removed to St. Swithin’s House, St Swithin’s-lane, London, E.C.

The Sea Fisheries.—The preliminary statement issued by the Ministry of Agriculture and Fisheries shows that the quantity of sea fish of British taking returned as landed in England and Wales, and in Scotland, during the six months ended June 30th was in the aggregate considerably over a million hundredweights less than in the corresponding period of last year, the decline being solely attributable to the reduced landings at Scottish ports. The details of the landings of wet fish by British-owned vessels, and those of foreign vessels, together with imports of wet fish from January to June, are as under:—

	Weight.		Value.	
	1924.	1925.	1924.	1925.
England and Wales	Cwts. 4,811,309	Cwts. 4,977,323	£ 6,396,054	£ 6,202,343
Scotland	3,441,569	2,027,458	2,096,166	1,785,838
Total	8,252,878	7,004,781	8,492,220	7,988,181
Foreign landings	978,774	1,029,637	612,540	593,619
Imports from abroad	796,211	1,062,688	1,414,532	1,572,573

In addition, the landings of shell-fish at ports in England and Wales during the half-year had a value of £201,373, against £203,928 in the corresponding six months of 1924. It will be noted that the landings by British vessels at English and Welsh ports showed a slight increase of 166,014 cwts in weight, and a decrease of £193,711 in first-hand value. This, of course, affected the average realised, which was 24s 11d per cwt, against 26s 7d per cwt a year ago. In the Scottish landings there was a very considerable decrease of 1,413,911 cwts in weight, but only £310,328 in value, the result being that the average realised rose to 17s 7d per cwt, against only 12s 2d. Supplies in this case appear to have been better adjusted to demand. The catches of foreign-owned vessels continue to show an increase, the percentage of the total (English and foreign) being 12.8, against 10.6 a year ago. Imports of wet fish from abroad are greater than in the first half of last year, owing in the main to the heavier arrivals of herrings from Norway for the use of the British curing industry. The last few months have seen the steam trawling industry working on an economic basis, but the complaint is still heard of the high cost of coal and working expenses generally, while prices have allowed of only a bare margin of profit. The first of the trawlers to be despatched to the new fisheries off the coast of Greenland have returned to Hull. Owing to bad weather and difficult ice conditions the catches were disappointing. They, however, located the fishing grounds, and secured valuable data, which lead the owners to believe that their pioneer work will be ultimately rewarded. The exports of fish cured or salted (not canned) from Great Britain during the past half-year showed a marked falling off. These consist principally of herrings, of which only 913,601 cwts were sent abroad, as compared with 1,421,350 cwts in the corresponding half of last year. The quantity exported to

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Germany fell from 787,205 cwts to 451,533 cwts, this being due to the fact that German curers imported herrings in their fresh state extensively from this and other countries engaged in the herring fisheries, and cured them in their own smoke houses.

Trade and Prices in Finland.—A correspondent writes:—The chief feature of the returns of Finnish foreign trade during May was the steady growth of exports from Finland to Russia. These amounted to 147.5 million marks, against 88.6 million marks in May, 1924. The total value of imports during May was 438.5 million marks, as compared with 521.8 million marks in the corresponding month of last year; on May 31st the excess of imports over exports was lower by 372.8 million marks than on the same date last year. A regrettable feature of the returns for May is the continued decline of imports from Great Britain; these amounted to 304.5 million marks, as against 356.7 million marks in May, 1924. Germany, on the other hand, improved her lead, exporting to Finland goods valued at 593.0 million marks, as compared with 503.6 million marks in May, 1924. The United States, Sweden, Norway, Denmark, Holland, France, Italy, and Brazil are all credited with increased exports to Finland, the United States (with goods valued at 277.5 million marks) approximating closely to the British figure. The success of German exporters in the Finnish market may be attributed in part to the thorough spadework of the German commercial travellers; British trade is, perhaps, handicapped by insufficient attention to the need of publicity, and by the restrictions on entry into this country, which cannot but have a hampering effect upon the development of trade relations. Of the 105 foreign commercial travellers who were registered at Helsingfors during May, 47 were Germans and only five English. Only one or two British firms applied for admission to the Finnish Industrial Fair held at Helsingfors on July 1st-6th, while a considerable number of American, German, French, and Swedish firms exhibited their products there. During May there was a general fall in wholesale prices. The general index fell 11 points to 1122; in leather goods there was a fall of 36 points. The index number for pulp, cardboard and paper, however, rose three points, while the index number for timber goods remained unchanged. As many as 1,933 motor-cars were imported during the period January-May, representing a new factor in the national economy rendered possible by the development in recent years of motoring roads, which now aggregate a total mileage of 10,388 kilometres.

The Marconi Report.—The directors of Marconi’s Wireless Telegraph Company, Limited, remind us in their report for the year ended December 31, 1924, just issued, that a large amount was transferred from the general

reserve a year ago in order to write down or off assets. In the 12 months under review, foreign currencies have declined, and the value of the company's assets has also fallen, "in several cases in a marked degree." Thus a further writing down has been undertaken, and in consequence the general reserve now stands at £1,043,120; the figure would have been still lower had not the fund been credited with £75,141, being the company's proportion of the sum of £127,609, received from the Post Office in respect of war services, the balance having been paid over to the subsidiary company which conducts the transatlantic telegraph service. It is also stated that the recent issue of 500,000 ordinary shares will have the result of increasing the general reserve account by reason of the premium at which the shares were issued. In the following summary we show the progress of the company over a number of years:—

	1913.	1919.	1920.	1921.	1922.	1923.	1924.
Gross profits ...	£246,682	£1,538,040	£564,838	£554,515	£557,419	£552,924	£642,193
Expenses ...	124,359	317,300	267,156	279,154	254,471	380,381	416,593
Net profit ...	122,323	1,220,740	297,682	275,361	302,948	172,543	225,600
Pref. dividend..	42,500	117,500	30,000	30,000	30,000	17,500	17,500
Ord. dividend..	150,000	617,824	391,567	397,036	412,507	275,007	300,007
To reserve ...							
Balance ...	Dr 70,177	491,416	Dr 123,883	Dr 151,737	Dr 139,559	Dr 119,964	Dr 91,907
Brought forw.	146,726	463,786	944,452	818,567	664,830	523,272	402,559
Carried forward.	76,549	955,802	820,567	666,830	525,271	403,308	310,652

Once again the preference shareholders receive their maximum dividend of 7 per cent., while the ordinary distribution also is maintained at 10 per cent. for the year. Investments in allied companies are given at £2,017,786. Of this amount it is stated that £1,034,659 represents quoted securities, but the auditors report that they are unable to form an opinion of the remainder, which are unquoted. Nor do the directors afford any indication of their value, contenting themselves by saying that in those cases where there is no market quotation for shares they have brought them into the accounts "on what they consider a fair and proper basis." It is satisfactory, however, to find that it has been deemed desirable to show the amount of sundry debit balances as a separate item instead of aggregating them with sundry debtors and expenditure on developments as in previous years. The amount of the sundry debit balances—£118,031—is chiefly made up of two items. Firstly, the cost of obtaining a foreign concession and payments in connection therewith, and secondly, the cost of acquiring certain important patent interests in connection with the claims against the Government, which are now the subject of arbitration. In addition, "Contracts in progress," figuring at £137,618, appears as a separate balance-sheet item for the first time. Good progress is reported with the development of the "beam" system, and tests have been successfully conducted.

Geevor and Levant.—Our mining correspondent writes:—On the whole, the reports of these two Cornish enterprises to March 31st are somewhat of a disappointment. From the operating standpoint the Geevor records considerable progress. An increased tonnage of ore was treated for a higher average yield, and fetched a better average price. As a result, the gross profit rose from £7,100 to £15,800. Unfortunately for the shareholders the latter amount had to be expended upon the mine and plant, the company being short of working capital. Depreciation on investments to the tune of £5,900 has been written off share premium account. The current year should benefit from the work above referred to, and the appointment to the board of Mr. Arthur Richards, the well-known engineer, after an inspection of the mine, should prove of value to the company. The ore reserves have been expanded by 38,400 tons to 150,400 tons, a quantity representing four years' supply for the mill. The statement of the associated Levant Tin Mines, which covers 15 months, shows a profit of £1,650, reducing the debit balance to £17,700. As against debtors for £5,100, the company, on March 31st, had debenture and other indebtedness to the tune of over £41,000. The directors state that several schemes for the provision of further capital have been considered, but they decided to

use their borrowing powers to increase the capacity of the mine and await results. Allowing for the difference in the periods covered, the 1924-25 statistics show an increase in the tonnage treated, and a more than corresponding expansion in the black tin and arsenic produced, giving an average of 31s 1d in place of 29s 5d, while costs were brought down by about 2s to 28s, hence a mining profit of 3s 1d per ton in place of a loss of 7½d. With an additional unit of milling plant at work, costs this year are expected to be lowered still further.

Oversea Correspondence.

UNITED STATES.—MONEY AND STOCKS—INDUSTRIAL POSITION—STEEL—COTTON—EUROPEAN DEBTS.

(FROM OUR CORRESPONDENT.)

NEW YORK, July 15.

ALTHOUGH the July 1st reinvestment demand has now played itself out and was in some respects disappointing, the markets remain steady. To say that this demand was somewhat disappointing is not to say that it was not large. On the contrary, there is just as much reason as ever to be impressed with the magnitude of the country's investment resources. It seems pretty clear, however, that investment dealers were forehanded in anticipating the public demand for securities after the turn of the year. They laid in plentiful supplies of bonds so as to be able to supply the needs of their customers. The first effect of this preparedness was to advance the bond market before the July 1st dividends and interest payments were distributed. The later effect was to remove the basis for a fresh advance in bond prices after the fresh funds were distributed. Prices even reacted slightly after the turn of the half-year. Now, however, they are steadier, and talk of a reaction in this department centres around a late fall movement rather than one during the weeks immediately ahead.

For the rest, the securities markets are encouraged by the signs of returning ease in money. The early July hardening is now disappearing into the past, although it was followed, after the first relaxation, by a secondary flare-up in call money. The rate on the Stock Exchange, which touched 5 per cent. on Monday, is now back to 3½ per cent. Money market followers, meanwhile, point out that the normal seasonal movement is downward during July and the first part of August. Not until the end of August do rates begin to harden. Even though wheat is being harvested earlier than usual in the south-west, the usual seasonal tendency is expected to persist. Most judges expect that money will be dearer in the fall, not merely because of crop needs, but because they expect business to enter on a new upward movement. They do not believe, however, that the improvement in business will reach such proportions during the next few weeks as to increase materially the demand for credit. Consequently they expect relatively easy conditions to persist through the summer season. Even where they look for higher rates during the autumn they do not anticipate any very sharp advance. The likelihood of a speculative boom is considered small, while the resources of the Federal Reserve system are expected to be available for all legitimate commercial needs.

As for the industrial situation, it is fairly clear that conditions are favourable to a revival. Business as a whole is in a thoroughly liquidated condition. Inventories are, for the most part, small. Prices are relatively low, and credit is plentiful and cheap. Employment is high, and real wages are, according to Secretary Hoover, the best in history. The country seems poised, in short, for new buying movements. No extravagant ideas are entertained with regard to what these buying

movements will bring. No one expects that they will cause more than a mild advance in commodity prices. No one looks for boom conditions. Very few, in fact, desire them. A common opinion is that the new buying movements will bring excellent business but no inflation. Industry, including transportation, is expected to retain its efficiency. The short rather than the long form of business cycle seems likely to prevail for a while longer.

The condition of the steel industry illustrates the present position rather well. The manufacturers of steel are decidedly more optimistic than was the case a short while back. They feel that the end of the decline in steel and iron prices has been reached. They are encouraged by the fact that steel mill operations have held above 60 per cent. of capacity during the normally quiet summer season. They point out that consumption of steel products is going on undiminished, and are confident that consumers are about to come into the market in a larger way. Unfilled orders of the steel companies are still declining, but the rate of loss is diminishing, and the last of the ebb is believed to be in sight. Even the consumers of steel admit the likelihood of stabilisation. While, therefore, confidence is returning, no sudden and sharp upturn in activity is expected. There still are many doubting Thomases who are waiting to see whether they cannot secure a further slight concession in prices. There are others who are waiting for a clearer line on what the crops will be like. The return to more active business promises, in other words, to be an orderly affair, and not to bring any surprising disturbances in the money market.

Cotton prices have been firm since the first effects of the recent Government crop estimate wore off. There has been a great deal of hot, dry weather in the south-west, and this has had a favourable effect on sentiment as far as prices are concerned. The feeling is that acreage is so large that some deterioration of condition and reduction in prospects can be stood. Meanwhile, consumption figures show that the curtailments at the textile mills this spring have been less serious than had been thought. Thus, June's takings, 493,000 bales, while substantially below those of the spring months, 597,000 bales having been taken during April, are well ahead of those of last June, when only 350,000 bales were consumed. With only one more month of the crop year to run, stocks of cotton compare favourably with those of a year ago. Stocks of lint in consuming establishments on June 30 amounted to 1,123,813 bales, as compared with 949,649 bales on June 30, 1924. In public storage and at compresses there were 759,945 bales of lint, as against 882,197 a year ago.

While much is said about the prospective improvement in business, more particularly in the primary industries, it is generally admitted that the current volume of trade is remarkably large. Distribution of goods plainly is going on actively. As a reflection of this, car loadings on the railroads during the first six months of the year ran 5 per cent. ahead of those of the first six months of last year. Even when compared with the exceptional performances of the first six months of 1923, the showing is favourable. During the week ended July 4 the loadings exceeded those in the corresponding weeks of both 1923 and 1924. Notwithstanding these things, the railroads have been sufficiently supplied with equipment to be able to stay out of the equipment market in order to obtain the best possible prices. On June 30 there were 307,495 freight cars in good order, and available for immediate service that were idle. This supply of cars represents a strong protection against inflationary tendencies as autumn business develops.

Considerable interest has been displayed in recent moves on the debt-funding checkerboard. The Italians have gone home for more data bearing on their capacity to pay. In some quarters the opinion is held that a French settlement is likely to come before one with Italy, and for rather obvious reasons. Just how the French negotiations will develop is a matter on which views are rather hazy. There is, perhaps, a growing realisation of the need for moderation in framing the requirements. At the same time it is perfectly clear that the Administration is determined to push the negotiations, and that the probable attitude of Congress must be taken into account.

FRANCE.—POLITICAL CALM—FOREIGN TRADE—REVENUE—PRICES.

(FROM OUR CORRESPONDENT.)

PARIS, July 22.

WITH the adjournment of the Chambers until October and the advent of the holidays, the hectic activity of the past three months has been succeeded by an almost unbroken calm, of which M. Caillaux is taking advantage to complete his plans for the Budget Bill for 1926, and to put the final touches to the second part of his proposals for the restoration of French credit. Public opinion has received with astonishing calm the increased taxes that were so boldly forced through Parliament, which can only be explained as due to the satisfaction that is felt at the fact that at last, apparently, a comprehensive and well-thought-out practical method is being adopted to place the national finances once more on a sound footing.

The past week has given two further indications in support of the belief that the pessimism which was felt in many quarters two months ago as to the duration of the Painlevé-Caillaux-Briand Cabinet's term of office was uncalled for. Last Sunday's elections for the renewal of 50 per cent. of the membership of the conseils généraux (which correspond to a great extent to our county councils, but which are always regarded as much more accurately reflecting the tendency of political opinion) resulted in substantial gains by the Radical, Radical-Socialist, and Socialist parties, heavy losses by the Right and an appreciable check to the Communists. Secondly, there has been a remarkable increase in the number of National Defence Bonds that has been absorbed by the public, since the exact conditions of the terms of issue of the new 4 per cent. Perpetual Rentes were made known. These two factors are universally regarded as proof that the new Cabinet has succeeded in winning the confidence of the country, and as indications that the new conversion loan, which it is hoped will effectively remove the bugbear of the floating debt, will prove an unquestionable success.

French Cabinets usually die from atrophy or inanition; there is no present indication that the present Ministry is likely to succumb from either of these causes. The German reply to M. Briand's Note concerning the proposed Security Pact suggests that the question is unlikely to receive solution for some time yet, and the inter-Allied debt question is in a similar situation. It may be regarded as certain that by agreement between the Governments primarily concerned, steps will be taken in the near future to give some kind of satisfaction to public opinion, particularly in America, in regard to the debt problem; but it is equally certain that no real attempt to settle the difficulty will or can be made for some time to come. There remains, so far as the present Ministry is concerned, the problem of the method to be adopted to replace the existing and universally condemned system of "scrutin de liste," with proportional voting. Seeing that the Universal Suffrage Commission of the Chamber, which has been given the duty of studying the problem, is hopelessly at a loss to agree on any one system, and is about equally divided in support of five widely differing proposals, the Ministry need have no fear of a defeat on that score. So far as the immediate future is concerned, therefore, the situation of the Government, like that of the franc, may be regarded as more or less stabilised.

The volume of foreign trade continues excellent. The total exports during June had a value of 3,506,534,000f, which, although 82½ millions less than during the previous month, was still 626,065,000 millions more than in June, 1924. Imports rose slightly, and had a value of 2,991,243,000f, or 22½ millions more than in May. Compared with June, 1924, however, French purchases from abroad were 189,130,000f less than in June last year. This falling off in imports was in raw materials and manufactured goods. Exports of manufactured goods, on the other hand, were 383 millions greater than in June, 1924, while this country exported 240,000,000f more raw materials than in the corresponding month of last year. The volume of trade for the month showed an excess of exports over imports to a value of 515 million francs. The total balance in favour of this country for the first six months of 1925 amounts to 2,787,862,000f (or, in round figures, £27,750,000), as compared with a favourable

balance of 1,385,726,000 in the corresponding period of 1924. The detailed comparative figures are as follows:—

	First Six Months of		Inc. or Dec. in 1925.
	1924.	1925.	
Imports—	Francs.	Francs.	Francs.
Foodstuffs	4,136,558,000	3,595,128,000	— 541,430,000
Raw materials	13,188,837,000	12,646,622,000	— 542,215,000
Manufactured goods ..	2,528,129,000	2,594,773,000	+ 66,644,000
Totals	19,853,524,000	18,836,523,000	— 1,017,001,000
Exports—			
Foodstuffs	1,995,063,000	1,652,635,000	— 342,428,000
Raw materials	5,628,328,000	5,890,396,000	+ 262,068,000
Manufactured goods ..	12,677,935,000	13,063,142,000	+ 385,207,000
Postal parcels	937,924,000	1,018,212,000	+ 80,288,000
Totals	21,239,250,000	21,624,385,000	+ 385,135,000

In considering these figures, it should not be overlooked that nearly 40 per cent. of the favourable trade balance for the first half of 1925 was derived from the trade carried on between France and her colonies and protectorates, which in these returns are always treated as if they were foreign countries.

The revenue returns for June show that the total yield from all sources (exclusive of Posts, Telegraphs and Telephones, which department has an autonomous Budget), amounted to 1,896,681,900f. Of this 1,811,120,300f was from "normal and permanent" sources. Of the balance of 85½ millions which was received from "exceptional resources, 47,594,700f was represented in payments of outstanding arrears of the long-expired special tax on war profits. The total yield from normal taxation was the lowest recovered since last August, when 1,690,073,100f was the total yield. The substantial falling off in the revenue during the past two months has been due to the speeding up methods adopted during the Herriot Government's term of office. One of these, it will be recalled, was the institution of the system of giving taxpayers a rebate on taxes paid in advance, which is stated to have resulted in furnishing the Treasury with about 1,500 millions of ready money, but which must necessarily have a serious effect on the yield obtained from taxation for some months yet to come. The revenue from indirect taxation and State monopolies during June amounted to 1,613,561,000f, or practically 150 millions more than in June, 1924. The tax on turnover during the month yielded over 351 millions, or over 20 per cent. of the whole of the indirect taxes, being exceeded only by the yield from registrations, which amounted to 367,381,000f. Income-tax produced 162,659,960f during the month, or less than 33 per cent. of the total from this source in June, 1924.

The index figure for wholesale prices for June, which has now been issued by the Statistique Générale, reveals a further sharp rise in all categories. The detailed figures are as follows (calculated on the basis of 100 as representing the prices of the same classes of commodities in 1914:—

	Categories.	June.	May.	April.
General index figure	45	554	531	523
Foodstuffs alone (general figure)	20	486	470	449
Vegetables	8	529	503	469
Meat	8	448	447	429
Sugar, coffee, cocoa	4	477	446	448
Raw materials (general figure)	25	614	584	589
Minerals and metals ..	7	550	510	508
Textiles	6	739	705	731
Various	12	577	557	553

The general index figure at the end of June, 1924, was 474. The rise is most marked in connection with raw materials, where an increase of 40 points is registered, as compared with only 16 in the case of foodstuffs. The rise in this case is obviously due to the renewed fall in the exchange value of the franc. The index figure for retail prices in Paris at the end of June is returned as 422 (as compared with 409 in April and 418 in May), the calculation being worked out (on a basis of 100 as representing the corresponding commodity prices in 1914) in relation to 13 articles of common necessity, all of which, with the exception of petroleum, are of French origin. The index figure representing the cost of living for a Paris

working-class family of four persons, during the second quarter of 1925, is returned at 390 (as compared with 100 in the corresponding period of 1914), the figure for food being returned as 412, heating and lighting 345, housing 200, and clothing 440. The corresponding general figure for Dijon (end of June) is returned as 430; for Grenoble (April 30th), 438; Marseilles (April 24th), 427; Rouen (April), 380; and Lyons (June 1st), 348.

GERMANY.—TARIFF—VALORISATION—STATE FINANCE—CURRENCY—BOURSE.

(FROM OUR CORRESPONDENT.)

BERLIN, July 22.

The industrial duties in the new Tariff Bill have gone through Reichstag Committee on first reading with little change. Not much opposition, and this mainly from Socialist and Democratic circles, was raised, and the Agrarian representatives, being confident that the food duties will be passed, accepted increases in duties of numerous industrial products which agriculture uses in production, or which farmers consume. The controversy as to the proposed prohibitive motor car duties (which the Reichstag Committee also accepted) has brought out many facts showing that this industrial branch has enjoyed an almost complete monopoly under the import prohibition system, which is now about to cease. The Motor Car Industries Association admits that cars are being exported at prices much below the very high prices charged at home, and justifies this on the ground that it is necessary to hold old markets until export can be resumed on a great scale. The prevailing high prices and the large home demand have encouraged new foundations in the industry, and three railway rolling stock companies (whose branch is badly depressed) have taken up the manufacture of light cars. The critical question of the food duties is now up for Reichstag treatment. The special Enquiry Commission rendered a majority report proclaiming for the restoration of moderate food duties. Causes of the agrarian crisis, says the report, are the general conditions resulting from the war, the lack of credit, and too heavy taxes. The sales tax should be removed from food products, and the export prohibitions should cease. Agriculture could do without protection were the industrial duties removed; and duties on leather, textiles, and wood should be reduced. As long as abolition of the industrial duties does not take place, agriculture cannot be refused import duties, and here dairy products and other "finished" agricultural products have the strongest claim. A long-term agrarian tariff is not advisable. In addition to moderate breadstuffs duties, moderate duties should be imposed on maize and fodder barley, but concentrated fodder should be duty-free. The fixing of high maximum duties on breadstuffs is defensible as a leverage for exacting concessions from grain-exporting countries. Two members of the Commission demanded duty-free breadstuffs and maize. It seems certain that the breadstuffs duties will go through, but the proposal to fix minimum rates is still strongly opposed, among others by part of the Centre, and according to latest reports, it will be abandoned.

The two Valorisation Bills have become law. That dealing with public debts may be considered definitive. A reopening of the question is very unlikely. The question of private debts is, however, likely to remain alive. The association which represents the creditor class refuses to accept the settlement, and condemns the law (apparently with reason) as anti-constitutional and void. It is certain that the present Government, the chief members of which were against any valorisation, will not willingly reopen the question, but the new law contains many impracticable provisions, and so many obscurities, that a large proportion of claims under it must become the subject of lawsuits. Experience of the first valorisation decree of February, 1924, shows that new legislation designed in order to clear up doubtful points may develop, under the strong agitation of the creditor class, into a reopening of the question of principle, which is what percentage of valorisation shall be granted? (The "52 gold pfennigs" given last week as the present value of 50 reichsmarks of non-

interest-bearing loan redemption bonds should read "520 gold pfennigs," that is, 5 marks 20 pfennigs.)

The Treasury report for June and for the first quarter of the financial year is as follows:—

	June.	April-June inclusive.
	Reichsmarks.	Reichsmarks.
Receipts—		
From taxation and fees	543,789,251	1,814,020,014
From other sources	3,159,957	30,949,705
	546,949,218	1,844,969,719
Expenditure—		
General administration and war burdens	362,133,152	1,186,664,508
Subventions to states and municipalities	224,147,708	696,341,870
	586,280,860	1,883,006,378

The account does not include 150 million marks of pledged taxes received in June, but includes 133 million marks of May pledged taxes since refunded by the Commissioner of Controlled Revenues. The quarter's taxation receipts of 1,814 million marks are 34.6 per cent. of the 5,239.7 million marks estimated receipts for the whole financial year. The Finance Ministry now estimates the deficit of 1925-26 at 385 million marks, and states that 1926-27 will show a deficit of 600 to 700 million marks. The Ministry has failed to come to an understanding with the States on the subvention question. It is unwilling to make further concessions. The opposition mainly comes from Bavaria, Württemberg, and some other States in which the Right parties, as in the Federal Cabinet, hold power, and if no compromise is attained the "Finanzausgleichsgesetz," which embodies the furthest concessions the Finance Ministry is willing to make, may be rejected by the Reichsrat. The collection of the triennial increment of property tax which was first due at the end of 1926, has been postponed until the end of 1928. The Succession Duties Bill has been amended in Reichstag Committee by making the tax payable in ten annual instalments in cases where immediate payment would be a hardship. The income-tax has been again amended in committee in the interest of small wage-earners. Hitherto the 10 per cent. tax deductible from wages has been reduced by 1 per cent. for each member of the taxpayer's family; a wage-earner with a wife and three children, whose annual income was 3,000 marks, paid 6 per cent., or 180 marks, equal to 10 per cent. on 1,800 marks, leaving 1,200 marks or income entirely tax-free; and a person with a family of the same size, but with larger income, had the same exemptions, paying 6 per cent. on an income of 8,000 marks, equal to 10 per cent. on 4,800 marks, thereby having 3,200 marks entirely tax-free. This has been criticised as being against the principle of the law, which was to spare those who could least afford to pay. The amendment substituted fixed abatements for wife and children, regardless of the dimensions of the income, being for wife 90 marks a year, and for children from 120 marks for the first to 600 marks for the fifth and later children. By this system wage or salary earners with four dependents, with incomes of up to 3,000 marks a year, will pay a lower tax than at present, and those with higher incomes will pay more.

The Bill converting the Rentenbank into an Agricultural Credit Bank has become law. The capital is 220 million marks, and will increase to 500 million marks. In the directorate the Federal Government and Agriculture are equally represented. The June 30th return of the Rentenbank shows a circulation of 1,855,559,423 marks. The Reichsbank's return for July 15th shows a further decline of discounts by 53 million marks, of advances by two million marks, and of circulation by 145 million marks. Deposits grew by the large sum of 192 million marks, mainly owing to payment-in of public monies. The money market, owing to demands for quarterly taxes falling due on July 17th, has remained tight. Day money in Berlin at the close of last week cost 8½-9½ per cent., against 8-9 per cent. one week earlier. Foreign credits are not being received, with the exception of the first instalment of the Berlin city dollar loan. The private discount rate has risen to 8 per cent. A leading Berlin bank publishes some capital estimates. Of 11½ milliard marks mortgages negotiated through mortgage banks outstanding before the war, 15 to 20 per cent. will remain

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after execution of the Valorisation law. This, though no national loss, means an immobilisation of capital. Pre-war life insurance policies totalled 6 milliard marks, and were increasing by 500 million marks a year. The present total is about 600 million marks, and the present increase is one of 400 million marks a year. The quotation value of all Bourse stocks in 1913 was 30 milliard marks; at present it is about 8 milliard marks. Public loans, corporation debentures, and mortgage bonds before the war totalled 40 milliard marks. After valorisation this total will have shrunk by 80 to 90 per cent. Total mobile capital is estimated to have declined since 1913 by 100 milliard marks, which, again, is not all a national loss, but is largely a transformation in the character of values.

The industrial situation has changed little. Greater activity is reported in the electro-technical branch, the demand for electro-motors, dynamos, and installation material having greatly increased. The clothing branch also reports prosperity. The trades union reports for July 1st show a decline in unemployment among organised workers from 3.5 (June 1st) to 3.11 per cent. in the metal branches; from 6.11 to 3.94 per cent. in transport; and from 4.31 to 4.1 per cent. in general factory workers; while the percentage in the textiles branch increased from 3.24 to 3.44; woodworkers from 2.9 to 3.2; boot and shoe makers from 4.56 to 5.33.

An institute for study of trade cycles has been established, being attached to the Federal Office of Statistics, and financed by the State, the Reichsbank, the Railways Corporation, and associations of employers and employed. Hamburg shipping in the first half of 1925 has again overtaken Antwerp's, arrivals being 8,490,000 net tons, against 8,249,000 tons at Antwerp. In 1924 Hamburg's shipping arrivals totalled 15,622,000 tons, and Antwerp's 16,389,000 tons.

The bourse has been very weak, and stocks are lower than at any other time this year. Considerable foreign selling is observed, and it is understood that foreign bull

speculators have transferred their activities to Vienna. The Stinnes concern has been obliged to sell its 7,500,000 marks stock holding (out of a total 22,000,000 marks capital) in the Berliner Handelsgesellschaft Bank. In connection with the Stinnes concern's liquidation of other holdings, including its holding in the Rhenish-Westphalian Electricity Company, metal stocks have been particularly weak. The *Frankfurter Zeitung's* stocks index for July 17th shows 74.76; July 10th, 75.80; January 31st, 111.37; January 2nd, 100.

CANADA. — CROP REPORTS — PROROGATION OF PARLIAMENT — NOVA SCOTIA ELECTIONS — POSSIBLE POSTPONEMENT OF FEDERAL ELECTION — THE WEST INDIES TRADE CONFERENCE — TRADE RETURNS — THE RAILWAY PROBLEM — IMMIGRATION.

(FROM OUR CORRESPONDENT.)

OTTAWA, July 6.

WHILE the note of exuberant optimism which characterised the earlier crop reports has now abated, there is still among them a gratifying consensus that the situation is eminently satisfactory, and that the prospects of a yield well above the average are excellent. In practically every district of the prairie provinces the wheat is now in the shot blade, and the harvest will begin at least two weeks earlier than in 1924. In certain areas there has been substantial damage from hail, and in others cutworms have caused a loss of 10 to 15 per cent. of the crop, but the aggregate harm is not serious. The Dominion Bureau of Statistics, in its first preliminary estimate, contents itself with a forecast of 350 million bushels for the wheat crop, but this figure is regarded as extremely conservative, and the C.P.R. report published a few days later suggests a much larger yield. In the West pasturage is excellent and coarse grains are doing well. In Ontario the crops have derived great benefit from recent rains, and although these came too late to prevent the hay crop being short, they have enormously helped the pasture lands. The winter wheat crop, which is ready for harvesting, promises an average yield, and the root crops are excellent. The condition of the fruit crop, especially of apples and pears, is very satisfactory. In contrast with Ontario, many areas of Quebec have suffered from excessive rainfall, and in the northern and lower St Lawrence districts heat and dry weather are badly needed, but the pastures and hay crop are in good condition. In the Maritime Provinces the two most important crops, hay and potatoes, have rarely shown better prospects, and the apple crop in Nova Scotia is also good. In British Columbia, owing to prolonged spells of drought, the fruit crop will, on the whole, be below the average, both in yield and quality, but roots and vegetables promise a good return. In view of the excellent crop reports, grain prices have been falling steadily on the Winnipeg Grain Exchange, but there is still confidence that they will not go back to the level of 1923, and that, given a fulfilment of the present prospects, the 1925 crop, whose planting was much cheaper than in any post-war year, should offer the farmers a good return.

The fourth session of the present Federal Parliament of Canada, which had lasted practically five months, came to an end on June 27th, and so far from being marked by the lively controversies which had been foreshadowed, it is regarded in retrospect as singularly dull and unprofitable. The new Grain Act and the Bill concerning railway freight rates were the only two measures of major importance which were passed, and a number of the King Government's legislative enterprises besides the Petersen contract came to disaster. The Senate stood firmly to their ground in connection with the Home Bank Bill, and as public opinion realised the wisdom of their amendments, which restricted relief to the small depositors of the defunct bank and needy cases, and, incidentally, will save the Treasury nearly three million dollars, the Government, after challenging the right of the Senate to amend a money Bill, yielded, and accepted the compromise. The Senate also, in the dying days of the session, killed a Rural Credits Bill, which the agrarian members in the House of Commons had criticised severely,

and stopped the construction of two railway branch lines, clearly planned for political purposes. In the end the commercial treaty with Australia, after being severely attacked in the Commons, both by Conservatives and Progressives, secured a substantial majority, and no serious opposition, except by a jam manufacturer, was voiced to it in the Senate. A pre-election atmosphere had enveloped the whole session, and the King Government were obviously planning to appeal to the country in the early autumn. But their calculations of success received a rude shock from the result of the provincial elections in Nova Scotia on June 25th, when the local Liberal Party, after being in uninterrupted power for 42 years, were completely overwhelmed, and were able to retain only 3 out of 43 seats in a traditional Liberal stronghold. Voters do not always support the same party in Federal, as in provincial elections, but the same factors which were responsible for the result in Nova Scotia—notably the scandalous state of affairs in Cape Breton, where the industrial conflict is still raging with great bitterness—will operate in the Federal field. In view, therefore, of the symptoms of electoral sentiment which were revealed by the Nova Scotia election, most of the Liberal members at Ottawa, outside the Quebec contingent, are now pressing for a postponement of the election till 1926 in the hope that a good crop may improve the temper of the voters, and Mr King is credited with a disposition to accede to their wishes.

The Canada-West Indies Trade Conference, which sat regularly for a fortnight after Parliament was prorogued on June 27th, was comparatively barren of results. Some of the West Indian delegates made no secret of their opinion that their time had been largely wasted, but they carried off with them a useful increase in the preference given by Canada to their sugar. Attention was also paid to their complaints about the inadequacy of the existing steamship service between Canadian and Caribbean ports, and arrangements were made for its improvement; henceforth steamers with a good refrigerating equipment, which is indispensable to the fruit trade, are to be provided through the joint subsidy. It was also agreed that the preferential benefits should only be available to goods shipped directly through Canadian ports. The fact, however, is that the commercial ties between the British West Indies and the adjacent areas of the United States are through the forces of geography very strong, and powerful interests are opposed to any preferential arrangements which might provoke the United States to tariff reprisals. On the other hand, revenue necessities prevent the Canadian Government from making some concessions which the West Indians desire.

The foreign trade of Canada showed a slight decrease in May; it is true that imports for the first time in many months showed an increase of \$3,836,000, but a fall of \$7,794,000 in exports left a net loss of about four million dollars. The larger importation, wherein the gain was chiefly from raw materials on the free list, fibres being up \$920,000, is interpreted as a favourable sign, probably marking a revival of domestic industry. On the export side there was a notable decrease of \$13,558,000 in agricultural foods, but the shipment of animal products was larger than in May, 1924, and the exports of wood, pulp, and paper were about a million dollars greater. Although somewhat less than in May, 1924, the export balance is still very substantial, and the indications are that during at least the summer months exports will continue to exceed imports in value. Canada has still a very much larger *per capita* foreign trade than her neighbour; in May, although her population is only one-twelfth of that of the United States, her foreign trade was about 40 per cent. of the American figures.

The railway problem continues to be a constant topic of discussion, largely as a result of the report of the special committee of the Senate, and undoubtedly a very large body of public opinion in Canada is now ready to support some such plan of amalgamation of two great systems, as was foreshadowed in the senatorial report. But the all-important point is the terms of the amalgamation, and there controversy at once develops. It is rumoured that Mr Mackenzie King contemplates adopting the recommendations of the report as the policy of his Government, and making it the basis of an appeal for re-endorsement by

the electorate. It would probably ensure for him the very powerful support of the C.P.R., but it would also ensure the ruin of the Liberal party, for outside Quebec very few Liberals would endorse a proposal to guarantee in perpetuity the dividends of the C.P.R., and the whole West would be up in arms against it. There is every desire to give the C.P.R. fair and equitable treatment, but if sacrifices have to be made for the common interest, it will have to bear its share, or a merger will be impossible.

A most disquieting feature is the poorness of the immigration figures. A number of British families are coming to Canada under the schemes of the Overseas Settlement Board, but otherwise the flow of immigrants from the British Isles is very disappointing, and a number of boats which in other years were fully utilised all the year for this traffic are being laid off in August. Nor is there any great influx from the Continent of Europe or the United States, and there will be a decline even from the disappointing figures of 1924. On the other hand, however, there is evidence that the southward outflow of population has markedly diminished in volume.

NEW ZEALAND.—MR MASSEY'S SUCCESSOR—POLITICAL OUTLOOK—REVENUE AND EXPENDITURE.

(FROM OUR CORRESPONDENT.)

CHRISTCHURCH, May 29.

THE meeting of the Reform Party called for the purpose of electing a leader in place of Mr Massey has duly chosen the Hon. J. G. Coates, the Minister of Railways and of Public Works and Postmaster-General in the Massey Ministry. The only serious rival to Mr Coates would have been the Minister of Customs, the Hon. W. Downie Stewart, who is practically certain now to be offered the Ministry of Finance. Mr Stewart is at present in New York undergoing extended treatment for rheumatoid arthritis, contracted as a result of war service, but it is doubtful whether, in the present state of his health, he would have been chosen by his party even if he had been here. The reputation of the new Prime Minister has been made as a vigorous administrator of public works and railways. He is too young and too inexperienced to have had the chance to acquire the Parliamentary dexterity and general political ability of which both Seddon and Massey were masters. He is a popular figure, and his vigorous handling of administrative problems has won him a certain reputation.

It is certain that a period of political change and possibly confusion will follow. There has for some time been no real cleavage between the Liberal and Reform parties, and only personal ambitions and force of habit kept the organisations distinct. The Reform party caucus is known to have discussed overtures for amalgamation, and the Prime Minister, who began his political career as a Liberal, is believed to favour it. The newspapers of the country are almost unanimous in their advocacy of fusion, and it seems also certain that, possibly before an election is held, but more likely after a short session followed by an election, both of the old parties will disappear and be replaced by a new anti-Labour party. Such a development, however, will not end the manoeuvring and bargaining that will go on. A considerable minority of the farmers' organisations have been restive for many years, and there have been spasmodic efforts at the formation of a Country party, which were kept in check mainly by the personal popularity of Mr Massey. It is unlikely that any composite party which gave townspeople a predominant voice in policy would continue to command the support of the small farmers. There is a clear economic cleavage on superficial issues between big business in the towns and the interests of those farmers who have been active in demanding rural credit banks, State-aided marketing schemes, &c. To keep these discordant elements together will need almost superhuman tact and ability. Meantime, the Labour party, standing apart as a distinct entity, wooing the small farmers and urging them on in their discontent with banks and mercantile institutions, stands to gain a good deal from the confusions of its opponents. More immediately, the latest financial returns must prove a rock ahead for any new Government. Revenue

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and expenditure figures for the past two years are compared below:—

Revenue.			Expenditure.			
	1923-4.	1924-5.		1923-4.	1924-5.	
	£M.	£M.		£M.	£M.	
Customs.....	7.3	7.6	Interest.....	7.9	9.9	
Stamp and Death Duties.....	3.3	3.2	Debt Amortisation.....	1.0	1.0	
Post and Telegraph.....	2.7	2.7	Railways.....	5.2	6.5	
Land Tax.....	1.4	1.3	Post and Telegraphs.....	2.1	3.0	
Income Tax.....	3.8	3.4	Other Departments.....	6.4	8.0	
Railways.....	7.0	7.1				
Total Revenue.....	28.0	28.7	Total expenditure.....	26.1	32.2	

The apparent increase of £6 millions in expenditure is, however, due to a change in bookkeeping. Credits of various kinds in reduction of the gross expenditure are included in a special section on the revenue side, amounting to £4.7 millions, so that actually there is a surplus of approximately £1½ millions. This compares fairly favourably with preceding years, as the following table shows:—

	Revenue.	Expenditure.	Surplus.
	£M.	£M.	£M.
1920-1.....	34.3	28.1	6.2
1921-2.....	28.1	28.5	0.3
1922-3.....	27.6	26.3	1.3
1923-4.....	28.0	26.1	1.8
1924-5.....	28.6	27.4	1.2

NORWAY.—EXCHANGE PROBLEMS—CROPS—BUDGET.

(FROM OUR CORRESPONDENT.)

OSLO, July 18.

THE preponderating economic question in this country at present is the relation of the Norwegian krone to foreign exchanges, chiefly to the £ and the dollar. As is well known, the object of the National Bank always has been to bring the krone, by successive stages, at a slow but steady rate, back again to parity. But how abnormal the present state of things is will best be seen from the fact that on April 8th the official rate was Kr.30.05, while in less than three months, on July 3rd, it was down to Kr.26.90 to the £. Since then it has been as high as Kr.27.50, but to-day is again Kr.27.15. There has, no doubt, been some increase in the intrinsic value of the krone. Some branches of the export have brought a good deal of money into the country. The Budget for 1925-26 has been balanced without any estimated deficit, and with only a comparatively very small increase of taxation. Certain countries with weak foreign currencies also no doubt have made bona-fide purchases of Norwegian values. All this tends to raise, in a natural way, the value of the Norwegian krone. But recent abnormal and violent changes are now acknowledged to be the result of speculation, especially from America. Such gambling, which to-day has chosen for its victim the Norwegian krone, but to-morrow may choose the money of some other smaller country, is nothing less than a disaster. The fact is followed with the keenest interest by the authorities concerned, and it is very likely that measures will be taken to neutralise, as far as possible, the consequences of speculation.

So far, this is one of the finest summers that anybody can remember. Everything points to very abundant crops of the chief products of agriculture. Hay-making is in full swing, and cereals and potatoes, as well as minor crops such as vegetables, are in a very flourishing condition. Horticulture, perhaps, will be an exception. The prospect of reduced imports of foodstuffs also may influence the exchange. The Storting rose to-day, having voted the final amounts of the Budget. The total amount of the same is Kr.438,500,000.

Letters to the Editor.

GOLD STANDARD WITHOUT GOLD CURRENCY.

TO THE EDITOR OF THE ECONOMIST.

STR.—In your article of the *Economist*, July 11th, you say that Ricardo never put the question, what influence a system of gold standard without gold circulation is likely to have on the value of gold. But really Ricardo affirms that the convertibility of bank notes in gold bullion will keep the value of gold at a low level.

In fact, in his essay on protection to agriculture (pages 468-69 of MacCulloch's edition), we read: "If the plan to make the Bank liable to the payment of a certain large and fixed amount of their notes in gold bullion had been adoptedit is demonstrable that the value of money could only have been raised 5 per cent. by reverting to the fixed ancient standard, for that was the whole difference between the value of gold and paper.....and we will have escaped the further pressure which the country has undoubtedly undergone from the effects of the great demand for gold, which specie payments have entailed upon us."—I am, yours,

Turin, July 14th, 1925. ACHILLE LORIA.

THE FINANCE OF RAILWAY AND BANKING NATIONALISATION.

TO THE EDITOR OF THE ECONOMIST.

SIR,—There could scarcely be a better object lesson of the effect of the nationalisation of railways and banks than the Bill just passed by the Reichstag in Berlin. Bondholders of pre-war German and Prussian bonds are to receive 25 reichsmarks nominal of new loan redemption debt in exchange for 1,000 marks nominal of their old loans, but no interest will be paid on these new bonds until after Reparations are made.

German and Prussian bonds were always reckoned as gilt-edged securities before the Great War, but now, by an act of German Legislature, their value has practically ceased to exist. Perhaps one concrete case is the best illustration of the danger of investing in Government security. In 1902 an issue was made of Prussian 3 per cent. State bonds at 89, of which 211,753,600 marks were issued in exchange against shares in the Prussian railways taken over by the State, and 12,000,000 marks advance to the Prussian Central Banking Corporation. The holders of the railway securities were forcibly made to take Prussian 3 per cent. bonds in exchange. Not only do they see their holdings now pronounced to be worthless, but they have to endure the added insult of seeing their original securities now pledged to a foreign "Commission" as security for a 7 per cent. loan recently floated on the international market to provide Germany with a small sum of ready money, with the object of enabling her to carry on somehow with a "managed" currency.

Not being a financier, but only a plain business man, it appears to me that if one Parliament in a civilised community can repudiate its debts raised on a gold basis, it is certain that sooner or later every Parliament will proceed to do the same thing. It is argued, and rightly argued, that the workers of every country have to provide the interest on the public debt. Our working classes have been content to do this up to the present time, but with this German object lesson in view it seems to me that Government security in future must clearly be based on goodwill alone, and is at the mercy of any group of politicians who are able and willing to persuade the workers that it is economically unsound to endow the holders of Government obligations, as we do, with 50 per cent. of the national income. On the other hand, I note that, according to your Berlin correspondent, "although these financial matters move with a clockwork precision, which speaks well for the comprehensiveness of the arrangements made by those responsible for the drafting of the Dawes Plan and the London Agreement," and that "the Dawes laws passed by the Reichstag provided for the initiation of the new bank, the railway company, and the mortgage on industry"; and that the "whole 50 milliards nominal which are officially estimated to be in 'new' bonds would have a present value of about £12,500,000. Materially, and apart from the question of principle, the reduction to 25 reichsmarks is therefore of no importance"; still, the fact remains that there is no money in Germany, and in the opinion of any ordinary individual there is no likelihood of any money being invested in that or any other country which is foolish enough to adopt repudiation of its debts as a national programme for the rehabilitation of its financial system.

Yours, &c.,
July 21st, 1925.

POLAND AND GERMANY.

TO THE EDITOR OF THE ECONOMIST.

SIR,—I notice that in your issue of July 11th, in a paragraph entitled "Tariff Conflict Between Poland and Germany," a correspondent presents the German point of view on the question at issue. May I briefly state the case for the other side? I think that nobody acquainted with the facts could deny that the conflict was deliberately provoked by Germany, who, on the one hand, arbitrarily restricted the imports of Polish coal in the middle of negotiations for a commercial treaty, while on the other she put forward demands of a political nature which Poland could not possibly concede. Thus there cannot be any doubt that Poland retorted with restrictions on certain German imports only after Germany practically put an embargo on Polish coal.

I agree with your correspondent that Poland cannot profit by such a conflict, and this fact alone is sufficient proof that Poland has not initiated it. Poland's experience of commercial relations with Germany is neither new nor isolated. Did not Germany try to boycott Poland commercially during the first three years after the Armistice? Germany called it off, seeing that it injures her much more grievously than a self-sufficient country like Poland. For, contrary to the assertion of your correspondent, Germany has much more need of Polish imports, consisting chiefly of agricultural raw materials, than Poland has of German manufactures, which she can get as easily from England, or nearer home, from Austria or Czechoslovakia.

Incidentally, German action with regard to Polish coal shows how utterly mendacious were the arguments put forward by official Germany after the Upper Silesian plebiscite that Germany cannot exist without Silesian coal, if Germany takes the earliest opportunity to put an embargo on that coal even at the risk of provoking a tariff war.

Nor, as I said, is Poland's experience isolated. Have not the negotiations with France broken down? Have not the negotiations with Czechoslovakia for free transit of Czechoslovak goods through Hamburg and Stettin broken down, although in this case Germany was solemnly bound by treaty to grant it? Have not the Nationalists who are in power in Germany endangered the commercial treaty with England which they refuse to ratify?

All this seems to give substance to the complaints of the progressive parties in Germany that the Nationalists have become, as *Vorwaerts* puts it, "tariff mad."

In short, Sir, Poland deprecates the conflict, and is ready for a reasonable compromise, offering meanwhile a profitable market to the million unemployed in this country.—Yours faithfully,
F. B. CZARNOWSKI.

47a Portland place, London, W. 1, July 15th, 1925.

Books and Publications.

BRITISH PUBLIC FINANCE.*

This is a laudable effort to explain to the general reader the nature and working of the financial machinery of the British Government. Major Hills was a member of the House of Commons from 1906 to 1923, and served as Financial Secretary to the Treasury under Mr Bonar Law. His experience enables him to present in a hundred small pages of large print a fairly complete account of his subject. The rest of the book is devoted to discussions of public economy, currency, and debt. Our financial system is a complicated business, and such a highly compressed description of it as we have here is necessarily somewhat difficult reading. The general reader must be possessed of much perseverance and capacity if he can read, and understand it at the first attempt. If the subject is new and obscure to him he must not only read, but re-read, mark, and digest to reap the reward of a good working idea of our formal public finance. The descriptive portion of the book has been carefully prepared, but it is surprising to be told that Exchequer bonds were first issued in March, 1915. Major Hills ought to have known that they were introduced by Gladstone in 1853, and that they were constantly resorted to for various purposes, including not only naval and military expenditure, but the purchase of the Suez Canal shares by Disraeli, and the payment of dis-sident holders of 3 per cents. at the time of Goschen's great conversion.

* "The Finance of Government." By John Waller Hills (some-time Financial Secretary to His Majesty's Treasury), assisted by Dorothea Cotter Morison. The Westminster Library. Published by Philip Allan and Co. London. 194 pages. Price, 3s 6d net. 1925.

In describing the work of the Treasury, the authors say: "Seeing the estimates of all spending departments year after year, the Controller of Supply Services can compare costs in different years, and in different departments. He is thus able to form a fairly accurate judgment as to what costs are excessive and what are justifiable. The Controller of Establishments can at once put his finger on a case of redundant staff. He is the final arbiter of the establishments of all the departments." If this were even approximately correct the responsibility for waste would be narrowed down to these two officials, and the ministers under whom they serve, and there would be no need of committees except to consider their competence. When the authors venture opinions they are not always so happy as in their narrative. "Volumes could be written on the errors into which the human mind has fallen through explaining the State by analogy.....with an organism." If a modern civilised state is not an organism, what meaning can be attached to the word? Or, again, we are told that the dead-weight debt at the outbreak of the Great War was £651 millions. In 1920 it was £7,829 millions. "Therefore, the Great War added £7,178 millions to our burdens." It is surely a strange measure of the burden of the war which ignores floating debt, takes no account of the burden met by increased taxation as distinct from debt, and assumes that the aftermath does not extend beyond 1920.

The section devoted to currency was written before our return to the gold standard. Its title, "Our Present Currency System," is not now appropriate, but the authors have thought it well to leave both title and description unchanged, as they feel that "an account of the system as it was before April, 1925, will be of value." The conclusion, dealing with debt, is interesting chiefly for its comment upon the 3½ per cent. Conversion Loan, 1961. Holders of National War bonds were offered in 1921 from £160 to £163 (varying with the date of repayment between 1922 and 1925), for each £100 of bonds. "This," say the authors, "gave them interest from £5 12s to £5 14s per cent." for 40 years. They might have added that in 1961 £160 or more will be paid back for each £100 originally borrowed. But we are told that these "were wise terms" for five reasons, of which the fourth is that the debt would be "off the minds" of Government till 1961, and the last is that as time went on large blocks of war debt would fall due and need conversion, and that "the terms of subsequent conversions had to be progressively worse for the investor.....Therefore the first offer had to be very high, to allow of this scaling down." All this is far from convincing.

POLITICAL THEORIES.*

THE colleagues and students of the late Professor Dunning, of Columbia University, planned the present volume of 13 essays on contemporary developments in political theory as a tribute to his continuing work and ever-present inspiration. Fate, however, decreed that its appearance should commemorate his untimely death. It is, we venture to think, worthy of its object. In scope, it represents a survey of the ground immediately following that covered by Professor Dunning in his three-volume "History of Political Theories, Rousseau to Spencer." Professor Merriam, of Chicago University, opens the subject with a survey in outline of the field of political thought during this latter period of its development. M. W. Willey concentrates on the theory of democracy, with a wealth of scholarly reference which, it must be confessed, leaves too little room for critical analysis. F. W. Coker deals with the clash between pluralism and State sovereignty; E. M. Borchard and C. P. Patterson with the bearing on political theory of international law and jurisprudence. From that we pass to proletarian political theories (Mr Paul Douglas contributes an admirably lucid and comprehensive analysis of modern Socialist doctrines) and the politico-scientific implications of recent developments in philosophy, sociology, social psychology, anthropology, geography, and racial considerations. In his critical survey of recent philosophical thought, H. W. Schneider covers a wide field with a

* "Political Theories." By Merriam, Barnes, and others. Macmillan Co. of New York. Pp. viii. + 597. 17s.

vivacity and charm of phrasing which helps to lighten its heavy demands upon the understanding of the general reader. And the volume closes with a discriminating valuation of racial theories by F. W. Hankins, which should bring comfort to the devotees of Mr Hilaire Belloc. There is, its author considers, "no convincing demonstration of the superiority of one European race over another." The "Nordic Man" is, in fact, no better than his neighbours.

INCOME-TAX LAW AND CASES.*

THIS volume is the work of a well-qualified writer on the subject. It contains an exposition of the Statutory and Case Law relating to Income-tax, and is specially designed to meet the needs of accountants, solicitors, secretaries, and others who require an authentic legal guide to a complicated code. Indeed, so complicated has income-tax law now become that, according to the published opinion of a well-known member of the Bar, "its tendency towards the chaotic is persistent." The work is conveniently arranged in the form of a handy subject index which occupies 600 out of the 700 pages. United Kingdom income-tax extends to (a) the income of individuals, corporations, companies, and other "legal persons" resident in the United Kingdom; and (b) the income arising in the United Kingdom receivable by individuals, corporations, companies, and other "legal persons" not resident here. It thus happens that the legal meaning of the words "residence" and "resident" are of great importance in the construction and administration of income-tax law. In this book no less than fifty pages are usefully devoted to a consideration of the legal meaning of the word "residence." The word is nowhere defined in the Income-tax Acts, but No. 2 of the Miscellaneous Rules relating to Schedule D (Income-tax Act, 1918) specifically grants exemption in respect of certain external profits or gains of non-residents, even though these are received in the United Kingdom. To be exempt these profits or gains must be received from possessions or securities out of the United Kingdom by a person "who is in the United Kingdom for some temporary purpose only, and not with any view or intent of establishing his residence therein, and who has not actually resided in the United Kingdom at one time or several times for a period equal in the whole to six months in any year of assessment." The question of liability to British income-tax thus depends wholly upon legal residence and not at all upon nationality. The provisions of the Income-tax Act, 1918, in their application to Ireland, are fully considered under the head of "Ireland." Under the head "Exemptions" the tax position of charities is discussed. This book will prove a useful addition to the extensive literature already at the service of those concerned with the administration of income-tax.

BOOKS RECEIVED.

- The British Year Book of International Law*, 1925.
(London) Oxford University Press. 16s net.
Reparation und Wieder aufbau. Von Dr Hugo F. Simon.
(Berlin) Carl Heymanns. 14 marks.
Vom Reichtum der Nationen. Von Dr R. Liefmann.
(Karlsruhe) G. Braun. 4.20 marks.
Le basi economiche del Movimento Operaio. By C.
Supino. (Rome) Albrighi, Segati and C. 10 lire.
*Annuaire des Sociétés par Actions du Bas-Rhin, du
Haut-Rhin de la Moselle du Luxembourg, du terri-
toire de la Sarre*, 1925. (Strasbourg) Société
Générale Alsacienne de Banque.
Tolley's Complete Income-Tax Chart. (London) Water-
low and Sons, Limited. 2s 6d.
Tolley's Income-Tax Tables, 1925-26. (London) Water-
low and Sons, Limited. 1s 6d net.
Income-Tax and Super-Tax in the Irish Free State.
By Chas. H. Tolley. (London) Waterlow and Sons,
Limited. 8d net.
Income-tax Guide. 1925 Edition. Revised by G. H.
Bridge. (London) Financial Times, 1s net.

* "Income-Tax and Super-Tax Law and Cases." By Ronald Staples, of the inland Revenue Department. (London) Gee and Co. (Publishers), Limited. 25s.

COMPANY MEETINGS, &c.

THE DISTILLERS COMPANY, LIMITED.

BIG AMALGAMATION CONSUMMATED.

ANOTHER DISTILLERY MERGER.

The annual general meeting of the Distillers Company, Limited, was held at Edinburgh, on Friday, 17th instant, when Mr William H. Ross, chairman of the company, presided.

Before moving the adoption of the report, the Chairman said: Following the usual practice, I shall ask you to hold the directors' report as read, although there are many points arising in that report which will be dealt with in the course of my remarks.

Since the accounts were closed on May 15th a great change has taken place in the complexion of the company. In the interval we have secured practically the whole of the ordinary shares of Buchanan-Dewar, Limited—a company which controls the well-known businesses of Jas. Buchanan and Co., Limited, and John Dewar and Sons, Limited—while we have also secured about 92 per cent. of the ordinary shares of John Walker and Sons, Limited—an equally well-known and important company—on terms with which you are already familiar.

In the carrying out of this important amalgamation we have increased our ordinary share capital by over 170 per cent., bringing the total issue of ordinary shares at this date up to 10,289,812 shares, which, added to the preference capital, makes a total issued capital in this company of nearly 12½ millions, against an authorised issue of £15,000,000.

DIVIDEND PROSPECTS.

That completes my review of the accounts, and if I refer at this stage to the improved dividend which we have pleasure in recommending this year in place of the stabilised dividend of 10 per cent., free of tax, which we have paid for a period of 23 years, it is only to emphasise the highly satisfactory position in which the company is now placed by reason of this latest fusion of interests. Hitherto the company has been mainly a manufacturing company, but with a growing business as distributors. The fusion referred to places the company in the front rank of distributors as well, and secures to the parent company an outlet for a large part of its production, which the former position did not ensure. While I would be averse at any time from dividing our profits up to the hilt, there is now less reason for us to be so ultra conservative in our distribution as we have been in the past, and I hope it will be possible, therefore, to at least maintain the new rate of dividend in the years to come. After all, this 20 per cent., which we are now going to divide for the first time, has only been attained after years of toil and by careful handling of the finance. Like a provident parent, we have been careful to husband our resources and put back into the business each year sums of varying amount, which in their turn have borne fruit. It must be remembered that the 20 per cent. dividend we are now recommending only applies to a portion of the capital employed in the business. Apart from the debentures and preference shares, which provide capital for the business at varying rates of interest, we are employing very large sums of money in the form of reserves, on which no dividend is being paid. I have just had taken out for me a return showing the total capital employed in the various businesses which we as a company own or control. On the other hand, I have taken out the total dividends or interest paid on these various classes of capital, and, dividing the one total by the other, there is shown an average return on the capital employed of less than 9½ per cent. This does not seem an extravagant return for an industrial concern subject to so many restrictions and weighed down by taxation, both direct and indirect, not to speak of the pin-pricks we continually receive from other quarters.

COMPANY NO MONOPOLY.

And now as regards the taunt which is sometimes applied to us that this company has become a monopoly, a trust or a combine, all I would say is that we are at least in good company. When we see banks, insurance companies, railways, industrial companies of every description, and even churches amalgamating, there must be something more in the movement than mere greed of gain. In no industry at present is there more need of close co-operation—nay, even amalgamation, if necessary—than in that of distilling and its allied trades. It is not a question of placing oneself in a position to make huge profits, but it is an act of self-preservation. Where we have so many enemies without the gate it behoves those within to close their ranks. Take the case of production. It is obvious to every one within the trade who takes an intelligent interest in the statistics that there is a very considerable over-production of whisky taking place, and that if this is not checked it will mean a débâcle in the trade which only the strongest may survive. Each

distiller hangs back, hoping that his neighbours will restrict so that he may continue working full. This is not a matter which can be remedied by one distiller or company of distillers, but must be tackled by the whole distilling trade.

ANOTHER PROPOSED MERGER.

In this connection you will probably have seen a reference in the public Press to a possible arrangement between this company and the shareholders of the Scottish Malt Distillers, Limited. A few weeks ago the managing director of that company approached me with the suggestion that in order to deal adequately with the question of over-production, about which he was somewhat concerned, he would welcome a proposal from this company to take over the shares of the Scottish Malt Company so that we might be in a position to deal with the production problem as affecting both companies. We have since gone into figures, and the boards of the two companies have now agreed upon the terms to be offered by us, and which will be recommended by the directors of the Scottish Malt Distillers, Limited, for the acceptance of their shareholders. The offer will be to acquire the preference shares of that company for cash at par, and to exchange one D.C.L. ordinary share for one Scottish Malt ordinary share. This we consider will be a fair deal for both companies, and it is hoped that the respective shareholders will see it in the same light.

FARMERS AND FOREIGN BARLEY.

I noticed recently that the Scottish Conference on Agricultural Policy in their report favour the imposition of a duty on imported foreign barley as a remedy for agricultural distress. It never seems to occur to them that a duty on malting barley, if it is to have the effect desired, must lead to an increased cost of whisky and beer, which if passed on to the consumer will inevitably lead to a further shrinkage in the consumption and to a diminished use of barley, the sale of which the farmers desire to stimulate. My advice to the farmer would be rather to bring pressure to bear upon the Government to reduce the present monstrous duty on whisky, and so recover part of that market which they have lost for their barley through the greatly diminished consumption. The duty on whisky has been raised since 1909 from 11s per gallon to its present rate of 72s 6d. To make it clearer to the lay mind, a bottle of whisky which to-day sells at 12s 6d, duty paid, contributes to the Government practically 8s 6d in duty, while the whole cost of the same whisky, including duty, was not more than 4s per bottle pre-war, since when, of course, the cost of production has risen enormously. Can it be wondered at that the home consumption of whisky has fallen from 32,050,000 gallons in 1908-9 to 13,039,000 gallons for the year ending March 31, 1925. Here, then, is a big field for the farmers to work upon. Instead of trying to buttress their own industry by placing further taxation on another industry on which they are so dependent, let them convince the Government that the surest method of stimulating agriculture is to reduce the present penal taxation on whisky, and so permit of the gradual recovery of the distilling industry, which in turn will be able to place larger orders for barley. Unless something is done in this direction, there is likely to be a drastic reduction in the distillers' requirements of home barley for the next few years if the present over-production of whisky is to be tackled as it should be. I submit these views in the most friendly spirit to distillers and farmers alike. The two interests have much in common, and it will be a pity if they get athwart each other when they could be so mutually helpful.

FALLING CONSUMPTION.

I am conscious that in expressing these views I shall have the whole weight of the Teetotal party against me, as they desire nothing better than the destruction of the whole trade. This party, which numerically is weak compared with the activity it displays, gathers its support largely from those who deplore the abuse to which ours and kindred productions are sometimes subjected. I wish to say to these good people that we, as a company—and I think I can speak for practically the whole trade—are equally desirous of seeing this abuse eliminated. The only difference between us is in our method of attack. We believe if the surroundings for dispensing this blessing were made more attractive, so that the working man could associate with his fellow-men in comfort without being regarded as an outcast, the man who now drinks in secret and for drinking's sake, would be won over to a more reasonable frame of mind. There would then be no necessity

for depriving the man of his glass of whisky or beer when taken in moderation, and thereby we would avoid that bitterness of feeling which is the accompaniment of every form of prohibition. My view, therefore, is that there is nothing incompatible with true temperance in seeking to increase the sale of alcoholic beverages to those who will use them in moderation.

SUGGESTED EXPORT TAX CONDEMNED.

Previous to last Budget, rumours were current that an export tax was to be placed upon spirits. We did not treat the suggestion seriously, as we could not conceive that the Government would ever so far forget themselves as to place a handicap upon any commodity which formed a staple industry of this country. An export tax might be justifiable in the case of some commodity which is scarce, or where its free export was drawing upon the capital reserves of the country, but neither of these conditions apply to the spirit trade to-day, and, therefore, it is the duty of the Government to encourage rather than hinder the export of goods manufactured in this country.

THANKS TO THE STAFF.

Ladies and gentlemen,—Had time permitted, I could have dealt with many other aspects of our trade, but these I must reserve for another occasion. Before closing I wish to express on behalf of the board our grateful thanks to the staff and employees for their loyal services during the past year. A very large measure of such success is due to them.

BRITISH CELANESE LIMITED.

MARKED IMPROVEMENT IN RESULTS.

The sixth ordinary general meeting of the British Celanese, Limited, was held at the Cannon Street Hotel on Thursday, July 23, 1925. The chair was occupied by Major-General G. P. Dawnay, C.B., C.M.G., D.S.O. (chairman of directors).

CHAIRMAN'S SPEECH.

The Chairman said:—

On the assets side of the balance-sheet, the fixed capital assets in the first item are increased by £51,000, a moderate capital increase as compared with the development shown by your trading account. Stocks are increased by 50 per cent., the natural result of a turnover increased in a far higher proportion. The increase in sundry debtors is due to the increased business, and the figure is quite satisfactory. The cash position at the end of the year was improved by about £10,000 in comparison with the preceding year, and is to-day very much stronger still.

On the liabilities side, loans have been reduced to £50,000. Sundry creditors show an increase of £40,000, a quite moderate augmentation in relation to the very greatly increased turnover.

You will observe that the year's balance to profit and loss for the year has been carried to depreciation account, leaving the debit balance to profit and loss at the same figure as last year. The situation as regards provision for depreciation is, as you must have realised from previous reports, not satisfactory. The first item on the assets side of your balance-sheet has never been subject to depreciation. On the other hand, from time to time, as capital expenditures have been undertaken, the item has been added to accordingly. It follows that it will be necessary to make very large provision for depreciation. You may take the proper provision for the year under review at £200,000 at least. The balance to credit of profit and loss is therefore a little less than sufficient to meet the proper provision for depreciation during the period. Though the comparative figures given in the profit and loss account are therefore satisfactory in the matter of comparison, a very considerable development of your business will be necessary before you can be presented with a satisfactory balance-sheet. For the development of your business you are dependent on the appropriations which we can safely make from time to time out of current trading receipts. Your cash position is, fortunately, a comparatively strong one, and one of our chief concerns is to keep it strong while sanctioning such expenditures for the expansion of the business as will afford the quickest and most profitable returns. The development of the trading account and the increase of annual profit is strictly limited by what we can safely afford, and by what is the most immediately profitable direction for development.

In the profit and loss account, the chief points to which I should wish to draw your attention have already been mentioned in the report. Comparatively, the trading profit increase of £307,000 in relation with the improvement in the balance to profit and loss by £267,000 indicates a turn of the tide, which is something more than satisfactory, for while the profit on the trading account proper is increased by 300 per cent., over 80 per cent.

I now formally move the adoption of the report, which recommends:—

1. The writing off of £100,000 from special capital expenditure;
2. The payment of the usual half-yearly dividend on the preference shares;
3. The payment of a final dividend of 13½ per cent., less tax, on the ordinary shares, making, with the interim dividend, 20 per cent. for the year; and,
4. To carry forward £116,585 to next year.

REPORT UNANIMOUSLY ADOPTED.

Mr Archibald Bowman seconded the adoption of the report.

Lord Forteviot, in supporting the motion, referred to the advantages of amalgamation, and said the companies were all in a thoroughly sound condition.

Sir Alexander Walker also supported the motion, and said he was hopeful there was a prospect of an increased consumption, especially in the export markets.

The motion was carried unanimously.

Mr W. H. Fraser, W.S., proved the re-election of the directors, and this was also carried unanimously.

Lord Dewar, in replying for the directors, referred at length to the high qualities of Mr W. H. Ross, the new chairman, and said that in him they had got the right man to direct the company's affairs.

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

of that increase goes to net profit. That relation is remarkably encouraging.

Your yarn sales have grown very substantially and satisfactorily. The output has been increased correspondingly to a level which is very considerably higher than your company has ever before attained.

But your business in fabrics has also grown important, and is still growing. The output of the Circular Knitted Fabric plant was doubled during the period under review. The "Celanese" tricot which it produces is highly appreciated by the trade and by consumers. The establishment of this department has proved an important addition to the profit-earning capacity of your enterprise.

Great progress has been made in the development of other knitted fabrics, particularly in what is known as the Warp Knitted Fabric. The product has been extremely well received. It has a special advantage in that it is incapable of laddering, and, further, a new Tricot has now been produced at your factory, which is also non-laddering.

Progress has also been made with your weaving plant. A large number of woven fabrics have been produced, and have met a reception from the trade which justifies your confidence in the eventual development of this branch of the business also.

The sales of the commodity known as "Celfect," a mixture of our silk and cotton, have also made considerable growth. The finished articles made from it find an easy and increasing market.

Finally, both in "Celanoid" and Dope, the branches concerned are maintained on a small scale, and return a small but satisfactory profit.

Your factory has been well and properly maintained; a substantially increased output has been developed, side by side with a progressive reduction in costs.

The sales policy and organisation has been fully justified by the results, as is indicated by the very large increase in your turnover.

OUTLOOK.

The development of your business is, therefore, healthy, and the progress registered is satisfactory and encouraging. But it will be obvious from what I have said that there remains much to be done to re-establish your company in a strong financial position. The progress made since the beginning of the present financial year is such as to inspire us with confidence. On the other hand, we meet with the actual position obscured at the moment by various factors. The original silk duties proposals would undoubtedly have inflicted grave disadvantage on your company. As the result of negotiations, however, in which we took an active part, the Excise duty was decreased from 2s 6d to 1s per lb; and the margin between the Excise and Customs duties increased from 6d to 1s per lb; so that when the position stabilises we shall only be subject to half the amount of the tax imposed on the foreign importer. But the result has been to glut the British market with a vast mass of foreign imports, which during May and June of this year were between eight and nine times as great as the imports of artificial silk in June, 1924. The market will take a considerable time to

absorb the mass of cheap goods. This necessarily forces down prices and renders all immediate forecasts more or less unreliable.

These factors, together with the possibility of industrial troubles and of a general reduction in the spending power of the country, make me disinclined to commit myself as to the immediate outlook. But when once these factors are taken off the market, you may justifiably feel confidence, I think, in the profit-earning capacity of your business, and its progressive, if gradual, expansion under the policy which we are now following.

The potentialities of your business are obviously very great. The progress shown is gratifying, and wisely pursued, cautiously conserving and building up our resources, and following tried lines of advance, should lead to the establishment of your business on a broad, stable, and profitable basis. I speak in no spirit of facile optimism—the too-evident necessity for careful rebuilding disclosed by your balance-sheet prevents that. But I believe that this result can be attained.

FURNESS, WITHEY, AND COMPANY, LIMITED.

"YEAR OF UNPRECEDENTED DIFFICULTY."

The thirty-fourth annual general meeting of Furness, Withy, and Co., Limited, was held, on the 22nd instant, at the registered office of the company, Furness House, Leadenhall street, London, Sir Frederick W. Lewis, Bart., presiding.

The Chairman, in moving the adoption of the report and accounts, said: In the midst of the very depressing conditions in which the trade of the country is being carried on, it is a source of satisfaction to your directors to be able to present to you what I think may be regarded as a comparatively satisfactory balance-sheet. It is but natural that our profits should show a reduction, and those of our shareholders who are in close touch with the shipping industry will not be surprised at that fact. So far as the profit and loss account is concerned, the credit balance as the result of the year's operations is £528,742 5s 4d, which, of course, is arrived at after paying all expenses and making provision for taxation. As there are no prior charges in the shape of debenture interest, the total disposable amount, which includes the balance brought forward from the previous year, amounts to £745,379 3s 2d, and, as shown in the accounts, there have already been distributed the two half-yearly dividends on the preference shares, as well as two dividends at the rate of 5 per cent. per annum upon the ordinary shares. As will be seen from the directors' report, we have thought it prudent to transfer £200,000 to depreciation, as whilst our assets are of greater value than the amount at which they stand in our books, the steamers and other similar wasting assets should, of course, gradually be written off over the period of their estimated life. After making these allocations, we propose to distribute a bonus of 2½ per cent. to the ordinary shareholders, which, with the interim dividends already paid, will make a total distribution of 7½ per cent. per annum, free of income-tax. The balance of £187,259 9s 1d will be carried forward to the current year.

As I have mentioned on previous occasions, we have no debentures or prior charges upon the assets of the parent company, and only in the case of two or three of our subsidiary and associated companies are there such debentures. In some of these instances the parent company has guaranteed the principal and interest thereon. I think it will probably interest you to know that the total amount of such guarantees at the present time is only £1,547,500, which, of course, includes the issue of £1,000,000 debentures recently made by the Rio Cape Line, Limited. In every case the actual value of the assets of the subsidiary companies upon which such debentures are secured, far exceeds the amount of the debentures, and in effect the guarantees we have given do not represent any real liability to us, and may be looked upon more as a means of reducing the rate of interest that is payable upon these securities.

BRITISH MARITIME TRUST AND ECONOMIC INSURANCE COMPANY.

Under the conditions that have prevailed, it is but natural that we have not derived a great deal of advantage from those of our associated companies which are purely shipowning companies, but other allied undertakings have continued to prosper, and these varied ramifications are a source of great strength to us. Particular reference might be made to the British Maritime Trust and the Economic Insurance Company, both of which are extremely helpful adjuncts to our main business. The Trust has a paid-up capital of £1,000,000 in ordinary shares, the bulk of which is held by our company, and its balance-sheet assets total £1,941,329, against which outstanding debentures amount to £340,000. The Economic Insurance Company is rapidly gaining a very high place in the records of marine and fire insurance. For instance, for the year 1924 the premium income from these two sections of the insurance business amounted to £337,546, and the percentage of the accumulated funds in relation to premium income was 144 per cent. in the case of the marine account and 81 per cent.

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in the case of the fire account, in addition to the general reserve fund of £475,000. The Economic has not been engaged in other sections of the insurance business for a sufficiently long period to justify my quoting further details, but it will be obvious that strong and steady progress is being made, and a very valuable business has been developed.

The steamship services have been well maintained, and wherever developments have justified expansion we have not hesitated to provide additional tonnage, even at the cost of building at present high prices. We have just taken delivery of a new passenger and cargo vessel built by Messrs Vickers, of Barrow-in-Furness, for the Liverpool, Halifax, and St John's trade. This vessel has been named the *Newfoundland*, and whilst, of course, she is not of the same size as the largest Atlantic liners, she is beautifully appointed, and her public rooms and cabins have been designed to give passengers the maximum pleasure and comfort on a boat of this description. She will make the passage between Liverpool and St. John's in five and a-half days, and in order to encourage travel by this route we have within the past two or three weeks placed with the same builders an order for a second duplicate ship. The *Digby*, which has been a most popular ship in that service, will be transferred to the New York-West Indian service, and is now being overhauled and refitted for that purpose.

HIGH SHIPBUILDING PRICES.

It is a matter of great regret to your directors that circumstances compelled us recently to place some of our shipbuilding work abroad. I have on a previous occasion related that in that particular instance we were quoted a price from the Continent which was £60,000 per ship cheaper than the lowest tender in this country, and although we exhausted every possible effort to retain the business here, even to the extent of offering British builders a higher price than that quoted on the Continent, the difference was altogether too great to be bridged. It is not for me to determine the reasons for the great difference in prices. It may be wages; it may be hours of working; it may be trade union restrictions; it may be management; or it may be a combination of some or all of these things. At the time the contracts were entered into we drew the attention of the Employers' Federation to the matter, and as a result they and the unions concerned are, I understand, examining the whole question. I am sure you will all join me in the hope that both sides may be given wisdom to ascertain the actual causes of the existing difficulties, and the proper solutions.

Since the war we have contracted for and built in this country 280,000 tons of shipping, including four vessels now on the stocks—two on the East Coast, one on the Clyde, and one at Barrow. This excludes 85,000 tons of British-built standard and other ships purchased by us. We are still in the market for additional tonnage for one of our trades. We have within the past few weeks called for tenders for high-class Diesel engine cargo liners, and I regret to say that the result is so disappointing that if we are to pay proper regard to economic conditions, and to our shareholders' interests, we will be compelled to defer placing the orders. In this particular case, as the ships are not urgently needed, we have decided to defer building for the present in the hope that it may later be found possible to place the contracts in this country at a reasonable figure, and one that we will feel justified in paying, having proper regard to the operating conditions.

COMPANY'S FLEET.

Our fleet, including the vessels owned by our associated companies, now totals over 1,000,000 tons, including 100,000 tons of motor vessels and 150,000 tons of refrigerated tonnage. Part of

the tonnage we have under construction is engined by Diesel engines and part by steam engines. We have amongst our fleet five different types of Diesel engines, and, notwithstanding the fact that it is now some thirteen years ago that we constructed our first vessel with British-built Diesel engines, we are still more or less in the experimental stage, and one of the most important factors standing in the way of the further development and use of the Diesel engine for marine purposes is the very high first capital cost. Our experience leads us to the conclusion that the efficiency of the Diesel engine is firmly established.

I am glad that the Canadian Government has given the Steamship Lines a full opportunity of explaining their situation to a Parliamentary Committee in Canada, and I understand that the matter will in all probability also be investigated by the Imperial Shipping Committee at this side. As a result, I am sure the lines will be able to convince the Canadian Government that it has ever been their desire, by providing adequate steamship services at fair and reasonable rates, to encourage the development of the overseas trade of the Dominion, and that they are always ready to adjust any anomalies that may, and almost inevitably must, arise during the building up of such an intricate piece of work as a Transatlantic freight tariff.

I am very glad to be able to state that in spite of the difficult conditions which prevailed in Russia last year owing to the comparative failure of the crops, the business which we have transacted from the Black Sea under the agreement to which I referred at our last meeting, has worked very smoothly, and, I believe, to mutual satisfaction, and we confidently look forward to a substantial improvement in this trade during the current year.

1,150,000 TONS OF SHIPPING IDLE.

The year just past has been one of unprecedented difficulty and depression. In the principal British ports alone it is calculated that there are some 420 ships of about 1,150,000 gross tons lying idle, these figures actually representing an increase of practically 100 per cent. during the past three months. The reason for this increase in idle tonnage is not far to seek, as I think I am correct in saying that the general condition of the freight markets of the world is worse than it has been in the recollection of anyone engaged in the industry. It is no wonder, therefore, that shipowners are to a large extent living upon their reserves, but in the meantime they are doing everything they possibly can to increase trade by reducing costs and management expenses, and I am very glad to be able to state that by mutual agreement with the National Sailors' and Firemen's Union, a reduction in seamen's wages will take effect as from August 1.

The fact of the matter is that we are carrying too big a burden both nationally and industrially. A general effort towards a reduction in costs is essential. On these occasions I so often pay a tribute to the work of our staffs that there is a risk of its being regarded more or less as a meaningless formality, but I can assure you that is far from being the case. The loyalty and enthusiasm of the members of all our organisations contribute materially to our success.

The resolution was seconded by Mr R. E. Burnett, and carried unanimously.

TRANSVAAL GOLD MINING ESTATES, LIMITED.

IMPROVED RESULTS SHOWN—PLATINUM PROSPECTS.

A special general meeting of members of the Transvaal Gold Mining Estates, Limited, whose registered address is elsewhere than in South Africa, was held, on the 21st instant, at Winchester House, London. Mr M. T. Brown (a London member of the board), who presided, said the net profit for the year of £53,523 was £420 above that of the previous year, but the items constituting that profit showed considerable variations. All the mines showed working profit on the present occasion, whereas last year Vaalhoek showed a loss. The improvement at Vaalhoek was, however, more than counterbalanced by a drop at the Central and Elandsdrift mines, the difference on balance being about £7,700. One interesting new piece of prospecting was the borehole that was being put down on Hendriksdal. That farm was to the west of Elandsdrift, and should test the reef to the dip of that farm. Some time would lapse before the horizon of the reef was reached. Prospecting operations generally had been continued over a very wide area, but far without any important discoveries having been made. The developments had been well maintained at the Central Mines, the reserves being increased by just over 500 tons, and the values being much the same as at March 31, 1924. Taking the three mines together, the total increase in the ore reserves amounted to 7,000 tons. A new feature of the report was the space given to particulars of their tree plantations. In addition to their wattle plantations, which covered an area of 3,680 acres, and from which they derived a profit, they had now 4,380 acres planted, with an estimated number of over 4,000,000 eucalyptus, pine, and other

trees, and a revenue might be expected from these plantations at no distant date.

As regarded the current year, they had, unfortunately, made a rather unpropitious start, as the first three months showed a profit of only £6,311, as compared with £13,236 for the corresponding period last year, this being due to the abnormal rainfall towards the end of an otherwise normal rainy season. As to platinum, they had only one farm, so far as they knew, on which there was a possibility of this being found, and preliminary examination had not so far yielded any encouraging result. The rest of their farms were on quite a different geological formation from the norite and dunite formations in the Steelpoort district, or the felsite of the Waterburg district, in which the platinum discoveries had so far been made.

STANDARD BANK OF SOUTH AFRICA, LIMITED.

SATISFACTORY PROGRESS.

The one hundred and twelfth ordinary meeting of the Standard Bank of South Africa, Limited, was held, on the 22nd instant, at the Cannon street Hotel, London.

Mr Robert E. Dickinson, who presided, said that the economic situation of South Africa had not materially changed during the year under review, and, although the figures now presented indicated a satisfactory improvement, the volume of business had continued below expectations. The directors trusted, however, that some material improvement would soon be apparent, in spite of the drag on industry felt throughout the world as a result of the very slow progress being made in the reconstruction of Europe.

RETURN TO THE GOLD STANDARD.

The most important event of banking interest since the last meeting was the decision of the Union Government to return to the gold standard. This step, which was in itself of world-wide importance, had been followed by the decision of Great Britain to revert also to a gold standard. During the past few years business with South Africa had at times been seriously hampered by the difference between the values of the English pound and the South African pound, and this had led to a wide divergence in exchange rates. Now, however, with both countries on a gold standard we could confidently look forward to greater stability in rates of exchange, with only such variations as were demanded by fluctua-



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tions in trade. He thought they might claim to have had their share in assisting to restore more normal trading conditions with South Africa. The margin between the rates for buying and selling exchange had been reduced to the figure at which it stood before the war.

South Africa, in common with other parts of the world, had experienced a trying year, the partial failure of the grain crops, owing to severe drought and damage by locusts, being an important factor in retarding recovery from trade depression. There was, however, a healthier tone in both South and East Africa, and the returns of imports and exports showed a considerable expansion in overseas trade, while public finance, Customs, and railway receipts all indicated a steady advancement. East Africa, in particular, had enjoyed a period of steady progress. Climatic conditions there had, on the whole, been generally favourable, and development was proceeding satisfactorily. Trade in the bazaars showed signs of a return to a normal position, and the unsettled feeling which had prevailed since the beginning of the year as a result of some dislocation owing to over-importation was disappearing. The value of merchandise imported into Kenya and Uganda in 1924 was £6,178,547, as compared with £4,302,574 in 1923, an increase of £1,875,973. Exports of domestic produce from the two countries showed an increase in value of 54 per cent., or £2,140,577 over the 1923 figures.

Several important land sales had recently taken place in various parts of East Africa, and satisfactory prices were realised. The secretary of the bank had recently returned from a tour of East African branches, and had reported favourably on the progress apparent in all branches of farming activities and on the increase in production being achieved, the result of hard work on the part of the settlers. There was undoubtedly a feeling of great confidence in the future of these territories, and when more could be done to overcome the present shortage of native labour East Africa should make even more rapid progress.

BALANCE-SHEET.

Turning to the balance-sheet, there was little change in the figures as compared with those of the previous year. When last he occupied the chair, eight years ago, the current and deposit accounts stood at a little over £25,000,000 and the advances at £16,250,000, whereas these items in the present balance-sheet were, roughly, £47,000,000 and £30,000,000 respectively. Other items had increased approximately in the same proportion, and it was obvious that such rapid expansion could only be met by a much larger staff and greatly increased office accommodation.

The profit and loss account showed that the net profits for the year amounted to £508,951, which, with £112,281 brought forward from the previous year, gave a total of £621,232 to be disposed of. Of this sum they had already distributed £156,041 as an interim dividend, and appropriated £75,000 for the writing down of bank premises. This left a balance of £390,191, which the directors recommended should be dealt with by the allocation of £125,000 to officers' pension fund and the payment of a final dividend of 7s a share, amounting to £156,041, leaving £109,149 to be carried forward to the next account. He thought the proprietors would agree with him that, in spite of the many difficulties encountered, these figures reflected satisfactory progress.

Sir David Barbour seconded the resolution, and, after some discussion, it was carried unanimously, the dividend, as recommended, being also approved.

Votes of thanks having been passed to the general managers and staff, and to the chairman and directors, the proceedings terminated.

DORADA EXTENSION RAILWAY, LIMITED. SUCCESSFUL YEAR—INCREASED DIVIDEND.

The twentieth ordinary general meeting of the Dorada Extension Railway, Limited, was held, on the 21st instant, at Moorgate Hall, London.

Mr J. A. Goudge, C.B.E., presided, and, in moving the adoption of the report and accounts, said that the report presented now was of the best year's working in the history of the company. They carried 150,000 tons of traffic, as compared with 121,000 in the previous year. Part of this increase was due to fortuitous causes. The general progress of Colombia was a prominent cause of increase, and there were items of railway construction which they could only regard as in the nature of a windfall, and which they could not hope would be continued. Another item which he might call fortuitous was that, owing to the rate of exchange, their remittances gave them a profit of £18,000. This year, the circumstances having changed, they could not look for anything like a repetition of that item, and possibly it might disappear. Expenses were greater, because, owing to the demand for labour, wages went up. They had done something towards completing their policy of converting their engines to oil, and there was reason to think they would completely eliminate the use of firewood very soon.

The general result of the year's working was satisfactory, and

SECURITY FIRST ROYAL INSURANCE COMPANY, LIMITED

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they had been able to make substantial reserves, one of which was for the depreciation of the concession. The Colombian Government, having certain reversionary rights in the property, the directors had considered it desirable to begin to make some provision against the exercise of those rights. After making these provisions, they had pleasure in recommending an increased dividend of 7 per cent., in lieu of 6 per cent. During the year they had reduced their debt, and the directors would pursue their policy of getting rid of the debentures as soon as possible. As regarded prospects, oil developments in Colombia were taking a serious shape. There were indications of extensive deposits along the River Magdalena. Generally, as regarded traffic, they had, since April, been faced with a recrudescence of the river competition. He did not say that they would do as well in the current year, but they might take it that the board would not have recommended 7 per cent. unless they had seen a fair and reasonable possibility of its continuance. The Ropeway Company was progressing, and was paying its first dividend at the rate of 5 per cent. per annum, less tax.

The report and accounts were unanimously adopted, and the resolution that the 35,000 fully-paid shares of £10 each be converted into £350,000 stock was carried unanimously.

MALAYALAM PLANTATIONS, LIMITED. INCREASED PROFIT—BRIGHT PROSPECTS.

The fourth ordinary general meeting of the Malayalam Plantations, Limited, was held, on the 23rd instant, in the Council Room of the Rubber Growers' Association (Incorporated), 3 Idol lane, E.C., Mr H. J. Welch (chairman of the company) presiding.

The Chairman said: The year's working resulted in a profit of £283,173, against £209,450 the previous year. After adding the unappropriated profits brought forward and deducting the interim dividend of 5 per cent. paid in February, we are left with £247,446 to deal with to-day. Your directors recommend the payment of a final dividend of 12½ per cent., less tax, making 17½ per cent. for the year, and the transfer to taxation reserve of £33,000. In addition, it is proposed that £33,914 should be transferred to general reserve to bring that account up to £160,000, and to carry forward £39,821, against £19,783 carried forward last year.

The tea crop harvested was 8,025,388 lbs, as compared with 7,718,902 lbs in the previous year. The f.o.b. cost of production (excluding loss on exchange of .75d per pound) was 7.87d per pound, against 7.64d per pound in 1924, with a loss on exchange in that year of only .21d per pound. This slightly increased cost was more than accounted for by commission on profits to the staff and unusual furlough expenses. The average yield per acre was 616 lbs, against 607 lbs in 1924.

Of the current year's tea crop, without changing the method of plucking or manufacture, we have harvested for the first three months ended in June 2,465,784 lbs, a satisfactory increase of 600,000 lbs over the previous year to the same date.

As you were advised last year, the whole outputs of tea have been sold forward for the year 1926 at an average gross price of 1s 4.08d per pound landed London terms, and for 1927 at 1s 4.25d per pound, equal to an average net price of 1s 2.29d and 1s 2.38d per pound respectively.

During the year approximately 200 acres were opened and planted with tea, and a further 300 acres will be planted during the current year. The policy of the directors in this respect is to gradually increase, as labour is available, the planted areas of existing estates by small economical additions to them, and also to plant up two entirely new tea estates in districts where labour is abundant and the land is very suitable for tea. For these new estates nurseries have already been laid down.

RUBBER.

The rubber crop harvested was 2,593,999 lbs, as against an actual crop of 2,276,658 lbs in the previous year, an increase of over 300,000 lbs. The f.o.b. cost of production (excluding loss on exchange of .64d per pound) was 7.11d per pound, against 7.41d per pound in the previous year, which had a loss on exchange of only .20d per pound. The average net price realised was 1s 5.37d per pound, against 1s 0.62d per pound in 1924.

Of the current year's crop 708,825 lbs have been harvested for the first three months ended in June, an increase of over 90,000 lbs as compared with the same period last year.

Of the current financial year's crop 708 tons (or 70 per cent. of the estimated crop) have been sold at an average gross price London equivalent of about 2s 1d per pound, and out of the 1926-27 crop 294 tons (or about 30 per cent. of the estimated crop) at an average gross price London equivalent of just over 1s 7d per pound.

Our cardamoms crop was 15,013 lbs, which was harvested at a cost of 3s 7.18d per pound f.o.b. and realised an average net price of 4s 8.65d per pound.

THE OUTLOOK.

With regard to the tea industry this company's selling prices for the next two and a-half years are secured and stabilised by the forward sale contracts already referred to.

Our great interest is, therefore, in the more distant future, and I see no reason to think that for many years, after our present forward contracts expire, we should not be able to secure a substantial profit upon our tea production. We shall lose no opportunity in the meantime of reasonably improving the qualities of our teas, so as to increase their reputation and prepare for the time when such teas must again be realised at competitive prices.

The outlook for rubber producers, at least for the next year or two, appears to be very satisfactory.

I should like again to refer to our company's immediate affairs. Calculated on our issued capital the cost per planted acre equals just over £54. After payment of the dividend proposed to-day, however, the surplus of our liquid assets over our liabilities will be £415,000, or £15 14s 6d per planted acre. If this surplus is deducted from our issued capital the present net cost of our planted acreage is under £39 per acre, without allowing any value for the 57 square miles of reserve land, on the one hand, or anything for the cost of bringing our immature areas into bearing on the other.

From the figures given, I think it is apparent that our shareholders may congratulate themselves upon the progress made by the company during the last few years, and also upon its future prospects, which, so far as I can judge, are brighter to-day than they have been on any previous occasion on which I have had the privilege of addressing you.

The report and accounts were unanimously adopted.

ARGENTINE NAVIGATION (NICOLAS MIHANOVICH), LIMITED.

RESULTS OF A DIFFICULT YEAR'S TRADE.

The sixteenth ordinary general meeting of the Argentine Navigation Company (Nicolas Mihanovich), Limited, was held, on the 21st instant, at Winchester House, Old Broad Street, London, Lord Kysant, G.C.M.G., chairman of the company, presiding.

The Chairman, in moving the adoption of the report and accounts, said: After making provision for depreciation and insurance there was a loss on the year's working of £34,304, making a total debit balance of £535,771.

The results of the first three months of the year were well above the average, but the events of subsequent months completely nullified this promising commencement. The combined effects of the fresh labour troubles in 1924, and the abnormal fall of water in the rivers contributed largely to the falling off shown in the results for the whole year.

Exchange also involved heavy loss.

The fleet of 249 vessels of all descriptions has been maintained in excellent condition.

KANSALLIS - OSAKE - PANKKI (National Joint Stock Bank). Established 1889.

Head Office: Helsinki (Helsingfors), FINLAND.
134 BRANCHES at all important business centres in Finland.

Capital	...	Fmk. 150,000,000
Reserve Fund and Profits	...	" 115,000,000
Deposits, etc. (31/12/24)	...	" 1,704,000,000

All descriptions of banking business transacted.
Telegraphic Address: KANSALLISPANKKI.

In view of the fact that freights were on a more stable and satisfactory basis, the board placed orders for two new motor cargo vessels, and we hope that these two vessels will be ready to take up their position in the River Parana service early next year.

In towage there was a fair increase in the takings, which, however, was considerably counterbalanced by fallings off in passages and cargo.

Under salvage our earnings were considerably higher, due mainly to the large number of strandings caused by the low water in the rivers.

The working of our shipbuilding and repairing yards showed a loss for 1924, compared with a small profit earned in 1923.

The current year has opened satisfactorily with larger gross earnings than for several years, while the labour outlook shows a decided improvement. On the other hand, recent harvests in the Argentine have been disappointing, the level of water in the rivers is uncertain, and we are faced with heavier expenditure in wages and uncertainty in regard to the Pensions Law.

I mentioned last year that the board proposed giving careful consideration to the question of writing off the debit balance by a capital reorganisation scheme or otherwise. We hope before long to be in a position to submit for your consideration proposals that will be acceptable to both the preference and ordinary shareholders. The report and accounts were adopted.

GOVERNMENT RETURNS, &c.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1925-26. (See Note)	Total Receipts into the Exchequer from Apr. 1, 1925, to July 18, 1925.	Total Receipts into the Exchequer from Apr. 1, 1924, to July 19, 1924.	Receipts. Week Ended July 18, 1925.	Receipts. Week Ended July 19, 1924.
Balances in Exchequer on 1st April:—					
Bank of England...	..	5,341,778	5,069,613	..	..
Bank of Ireland...	..	1,215,322	1,562,001	..	..
	..	6,557,100	6,631,614	..	..
REVENUE.					
Customs	102,040,000	29,085,000	29,955,000	1,356,000	1,217,000
Excise	137,220,000	35,101,000	39,654,000	7,016,000	7,407,000
Motor Vehicle Duties ..	17,500,000	5,628,000	3,011,000	..	..
Estate, &c., Duties	65,500,000	18,750,000	19,880,000	1,420,000	1,610,000
Stamps	24,000,000	5,240,000	4,780,000	10,000	540,000
Land Tax, House Duty	1,000,000	140,000	580,000	..	10,000
& Mineral Rights Duty	282,000,000	54,598,000	60,197,000	5,431,000	5,756,000
Property & Income Tax	63,300,000	21,140,000	19,740,000	740,000	550,000
Super Tax	4,000,000	4,000,000	5,420,000	300,000	150,000
Excess Profits Duties, &c.	9,000,000	15,000,000	14,700,000	1,000,000	1,000,000
Corporation Profits Tax	57,000,000	220,000	..	..	..
Post Office	900,000	..	..	..	..
Crown Lands	12,600,000	6,026,920	5,623,392	325,693	..
Interest on Sundry Loans	14,000,000	3,446,704	4,025,620	120,170	110,000
Miscellaneous—	30,000,000	13,894,962	11,549,201	2,315,000	..
Ordinary Receipts...	801,060,000	213,300,587	219,365,213	20,033,863	18,350,000
Special Receipts...		219,857,587	225,936,827	..	..
Revenue					
Total Inc. Balance					
OTHER RECEIPTS.					
Temporary Advances Repaid:—					
Under the Unemployment Insur.					
ance Acts, 1921		670,000	4,270,000	290,000	330,000
Money Raised by Creation of Debt:—					
(a) For Capital Expenditure Issues:					
Under the Telegraph (Money)					
Acts, 1922 and 1924	3,050,000	2,200,000	..	..	..
Under the Housing Act, 1914 ..	3,000	1,000	..	..	..
Under the West Indian Islands					
(Telegraph) Act, 1924	11,533	..	..	..	..
(b) Under the Unemployment Insur.					
ance Acts, 1921	920,000	..	..	..	..
(c) For other Issues:					
By Treasury Bills	731,022,000	700,173,000	43,376,000	40,697,000	..
By 3½% Conversion Loan	23,079,560	..	..	..	..
By National Savings Certificates	11,550,000	8,550,000	700,000	550,000	..
By Treasury Bonds, 1925	10	..	..	..	..
By 4% Treasury Bonds, 1931-33	..	13,474,295	..	47,325	..
(d) Ways and Means Advances	240,785,000	280,241,500	600,000	6,300,000	..
Repayments—					
In respect of Issues under Land					
Settlement (Facilities) Acts, 1919					
and 1921	66,708	505,894	..	..	..
Total		1,231,015,098	1,235,412,516	64,959,861	66,674,365

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1925-26. (See Note)	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1925, to July 18, 1925.	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1924, to July 19, 1924.	Issues. Week Ended July 18, 1925.	Issues. Week Ended July 19, 1924.
EXPENDITURE.					
National Debt Services—					
Interest, &c.	306,000,000	126,476,170	123,660,441	699,452	597,634
Sinking Fund	50,000,000	13,190,484	8,362,865	270,000	500,000
Road Fund	16,900,000	3,027,044	2,410,044	987,000	615,000
Payments to Local Tax- ation Accounts, &c.	13,329,000	1,435,115	1,205,000	445,520	196,000
Payments to Northern					
Ireland Exchequer ..	4,000,000	1,163,194	1,136,863	..	13,000
Land Settlement	700,000	103,525	261,488	..	..
Other Consolidated Fund					
Services	2,000,000	846,751	715,336	..	..
Supply Services	407,471,000	109,505,164	110,854,337	8,850,000	9,635,000
Expenditure	799,400,000	255,747,467	248,606,374	11,251,972	11,556,634

	Total Issues out of the Exchequer to meet Payments from		Interest	
	Apr. 1, 1925, to July 18, 1925.	Apr. 1, 1924, to July 19, 1924.	Week ended July 18, 1925.	Week ended July 19, 1924.
OTHER ISSUES.				
Temporary Advances				
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1924.	36,891	36,891	..	..
Under the Unemployment Insurance Act, 1921.	1,250,000	..	..	..
Issues to meet Capital Expenditure—Under the Telegraph (Money) Acts, 1922 and 1924.	3,450,000	2,320,000	..	..
Under the Housing Act, 1914.	6,000	1,000	3,000	..
Under the West Indian Islands (Telegraph) Act, 1924.	11,533	..	..	..
Unemployment Insurance Act, 1921.	250,000	3,320,000	..	..
Repayment of amounts borrowed.	..	..	..	..
Redemption of Debt—Treasury Bills	702,750,000	693,505,000	39,485,000	37,290,300
Principal of National Savings Certificates.	9,450,000	9,800,000	550,000	600,000
Principal of Exchequer Bonds paid off.	306,667	..	..	..
Principal of National War Bonds paid off.	3,839,550	..	..	..
Principal of Treasury Bonds paid off.	23,645,860	..	..	..
Other Debt under the War Loan Act, 1914 to 1919.	..	50	..	..
Ways and Means Advances Repaid	227,685,000	274,273,500	13,450,000	15,950,000
	1,228,228,958	1,231,862,815	64,739,972	65,396,634
Balance in Exchequer—	July 18, '25	July 19, '24	Incr. Dec. for Week	
Bank of England	2,185,670	2,138,372	+ 158,892	+ 182,691
Bank of Ireland	600,460	1,411,329	+ 100,999	+ 95,000
Total	2,786,130	3,549,701	+ 259,891	+ 277,691

NOTE.—Budget Estimate as in H.C. No. 84 of 1925.

Treasury, July 20, 1925.

NATIONAL DEBT—(Million £).

	Aug. 1914.	Dec. 31, 1918.	Mar. 31, 1921.	Mar. 31, 1922.	Mar. 31, 1923.	Mar. 31, 1924.	Dec. 31, 1924.	Mar. 31, 1925.	July 18, 1925.
Funded Debt	588	315	315	315	314	314	314	314	314
Term Annuities	30	20	18	16	14	14	13	13	13
3½% Conversion Loan	..	..	..	266	684	666	709	732	732
4½% Conversion Loan	..	..	..	..	..	210	210	210	210
3½% War Stock	..	63	63	63	63	63	63	63	63
4½% War Stock	..	13	13	13	13	13	13	13	13
4½% and 5% War Stock	2,047	1,995	1,953	2,095	2,166	2,017	2,052	2,052	2,052
National War Bonds	1,509	1,413	1,201	953	820	813	780	777	777
4½% Funding Loan	..	409	406	401	399	396	395	395	395
4½% Victory Bonds	..	360	347	335	325	314	314	350	350
Treasury Bonds	..	463	411	467	496	482	482	482	482
Exchequer Bonds	..	223	289	185	150	150	69	32	32
National Savings Certs.	..	267	285	344	354	366	364	368	370
Other Debt*	..	1,306	1,133	1,087	1,157	1,128	1,132	1,124	1,124
American Loan (Anglo-French)	..	51	117	121	878	616	588	626	604
Treasury Bills	..	15	1,107	1,121	147	194	186	220	180
Temporary Advances	..	1	243	154	..	..	..	..	..
	654	8,033	7,574	7,655	7,742	7,641	7,726	7,646	7,687
Other Capital Liabilities	..	57	46	49	66	70	68	72	69
Total Liabilities	71	8,079	7,623	7,721	7,812	7,707	7,794	7,718	7,756

* Includes debt to American Government.

POSITION OF THE FLOATING DEBT.

	July 19, '24.	Mar. 31, '25.	July 18, '25.	Week ended July 18, '25.
Ways and Means Advances Outstanding—				
Advances by Bank of England	192,123,500	186,585,000	179,685,000	12,850,000
Advances by Public Debt Office	594,995,000	575,610,000	603,870,000	3,915,000
Treasury Bills Outstanding	..	..	..	..
Total Floating Debt	787,118,500	762,195,000	783,555,000	8,395,000

* Includes £26,000, the proceeds of which were not carried to the Exchequer within the period of the account.

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

Date.	Notes and Certificates Outstanding.	Investments in Reserve Account.	Redemption Account.			
			Silver Coin.	Gold Coin.	Bank of England Notes.	Ratio to Notes.
1922.						
Mar. 29	300,351	14,265	5,000	28,500	19,450	15.9
June 28	295,374	15,338	6,000	28,500	19,650	16.3
Sept. 27	293,127	15,648	7,000	27,000	21,150	16.6
Dec. 27	301,337	15,872	7,000	27,000	21,150	15.9
1923.						
Mar. 28	285,616	12,318	7,000	27,000	22,450	17.3
June 27	286,503	12,516	7,000	27,000	22,450	17.3
Sept. 27	282,784	12,401	7,000	27,000	22,450	17.3
Dec. 26	299,070	12,571	7,000	27,000	22,450	16.5
1924.						
Mar. 25	281,538	11,908	7,000	27,000	22,450	17.6
June 24	292,278	12,265	7,000	27,000	22,450	17.6
Sept. 24	285,592	12,227	7,000	27,000	22,450	17.3
Dec. 31	295,261	12,812	7,000	27,000	26,950	18.2
1925.						
Mar. 24	284,256	11,882	7,000	27,000	26,950	18.9
June 24	292,278	12,265	7,000	27,000	26,950	18.5
July 8	297,337	12,469	7,000	27,000	26,950	18.1
July 15	298,070	12,504	7,000	27,000	26,950	18.1
July 22	298,936	12,528	7,000	27,000	26,950	18.2

Since July 21, 1920, notes and certificates outstanding included notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £320,600,000, for 1921 at £317,555,000, for 1922 at £309,984,400, for 1923 at £270,163,800, for 1924 at £248,190,900, and for 1925 at £246,145,400.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £35,000,000 in Treasury Bonds and Treasury Bills were opened on July 24, 1925, and the total amount applied for was £46,090,000. For bills at three months dated Monday to Friday, £98 18s 10d, about 50 per cent., above in full. Saturday's bills at £98 19s 1d, and above in full. The amounts allotted were as follows:—In bills at 3 months, £38,000,000; in bonds, nil.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.	4% Treasury Bonds. Average Price.
May 29, 1925.				
June 5	40,000,000	54,460,000	4 6 4/8	..
June 12	40,000,000	47,945,000	4 7 6/8	..
June 19	40,000,000	54,150,000	4 7 10/14	..
June 26	40,000,000	49,235,000	4 8 3/8	..
July 3	40,000,000	60,805,000	4 10 5/19	..
July 10	40,000,000	52,085,000	4 10 2/47	..
July 17	35,000,000	51,950,000	4 7 10/46	..
July 24	35,000,000	49,605,000	4 4 6/41	..
July 31	35,000,000	46,090,000	4 3 6/17	..

Tenders will be received on July 31, 1925, for Treasury Bills and Treasury Bonds to be issued to the maximum amount of £35,000,000. The amount of Treasury Bonds issued will not exceed £3,000,000.

ESTABLISHED OVER ONE HUNDRED YEARS.

SCOTTISH UNION & NATIONAL INSURANCE COMPANY.

ASSETS £12,000,000.

FIRE. LIFE. ACCIDENT. MARINE

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

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, July 22, 1925.

ISSUE DEPARTMENT.

£	£
Notes issued	181,193,905
Government debt	11,015,100
Other securities	8,734,900
Gold coin and bullion	161,443,905
	181,193,905

BANKING DEPARTMENT.

£	£
Proprietors' capital	14,553,000
Rest	3,491,651
Public deposits*	15,574,113
Other deposits	110,690,934
Seven-day & other bills	4,553
	144,314,251
Government securities	34,960,069
Other securities	69,761,557
Notes	37,802,270
Gold and silver coin	1,790,355
	144,314,251

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

	Amount, July 22, 1925.	Incr. or Dec. on Last Week.	Incr. or Dec. on Last Year.
Rest	£ 3,491,651	+ £ 13,932	+ £ 32,160
Public deposits	15,574,113	+ 2,979,333	+ 4,237,745
Other deposits	110,690,934	+ 4,538,099	+ 5,115,843
Government securities	34,960,069	+ 1,046,664	+ 4,722,398
Other securities	69,761,557	+ 1,222,898	+ 3,748,197
Reserve	39,592,625	+ 1,424,203	+ 17,845,622
Note circulation	143,391,635	+ 243,065	+ 17,118,915
Coin and bullion	163,234,260	+ 1,657,258	+ 34,964,537
% of reserve to liabilities	31.8%	+ 1.2%	+ 12.2%

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Gold in or out of Bank.	Reserve and % of Reserve to Liabilities.	Bank Rate.
1925.							
June 10	157,071,195	148,026,195	121,331,641	110,377,650	607,000 in	28,795,000	23.5%
June 17	157,596,439	145,973,465	122,994,853	109,451,284	525,000 in	31,373,964	25.4%
June 24	157,183,840	145,270,480	131,813,435	118,054,916	424,000 out	31,663,380	25.4%
July 1	157,602,608	146,629,485	155,610,626	142,854,916	540,000 in	30,723,123	19.9%
July 8	158,861,736	145,215,750	129,902,699	114,509,035	1,280,000 in	33,405,986	25.3%
July 15	161,567,002	143,148,580	127,823,813	107,631,188	2,703,000 in	38,168,422	29.2%
July 22	163,234,260	143,391,635	126,265,047	104,721,626	1,669,000 in	39,592,625	31.8%

BANKERS' CLEARING RETURNS (000's omitted).

Week Ending—	Town.	Metropolitan.	Country.	Total.
1925.				
January 1 to July 8	19,044,974	881,897	1,568,690	21,495,561
July 15	663,827	34,381	58,864	757,072
July 22	597,663	33,289	56,928	687,880
1924.				
Do	20,366,464	949,587	1,684,482	22,940,513
July 15	20,013,499	905,370	1,637,420	22,556,289
July 22	22,965	44,197	47,062	35,224
Increase or decrease in 1925	+ 1.4%	+ 4.8%	+ 2.8%	+ 1.7%
Total for year 1924	35,038,606	1,594,114	2,900,145	39,532,865
Total for year 1925	34,270,373	1,546,565	2,810,654	38,627,592
Increase or decrease in 1925	+ 2.78%	+ 3.0%	+ 3.1%	+ 2.95%

PROVINCIAL CLEARING RETURNS.

	Month of June.		Aggregate Weekly Totals to July 18.	
	1924.	1925.	1924.	1925.
Number of Working Days	24	25		
BIRMINGHAM	9,968,000	10,243,000	68,410,300	73,924,800
BRISTOL	4,533,000	4,504,000	33,115,000	33,373,000
DUBLIN	..	..	160,952,400	151,167,300
LONDON	4,122,000	4,049,000	30,533,600	30,645,200
LIVERPOOL	4,017,000	3,744,000	30,085,500	29,783,400
MANCHESTER	3,243,000	3,270,000	23,302,900	23,737,100
NEWCASTLE	3,949,000	3,926,000	25,161,100	26,522,400
NOTTINGHAM	6,124,000	6,167,000	44,533,700	46,287,100
PLYMOUTH	7,402,000	5,986,000	54,889,700	48,144,400
ROTHAMPTON	2,503,000	2,668,000	18,130,600	19,707,000
SHEFFIELD	4,119,000	3,962,000	31,431,200	30,209,500
Total	134,069,000	137,519,000	..	..

OVERSEAS BANK RETURNS.

NOTE.—The latest return of the Rentenbank and Roumania appeared in the Economist of April 11; Canada and Rethonia in June 27; Denmark in July 11; Austria, Russia and Italy in July 18.

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

	July 17, 1925.	July 10, 1925.	July 5, 1925.	June 26, 1925.
RESOURCES.				
Total gold reserves	2,750,600	2,784,260	2,785,560	2,810,760
Total bills discounted	454,740	450,330	511,630	455,450
Bills bought open in market	231,330	240,710	249,090	241,670
Total U.S. Government securities	344,480	338,960	353,580	324,610
Total earning assets	1,043,300	1,042,750	1,127,040	1,034,470
Total resources	4,863,410	4,781,490	4,853,060	4,749,470
LIABILITIES.				
Federal Reserve notes in actual circulation	1,626,970	1,652,290	1,653,010	1,634,240
Deposits—Member bank—reserve account	2,195,600	2,147,100	2,198,630	2,139,780
Total deposits	2,231,700	2,187,750	2,252,390	2,210,410
Capital paid in and surplus	335,440	333,450	333,540	333,400
Total liabilities	4,863,410	4,781,490	4,853,060	4,749,470
Ratio of total reserves to deposit and Federal Reserve note liabilities combined	76 1/2%	76 1/2%	74 9/10%	77 0%

BANK OF LITHUANIA.—In lt. (000's omitted).

Assets.	July 15, 1925.	June 30, 1925.	June 15, 1925.	May 31, 1925.	May 15, 1925.	July 15, 1924.
Gold	33,466	33,351	33,287	33,175	32,999	24,596
Silver	2,496	2,677	2,826	2,755	3,231	32
State Treasury coins	32,013	34,572	37,886	41,192	47,265	52,804
Coin & sterling, &c.	39,780	38,211	38,621	38,461	38,453	30,132
Liabilities.						
Capital	12,000	12,000	12,000	12,000	12,000	12,000
Reserve	625	625	625	625	625	100
Banknotes in circulation	80,309	79,277	82,552	84,780	88,697	66,809
Deposits	21,967	24,592	24,640	26,305	28,912	43,199

BANK OF DANZIG.—In Danzig gulden (000's omitted).

Assets.	July 15, 1925.	June 30, 1925.	June 15, 1925.	May 31, 1925.	May 15, 1925.	July 15, 1924.
Coin and bullion	2,954	2,937	3,142	2,973	3,042	2,858
Of which gold coin	5	5	5	5	5	14
Danzig subsidiary coin	2,950	2,932	3,136	2,969	3,037	2,844
Balances, Bk. of Eng., inc. notes	12,834	14,977	10,613	12,065	11,967	14,976
Bills of exchange	21,592	20,388	19,845	17,976	16,995	13,409
Loans	2,100	2,288	1,984	1,441	326	1,885
Foreign exchange	17,792	28,544	21,745	21,977	13,699	10,566
Other balances on demand	524	556	878	1,583	986	1,077
Liabilities.						
Capital paid up	7,500	7,500	7,500	7,500	7,500	7,500
Notes in circulation	29,689	32,948	27,532	30,853	27,937	20,450
Deposits on demand	3,901	8,768	8,512	6,286	5,209	16,442
Deposits at notice	nil	nil	997	996	997	207

BANK OF POLAND.—In zloty (000's omitted).

Assets.	July 10, 1925.	June 30, 1925.	June 20, 1925.	June 10, 1925.	May 31, 1925.
Gold	121,164	120,173	119,692	119,180	118,657
Foreign coin and balance	123,158	119,841	127,082	146,156	172,542
with foreign banks	326,253	324,146	326,610	314,763	324,025
Private loans & discounts	467,481	503,195	500,873	519,739	557,079
Liabilities.					
Notes in circulation	116,693	70,778	91,978	75,589	73,297
Deposits	116,693	70,778	91,978	75,589	73,297

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

Assets.	July 15, 1925.	July 7, 1925.	June 30, 1925.	June 23, 1925.
Gold and silver holdings	1,030,682	1,030,493	1,030,318	1,030,162
Balance abroad and foreign currency	628,583	624,083	613,272	606,367
Discounts and advances	1,167,006	1,172,459	1,253,365	1,217,619
Uncovered state notes debt balance	5,341,209	5,354,774	5,368,438	5,387,308
Other assets	5,1136	708,895	710,564	205,608
Liabilities.				
State notes in circulation	7,206,207	7,523,450	7,587,389	6,948,681
Check account balances	841,733	724,140	603,514	689,087
Other liabilities	630,676	643,114	785,254	805,296

NATIONAL BANK OF HUNGARY.—In Hungarian crowns (000's omitted).

Assets.	July 15, 1925.	July 7, 1925.	June 30, 1925.	June 23, 1925.
Metal reserve—				
Gold coin and bullion	630,257,665	621,832,624	633,195,401	
Drifts and notes	1,939,217,243	2,053,379,627	2,091,870,570	
Silver coin and bullion	12,175,215	12,175,627	12,136,218	
Inland bills, warrants, and securities	1,408,330,895	1,386,353,417	1,428,971,605	
Advances to the Treasury	1,958,379,620	1,958,379,620	1,959,193,799	
Liabilities.				
Share capital (gold crowns 30,000,000*)	432,186,664	432,186,664	432,186,664	
Notes in circulation	4,266,198,911	4,452,506,018	4,583,175,500	
Current accounts, deposits, &c.	2,189,781,798	2,063,693,022	2,057,878,610	

* Calculated at pre-war parity of exchange.

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

Assets.	July 15, 1925.	July 8, 1925.	June 30, 1925.	June 22, 1925.	July 15, 1924.
Gold	72,801	72,702	72,600	72,392	72,327
Other coin and notes	19,691	19,313	22,425	21,651	19,325
Foreign credits	372,364	373,774	368,692	368,028	335,713
Bills	936,619	924,706	933,699	943,630	1,154,591
Govt. advances	4,519,120	4,519,020	4,518,962	4,518,742	4,564,516
Liabilities.					
Notes in circulation	5,678,775	5,737,151	5,644,080	5,648,901	5,482,303
State credits	366,398	366,297	366,239	366,019	389,945
Deposits	712,239	642,184	688,565	713,289	384,208

NATIONAL BANK OF BULGARIA.—In leva (000's omitted).

Assets.	June 14, 1925.	May 14, 1925.	April 14, 1925.	Feb. 28, 1925.	June 22, 1924.
Monetary reserves	87,500	95,273	67,303	63,773	93,903
Notes of foreign banks	2,940	2,861	2,412	6,102	990
Foreign bills	23,071	37,795	37,944	57,509	127,434
Credits with foreign correspondents	478,040	569,361	733,016	918,470	468,584
Note circulation	4,194,536	4,171,703	4,389,695	4,380,477	4,843,907
Loans to the State	4,618,150	4,522,402	4,650,042	4,477,780	3,593,397

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

Assets.	May 30, 1925.	May 15, 1925.	April 30, 1925.	April 15, 1925.	May 31, 1924.
Gold and balances abroad	2,341,340	2,408,411	2,549,764	2,630,503	2,822,895
Government loans and securities	3,807,963	3,807,973	3,809,943	3,813,282	4,001,980
Discounts and loans	3,148,422	3,104,688	3,062,443	3,062,377	1,806,241
Liabilities.					
Notes in circulation	5,097,948	5,102,685	5,241,197	5,389,229	4,613,245
Government deposits	596,781	646,217	567,955	491,116	755,330
Private sight deposits	1,914,126	1,958,794	1,963,598	1,912,120	1,804,320
Private deposits at fixed dates	1,037,571	1,040,616	1,044,548	1,047,201	1,063,403

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

Assets.	July 18, 1925.	July 11, 1925.	July 4, 1925.	June 27, 1925.	July 19, 1924.	Position July 30, 1924.
Gold	2,536,617	2,536,613	2,536,611	2,536,609	2,534,489	521,775
Silver	654,798	655,221	653,653	656,400	659,089	782,820
Loans & discounts	2,425,528	2,475,417	2,518,081	2,555,577	2,191,015	800,726
Spanish 4% stock	15,000	150,000	150,000	150,000	150,000	344,475
Treasury bills	15,000	150,000	150,000	150,000	150,000	150,000
Liabilities.						
Circulation	4,299,153	4,323,875	4,333,875	4,274,143	4,378,229	801,550
Deposits	1,023,200	1,045,909	1,064,397	1,053,139	933,185	477,500

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

Assets.	July 1, 1925.	June 24, 1925.	June 17, 1925.	June 9, 1925.	July 2, 1924.
Coin and bullion	9,973	9,733	9,730	9,692	9,491
Of which gold	8,577	8,577	8,577	8,577	8,577
Balances abroad	182,552	168,092	176,907	184,672	146,833
Discounts	194,710	192,265	186,951	182,380	192,876
Government loans	1,500,223	1,485,647	1,493,681	1,503,303	1,445,560
Liabilities.					
Notes in circulation	1,641,273	1,610,280	1,622,694	1,639,584	1,614,778
Deposits	54,397	56,531	55,922	48,212	41,762

NATIONAL BANK OF EGYPT.—In £ (000's omitted).

Assets.	May 31, 1925.	Apr. 30, 1925.	Mar. 31, 1925.	Feb. 28, 1925.	May 31, 1924.	Position May 31, 1924.
Gold	5,374	3,376	3,372	3,374	3,340	1,571
Govt. securities	59,064	60,747	61,233	60,559	48,973	2,084
Notes in circula.	35,377	38,181	39,341	39,412	29,921	2,400
Govt. deposits	22,113	21,338	22,161	21,751	14,253	2,315
Other deposits	15,090	15,373	16,390	16,033	14,134	2,600

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

LONDON RATES.

Bank rate (changed from 4% March 5, 1925)	July 17, 1925.	July 18, 1925.	July 20, 1925.	July 21, 1925.	July 22, 1925.	July 23, 1925.	July 24, 1925.
Market rates of discount—							
60 days' bankers' drafts	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
3 months' do	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
4 months' do	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
6 months' do	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Discount (Treasury Bills)—							
2 months	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
3 months	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
6 months	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Loans—Day to day	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Short	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Deposit allowances: Banks	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Discount houses at call	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
At notice	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2

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

Comparison with previous weeks:—	July 17, 1925.	July 18, 1925.	July 20, 1925.	July 21, 1925.	July 22, 1925.	July 23, 1925.	July 24, 1925.
Short	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Loans	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Deposits	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Discount	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2

Trade Bills.	July 17, 1925.	July 18, 1925.	July 20, 1925.	July 21, 1925.	July 22, 1925.	July 23, 1925.	July 24, 1925.
3 Months	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
4 Months	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
6 Months	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2

Bank Bills.	July 17, 1925.	July 18, 1925.	July 20, 1925.	July 21, 1925.	July 22, 1925.	July 23, 1925.	July 24, 1925.
3 Months	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
4 Months	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
6 Months	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2

RATES OF EXCHANGE.

London on		Usance	Par.	July 25, 1924.	July 17, 1925.	July 2, 1925.
Paris	francs to £1	T.T.	25/22 1/2	86/00-10	103/43-48	102/90-95
Berlin	marks to £1	T.T.	20/43	183/183 bns.	20/40-43	20/37-40
Vienna	schillings to £1	T.T.	34/58 1/2	310/315,000	34/55-60	34/50-60
Prague	krone to £1	T.T.	24/02	147 1/2-148 1/2	163 1/2-164 1/2	163 1/2-164 1/2
Warsaw	zloty to £1	T.T.	25/22 1/2	22/75-95	25/25-50	25/20-45
Reval	Estons. to £1	T.T.	25/22 1/2	18/20	1810-1850	1810-1850
Riga	lats to £1	T.T.	25/22 1/2	22/67-92	25/07-29	25/03-28
Kovno	lats to £1	T.T.	48/66		49/15-49/35	49/15-49/35
Bukarest	lei to £1	T.T.	25/22 1/2	1005-1025	1006-1015	1006-1015
Budapest	kr. to £1	T.T.	24/02	340/370,000	345/347,000	345/347,000
Constantinople	piastres to £1	T.T.	11/0	867-872	872-882	872-882
Sofia	leva to £1	T.T.	25/22 1/2	590-610	670	665-675
Belgrade	dinars to £1	T.T.	25/22 1/2	370-375	275	276-277
Amsterdam	florin to £1	T.T.	12/107	115/12 1/2	12/109-111	12/109
Brussels	francs to £1	T.T.	25/22 1/2	952-954	105/35-40	105/35-40
Oso	kroner to £1	T.T.	18/159	32/75-80	18/95-27/00	18/95-27/00
Stockholm	kronor to £1	T.T.	18/159	16/52-55	18/95-27/00	18/95-27/00
Copenhagen	kroner to £1	T.T.	18/159	27/18-23	23/08-20	23/08-20
Helsingfors	F. marks to £1	T.T.	25/22 1/2	175 1/2-176	192 1/2-192 1/2	192 1/2-192 1/2
Greece	drachme to £1	T.T.	25/22 1/2	253-258	304/307	305/306
Italy	lire to £1	T.T.	25/22 1/2	1018-1014	1318/1313	1318/1313
Switzerland	francs to £1	T.T.	25/22 1/2	23/92-96	25/03-04	25/00-04
Madrid	pesetas to £1	T.T.	25/22 1/2	32/83-36	33/50-53	33/50-53
Lisbon	pence to escu.	T.T.	53 1/2	148-144	97 1/2-94	97 1/2-94
Alexandria	piastres to £1	Sight	97 1/2	97 1/2-94	97 1/2-94	97 1/2-94
New York	dollars to £1	Cable	4/8 1/2	4/8 1/2-33 1/2	4/8 1/2-33 1/2	4/8 1/2-33 1/2
Montreal	dollars to £1	Cable	4/8 1/2	4/8 1/2-33 1/2	4/8 1/2-33 1/2	4/8 1/2-33 1/2
Buenos Aires	pence to peso	T.T.	47/62	4/8 1/2-33 1/2	4/8 1/2-33 1/2	4/8 1/2-33 1/2
Rio de Janeiro	pence to mils.	90 days	16	51	41 1/4-41 1/4	41 1/4-41 1/4
Montevideo	pence to peso	90 days	51	41 1/4-41 1/4	41 1/4-41 1/4	41 1/4-41 1/4
Valparaiso	pence to peso	90 days	13/33	43	40	40
Lima	pesos to £1	90 days	par	7% prem.	18% prem.	18% prem.
Calcutta	ster. to rupee	T.T.	10 to	15 1/2-16 1/2	15 1/2-16 1/2	15 1/2-16 1/2
Bombay	ster. to rupee	T.T.	Gold	15 1/2-16 1/2	15 1/2-16 1/2	15 1/2-16 1/2
Madras	ster. to rupee	T.T.	Sovn.	15 1/2-16 1/2	15 1/2-16 1/2	15 1/2-16 1/2
Hong Kong	ster. to dollar	T.T.	..	28 1/2-29 1/2	28 1/2-29 1/2	28 1/2-29 1/2
Shanghai	ster. to taal	T.T.	..	35 1/2-36 1/2	35 1/2-36 1/2	35 1/2-36 1/2
Singapore	ster. to dollar	T.T.	..	28 1/2-29 1/2	28 1/2-29 1/2	28 1/2-29 1/2
Yokohama	ster. to yen	T.T.	..	24 1/2-25 1/2	24 1/2-25 1/2	24 1/2-25 1/2
Manila	ster. to peso	T.T.	..	12 1/2-13 1/2	12 1/2-13 1/2	12 1/2-13 1/2
Mexico	pence to dols.	T.T.	24/066	28 1/2-29 1/2	28 1/2-29 1/2	28 1/2-29 1/2

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended July 17, 1925.	Miles Open.	Week ended July 20, 1925.			Aggregate 29 Weeks, 1925.		
		Passen- gers, &c.	Goods, &c.	Total for Week.	Passen- gers, &c.	Goods, &c.	Total Re- ceipts.
Great Western.....	3,765	334,000	342,000	676,000	7,064,000	9,486,000	16,550,000
Do for 1924.....	3,754	338,000	334,000	672,000	6,999,000	9,851,000	16,850,000
London & N. Eastern (a).....	6,714	587,000	697,000	1,284,000	11,834,000	12,926,000	24,760,000
Do same period 1924.....	6,714	600,000	650,000	1,250,000	11,920,000	12,970,000	24,890,000
London, Mid., & Scottish.....	6,950	886,000	883,000	1,769,000	17,780,000	24,656,000	42,436,000
Do for 1924.....	6,950	914,000	836,000	1,750,000	17,300,000	22,290,000	39,590,000
Southern.....	2,135	418,000	121,000	539,000	5,022,000	3,326,000	8,348,000
Do for 1924.....	2,142	427,000	119,000	546,000	5,947,000	3,332,000	9,279,000
Metropolitan (a).....	58	35,058	5,934	40,992	38,992	943,721	1,029,923
Do for 1924.....	58	42,227	4,025	46,252	1,094,693	114,420	1,209,113
Underground E.R. (a).....	..	..	..	..	258,853	..	7,086,079
Do for 1924.....	..	..	..	..	265,786	..	6,634,559
London & Sub. Group (a).....	..	..	..	..	44,845	..	1,077,776
Do for 1924.....	..	..	..	..	44,845	..	1,087,005
Belfast & Co. Down (b).....	80	9,926	842	10,768	112,222	31,036	143,258
Great Northern.....(b).....	562	26,450	14,800	41,250	458,000	493,300	951,300
Great Southern.....(b).....	2,181	47,513	45,538	93,051	1,015,933	1,246,035	2,261,968

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.		Total Gross Receipts.	
				1925.	+ or -	1925.	+ or -
INDIAN.							
Assam Bengal	12 weeks	June 20	1,072	Ra. 3,03,000 +	Ra. 58,166 +	Ra. 34,19,537 +	Ra. 4,82,048.
Bara Lk. Ry.	13 weeks	27	118	42,000 +	8,000	4,27,800	62,900
Bengal & N. Western ..	13 weeks	27	2,062	6,32,780 -	5,827	83,91,190 -	7,36,511
Bengal Nagpur	10 weeks	6	2,800	15,75,000 -	-1,47,000	1,55,61,000 -	81,29,983
Bombay, Bar., & C.I.	16 weeks	July 18	3,033	19,37,000 +	+ 20,000	3,68,54,000 -	-12,37,000
Burma	12 weeks	June 20	1,342	7,33,000 +	+ 54,256	1,02,16,111 +	+13,68,444
Delhi, Umballa & Kalka	15 weeks	July 11	239	99,800 -	- 8,586	15,03,600 -	-1,06,763
East Indian	39 weeks	Dec. 31	2,873	18,45,800 +	+4,57,000	3,05,65,800 +	+66,11,000
G. Indian Peninsula	12 weeks	June 20	3,254	26,80,300 -	-1,01,900	3,55,84,300 -	-15,06,871
Madras & S. Mahr. .	13 weeks	27	3,029	16,00,000 -	-1,01,893	2,13,63,873 -	-1,44,443
Nizam's Guaranteed (s)	13 weeks	27	965	3,25,087 -	- 3,774	44,56,305 -	-1,85,533
North Indian	12 weeks	20	259	60,725 -	- 6,985	7,42,707 -	-55,490
Do Lucknow-Breilly	12 weeks	20	287	70,176 -	- 7,760	8,96,770 -	-1,09,960
South Indian	13 weeks	27	1,876	9,97,594 -	-48,103	1,32,52,476 -	-62,405

(a) Total receipts of all lines.

ARGENTINE (a).

Argentine N.E.	3 weeks	July 18	754	15,000 +	2,000	33,300 -	900
Argentine Trans.	3 weeks	18	18	2,324 +	702	6,888 +	1,402
B.A. and Pacific	3 weeks	18	2,602	130,000 -	18,000	13,030 -	60,000
B.A. Central 3 weeks	18	40	18	4,713	195,000 -	5,000	458,000 -
B.A. Western 3 weeks	18	1,882	78,000 -	22,000	203,000 -	57,000	
Central Argentine .. 3 weeks	18	3,305	224,000 -	6,000	525,000 -	105,000	
Cordoba Central 3 weeks	18	1,202	75,500 +	500	199,000 -	13,100	
Entre Rios 3 weeks	18	729	21,700 +	300	52,400 -	5,400	

CANADIAN.

Canadian National.....	22 weeks	June 7	4,029,141 -	273,062	91,363,222 -	8,118,472
Canadian Pacific.....	22 weeks	July 14	14,061	3,314,000 +	34,000	81,039,000 -

BRAZILIAN (b).

St. West. of Brazil.....	29 weeks	July 18	1,011	9,600 +	2,500	402,600 +	140,500
Leopoldina 29 weeks	18	1,856	38,016 +	3,607	794,895 -	10,582	
San Paulo 29 weeks	18	1,534	45,865 +	37,256	1,095,913 -	2,556	

CHILEAN.

Antofagasta 29 weeks	July 19	838	49,395 +	14,810	1,174,420 +	100,855
Nitrato (monthly) 27 weeks	15	366	40,197 -	718	491,021 -	28,253

CUBAN.

Havana Central 3 weeks	July 18	..	12,537 +	559	32,255 -	330
United of Havana .. 3 weeks	18	1,250	59,298 -	9,783	154,217 -	45,900

URUGUAYAN.

Central Uruguay .. 3 weeks	July 18	273	21,552 +	1,332	56,082 -	8,513
C. Urug. (East. Ext.) 3 weeks	18	311	5,646 +	1,937	13,797 +	1,631
C. Urug. (North. Ext.) 3 weeks	18	186	2,478 +	50	6,374 +	288
C. Urug. (West. Ext.) 3 weeks	18	211	2,054 +	38	4,919 -	1,491

OTHER OVERSEAS.

Alcoy and Gandia .. 29 weeks	July 18	33	Pa. 20,000	..	786,800 +	61,800
Egyptian Delta .. 13 weeks	June 30	600	7,836 +	802	67,530 +	1,821
Gt. South. of Spain 28 weeks	July 11	104	91,796 -	23,731	3,185,104 +	376,710
Mexican Railway .. 2 weeks	14	432	273,500 +	3,400	516,000 -	8,000
New Cape Central .. 26 weeks	27	905	3,032 +	219	75,511 -	1,377
Paraguay Central .. 3 weeks	18	774	5,710 +	1,440	16,170 +	3,780
Salvador 3 weeks	18	200	2,404 -	121	6,551 +	120

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

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week.		Total Receipts.	
				1925.	+ or -	1925.	+ or -
Anglo-Argentine....	28 weeks	July 15	329	£83,712 +	3,059	2,439,965 -	1,335
Buenos Aires La- crosse Tramways.....	3 weeks	19	..	£12,689 -	..	37,278 -	1,35
Burnley Corporation ..	1 week	18	12	£2,089 -	..	..	..
Calcutta Tramways ..	51 weeks	18	35	£12,765 -	3,805	..	40,867
Chatham & District ..	28 weeks	16	15	£1,730 +	46	40,487 +	1,30
Egyptian Markets ..	27 weeks	9	..	£1,250 -	405	61,774 +	1,23
Glasgow Corporation ..	7 weeks	18	106	£45,094 +	2,234	323,660 +	12,3
Isle of Thanet Trams ..	28 weeks	15	..	£3,801 +	439	59,383 +	6,4
Liverpool Corpora- tion Tramways ..	16 weeks	18	124	£27,921 +	898	420,487 +	23,3
L.O.C. Tramways ..	16 weeks	22	164	£78,453 -	1,911	1,283,062 -	36,1
Madras Elec. (2 wks) ..	28 weeks	15	..	Rs 55,522 +	1,411	620,542 -	49,4
Perth & District Trams ..	28 weeks	18	..	£2,478 +	880	128,854 -	9
Singapore Trams ..	24 weeks	18	..	£20,733 +	5,354	356,240 +	12,4

* Combined revenue.

MONTHLY TRAFFIC RETURNS.

AMERICAN RAILROAD GROSS AND NET RECEIPTS.
This table is extracted from the Commercial and Financial Chronicle of New York.

Date.	Miles of Road.		Gross Earnings.		Net Earnings.	
	1923.	1924.	1924.	Increase or Decrease.	1924.	Increase or Decrease.
April.....	234,970	235,953	474,094,758	- 48,242,116	101,680,719	- 21,294,242
May.....	234,452	235,894	476,458,749	- 70,476,133	96,048,087	- 30,448,063
June.....	235,691	236,001	464,759,956	- 75,442,339	101,527,990	- 22,846,602
July.....	235,477	235,146	480,704,944	- 53,517,158	112,626,696	- 9,601,754
Aug.....	235,445	235,172	507,406,011	- 55,952,018	134,669,714	- 2,148,281
Sept.....	235,640	235,178	539,853,860	- 5,116,223	165,049,184	- 41,345,593
Oct.....	235,625	235,189	571,405,30	- 15,135,757	402,654,709	- 41,345,593
Nov.....	236,122	236,309	504,589,062	- 26,135,505	131,435,105	- 6,350,391
Dec.....	235,875	236,196	504,818,559	- 11,308,918	180,337,665	- 6,689,812
1924.	235,496	236,149	483,195,642	- 15,866,417	101,022,458	- 17,341,704
Jan.....	236,031	236,642	454,009,669	- 24,441,338	99,460,389	- 4,981,506
Feb.....	236,048	236,559	485,498,143	- 18,864,835	109,230,086	- 5,447,665
Mar.....	236,664	236,045	472,591,665	- 1,696,103	102,861,475	- 5,389,790

OVERSEAS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Month.	Total Receipts.
INDIAN.					
Southern Punjab 6 mths	March	842	Rs. 13,19,034	- 111,980	Rs. 72,56,173 +
Canadian National 5 mths	May 31	Gross	\$17,245,738	- 110,5032	\$7,339,081 -
Canadian Pacific 5 mths	31	Net	\$399,939 +	655,262	4,174,721 +
Temiscouata..... 1 mth	31	Gross	\$12,468,000	- 195,9000	\$1,692,000 -
		Net	\$909,000 -	818,000	6,213,000 -

CANADIAN.

Canadian National 5 mths	May 31	Gross	\$17,245,738	- 110,5032	\$7,339,081 -
Canadian Pacific 5 mths	31	Net	\$399,939 +	655,262	4,174,721 +
Temiscouata..... 1 mth	31	Gross	\$12,468,000	- 195,9000	\$1,692,000 -
		Net	\$909,000 -	818,000	6,213,000 -

BRAZILIAN.

State of Bahia .. 2 mths	June 30	52	£3,961 +	961	6,122 +
Peruvian Corp. 12 mths	June 30	1,066	\$1,702,000 +	199,500	16,092,500 -
Taita 12 mths	30	172	\$24,030 +	1,890	323,363 +

CHILE AND PERU.

Uruguay North .. 12 mths	June 30	73	6,276 +	950	78,949 +
Uruguay North .. 12 mths	30	73	2,663 +	639	30,981 -

URUGUAYAN.

Midland Uruguay 12 mths	June 30	319	17,872 +	1,915	2,809 -
N.-W. Uruguay .. 12 mths	30	113	6,276 +	950	78,949 +
Uruguay North .. 12 mths	30	73	2,663 +	639	30,981 -

OTHER OVERSEAS.

Algoma Cent. & Hudson Bay (a) 11 mths	May 31	Gross	\$105,205 -	30,726	1,021,417 -
Beira and Mashonaland .. 1 mth	31	810	159,180 +	29,089	647,616
Bombay, Bar., & C.I. 16 weeks	July 18	3,033	19,37,000 +	20,000	3,68,54,000 -
Bombay, Bar., & C.I. 16 weeks	June 20	1,342	7,33,000 +	54,256	1,02,16,111 +
Delhi, Umballa & Kalka 15 weeks	July 11	239	99,800	8,586	15,03,600 -
East Indian..... 12 weeks	Dec. 31	2,873	18,45,800 +	4,57,000	30,55,800 +
G. Indian Peninsula 12 weeks	June 20	3,254	26,80,300 -	1,01,900	5,55,24,300 -
Madras & S. Mahr. 13 weeks	July 11	3,029	16,00,000 -	1,01,893	2,13,63,873 -
Nizam's Guaranteed (s) 13 weeks	July 11	965	3,25,087 -	3,774	44,56,305 -
North Indian..... 12 weeks	20	259	60,725 -	6,985	7,42,707 -
Do Lucknow-Breilly 12 weeks	20	287	70,176 -	7,760	8,96,770 -
South Indian..... 13 weeks	27	1,876	9,97,594 -	48,103	1,32,52,476 -

TRAMWAY & OTHER RECEIPTS.

TRAMWAY & OTHER RECEIPTS.									
Argentine Light and Power (a) ..	2 mths	May 31	..	47,255	+	1,742	93,788	+	3,875
Barcelona Trac. receipts in pta. ..	5 mths	31	Gross	6,802,421	+	551,333	36,944,949	+	3,047,475
Brazilian Trac. receipts in \$..	5 mths	31	Gross	Net	2,426,730	497,513	25,004,980	+	3,427,475
Brit. Columbia Electric, &c.	11 mths	31	Gross	Net	\$2,282,199	51,971	11,222,169	+	379,168
Burmah Electric	1 mth	June 30	Gross	Net	\$20,488	153,896	6,693,854	+	285,201
Burway & Light Cape Elec. Trams and Carriages Trac.	1 mth	May 31	Gross	Net	\$244,403	29,536	10,355,610	+	459,808
Herrerias Trac.	6 mths	June 30	1	Rs	68,613	3,896	3,002,441	+	104,041
Catalinas Warehouse	1 mth	May 31	Gross	Net	\$53,845	..	..	+	4,167
Cities Service Co. Elec. Sup. of Vict.	12 mths	June 30	1	Rs	51,594	9,475	429,611	+	55,088
Havana, Kile, & R. Light, &c.	1 mth	May 31	Gross	Net	\$9,000	3,250	..	+	..
International Light & Power	8 weeks	May 17	Gross	Net	\$1,858,425	208,467	18,180,266	+	1,069,717
Kalkotte Elec. Tramways ..	5 mths	31	Gross	Net	\$1,267,903	511	9,486	+	59
Keystone Tele. Harb.	12 mths	Mar. 31	Gross	Net	\$635,621	83,818	6,344,262	+	494,457
La Guisra Electric	1 mth	June 30	Gross	Net	\$29,310	5,600	3,145,684	+	274,622
La Plata Electric	6 mths	30	Gross	Net	\$82,364	1,875	840,000	+	30,789
Lima Light, Pwr and Tramways ..	4 mths	Apr. 30	Gross	Net	\$1,908	2,213	85,403	+	14,041
Manila Electric	12 mths	June 30	Gross	Net	\$467	7,049	..	+	..
Mississippi Riv. Power ..	11 mths	Nov. 28	Gross	Net	..	..	9,297,701	+	81,400
Para Electric ..	7 mths	June 30	Gross	Net	\$11,544	1,195	91,787	+	59,984
Puebla Tram, &c.	5 mths	May 31	Gross	Net	\$6,335	845	45,782	+	23,300
Rangoon Electric	5 mths	May 31	Gross	Net	\$85,136	..	..	+	..
Shanghai Electric	6 mths	June 30	Gross	Net	\$311,953	10,990	3,763,754	+	96,600
Shanghai Electric of Montevideo ..	8 mths	30	Gross	Net	\$161,584	14,639	1,880,988	+	38,599
Veracruz ..	5 mths	May 31	Gross	Net	\$257,425	13,091	2,198,706	+	119,740
Winnipeg Electric	5 mths	May 31	Gross	Net	\$198,12	42,212	1,987,000	+	119,740
Yamaguchi Electric	5 mths	May 31	Gross	Net	\$10,888	73	73,888	+	11,090
Yokohama Electric	5 mths	May 31	Gross	Net	\$4,440	1,880	27,338	+	11,090
Yokohama Electric	5 mths	May 31	Gross	Net	\$13,200	34,200	627,900	+	164,400
Yokohama Electric	5 mths	May 31	Gross	Net	\$4,150,000	47,000	19,111,229	+	1,377,550
Yokohama Electric	5 mths	May 31	Gross	Net	\$2,480,000	38,500	13,265,670	+	1,407,730
Yokohama Electric	5 mths	May 31	Gross	Net	\$46,426	152,354	1,004,979	+	186,332
Yokohama Electric	5 mths	May 31	Gross	Net	\$51,597	482	459,577	+	5,775
Yokohama Electric	5 mths	May 31	Gross	Net	\$22,000	7,900	88,100	+	66,400
Yokohama Electric	5 mths	May 31	Gross	Net	\$411,317	15,956	2,777,000	+	2,777,000

purchased amount to \$32,702,181. Calls loans are at \$42,988,760, and time loans stand at \$34,112,250. Bonds, stocks, &c., are at \$24,612,475. With regard to liabilities, the deposits stand at \$164,136,614. Capital stock is \$10,000,000. Surplus and undivided profits stand at \$18,028,029.

GUARANTY TRUST CO. OF NEW YORK.—The condensed statement of this institution, dated June 30, 1925, reveals total assets \$716,681,181. Cash stands at \$175,342,760. U.S. Government bonds and certificates amount to \$38,403,613. Public securities stand at \$21,522,332, and other securities are at \$23,408,801. Loans and bills purchased amount to \$394,639,638. Acceptances stand at \$39,290,505. With regard to liabilities, deposits stand at \$577,221,465. Outstanding Treasurer's checks amount to \$50,347,225. The capital of the bank is \$25,000,000. Surplus fund is \$15,000,000. Undivided profits amount to \$5,369,141.

MOSCOW NARODNY BANK, LIMITED.—The balance-sheet of this bank dated June 30, 1925, has just been issued. Total assets are \$3,289,021. Cash stands at \$430,911. Loans at short notice (secured by British Government securities, &c.) stand at \$250,000. British Treasury bonds and accrued interest amount to \$50,693. Investments (at cost) in Co-operative Transit Bank, Riga, stand at \$24,042. Bills discounted amount to \$290,590. Advances amount to \$842,957. Debtors in respect of documentary credits amount to \$815,229. With regard to liabilities, the issued capital of the bank is \$350,000. Reserve account is \$25,000. Current accounts stand at \$417,251. Deposit accounts stand at \$1,200. Documentary credits stand at \$760,626.

NATIONAL CITY BANK OF NEW YORK.—The National City Bank of New York has just issued its statement dated June 30, 1925. The total assets reached the sum of \$1,154,730,350. This marks an increase of about \$12,000,000 over the bank's resources six months earlier, and an increase of about \$51,000,000 over the figure on April 6, when the last statement was published. Thirty-one years ago the resources of the National City Bank were \$36,000,000. In 1914 they were \$353,000,000. Liquid assets of the bank are revealed in the statement as exceeding \$937,000,000, these being actual cash, or its equivalent, divided as follows:—\$95,185,184 in cash; \$205,051,014 due from banks, bankers, and the United States Treasurer; \$531,417,313 in loans, discounts, and acceptances; and \$105,847,465 in United States securities. The rest of the assets consist of State and municipal bonds, stock in the Federal Reserve Bank, bank buildings, and sites, &c. Deposits amount to \$910,903,905. The bank is capitalised at \$50,000,000, with an equal amount of surplus. Undivided profits amount to another \$12,255,584, giving a total of capital invested in the institution by its owners of \$112,255,584.

RUBBER, &c.

BERTAM CONSOLIDATED RUBBER.—The following is extracted from a circular to shareholders from the secretary of the company, dated July 22, 1925:—The company has now entered into a contract on favourable terms for the purchase, as from 1st instant, of the Taisho rubber estates, situated in the Bahau district of Negri Sembilan, Federated Malay States. The planted acreage of the estates comprise an area of about 2,030 acres of rubber planted during the years 1918 to 1920, a large portion of which was brought into production during the year 1924. The restricted production from the property for the year ended March 31st last was 270,661 lbs, and the production for the current year's working is estimated at the rate of approximately 400,000 lbs rubber per annum, which is within the estimated restriction allowance, and which may be expected to be largely increased in future years on the plantations reaching full maturity. About 84,000 lbs of the current crop from July 1st have been sold under contracts for monthly shipments during August to December, 1925, at prices approximately equal to 15 7d per lb, London delivery. This company takes over the benefits and obligations under those contracts. The entire purchase consideration for the estates, together with provision for the costs of the issue, the transfer of the property, and a small addition to the working capital, will be provided from the proceeds of the issue of the £55,102 8s of capital at present unissued. Of the shares of 2s each representing this capital, 244,897 shares are offered to the shareholders, in the proportion of one new share to each ten shares at present held, at the price of 4s per share (see rights letter herewith), and 306,000 shares will be subscribed by the vendors of the estates at the same price. All the shares of the new issue will rank *pari passu* in every respect with the existing shares. As a result of this purchase, the company's capital per acre of rubber will be reduced from the present low figure of approximately £38 to about £35.

KAWIE (JAVA) RUBBER ESTATES, LIMITED.—In the statement of accounts for the year ended March 31, 1925, the directors are pleased to report a final settlement of the company's liability for excess profits duty with the revenue authorities, the result being that the company has over-reserved the sum of £12,455, which has now been written back to profit and loss account. The sum of £10,900 has been charged to this year's profit and loss account for Dutch taxes over the years 1920, 1923, and 1924. Appeals have been lodged against these assessments. After allowing for these adjustments, the balance to the credit of the profit and loss account is £34,898; balance brought forward, £7,863—£42,761; less dividend of 5 per cent. for the year ended March 31, 1924, £3,750; transferred to amortisation account, £1,645—£5,395—£37,366; less interim dividend of 5 per cent. paid April 8, 1925, £3,750, leaving a balance of £33,615, out of which the directors recommend the payment of a final dividend of 15 per cent., less tax (making a total of 20 per cent., less tax) for the year ended March 31, 1925, which will absorb £11,250; leaving to be carried forward, £22,365.

MARAWAN (JAVA) RUBBER PLANTATIONS, LIMITED.—The report for the year ended December 31, 1924, states that the profit as shown by the profit and loss account was £2,805. Adding balance

brought forward from last account, £2,146—£4,951; less reserve for Dutch taxation, £850; amortisation reserve account, £750—£1,600; leaving an available balance of £3,351, out of which the directors recommend the payment of a dividend of 4 per cent., less tax, which will require £2,188; leaving a balance to be carried forward of £1,163.

MISCELLANEOUS.

BRITISH STEAMSHIP INVESTMENT TRUST.—In presenting their report for year ended June 30, 1925, the directors state that the long-continued depression in shipping freights has been intensified during the year, and the revenue of the Trust from its shipping investments has further declined by £9,900. As a result, however, of the past policy of the board of investing in varied securities outside shipping, and to the further reduction of management expenses, the net revenue shows a decrease of £1,361 only. Until the shipping trade shows some sign of revival, the directors do not deem it advisable to reinvest to any large extent in shipping securities. It is largely due to this circumstance that proposals for the adoption of a new memorandum and articles of association are now placed before shareholders, as the board are desirous, in the interests of the Trust, of having the range of authorised investments extended, and otherwise bringing the articles of association into line with the modern practice of Trust companies. A valuation of the investments in the aggregate shows an excess over the figures appearing in the balance-sheet. The income of the year amounts to £178,256, to which has to be added the balance brought forward from last year, £305,726, making a total of £483,982. After deducting debenture interest, directors' fees, office expenses, and other charges, a balance remains of £401,282. Preferred stock dividend absorbs £14,062; deferred stock dividend of 11 per cent. for year absorbs £154,687; leaving balance carried forward, £292,533.

VICKERS, LIMITED.—The directors give notice that the following interim dividends for the half-year ended June 30, 1925, will be paid to the holders of the preferred stock and preference shares of the company, who are registered in the books of the company on Wednesday, August 12, 1925:—2½ per cent. on the preferred 5 per cent. stock (less income-tax), 2½ per cent. on the 5 per cent. preference shares (less income-tax), 2½ per cent. on the cumulative preference shares (free of income-tax). Payment will be made on Monday, August 31, 1925. The transfer books of the company relating to these issues will be closed from Thursday, August 13 to Tuesday, August 18, 1925, inclusive.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

Agricultural prospects are improved by heavy rains which have fallen over most parts of the country, as all spring cereals were in need of moisture, while pastures and root crops will derive considerable benefit. Harvesting of winter cereals is proceeding in the early districts. English wheat of the old crop in small supply, while held for full rates, but imported descriptions tend easier in sympathy with lower forward offers, while trade proceeded quietly. In the floating and forward cargo section values were largely influenced by North American crop and weather reports, and with prospects at present rather more favourable, the general tone proved in buyers' favour. Steamers of South Russian September-October 15th, sold 538 9d, Australian afloat 58s to 58s 9d, sailer ditto arrived 56s, Baril, 63 lbs, July, 56s 3d. Maize cargoes firmer on improved inquiries and advancing freights. Steamers of Plate arrived sold 42s 6d; ditto afloat, 41s 10d to 42s 3d; ditto, guaranteed July shipment, 41s; August, 40s 3d to 41s 6d; and No. 6 yellow African, August 10th loading, 39s 1½d per 480 lbs. Steamers of Azoff Black Sea barley, July-August, changed hands at 35s to 35s 3d per 400 lbs, c.i.f. terms. Wheat steady, No. 1 Northern Manitoba quoted 63s, No. 2 ditto 61s 9d, choice white Karachi 58s 6d, Australian 59s 6d, Rosafe, 62½ lbs, 60s 6d, all ex-ship, per 496 lbs. English quoted 11s 6d to 12s per 112 lbs, free on rail. Flour quiet. London standard grade quoted 48s, patents 50s-51s, town whites 48s per sack, delivered in the Home Counties, with 6d to 1s per sack less for deliveries in the London districts. Of imported, Manitoba patents range from 45s-48s, Minneapolis 45s-47s, Kansas patents 45s-46s, Australian 41s-41s 6d per 280 lbs, ex store. Maize firm, and spot parcels reservedly offered. Plate, ex-ship, quoted 43s 9d, ditto landed 45s 3d per 480 lbs. Barley quietly steady. Californian quoted 43s-52s; Chilian Chevalier, 60s-65s; brewing, 52s-55s, according to quality; Australian, 57s-63s, ex store per 448 lbs; No. 4 Canadian Western, landed, 38s; Karachi, landed, 37s 9d; Morocco, 36s 6d per 400 lbs. English ranges from 10s-11s 3d; the latter for finest malting per 112 lbs. Oats quiet, but Plate descriptions Canadian Western, ex ship, quoted 26s 6d, landed 27s 9d; No. 2 feed, ex ship 25s, landed 26s 3d; Chilian Tawny 27s 6d, South African (Cape) 27s landed, all per 320 lbs. English quoted 9s 10d per 112 lbs, free on rail. Millers' offals, maintained. Broad ex mill; powdered oat husks 6s 3d; feed oatmeal 8s 3d, ground oats London-made flaked, 19s; rolled oats, 18s; medium, also fine-cut, 18s; coarse, also medium pinhead, 18s, ex mill; ordinary Scottish oatmeal, 19s 6d; American ditto, 17s 6d-18s per cwt.

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Debenture Interest.	Amount Available for Distribution.	Appropriation.			Corresponding Period Last Year.	
					Dividend.		Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.
					Profce.	Ordinary.			
					Amount.	Amount.	Rate.	£	%
Banks.									
Bank of Roumania	Dec. 31	£	£	£	£	£	%	£	%
Hibernian Bank	June 30*	16,124	52,885	69,009	..	25,000	10½	16,759	54,126
Breweries.									
James Eadie	Mar. 31	66,686	66,033	132,719	12,500	31,875	15	19,500	60,606
Parker's Burslem Brewery	June 2	27,931	115,679	143,610	12,300	61,500	15	40,000	146,652
Threlfall's	June 30	263,314	301,816	565,130	26,518	250,000	20	288,612	295,269
Financial, Land, and Investment.									
Edinburgh Canadian Mortgage ..	Mar. 31	1,873	8,196	10,069	5,000	2,500	2½	2,569	10,096
Second Scottish Western Investmt.	July 1	622	27,475	28,097	11,715	9,383	6	6,000	12,145
U.S. Mortgage Co. of Scotland ..	May 31	14,286	24,176	38,462	7,363	16,362	15	14,737	18,287
Hotels, Restaurants, &c.									
"Bodega" Co.	Mar. 31	24,561	21,961	46,522	5,000	16,800	6	24,722	20,028
Rubber, &c.									
Beaufort Borneo	April 30	4,715	21,676	26,391	..	15,000	10	3,000	8,391
British N. Borneo Rubber Trust ..	June 30	7,088	15,897	22,985	..	15,706	5	5,000	2,279
Bras-Perak	Feb. 28	Dr 4,050	969	Dr 3,111	..	..	..	Dr 3,111	Dr 659
Chembong (Malay)	Mar. 31	8,356	10,742	19,098	..	9,838	4	9,260	5,597
Kali Glagah (Java)	Dec. 31	Dr 134	2,413	2,279	..	1,350	3	929	Dr 105
Hong Kong (Selangor)	Mar. 31	6,509	20,905	27,414	..	13,871	15	8,992	4,551
Kawie (Java)	Mar. 31	4,113	34,898	39,011	..	15,000	20	1,646	22,365
Malayan Rubber Loan & Agency	June 30	Dr 8,086	1,351	Dr 7,735	..	..	..	Dr 1,824	Dr 1,838
Marawan (Java)	Dec. 31	2,146	2,805	4,951	..	2,188	4	1,600	1,163
Merchiston	Mar. 31	3,537	4,231	7,750	..	5,000	10	2,750	2,947
Vallambrosa	Mar. 31	5,408	20,078	25,486	..	19,608	50	5,878	9,466
Way-Halim (Sumatra)	Mar. 31	3,415	3,847	7,262	..	5,176	10	1,000	2,075
Shops and Stores.									
Morum's Oriental Stores	Mar. 31	Dr 74,494	Dr 39,743	Dr 114,237	..	..	..	Dr 114,237	Dr 31,767
Telegraphs, &c.									
Marconi's Wireless Telegraph	Dec. 31	402,559	225,600	628,159	17,500	300,006	10	310,653	172,543
Textiles.									
British Thread Mills	Feb. 14	10,059	7,300	17,359	..	..	..	17,359	10,059
Tinns.									
British Steamship Investment ..	June 30	305,726	155,558	461,284	14,063	154,688	11	292,533	156,917
Tyre Investment Trust	Feb. 28	15,298	72,508	87,806	70,000	..	..	17,806	72,308
Waterworks.									
Cleveland Water Company	June 30*	3,362	2,939	6,301	..	3,400	(10 A) 7 B	2,901	3,334
Other Companies.									
Lancashire & Yorkshire Waggon	June 30	7,737	10,802	18,539	..	7,822	..	10,717	7,913
Manchester Ship Canal Ware-	June 24	1,494	9,830	11,324	4,976	4,685	6	1,663	9,480
housing									
Manchester Dock and Warehouse	June 24	861	32,534	33,395	17,789	14,375	5½	1,231	31,133
Extension									
Riverside Orange	Sept. 30*	Dr 128,343	Dr 128,487	Dr 256,830	..	..	..	Dr 256,830	Dr 44,444

* Half-year.

† Tax free.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest years 1924-25, 1923-24, 1922-23, 1921-22.

	1924-1925.	1923-1924.	1922-1923.	1921-1922.
Estimated sales of home-grown wheat—	Owts.	Owts.	Owts.	Owts.
1 week to July 18	106,251	106,251	106,251	106,251
46 weeks to July 18	10,869,787	12,653,310	16,795,949	15,854,166
Average price of English wheat per cwt.	11 9	12 0	11 4	12 4

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1921 to 1924:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1925.	Owts.	Owts.	Owts.	s d	s d	s d
July 11	74,694	11,321	12,431	11 11	10 2	10 2
18	106,251	8,967	16,050	11 9	10 0	10 4
1921	17,863	12,425	13,945	19 1	12 4	13 4
1922	84,291	3,629	11,435	12 6	10 11	12 2
1923	36,263	9,783	5,324	11 4	8 6	12 9
1924	20,765	1,896	5,892	12 0	12 3	9 6

AMERICAN WHEAT MARKETS.

The main feature of the American wheat markets this week has been the steady downward movement of prices, due chiefly to the absence of export demand. The Washington Department of Agriculture's estimate of the carry-over figure came out at some 87,000,000 bushels, which caused a further recession of prices. Reports of cheap sales of Russian wheat prompted further selling pressure towards the end of the week.

Recent market quotations:—

	July 25, 1924.	Jan. 2, 1925.	July 9, 1925.	July 16, 1925.	July 23, 1925.
Winnipeg (No. 1 Manitoba)—Cents per 60 lbs	148	183	159½	165½	159½
Chicago (No. 2 Winter)—Cents per 60 lbs	136½	177	148½	158	150½

(b) July delivery.

IRON, STEEL, AND COAL.

We extract the following from the weekly report issued by the London Iron and Steel Exchange:—Iron and steel: The markets remain in an uninteresting condition, and the business conducted is principally for small parcels for early delivery, these conditions characterising the trade in all the world's markets. In spite of the labour disorder in Belgium, and the consequent disorganisation of the Belgian iron and steel market, Continental prices in most departments have weakened to the extent of a few shillings. In the pig-iron department, prices of British material have shown fresh weakness, in spite of the fact that offers of Continental iron have contracted during the past few days. The risk of a coal strike has occasioned a certain amount of forward buying, but this was of insignificant proportions, since, in the event of the cessation of coal production, users' works, as well as producers', would soon have to cease operations. The demand for semi-finished materials has been light, but a further lowering of Continental prices has made it increasingly difficult for British manufacturers to secure orders, even in the home market. In the case of finished materials the demand shows little change.

Our Middlesbrough correspondent's report, dated July 23, 1925, is as follows:—Pig-iron: In spite of the possibility of a stoppage of work owing to the coal position, there is very little business doing, and what there is of a "hand-to-mouth" character. Prices, therefore, have undergone no change, and the following remain the general quotations:—No. 3 Cleveland G.M.B., 7½ per ton; East Coast mixed numbers hematite, 7½ per ton. Manu- factured iron and steel: There is no new feature in this branch of the industry; if anything the position is worse, and it is difficult to find buyers, who are content to adopt a waiting policy. Prices are unaltered. Steel ship plates, £8 10s; steel ship angles, £8; iron bars, £11 12s 6d; steel rails, £8 10s. Iron ore: The foreign trade remains utterly stagnant, with 20s. 6d. per ton c.i.f. Tees as a nominal figure for best Bilbao Rubio.

Our Sheffield correspondent writes:—The week has been of a disturbed character in the steel trades. Actuated by individual

opinion as to the prospects of a stoppage in the mining industry, buyers of various firms have either placed orders freely in the belief that it was imperative to buy at the eleventh hour, or have held off the market in the hope that nothing could be gained by rushing in for supplies. There is no actual improvement in trade to account for the freer buying, but merely a feeling that it would be wiser to buy than to abstain from adding to the present meagre stocks of raw and semi-manufactured materials in users' hands. In the matter of fuel there has been a rush for supplies, and the stocks at the pits, which were heavy a few weeks ago, have been ordered away under contract in some cases, and in response to buying on the open market in others. The bulk of the supplies in wagons has been cleared, but there is still an enormous tonnage of small coal on the ground at the pit heads, as well as a fair supply of blast-furnace coke in wagons at colliery sidings. For a long time the make of coke has been in excess of the requirements of the blast-furnaces, and the excess make is proving very useful in this time of safeguarding supplies. Offers of spot lots of coal at give-away prices—a feature of the coal market for several months—have all been withdrawn, and fuel prices generally are in the ascendant. Engineering departments are getting rather busier as work on the Australian cruiser and submarine contracts proceeds. There is still some work going through the shops in connection with contracts placed some time ago for iron and steel works equipment. The cutlery trades are in the doldrums. Very little business is being placed either on home or export account. In pen and pocket cutlery the lower prices which now prevail leave little or no difference between the prices asked for knives of German manufacture and prices of Sheffield-made knives. There are signs of the Japanese cutlery industry having made some progress in Far Eastern markets with low-priced pen and pocket knives of good appearance, but pathetically poor quality steel, very badly ground. It should not be difficult to overcome the opposition on the question of quality, but there is a wide difference in price which is probably the determining factor in the case of the buyer attracted solely by appearances.

Our Glasgow correspondent writes:—The iron and steel market here has been lifeless during the week, owing chiefly to the fact that all the works in the district are closed for Annual Fair Holidays. The pig-iron shipments from Glasgow harbour of all grades amounted last week to about 730 tons, most of which went to foreign ports. Inquiries for heavy steel are only on a small scale, and, despite the stoppage in Belgian works, Continental competition is as keen as ever, large quantities being on offer at prices which leave a margin of £2 per ton as compared with those quoted by local producers. Plates from steel works here can be bought at £8 12s 6d per ton, and even lower has been quoted for attractive specifications. Before the stoppage there was some buying for immediate delivery by consumers who feared a longer holiday than usual, partly on account of scarcity of orders, but principally in view of the threatened coal strike. It is certain that should a strike take place in the coal trade several steel works will not resume until it is settled, as the stocks of coal are not at any time more than sufficient to keep them going for two or three weeks. Business in galvanised sheets continues satisfactory in volume, and prices are somewhat firmer. Indian buyers are fairly numerous, and offers from that market are coming nearer the level of possible acceptance. Black sheets are in steady request for the Far East, and makers are in a position to stiffen prices, which have been for some time at a level which left no margin of profit. This extensive trade depends principally on Continental raw steel, and can only hold its own at present against Belgium with sheet bars at £5 10s per ton delivered this district.

Our Cardiff correspondent writes:—On the Cardiff coal market this week business has been more active and prices firmer than at any other period this year. A stoppage of work in South Wales is now thought inevitable. On Tuesday the owners posted at the pit-heads the terms and conditions on which the collieries will be open for work on and after August 1st. These include freedom to work a double shift; the withdrawal of the bonus turn (i.e., the payment of six shifts for five worked) on the afternoon and night shift; the reduction of the percentage payable on the standard rates from the present minimum of 42.22 per cent. to 23½ per cent.; the payment for miners' house coal of a price equal to the certified cost of production instead of the existing varying customary prices, which average 5s 7d per ton, as compared with an average cost of production of 19s 1d; and the substitution for the existing individual subsistence wage of graded subsistence allowances governed by the size of a miner's family. The miners have declined even to discuss these terms, and in these circumstances the market has been subjected to an exceptional pressure of orders from consumers anxious to increase their stocks to meet the contingency of a long stoppage. During the early part of the week the docks were badly supplied with tonnage, but arrivals increased, and towards the end of the week all coal shipment appliances were employed and many vessels awaiting their loading turns. There has been no panic, and it is only to a slight extent that prices have increased. The following are the current approximate quotations:—Best Admiralties, 26s 6d to 27s 6d; seconds, 25s 9d to 26s; best dries, 25s to 25s 6d; Black Veins, 25s 6d to 26s 6d; Western Valleys, 25s to 25s 6d; Eastern Valleys, 24s 9d to 25s; best bunker smalls, 16s 6d to 17s; ordinary cargo smalls, 13s to 14s; coking smalls, 16s to 17s; anthracite best large, 43s to 47s 6d; red vein large, 27s to 31s; machine-made cobbles, 5s 6d to 5s 8d; French nuts, 5s 6d to 5s 8d; stove nuts, 4s 8d to 5s; rubbly culm, 13s to 14s; coke (special qualities), 40s to 45s; patent fuel, 24s to 26s 3d; pitwood, ex ship, 42s to 42s 6d. In the tinplate trade there is no improvement to

report, and it is anticipated that many of the factories will close down if the collieries stop working.

METALS.

The tin market displayed very firm features, and prices advanced rather sharply under stimulating Eastern cables, while holders showed more reserve in face of improved buying orders, but reacted at the close. A good business resulted, including standard cash from £261 10s to £263 5s and £259, and three months £264 10s, £266 and £261 7s 6d. In the East, business was reported at £259 15s up to £269 15s, £269 10s and £267. Copper also firmer, with dealings on a liberal scale, while closing easier. Standard cash changed hands at £62 to £62 5s and £61 12s 6d, and three months £63 5s-£63, £63 7s 6d and £62 12s 6d. Lead firmer on liberal buying orders combined with higher American cables. Good soft foreign pig July sold £34 15s to £35 7s 6d, £34 18s 9d, August £34 7s 6d to £35 1s 3d and £34 17s 6d, October £34 3s 9d to £34 15s and £34 10s, and November £34 10s to £34 13s 9d and £34 5s per ton. Spelter in good demand, and market irregular. July sold £35 2s 6d to £35 13s 9d, £35 2s 6d, August £35 to £35 11s 3d, £34 18s 9d, Oct. £34 12s 6d to £35 6s 3d, £37 17s 6d, Nov. £34 15s to £35 5s, £34 17s 6d. Antimony firm. English specials quoted £74 10s to £85 as to make and quantity, foreign refined £64 to £65, ex warehouse, per ton. Aluminium nominal. Home and export £120 to £125 per ton. Quicksilver quiet. Spot quoted £13 15s to £14 per bottle. Wolfram firmly held. Spot 17s to 17s 6d per unit, ex warehouse.

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—After many years of complete freedom from serious labour trouble the wool textile industry is now confronted with a general strike, as a result of the breakdown of the negotiations on the wages question. The employers still stand out for a reduction of 5 per cent. on average, and the employers assert that they will only resume under the old agreement which expired at the end of last May. In other words, they are prepared to carry on at the old rates, but will not agree to a reduction. As things are, there will be a general stoppage throughout the industry to-morrow, for, although there are a few firms who have not posted the notices and are prepared to continue on the old agreement, the great majority have signified their intention of being loyal to their representatives on the Industrial Council, who, in making the last offer, stated that it was absolutely as far as they could go in the direction of making concessions. Naturally, in these circumstances there has been practically no business on 'Change to-day. For months past spinners and manufacturers have been operating on hand-to-mouth lines and selling at prices which have left no margin of profit, and some there are who welcome the opportunity of closing their mills for a period. It is significant that wool is selling in Australia and in London at prices in many cases pence per lb above the Bradford parity, and it is only foreign buyers who can afford to pay the prevailing rates for the raw material, their lower production costs and cheaper labour enabling them to outbid British users everywhere and then under-sell British producers.

COLONIAL WOOL. (FROM A CORRESPONDENT.)

The fourth series of London sales came to an end last Thursday, and satisfaction can be felt over the final results. True, values generally eased about 5 per cent. from the highest point of the series, but that is nothing to be concerned about at a time like the present. One regrets that West Riding buyers in particular have been unable to give their accustomed support. At least 85 per cent. of the merino offerings have gone to the Continent, France, Germany, Switzerland, and Belgium having made the market for fine wools. No matter what financial crisis there may be, as evidenced in demoralised exchanges and lack of credit, German firms want raw material, and have supported the market in a wonderful way.

The sales during the past week have passed off well, although bidding has been a little slower and lower values have been offered. We should say that good merino wools are fully up to the best of the May sales, with here and there the best wools making about 5 per cent. more. This, however, has not been general during the latter half of the series. Still, competition has been as good as anyone could expect, particularly for fine 70's quality and upwards. One has been impressed with the fact that 60-64's merinos have wanted customers. The big weight of Australian merinos, which can be regarded as no more than of medium quality, are finding very little favour, particularly at the hands of the Continent, trade being too bad in Bradford to warrant topmakers purchasing these on speculative account. Crossbreds have held their ground fairly well throughout the series, and the home trade has purchased the bulk.

THE COTTON TRADE.

MANCHESTER, July 23.

The tone of the market during the past week has shown some improvement. Most sellers have experienced an increased demand, and in one way and another more business has been done. Certain buyers appear to be getting increased confidence in current prices. Cloth inquiry for India has been of larger dimensions and a fairly substantial trade has been done, especially in light fabrics

such as dhooties. No general activity can be recorded for China, but isolated sales of moderate weight have been put through in white goods and fancies. Of the minor outlets the Continent has been the most encouraging, but a fair amount of business continues to be done for the United States. Demand remains rather slow for the Near East. Manufacturers are more hopeful than a week or two ago. Quotations in American yarns have been firmer on the proposal of the Masters' Federation to increase curtailment of production. Rather more orders have been booked. Operations in Egyptian spinings have been irregular.

(I.) Comparative Statement of the Cotton Trade.

	Price, July 25, 1925.	Previous Weeks in 1925.				
		Price, July 16.	Price, July 9.	Price, July 2.	Price, June 25.	Price, June 18.
Raw Cotton—Mid. American	13-48	13-72	13-65	13-78	13-53	13-55
— Sakellaridis Fully Good Fair	32-40	31-30	31-35	32-60	31-45	31-75
Yarns—32's twist	20½	20½	20½	20½	21	21
— 40's twist	21	21	21	21½	21½	21½
— 60's twist (Egyptian)	37	37	38	39½	39½	41
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	32	32	32	32	32	32
36-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	36	36	36	36	36	36
38-in. ditto, 38 yds, 18 by 18, 10 lbs	17	17	17	18	18	18
39-in. ditto, 37½ yds, 16 by 16, 8½ lbs	16	16	16	16	16	16

(II.) Compared with Previous Years.

	Price, July 25, 1925.	Corresponding dates in				
		1924.	1923.	1922.	1921.	1920.
Raw Cotton—Mid. American	13-48	18-60	15-01	13-29	8-34	27-29
— Sakellaridis Fully Good Fair	32-40	25-15	15-50	18-00	15-50	67-00
Yarns—32's twist	20½	26	21½	19½	17½	54½
— 40's twist	21	26½	21½	18½	16½	50
— 60's twist (Egyptian)	37	36	28	28½	31	38
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	32	32	30	32	32	32
36-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	36	41	33	31	31	31
38-in. ditto, 38 yds, 18 by 18, 10 lbs	17	10½	21	18	18	18
39-in. ditto, 37½ yds, 16 by 16, 8½ lbs	16	6	16	6	16	9

LIVERPOOL OFFICIAL QUOTATIONS—July 17, 1925.

Descriptions.	Official Quotations.									
American	G.O. SGO. L.M.	SLM.	Md.	SM.	GM.	SGM.	MF.			
	12-12 12-12 13-12	13-52	13-92	14-17	14-42	14-72	15-22			
	125 65 25	15	65	80	105	135	165			
	of of of	on	on	on	on	on	on			
Braslian—										
Peramp, Macao, &c.	13-62									
Parahyba, Rio										
Grande	13-62									
Ceara, &c.	13-62									
Sao Paulo	13-12									
Peruvian										
Rough	M.F. Fair.	Gd. Fr.	Good.							
Moderately rough	16-25	17-25	18-25							
Smooth	13-87	14-62	15-37	15-87	16-12					
Tangula	14-87	15-37	16-87	18-87	20-87					
Mitaff	20-00	21-50	23-00		24-00					
Egyptian—										
Upper	Fair. Gd. Fr.	E.G.F.	Good.		Fine.	Ex. Fine				
Sakellaridis	17-05	18-05	19-10	21-10	22-45	23-55				
Brown	20-80	22-61	23-30	25-45	27-60	28-30				
Soudan	18-05	19-05	21-50	24-10	25-25	26-65				
West Indian	Mid. M.F. Fair.	Gd. Fr.	Good.		Fine.	Ex. Fine				
Do Sea Island	13-50	14-25	15-25	16-00	16-50	17-50				
East African	12-80	13-80	15-30	16-30	17-05	17-55	18-30			
West African	Mid. M.F.	G.M.	F.G.M.							
Australian	13-15	13-25	13-35	14-15						
East Indian—										
Burpee	G.Fr. F.G.Fr. Gd.	F. Good.	Fine.		S'fine.	Chole.	S'Ch.			
Broom	11-15	11-25	11-65	12-50	12-50	13-30	13-70			
Tinnivally	11-65	11-85	11-45	11-65	12-05	12-45	12-85			
Amer-Sind/Panjab	11-15	11-45	11-85	12-25	12-65					
*Western	11-00	11-30	11-70							
*Northern	11-15	11-55	11-95							
Cocoonade	(Fair, 11-80)									
Complah	11-40	11-80			11-70	12-10	12-50			
Comra, No. 1	10-70	10-10	10-50	10-90	11-30					
Comra, No. 2	10-70	10-10	10-50	10-90	11-30					
Khandesh	10-90	10-30	10-70	11-10	11-50					
Bengal	10-90	10-30	10-70	11-10	11-50					
Sind	10-90	10-30	10-70	11-10	11-50					

* Hand-ginned 40 points less.

THE TIMBER MARKET.

(FROM OUR CORRESPONDENT.)

A month ago it was stated that, with a decline in the import of building timber for May and a decline in the stocks of battens, scantlings and boards on the Port of London Authority's premises, the position of importers and merchants was better than for some months past. More recent events, however, have tended to turn the scale in favour of the consumer, the imports of building woods for June showing a decided increase, and for the six months 226,590 loads (a load equals 50 cubic feet) over the import for the first half of 1924.

The call for building woods is fair, wanting an improvement in general trade to bring about a more healthy state between supply and demand. Consumers are getting their timber very cheaply, thanks to the very severe competition prevailing in wood shipping centres, in which the North Russian supplies are, and have been, playing a prominent part, and the North of Europe shippers must

be making heavy losses, judging by recent quotations accepted. Prices of imports of building woods have averaged for the half-year £5 3s 2d a load, c.i.f., compared with £5 6s 10½d a load, c.i.f., for 1924 shipments and £5 13s 11d for 1923. Planned wood averaged £6 6s 10d a load, compared with £6 16s 3d and £7 4s for 1924 and 1923 respectively. A still further fall is likely when the present month's import prices are analysed.

In the furniture woods market, mahogany logs of good size and condition find a sale, but inferior grades have shown a weakness. Logs have arrived sparingly in number of late weeks, but the import for the first half of 1925 is larger than for the first six months of 1924; sawn mahogany planks and boards show increases, both in June and for the six months, in comparison with a year ago. Other hardwoods, and especially lumber from the United States, have again been exceedingly heavy, States wood being considerably in excess of requirements, surfeiting a depressed market.

HIDE, LEATHER, AND ALLIED TRADES.

The hide market remains very firm in spite of tanners' efforts toward reduced input. Best ox hides sold from 6½d to 9d per lb at Thursday's Bermondsey auctions, and seconds from 6½d to 8½d. Cows were firm at 6½d to 7d, and best calf sold from 7½d for the heavy class of best to 14½d for best light. Lambs made from 3s to 8s each, and shorn pelts from 6s to 7s 6d each. Trading in imported hides is quiet, but there has been a slight advance in S.A. fregorifics, this class making from 8½d to 8½d per lb. Germany is still a frequent buyer of fregorifics—a rather remarkable fact as the leather trade is very dull in that country. Latest cables from New York report the Chicago hide position as steady, with best heavy packers selling at 17 cents.

The advance in hides has reacted on the sole leather position, and tanners are very firm on quotations. There is now no talk of a slump in leather, although buyers do not as yet feel sufficiently secure to order far ahead of requirements. Business this week has certainly improved in Bermondsey, and quite a fair quantity of leather has gone to the shoe trade centres. Cheap dry hide bends are still the best sellers, but now the weather has changed a better demand for medium and stout wet salted bends will set in. There are plenty of the latter about at relatively cheap rates, and tanners are anxious to clear stocks.

Business in upper leather remains moderate, but shoe manufacturers are only sending on small orders as the end of the summer season approaches. Willow calf sells slowly, also coloured kid and patent; glacé tanners report an improved demand at last for black kid, which has hung fire so long.

The boot and shoe section is fairly well employed, but there are few manufacturers who are working full time. Autumn samples are now being sent to buyers, and better business is looked for after the holidays.

VEGETABLE OILS AND OILSEEDS.

Markets generally have been only moderately active. Raw linseed oil has again proved very erratic, and there have been daily fluctuations, but closes steadier around £40 10s for prompt and July-December. Demands from actual consumers has been fairly good at the lower levels. A rather better inquiry for cotton oils has been experienced, and on scarcity prices are firmer, crude Egyptian being held for £43 and ordinary refined for £42 10s per ton, naked ex Hull mill. Edible qualities are also in more request. Soyab oil is dearer at £42, and palm kernel oil also higher at £43. Ground nut, rape, and castor oils are only a quiet trade. In the oilseed section the feature has been the decline in linseed,



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value of Plate on spot at Hull having dropped to £19, while forward positions are at a premium. Up to £19 10s has been paid for September-October to Hull, and further business in the new crop. January-February loading, is reported at £19 15s and £19 12s 6d. Calcutta to London has commanded £21 10s, September-October. Only a small business has been passing in Egyptian cottonseed, and shippers have had to modify their ideas of value and accept £13 for old crop, July and August loading. For new crop, November-January, £12 12s 6d is asked. Trade in soya beans is chiefly confined to the Continent, current value being about £13 2s 6d, October-November.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, July 24.

SUGAR.—The market for actual parcels remained without new feature. Business proceeds on quiet lines, with British descriptions chiefly favoured. Consumption at the reasonable prices current for some time past is steadily increasing in Europe, apart from United Kingdom, while in America same is maintained at a high level. Production, however, proves quite adequate. Of British refined Messrs Tate and Lyle's cubes quoted 3s 6d to 3s 6d; crushed, 3s 6d; granulated, fine, and coarse, 3s 7d; No. 1, 3s 4d; No. 2, also London and T.L.S., 3s 1d; ditto, month forward,

30s; yellow crystals, spot, 27s 7d; caster from 32s 3d to 34s 4d, as to quality. Czecho granulated, spot, 29s 1d; ready for shipment, 17s 3d; August, 17s; November-December, 16s 3d, f.o.b., Hamburg. Dutch granulated, J quality, spot, 29s 1d; ready, 16s 4d; November-December, 16s 3d, f.o.b., Rotterdam. American granulated, spot, sold, 29s 1d; July-August, London, quoted 16s 3d; outports, 16s 6d, c.f. and i. terms. White Java, July-August, London, 15s 6d, c.f. and i. Cuban basis, 96 per cent., July-August, 12s, c.f. and i. terms, U.K. White terminal market opened very quietly, but assumed a firmer tone later. Business proved of fair dimensions. August, sold, 15s 3d to 15s 5d; October, 15s 6d; December, 15s 8d to 15s 9d; March, 16s 1d; May, 16s 3d per cwt.

COFFEE.—Spot parcels firm respecting the finer grades, which continue in limited supply, but inferior qualities more or less neglected. Costa Rica good middling blue sold, 160s; fancy blue, 196s; Colombian good bold, 143s 6d; Uganda good ordinary, 96s 6d; Kenya common brownish, 103s; East India, Coorg, peaberry common, 125s to 126s per cwt. Brazilian quiet for shipment.

COCOA.—Spot parcels in good demand at full to dearer prices. Sales include fine Trinidad up to 80s; ditto Grenada, 70s to 71s; and Accra ditto, 48s to 50s. Accra firmer for shipment; and F.F. grade, October-December, also December-February, sold, 43s 6d to 44s and 43s, f.o.b. terms. Cocoa butter, prime English, spot, quoted 1s 6d; and C.F.R., 1s 6d per lb.

COMMERCIAL TIMES—WEEKLY PRICE CURRENT.

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

LONDON, FRIDAY.		DYE STUFFS, &c.—		METALS—B. Copper		SUGAR—per cwt, duty, 11s 8d.	
JOCOA—Duty, British grown	s d	Galla, China, per cwt	60 6 2	Best selected	63 5 6 10	B.W.I. muscovado	nom
Se 4d, foreign, 14s cwt	s d	Turmeric, Bengal	nom	Sheets (strong)	91 0 0	Crystallised	24 6 29 6
Trinidad	per cwt	Madras, finger	37 6 40 0	Standard	61/12/6 61/15/0	Java, white	May-June 15 6 0 0
Grenada	58 0 71 0	Gambier, block	57 6 60 0	Lead Eng. Pig per ton	36/5/0 0/0/0		
Ceylon, plantation	85 0 110 0	Cutch, ord. to fair	55 0 0 0	Soft Foreign	34/17/6 34/17/6		
Guayquil	68 0 80 0			Spelter G.O.B.	35/2/6 34/17/6		
Bahia, finest	53 0 54 0			Thin-English ingots	259/0/0 259/5/0		
COFFEE—British grown				Do do bars	250/0/0 261/5/0		
Se 4d, foreign, 14s cwt				Standard cash	258/15/0 259/0/0		
El. India, fine ord. g.d. midl	15 0 140 0						
Do good to fine	150 0 158 0						
Costa Rica, ord. to midl	120 0 155 0						
Good to fine	170 0 196 0						
Central American, g.d. ord.							
to mid	115 0 145 0						
Mid to fine	150 0 155 0						
Colombian, ordinary	118 0 115 0						
Do g.d. ord. to low midl	118 0 128 0						
Do mid to fine	130 0 148 0						
CHEMICALS							
Acid, citric	per lb						
Nitric	0 24 0 0						
Oxalic, net	0 6 0 6 6						
Tartaric, English	1 1 1 1						
Foreign	0 11 0 1						
Cream of Tartar							
99%-100%	per cwt						
Alum lump	per ton						
Do ground	£11/10/0 12/0/0						
Ammonia, carb.	ton 37 0 39 0						
Muriatic, White	ton 25 15 31 15						
Sulphate	£14 0 15 0						
Arsenic, lump	per ton						
Powder	per cwt						
Ashes, pot	per cwt						
Pearl do	per cwt						
Bleach ng powder	per ton						
Borax, gran	per ton						
Do crystals	25 0 0 0						
Do powder	26 0 0 0						
Jalomet	per lb						
Iodine, dry	per oz						
Nitrate of Soda	per ton						
Potash—Chlorate, net	0 42 0 4 4						
Prussiate	0 74 0 8						
Do Foreign	12 0 15 0						
Sulphate	per ton						
Sal-acetone	per cwt						
Sal-Ammoniac	per cwt						
Soda Bicarb.	per ton						
Crystals	per ton						
Alkali	6/15/0 0/0/0						
Canstic	14/12/6 17/0/0						
Sugar of lead, white	ton 0/0/0 0/0/0						
Foreign white	249 0 50 0						
Sulphate Quinine							
English Brands	2 3 0 0						
Foreign do	2 2 2 3						
Sulphate Copper	per ton						
Zinc, cut	nom						
Sulphur Flour	9/0/0 9/10/0						
Do Roll	8/0/0 8/10/0						
Vermillion, Chinese	per lb						
Oil Peppermint, H.G.H.	4 6 5 0						
English	nom						
COPRA—per ton, c.f.—	£ s d						
Malabar, June-July	nom						
Ceylon	32 0 0						
FMS Singapore	30 12 6						
FM Straits	29 15 0						
COCHINEAL—per lb	2/9 3/6						
DRUGS—							
Aloes, fine E.L.	per cwt						
Cape, good to fine	41 0 42 6						
Balsam Peru	per lb						
Cavi	2 0 2 5						
Camphor	2 94 2 10						
Japan, refined	6 0 8 0						
Cardamom, Ceylon	per lb						
Castor-oil	cwt 85 0 95 0						
Gum Benjamin Sum.	cwt 5/0/0 10/0/0						
Olibanum, drops, fair to							
good	60 0 105 0						
Ipecacuanha	2 0 0 0						
Jalap	77 6 80 0						
Musk pod, China	per lb						
Oil, Cassia	3 6 8 9						
Aniseed	0 3 0 1						
Peppermint, Wayne	70 0 75 0						
County	0 0 3 3						
Shubert, China, fr to fr	0 0 3 3						

TEA.—Indian offerings at public sales during the week embraced 42,442 packages. Demand proved somewhat quiet, and with the exception of finest grades, prices moved in buyers' favour. A large proportion of supplies were unattractive, both with regard to leaf and liquor, and for such quotations were mostly 3d to 1d per lb under last sales parity. Finest fannings, however, aroused good competition, and realised up to 2s 5d per lb. Pekoe, sold, 11d to 1s 8d; broken orange pekoe, 1s 2d to 2s 4d. Ceylon catalogues totalled 31,708 packages experienced fair competition, and medium to fine leaf teas suitable for export fully steady. Lower qualities, however, moved off quietly at an irregular decline. Of China, finest new seasons Kintucks continue in request up to 2s 8d per lb, with old up to 2s 1d, but above these prices business is somewhat restricted, while a fair inquiry is experienced for the commoner grades. Java and Sumatra auctions of 8,700 packages met with fair competition, and all fine tippy brokers and leaf teas, suitable for export, sold at steady rates. Other descriptions declined from 3d to 3d per lb, at which a fair clearance was effected.

RICE.—Market steady, but demand on European account keeps quiet. Two Stars, Rangoon, spot, 15s 9d; adfloat, 15s 6d; July-August, 15s 7d. Spanish and Italian steadily held. Beans and peas firm, but quiet. Japanese peas, spot, 26s; September-October, 24s 9d cwt, c.f. and i. U.K. Rangoon bran firm, but quiet.

SPICE.—Quite a strong demand continued for pepper, both spot and forward, largely on continental account, with Russian buying a feature. Fair black Singapore, spot, sold, 8d; August-October, 8d; Lampong, spot, 8d; August-October, 8d to 8d; Muntok, spot, 1s 1d; August-October, done 1s 1d to 1s 2d; October-December, 1s 1d to 1s 2d. Cloves steady, quiet. Zanzibar, spot, 11d to 11d; October-December, 11d per lb. Tapioca firm, quiet. Singapore flake, September-October, to Havre, quoted 18s 10d. Sago flour firm, quiet. Sarawak, July steamer to the U.K., quoted 17s; July-August, 16s 9d; September-October, 16s 3d, c.f. and i. Desiccated cocoanut steady, quiet. Halves, spot, 40s 6d; September-October, 40s 3d cwt. Ginger firm, quiet.

JUTE.—A fair demand was experienced, and steadiness governed the market. Firsts, August, Continent, sold, £43 2s 6d to £43 1s; September, £41 5s to £41 15s; October, £40 10s; October-November, £40 10s; and November-December, £40 10s. Hessians quiet and slightly easier. Twills quiet on about former terms. 10 oz hessians, July-September, sold, 38s per 100 yards.

HEMP.—Manila steadier, as sellers showed more reserve. J grade, August-October, quoted £45 10s; K, £40 10s; L, sold, £41; M, sellers, £35. New Zealand H.P.F., August-October, quoted £38; fair, £36. African sisal firm. No. 1 Tanganyika, August-October, £46; Kenya, £45 ton.

SHELLAC steady, but general course of business proved quiet. Fair T.N., spot, 235s to 240s; August, 220s; October, 217s 6d; December, 215s cwt.

COPRA.—Market steady, but quiet. F.M.S. Straits, April-June, to Rotterdam, quoted £31 2s 6d; May-July, sold, £30 15s; June-August, buyers, £30 12s 6d; July-September, sellers, £30 12s 6d. Dutch East Indies, May-July, quoted £30 8s 9d. Ceylon, July, sold, £32; South Sea, F.M.S., ditto, quoted £29 12s 6d; ditto, smoked, July-August, to Marseilles, £29. Palm kernels, July-September, sellers, £22 per ton.

RUBBER.—Business proceeded with activity, in which the October-December and January-March positions participated largely. Market manifested a good deal of irregularity at times. Standard plantation sheet, spot, and July, sold, 4s 6d, 4s 5d, and 4s 6d to 4s 3d; August, 4s 5d to 4s 1d; September, 4s 4d to 4s; October-December, 3s 10d, 3s 9d, 3s 10d, and 3s 6d; January-March, 3s 4d, 3s 3d, 3s 4d, and 3s; January-December, 2s 7d to 2s 5d. To New York, standard European estate sheet, July-August, sold, 4s to 3s 9d per lb, c.f. and i. terms. Wild sorts steady, quiet.

FRUIT (Dried).—Market generally quiet. Of currants, Pyrgos quoted 33s to 34s; Amalia, 35s to 36s; Patras, 38s to 40s; Gulph, 40s to 42s; Vostizza, 45s to 51s. Sultanas: Smyrna, good quality, 64s to 69s; finer, 75s to 80s; Creten, medium to good, 68s to 74s; Australian, 66s to 72s; South African, 65s to 80s. Figs: Natural, in bags, quoted 26s to 27s. Dates quietly steady. Hallowee, spot, 19s; Khadowee, 17s 6d; Siar, 16s. Raisins: South African, 40s to 50s; Lexias, 48s to 52s. Evaporated fruits steady. Californian apricots, standard new extra choice, 127s 6d; fancy, 135s; Australian, 120s to 130s; Californian peaches, choice, 62s to 63s; extra choice, 65s to 66s; fancy, 70s. Plums: Oregon, new, size 30/40, quoted 71s to 72s; 40/50, at 50s to 51s; Californian, new, 40/50, 58s to 60s; 50/60, 50s to 51s; 70/80, 44s to 45s. Pears, choice, 90s; extra choice, 102s to 103s. Apple rings, Californian, extra choice, 58s to 60s; Oregon, extra choice, 65s per cwt.

CANNED GOODS.—Sardines. Good packs in demand but inferior

slow. Portuguese, 1/2 flats quoted 4s 3d; clubs, 5s; 12 ozs, 7s 6d; 18 ozs, 12s per dozen tins. Salmon continues in good request at full rates. 1 lb, flat reds, labelled, 77s to 78s; tall, 1 lb, 52s 6d to 53s 6d; 1 lb, tall, pink, 26s to 27s; 1 lb flat, 33s to 36s. Lobsters in good request and firm, halves quoted 16s.

CANNED FRUITS.—The market has been on the quiet side but stocks are firmly held. Quantities on spot of apricots and pears will not be sufficient for the summer trade. Prices of loganberries are firming up and during the last two or three weeks have advanced 9d to 1s per dozen. Singapore pines continue in demand, and prices firm. 48-1 1/2's quoted 86s 6d to 87s 6d; cubes, 2 1/2's, 13s to 13s 6d; slices, 24-2's, 12s 6d to 13s 6d; South African and Hawaiian in steady request, at late rates. Californian pears, 15s 6d to 17s; peaches, 12s 3d to 14s; cherries, 13s 6d to 14s; apricots, 10s to 13s 6d; loganberries, 13s 6d to 16s; fruit salad, 1 1/2's, 12s 6d to 14s; 2 1/2's, 21s 6d to 22s 6d; Australian pears, 24-2 1/2's, 16s to 16s 6d; Canadian, 14s to 14s 6d.

MISCELLANEOUS.—Cocoanuts quoted 25s to 27s 6d per 100. Coir yarn: Ceylon, £25 to £39; Cochin, £30 to £54. Ceylon bristle, £19 10s to £25; cinnamon leaf oil, 4 1/2d; citronella, Ceylon, 2s 4d; Java, 3s 9d.

OLSEEDS.—Linseed irregular but easier, with moderate sales Calcutta to London, August-September, sold, £22 7s 6d; bold Bombay, ditto, £22. Plate to Hull, July-August, sold, £19 2s 6d; September-October, £19 8s 9d; January-February, £19 to £18 12s 6d. Rapeseed quiet. Toria to Continent, July-August, £21 15s; brown Cawnpore, £20 17s 6d. Cotton-seed easier. Egyptian black, to Hull, July-August, £13; November-January, £12 10s; white, July-August, £12 10s; November-January, £12 2s 6d; Bombay, July-August, £9 10s. Castorseed firm. Bombay, July-August, £22 12s 6d. Gingly seed quiet. Chinese to Continent, July-August, £28 5s; large Bombay ditto, £26 5s. Groundnuts quiet. Coromandel machined, July-August, £25 7s 6d; Nigerian, July-August, £25 10s per ton.

OLLS.—Linseed irregular. Spot, net, naked, 41s 3d; August, 40s 3d; September-December, 40s 4d. Rape steady. Crude, spot, 48s 6d; refined, 51s 6d. Castor oil quiet. First pressure, spot, quoted 56s 6d; second pressure, 54s 6d; and pharmaceutical, 61s 6d per cwt, Hull, with London, 2s per cwt extra. Cotton oil. Crude Egyptian, spot, 43s; Bombay, 40s; common edible, 48s; deodorised, 50s. China-wood nominal. Hankow, spot (barrels), 68s; June-July, 67s. Cocoon oil. Ceylon, spot, 48s; June-July, 46s 6d; Cochin, ditto, ordinary packages, 60s. Soya oil. Oriental, barrels, July-August, 43s 6d; bulk, 40s 9d. Cod steady. English, spot, 34s to 35s. Ground-nuts steady. English, crushed, naked, spot, 49s 6d; deodorised, barrels, 57s 6d. Turpentine irregular. American, spot, 66s 6d; August, 66s 6d; September-December, 68s. Rosin firm. American, grade B/D, 20s 6d; E, 21s 3d; F/G, 22s; WG, 28s; WW, 30s per cwt. French FG, 21s 6d; WW, 26s 9d per cwt. Petroleum quiet. American, standard white, spot, 1s; and water white, 1s 1d per gallon.

TALLOW.—Messrs Colchesters and Woolner write on July 22nd as follows: The tallow market was quieter during the week, and prices were mostly 6d lower to-day. With a larger quantity offered at to-day's auctions, and less eagerness on the part of buyers, values could not be maintained except for fine mutton. At auction to-day 1,291 casks tallow were offered, and 629 were sold. Quotations are:—Australian mutton: Fine, 49s; good to fair, 48s to 45s 6d; dull to dark, 43s to 39s; hard, 48s. Australian beef: Fine, 48s; good to fair, 46s 6d to 44s 6d; dull to dark, 42s 6d to 38s; sweet, 48s 6d. Present shipment from Australasia: Good mixed, 46s 6d. Present shipment from South America, 46s 6d. The market letter is unchanged. Town tallow, 42s 6d per cwt. Rough fat per 8 lbs, 44d; melted stuff, 33s per cwt. Quotations are:—Town, 43s, net cash, naked, ex works. Country: Frail casks, 43s; home melted, shipping casks, net, f.o.b., good coloured, 45s 6d; fair to dull, 43s 6d to 42s 6d. Bone fat: white, none; pale, none; benzine, 40s; melted stuff, 39s f.o.b.

METROPOLITAN CATTLE.—JULY 23.

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

	d	d		d	d
Beasts—Devons.....	7 2	to 7 6	Beasts—Heavy Bulls ..	..	..
Shorthorns	6 8	7 2	Canadian	..	..
Norfolks	6 8	7 2	Sheep—Downs (clipped)	9 8	to 10 8
Scottish	..	..	Ewes	6 8	..
Irish	..	..	Crossbred	..	..
Fat Cows	..	..	Scottish	..	..
			Lamb—Downs	11 4	12 6

LONDON POTATO MARKETS.—JULY 23.

Per Cwt.				Per Cwt.			
s d s d				s d s d			
English Epicures.....	7	0	..	Eclipse	8	0	..
Sharps Express	8	0	to 8 6	Puritans	7	0	..

THE STOCK EXCHANGE.

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	July 30, 1925.	July 24, 1925.	July 17, 1925.	July 10, 1925.	Previous Rate and Date Changed.
Bank Rate	5%	5%	5%	5%	4 (Mar. 5, '25)
Banks' Deposit Rate	3	3	3	3	2 (Mar. 5, '25)
Discount (Call)	3	3	3	3	2 (Mar. 5, '25)
Houses (Notice)	3½	3½	3½	3½	2½ (Mar. 5, '25)
Market rate (3 months' bills)	4½	4½	4½	4½	..

The Bank return showed an increase in the stock of gold of £1,024,000, which is £4,000 less than the amount announced during the week as received from abroad. The circulation had expanded by £1,359,000, half a million in notes having been transferred to the currency notes reserve, and the Reserve was thus £335,000 lower, though its proportion to liabilities is 0.3 higher at 31.6 per cent. There was a further decline of £1,360,000, and £588,000 in Government and other securities, and Public deposits expanded by five millions; these movements were all at the expense of the Other deposits, which declined by 7½ millions. Currency notes outstanding increased this week by £2,104,600 to £301,040,300, which includes £1,332,100 for notes called in but not yet cancelled. The fiduciary issue for the week amounted to £244,758,200, being £3,387,200 below the maximum for 1925.

THE STOCK MARKETS.

The coal crisis has produced dulness in Stock Exchange markets, and although the House has been inclined to take a hopeful view, business has been quiet. The gilt-edged market has been a little firmer, 3½ per cent. Conversion Loan closing higher on balance after considerable fluctuation. French bonds have improved, but Home Rails fell on the lower interim dividend of the L.M.S. A sharp drop in the price of raw rubber caused a selling of rubber shares. In the industrial group a feature has been the fresh spurt in Courtaulds, but elsewhere there have not been many changes. Mining markets have been quiet.

THE COMMODITY MARKETS.

Despite a certain amount of eleventh-hour buying, consumers of iron and steel have been disinclined to commit themselves this week for more than immediate necessities, the only branches of the industry to show any marked activity being constructional steel and galvanised sheets. The shadow of the threatened stoppage has hung heavily over the coal markets, and though prices have hardened, there has been no exceptional pressure for shipment. Demand for cotton textiles has continued on a freer scale, although financial difficulties are reported to have caused some nervousness. Quotations for wool tops and yarn are purely nominal, the strike of operatives being general throughout the West Riding. The hide markets have remained firm, and shoe factories are busy on holiday orders. Wheat has been firmer in view of reported unfavourable harvest weather in producing areas. Sugar is in fair demand, and tea prices have been well maintained. Rubber has continued to recede from the high "boom" levels of recent weeks. Business in metals, especially copper, has been influenced by the unfavourable industrial outlook, but tin and lead have remained very firm.

FOREIGN EXCHANGES.

The features of the Foreign Exchange market during the week were the continued strength of Oslo, Copenhagen, and Amsterdam, a certain weakness of sterling against the dollar and a sensational decline in the Polish zloty at the end. Other securities were featureless and markets quiet, but the general tendency of the French franc was firmer, owing probably to steady official control, coupled with a favourable weekly statement from the Banque de France, and the visit of the French financial mission to London. The dollar rate, after opening on the 22nd at 4.86, showed signs of weakness at 4.85½ on 24th and 27th, under the influence of the coal strike threat. A slight subsequent improvement to 4.85¼ on Thursday may be attributed to hopes of a settlement on the intervention of the Prime Minister. Forward rates are ½ to 1 cent above spot for one month ahead. Paris opened on the 22nd at 103.25, improved on 24th to 102.90 as a result of the Bank statement showing a decrease of 450 million francs in advances to the State and of 311 million francs in the note circulation, and later, as a result of the

factors to which reference has been made, improved steadily to 102.60 on 27th, 102.30 on 29th. On Thursday it stood at 102.10. Brussels, after a slight improvement in sympathy with Paris from 105.15 on 22nd to 104.95 on 24th; weakened again, under the influence of labour trouble, presumably, to 105.10 on Thursday. The Amsterdam rate opened the week at the firm previous closing rate of 12.09½, but rose rather sharply the next day to 12.10½-12.10½. The transfer of £1,000,000 gold to the Bank of England later served to steady the rate again to 12.10 on 24th and 12.09½ on 25th. A slight weakness on profit-taking developed on 28th, which brought the rate back to 12.10 on 29th, where it remains firm. Oslo, under the influence of the speculative pressure to which reference was made last week, continued to improve, to the detriment of Norwegian export, from 26.90 on 22nd to 26.30 on 29th, after touching 25.88 on 28th. It remains firm at 26.30. Copenhagen, after a struggle, appears to have managed to stop the too rapid, and therefore unwelcome, appreciation of the kroner, probably as the result of Government intervention under continued pressure from the trading fraternity. Opening the week at 20.48 on 22nd, the rate was pushed to 22.10 on 23rd, but this movement appears to have been exaggerated, and the rate reverted to 21.87 on 25th. On 26th it again improved to 21.15, and on 28th to 20.48, the speculative element again having prevailed apparently. On 29th, however, it was brought back to 21.25, and remains steady at somewhere about that level. Italy showed no great change, but is rather weak at 132; Madrid remained firm throughout at 33.53-57, and Berne at 25.00. Berlin calls for no remark. The Polish zloty is at the moment the most interesting European currency in the market, having provided a sensation by its sudden decline on 29th. It was featureless in the early part of the period under review, as it has been for some weeks past, and remained steady at 25.30-50; but about midday on Wednesday it began to crumble, and zloty were on offer and business done at 26.30 and 27.50, later in the afternoon. The market closed in the evening at 29 sellers, but nominal. It is difficult to account for so sharp a depreciation in so short a time in a currency which has recently been stabilised, and has remained stable since its introduction. Before attempting any explanation, it must be emphasised that the market in zloty here is a small one, and that it requires only comparatively small transactions to give the market a momentum which may easily become irresistible, especially if speculators and merchants take up identical positions. In this case, selling appears to have developed simultaneously in London, New York, and Prague, accompanied by rumours of an increase in the note issue unsupported by gold, of the selling of Polish securities in Prague by German interests, and of the possible shortage of foreign currency in Poland caused by the eviction of Germans from Poland. In any event, the depreciation does not appear to be justified by the economic position, although it is probably fair to say that a combination of abnormal features, and the efforts of the speculative element have exaggerated a tendency which, though slight, was evident, and is, perhaps, natural at the present time. Of the South American exchanges, Buenos Aires is firm at 45½d, Valparaiso rather stronger at 40.30, and Rio steady at 5 25-32d. In the East the yen is practically unchanged at 18 8d 11-32d-18 13-32d. The rupee has remained steady at 1s 6 7-64d throughout; Shanghai at 3s 2d, but Hong Kong is a shade weaker at 2s 3½d. The silver market has been quiet, and even dull, during the week. Silver finished weaker on balance at 31½d spot, and 31½d forward, in the absence of buyers and slight selling on China account.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended July 25th:—

EXPENDITURE.	(000's omitted.)	RECEIPTS.	£
Supply Services	5,500	From Revenue	12,301
Interest, &c., on Debt	512	Decrease in Exchequer Balances	147
Sinking Fund	1,503		
Sundries	128		
Reduction of Debt	3,699		
	12,448		12,448

The Revenue for the week amounted to £12,300,700, as compared with £11,692,700 in the corresponding week

last year. Customs and Excise were both slightly higher at £2,384,000 and £1,130,000, against £2,331,000 and £1,036,000 respectively. Property and Income-tax amounted to £4,288,000, as compared with £3,641,000, while Super-tax brought in £750,000, against £730,000. Ordinary receipts were lower at £23,700, against £172,200, but Special receipts brought in £515,000, as compared with £3,300. The week's operations reduced the National Debt by £3,699,000, and caused the following changes:—

	(000's omitted.)	£
Treasury Bills	+ 465	Public Department Advances .. - 4,264
National Savings Certificates ..	+ 100	
	+ 565	- 4,264

The floating debt was reduced by £3,764,000 to £779,791,000.

FINANCIAL YEAR, 1925-1926 (April 1st to July 25th.)

	£		£
Total Expenditure ..	264,496,893	Raised by Revenue ..	225,601,333
		Decrease in Balances ..	3,918,650
		Amount borrowed ..	34,976,910
Total	264,496,893	Total	264,496,893
ESTIMATES FOR FINANCIAL YEAR 1925-1926.			
Expenditure	799,400,000	Revenue	801,060,000
Surplus			£1,660,000.

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—Imperial Ottoman Bank, Union Bank of Australia, Tariff Reinsurances, Threlfall's Brewery, Bisichi Tin (Nigeria), Tanganyika Concessions and Zambesi Exploring. At the Imperial Ottoman Bank meeting the chairman gave an interesting review of conditions in Turkey, and mentioned that negotiations were proceeding for a prolongation of the bank's concession.

ECONOMIST INTELLIGENCE BRANCH.

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

SALVING THE COAL INDUSTRY.

ALTHOUGH the problem of how to save the coal industry, how to get it off the rocks on which by common consent it has crashed, has not been illuminated by the Court of Inquiry, nevertheless the immediate national emergency is less perilous. The crude wage proposals of the coal owners which it seemed were about to precipitate a stoppage of the coal mines and involve us in the most serious industrial paralysis in our history, cannot survive the severe examination which the members of the Court have turned upon them. They stand condemned as too harsh and too elementary a method of dealing with a great crisis in an essential national industry. The miners were prepared to resist at all costs, and the other great trade unions were prepared to support the miners by all means in their power. Whatever else may happen, the public will support the Government in demanding that the coal owners' proposals shall be "withdrawn," and the way opened for a calm and searching examination of the problem before the country. There never has been a graver problem; the coal industry as a whole is going rapidly from bad to worse, and it has reached a pass which in an ordinary commercial concern would involve drastic closing down. Whether the causes are those wide and general ones set forth by the three members of the Court—Mr Macmillan, K.C., Mr Sherwood, and Sir Josiah Stamp—or whether the return to the gold standard has contributed—as Sir Josiah Stamp is disposed to believe—need not for the moment be discussed here. They will require the closest examination, for remedies are vain unless a disease be first accurately diagnosed. But just now we are concerned less with the causes of the trouble than

with the immediate fact that the coal ship is on the rocks and must be got off before it can be repaired. As each month passes the rocks are getting a tighter hold and making the unlucky hulk less seaworthy.

During the seven months which ended in March last more than half the collieries showed debit balances on working. In April the number producing at a loss rose to over 64 per cent., and in May to nearly 67 per cent. In May 60 per cent. of the coal raised was being raised at a loss. It is understood that the results for June, as shown by the preliminary figures, were even worse. Exports, which in 1913 were 73.4 million tons, fell to 59.2 million tons last year. During the six months ended June the exports were at the rate of 49.4 million tons per annum, and for June itself were at the rate of 43.7 million tons. This progressive degeneracy in the industry month by month is the worst feature in a most baffling situation. It adds enormously to the difficulty at the moment of determining any stable basis upon which can be constructed a working agreement between coal owners and coal miners for carrying on the industry.

The Court of Inquiry, who in seven days got through an immense amount of work, and have contributed a most valuable Report, are satisfied that the claim of the miners to a minimum wage before profits are taken is justified. What that minimum should be they leave to negotiation between the parties, but they do not regard as satisfactory any method of fixing wages which allows of their indefinite diminution. The Court also hold, in face of the contrary opinion of the coal owners, that there are means of improving the efficiency of the industry, and of reducing costs of transport and distribution. "The improvement of the distribution of coal," they say, "while not entering directly into the present question, has an important indirect bearing upon it, for it would result in lowering the prices to all classes of consumers, and might have a considerable effect in stimulating demand." The tonnage charges due to the royalty system, though unimportant relatively to the wages bill, are not, in the Court's view, negligible. "It (the royalty system) has been the source of much ill-feeling among the ranks of the workers, where the promotion of good will is of so much importance." Suggestions of this kind, and of others for improvement in the management, organisation, and development of the mines, are not put forward as remedies for the present emergency, but "as matters which should not be overlooked in any projects for the permanent rehabilitation of the industry."

In the past year up to July, 508 mines were closed down and not reopened, involving 110,483 wage earners; in the same period only 96 mines employing 8,522 wage earners were opened or reopened. Even if the immediate peril of a stoppage be averted, this process of closing down unprofitable mines must go on, maybe at an accelerated speed. The Court do not offer any direct suggestion for carrying on the industry, but they very plainly hint that it is not an industry which can be allowed to go out of business. They ask "whether the coal industry is one whose fate, from the national point of view, can be left to be determined by the unmitigated operation of purely economic forces. It is a basic industry whose product is indispensable for our industrial, commercial, and domestic life. Upon its continuance on its present scale many interests depend. It affords, moreover, the means of livelihood of a tenth of our population. A drastic restriction of its activities would be fraught with grave consequences. These, however, are wider questions, and do not fall within our terms of reference."

The hint is plain enough. It is that the nation as a whole, through the Government, should in some way come to the temporary assistance of the coal industry. Mr Hartshorn said recently in the House of Commons, in the course of a speech both illuminating and cool in temper, that the coal industry did not contain within itself the power to restore itself. The Court, though they do not say so directly, clearly have the same thought at the back of their minds. And yet it is a thought which must make any Government tremble, even one composed of Socialist Ministers. Men of all parties are willing to take over for the State, on fair terms, the ownership of coal underground—in other words, the right to be paid royalties for

it. But the State ownership of coal is one thing, and State working of coal mines another and far different thing. From the "temporary" assistance of the coal industry by some kind of subsidy to the nationalisation of the coal undertakings of the country, the step would be brief. The one would almost inevitably lead to the other, for the taxpayers would rapidly rebel against any system—however temporary it might profess to be—which placed the resources of the State at the disposal of a privately owned and privately managed industry. The more carefully guarded subsidies were, the more surely they would involve control, and control must lead rapidly and directly to national ownership. To this we may be driven, but let us, at least, keep our eyes clear, and realise whither any hasty move would lead us.

THE EUROPEAN WHEAT POSITION.

THE latest estimate of the International Institute of Agriculture, summarised in a later note, forecasts a substantially increased wheat yield in the coming cereal year. The moment is opportune, therefore, for examining the question of Europe's potential requirements—i.e., the commercial as distinguished from the agricultural aspect of the matter. The grain trader bases his diagnoses on the experience of previous seasons, as indicated most conveniently by published returns of imports and exports. He classifies the countries of the world, for his purpose, according as they are on balance importers or exporters of his commodity. Thus, in Europe, the British Isles, Belgium, Holland, Sweden, Norway, and Denmark are invariably importers of wheat; the Latin countries—France, Italy, Spain, and Portugal—come somewhere near the border line, and although they usually find it necessary to import a small amount, can be broadly described as "self-supporting"; Russia, Roumania, Hungary, and Bulgaria were among exporting countries in pre-war days, but have so far scarcely merited that distinction since the war; while, lastly, the "new" States—Czechoslovakia, Yugoslavia, Poland, Finland, and the Baltic Republics are importers on the way to becoming self-supporting. We may examine each of these groups in turn.

The first named, which can conveniently be referred to as North-West Europe, includes one Great Power and five small States, and is a colossal magnet drawing to itself wheat from all over the world. It makes no serious effort to be self-supporting, but relies for its daily bread on the produce of its industrial exports. The wheat crops of North-Western Europe are somewhat above the average this season. Wheat is the most drought-resisting of the cereals, and has obtained striking benefit from the heat and light of June. The 300 hours of bright sunshine of a Canadian June are held by competent botanists to "make" the quality of the Canadian wheat, and Great Britain had 270 hours' sunshine last June. The gain to the British yield is probably half a million quarters, but the total area sown is too small for the effect on the wheat supply of the North-Western group to be very material. The probable position as regards the group is shown in the following table:—

NORTHERN EUROPE—IMPORTING AREA.

(Quarters—480 lbs.)			
	Needs.	Yields.	Imports.
British Isles ..	33,000,000	7,500,000	25,500,000
Belgium	6,650,000	1,650,000	5,000,000
Holland	2,975,000	575,000	2,400,000
Sweden	2,350,000	1,000,000	1,350,000
Norway	450,000	75,000	375,000
Denmark	1,605,000	750,000	855,000
	47,030,000	11,550,000	35,480,000

With wheat at 55s per quarter, and 35,480,000 quarters needed, some £97,570,000 will have to be found by consumers in North-Western Europe in the cereal year commencing September 1st next for payment to American, Argentine, Canadian, Australian, and Indian wheat producers.

In the Latin group of countries, France has long made spirited efforts to increase her wheat area. The veteran M. Meline has lately headed an Agricultural League, and

the Union Sacrée preaches independence of foreign breadstuffs as a matter of patriotic duty. This year, with an average yield per acre slightly over the average and 360,000 more acres under cultivation, it is hoped to limit wheat imports to 2,000,000 qrs, or, roughly, 4 per cent. of the whole. During the war ten to twelve million quarters were imported annually. Italy this summer has a really good crop. Spain and Portugal are constantly striving to do without imports. The extent of their wheat area should make the task very easy, but culture is poor. We sum up the possibilities in this group as follows:—

LATIN COUNTRIES—"SELF-SUPPORTING."

(Quarters—480 lbs.)			
	Needs.	Yields.	Imports.
France	43,000,000	41,000,000	2,000,000
Italy	30,000,000	28,000,000	2,000,000
Spain	18,000,000	17,250,000	750,000
Portugal	1,750,000	1,500,000	250,000
	92,750,000	87,750,000	5,000,000

We next come to four countries whose history has earned for them the title of "lost exporters." Their pre-war position may first be stated:—

LOST EXPORTERS—PRE-WAR POSITION.

(Quarters—480 lbs.)			
	Yields.	Needs.	Exports.
Russia	100,000,000	75,000,000	25,000,000
Roumania	16,000,000	11,000,000	5,000,000
Hungary	9,000,000	6,000,000	3,000,000
Bulgaria	5,500,000	4,250,000	1,250,000
	130,500,000	96,250,000	34,250,000

With this may be compared the following:—

PRESENT POSITION.

(Quarters—480 lbs.)			
	Yields.	Needs.	Imports.
Russia	50,000,000	51,000,000	1,000,000
Roumania	10,250,000	10,000,000	250,000
Hungary	7,000,000	6,000,000	1,000,000
Bulgaria	3,750,000	4,000,000	250,000
	71,000,000	71,000,000	1,250,000

Russia, as a whole, probably produces anything up to 98 per cent. of her total requirements, but as her Government is not unitary, and one allied Republic is not bound to sell to another, we have a position in which the Southern Soviets may be selling wheat for export, while Central and Eastern ones are buying flour for import. Hungary seems to be reasonably well fed, but Russia, Roumania, and Bulgaria are undoubtedly under-supplied. Roumania's record, considering her extended agricultural territory, is disappointing.

The "new" countries of Europe are making praiseworthy efforts to feed themselves. Although none is primarily a wheat country:—

THE NEW COUNTRIES.

(Quarters—480 lbs.)			
	Yields.	Needs.	Imports.
Czechoslovakia ..	5,000,000	5,500,000	500,000
Jugoslavia	8,000,000	6,500,000	1,500,000
Poland	4,500,000	5,500,000	1,000,000
Finland	100,000	850,000	750,000
Baltic Republics...	750,000	1,500,000	750,000
	18,350,000	19,850,000	3,000,000

All the five States show improved areas and better yields since the war. Czechoslovakia finds malting barley and beet sugar pay better than wheat, but none the less aims to dispense with wheat imports. Poland exports rye and potatoes on a really large scale, but is buying fertilisers and striving to grow more wheat to the acre. Yugoslavia already exports wheat, and Italy competes with Greece for the surplus. The Eastern Baltic peasant proprietors are handicapped by the difficulty of growing wheat on a sufficiently large scale to make its culture a paying proposition, but they are very thrifty, and live mainly on rye bread.

This survey may be rounded off by considering the position of Germany, Austria, and Greece. Germany, after the very bad crop of 1922, reckoned at 9 million quarters, bought in all 5 million quarters, thus showing needs of 14 millions. After the good crop of 1923, put at 13 millions, imports were only 1,800,000 quarters. This would indicate a requirement of 14,800,000 quarters, a total which, allowing for usual replenishment after a time of dearth, is probably very near the mark. Austria usually

grows about a million quarters and imports another million, thus total needs of two millions is indicated. Greece is a curiously large buyer of wheat in proportion to her population of six millions. Imports are often 1½ million quarters, and consumption is quite three million quarters, despite the large use of barley for human food and of maize. Germany, Austria, and Greece together need on an average year 5 million quarters of imported wheat between them; but this does not exceed their pre-war requirements. Austria always absorbed wheat from Hungary, and Greece from what is now Yugoslavia. Greece also bought of Roumania.

In pre-war times Europe required about 47,000,000 quarters of wheat for regions not able to satisfy their own needs. Of this total, about 34 millions were drawn from areas between the Urals and the Atlantic, reached largely by rail traffic, and, even when ships were used, having to face the milder navigation of two tideless seas. To-day the whole of the 47 millions come from other continents. The effects of this change have yet to be fully appreciated. A few may be indicated. In place of "mineral" trains of 100 six-ton trucks, and of small vessels of 1,000 to 3,000 tons, great ocean-going ships of 5,000 to 12,500 tons are engaged in the wheat trade. Large quantitative arrivals are followed by pauses without supply, which makes for more violent oscillations. There is gain to Britain in the increased call for her shipping to bring wheat to European ports. The losses to the mid-European railway systems from the cessation of Russian and Roumanian transfrontier consignments have not been estimated, but must obviously be substantial. Finally, of course, "loss of propinquity" has ensued. To convey wheat from the Canadian prairie or the Argentine pampa is a much more formidable operation than to obtain it from the banks of the Lower Danube or the black soil of the Ukraine.

INDIAN FINANCE AND CURRENCY.

IN view of the impending appointment of another Indian Currency Commission, the Report of the Indian Controller of Currency for 1924-25 is of exceptional interest, and throws valuable light upon some of the problems the new inquiry will be expected to solve. With European conditions nearer normal, and Indian supplies of exportable produce ample as the resultant of the fourth good monsoon in succession, Indian exports in 1924-25—as has already been noted in these columns—established a new record. The agricultural prosperity, however, as Mr Denning remarks, "was not fully reflected in the demand for imported commodities, partly on account of the high level of prices and partly on account of the superior attractions of cheap gold and silver." With a consequent balance of trade in merchandise even more in favour of India than was recorded in 1923-24, liquidation was to a large extent effected, to quote the Controller's phrase, "by colossal imports of bullion; but in spite of this adverse influence, exchange rose steadily during the first half of the year, and remained fairly stable in the neighbourhood of 1s 6d for the last six months of the year. This improvement in the value of the rupee and the progress made in restoring disordered exchanges of the world have established a confident feeling that the time is not far distant when it will be possible to stabilise the rupee and place the Indian currency system on a sound permanent basis." Meanwhile, the Indian Finance Member, in public declarations, has not concealed his own conviction that the present ratio of 1s 6d should be accepted as the statutory ratio. Addressing the Indian Chamber of Commerce at Bombay early in July, Sir Basil Blackett declared that he was unable to agree that, so long as a considerable raising of prices all round must inevitably result, anything would be gained by an attempt to lower the ratio to 1s 4d, whether it is done suddenly or by gradual stages. It is not only (he added) prices of imported goods, or prices of goods such as wheat and rice, having a world price which are affected by exchange, but all internal prices, whether connected with or

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entirely disconnected from imported goods or goods having world market, necessarily tend to move up and down in accordance with the value of the counter which is used as the medium of exchange. In the current year Sir Basil not only anticipates exchange adhering to its present level (not rising above 1s 6½d), but holds that Government reserves are ample to prevent any variation from this ratio.

In view of the dominating influence at present exerted by Government operations and remittances, this claim is probably well founded. Government remittances average £2½ millions a month; but, in addition, recourse will be had, if necessary, to the large resources of paper currency which were utilised so effectively a couple of years ago, and can—and will—be employed again in analogous circumstances. The prophecy may be added that, in the event of the new Currency Commission advising reversion to the 1s 4d ratio, it will be invited, in view of previous experiences, to detail the methods whereby its recommendations are to be carried into effect. In the case of the Babington-Smith Committee, it will be recalled, the Government of India accepted their recommendations without demur or hesitation—with consequences that are on record. The forthcoming Commission, it is being emphasised in India, will be expected to advise the Government of India not only what to do, but how to do it. The latter point is, indeed, pivotal. The statutory fixation of the rupee at 2s involved political as well as financial complications which the Government of India is naturally anxious not to see repeated. We may add that, the Indian demand for a Commission with an Indian majority having been refused, it is of peculiar importance that the non-Indian personnel should inspire complete confidence, not only here, but in Calcutta and Bombay.

The present strength of the Indian exchange derives from the coincidence of large exports at a time when merchandise imports—allowing for the effect upon total values of the present level of prices—are on the smallest scale known for many years. It is difficult to conceive either piece-goods or other merchandise imports into India falling appreciably below last year's level, though Lancashire exports, unless a bumper cotton crop facilitates a lower level of prices, may, in the current year, show a small decline. The Controller of Currency notes it as rather remarkable that in a year when exchange was consistently strong and the gold value of the rupee increased by 18.9 per cent., the visible balance of accounts should be against India (—Rs. 47 lakhs, compared with plus Rs. 53.24 lakhs in 1923-24), while in the preceding year there was a very large balance in favour of India. The large difference between the two years was due mainly to two factors—(1) there was a large balance in favour of India in 1923-24, which was left over for subsequent adjustment, and the strength of exchange and the large Government remittances between April and September, 1924, indicate that the adjustment was made in 1924-25; (2) the imports of treasure in 1924-25 were extraordinarily large, and not only were the stocks in the hands of the bullion dealers very heavy at the end of the year, but also private purchasers throughout India seem to have anticipated their demands for subsequent years to a large extent. In consequence a better idea of the present visible balance of India's international account is obtained by taking an average of the last two years, which shows a favourable balance of Rs. 26.38 lakhs.

Assuming that merchandise imports into India in the current year follow last year's standards, while exports remain undiminished the question of bullion purchases by India will prove of even more consequence than it did in 1924-25. In the latter period, India's acquisitions of gold and silver reached the unprecedented figure of Rs.98.42 crores. The import of this enormous quantity of bullion, and its distribution up country, had far-reaching effects. In the first place, these imports balanced to a large extent the large excess of exports over imports of merchandise, and, together with the large Government remittances, prevented the rate of exchange rising unduly. In the second place, bullion replaced considerable quantities of currency as a store of value, and the currency thus returned to circulation helped to prevent undue money stringency during the busy season. India's net import of gold in 1924-25 amounted to Rs. 73.78 crores, i.e., nearly double the net import in 1922-23, the previous record year. In the Controller's judgment, this extraordinary increase was due mainly to the agricultural prosperity following on four good harvests, to the high prices of the commodities on which the agriculturist usually spends his surplus, and to the low price of gold. There was a drop of Rs.4.7 per tola, or 16.9 per cent. in the price of gold in the course of the year, and during the latter part of 1924-25 the price was about Rs.2 per tola, or 8.3 per cent. below its pre-war level. In the same period, general prices were about 70 per cent., and the price of piecegoods about 170 per cent. above the pre-war level. There were other factors, some of which have now ceased to operate. To quote the Controller:—"The natural effect of the decrease in the price was increased by the uncertainty as to whether gold would continue to be so cheap. Exchange was two pence higher than it had been for many years previous to the war, and there was a considerable doubt as to whether it would remain at 1s 6d or return to the pre-war figure. Moreover, there was also the possibility of a reaction in the dollar sterling exchange. As a result there was a general belief that the price of gold could not go much lower, and might go higher, and this belief undoubtedly contributed very largely to the demand for the metal. From reports received from various parts of India, it appears that most people who had surplus cash invested it in gold, and that almost every family, in which marriages were likely to occur during the next year or two, took the opportunity to lay in the necessary store of gold while it was cheap. It is probable, therefore, that India's requirements for gold for the next year or two have to a large extent been anticipated, and, if the price of gold remains at its present level, the normal annual import will probably be considerably smaller than the import during the year under review." The wide significance of this statement, in view of the British reversion to the gold standard, needs no elaboration. (It may be noted, in parenthesis, that of the gold imported by India last year, 23.02 crores derived from the United Kingdom, 23.47 crores from Natal, and 20.2 crores from the United States.) It remains to be seen, in relation to the Indian exchange, whether the predicted drop in bullion purchases will be compensated, and offset, by corresponding increases in imports of merchandise. Otherwise the natural tendency of the rupee will be strongly upwards, the principal counterweight being Government remittances, partly to meet immediate expenditure, partly through the Paper Currency Reserve, as an exchange transaction *per se*. Our information is that the Indian Finance Department entertains no doubt whatever of its ability to prevent violent fluctuations, notwithstanding the anticipated decline in gold purchases.

As with gold, so with silver, Indian purchases last year established a record. The reasons given above for the abnormal imports of gold apply for the most part to silver, though the decrease in the price of the latter metal was less marked. Of the total gross imports of silver (Rs.24.28 crores), Rs.5.28 crores came from the United Kingdom and Rs.14.09 crores from the United States of America. It is explained in the official analysis that the large increase in the direct imports from America is due to an arrangement between the two large British shipping companies by which the through rate of freight from New York to India is cheaper than the total of the rates for the separate journeys from New York to London and London to India.

CREDIT INSURANCE. (FROM A CORRESPONDENT.)

"I AM ready," said Jurgen, "to taste any drink once." The Prime Minister, looking backwards and forwards along the row of prescriptions tendered by his various advisers for the restoration of British trade, can seldom be said actually to taste any of the drinks, but he is always ready to handle any drink once; to talk about it, look at it, and shake the bottle once; even to go so far as smell it once before he puts it back among its companions on the medicine shelf—a procedure that so far has not produced any great improvement in the patient's condition. One of his latest experiments is with the bottle labelled "credit insurance," which has been taken down from the shelf a good many times in the last few years, and is now to be submitted to another new Commission, which will no doubt hear evidence, examine the subject from every quarter, and when it reports, as it will in due season, leave the whole business in exactly the same position that it is in to-day.

It is probably true that the public mind, or, rather, that part of the public mind that takes any interest in such matters, has much the same feeling about credit insurance as it has about low temperature carbonisation, regarding them both as very clever, but deplorably technical, and hoping vaguely that one or other of them may do the trick in restoring British supremacy in the markets of the world. Coal experts, it would appear, are sharply divided in their opinions of low temperature carbonisation, and insurance experts certainly differ very widely in the value they place on credit insurance and the possibility they see of its future development, some of them ranking this kind of insurance very high indeed, while others look on it with grave suspicion, and refuse to consider it as within the legitimate scope of insurance business. To the layman this contradiction of opinions is naturally confusing, and it may be of some service to set out and compare the different views and the arguments with which they are supported. Broadly, it may be said that there are four schools of thought.

(1) That credit insurance with the right kind of help can be developed along the present lines to become one of the great factors in restoring our foreign trade.

This is the view of the enthusiast who believes that loss by bad debts is as much an insurable risk as loss by perils of the sea, loss by fire, loss by burglary, or loss by death. The man of business, he argues, has many risks to face, against some of which he can protect himself by insurance, some of which (such as defects in his own judgment) he must run himself. Past experience proves that in the first class of risk—the risks that insurance can lift off his shoulders—are fire, shipwreck, &c., which any prudent commercial man can place on the broad shoulders of his insurance company or underwriters. There is no reason why the risk of bad debts—no less serious, but at the same time no less calculable, than the other risks—should not, in part at least, be put on to the shoulders of an insurance company; and there is no reason why the business man of the future should not look as naturally and spontaneously to the credit underwriter for protection as the business man of to-day looks to the marine underwriter and the fire insurance company. The main difficulty, as the world is at present constituted, is the political risk—the danger of some political catastrophe wiping out the credit of a whole section of a continent and rendering whole populations in some sense insolvent. It is beyond the power of any company to take that risk wholesale, just as it is beyond the power of a fire company to take the earthquake risk wholesale in Japan; but what private enterprise cannot do State enterprise can, and for a consideration Government may run the political risk in much the same way that it ran the submarine risk and the Zeppelin risk during the war. That is the view of the convinced believer in credit insurance.

The second, and directly opposite, view may be expressed as follows: (2) That credit insurance is unsound because it tries to do by insurance the business of the banker, and by a process of natural selection gets the banker's leavings.

This is the view of the sceptic, and the ranks of the sceptics were probably swollen by the unfortunate scandal which centred round a reckless—indeed, a fraudulent—experiment in credit insurance attempted since the war by one unhappy underwriter. The details of that unsavoury episode need not be revived, but the impression left on the minds of those who had most to do with clearing up the mess was that people who have security, people who can reasonably be given credit, get what credit they deserve from the banks, and it is only when the security is exhausted and the credit unsatisfactory that they turn for help to an insurance policy. Some of the great banks, it is true, have shown a certain sympathy with credit insurance by taking shares in the chief credit company, but though they are themselves the greatest experts in credit, and have better means than any outsider of judging the amount a man is good for, they do not touch the business of credit insurance directly, and will only go into it by an investment of limited liability which, whether it fails or prospers, can make no material difference to their fortunes. It may be convenient for the banks to have an outside organisation ready to prop up a customer's credit, but this particular kind of chestnut ought to be pulled out of the fire by the expert banker, not by the expert insurance manager. That is the view of the sceptic.

The timid view may be expressed as follows:—

(3) That credit insurance is unsuitable for a private underwriter or for a company constituted in the ordinary way, but may be successfully managed by a mutual concern.

This, if we read him aright, is the view taken by the author of a book recently published on credit insurance—"Commercial Credit Risks," by Mr A. H. Swain.* It is the work of a practical insurance broker who has devoted much attention to the subject, and especially to the criticisms of the current forms of credit insurance policy. Into the details of his criticism we need not enter here, but he argues with some force that an insurance policy which contains such stringent definitions and clauses as form the basis for the only successful form of credit policy, must be of limited value to the ordinary merchant; and, further, that a form of insurance which, after years of work and propaganda still attains to such small dimensions, must have in it some essential flaws which deter the ordinary man of business from making use of it. These flaws, he suggests, would be less noticeable in a mutual scheme such as is practised successfully in America, and if export merchants had at their service the kind of mutual club or society which they have at present for employers' liability, and which shipowners have had for years for their protection risks, the scope of credit insurance could be greatly widened and its value enormously increased. This argument in favour of a mutual scheme requires considerable development before it becomes convincing, and it is not easy without direct experience to see how the catastrophe difficulty and the difficulty of mutual suspicion and jealousy are to be overcome, or why a mutual club can give quicker, fuller indemnity than a private company.

The last view may be summarised as follows:—

(4) That credit insurance may be a convenience for some merchants, but can never be a vital factor in export trade or play an essential part in the restoration of our commerce.

This would probably be the view of most insurance brokers who have tried their hand at credit insurance and attempted to build up an account with their own clients. They are inclined to argue that the restrictions which are of necessity placed on the merchant, the difficulty of persuading him to accept cover on the only terms on which it can be granted, are so great that, in general, the time and labour spent on trying to develop the business are not repaid by the resulting profits. To this, of course, there are exceptions. People doing business in the disturbed areas of Eastern Europe, where the political risk is at its worst and credit at its lowest, will pay high rates of premium to insure the bills accepted by their customers; but the market for this kind of risk is naturally small, and the business for this reason is not easy to

* "Commercial Credit Risks." By A. H. Swain. (London) Sir Isaac Pitman and Sons. 5s net.

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place. At best, too, such insurance is spasmodic, depending on the inflated profits resulting from trade with an unsettled creditless country; and while the cover in the comparatively small quantities available may have some use as a starting-handle to get the engine of trade moving, it cannot, from the nature of things, be a permanent factor in the trade of a settled continent. Credit insurance, according to this view, has justified itself as a convenience in certain circumstances and to certain firms, but it will never be of greater value than that, never rank with fire, life, and marine insurance as one of the necessities of trade. It will continue as a luxury and a speciality, but never become one of the main tram-lines of trade, as was recently suggested by one of our minor political thinkers.

Among and between these different opinions the new Commission may form its choice.

THE SITUATION IN CHINA.

(FROM A CORRESPONDENT.)

EMERSON, in one of his essays, maintains that "there is a tendency in things to right themselves, and the war, or revolution, or bankruptcy, that shatters a rotten system, allows things to take a new and natural order." Comforting as this doctrine may seem to the Western mind, its application to the course of events in China is doubtful, for things Chinese are invariably contrary to our accepted notions. It is fourteen years since the decrepit, but by no means impotent, Chinese Empire was overthrown, but no new and natural order has been evolved from the confusion which ensued. The Republic, which was inaugurated with so much pomp, has been a sorry failure, and gradually China has drifted into a state of anarchy. The crisis which has now been reached has many conflicting circumstances, but fundamentally it has been brought about by the absence of any effective control on the part of the Peking authorities. The anti-foreign movement shows no signs of abating, and the future for foreign trade is full of anxiety. The more responsible Chinese no doubt realise the folly of allowing the discontented elements in the Treaty ports full rein, but mutual distrust and fear of physical violence stand in the way of any concerted measures being taken to restrain the mob.

The problem facing the foreign Powers is a difficult one, for it is no simple matter to call to order a nation of 400 millions, and galvanise an enfeebled government into action. Nor will the task be rendered any easier if there are dissensions amongst the Powers as to the course to be pursued. The suggested policy of calling a Conference is sound enough, but it would be advisable to postpone consideration of the subject of tariffs, for until the channels of trade are secured the adjustment of customs duties is of little more than academic interest.

An example of the helpless position into which foreign importers and Chinese dealers have drifted is shown in recent correspondence exchanged between the Hongkong General Chamber of Commerce and the Chinese Piece Goods Guild. The latter, representing all the principal piece goods dealers in Hongkong, appealed to the Chamber for assistance in facing a situation "wholly un-

precedented in the history of the colony," and asking for a six months' moratorium. In making out their case the Guild mentioned that "the militarists have commandeered practically every available means of transport in the fighting areas, making it totally impossible to deliver goods to the dealers in the interior"; and, further, "the depreciation of the subsidiary coins has gone from bad to worse, being 33 per cent. discount in Kwantung, while in Yunnan it is as much as 50 per cent., making it utterly impossible for the Yunnanese customers to remit money to Hong-kong in settlement of their accounts with the merchants in this colony."

To this appeal the Chamber replied, expressing their sympathy with the dealers, but denying that the situation was altogether unprecedented, and observing that stocks were not so heavy as to be unmanageable. The Chamber undertook to approach the Chinese banks, who had advanced their rates of interest from 8 per cent. to 12 per cent., asking them to ease the pressure upon native dealers, and to request the foreign banks to facilitate as far as possible extension of bills drawn on foreign importers by British piece goods shippers. Beyond urging its members to deal as leniently as possible with native customers the Chamber was prepared to do nothing further, and flatly declined to authorise the waiving of penalty clauses in the contract between importer and dealer.

In a subsequent letter the Guild reverted to the subject of currency difficulties in the interior, expressing their fear that the problem was by no means a temporary one. The Guild pointed out that "The minting and circulating of these base coins constitutes one of the primary means of the militarists or commanding generals to raise revenue with which to pay their troops. The more impecunious they are, the more apt they will be to resort to debasing the coins by adding more alloys to the silver..... The only time that we can hope to see the end of this disrupted state of affairs is the establishing of a decent and stable government in Canton. From all appearances, that hope remains as remote as ever." The Guild went on to observe that "the ruinous taxation, coupled with the depreciated currency and other attendant evils, have so reduced the purchasing power of the general consumers that, though the dealers would desire to sell their goods on longest possible credit, they could not elicit response."

The Chamber, in their final letter, expressed their agreement with the Guild's contentions, "which go to show conclusively that the deplorable situation in China is at the root of all the present trouble. Unfortunately, neither importers nor dealers can do anything to alleviate conditions which are entirely outside their province."

The situation presented by this correspondence, which closed two weeks before the riot in Shanghai, could be applied to any branch of foreign trade in China previous to the present stoppage. There are signs that the strikers are wavering and that business may be resumed in the near future, orders having been received within the last few days from both Shanghai and Hong Kong. Such business is, however, almost negligible, in view of the potential demand which exists in China and cannot be catered for so long as the widespread restriction continues. Foreign traders would probably be content to bide their time if there were any prospect of a thorough pacification of the country to prepare the way for commercial expansion. No foreigner or Chinese engaged in business can grapple with such a problem, the solution of which is undoubtedly a matter for the politician. But the politician must lose no time in getting to work, otherwise a market of vast possibilities will be lost to the world. It is unfortunate that the American and British Governments do not see eye to eye as to the course to be pursued in China. The American view that the question of extra-territoriality should be the first to be inquired into is no doubt put forward with the idea of soothing the inflamed feelings of the Chinese people, but it is hardly likely to arouse much enthusiasm outside extremist circles. The vagaries of justice in the Republic have forced the Chinese citizen of substance to invest his savings where they will be safeguarded by foreign law, and until China has a government that can protect its own people the foreign concessions will continue to be the storehouse and safe

refuge for the Chinese in times of trouble. Undoubtedly the paramount need is a stable government, and if the Powers would enlist the support and co-operation of the principal figures in Chinese political life, the remedy might be found without undue delay.

THE TANGANYIKA GROUP.

(BY OUR MINING CORRESPONDENT.)

THE recent activity in the shares of the Tanganyika Concessions is largely explained by the declaration of a maiden dividend; it is at the rate of 1s per share, and represents an interim distribution on account of 1925. Certainly, the shareholders have been called upon to exercise an exceptional degree of patience. The company was registered as far back as January, 1899, and in the meantime the price of the shares has been up to £26 10s and down to 14s. About the middle of 1922, it may be recalled, an issue of 10 per cent. preference shares was made at par for the purpose of enabling the company to take up its proportion of the Union Minière new capital. Until June, 1927, these shares are convertible (at one month's notice) into ordinary shares upon payment of 2s per share. For each of the first two years the interest was, in effect, mainly provided out of the carry-forward. In 1923 the company received in respect of its holdings in the Union Minière Company a total of 5,829,750f. This, taken at the exchange of 96.28 to the £1, represented £60,200; but after providing for administration expenditure and interest only £18,900 remained. The dividend called for £109,600. Last year's dividends on the Katanga holding—13,325,100f—are set out as equivalent to £138,700, giving a net profit of £99,750. Even this scarcely covers the preference dividend; still, on the present occasion, the payment of the latter only entails a small draft on the carry-forward.

The report and accounts of the Union Minière Company, a translation of which is appended, abound in points of interest. Progress is shown practically all along the line. The output of copper amounted to 85,570 tons, comparing with 57,900 tons in 1923 and only 18,960 tons in 1920. [The production for the first half of the current year totals 43,695 tons, as against 36,830 tons in the corresponding period of 1923.] Of cassiterite (tin ore) the production, at 690 tons, indicated a small falling off, operations being hindered by shortage of native labour. The production of cobaltic alloy was started in June, about 1,000 tons being turned out. Of radium 22 grammes were obtained, this quantity representing 80 per cent. of the world's supply. The collieries turned out 75,000 tons, an increase of 18,000 tons on the 1923 amount. A gross working profit was made of 111,715,400f, in place of 78,872,760f. Interest and amortisations absorbed respectively 17,732,400f and 15,762,730f, leaving the net surpluses at 82,341,800f and 51,031,630f. After the payment of 80f dividend for 1923, a balance of 4,456,000f was brought forward. The distribution of 135f for 1924 will leave only a small sum to go over. The portfolio has been increased to 33,305,800f, mainly by the subscription for additional capital issued by the Hoboken Metallurgical Works of Antwerp, which refines a large proportion of the company's products. A 50 per cent. interest is now owned in this concern.

Transport expenses representing—it is estimated—something like one-half the company's production costs, much importance attaches to the measures now on foot for the provision of additional facilities. Hitherto the company's imports and exports have passed either over the Rhodesian railways to Beira, or by way of the rivers, the Great Lakes, and the railway to Dar-es-Salaam, higher up the eastern coast of Africa. It has always been intended that the Benguella Railway from Lobito Bay should be extended to the copper field. A contract has now been made with a British firm to construct the balance of the line by about the end of 1927. Moreover, the completion of the Bas Congo Railway has also been put in hand. Important extensions to the Union Minière's treatment works are in progress, with a view to the gradual expansion of the copper output to 200,000 tons per annum within a period

of five years. A subsidiary hydro-electric power company is also on the tapis.

Thanks almost entirely to the inclusion of £118,500 profit on sales of shares and debentures, the income of the Zambesia Exploring Company last year jumped to £166,160. Of this the directors transferred £100,000 to reserve for general purposes, but especially against fluctuations in exchange. A dividend of 1s per share was paid in August last—in effect, out of the carry forward—on the strength of the profits made since the closing of the accounts. A further distribution of 1s 6d is now recommended. This will absorb the year's net profit, plus the surplus brought in. The company's investments figure in the balance-sheet at £615,000. On July 15th last the quoted investments alone had a value of £1,780,000. Outside gilt-edged stocks the principal holdings comprise 352,800 ordinary and 30,800 preference shares in the Tanganyika and £914,700 5 per cent. debentures of the Benguella Railway. The Tanganyika Concessions, of course, holds a controlling interest in the latter concern and in the Rhodesia-Katanga Railway. The two companies also hold between them the bulk of the capital of the Nile-Congo Divide Syndicate, which has prospecting rights granted by the Sudan Government over an extensive area. The most interesting discovery so far is a gold-copper deposit upon which extensive native workings exist.

Notes of the Week.

Cost of Naval Construction.—Details of the programme of new construction for which the Admiralty has obtained Cabinet approval are given in a White Paper issued this week.* The existing programme provides for progress on vessels under construction, provision for which was made in the 1925-26 estimates to a total of £6,708,567. If construction proceeds uninterruptedly, however, and accounts can be liquidated punctually, the Admiralty believes that the total expenditure may prove to be about £7,647,000, or about £939,000 more, and the amount remaining to be met in subsequent years will be £10,158,000, or £9,219,000 if the £939,000 is paid in 1925-26. The new programme contemplates, over and above this, the construction between 1925-26 and 1929-30 of nine Class "A" and seven Class "B" cruisers, 27 destroyers, 24 submarines, and various other craft, which will cost in all £58,000,000, of which £37,670,000 will fall on Navy Votes during the period. The total expenditure falling to be met year by year if construction proceeds uninterruptedly is:—

	1925-26.	1926-27.	1927-28.	1928-29.	1929-30.
Old programme	£ 7,647,000	£ 6,954,000	£ 2,197,000	£ 68,000	£ ..
New programme ..	527,170	3,724,000	8,526,000	11,997,000	12,896,000
	8,174,170	10,678,000	10,723,000	12,065,000	12,896,000

The extra £527,170 required for 1925-26 is to be obtained as to £447,070 by reduced expenditure in other directions, and as to £80,000 by utilising anticipated surpluses of appropriations-in-aid, while a Supplementary Estimate has been tabled to meet the net deficiency of £100. The Admiralty states further that in the light of all past experience it is reasonable to anticipate that payments will not fall due at the rate shown above, and a deduction of 10 per cent. or more over part of the programme will almost certainly be made in order to arrive at the estimates laid before Parliament in any given year. Even so, the taxpayer may be excused a certain amount of scepticism as to the possibility of squaring this programme with a progressive reduction in the total bill he will eventually be called upon to meet, despite the promised retrenching zeal of the Admiralty, Mr Churchill, a Cabinet Committee, and an outside triumvirate.

* Cmd. 2476. H.M. Stationery Office.

The Food Council.—In the House of Commons on Tuesday an announcement was made of the terms of reference and the names of members of the Food Council, appointed as a result of the recommendation of the Royal Commission on Food Prices in its first report. The new Council is "to investigate and from time to time report to the President of the Board of Trade on such questions as, by reason of complaints from persons interested or otherwise, appear to the Council to require investigation in the interests of consumers or traders, or are referred to them by the President of the Board of Trade, relating to the supply or price of articles of food of general consumption, and in particular the following:—Wheat, flour, bread, meat, bacon and ham, milk, butter, cheese, eggs, fish, fruit and vegetables, sugar, and tea." Lord Bradbury, who has accepted the chairmanship, will be assisted by eleven other members, three of whom were members of the Royal Commission, while one, the wife of a railway plumber, was a witness before the Commission, and sits in her capacity as a working housewife. Lord Bradbury stated on Tuesday that the main objects of the Council were to advise the Government on all questions relating to the production and distribution of food and to make public certain facts with regard to food prices. The Royal Commission had recommended that the Council should have statutory powers to send for persons and documents, and, if considered necessary, direct an inquiry into the trading accounts of the particular persons concerned. The Government, however, had decided that those powers should not at present be conferred. It was desirable that, if possible, there should be cordial co-operation between traders and the Council. He believed that information would be supplied voluntarily to the Council, and if there was any difficulty or if information was found to be inaccurate, it would then become necessary that such powers should be sought, and the Prime Minister had given a pledge that the Government would be asked to confer them upon the Council. If necessary, the question of trusts and combines would have to be tackled.

Germany and the League.—In a speech at Birmingham on Saturday, Mr Austen Chamberlain expressed some regret that the recent German Note was of such a character as to make a continuance of written interchanges, rather than personal conversations, necessary. That appears to be another way of saying that the Foreign Minister has comparatively little hope of seeing Germany admitted to the League in September, for further negotiations by formal Notes can at the best form only a penultimate stage, with something in the nature of a conference to follow, at which definite agreements can be struck. So far there has been no real discussion between London and Paris regarding the German Note. M. Briand has put his first impressions on paper and sent them to London, and Mr Chamberlain has done much the same for his French colleague's benefit. It is clear that, as usual, the French are the more exacting in their requirements, but no very serious divergence between the two Foreign Ministers has been revealed. The uncertain element in the whole affair is the extent to which the German Note was worded to meet the exigencies of public opinion at home. Is it, for example, politically impossible for Dr Luther and Herr Stresemann to carry their country into the League of Nations over the barrier which Article XVI. appears to present, or will they, having made their demonstration in public, be content, as part of a general settlement, or in the recognition of the manifest advantages League membership would confer, to come in without the kind of absolute reservation which the League Assembly would find it out of the question to accept? That is the sort of question which personal conversations between the Allied and German Foreign Ministers might settle in 10 minutes. It can clearly never be resolved by the written communication method. But despite signs that the negotiations are tending to drag, there is always the possibility that they may take a sudden turn, particularly since the evacuation of the Ruhr by the French and the new reasonableness of the Germans in the matter of the disarmament demands is creating an increasingly favourable atmosphere. If Dr Stresemann is really anxious, as he appears to be, to get Germany into the League, it will be easier for him to do it

by a sudden stroke at the eleventh hour than to embroil himself in long discussions which would give his opponents time to mobilise their full forces.

The Mosul Report.—The report of the League of Nations Commission on Mosul is now in the hands of the British and Turkish Governments, and is likely to be published at any moment. That is just as well, for speculation (with various inspired rumours in the Turkish Press as basis) on its contents is already rife, and the sooner the whole truth is given the opportunity of killing half-truths the better. What is certain is that the three commissioners who were appointed by the League Council to investigate the whole situation and report have produced no clear-cut recommendations as to the frontier line, and the task of actually delimiting the disputed boundary will therefore fall on the Council itself. The Council would, of course, have had in any case to give the final ruling, whether it merely endorsed proposals framed by its Commission or not, and it is to be noted that both the British and the Turkish Governments have undertaken to abide by the award. Both of them will be entitled to take part in the discussion of what that award shall be, but when it comes to actually adopting it neither of the interested parties has a vote. It appears, however, that a more important decision will have to be taken in Whitehall than in Geneva, for it is understood that the League Commission takes the not unnatural view that everything depends as to whether Iraq is to cease to be under British tutelage at the end of the four years contemplated in the Treaty of 1922, or whether the "administrative advice and assistance" at present extended by this country is to be continued for a longer period than that. It is quite intelligible that any body of commissioners should conclude that even though Iraq can make good its claim to the Mosul vilayet on ethnical grounds, it would be only asking for trouble to assign the territory to a State which could not defend it, leaving Turkey to walk in whenever she felt so disposed. In these circumstances the League Council will have a delicate enough task before it when it assembles at Geneva in September. The Turks have already been making an active propaganda against the Report, or what they believe to be the Report, of the League Commission. That is sufficiently characteristic of Turkish diplomatic methods to occasion no small surprise. But it is a little unfortunate that the *Times*, in an article which in almost so many words accuses one of the Commissioners of strong pro-Turkish bias, should seem similarly to be attempting to discredit the Commission's report in advance. That kind of weapon is better left to the Turks. This country has pledged itself to abide by the League Council's ruling, and whatever it is it may as well be accepted with good grace.

The Superphosphates Inquiry.—That the Government have decided not to put a duty on imports of superphosphate is not surprising in view of the several facts which emerged from the public inquiry. When the announcement was first made that the Board of Trade had given its sanction to the holding of an inquiry, the opinion was expressed in these columns that a case for protection would be very difficult to substantiate. The Board of Trade submitted the case to a Committee consisting of Sir Arthur Whinney (chairman), Sir Henry Rew, and Mr Arthur Hollins, and after a full inquiry the Committee have split to the extent of issuing two independent and directly conflicting reports. Sir Arthur Whinney came to the conclusion that the claim had been made out in terms of the Government's famous White Paper of February 3rd, but even he was not prepared to go very far in the recommendation of a duty. Against the applicants' demand for a prohibitive duty of £1 a ton, Sir Arthur Whinney held that no more than 7s 6d a ton should be imposed, and that for two years only. The other members of the Committee would not have any duty at all. Certainly, the evidence adduced by the superphosphate manufacturers' organisation could hardly have been less convincing. In the first place, the number of men employed in the industry was stated to be over 16,000, but it was

found necessary at a later stage of the inquiry to modify this total to the comparatively insignificant number of 5,000. Again, owing to statistical errors, the statement submitted by one prominent witness on behalf of the applicants was ruled out entirely. Even the slender argument for a protective duty which might have provided a basis for an appeal was carelessly presented, and so much admitted by the applicants' legal representative. But apart from this, it was made clear at the inquiry that improvements could be made within the industry, and that the cost of production could be lowered by closer attention to details of organisation, not only among producers, but in works management. The export trade in this product is now virtually non-existent, not because of unfair competition, but in consequence of the growth of manufacture in consuming markets. This is an obstacle which is met with in almost all branches of British export trade, as was clearly demonstrated in the recent report of the Balfour Committee on Industry and Trade. The effect of a duty would certainly have been to increase the price considerably to the British user, and even now current quotations for superphosphate are proportionately higher than for any other fertiliser, as compared with pre-war rates, without any such artificial stimulus. Here then would have been an industry employing about 5,000 men subsidised by another industry equally hard hit, but employing one million persons. It is an established fact that the acreage of land under cultivation has decreased during recent years, owing to the depression in agriculture, and any further burden, such as an appreciable increase in the price of an essential fertiliser, would have served only to accelerate this decline, and thus swell the number of unemployed.

The World's Harvest Prospects.—The July Bulletin of the International Institute of Agriculture indicates that cereal production in countries North of the Equator is likely to give better results this year than last. The situation is summarised, on the basis of the most recent available estimates, in the table which follows:—

PRODUCTION OF CEREALS.
(Million Centals of 100 lbs.)

Crops and Countries.	1922.	1923.	1924.	1925.
WHEAT.				
Europe (12 countries)	312.0	389.2	290.7	374.2
Canada and United States	760.4	763.0	680.9	626.8
Asia (4 countries)	243.2	244.1	238.8	226.2
North Africa (3 countries)	20.1	39.8	30.6	41.1
Total (21 countries)	1,335.7	1,436.1	1,241.0	1,268.3
RYE.				
Europe (11 countries)	181.2	204.9	142.7	211.2
Canada and United States	76.0	48.3	43.2	37.6
Total (13 countries)	257.2	253.2	185.9	248.8
BARLEY.				
Europe (11 countries)	137.3	148.0	103.6	107.4
Canada and United States	121.9	131.9	132.8	141.4
Asia (3 countries)	59.0	50.8	54.1	67.0
North Africa (3 countries)	22.0	45.0	35.8	41.3
Total (19 countries)	340.2	375.7	326.3	357.1
OATS.				
Europe (10 countries)	137.1	153.8	116.0	118.3
Canada and United States	556.1	609.6	631.4	572.9
North Africa (3 countries)	2.7	7.2	3.8	6.6
Total (15 countries)	695.9	770.6	751.2	697.8

As regards wheat, the table comprises only 70 per cent. of the aggregate production, and it is expected that a much greater increase over last year's figures will eventually be shown. The figures for rye are still more incomplete, Russian and German data being lacking, while the European figures include only 30 per cent. of the total barley crop, but in both cases a substantial advance on last year's results is anticipated. The estimated yield of oats (based on data covering about one-half of the whole production) shows, on the other hand, a decline of 7 per cent. as compared with 1924, and of 9 per cent. as compared with 1923. Prospects are, on the whole, quite encouraging. An analysis of the chief factors in the present European wheat situation appears in an earlier article in this number.

Workplaces—A 1921 Censal Experiment.—The latest volume of the 1921 Census of England and Wales * embodies the results of an interesting experiment, carried out for the first time either in this country, or, so far as can be ascertained, in any country in the world. An inquiry into statistics of *workplace* was instituted in 1921 for the purpose of furnishing assistance in connection with such problems as improved transport facilities for the workers, housing, and continuation schools—problems which are certainly no less pressing to-day than four years ago. The analysis of the daily tides of population movement between one area and another was also expected to provide material for inferences in regard to the day populations and the limits within which individual populations regularly expand and contract, of especial service to local authorities, tradesmen, and those who supply the material needs of these pulsating populations. The present volume consists of three tables—the first showing for each urban and each rural area of England and Wales its total population and the number of occupied persons over 12 enumerated in the district, the number of these who work outside the district, and the number of persons travelling to work into the district; the second table carries the analysis further, and shows for the more important movements, the districts to and from which the latter persons travel; while the third table shows for the principal towns (of over 20,000 population) the aggregate of the inward and outward movement, the net balance of the two movements, and a comparison of the night and day populations of the several towns. As would be expected, the largest total movements are towards the centre of London; the night population of the City of London being raised from 13,709 by a net inward movement of 423,006 persons to no less than 436,715 during the day; while the City of Westminster receives a net inward movement of 244,406 persons. The effect of these heavy movements results in the City of London having a day population nearly 32 times its night population, while the corresponding ratios for Westminster and Holborn Metropolitan Boroughs are 2½ and 2½ respectively. Amongst towns with more than 20,000 inhabitants (outside London), the following show large daily changes:—

Increases during the Day.	%	Decreases during the Day.	%
Walsand	24	Leyton	25
Stratford	22	Hornsey	25
Rugby	17	East Ham	24
Eaton	17	Hanwell	23
Hebburn	17	Walthamstow	22
Bedwellty	16	Sutton-in-Ashfield	21
Chelmsford	14	Edmonton	20
Chadderton	13	Southgate	20
Manchester	10	Newcastle-under-Lyme	20
Newcastle-upon-Tyne	8	Castleford	19
Luton	7	Mansfield	15
Derby	6	Eccles	14
Coventry	5	Salford	12

There are even greater percentage variations in smaller towns, though the numbers involved are naturally of less significance.

Industrial Disputes.—The Ministry of Labour presents, in the current issue of its Gazette, a series of figures showing the number of workpeople involved in industrial disputes causing stoppage of work in each of the years 1893 to 1924, together with estimates of the working time lost. Statistics are also given as to the causes, results, and methods of settlement of such disputes in the last 15 years. As this is the first occasion since 1913 that such a series of figures has been published, the statistics are of considerable interest. From the first table in the review it is possible to derive the following averages:—

	Average Number Involved.	Average Number of Days Lost.
1893-1913 (Pre-War)	380,000	8,750,000
1914-1918 (War)	630,000	5,400,000
1919-1924 (Post-War)	1,300,000	31,000,000

This summary illustrates the serious extension of industrial disturbances in the post-war period. The details on which it is based, however, show that the high figures occurred in the years 1919 to 1922. In 1923 there was a marked

* "Census of England and Wales, 1921: Workplaces." Obtainable from H.M. Stationery Office, Adastral House, Kingsway, W.C.2. 16s.

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decline in the number of days lost. In 1924 the loss of time was below the average of the pre-war years, and in the first half of 1925 the loss (950,000 days) has been considerably below the average. An important feature of the figures for 1919 to 1922 is that over 80 per cent. of the days lost were accounted for by only nine stoppages, and over 50 per cent. by the two coal disputes of 1920 and 1921. In considering the bare figures of the loss of time as a barometer of industrial unrest, therefore, it must be remembered that they reflect not only expansions and contractions from year to year in the amount of dislocation in industry as a whole, but also such factors as the development of trade unionism and the growing use in the later years of the strike weapon on a national basis. The statistics as to the causes of disputes indicate that during the last 15 years 69 per cent. of the workers involved were, on average, in disputes over wages questions. One value of this figure is that it enables a sense of proportion to be brought to bear on the disputes statistics as a whole. The average number of workers directly involved in disputes on wages questions in the years 1919 to 1924 was 935,000. The average number of workers whose wages were changed in this period was 6,100,000. The proportion of workers who had recourse to a stoppage of work was thus about 15 per cent. of those whose wages were actually varied. In the four years preceding the outbreak of war, for which corresponding figures are available, the proportion was 36 per cent. While, therefore, the figures as to disputes come as a timely warning of the serious results of industrial strife, they should not be allowed to lead to exaggerated conclusions which tend to detract from the value of the work of peaceful negotiation which is constantly being performed with success to avoid stoppages of work. The details as to results are not without significance. On average 19 per cent. of the workers involved gained their point, in 15 per cent. of the cases the employers were successful, and in 66 per cent. the result was a compromise.

Subsistence Wages.—A feature of wage negotiations of recent months which has a certain significance has been the tendency to alleviate the burden of low wages in certain industries in which, under the normal machinery for wage regulation, wages have become exceptionally depressed. The outstanding instance occurs in the coal mining industry, in which subsistence rates have been fixed in most of the principal coalfields, which represent the lowest amounts payable to any class of worker. These rates range from 6s 2d a shift in South Staffordshire and Salop to 8s 0½d in South Wales. In other districts specified amounts are granted to workers whose earnings fall below a certain limit. In the steel smelting shops allowances are

granted, in addition to the earnings yielded by the selling price sliding scale, ranging from 1s 2d per shift to those whose base rate is 3.10d to 2d to those whose base rates are 6s 6d to 7s. Another example of a slightly different character occurs at the blast furnaces and iron mines in Cumberland, where the normal earnings are determined by the selling price of pig-iron. To these workers a special bonus has been granted, over and above such earnings, which varies in accordance with changes in the cost of living index numbers. Other instances have also occurred where concessions have been made to all classes of workers in certain industries whose wages, as determined by selling prices, are abnormally low. In the tinplate industry in South Wales a special addition of 7½ per cent. is being paid on basis rates over and above the percentage warranted by the selling price of steel tin bars. In Cleveland the last reduction under the sliding scale for blast furnace workers has been waived, and in Northamptonshire reductions due in the wages of blast furnace and iron mine workers have been postponed, and spread over a period of six months. These instances differ in character from such general provisions as are contained in the railway, coal mining and other agreements, which specify certain limits below which wages generally are not to be reduced under the operation of arrangements for periodical adjustments. They represent in most cases the granting of additional amounts after wages have reached a point which the employers and workers consider to be the subsistence level. They are, in fact, definite attempts to satisfy the demands of the workers for a reasonable living wage, irrespective of the rate of wages which the economic position of the industry would normally warrant.

Rubber Market Petitions.—As a direct outcome of the recent excitement in rubber shares, the Stock Exchange Committee have been presented this week with three petitions dealing with the situation caused by the sudden accession of business in the rubber share market. The first of these petitions, writes a Stock Exchange correspondent, asked that the making-up day for rubber, tea and coffee shares should be made the same as that for mining shares; the second memorial counter-petitioned against this; and the third, presented by a small number of members, prayed that the tea share market should be left out of whatever legislation was made in the direction of altering the present state of affairs. Public interest is closely touched by the effect of the rubber boom, and these petitions deserve recognition as holding points of importance which go far beyond the convenience of brokers and jobbers in dealing. The pay day is now always a Thursday. Four times a year there are twenty-one days in an account, as, for instance, there is in the current settlement; the rest of the year is given up to settlements of fourteen days each. All of them end, as already mentioned, on Thursday. Mining contango day falls on a Monday; and the general contango day is Tuesday, in the alternate weeks. By Stock Exchange practice, which has become so deeply rooted as to render its abandonment practically impossible, the mining contangoes are now done, not on Monday, but on the preceding Friday. The petitions upon which the Stock Exchange Committee have been deliberating on Monday and Thursday in this week, arose through the suggestion that contangoes in rubber shares should be done on the mining day, that is Monday. The great objection is that if this were permitted, the carry-over would be pushed still further back, and start on the previous Friday in respect of the settlement that ended on the following Thursday. Although the preliminary contango day has established such a hold as to render it almost ineradicable, there is a good deal of quiet grumbling on the part of the public at the disability which this lays upon them of being unable to deal, except at a disadvantage, for cash after the Friday that precedes the following Thursday account day. If the rubber share market were to come under the operation of the mining rule, buyers of shares who wished to sell them before the account would have to do so by Friday at the latest, instead of being able to wait until the Monday in the same week as the account day itself. Experience shows that Saturday and Sunday, although the Stock Exchange is closed on those days, are of some consequence to business, in that they produce the largest number of

bargains on the Monday, transacted on any day in the week. If bargains in rubber shares had to be practically closed by Friday night in respect of the account which finished on the following Thursday, the public would have a legitimate grievance. Nevertheless, the fixing of the rubber market contango day for Monday would mean that the work of passing names, and other such transfer details, could be started on the Tuesday, thus enabling clients to receive their cheques for sales on Thursday if they deliver stock on that day. The last few Stock Exchange settlements have been particularly heavy in the rubber share market, with the result that on Wednesday, ticket day, it has been found impossible in many offices to get transfers prepared and sent away before Thursday, the account day itself. Numbers of deeds have been delayed, in fact, until Friday, or even the following Monday. This involves the public in delay, which may prove decidedly inconvenient to people who, having sold for a certain date, expect to be in a position to get their money on that date. It may be said that in any rush of Stock Exchange business that may occur, such delays are inevitable. It may be further admitted that the Government's contention of the probable temporary character of the recent rise in the price of raw rubber is likely to prove correct, and that, as rubber comes down in price, so will the excitement subside. This, indeed, it has already started to do during the present week, owing to sympathy with the generally dull conditions prevailing in the Stock Exchange as a result of the crisis in the mining industry. It is difficult for the Stock Exchange Committee to legislate for abnormal and exceptional times. Fresh rules, introduced in a hurry in order to deal with immediate difficulties, may lay a handicap upon business rather than prove a benefit to it when the market returns to calmer and more tranquil conditions.

South Africa's New Tariff.—Our Johannesburg correspondent writes:—Mr Plant, Professor of Commerce at the University of Cape Town, recently delivered an address on the Customs tariff of the Union of South Africa before the Economic Society. He pointed out that in South Africa the predominance of the Customs duties in the revenue systems of the Cape, after the beginning of last century, was due to ease of collection in a vast new country, where the population was scattered and the tax-collectors were few, and the partiality of the Administration for a system which left the public doubtful as to the actual weight of the burden they were carrying. With improvements in transport, trade increased rapidly during the century, and the revenue from Customs became the most important source for Cape Colony, and later for Natal, the Transvaal, and the Orange Free State. The percentage of total revenue obtained from this source immediately before and after the war was as follows:—

Year.	Customs.	Excise.	Income-tax.	Total Revenue
	%	%	%	(£'s millions).
1911-1912	26	2½	nil	17.37
1912-1913	26½	2½	—	17.44
1913-1914	29½	3½	—	15.98
1918-1919	27½	5½	20	21.91
1919-1920	23½	6½	17½	26.89
1920-1921	30½	4½	16½	29.68
1921-1922	17½	6	24	28.88

In the past 10 years the total yield of Customs duties has increased from £4,634,000 to £6,031,000, or from 15s to 17s per head of the total population. If, however, only Europeans are considered, the amount per head has increased from 70s 6d to 78s. The latter figures are only approximate, as allowance should be made for such part of the imports as is sold to non-Europeans. Taking them as they stand, however, the figures are higher than for other countries, and compare with 62.34 shillings for New Zealand, 55.16 shillings for Australia, 48.6 shillings for Canada, and as little as 13.53 shillings in the United States of America and 14.75 shillings in the United Kingdom. In South Africa a surprisingly small percentage of revenue is obtained from Excise, averaging since the war only about one-twentieth of the revenue. Viewed as a whole, the proposals for increased protection do not carry conviction, while a regrettable feature is the failure to recommend bounties instead of import duties, so that the prices would not have risen, and that

the public might know the cost involved in industrial aspirations. The burden as at present arranged will continue to fall on the mining and farming community, who sell their produce in the world market at the world's price. It is clear that the small white population of the Union does not afford an adequate market for the building up of large industries, and protected industries in South Africa have no hope of competing in the world market. Industrial development should take the form of working up of South African raw materials, and the rate of development will depend upon the efficiency of the methods employed and on the cost of production.

Balance of Payments in Argentina.—Mr Carlos A Tornquist has prepared a statement showing the balance of payments in Argentina for the economic year 1922-23. The various items are:—

DEBTOR.	Mil. \$ Gold.	CREDITOR.	Mil. \$ Gold.
Imports	846.0	Exports	767.0
Service of the Public Debt	52.0	Issues of already established undertakings	8.0
Service of "Odéus Hipotecarias"	6.9	New capital	15.0
Railway companies' dividends & interest	69.5	Convention with France and England—Interest	1.7
Earnings of other capital	32.8	Interest on foreign securities	2.0
Remittances & savings of foreign residents in Argentina	38.0	Sale of Argentine bonds	14.0
Expenditure of Argentine travellers in foreign countries	12.0	Expenditure of foreign travellers in Argentina	6.0
Argentine bonds repatriated	16.0	Decrease in gold stock	1.85
Convention with England and France—Increase of balance	0.8	Loans	15.1
Cancellation of loans	0.8	Foreign correspondents' and accounts	9.0
Decrease of mortgage capital	1.9	Balance	239.05
Total	1,076.7	Total	1,076.7

The account thus closes with a debit balance of, roughly, 240 million gold pesos, which is increased to nearly 264 millions when new loans placed and accounts opened abroad during the period are included. Deducting about 30½ millions for repatriation of Argentine bonds, &c., Mr Tornquist arrives at the final conclusion that the "national patrimony" of Argentina was reduced by approximately 233 million gold pesos during the year in question. This result, which can scarcely be called gratifying, gives rise to the following comment:—"Argentina still lacks a fixed economic-commercial policy. The economic state of the world..... obliges her, to-day more than ever, to defend and develop her production and her future as a nation. It renders it indispensable that she should fix the main lines of her economic evolution for the future, and co-ordinate Governmental action and productive activity. As a debtor country, her primary aims ought to be directed towards balancing her commercial interchange as favourably as possible, in order thus to accentuate her economic independence. This thesis ought to be the great guiding principle of all her economic life in the future." The soundness of these remarks will be apparent to all.

Swiss Finances and Exports.—A Geneva correspondent writes:—The Swiss Parliament in its last session approved the final accounts of the Confederation for 1924. The total deficit reached £1,739,124 (43,478,122f), while it had been estimated at nearly £2,520,000 (63 million francs). This improved result is mainly due to an increase in the receipts from Customs (+ £628,000), military tax (+ £180,000), post and telegraph service (+ £140,000), and to a reduction in the expenses of all Federal services. This result is the more satisfactory since extraordinary expenditure was last year very high, its total being £1,600,000 (40 million francs), including £400,000 for the electrification of railways, £1,800,000 for unemployment, £500,000 for the hotel industry, and £600,000 for helping the embroidery industry. That Swiss Federal finances have very much improved during the past five years is clearly shown by the reduction in the yearly deficit which reached £5,200,000 in 1914, £8,360,000 in 1915, £10,600,000 in 1919, and £8,720,000 in 1921, but which thereafter decreased gradually to £2,080,000 in 1922, £2,640,000 in 1923, and £1,739,124 in 1924. It is now expected that in 1926 there will be a surplus of between £1,600,000 and £2,000,000, which will be used

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for repaying the public debt according to the plan set up by the Finance Department. After a period of four years, during which Swiss exporters laboured under difficult circumstances, the economic situation so much improved that it was nearly normal last year. During 1924 foreign trade was very satisfactory; exports increased month after month, the adverse balance was reduced, failures totalled only 553 as against 677 in 1922 and 685 in 1923; the number of factories, for the first time since the end of the war, showed an increase, its total being 8,103 at the end of 1924, compared with 7,934 in 1923, and 9,316 in 1918, which was a record year; and the number of hands employed in those factories was 357,000 in 1924, as against 305,000 in 1923 and 400,000 in 1918. But since the beginning of the present year there has been a certain slackness in foreign trade; exports were £20,177,972 during the first quarter, or £1,433,307 less than in 1924, and reached £6,588,727 in April, or £186,175 less than in April, 1924. It is true that they suddenly leapt to £7,641,978 in May, or £992,762 more than in May, 1924, but this increase is only temporary, and resulted from the re-establishment of the McKenna duties in Britain. Statistics show that while Britain purchased a monthly average of £1,440,000 of Swiss goods during previous months, her May purchases amounted to £2,509,342, a surplus of £1,069,341, which nearly corresponds to an aggregate increase of £1,197,515 in the exports of Swiss watches, silks and laces. If we deduct the additional £1,069,341 exported to Britain, Swiss exports in May show a decrease of £800,000 compared with May, 1924. It is pretty certain that June exports will be much higher than usual, and that the greater part of them will have gone to Britain, but after July 1st there is sure to be a drop, so that, on the whole, the recent figures do not indicate any marked improvement in the general situation.

Bolivian Prosperity.—A correspondent writes:—The centenary of the Bolivian Republic, to be celebrated next month (August 6th), finds the third largest State in South America in a more settled and sounder condition financially than for some time past. The recent election to the presidential chair of Dr José Gabino Villanueva was carried through without the customary untoward incidents, and this, in itself, seems something of a triumph for a Latin-American republic. A skilfully balanced national Budget for the current year has been submitted to, and approved by, Congress, while the exchange remains steady at about 2.96 bolivianos to the dollar. While there has been an increase in internal funded debt (from 12,372,962 bolivianos, at the end of 1923, to 19,501,833 bolivianos at the end of last year), the floating and short-time debt, which is likewise wholly internal, has been reduced from 17,204,045 to 14,224,739 bolivianos. The greater part of the Bolivian loans raised abroad have been employed upon reproductive enterprises, mainly railways, and there is every reason to believe that in a few years' time the remaining part of these loans will be repaid without undue pressure of taxation, as

have others raised for similar purposes. The volume of older internal bonds has gradually been reduced by the operation of their sinking funds. The prosperity of Bolivia will undoubtedly be largely increased by the connecting-up of its chief railway system with that of Argentina, thus, for the first time, affording direct transportation to the Atlantic coast. The distance now separating the Bolivian and Argentine railway systems is less than 70 miles. The last link between Tupiza and La Quiaca (a distance of 66 miles) is being rapidly bridged. The Argentine part of the work, as far as Atocha, has for some time been completed. The cramped position hitherto occupied by Bolivia will soon be sensibly relieved. Although the Pacific Chilean ports of Arica and Antofagasta will still be used, it is the intention of the Bolivian Government to send as much of the export traffic as possible over the newly-made line. The Industrial Exhibition, to be held in connection with the Centennial, is also likely to bring to Bolivia a considerable number of foreign visitors, among whom it is certain that some will be impressed by the great mineral values of the country. These have not been developed to anything like the extent that is known to be possible. The demand for antimony from the mines of Bolivia has recently been unprecedented, owing largely to the temporary cessation of supplies from China. Further capital is also being placed in the great mining districts of Potosi and Oruro, through which the new railway to the Atlantic coast, with its terminus at Buenos Aires, will pass. Great Britain stands still at the head of Bolivia's export trade, while from this country considerable shipments of iron and steel, machinery and cotton goods proceed.

Anglo-Dutch Results.—It is a pleasure in these days to see the accounts of an important company presented in a lucid manner, and in such detail as to enable shareholders to ascertain both the exact financial position of their undertaking and the measure of progress achieved from year to year. In this respect the directors of the Anglo-Dutch Plantations of Java are to be congratulated in setting a much-needed example to those of other enterprises. The outcome of operations for the 12 months to December 31st last will be seen from the following table:—

	1918.	1919.	1920.	1921.	1922.	1923.	1924.
Share capital.....	£1,285,780	£1,285,780	£1,330,170	£1,330,170	£1,330,170	£1,330,170	£1,330,170
Loan capital.....	..	..	..	..	..	149,918	500,000
Net profit.....	89,317	215,350	147,186	116,556	231,653	233,735	242,540
Brought forward.....	71,937	58,311	48,475	50,898	51,644	109,581	111,696
Available for distribution.....	161,254	273,661	195,661	167,454	283,297	343,316	374,235
Paid in dividends....	102,943	235,187	144,763	115,810	173,715	231,620	251,753
Rate per cent.	8	17½	10 on old shares 2½ on new shares	6	9	12	13
Carried forward....	58,311	48,475	50,898	51,644	109,581	111,696	110,351

The recovery which has recently taken place in the price of rubber came too late to have any effect upon the results for 1924. The net profit, however, was slightly higher, the figure being £242,540, compared with £233,735 in 1923, so that with the sum of £111,696 brought forward the balance available for distribution was £374,235, compared with £343,316. Thus, the dividend was increased from 12 to 13 per cent., and the amount carried forward was £110,356. Since last year three estates have been amalgamated, and one new estate purchased, so that there are now 32 estates with a total planted area of 68,678 acres, compared with 34 estates of 63,439 acres in 1923. The total expenditure incurred last year on the estates and new clearings was £909,881, of which £472,693 has been charged to capital and £437,188 to revenue. This, however, does not include the purchase price of the Penggoeng Coffee Estate—namely, £11,179—which was satisfied by the allotment of 6,388 of the company's shares at 35s each. It is stated that the directors have entered into a contract with the General Rubber Company of New York for the sale of the greater part of the output as sprayed rubber for the next five years, the price received for delivery being the daily spot price for smoked sheet in London.

Obersea Correspondence.

FRANCE.—RETURNING CONFIDENCE—RISING STOCK PRICES—NEW ISSUES—PHOSPHATES IN MOROCCO.

(FROM OUR CORRESPONDENT.)

PARIS, July 28.

No better proof could be given of returning confidence in this country, owing to the recent marked improvement in the political and financial outlook, than the remarkable recovery of French Rentes during the past few days. Three per Cents, which dropped to 42.55 early in the month and remained there until last Wednesday, recovered half a point on the following day and closed last night at 50. All other gilt-edged issues show the same tendency, and Crédit National, Crédit Foncier, and industrial bonds have participated in the improved situation, as well as practically all other issues yielding fixed rates of interest. The improvement in the various issues of Rentes is shown by the following detailed table:—

	Lowest in 1925.	Closing Prices on	
		July 23.	July 29.
3 per cent. Perpetual Rentes.....	42.55	44.50	51.40
5 per cent. 1915-16.....	52.95	54.70	60.00
4 per cent. 1917.....	44.35	44.35	50.00
4 per cent. 1918.....	43.70	43.90	49.60
5 per cent. 1920.....	66.25	70.50	74.25
6 per cent. 1920.....	60.85	60.85	68.70

Much of this has, of course, been due to the manner in which the new issue of 4 per cent. Rentes, in exchange for National Defence Bonds, is being taken up by the public. Both official and private opinion agrees that the success of M. Caillaux's attempt to get rid of the floating debt may already be regarded as a foregone conclusion, and this has induced a revival of confidence and a firm belief that the remainder of the Finance Minister's plans for the restoration of the national finances will prove equally satisfactory.

Another sign of returning confidence is seen in the large increase in appeals for new capital during the month of June, the last for which the figures are available. The total new issues amounted to 664,200,000f (including both shares and debenture bonds), as compared with 413,800,000f in May, and 217,800,000f in February last. The detailed monthly figures are as follows:—

(In Millions of Francs.)			
	Shares.	Debentures.	Total.
January.....	195.2	34.6	229.8
February.....	156.5	61.3	217.8
March.....	320.7	40.2	360.9
April.....	192.76	121.24	314
May.....	351.26	62.54	413.8
June.....	394.8	269.4	664.2
Totals.....	1,611.22	589.28	2,200.5

The respective average monthly totals during the first six months of 1923 were 178,223,000f of shares and 401,000,000f of bonds, and in 1924 of 300,500,000f of shares and 103,300,000f of bonds. The large rise in figures for June was largely due to the Paris Gas Company's new issue of 100,000,000f in debentures, and those of the Courrières Collieries of 70,000,000f and of Pechiney of 50,000,000f. A number of other important issues are pending.

The growing importance of Morocco from the economic point of view is best exemplified, perhaps, by the remarkable development of the vast deposits of phosphates which the country contains. Corn, fruit, and even flowers—large quantities of which are sent to Paris every day by aeroplane—are among the principal exports, and successful experiments are being made in cotton-growing, for certain varieties of which the Moorish soil is well suited. The phosphate deposits, however, are practically certain to prove the greatest source of Moorish economic wealth, so far as the immediate future is concerned. The principal beds of which exploitation has been begun form a triangular mass, covering an area of some 750,000 acres, and are situated between Casablanca and the River Zem, at a point called Kourigha. The latest estimates place the

exploitable total of marketable phosphates in these beds at 25,000 million tons. Other enormous beds extend southwards to beyond Taroudant, and are estimated to contain a tonnage that can only be expressed in astronomical figures.

The Kourigha section, which is situated at an average distance of less than 90 miles from the port of Casablanca, began development in 1921, under direct Government exploitation. The area under exploitation contains several hundred million tons, and already a town of appreciable size, containing villas and habitations for native labour, has sprung up on the beds. The remarkable development of the undertaking is shown by the facts that in the first year, 1921, 8,000 tons were shipped; in 1922, 80,000 tons; in 1923, about 200,000; in 1924, over 400,000. This year the total output is expected to reach 600,000 tons. The world's total output of phosphates in 1924 amounted to 7,000,000 tons. This year, for the first time, the tonnage produced by France and her colonies and the protectorates will reach nearly 60 per cent. of the total world output, while it is certain to exceed this in the future. The French should therefore be regarded, unless other large deposits are discovered elsewhere, as likely to control the world's markets for this valuable product in the future. This control, it will be remembered, was held before the war by the Germans, who were able some years ago arbitrarily to raise prices against their principal customers, the American farmers, who were absolutely dependent on German phosphates.

A remarkable factor in the situation is that the Moorish phosphates are being directly exploited by the French Government, through its Office National des Phosphates. This is probably the only instance worthy of the name in which a great industry in raw materials or natural resources is being successfully carried on as a State monopoly. Not even the Russian Soviet Government can parallel the French phosphate industry in Morocco. The fact is merely one other that explains much that is obscure in regard to the motives for Socialist and other party in regard to the war in the Riff. The political policy in regard to the war in the Riff. The importance of the rapid development of the Moroccan phosphate deposits in connection with the effort that is now being made for the restoration of the French finances, and particularly in relation to the exchange value of the franc, need not be emphasised.

GERMANY.—TARIFF—FINANCES—COAL AND IRON INDUSTRIES—FOREIGN TRADE—BOURSE.

(FROM OUR CORRESPONDENT.)

BERLIN, July 26.

THE Tariff Bill seems likely to become law. The food duties, with certain modifications embodied in a compromise come to last week by the Government parties, have been accepted by the Trade-Political Committee of the Reichstag; and thereby the difficulties raised through the rejection by part of the Centre of the proposed minimum food duties has been overcome. The minimum duties on breadstuffs have been abandoned, so that these duties may—at least, theoretically—be reduced indefinitely in exchange for concessions from grain-exporting countries. The proposed minimum duties were 55 marks per ton for wheat and 50 marks for rye. The normal rates in the absence of treaty reductions were to be 75 marks and 70 marks respectively, as before the war. The latter remain. In exchange for the abandonment of minimum grain duties, the Agrarians have got considerable concessions. The original Bill provided for reduced rates of 35 marks and 30 marks on wheat and rye respectively until July 31, 1926; the compromise shortens this term until March 31, 1926. The Cabinet declares, however, that the normal 75-mark and 70-mark duties are too high to be put so soon into force, and promises that it will not impose them even if they are not reduced by treaty before the last-mentioned date. A clause of the compromise agreement enables this to be done. It empowers the Cabinet, "in case of pressing economical necessity," and with the consent of the Reichsrat and of a Reichstag Committee, to alter or abolish any duties whatsoever, and to impose duties on wares free of duty at present. The Opposition contends that this power involves a Constitutional change,

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and cannot be conferred except by a two-thirds Reichstag majority. For livestock the compromise fixes minimum duties for cattle and sheep, 130 marks per ton; for pigs, 145 marks. Both rates are much higher than the pre-war treaty rates.

The compromise enacts that the whole new "Minor Tariff" shall lapse on July 31, 1927, by which time the definitive revision of the 1902 tariff will presumably be put through. The temporarily reduced (also until March, 1926) duty on fresh meat is (per ton) 210 marks; bacon, 240 marks; lard, 60 marks; butter, 225 marks; margarine, 200 marks; canned meat, 400 marks; canned milk, 400 marks. The Customs receipts from breadstuffs, livestock, and meat are, after they are refunded by the Commissioner for Controlled Revenues, to be devoted to social and scientific purposes. The Left opposition to the tariff—in particular to the food duties—is very strong. The Cabinet is regarded as high Protectionist, and its willingness to reduce the "Minor Tariff" duties materially in exchange for foreign concessions is doubted. The treaty rates fixed lately with Belgium, which were negotiated on the basis of the "Minor Tariff," are mostly much higher than the treaty rates of 1914.

The conflict between Republic and States concerning the tax-yield subventions has not been allayed. The Finance Minister refuses to reduce the Republic's proposed shares, but has offered to guarantee the States 1,500 million marks from the sales tax yield. The Prussian Finance Ministry declares that the proposed reduction of Prussia's subvention from taxes means a deficit of 550 million marks. The Reichstag Taxation Committee has accepted the Government parties' proposal to reduce the sales tax to 1½ per cent., and the luxury sales tax to 7½ per cent., from present rates of 1½ and 10 per cent. respectively. A Socialist proposal to remove the sales tax from foodstuffs was rejected. The yields of the chief taxes in the first quarter of the financial year, as compared with estimates for the whole year, are:—

	April-June.	Financial Year.
	Marks.	Marks.
Income-tax.....	625,787,675	1,344,000,000
Corporation income-tax....	54,009,011	144,000,000
Property tax.....	67,179,970	376,000,000
Sales tax.....	370,709,195	1,260,000,000
Luxury sales tax.....	27,574,907	180,000,000
Capital transactions tax ..	38,807,135	198,000,000
Traffic tax.....	81,198,632	230,000,000
Customs.....	111,613,608	160,000,000
Tobacco.....	152,194,175	360,000,000
Beer.....	65,076,020	126,000,000
Sugar.....	60,864,967	231,000,000
Spirits monopoly.....	30,408,229	140,000,000
Wine.....	25,397,682	48,000,000

The total gross taxation receipts of 1,825 million marks (the Treasury account published last week gives nett taxation receipts after deduction of locally paid charges) is 311 million marks over receipts in the corresponding quarter of 1924.

The industrial situation outside the coal and heavy iron and steel branches continues to improve. Business is getting better in the electro-technical, farm machinery, and certain engineering branches. Unemployed on July 1st were 195,582 persons, showing a decline of 20,000 unemployed during the preceding half-month. The present number of unemployed is less than one-third of the number of February (593,000). The last trades union report shows an improvement of employment in the metal industries, taken as a whole. The depression in the heavy iron and steel branch, however, is daily more marked. Few orders

are being given, old orders have been withdrawn, delivery terms have been shortened (now about a fortnight for bars), and prices have declined. The scrap-iron market, which is a good index of conditions, is very weak. The Pig-Iron Syndicate reports dullness both in home and export trade, and it has reduced prices by up to 4 marks per ton, by 6 marks for foundry iron, Luxemburg quality. The employees in steelworks and rolling mills have given notice to terminate their agreement of last January, accepting the ten hours' day or three shifts per day system. The eight hours' day has been in force in iron-smelting since April, and the Economical Council has recommended that the compulsory eight hours' day be permanently enforced in all smelting concerns. The steel and rolling-mill employers declare that the increase in production cost which would be caused by a reversion to the three-shifts system would compel them to close down altogether. For exported bars only, 106 marks net is now being received, and even with the export bounty (paid ultimately by the employers themselves) the yield is only 118½ marks, although the higher price of 126 marks, ex works, charged at home does not (according to the manufacturers' statement) cover production cost. The price rebates to be granted by the Raw Steel Syndicate to manufacturers on iron consumed in manufacture of export goods have been fixed for the present at per metric ton, bars, 15 marks; hoop-iron, 7½ marks; wire rods, 12 marks; medium sheets, 7 marks; thin sheets, 10 marks; no rebate on heavy sheets. This will considerably help the engineering and other metal industries to compete abroad, but the home consumer of manufactured goods will pay correspondingly higher prices. The revival of the cartels and syndicates has made possible this kind of home exploitation and foreign dumping, and the cartels policy is being strongly criticised for monopolistic tendencies by, among others, the Reichsbank President, who holds that the whole price level could be reduced. The coal masters are negotiating with the Government for relief. They demand a prolongation of working hours, reduction of the social insurance burdens, and a new cut in railway rates. The last demand is opposed by the railways company on the ground of its liability for interest on Reparations bonds. The coalmasters declare that the freight reductions of May, granted in order to enable them to expel English coal from the coast, have proved inadequate. The output of Ruhr coal in June fell to 7,880,000 tons, against 8,400,000 tons in May. Exports of coal, coke, and lignite were 7 million tons in the first five months of the year, against 700,000 tons in the same months of 1924. Conditions in the whole Western "Heavy Industry" are highly unfavourable; and the present cartel and syndicate system of bolstering things up by reduction of output, differential prices, "fighting" freight rates, export bounties, and home exploitation, is not calculated to produce any lasting improvement.

The foreign trade report for June shows a new slight increase in the passive balance:—

(In Thousands of Reichsmarks.)

	Imports.		Exports.	
	May.	June.	May.	June.
Livestock.....	12,946	15,046	982	730
Food and drinks	292,712	344,450	40,175	34,357
Raw and half-manufactured foods	520,588	484,926	137,796	120,201
Manufactured goods....	167,101	164,766	549,049	530,436
Gold and silver	90,447	62,600	4,174	1,988
Totals	1,083,794	1,071,788	732,176	687,712

Imports in the first half of the year were 6,836.27 million marks, exports 4,132.09 million marks. Exports of most finished goods in June declined. It is an interesting question how much of the import surplus is due to export of coal, iron, motor-cars, paper and textiles at below world-market prices or even below production cost. These five classes are mentioned only because data concerning underselling in them has been much in evidence of late. Ultimately this question must be taken up in connection with Reparations transfers, although on the theory of Reparations dumping could hardly be objected to by competing countries.

The Bourse last week was again depressed, but there was

a marked recovery to-day, which mainly affected coal and iron stocks, the chief sufferers in the recent decline. On the 24th (*Frankfurter Zeitung's* index) a new low point of 74.12 was reached for home stocks, as against 74.76 one week earlier, and 111.37 on January 31st (100 at beginning of the year). There has been further foreign selling. The banks, which intervened with purchases a couple of months ago—as it appears too soon—have of late done nothing to support the market.

INDIA.—OVER-PRODUCTION OF COTTON GOODS— LOP-SIDED DEVELOPMENT—NEW ESSAY IN PROTECTION—TEA OUTLOOK—JUTE CROP.

(FROM OUR CORRESPONDENT.)

CALCUTTA, June 25.

WHILE Indian cotton manufacturers attribute current difficulties (including accumulation of stocks valued at eight crores of rupees) to official policy in retaining the excise duty while simultaneously maintaining exchange at 1s 6d, and the Indian-edited Press at Bombay lays at least equal stress on defects in technique and commercial management, a study of mill outputs suggests that at least a partial explanation of the present *impasse* must be sought in the rapid increase in production without any corresponding fall in prices, or, alternatively, any improvement in the economic position of consumers. That manufacturing prices are out of harmony with agricultural price-levels does not call for statistical demonstration; all the practical evidence required on that point being at hand in the reduced imports of piece-goods from Lancashire. A development less familiar to traders and manufacturers abroad is the rapid increase in the outturn in mill-made goods in this country. The following figures are in thousands of yards:—

	1913-14.	1923-24.	1924-25.
Grey and bleached—			
Shirtings and longcloth	292,487	443,847	525,526
T. cloth, domestics, & sheetings	128,988	68,075	77,742
Dhoties	284,769	399,214	458,404
Ohadars	69,870	58,003	61,614
Coloured piecegoods	291,845	503,920	588,078

From 1,164 million yards in the last pre-war year, Indian mills therefore increased their output by last year to nearly 2,000 million yards, imported piece-goods having dropped meanwhile from a pre-war average of 2,631 million yards to approximately 1,800 million yards in 1924-25. To the extent that indigenous manufacture has expanded, Lancashire exports, except on the remote chance of an early and substantial increase in the total Indian demand, may be regarded as permanently reduced. Labour and other difficulties notwithstanding, it may be predicted that as long-staple cotton growing increases, mill production of the finer qualities will increase almost concurrently. A glance at the growth in the production of coloured goods confirms the confidence thus expressed in the adaptability of the Indian industry to new demands.

Meanwhile production has undoubtedly outrun demand, necessitating, for a short period, either short-time working (some mills have already resorted to this policy) or lower wages, or both. This, at the cost of labour and other troubles, may meet immediate difficulties, but it ignores the main problem, which is to devise measures to the present low standards of agricultural productivity in this country, and therefore the purchasing power of the great body of consumers. Tedious and protracted as this solution may prove, it is the only one that really goes to the root of the problem that the cotton industry presents to us for treatment. An Economic Commission is forecast, and, provided its terms of reference bear primarily upon rural problems, one hopes it will be appointed, and will be composed of the ablest available authorities on rural economy drawn from every part of the world. A low level of demand is the primary obstacle to industrial development in India at this stage, as a close analysis of the position of such representative industries beyond challenge. The present cement factories, with a combined outturn not exceeding 600,000 tons, and imports less than a fourth of that figure, are compelled, in many cases, to close down for half of each year. There are other handicaps, but under-consumption stands first. The position of cotton manufacture has been already

analysed. With the aid of a high tariff *plus* a bounty, the Tata steel enterprise is showing a steady increase in output and sales, and is over its worst difficulties. In two years it calculates to produce at the rate of 400,000 tons of steel per annum; another works with an equal output would nearly exhaust the Indian demand. The lack of local demand is consequently an even stronger deterrent to the realisation of various steel projects than the immediate lack of adequate capital. In 1924-25, of 800,000 tons of pig-iron produced in India, 300,000 tons were exported. Export of Indian steel, in the event of new works outrunning Indian consumption, might prove more difficult. It follows that until Indian demand in many lines shows a vast expansion, industrial development must remain subject to limits so narrow as to debar exploitation of the advantages attached to large-scale production. In other words, the economic development of India is at present failing to preserve a healthy equipoise. Industries that may be described as premature births are being kept alive by highly artificial expedients; and industries that might be regarded as the natural offspring of Indian conditions are suffering from malnutrition if not positive starvation. A case of the latter description is sugar. Though a large producer, India last year paid Rs. 20 crores for sugar imported, mainly from Java, where State action has assisted to evolve a highly efficient industry. In India the Government Sugar Bureau is not even on a permanent basis, but lives, financially, from hand to mouth, a condition which greatly reduces its utility. Its officers, aided by small grants from factory-owners, have nevertheless evolved new types of cane which it is predicted "will completely revolutionise the sugar industry," subject only to a definite policy being planned for a term of years, an opportunity denied to the Bureau under the present administrative arrangements. This neglect of a semi-agricultural industry in favour of urban industries sustainable only by high tariffs offers a typical illustration of the empirical fiscal policies at present operative in India. The Agricultural Departments are financially starved, despite the large sum raised by special taxation of certain agricultural products. Thus the export duty on jute yields the Central Government a larger revenue than the cotton excise duty. The import duty on sugar last year yielded 6 crores of rupees. If the projected Economic Commission rectifies anomalies of the character thus indicated, it will render India an inestimable service, helping to revivify agriculture, thereby giving urban industries a more solid and wider foundation than can ever be obtained from tariffs, however high and however prolonged in their operation.

The Tariff Board has declined to recommend protection for the magnesium chloride industry, but favours an increase from 2½ to 5 per cent. in the tariff on imported inks in favour of the Hooghly Ink Co., a branch of three British firms, and at present the only firm in India manufacturing printer's ink on a large scale. The capital and control are wholly British, less than a hundred coolies being employed as labour. The printing and publishing trades opposed the application; and if paper mills are also to receive tariff aid, the burden of increased charges on these will be heavy.

Tea outturns, it is expected, will not greatly exceed those recorded for last season. The initial sales in Calcutta opened inauspiciously as regards quality and price, but there were technical reasons for the poorness of quality which hold the promise of a better standard as the season advances. An expert estimate of tea prospects placed at my disposal emphasises that while an early start with the 1925 crop does not necessarily mean a large crop for the whole season, it does mean a considerable increase in supplies in the near future. Labour remains inadequate, and checks larger production, despite every effort to tap new recruiting grounds, and secure fuller exploitation of old ones. A further increase in crops from both Java and Sumatra is probable, although not to the same degree as last year, and such increase may be counterbalanced by Ceylon, whose big jump of 20 million pounds last year was more than probably the direct outcome of an intensive two-year manuring programme. There is also the possibility of larger sales to Russia provided financial facilities can be arranged. In this case the danger of a definite shortage would again ensue.

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JAMES STEUART, Chief Manager.

Although the official forecast will probably show a much larger acreage allotted to jute this season, it will be necessary to make heavy allowances for the effect of excessive rains subsequent to sowing operations. A crop of 95 lakhs of bales would accord closest with expert calculations; as local mills require 55 lakhs, this would leave a considerably larger surplus than last year for export.

AUSTRALIA.—WOOL STABILISATION SCHEME.

(FROM OUR CORRESPONDENT.)

MELBOURNE, June 25.

A SCHEME for "regulation and stabilisation" of wool values was presented by Sir John Higgins at a conference of wool-growers at Melbourne on June 23rd. He explained that "stabilisation" is to be interpreted not as a method for the artificial fixation of prices, but as the means to minimise or eliminate as far as possible such price fluctuations as produce booms or slumps, which is to be accomplished through co-operation and co-ordination in collective marketing. He proposes to form a company, to be entitled British Australasian Wool Regulation and Realisation Association, Limited, or British Empire Wool Regulation and Realisation Association, Limited, to be registered with a capital of £50,000,000 in £25,000,000 interest-bearing wool certificates, and £25,000,000 shares of £1 each, the amounts of subscribed and paid-up capital being left blank in the draft. The shares are to be dividend-earning after a certain number of years at not exceeding, say, 7 per cent. per annum, and are not to be negotiable or transferable, except to members of the association or *bona-fide* producers of wool.

Apart from minor matters, such as freights, reconditioning of wool, dumping charges, and so forth, the principal part of the programme is that the association shall become the owner of the wool clips on an appraisalment under a Table of Limits based upon the statistical position of wool, including, amongst other things, world production (quantities and qualities), consumption, stocks (manufactured and semi-manufactured), purchasing power, fashions, &c., a deduction for contingencies being made. The first payment to the grower is to be made 14 days after appraisalment, the final at the close of the wool year, and the third payment (final, less deduction and expenses) when the whole of the clip for the particular wool year has been sold. Having acquired the wool from the growers, the association is to offer it for sale, with reserves to be fixed before auction sales.

In many respects the scheme is indefinite, and a number of questions are to be placed before Sir John Higgins to elucidate various points. As to its probable operation, the danger apparently is that in attempting to "stabilise" the market, a stock of unsold wool may be carried for more or less indefinite periods. On the other hand, if it is only intended to spread the selling throughout the whole of a season, but within the 12 months, it is believed that such an object, so far as it is judicious, can be effected by co-operation amongst existing organisations of selling brokers and wool-growers without establishing a great new organisation of a somewhat dictatorial character.

The scheme would not be a purely co-operative one amongst wool-growers, as it would involve obtaining the authority of the Commonwealth Government for the association to issue export licences, while in the early stages, at least, a financial guarantee from that Government would be required. In addition, Sir John Higgins considers

"that the Commonwealth Government would be warranted in asking the British Imperial Government and the Government of the Dominion of New Zealand and that of the Union of South Africa to co-operate and to contribute to a common guarantee." He states:—

"A stabilisation scheme which is beneficial for Australia is beneficial for the Empire, and particularly for those Dominions producing wool. It can therefore be logically held that in an application for a monetary guarantee the Commonwealth Government should consider the advisability of asking for an Empire guarantee, and can advance good and sound reasons why Australia should not be called upon to bear the whole load."

The circumstances under which the scheme was unfolded at the meeting on June 23rd did not require any immediate decision, and public discussion on its merits is only beginning.

ARGENTINA:—BUDGET AND BANKING—POST-OFFICE SAVINGS BANK—PUBLIC FINANCE.

(FROM OUR CORRESPONDENT.)

BUENOS AIRES, June 25.

ARGENTINE affairs during the past month have not suffered any appreciable change, the uncertainty ruling in respect of markets for her principal export products and the delayed recuperation of the exchange quotation for the Argentine dollar being reflected in business circles generally. Nor has the first month's session of Congress registered anything to warrant the hope that the business of the nation will be treated with the attention and urgency it undoubtedly demands, party interests being all-paramount, and the result deplorable, viewed from a Parliamentary standpoint. Fortunately for the Republic, the fact that Dr Alvear has gathered round him a Cabinet of able men working harmoniously together keeps administrative affairs moving forward, thanks to the expedient of Presidential Decrees; but inasmuch as this method of government is, strictly speaking, *ultra vires*, it becomes increasingly plain that a reform of Argentina's Parliamentary Customs and regulations is long overdue. Where this affected or real indifference to the business of the country more particularly clogs the wheels of progress is in the matter of the finances. The 1926 Budget estimates have been drawn up with an approximate total of \$626,000,000 paper; but inasmuch as the 1925 Budget still awaits discussion, and the slight probability of such discussion taking place is discounted by everyone, both this year's and next year's figures are looked on as mere academic statistics. Hence little attention is given to the proposal of the Government relative to the inclusion in the Budget receipts of contributions from the net profits of the Banco de la Nacion and the Banco Hipotecario Nacional. Yet both in principle and in practice this is a matter of the first moment, seeing that it renders the State directly interested in the financial result shown by these two most important institutions. To take, as has been suggested, the sum of \$1,500,000 paper from the 13 odd million dollars' profit of the National Mortgage Bank is practically feasible, the question of principle being omitted; but in the case of the Banco de la Nacion, with its widespread commitments and multiple functions, the affair must be considered from quite another aspect. The published net profits for the year ending December 31, 1924, were \$1,181,149 paper. Better than last year's figures, which were but \$644,000 paper, they are trifling in relation to the capital of the institution, which is \$153,017,260 paper, exclusive of the reserve fund, while the large sum standing in accounts which correspond to the phrase "bad and doubtful debts" has led *La Prensa*, the premier daily paper, and a journal admittedly without party bias, to publish a series of leading articles, wherein it concludes, solely by analysis of recent balance-sheets, that the Banco de la Nacion has, in effect, lost money during the past three years, and is only able to show its latest figures with a net profit thanks to reducing the amounts which ought rightly to be written off old outstanding debts. Without touching further on this very delicate yet most important subject, one may say that unless the confessed altruistic policy of the bank towards those of its customers who are in difficulties is counterbalanced by closer scrutiny

of its loans, not only as regards the morality of borrowers, but also in relation with the sum total of their capital responsibility, inclusion of the institution as contributory to the revenues of the Treasury is not desirable. The fullest publicity characterises the annual reports, and, indeed, the operations in general of the Banco de la Nacion, hence the only question at stake is that of the banking criterion to be adopted in the conduct of its vast and ever-expanding business.

Such publicity has not, unfortunately, marked the affairs of the Post Office Savings Bank, established in 1915 and recently the subject of Congressional investigation. The Report, signed by a large majority of the special investigatory Committee, calls for the immediate removal of the president of the Savings Bank, its complete reorganisation, a vote of censure on what it describes as the negligent conduct of the Minister of the Interior, under whose portfolio its affairs come, and the initiation of criminal actions against such of the employees as have been found liable to prosecution for what the Committee describe as gross defalcations. The innumerable charges and exposures made by the investigators cannot be detailed, even in the briefest possible manner, but some idea of the position revealed may be gathered from the statement that whereas in 1920-23 the results shown officially by the Post Office Savings Bank were \$214,000 paper profit, the Committee's accountants find, over the same period, a net loss of \$4,300,000 paper. "Books and balances have alike been systematically falsified"—the phrase is translated literally from the Committee's Report—and although the depositors have no reason to fear for their funds, since the nation is responsible for the assets of the bank, the disclosures make far from pleasant reading. At the same time, it is but right to lay emphasis on the manner in which this subject has been handled. Instead of being hushed up, as would have occurred a few years ago, the result of the inquiry has appeared in full in every paper in the country, and, once the dead wood is cut away, there is reason to expect that the proved utility of the Post Office Savings Bank to the general public of Argentina will result in its speedy rehabilitation, and that rapid expansion which is characteristic of this country when its convenience is thereby served. Incidentally, the discovery that the Post Office Savings Bank was taking money running into millions from private banking institutions, paying interest rates superior to those obtainable in the Banco de la Nacion, yet on occasion borrowing in haste from that institution to return such deposits at call, is held in some quarters to be an argument in favour of the proposed modification of existing legislation affecting the operations of banks, both home and foreign, working in Argentina.

Conditions in the local money market are easier for first-class business, though 6½ to 7½ per cent. for discount of trade lists and 8 per cent. for facilities in current account may still be quoted as the general rate. Deposit figures at the end of May showed a small decline when contrasted with the April totals, being some thirty million paper down on the published statistics, though these are at times subject to correction. Business in the city of Buenos Aires is not as brisk as it should be at this season, though the recent sharp cold has been of distinct benefit to retail dealers in dry goods. Failures, too, are heavy, which keeps the 1925 monthly average at over ten millions paper. There is a general feeling that Argentina should benefit greatly by the unrest still observable in other parts of the world, but it is certainly not realised that impoverished customers make bad purchasers, though home little by little to exporters. Further provincial loans on behalf of the provinces of Tucuman and Santa Fé, some ten million American dollars for the latter, and about eight million for the sugar province, the loan in this case to be guaranteed by earmarking a tax on the cane consumed. Interest at 7 per cent. per annum, and 3 per cent. cumulative amortisation, to be set aside every half-year, with 85 as the price to the bankers interested, are said to be the terms arranged. The Argentine provinces are financially autonomous, but it is felt in many quarters that this sudden determination to borrow abroad is not a thing to be encouraged, the proceeds of such loans being

applied to ends that are largely unproductive, and in no way calculated to improve the financial stability of the provincial Governments should present prosperity suffer a setback in the near future. The National Government's efforts to consolidate its finances, including the \$330,000,000 paper owing to the Banco de la Nacion, and likely to be converted into bonds amortisable in the space of 12 years' time, are too important even to run the risk of interference by sporadic forays on the international money market by the provincial authorities, whose chief interest is to obtain ready funds, leaving their successors to meet the amortisation payments and lament the leonine conditions under which the obligation was incurred.

Cereal shipments are still far from heavy, and prices have dropped considerably during the month, Buenos Aires spot quotations at date being as follows:—Wheat, \$13.45 paper the 100 kilos; linseed, \$20.15 paper; maize, \$8.95 paper. Shipments to date are 2,200,000 tons wheat, 1,100,000 tons maize, 440,000 tons linseed. The recent cold weather has helped to condition the maize, and better movement is expected shortly.

POLAND.—POLITICS—AGRARIAN REFORM BILL—FOREIGN TRADE—POLISH BANK—RELATIONS WITH GERMANY.

(FROM OUR CORRESPONDENT.)

WARSAW, July 20.

THE most important political events of recent weeks are the passing of the Agrarian Reform Bill by the Diet, and the understanding between the representatives of the Jewish parties and the Government. The Agrarian Reform Bill has been introduced under the pressure of the peasant parties, which were unsatisfied with the results of the agrarian legislation hitherto in force. The new Reform Bill makes it possible to expropriate the owners of large estates without paying the market price for the land. The indemnity can fall as low as one-fourth of the real value. In the negotiations which were conducted by the Minister of Education, Mr Stanislas Grabski (brother of the Premier) the Jewish minorities obtained very important political and economic concessions. The full details of these concessions are not yet known, but it is certain that they are characterised by a spirit of great toleration. The Jewish representatives, in signing the pact, have undertaken to give their support to the Polish State, and they have severed the connection with the other minorities (Germans, Ukrainians, &c.) which remain in opposition. Both these measures will exert a profound influence on the Polish party structure. They have undermined, in the first instance, the cohesion of the strongest party in the Parliament, the National Democrats. This party is a very heterogeneous group, composed of great landowners, peasants, middle-class representatives, &c. The party won the election, putting forward as a political programme the necessity of national unity. This, however, is not a sufficient tie for keeping together the different groups having a diversity of economic interests. The party by voting for the Agrarian Reform Bill has lost the support of the landowners who belong to this group. Though the Jewish pact has been negotiated by Mr Stanislas Grabski, a National Democrat, this measure has roused among the right wing of this party, headed by Mr Dmowski, a storm of indignation. In consequence, a change in the structure of the National Democratic party seems inevitable.

The great economic and financial difficulties which the Government has had to face since the beginning of this year have not subsided. The foreign trade statistics for April reveal a surplus of imports over exports of 93.1 million zlotys (imports, 182.7 millions; exports, 89.6 millions). During the first four months of the year the import surplus amounted to 272.2 millions (imports, 692.7; exports, 420.5 millions), as compared with an excess of imports of only 8.7 million zlotys during the same period in 1924. The figures given below throw much light on the change which has taken place since last year:—

	(Million Zlotys.)		Excess of	
	Imports.	Exports.	Imports.	Exports.
January-April, 1924	452.6	443.9	8.7	
" " 1925	692.7	420.5	272.2	

Imports have increased by 240.1 millions, while exports have decreased by 23.4 millions. During the first three months of this year exports were maintained on a higher level than in 1924, and it is only in April that this fall took place. Exports fell from 120.4 million zlotys in March to 89.6 millions in April.

In the position of the Polish Bank no marked improvement took place in June. The outflow of foreign currencies has not been stopped, as may be seen from the figures below:—

RESERVE OF FOREIGN CURRENCIES.			
(Million Zlotys.)			
End of December, 1924	269.1	..	27.0
" January, 1925	242.1	..	35.8
" February, "	206.3	..	53.1
" March, "	259.4	..	43.3
" April, "	216.1	..	43.6
" May, "	172.5	..	52.7
" June, "	119.8	..	

During the first six months of the year the reserve of foreign currencies held by the Polish Bank declined from 269.1 to 119.8 millions, or by 149.3 millions. In reality the outflow has been much greater, because in March and April the bank obtained the first instalment of the American loan of more than 100 million zlotys.

It would be wrong to draw from the figures given above the conclusion that the efforts of the Government to stop this process were without success. The returns of the Polish Bank show that the outflow of foreign currencies, which during the first ten days of June amounted to 26.3 millions, fell during the second to 19.1, and during the third to 7.2 millions. According to a statement made by Mr Grabski, this decline was due exclusively to the great foreign payments which were due in June by the Government. He expects that during the following months no further decline will take place.

The returns of the Polish Bank for July will show how far this optimism is founded. The Customs war between Poland and Germany, which is assuming a very acute form (new import prohibitions have been proclaimed by both Governments), makes all predictions very uncertain. It is impossible to arrive at any conclusions as far as these measures will influence the Polish trade balance. Will the decreased exports of timber, coal, iron, and other goods to Germany be offset by smaller imports from that country, or will the balance move in an opposite direction? This will determine to a large extent the state of the reserve of foreign currencies held by the Polish Bank.

Letters to the Editor.

EXPORT TRADES AND DEBT POLICY.

TO THE EDITOR OF THE ECONOMIST.

SIR,—It may be some little satisfaction to some people to know that some of our competitors, including the enemy whom we recently repulsed, are in difficulties quite as bad as, and possibly worse than our own. (For this conclusion can be drawn from the first "Survey of Overseas Markets," just issued by the Balfour Committee on Industry and Trade.) But it does not alter the fact that at the moment we are undoubtedly on the down grade. And as our position—a couple of small islands dependent upon the profitable sales of our products abroad for our daily food supply, also from abroad—is quite different from that of most of our industrial rivals who are self-supporting so far as food is concerned, we shall be wise to exert ourselves to the utmost to recover our former upward momentum.

In the *Economist* of the 11th inst. you recalled an old Free Trade "commandment"—"If thou wilt not import, neither shalt thou export." In the case of Great Britain, would it not be more to the point to say, "If thou can't export, neither shalt thou import thy daily bread, and thou shalt starve"? For this is the truth. And as the ability to export depends upon British goods being offered at a price which can compete with foreign goods, anything which tends to make British goods too dear to compete, is nothing less than a threat of starvation and disaster to the people of these islands. Will continued adherence to a fiscal system appropriate to world conditions of 50 years ago, help us in the peculiar conditions in which we find ourselves to-day?

One of the causes of the dearth of British goods to-day in the eyes of overseas buyers is our present crushing load of taxation—central and local—three to four times the weight of

the loads borne by our competitors. The chief item in the British load is interest on National Debt—roughly £300,000,000 per annum. There is at present only one way to lighten this interest, and that is to repay a portion of the principal. The £50 millions per annum which it is now proposed to set aside for the purpose would be adequate in normal times, but, I submit, is quite inadequate in the present crisis. Therefore I would urge the imposition as soon as practicable of a general import revenue tariff. Let every wholly manufactured article, and every luxury imported from overseas, pay duty. (A "luxury" might be defined as anything not absolutely essential for our daily life.) The proceeds of these revenue duties to be specially ear-marked for the repayment of National Debt. The repayments of capital and the savings in taxation would place large sums of money at the disposal of our export industries and overseas borrowers—British and foreign. We might be spared any repetition of the unpleasant spectacle of our own kith and kin having to go to New York to raise a Commonwealth loan.

The idea is not to introduce a policy of Protection, though a general revenue tariff, such as that now proposed, might have that effect to some degree. No doubt a portion of this new taxation would be paid by consumers in this country (there is plenty of money about), but not, as far as could be avoided, by the exporting industries; for it is the restoration of those particular industries to prosperity that is the first essential for our continued well-being as a First-class Power.

Is it too much to hope that even orthodox Free Traders would give support to such a scheme in the present grave emergency? After all, ability to adapt oneself to one's environment is Nature's test for fitness to survive. At present, nearly all overseas buyers of British goods are discriminating in what they will accept from us in exchange for the vitally necessary foodstuffs and raw materials which they sell us, and are thus, in effect, shaping our economic development as they find best in their interests, and not as may be best for the industrial population of these islands. Unless we now adapt ourselves to present world conditions, it is difficult to see how the British Empire can possibly survive.—Yours faithfully,

M. DE P. WEBB.

Sandgate, Kent. July 21st, 1925.

[Sir M. de P. Webb's plan is surely one which, by raising prices and costs, and provoking retaliation, will have precisely the opposite effect on our export industries than that which he desires to produce.—Ed., *Economist*.]

THE NEW PROTECTIVE DUTIES ON TEXTILES.

TO THE EDITOR OF THE ECONOMIST.

SIR,—On made-up goods the duties are as follows:—

- A.—Not exceeding 5 per cent. of silk, 2 per cent. duty.
- B.—Not exceeding 20 per cent. of silk, 10 per cent. duty.
- C.—Exceeding 20 per cent. of silk, 33½ per cent. duty.

Or, in other words, 95 per cent. of other textiles than silk in Class A, including labour, are taxed at 2 per cent.; 80 to 95 per cent. are taxed at 10 per cent. in Class B, including labour; up to 80 per cent. are taxed at 33½ per cent. in Class C, including labour.

Of course, a Chancellor of the Exchequer who knew anything about these things would have used the weight basis throughout instead of the present mongrel system. To be consistent, they should alter the proof gallon duty on spirits to an *ad valorem* duty on old brandies, wines, or anything but pure alcohol.

Imported into this country from France every season are large quantities of gowns, &c., made of Macclesfield silks, Manchester cottons, embroidered silk, coats and costumes made of Scotch tweed and West of England Saxony and other fine suitings, all of which will be taxed *ad valorem*. The duty may be sufficient to stop their importation, and the French will buy less of our goods, but we may lose the great advantage of Paris boosting our materials and exporting them all over the world, leading to further direct inquiries in England for copying purposes. This *ad valorem* tax will act as a protective tax, and all textiles in England will rise directly on account of the tax, or indirectly in sympathy with the direct rises.

The *Economist* Index figure for the end of June gives textiles at 1,234 = 247 per cent. increase on the basic figure as compared with cereals, meats, 177 per cent.; other foods, 234.7 per cent., and a total of 197.8 per cent. An *ad valorem* increase in textiles (a percentage of a highly inflated figure) will have a very considerable effect on prices—the per cent. increase being multiplied 2½ times, as compared to the basic figure. The productive wage-earner spends a large proportion of his wages on textiles (clothes, linen, carpets, linoleum, curtains, &c.). The effect on the purchasing power of wages will be considerable, and the effect on cost of production serious. Of course, the increased cost to the unproductive classes will be considerably more.

Increases on raw materials have far less effect on prices than increases on finished products, but even before this insidious protection was sneaked through the Budget after being

mandated against by the voter, our products were too dear to export because cost of production was too high. An economic production wage was too low to enable a worker to live, on account of the high price of food and textiles chiefly.

If the mineral men could only see that a reduction in cereals, meat, other food, and textiles is the only way to reduce their costs of production considerably by making the real value of wages higher and the demand for their products correspondingly greater, we should hear less of protection for the steel and iron industry, nor would Cabinet Ministers bemoan their loss of capital in industrial enterprises.—Yours faithfully,

50 Bald street, Liverpool.

J. J. E. SLOAN.

P.S.—As examples of this idiotic tax take the following:—
Example 1.—Fur coat, £1,000, without silk lining, sewing silk used to sew up skins 1s, tax £20 = to 40,000 per cent. on the value of the silk. If it is said we can do without these imports, we forget that the actual skins were bought at the international fur sales, London, from English brokers or merchants.

Example 2.—Blouse made of Irish lawn, embroidered 6s centimes of silk, total value 166f, duty 8d = to 512 per cent. on the value of the silk. Plus delay of three weeks in delivery to importer and an appreciable sum for clearing, &c. This is an actual case of my own.—J. J. E. S.

Books and Publications.

FAMILY WAGE ALLOWANCES.*

PROFESSOR PAUL DOUGLAS, of Chicago University, has done for American economic thought what Miss Eleanor Rathbone did for British economic thought a little more than a year ago, by the publication of "The Disinherited Family." His thesis is the same thesis as Miss Rathbone's, the same as that propounded by the well-known Australian lawyer and administrator, Mr Piddington, K.C. It is the thesis which lies behind the significant and rapidly developing family allowance movement of Continental Europe, and it is a thesis which should be by now familiar to the readers of this paper. Professor Douglas believes that the largest possible wage bill which modern industry can bear is, nevertheless (given our twentieth-century scruples regarding child labour), insufficient to secure the payment to every adult worker of a wage sufficient to provide adequately for a family during its period of maximum dependence. The moral, therefore, which Professor Douglas and his distinguished collaborators in other countries have drawn is that in future it must be made possible for industry to pay a family wage in cases where a dependent family exists, without being obliged to shoulder the burden of paying a family wage in those cases (at any given time actually a majority) where it does not exist. And, frankly, given the preceding premise, it is difficult to visualise any way out other than the frank recognition that a "living wage" is an impracticable ideal, or the optimistic belief that if we could do away with the capitalist system, the product of industry would leap to undreamed of heights. All our above-mentioned authors challenge the current conception of a "standard," or five-member, family as basis for the accurate calculation of a "living wage." They point out that such a living wage, even were it achieved (and they are agreed that it cannot be), would make grossly insufficient provision for a large minority of workers and their dependents, while at the same time providing a relative sufficiency for a small majority. And all of them offer as practical solution the introduction of a system of wage payment involving the approximation of the minimum basic wage rate to the needs of a childless couple, with the superimposition on that wage of a system of family allowances paid to the mother and proportioned to the actual number of her dependent children.

But, on what scale and by what machinery is this approximation of wages to family needs to be accomplished? There are, as Professor Douglas indicates, a number of alternative methods. There is the method of national family endowment: the partial assumption by the community of the economic burden of parenthood, by the payment of money allowances to mothers, or by the more extensive provision of public services for the sustenance of mothers and children. There is the method of the

* "Wages and the Family." By Paul H. Douglas. University of Chicago Press. 83. Pp. 290.

State-controlled industrial equalisation fund: an ingenious device for the pooling of family burdens over the whole field of industry, first projected by Mr Holman, of New South Wales, and embodied by him in his abortive "Maintenance of Children Bill" of 1919. Or, again, as a practical application of the foregoing principle, there is the method of the voluntary industrial equalisation fund, covering particular groups of firms organised on an occupational or on a regional basis: the method which, as described by Professor Douglas, is actually spreading like wildfire throughout Continental Europe under the initiative of the employers, and with the critical, but progressively more sympathetic, acquiescence of organised labour. Finally, and this last line of approach Professor Douglas leaves unexplored, there is the method of family insurance on a national scale, tentatively advocated in this country by Sir William Beveridge. Professor Douglas himself, and speaking for his own country, favours the spread of voluntary industrial equalisation funds, administered preferably by joint bodies representing both employers and employed. He tentatively advocates a regional basis for the grouping of firms, and the assessment of the employer's contribution to the fund according to the actual number of persons employed. He offers further undogmatic, but in all cases practical and well considered, suggestions for the framing of a concrete scheme, and concludes with the sound advice that the ideal moment for the introduction of the new system is during a period of rising prices and increasing wages, when that increase can be concentrated on the families without involving a direct cut in the existing basic wage.

Professor Douglas is to be congratulated upon having written a lucid and forcible treatise on a little-explored topic of burning and world-wide interest. Of special value are his earlier chapters, containing an analysis of current statistics of economic dependence, and an exhaustive statistical investigation into the capacity of American industry to bear the payment to all workers of a "living wage."

EDUCATING THE CONSUMER.

It is an oft-repeated truism that consumption, though the ultimate aim of all economic endeavour, is a neglected branch of economic study. Can we not go further and say that it is a neglected branch of human education? Man *qua* consumer is conservative, stupid, unenterprising, easily led by specious representations. Above all—and we have the authority of the Linlithgow Committee for the accusation—he is lazy. Too lazy to discriminate in the matter of quality and price. Too lazy to change his habits. In our own country, and as far as women are concerned, piecemeal attempts are made to meet this deplorable shortcoming through the medium of domestic science and housewifery courses. In the U.S.A., however, more ambitious proposals are on foot; and Dr Harap's recent book, "The Education of the Consumer," aims at providing a complete survey of the raw material out of which those engaged in the formulation of educational curricula may "select such units of content as are adapted to a particular age, sex, and local condition," whereby the young consumer may be instructed in the difficult art of "effective living." Thus the bulk of the book, indeed the whole of it with the exception of the first chapter, consists of a vast survey of the whole field of choosing, buying, and doing without, grouped under the headings of food, housing, household materials, household skills, fuel, and clothing. We are told what people, according to standard authorities, ought to consume. We are told what, according to carefully sifted statistics, they do consume. There are (and how could there fail to be?) some obvious gaps in the information presented. We are surprised, for instance, to find that in his discussion of food values Dr Harap omits all reference to a certain elusive factor with whose name current dietetic controversies in this country have rendered us only too

* "The Education of the Consumer." By Henry Harap. The Macmillan Company of New York, pp. ix + 360.

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familiar. To some people a section on food values which gave no guidance regarding the vitamin content of foodstuffs would be as a performance of "Hamlet" without the Prince of Denmark. But, all said and done, the book remains a positive mine of information, much of it relevant to the conditions of Great Britain, whose contemplation is likely to convince the most happy-go-lucky consumer that the business of getting an income is mere child's play as compared with the business of intelligently spending it.

BOOKS RECEIVED.

- Capitalist Enterprise and Social Progress.* By Maurice Dobb. (London) George Routledge and Sons. 12s 6d net.
- The Economic Consequences of Mr Churchill.* By J. M. Keynes. (London) Hogarth Press. 1s.
- The Story of Human Progress.* By Leo C. Marshall. (London) Macmillan and Co. 6s 6d net.
- Value, Price and Profit.* By Karl Marx. Edited by Eleanor Marx Aveling. (London) George Allen and Unwin, Limited. 1s net.
- The Tenure of Agriculture Land.* By C. S. Orwin and W. R. Peel. (London) Cambridge University Press. 3s 6d net.
- Reverse Councils and Other "Organised Plunders."* By T. S. Krishnamurthy Iyer. (Madras) Garesh and Co. 5s.
- Some Causes of the Present Stagnation of British Trade.* By R. G. Glenday and A. L. Please. Introduction by R. T. Nugent. (London) Federation of British Industries. 1s net.
- Résultats Statistiques du Recensement Général de la Population. Tome II. Population Présente: Résultats par Département.* (Paris) Imprimerie Nationale.
- International Crop Report and Agricultural Statistics, July, 1925.* (Rome) International Institute of Agriculture.
- New South Wales Statistical Register. 1923-24. Part III. Local Government. Part VI. Shipping.* (Sydney) A. J. Kent, Government Printer. 1s each.
- International Labour Review, July, 1925.* (London) George Allen and Unwin, Limited. 2s 6d net.
- Income-Tax—Tabular View, 1842-1926.* (London and Edinburgh) Oliver and Boyd. 1s net.
- City of Birmingham. Financial Statement, 1924-1925.* (Birmingham) Council House.
- The Nineteenth Century, August, 1925.* (London) Constable and Co. 3s net.

OFFICIAL PUBLICATIONS RECEIVED.

The following may be obtained from H.M. Stationery Office, Adastral House, Kingsway, W.C. 2:—
Department of Overseas Trade:—
Report on the Commercial, Industrial, and Economic Situation in Italy. March, 1925. 4s net.
Report on the Economic, Financial, and Industrial Conditions of the Netherlands. February, 1925. 2s 6d net.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET,
August 12.ACCOUNT,
August 13.

While the coal crisis has been the predominant factor in the Stock Exchange markets, other influences have also played their parts in determining the course of prices in particular departments. The Stock Exchange refused to believe that the coal crisis would be allowed to drift to the full extent of a lock-out, members holding that the consequences of such a step would be calamitous to industry throughout the country. At the same time, the uncertainty that prevailed had cast a dulness over most markets. On Tuesday afternoon a better tone supervened, owing to an impression that the lock-out would be postponed, but while this caused a brighter disposition to develop throughout most parts of the House, nervousness and apprehension remained. Business has been quiet; the rubber market is concerned with a much smaller volume of business than it has been called upon to handle of late.

Conversion 3½ per cent. stock proved to be the principal bellwether of the markets, the price fluctuating with remarkable rapidity for a gilt-edged stock. The War Loan gathered greater strength on the more favourable turn, which, according to rumour, the coal negotiations had taken, and several of the scrip stocks braced up, the gilt-edged market as a whole looking firmer than it has done of late.

French Government bonds recovered after being flat, while the French railway issues, which showed substantial rises last week, improved upon their prices in consequence of the satisfactory revenue statements published two or three days ago. Peruvian Corporation preference and Rio Tintos have both been in demand from Paris, although as soon as the French inquiry ceased prices showed an inclination to react. Mid-European bonds are steady to better, and Brazilians keep hard, Brazilian Tractions being noticeably good.

Home Railway stocks showed small gains, as bears came in to close their stock on the expected postponement of lock-out notices. Declarations from the four leading companies of their dividends, in respect of the half-year just finished, arrived this week. Market estimates in advance were cautiously bullish, and a decline in the North-Western rate caused a little surprise.

Argentine railway stocks have been better, and the market became coloured by the general disposition prevailing elsewhere. Cordoba stocks are a little lower, and Brazilians have hardly moved.

The rubber market went flat on Tuesday, on a fall to 3s 9d in the price of raw rubber, comparing with 4s 6d as its recent best. There was vague gossip, generally discredited, of a failure in the raw rubber trade, and people began to sell their rubber shares. The reaction was arrested by a rally in the price of the produce, but the market is sensitive, and hopefulness is more apparent than buying. Tea shares have gone back again. The oil market displays firmness. It is argued, once more, that if the coal-mining industry should be plunged into chaos, this will afford an excellent advertisement to oil. Moreover, the statistical position of oil is improving, and a number of rises have occurred in prices.

Courtaulds in the textile group spurted strongly on talk of a probable distribution of preference shares by way of bonus. Imperial Tobacco shares went back upon the interim dividend announcement being made without notification of the expected bonus issue of shares. The iron and steel market is not bad, considering the adverse circumstances with which it has been faced. Some of the shipping issues are better, more particularly P. and O. and Indo-China deferred. The banking, insurance, and financial issues show little variation. In the brewery group, the Watney dividend, making 17 per cent. for the year, met the optimists' anticipations, but brewery stocks as a whole are neglected, and so, too, are the shares of the stores and catering companies. Marconis were unaffected by the meeting. Sudan Plantations and a few other Egyptians tended to droop for want of attention.

The Kaffir market has been taking things very easily, holiday influences combining with the coal-mining excitement to check any disposition there might otherwise have been on the part of local supporters of Kaffir shares to take an active interest in their stocks. The Cape has also played passenger. Tanganyikas and Zambesias are outstanding features of strength, thanks to the recent dividend declarations. De Beers and Jagers strengthened when Paris came and bid for them. Malayan tin shares find no difficulty in recovering an occasional setback. Zinc and sulphide shares are still in demand from Australian buyers. Other base metal shares keep good as a whole. The remaining sections of the mining markets are left largely to their own devices.

NEW ISSUES.

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

Amount previously recorded.....	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
125,804,753	125,804,753	125,804,753	125,804,753	125,804,753

ISSUES OF THE WEEK—

NATIONAL SAVINGS CERTIFICATES.

NET RECEIPTS INTO THE EXCHANGERS WEEK ENDED JULY 25, 1925.

April 1, 1925, to July 25, 1925, £1,100,000	100,000	100,000
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To the Public—

Union of South Africa, £4,000,000 5% Inscribed Stock, 1945-1975, issued at 99½ per cent.	100,000	100,000	12,500	87,500
Glasgow Bonding Co., 100,000 8% Cum. Pref., £1, at par	10,000	10,000	10,000	..
Deberham's, Ltd., 10,000 Cum. Pref. Shares of £1, at par	10,000	10,000	10,000	..

The Loan is raised to provide funds for the redemption of temporary borrowings in connection with the redemption of £3,000,000 of Union of South Africa 4½ per cent. stock and debentures, aid off on July 1, 1925, and for the redemption of the share and debenture holdings in the New Cape Central Railway now being acquired.

Total offered to the public..... 110,000 .. 22,500 .. 87,500

To Shareholders—

Sir J. L. Eulett and Sons, £250,000 7½ 15-year Reg. Notes, at 98½	250,000	245,000	62,500	182,500
Badek Rubber Estate, 25,673 Shares of £1, at 50s	25,673	64,183	64,183	..
Bertam Consolidated Rubber, 244,897 Sh res of 2s, at 4s	24,490	48,980	48,980	..
Memakut Rubber, 30,000 £1	30,000	39,000	15,000	24,000
Takau (F.M.S.) Rubber Estates, 160,000 Shares of 2s, at 2s 6d	16,000	20,000	8,000	12,000
South Perak Rubber Syndicate, 6,679 Shares of £1, at 27s 6d	6,679	9,187	5,849	3,338

Total offered to shareholders..... 426,350 .. 204,512 .. 221,838

Total offered for subscription to date	Total offered for subscription for whole year
1925..... 126,441,103	1924..... 209,326,100
1924..... 127,788,204	1923..... 271,393,175
1923..... 200,663,567	1922..... 573,675,850
1922..... 498,315,387	1921..... 388,978,203
1921..... 143,196,781	1920..... 367,649,656
1920..... 262,301,986	1919..... 1,036,059,961

Union of South Africa.—This is an issue of £4,000,000 of 5 per cent. inscribed stock, 1945-75 at £99½ per cent. The stock is a trustee investment, and the loan is being raised to provide for repayment of temporary borrowings in connection with the redemption of £3,000,000 4½ per cent. stock and debentures paid off on July 1st last, and for the redemption of the holdings in the New Cape Central Railway now being acquired. The accumulated sinking funds for debt redemption are given at £12,351,000; in addition, debt to the extent of £18,436,000 has been extinguished. The stock is repayable at par on July 1, 1975, the Union Government reserving the right of redemption at par on and after July 1, 1945, on three months' notice. An excellent investment. The last issue made in London by the Union Government was in November last, when an offer of £8,000,000 5 per cent. inscribed stock was offered at 99½ per cent.

Lake View Investment Trust, Limited.—Particulars of this undertaking are advertised in accordance with Stock Exchange regulations. Issued capital £600,000 in 10s shares, in addition to which £250,000 of 5 per cent. debenture stock has been issued at £90½. The stock will be a first floating charge on the undertaking and assets. It is to be repaid at par on January 1, 1965, but the right of redemption at par at any time after January, 1955, is reserved by the company. It is stated that the net revenue of the company for 1923-4 was £56,387, and for 1924-5 £65,937, and the advertisement points out that the income is given only for the above-mentioned periods, because previously the company held a large interest in the Burma Corporation, then a non-dividend-paying security. This holding has been sold and the proceeds invested in good trust company securities. The annual service of the stock requires £10,000. The surplus of assets as at March 31st last was put at £826,461. As a floating charge the debentures lack definite security—at least, so far as we can ascertain from the published matter.

Glasgow Bonding Company, Limited.—Authorized capital £200,000, of which £175,000 has been issued, or is included in the present issue at par of 100,000 8 per cent. cumulative preference shares of £1 each. The company has been promoted to acquire an under-taking of the same name, which was formed in 1920, and whose principal business was the storage under bond of whisky, bottling of whisky, blending of whiskies, and the sale of specially blended whisky to the trade generally. After providing for depreciation, management expenses, &c., but profits for the year to May 31, 1923, are certified at £23,347, those for 1923-4 £29,823, and those for 1924-5 £44,298, against which the preference dividend requires £8,000. Net assets, including £27,792 for goodwill, are valued at £135,000. The company is interested in an industry which is booming, but a period of depression may follow.

Buloh River Rubber Estates, Limited.—Capital £80,000 in £1 shares, of which £70,000 has been issued. The company was incorporated on July 21st last to acquire a rubber estate in Johore of about 1,669½ acres, of which 1,550 acres are planted, and 588 acres are at present being tapped. The purchase price of £52,500 is payable in cash. No valuation is given of the properties in the advertisement, which is issued in accordance with Stock Exchange regulations.

Deberham's, Limited.—Authorized capital £15,000, of which £5,000 has been issued, £4,500 being in ordinary, and £500 in founders' shares of £1 each. This is an issue of the remainder of the capital, namely, 10,000 7 per cent. cumulative preference shares of £1 each, at par. The company was formed as a private undertaking in April, 1922, and was recently converted into a public company. The auditors certify that, excluding preliminary expenses, assets at March 31st last totalled £237,601, of which £218,243 was represented by investments. Total liabilities were £26,000. It is stated in the prospectus that the net profits available for distribution during the past three years have been as follows:—1922-3, £10,106; 1923-4, £14,237; and 1924-5, £14,673. The purchase consideration was £33,998, satisfied by the allotment of £4,498 in ordinary shares, £500 in founders' shares, and £29,000 in cash. The directors appear to display some reticence over the nature of their investments, and the amount of assets as compared with the modest capital of the undertaking will no doubt receive the careful attention of the shrewd investigator.

Chungloong (Kedah) Rubber Estate, Limited.—Authorized capital, £45,000, in 2s shares, of which 50,000 are issued and fully paid, and 350,000 are 6d paid. Particulars of the company are advertised in order to comply with the regulations of the London Stock Exchange Committee. The company has been formed to acquire a rubber estate in Kedah of about 873 acres, of which 588 acres are planted, but it is not stated what area is in bearing. On the basis of the profits for six years' output of rubber at a selling price of 1s 6d per lb and a cost of 8.4d per lb, the properties are valued at \$415,924, equal, at 2s 4d, to £48,524. This, however, can only be regarded as very much of an estimate. The purchase price is £35,000, payable in cash.

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

ACTIVE SECURITIES.

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

British and Colonial Government Securities.

War	Price	Latest	Rise or
4½, 1925-28	97½	97½	..
4½, 1925-46	95½	95½	..
5½, 1925-47	100½	100½	..
4½, 1925-48	100½	100½	..
4½, 1925-49	100½	100½	..
4½, 1925-50	100½	100½	..
4½, 1925-51	100½	100½	..
4½, 1925-52	100½	100½	..
4½, 1925-53	100½	100½	..
4½, 1925-54	100½	100½	..
4½, 1925-55	100½	100½	..
4½, 1925-56	100½	100½	..
4½, 1925-57	100½	100½	..
4½, 1925-58	100½	100½	..
4½, 1925-59	100½	100½	..
4½, 1925-60	100½	100½	..
4½, 1925-61	100½	100½	..
4½, 1925-62	100½	100½	..
4½, 1925-63	100½	100½	..
4½, 1925-64	100½	100½	..
4½, 1925-65	100½	100½	..
4½, 1925-66	100½	100½	..
4½, 1925-67	100½	100½	..
4½, 1925-68	100½	100½	..
4½, 1925-69	100½	100½	..
4½, 1925-70	100½	100½	..
4½, 1925-71	100½	100½	..
4½, 1925-72	100½	100½	..
4½, 1925-73	100½	100½	..
4½, 1925-74	100½	100½	..
4½, 1925-75	100½	100½	..
4½, 1925-76	100½	100½	..
4½, 1925-77	100½	100½	..
4½, 1925-78	100½	100½	..
4½, 1925-79	100½	100½	..
4½, 1925-80	100½	100½	..
4½, 1925-81	100½	100½	..
4½, 1925-82	100½	100½	..
4½, 1925-83	100½	100½	..
4½, 1925-84	100½	100½	..
4½, 1925-85	100½	100½	..
4½, 1925-86	100½	100½	..
4½, 1925-87	100½	100½	..
4½, 1925-88	100½	100½	..
4½, 1925-89	100½	100½	..
4½, 1925-90	100½	100½	..
4½, 1925-91	100½	100½	..
4½, 1925-92	100½	100½	..
4½, 1925-93	100½	100½	..
4½, 1925-94	100½	100½	..
4½, 1925-95	100½	100½	..
4½, 1925-96	100½	100½	..
4½, 1925-97	100½	100½	..
4½, 1925-98	100½	100½	..
4½, 1925-99	100½	100½	..
4½, 1925-00	100½	100½	..

British Railways.

Great Western, Ord.	88	87½	..
London & North-Eastern	61½	61½	..
5% Pref. Ord.	61½	61½	..
Do Def. Ord.	21½	21½	..
London, Mid., and	80½	79½	..
Scottish, Ord.	69½	69½	..
Metropolitan	45½	45½	..
Metropolitan District	45½	45½	..

Colonial and Foreign Railways.

Antioquia Cons.	83	83	..
B.A. and Pacific	81	80½	..
B.A. & Gt. Southern	88½	88	..
Buenos Ayres West.	74½	74½	..
Canadian Pacific	146	147	..
Central Argentine	73½	73½	..
Cordoba Cons. Ord. Stk.	14½	14½	..
Grand Trunk Pacific	41	40	..
4% Debts	30½	30	..
Leopoldina	58	58	..
Mexican Railway	28	22	..
Do 1st Pref.	22	22	..
San Paulo	157	160	..
United Havana	98	97	..

Foreign Government Securities.

Argentine 5%, 1888-7	100	100	..
Austrian 5% Guar.	94½	94½	..
Belgian 3%	74	74	..
Brazil 5% and, 1914	76	78	..
Chilian 4%, 1895	86	87	..
Do 7%	103	103	..
Chinese 5%, 1912	61	63	..
Egyptian 4%	82	82	..
French 5%	153	16	..
Do 4%	127	132	..
German 3% Loan	93	93	..
Do 7%, 1924	98	98	..
Greek 5%, 1894	54	54	..
Do 7%, 1924	90½	90½	..
Hungarian 7%, 1924	98½	98½	..
Japanese 4%, 1910	59	60	..
Do 6%, 1924	87	87	..
Mexican Cons. 1899	34	34	..
Peruvian Corp. Pref.	33½	33	..
P.L.M. 6%	87	87	..
Portuguese (New)	28	28	..
Russian 5%, 1906	63	63	..
Spanish 4%	97½	97½	..
Serbian (Debt) 7%	106½	106	..
Siam 7%	106½	106	..

American Railroads.

Chesapeake & Ohio	95½	97	..
Do 1st Pref.	29	29	..
Do 4% 1st Pref.	39	39	..
Southern	105	103	..
Do Non-cum Pref.	91	92	..

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Sole Purchasing and Selling Agency in Great Britain for the Government of the U.S.S.R.

TURNOVER TO
APRIL 1, 1925, £56,000,000.

Exports from Russia to Great Britain include timber, flax, furs, ores, metals, crude drugs, petroleum products, etc., to a total value of £18,000,000.

The more important items of import to Russia are agricultural machinery, locomotives, tools, motors, scientific apparatus, drugs, clothes, boots, etc., to a total value of £38,000,000.

49, Moorgate, London, E.C.2

Telegrams: "Arcosarcos, Arcs. London." Cables: Arcosarcos.
Telephone: London Wall 6628. A.B.C. 8th & 9th editions.
Marconi, Bantleys & Zebra.

COMPANY MEETINGS, &c.

IMPERIAL OTTOMAN BANK.

SATISFACTORY RESULTS OF A DIFFICULT YEAR.

TRADE AND FINANCIAL POSITION IN TURKEY.

UNFAVOURABLE CONDITIONS FOR AGRICULTURE.

NEGOTIATIONS FOR PROLONGATION OF THE CONCESSION.

The annual general meeting of the shareholders of the Imperial Ottoman Bank was held, on the 29th ultimo, at Winchester House, Old Broad street, London.

Gen. the Hon. Sir Herbert A. Lawrence, K.C.B., presided.

The secretary of the London Agency (Mr Charles E. L. Corthorn) having read the notice convening the meeting,

The Chairman said: Ladies and gentlemen,—I have been informed that this meeting is properly constituted, and I presume that it is your pleasure that the report and balance-sheet circulated among you shall be taken as read.

Before proceeding to refer in detail to our own immediate business, I propose to sketch briefly the state of affairs which obtained during the year under review in the various spheres of our activity.

In spite of various symptoms of improvement, the year 1924 did not bring that stability which is necessary for the restoration of Turkey. The Treaty of Lausanne which was signed on July 24, 1923, did not receive ratification until August 6, 1924. Its execution involves the settlement of various delicate questions—which, by reason of the apprehension they aroused, have contributed to disturb production and commerce, and thus to act as a drag on the economic movement of the country.

AGRICULTURE.

In agriculture, climatic conditions of an unfavourable nature were responsible for results which were less satisfactory than expected, in view of the encouragement given by Government authority and the real effort made by the best elements of the population towards developing the resources of the country.

The cereal harvest was less than half that of 1923, and it did not suffice to meet the needs of the country. It became necessary, therefore, to make important purchases abroad in America and Australia. This depressed the commercial balance, the more so as at the moment there was a pronounced rise in prices throughout the world. Other agricultural products suffered equally through the abnormal spring rains.

The opium crop amounted to 2,000 cases, against an average of 5,000.

Mohair, 27,000 bales, as against 100,000.

Wool, 2,000,000 ocques, against 5,000,000.

Sultanas from Smyrna, 40,000 tons, against 80,000.

In silk and figs there was a similar falling off.

On the other hand, the tobacco crop has been particularly abundant. The cultivation of tobacco is becoming each year more extensive in Turkey, and during 1924 60,000,000 kilos were produced, or twice the amount of the preceding year. Adana cotton, in spite of damage caused by various pests, continued to progress.

IMPORTS AND EXPORTS.

During 1923 imports into Turkey amounted to £T145,000,000, and exports to £T85,000,000, showing an adverse trade balance of about £T60,000,000.

In 1924 statistics are only available for the first half-year. For this period imports amount to about £T84,000,000, as against £T62,000,000 in the previous year, and exports to £T56,000,000, as against £T32,000,000 in 1923.

EXCHANGE.

The tendency towards depreciation of the Turkish pound is explained by the adverse trade balance. It is not the result of speculation or inflation. The latter, indeed, is a policy which we are glad to state continues to be contrary to the views of the Turkish Government.

It is true that the rates during the past year have not been subject to sudden and violent fluctuations, but, nevertheless, they show a continued depreciation, broken only by the usual temporary relief in the autumn resulting from the export campaign. Thus the pound sterling rose gradually from 819 piastres on December 31, 1923, to 872 piastres at the end of 1924.

MONETARY CRISIS.

Commerce had to suffer in Turkey from a monetary crisis which was acutely felt during the second half-year, a season in which heavy transfers of money to the provinces are necessary for the movement of the crops.

This monetary tightness is not peculiar to Turkey. It is a feature of every deflationist country as soon as the revival of production begins.

The Turkish Government cannot do better with a view to improving its exchange than to concentrate its efforts on the agricultural equipment of the country. It has not failed in this, and there is every ground to hope that the effects of its action will soon be apparent.

On the other hand, economies have been made in expenditure, and the budget deficit has been reduced to £T17,000,000.

OTTOMAN PUBLIC DEBT.

The application of the procedure laid down for arriving at the distribution of the public debt of the old Ottoman Empire between Turkey and the various Successor States has been in progress since November, 1924.

It is easily to be understood that each of the political and economic factors to which I have referred has exercised a depressing effect upon the trade of a country which had not yet emerged from a stagnation lasting over a period of years.

This situation has affected the activities of our Constantinople office and of our branches in Anatolia. They have been able to do little more than cover their expenses.

We have reason to hope, however, from certain more favourable signs, barely perceptible during 1924, but more pronounced in the first half of 1925, that we are near an economic revival in Turkey. Of this our establishment should be one of the most active agents, to the mutual advantage of the bank and the country.

EGYPT AND CYPRUS.

In Egypt, where we have seven branches established, there has been steady improvement in business in the face of keen and constant competition, not only from the other old-established banks in that country, but also from a steadily increasing stream of new competitors.

In Cyprus, where we have six branches, our bank takes a prominent lead. Our relations with the Government, for whom we act as bankers, are most cordial.

In this connection you will be interested to know that we have recently proceeded with the establishment of an Agricultural Bank in the island, with the Government's approval and support.

MESOPOTAMIA, PERSIA, ETC.

For our three branches in Mesopotamia the period under review has been one of marking time. The question of currency in Iraq has been inquired into by a Commission appointed by the British Government, who have recommended that the system now in use should be continued for the present.

In Persia we have three branches, the results of which have been satisfactory, and the prospects are encouraging.

In Palestine our five branches show good results, and, with the prospects of steady development and improvement in this sphere of our activity, we look to these branches as being likely to show even more satisfactory results in the future.

In Syria and the Lebanon the Banque de Syrie et du Grand Liban, in which we are interested, profiting by the progress of the country under the administration of the Mandatory Power, has been enabled to improve its results and increase its dividend from 5 per cent. to 6 per cent.

EUROPEAN BRANCHES.

The general situation in Jugo-Slavia appears economically and politically to present a more favourable aspect.

The Banque Franco-Serbe, in which we have, as you know, important interests, has profited by the improved circumstances. Its activities in 1924 showed a marked progress over preceding years, and have enabled it to hasten the liquidation of the situation which was a legacy from the war.

In Greece we have branches at Salonica and at Cavalla. These branches developed to an even greater extent the assistance which they have always rendered to the trade of this important export region.

In Roumania, where we are largely interested through the Bank of Roumania, the production both of cereals and oil is prospering favourably and holds out good hopes for the future.

PARIS AND LONDON.

Finally our agencies of Paris and London have achieved particularly good results in the development of their important financial and banking operations.

The branches in Marseilles and Tunis, which depend on Paris, and that of Manchester, which depends on London, have accounted for a reasonable share of the business of these two agencies.

PROLONGATION OF THE CONCESSION.

I have to inform you that the negotiations for the prolongation of the concession are proceeding, and that the duration of the bank has been prolonged by the Committee in accordance with the resolution passed at the general meeting of 1906.

As regards the negotiation for the prolongation of the concession, the situation to-day is clearly favourable. Not only have the Government not given us notice to dissolve, but we are informed that the accord is already established between our Direction Générale and the Minister of Finance, and that it will be submitted immediately, perhaps even to-day, to the official approbation of the Council of Ministers.

We are in addition authorised to declare that while awaiting this decision the bank will continue to function regularly.

It is, therefore, for all eventualities that we shall ask you to give the Committee the powers referred to at the end of the resolution which will be submitted to you.

It must be fully understood that in the event of these powers having to be utilised with regard to any solution, other than the normal prolongation of the duration of the company and the conclusion of agreements with the Turkish Government, decisions taken by the members of Committee in virtue of the said powers will be submitted to the ratification of the shareholders.

BALANCE-SHEET ITEMS.

Let us now turn to the consideration of the balance-sheet as shown in the report. Our assets and liabilities in foreign currencies have been converted into sterling at the rates ruling on December 31, 1924. Francs have been taken at 87.50, as against 85 at the end of the preceding year.

The accounts made up to December 31, 1924, after providing for bad and doubtful debts out of revenue and provisions previously made, show an amount available of £326,951 10s 7d, after taking into account an amount of £128,370 15s 4d brought forward from the previous year.

Taking into consideration the circumstances under which our business has been transacted during the year 1924, this result will certainly appeal to you as satisfactory.

Your committee would not have hesitated to propose to you the distribution of this balance, but after the closing of our accounts a period of fluctuations in the depreciated currencies set in. This recalls to us the need of maintaining the prudent policy which we have followed since the Armistice. The aim of this policy has been, by the constitution of proper reserves, to protect the assets of the bank from the risk entailed by depreciation in foreign currencies included in those assets.

This result once achieved—and the profits reserved from the year 1924 justify us in looking for this in the near future—you will reap the reward of your long patience.

For these reasons I think you will endorse the recommendation of your committee to carry forward the balance shown.

TRIBUTE TO THE STAFF.

Our staff, from the highest to the lowest, both in the East and in the West, has continued to render us most active and devoted service, for which year after year we have to thank them. We beg you to join with us in acknowledging to our staff our appreciation and satisfaction.

Now, ladies and gentlemen, I beg to move:—

"That the report and accounts now read be received and adopted."

The resolution was seconded by the Lord Oranmore and Browne, K.P., P.C., and carried unanimously.

The Chairman: I have also to move:—"That Monsieur Jean Boissonnas, Monsieur Félix Vernes, the Earl of Bessborough, the Earl of Chichester, Sir W. Guy Granet, and Sir Albert Stern be and they are hereby re-elected members of the general committee."

Sir John P. Hewett, G.C.S.I., K.B.E., C.I.E., seconded the motion, and it was unanimously adopted.

THE COMMITTEE AND CONCESSION NEGOTIATIONS.

The Chairman: I have further to move:—"That the chairman having fully explained to the meeting the position of the negotiations with the Turkish Government for prolongation of the concession, the members of the committee are hereby requested and authorised to settle all details of the new concession and of the prolongation of the duration of the company in such manner as they in their discretion may think fit, and in case they think necessary to exercise all or any of the powers conferred by

Articles 43 and 45 of the statutes of the company upon the general meeting."

The Earl of Chichester, O.B.E., seconded this resolution, and it was also unanimously approved.

Mr A. Hood: Mr Chairman and gentlemen, on behalf of the shareholders I wish to propose a very hearty and sympathetic vote of thanks to the committee, the management, and the staff.

The vote was seconded by Mr J. Rosselli, and unanimously accorded.

A brief acknowledgment by the Chairman concluded the proceedings.

UNION BANK OF AUSTRALIA, LIMITED.

STRONG LIQUID POSITION.

The annual general meeting of the Union Bank of Australia, Limited, was held, on the 27th ult., at the head office, 71 Cornhill, London, Mr Henry P. Sturgis (the chairman) presiding.

The Chairman, in moving the adoption of the report and accounts, said that, in accordance with the powers conferred upon them by the proprietors in July of last year, the directors made an issue of 100,000 shares in the following October. The issue having been fully subscribed, the total dividend now announced was payable on the present paid-up capital—namely, £3,500,000. The premium, £600,000, received on the new shares had been added to the reserve fund. It was pleasant to be able again to congratulate the shareholders on the excellent results of the year's working. There was a net profit, inclusive of £90,003 brought forward, of £680,401. From this the directors had appropriated £100,000 to the reserve fund, increasing it to £4,150,000, and had declared a dividend at the rate of 15 per cent., free of income-tax.

The balance-sheet figures, compared with those of a year ago, showed a growth of £2,334,000. The increase of £1,157,000 in deposits was very satisfactory, and, on the other side, the liquid assets amounted to about 10s 4d in the £ of the bank's total liabilities to the public. The exports from Australia for the year ended December, 1924, amounted to £142,000,000, showing a large increase of £28,000,000 compared with December, 1923. Imports for the same period amounted to £145,000,000, an increase of £9,000,000, due to a large extent, as in the previous year, to imports of metals, machinery and motor-cars. In New Zealand the exports for 1924 were £53,000,000, an increase of £7,000,000 as compared with 1923, while imports were £49,000,000, an increase of £6,000,000. Owing to the re-establishment of the gold standard exchange rates between this country and Australia would in future be governed by the ordinary factors affecting the balance of payments between the two countries, the extreme fluctuations depending upon the cost of shipping gold either way.

Trade, taken as a whole, might be considered to have been satisfactory, but merchants generally were fairly heavily stocked and traders were feeling the effects of the present financial stringency. The soft goods people, in addition, had suffered through the past unseasonable weather experienced. The wool clip showed an increase in quantity from the previous season of about 300,000 bales, and a further substantial increase was expected in the coming new clip. Prices were very high up to November last, when they reached the highest point, since when a considerable fall had taken place. The wheat crop had been very satisfactory, the exportable surplus being estimated at 80,000,000 bushels. The following telegram from the acting general manager was received last week:—"Conditions throughout Commonwealth generally satisfactory, and seasonal outlook for both agricultural and pastoral pursuits is promising. In New Zealand prospects and weather conditions generally good." In conclusion, the Chairman paid a warm tribute to the staff both in Australasia and in London, and referred with pleasure to the presence of Mr A. H. Chambers (general manager) at that meeting.

The report was unanimously adopted.

TARIFF REINSURANCES, LIMITED.

THE NEW BOARD.

The fifth annual general meeting of Tariff Reinsurances, Limited, was held, on the 27th ult., at the Cannon street Hotel, London.

Mr Charles Marshall (chairman of the company) presided, and, in moving the adoption of the report, said that those shareholders who were present at the last annual meeting would not have been surprised to receive the intimation early this year that certain directors had retired and others had been appointed in their place. The new directors were probably well known to all the shareholders. Sir William Carruthers was a present director and a former general manager of Barclays Bank, and his name was well known throughout the banking and insurance world. Mr Cecil

Braithwaite, senior partner of Messrs Foster and Braithwaite, was also well known and highly respected throughout the financial, banking, and insurance world. Mr E. C. Fester was a partner of the firm of Messrs. Fester, Fethergill, and Hartung, an important firm of reinsurance brokers whose ramifications were world-wide. Mr C. P. Hailey was a gentleman of great influence in the commercial world, and it was very largely due to him that this reorganisation of the board was made possible. The remaining new director, Mr Wharton Tomson, had been the general manager of the company from its inception.

The Chairman then dealt with the position of the various departments. The premiums in the fire department, he said, amounted to £169,200; the board considered that this department was satisfactorily established. The net premiums for the year in the accident department amounted to £27,238. Claims paid and outstanding amounted to 100 per cent. of the premiums, but the directors felt quite satisfied with the contracts remaining on the books of the company. Their marine accounts consisted entirely of cargo business. The directors, however, had now decided to discontinue writing this class of business for the present.

Last year he referred to the tendency of ceding companies to withdraw their treaties for the purpose of reciprocity. He also stated that the directors regarded the position at that time as being difficult, in that this form of competition was one against which purely reinsurance companies found it anything but easy to contend. The difficulty was still present with them. While during the year 1924 they retained most of the treaties they had with their principal companies, it was very desirable that their income from this source should be increased, and some of the new directors had been in close touch with some of the leading companies with this object in view. The directors had confidence in the future, and they considered that the company, with careful management, would attain the success they all desired.

Sir William Carruthers seconded the motion, which was unanimously adopted.

TANGANYIKA CONCESSIONS, LIMITED. DIVIDEND STAGE ATTAINED.

The ordinary general meeting of Tanganyika Concessions, Limited, was held, on the 30th ult., at River Plate House, London, General Sir Reginald Wingate, Bart. (the chairman), presiding.

The Chairman, after referring to the report and accounts of the company, read a resolution passed at a board meeting of the directors appreciative of the great work of Mr Robert Williams, the managing director, in overcoming almost insurmountable difficulties and bringing the company to the dividend stage.

Mr Robert Williams (managing director), in the course of his speech, said: The position at the end of 1924 did not warrant the payment of a dividend on the ordinary shares. Since the close of the accounts, however, the Union Minière have declared their dividend for 1924, our participation in which has yielded over £250,000—nearly double the amount received in 1924. In view of the increasing profits of the Union Minière and the value of your company's assets, and particularly having regard to the fact that the whole enterprise has now been put on a proper basis by the provision which has been made for the rapid completion of the Benguela Railway, the board has decided to pay an interim dividend for 1925 of 1s per share, less tax.

BENGUELLA RAILWAY CONSTRUCTION.

With regard to the finance for the completion of the Benguela Railway, you are aware that some two years ago negotiations which were practically completed with the Trade Facilities Committee, with the object of securing a guarantee for a loan to the Benguela Railway Company for the purchase in this country of the steel rails and other materials necessary to complete the railway to the frontier, were broken off at the intervention of the South African Premier. Since then the railway has been extended some 200 kilometres, financed by the issue of preference shares of your company and with the assistance of the Zambesia Exploring Company. All orders were placed in British workshops as hitherto. Latterly, however, the cost of British materials as compared with Continental materials became prohibitive, without the compensating advantage of cheap finance from the Trade Facilities Committee. A new Government at the Cape having come in, with a new Premier in the person of General Hertzog, I immediately inquired whether they had any objection to a Trade Facilities guarantee for the Benguela Railway to enable British materials to be bought, and pointed out the bad state of unemployment here. Having received a favourable reply from the Union Government, I at once reopened negotiations with the Trade Facilities Committee in respect of the materials for the completion of the line, but was met by strong opposition from another quarter, which made me reconsider the position. I had been negotiating with the Trade

Facilities Committee for about three years. The time for the completion of the railway was getting short, I was being offered by Continental firms prices far below British prices, and I wondered whether it was worth while struggling further to secure the order for British workshops which had already benefited to the extent of about £3,000,000 sterling for materials for the Benguela Railway and the Rhodesia Katanga section of the Cape to Cairo Railway. Finally, as new shares and bonds were being issued by the Union Minière, I decided to put your company in a position of complete financial independence by an increase of capital for the purposes subsequently approved at the extraordinary general meeting of your company last March, and in case the Trade Facilities Committee should not agree to assist, I arranged terms for the purchase of the whole of the materials on the Continent, at about £250,000 under British prices as then quoted, and for payment to be made out of the proceeds of the sale at a profit of about £300,000 of the Union Minière privileged shares which your company were to take up. I saw that in the event of the Trade Facilities Committee agreeing to fair terms, your company would have the Union Minière privileged shares as a sort of working capital to keep or sell, as might be best. The privileged shares with the capital shares which were taken up at the same time, are worth at to-day's prices and exchange £1,013,855, being over £544,243 above their cost. After you had passed the above proposals, the Trade Facilities Committee agreed to guarantee a loan to the Benguela Railway Company of about £1,250,000 on most satisfactory terms, and asked that orders should be placed as soon as possible. As a result a contract has been made for the completion of the railway to the frontier in two years, with British materials, and orders for the steel rails, sleepers, and other materials have already been placed in England, Scotland, and Wales.

COMPANY'S ENORMOUS INTERESTS.

Your interests are enormous. Your interest in the completed Benguela Railway alone will, at cost, exceed in value your nominal share capital. You own the greatest copper interests of any company in the British Empire—your interest in the Union Minière alone represents at to-day's market prices a value of over £12,700,000. Besides this, you are indirectly interested in the great coal areas and minerals in Rhodesia and in the Sudan.

The report and accounts were unanimously adopted.



**The Anglo-South
American Bank Limited.**

Head Office:
117 Old Broad Street, London, E.C.2

Authorised Capital	£10,000,000
Reserve Fund	£4,000,000
Issued Capital	£8,734,660
Paid-up Capital	£4,367,330

The Bank, in addition to 6 Branches in
SPAIN
has with its
AFFILIATED INSTITUTIONS
**THE BRITISH BANK OF SOUTH
AMERICA, Ltd., and
THE COMMERCIAL BANK OF
SPANISH AMERICA, Ltd.**

53 offices in the principal countries of
LATIN AMERICA

Auxiliaries Abroad.
ANGLO SOUTH AMERICAN TRUST CO.
(Incorporated under the laws of the State of New York).
NEW YORK.
BANQUE ANGLO-SUD AMERICAINE, SOC. ANON.
PARIS.
Northern District Office: 69, Market Street, BRADFORD.
Lancashire Branch: 19, Spring Gardens, MANCHESTER.

ZAMBESIA EXPLORING COMPANY, LIMITED. IMPROVED RESULTS AND PROSPECTS.

The ordinary general meeting of the Zambesia Exploring Company, Limited, was held, on 30th ult., at River Plate House, London, General Sir Francis Reginald Wingate, Bart., G.C.B. (the chairman), presiding.

The Chairman, in moving the adoption of the report and accounts, said that what had been accomplished in the development of Africa and in the interest of its enormous native population and its European settlers had not been to the advantage of our Empire alone; it had equally affected the colonial interests of our Belgian friends and collaborators, whose wonderful development of the Congo was the admiration of all who had watched the steady progress of trade and commerce, and the successful exploitation of probably one of the richest mineralised areas in the world, thus bringing the remote regions of Central Africa into far closer touch with European markets by railway extensions in all directions.

Mr C. F. Rowsell seconded the resolution.

Mr Robert Williams (managing director), dealing with the accounts, said that the company had created a substantial reserve, the purpose of which was to provide against contingencies and ensure the payment of regular dividends in the future. The debt of the Tanganyika Concessions which appeared in the accounts, amounting to £109,137, had been repaid since the date of the balance-sheet. Last year the Zambesia Exploring Company agreed to advance the Tanganyika Concessions a sum not exceeding £400,000 to enable that company to continue without interruption the construction of the Benguela Railway in compliance with the terms of the concession. Any sums advanced were to be repaid by December 31, 1926, and as consideration an option to call for 400,000 Tanganyika shares at par for six months after the shares were created was granted to the Zambesia Company. To enable them to carry out the arrangement, some of their Union Minière shares were sold at a good profit, and the proceeds utilised for making advances under the agreement. As a result, the Zambesia Company had been able to exercise options on a large number of Tanganyika shares, and all advances made to date had been repaid. The arrangement had, in his opinion, proved most advantageous to both companies. The profit shown by the profit and loss account for 1924 was £52,051, as compared with £9,536 for 1923, and the for 1924 was £52,051, as compared with £9,536 for 1923, and the for 1924 was £52,051, as compared with £9,536 for 1923. Last profit remaining to credit of profit and loss was £68,632. Last year the directors paid the shareholders 1s per share, less tax, in view of the improved position and prospects, they now recommended the payment of 1s 6d per share, less tax, for 1924.

The report and accounts were unanimously adopted.

BISICHI TIN COMPANY (NIGERIA), LIMITED. IMPROVED RESULTS.

The annual general meeting of the Bisichi Tin Company (Nigeria), Limited, was held, on the 28th ultimo, at the Cannon street Hotel, London, Mr James Gardiner (the chairman of the company) presiding.

The Chairman, in moving the adoption of the report and accounts, said that the working profit in Nigeria had been £53,147, or an increase of £12,378, and the actual profit of the year had amounted to £49,685. Production had reached 630 tons, a small but satisfactory increase of 19 tons. The proportion of the total output derived from "plant" had also improved, and in future years tin derived from hydraulic and mechanical plant should figure much more largely in the returns, as the board looked to those methods to produce the bulk of the company's output. As to the Suction Cutter dredge referred to at the last meeting, not only had the whole of the machinery been safely delivered on the property, but the steel pontoon had been riveted up and floated, and the rest of the machinery was in an advanced stage of erection. The company's engineer had expressed the hope that the entire erection of the new dredge would be completed towards the end of August. The ground treated during the year under review had been of lower grade than in 1923, but the total of 618,508 cubic yards dealt with had been the largest turnover in the history of the company. His prediction, a year ago, of a satisfactory price for tin, which had been fulfilled, and as regarded the future in that respect, he was still inclined to take an optimistic view. On the other hand, another year had passed by without any relief from what could only be termed the severe tax on the industry imposed by the railway rates on concentrates. It was probable that they would have to await the completion of the railway extension from Port Harcourt to the tin fields to obtain some alleviation. When that work was completed, however, they were promised a substantial reduction on freight rates for concentrates, and, what was even more important, in the freight rates on coal from the Udi fields. It was on this latter that the prosperity of the Nigerian tin fields

in a large measure depended. In relation to the abnormally low returns for the months of May and June last, he would say that, like the majority of companies operating on the plateau, they were practically dependant on the local rainfall. As the rains gathered force, he hoped, in a short time, the output would again become normal. When the new plant was steadily at work they should, to a large extent, be independent of the vagaries of the season, and be in a position to operate throughout the year.

The report and accounts were unanimously adopted.

THRELFALL'S BREWERY COMPANY, LIMITED. LARGE INCREASE IN SALES

The 38th annual general meeting of Threlfall's Brewery Co., Limited, was held, on the 29th ult., at Cannon street Hotel, London, Mr Thomas Barker presiding in the absence through illness of the chairman, Major C. M. Threlfall.

The secretary (Mr F. Cornwall, A.C.I.S.) read the speech prepared by Major Threlfall, in the course of which, after referring to the death of Mr W. G. West and the appointment of Mr W. B. Feeny to succeed him, he said:—

Referring to the accounts, I feel certain you will agree that the results for the year, as submitted to-day, are highly satisfactory, in view of the present state of trade in the country. Our residential hotels are becoming increasingly popular year by year, and the number of visitors has far exceeded our expectations. We have had to meet a large increase in the price of malt as compared with the previous year, on account of the 1924 season having been such an unfavourable one for barley-growers, and the accounts have had to bear a much heavier debit this year in consequence. We believe that the policy of giving the public a beverage manufactured from the highest quality materials is one of the chief reasons for the company's sound financial position as placed before you to-day. This is borne out by the enormous increase in the sales of bottled bitter beer, well known in Lancashire as "Blue Label." Another gratifying feature is that our beers are now being supplied to some of the best restaurants and hotels in Liverpool and Manchester, which are in no way connected with the company.

It will be noted that the item for fire insurance has been increased by £16,000. This is accounted for by the yearly increase of £1,000, and in addition your board has thought fit to make a further special allocation of £15,000, having decided that the company shall carry a larger percentage of its own insurance in the future. During the year the company discharged its final liability due for excess profits duty, and it is our fervent hope that we may now look forward to a period of peace and quietness, free from any imposition of new taxation, which only tends to discourage enterprise.

As in the past, the relations with all our employees have been of the happiest nature, and I have pleasure in stating that this year again we propose, with your sanction, to award them a substantial bonus for their services in having helped the board to place before you to-day such satisfactory results. The gross profit for the year is £417,183 8s 2d, and, after writing off for depreciation of leasehold properties and plant, and making reserves for fire insurance and salary and wage bonus to employees, amounting in all to £51,708 14s 11d, there remains a net trading profit of £365,474 13s 3d. After deducting interest on debenture stock, interest on deposits, directors' fees, compensation levy, and adding transfer fees, bank interest, and interest on War Loan, there is a net profit of £301,816 4s 6d for the year, which, together with the carry forward from last year, makes a total of £565,130 11s 2d to be dealt with.

The Chairman moved the adoption of the report and accounts and the payment of a dividend at the rate of 6 per cent. per annum on the preference shares and a dividend at the rate of 20 per cent. per annum on the ordinary shares for the half-year ended June 30, 1925, which, with the interim dividends, made 6 per cent. on the preference and 20 per cent. on the ordinary shares for the year.

Mr W. B. Feeny seconded the resolution, which was carried unanimously.

OIL OUTPUTS.

UNITED BRITISH OILFIELDS OF TRINIDAD, LIMITED.—Combined production for the week ending Wednesday, July 22, 1925, amounted to 864 tons.

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

NOTE.—Budget Estimate as in H.C. No. 84 of 1925.
Treasury, July 27, 1925.

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £320,800,000, for 1921 at £317,555,200, for 1922 at £309,988,400, for 1923 at £270,183,800, for 1924 at £248,190,900, and for 1925 at £248,145,400.

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

Notes issued	182,216,490		
		Government debt	11,015,100
		Other securities	8,734,900
		Gold coin & bullion ..	162,466,490
	182,216,490		182,216,490

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Gold in or out of Bank.	Reserve and % of Reserve to Liabilities.	Per Cent.
1925.	£	£	£	£	£	£	%
June 1	157,596,429	145,972,465	122,994,853	109,451,284	526,000	31,373,964	25 1/2
24	157,183,840	145,270,480	131,813,435	118,824,916	424,000 out	31,663,380	194
July 1	157,602,608	146,629,485	155,610,689	129,921,699	540,000 in	30,773,124	194
8	158,861,736	145,4 5 7-0	167,823,813	114,509,035	1,250,000 in	33,405,986	25 1/2
15	161,567,002	143,148,580	177,823,813	107,691,188	2,703,000 in	38,168,422	25 1/2
22	163,234,260	145,391,635	126,365,047	102,771,626	1,669,000 in	39,592,638	25 1/2
		150,750,736	123,964,104	104,724,351	1,078,000 in	39,257,012	31 1/2

Week Ending—	Town.	Metropolitan.	Country.	Total.
1925.	£	£	£	£
January 1 to July 15.....	19,708,801	916,278	1,627,554	22,252,633
July 22.....	597,663	33,289	56,928	687,880
29.....	620,414	32,504	51,019	703,937
Total to date 1925.....	20,926,878	982,071	1,735,501	23,644,450
Do 1924.....	20,632,190	936,430	1,687,399	23,256,019
Increase or decrease in 1925 {	+ 294,688	+ 66,641	+ 48,102	+ 388,431
	= 1 4 %	= 4 5 %	= 2 8 %	= 1 6 %
Total for year 1924.....	35,038,605	1,594,114	2,900,145	39,532,864
Total for year 1923.....	34,270,373	1,546,565	2,810,654	38,627,592
Increase or decrease in 1924 {	+ 768,232	+ 47,549	+ 89,491	+ 905,272
	= 2 2 %	= 3 0 %	= 3 1 %	= 2 3 %

	Month of June.		Aggregate Weekly Totals to July 25.	
	1924.	1925.	1924.	1925.
Number of Working Days	24 £	25 £	£	£
BIRMINGHAM	9,968,000	10,243,000	70,315,900	75,873,300
Bristol	4,533,000	4,504,000	34,265,100	34,449,000
DUBLIN			165,505,100	155,789,200
HULL	4,121,000	4,049,000	31,496,100	31,438,800
LEEDS	4,017,000	5,764,000	31,039,800	30,830,000
LEICESTER	3,233,000	3,270,000	22,931,500	24,444,700
LIVERPOOL	32,949,000	35,925,000	265,281,000	274,105,100
MANCHESTER	6,124,000	63,167,000	453,721,200	479,058,000
NEWCASTLE-ON-TYNE	7,402,000	5,986,000	60,603,000	49,750,500
TOTTINGHAM	2,503,000	2,668,000	18,634,100	20,210,400
SHEFFIELD	4,119,000	3,962,000	32,219,000	30,856,300
	134,069,000	137,519,000	..	..

NOTE.—The latest return of the National Bank of Roumania appeared in the *Economist* of April 11; Estonia in June 27; Denmark in July 11; Russia in July 18; France, Netherlands, Finland, Lithuania, Danzig, Poland, Czechoslovakia, Bulgaria, Portugal and Egypt in July 28.

	July 24, 1925.	July 17, 1925.	July 10, 1925.	July 3, 1925.
RESOURCES.				
Total gold reserves	7,790,850	2,790,600	2,784,260	2,785,560
Total bills discounted	442,740	454,740	450,330	511,850
Bills bought open in market	284,530	231,330	240,710	194,090
Total U.S. Government securities	335,300	344,480	338,650	353,580
Total earning assets	1,014,700	1,043,500	1,049,950	1,127,040
Total resources	4,732,490	4,863,410	4,781,490	4,853,060
LIABILITIES.				
Federal Reserve notes in actual circulation	1,605,210	1,626,970	1,652,290	1,653,010
Deposits—Member bank—reserve account	2,160,750	2,195,600	2,147,100	2,198,630
Total deposits	2,199,720	2,231,700	2,187,750	2,259,330
Capital paid in and surplus	333,550	333,440	333,450	333,540
Total liabilities	4,732,490	4,863,410	4,781,490	4,853,060
Ratio of total resources to deposits and Federal Reserve note liabilities combined	77.1%	76.1%	76.1%	74.9%

	July 24, 1925.	July 17, 1925.	July 10, 1925.	July 3, 1925.
Total bills discounted	120,890	121,740	123,670	151,111
Bills bought in open market	33,730	37,390	38,450	46,991
Total U. S. Government securities	65,760	75,260	71,220	86,929
Total U. S. Government securities	224,410	237,330	236,290	287,140
Total earning assets	828,210	851,050	826,460	843,591
Deposits—Member bank—res and of total res. to de. and Fed. res.				
But not liabilities combined	83½ %	81½ %	81¼ %	79½ %

	Apr. 30, 1925.	Mar. 31, 1925.	Feb. 28, 1925.	Jan. 31, 1925.	Apr. 30, 1924.
ASSETS.					
Cash and bank balances...	407,733	398,306	393,335	470,808	437,251
Bank balances abroad...	64,356	80,830	81,167	58,859	54,506
Call and short loans...	348,748	311,711	339,602	319,105	334,327
Securities...	564,107	569,034	569,857	542,254	418,143
Loans...	1,001,181	1,008,077	994,954	995,870	1,111,975
Loans abroad...	120,774	222,091	222,305	202,950	179,737
Other assets...	156,419	157,199	155,391	154,221	146,634
LIABILITIES.					
Note circulation...	150,761	157,888	157,932	155,305	161,654
Deposits—					
Government...	70,658	61,105	67,364	63,184	135,292
Public in Canada...	1,777,186	1,757,677	1,743,705	1,752,412	1,715,793
Foreign...	7,573	388,856	392,201	332,361	338,900
Bank balances—					
Canadian...	12,643	13,145	10,444	13,629	13,172
Foreign...	39,372	36,590	38,694	36,379	35,362
Bills payable, &c...	72,016	73,299	72,837	71,516	69,148
Capital and rest...	242,356	242,356	242,356	242,356	247,184
Other liabilities...	3,022	2,632	4,424	3,330	3,855

	July 4, 1925.	June 27, 1925.	June 20, 1925.	June 13, 1925.	June 5, 1925.	July 5, 1924.
ASSETS.						
Gold coin and bullion.....	4,254	3,244	2,562	4,186	5,184	549
Gold certificates.....	7,822	3,822	9,951	9,964	9,964	10,223
Subsidiary coin.....	50	50	50	50	50	50
Bills discounted.....	4,741	4,414	3,450	3,859	2,829	4,117
Loans & advances to Govt. Investments.....	524	524	524	524	524	2,700 222
LIABILITIES.						
Capital.....	1,000	1,000	1,000	1,000	1,000	1,000
Reserve.....	258	258	258	258	153	153
Notes in circulation.....	10,280	10,284	9,907	9,997	10,365	10,691
Bankers' deposits.....	4,965	5,025	5,247	6,182	6,294	5,540
Ratio of cash reserves to liabilities to public.....	76.2 %	77.3 %	81.2 %	82.6 %	87.8 %	64.9 %

	July 3 1925.	June 26, 1925.	June 19, 1925.	June 12, 1925.	June 5, 1925.	July 4, 1924.
ASSETS.						
Total securities	13,92,72	14,45,41	14,65,70	15,20,99	15,21,47	11,72,35
Loans	18,76,71	19,01,51	19,05,31	20,06,92	21,44,11	21,95,69
Cash credits	30,53,49	30,51,66	32,15,05	33,45,33	35,85,57	42,19,99
Inland bills	6,12,23	6,21,13	6,83,77	7,55,69	8,42,52	5,61,28
Foreign bills	18,12	29,18	25,83	32,16	18,71	32,14
Dead stock	2,72,72	2,80,27	2,80,46	2,80,36	2,79,82	2,51,33
Bal. with other banks	39,57	33,01	10,76	80,97	27,55	1,76,25
Cash	34,48,64	33,98,18	27,54,03	23,29,02	21,10,32	20,67,56
LIABILITIES.						
Capital paid up	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50
Reserve	4,67,50	4,67,50	4,67,50	4,67,50	4,67,50	4,45,00
Total deposits	95,85,81	96,23,70	91,99,61	91,60,92	93,97,71	95,40,89
The above includes—						
Deposits in Lond'n	1,392	1,404	1,112	1,228	1,193	1,555
Accts in Lond'n	1,292	1,185	1,138	1,137	1,137	445
Cash, &c., at other Banks in London	264	217	73	536	188	1,178

	July 23, 1925.	July 16, 1925.	July 9, 1925.	July 2, 1925.	July 24, 1924.	Position May 28, 1914.
ASSETS.						
Coin (gold & silver and bullion)	384,542	334,420	384,827	383,836	352,751	322,500
Securities	1,429,036	1,373,757	1,369,546	1,325,019	1,306,935	697,600
LIABILITIES.						
Notes in circulatn..	7,569,508	7,608,645	7,590,034	7,562,465	7,602,784	934,150
Current accounts...	283,607	208,911	213,229	249,579	299,828	112,128

BANK OF JAVA.—In florins (000's omitted).						
	July 25, 1925.	July 18, 1925.	July 11, 1925.	July 4, 1925.	July 26, 1924.	Position May 30, 1914.
ASSETS.						
Gold	179,500	179,250	180,750	181,500	145,447	22,971
Silver					65,491	29,785
Discounts, advances, and other investments.....	149,350	143,180	134,080	133,660	139,023	77,567
LIABILITIES.						
Notes in circulation.....	311,000	309,000	307,000	299,000	253,295	109,489
		48,000	44,500	50,500	95,628	11,360

	July 23, 1925.	July 15, 1925.	July 7, 1925.	June 30, 1925.
ASSETS.				
Reichsbank shares not yet issued	177,212	177,212	177,212	177,212
Gold and bullion	1,103,001	1,068,673	1,065,601	1,061,712
Of which deposited abroad	123,281	93,039	90,654	91,908
Reserve in foreign currencies	367,667	356,224	355,200	353,903
Bills of exchange and cheques	1,487,571	1,526,453	1,579,680	1,691,467
Sl. ver and other coin	71,647	69,637	66,930	67,347
Notes of other German banks	33,128	26,204	18,935	12,595
Advances	21,625	13,431	15,611	46,453
Investments	201,594	201,450	201,344	201,315
Other assets	723,999	730,452	685,708	639,327
LIABILITIES.				
Reduced capital	122,788	122,788	122,788	122,788
Increase of capital (shares not yet issued)	177,212	177,212	177,212	177,212
Reserve	185,807	185,807	185,807	185,807
Notes in circulation	2,200,861	2,297,861	2,442,619	2,474,416
Other daily maturing obligations	878,816	765,786	573,984	564,446
Loan from Rentenbank	693	712	2,142	2,35
Other liabilities	521,352	619,650	661,650	724,110

BANK OF LATVIA.—In lats (gold francs) ('000's omitted).						
	July 22, 1925.	July 15, 1925.	July 8, 1925.	July 1, 1925.	Nov. 2, 1924.	
ASSETS.						
Gold bullion and coins	23,532	23,522	23,521	23,535	12,993	
Silver coin	3,980	4,296	4,529	4,821	—	
Foreign currency	32,398	31,860	31,422	31,713	22,446	
Treas. notes & small change	11,298	11,954	11,546	10,990	3,068	
Short term bills	58,569	57,952	56,811	55,297	6,683	
Loans against securities	49,228	48,563	49,211	49,994	1,915	
Other assets	8,404	8,858	8,769	7,648	2,391	
LIABILITIES.						
Notes in circulation	28,284	28,404	28,083	28,513	4,088	
Capital paid up	11,659	11,659	11,659	11,659	8,000	
Reserve	1,522	1,522	1,522	1,522	—	
Special reserve	1,000	1,000	1,000	1,000	—	
Deposits	6,411	6,411	6,382	5,390	16,930	
Current accounts	46,776	45,969	47,019	38,622	18,893	
Government accounts	76,175	75,816	75,328	83,812	12,859	
Government deposits	—	—	—	—	—	
Other liabilities	15,563	14,757	14,615	13,468	3,775	

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

Assets.	July 23, 1925.	July 15, 1925.	July 7, 1925.	June 30, 1925.	July 23, 1924.	Position May 31, 1924.
Gold.....	500,746	499,745	499,493	498,311	505,749	171,175
Silver.....	89,777	89,595	89,153	89,312	99,392	18,350
Assets & advances	270,564	271,196	244,059	263,306	251,903	173,000
LIABILITIES.						
Notes in circulation	772,125	774,998	808,316	834,019	816,250	275,925
Deposits.....	150,553	160,858	97,373	111,390	102,482	33,750

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

Assets.	July 22, 1925.	July 15, 1925.	July 7, 1925.	July 22, 1924.	Position May 31, 1924.
Coin and bullion—Gold.....	147,227	147,227	147,227	147,285	44,224
Balance abroad and foreign bills	58,489	58,776	58,878	9,947	26,533
Norwegian and Foreign Government securities	11,146	10,586	10,587	9,003	8,816
Discounts and loans	324,752	330,018	335,918	440,814	76,911
LIABILITIES.					
Notes in circulation	379,983	383,790	387,253	387,763	113,484
Deposits at notice	88,684	89,836	92,445	79,236	7,188

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

Assets.	July 25, 1925.	July 18, 1925.	July 11, 1925.	July 4, 1925.	July 25, 1924.	May 31, 1924.
Gold.....	233,885	234,039	234,243	234,413	249,213	104,918
Balance & foreign bills	116,069	112,739	106,417	100,156	41,056	112,172
Swedish and for Gov. securities	50,218	50,305	50,353	50,520	56,158	32,465
Discounts & loans	325,276	346,926	382,089	414,829	389,997	112,668
LIABILITIES.						
Notes in circulation	449,651	463,630	475,336	499,049	477,074	226,555
Deposits at notice	196,038	201,654	218,636	222,423	185,521	369,680

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

Assets.	July 15, 1925.	July 7, 1925.	June 30, 1925.	July 15, 1924.
Metal reserve—Gold in coin & bullion.....	11,347	11,347	11,347	10,793
Foreign bills	421,046	433,498	427,246	315,957
Other foreign bills	113,511	120,013	123,825	123,825
Bills discounted	83,630	85,915	86,099	317,349
Advances to the Treasury	202,707	203,403	203,665	225,117
LIABILITIES.				
Reserve fund.....	2,679	2,679	2,679	487
Notes in circulation	770,158	805,041	828,017	753,374
Deposits.....	62,165	49,215	33,251	106,743

† Contains such foreign bills and balances as bought from customers against kronen under the agreement that the same amount of foreign currency shall be supplied to the customers at fixed terms on condition of such sums in kronen being returned by them as were paid by the bank for the foreign currency delivered.

NATIONAL BANK OF HUNGARY.—In Hungarian crowns (000's omitted).

Assets.	July 15, 1925.	July 7, 1925.	June 30, 1925.	July 7, 1924.
Metal reserve—Gold coin and bullion.....	630,267,676	630,267,665	621,832,624	621,832,624
Drafts and notes	1,956,254,512	1,999,247,243	2,053,379,627	2,053,379,627
Silver coin and bullion	12,175,536	12,175,215	12,175,215	12,175,215
Inland bills, warrants, and securities	1,406,194,379	1,408,390,895	1,386,353,417	1,386,353,417
Advances to the Treasury	1,958,379,620	1,958,379,620	1,958,379,620	1,958,379,620
LIABILITIES.				
Share capital (gold crowns 30,000,000*)	432,186,664	432,186,664	432,186,664	432,186,664
Notes in circulation	4,153,680,419	4,266,198,911	4,452,506,018	4,452,506,018
Current accounts, deposits, &c.	2,213,329,478	2,189,781,798	2,063,693,022	2,063,693,022

* Calculated at pre-war parity of exchange.

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

Assets.	July 22, 1925.	July 15, 1925.	July 8, 1925.	June 30, 1925.	July 22, 1924.
Gold.....	72,920	72,801	72,702	72,600	72,331
Other coin and notes	20,079	19,691	19,313	22,425	19,186
Foreign credits	373,062	373,774	373,774	366,692	341,442
Bills.....	933,543	933,543	933,543	933,543	933,543
Govt. advances	4,519,189	4,519,120	4,519,020	4,518,962	4,564,516
LIABILITIES.					
Notes in circulation	5,626,431	5,678,775	5,737,151	5,644,980	5,433,938
State credits	366,466	366,398	366,297	366,239	389,945
Deposits.....	712,239	712,239	642,184	688,553	443,780

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

Assets.	June 15, 1925.	May 30, 1925.	May 15, 1925.	April 30, 1925.	June 14, 1924.
Gold and balances abroad.....	2,328,072	2,341,240	2,408,411	2,549,764	2,807,205
Government loans and securities.....	3,806,311	3,807,963	3,807,973	3,809,943	4,000,407
Discounts and loans	3,183,872	3,148,422	3,104,688	3,082,443	1,806,368
LIABILITIES.					
Notes in circulation	5,069,055	5,097,948	5,102,685	5,241,197	4,577,186
Government deposits	594,683	596,781	596,781	567,855	791,668
Private right deposits	1,938,079	1,914,126	1,958,794	1,963,598	1,761,614
Private deposits at fixed dates	1,030,644	1,037,571	1,040,616	1,044,548	1,066,343

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

Assets.	July 24, 1925.	July 18, 1925.	July 11, 1925.	July 4, 1925.	July 25, 1924.	Position May 31, 1924.
Gold.....	2,536,616	2,536,617	2,536,613	2,536,611	2,534,525	521,775
Silver.....	657,266	654,798	655,221	653,553	660,684	728,600
Loans & discounts	2,346,888	2,426,388	2,475,417	2,518,081	2,163,907	800,725
Spanish 4% stock	344,475	344,475	344,475	344,475	344,475	344,475
Treasury bills.....	150,000	150,000	150,000	150,000	150,000	150,000
LIABILITIES.						
Circulation.....	4,276,783	4,299,153	4,323,873	4,333,875	4,364,047	901,550
Deposits.....	1,003,140	1,023,200	1,045,909	1,064,397	924,811	477,500

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

Assets.	June 30, 1925.	June 20, 1925.	June 10, 1925.	May 31, 1925.	June 30, 1924.	Position May 31, 1924.
Gold.....	1,529,379	1,536,372	1,539,494	1,547,561	1,613,459	1,221,875
Foreign bills	4,509,611	4,020,862	3,816,270	3,882,569	3,386,031	418,400
Advances to the Treasury	6,378,695	5,383,150	5,383,200	5,382,713	5,651,905	nil
Other advances	3,523,563	2,596,338	2,444,261	2,236,034	2,118,781	79,175
LIABILITIES.						
Notes in circulation	267,430	369,088	368,883	367,773	416,420	806,700
State deposits	15,068,571	14,031,032	13,780,774	13,789,869	13,355,386	1,556,929
Deposits & drafts	1,241,986	1,596,700	1,438,920	1,570,516	2,004,196	183,975

LONDON RATES.

Bank rate (changed from 4% March 5, 1925)	July 24, 1925.	July 25, 1925.	July 27, 1925.	July 28, 1925.	July 29, 1925.	July 30, 1925.	July 31, 1925.
Market rates of discount:							
60 days' bankers' drafts.....	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
3 months' do.....	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4
6 months' do.....	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4
Discount (Treasury Bills):							
2 months.....	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4
3 months.....	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4
6 months.....	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4
Loans—Day to day.....	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4
Short.....	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4
Deposit allowances: Banks.....	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4
Discount houses at call.....	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4
At notice.....	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4

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

Comparison with previous weeks:—

FOREIGN EXCHANGE.									
		Short Loans.	Bank Bills.			Trade Bills.			
			3 Months.	4 Months.	6 Months.	3 Months.	4 Months.	6 Months.	
1925.		%	%	%	%	%	%	%	%
July	10	4 1/2	4 1/2	4 1/2	4 1/2	5 1/2	4 1/2	5	5 1/2
	17	4 1/2	4 1/2	4 1/2	4 1/2	5 1/2	4 1/2	5	5 1/2
	24	4 1/2	4 1/2	4 1/2	4 1/2	5 1/2	4 1/2	5	5 1/2
	30	4 1/2	4 1/2	4 1/2	4 1/2	5 1/2	4 1/2	5	5 1/2

OVERSEAS BANK RATES.

Changed.	July 14, 1925.	July 15, 1925.	July 16, 1925.	July 17, 1925.	July 18, 1925.	July 19, 1925.	July 20, 1925.	July 21, 1925.	July 22, 1925.	July 23, 1925.	July 24, 1925.	July 25, 1925.	July 26, 1925.	July 27, 1925.	July 28, 1925.	July 29, 1925.	July 30, 1925.	July 31, 1925.
Amsterdam.....	Jan. 14, 1925	.. 4																
Athens.....	Feb. 5, 1925	.. 8 1/2																
Berlin.....	Feb. 26, 1925	.. 9																
Brussels.....	Jan. 24, 1923	.. 5 1/2																
Bucharest.....	Sept. 4, 1920	.. 9																
Budapest.....	May 28, 1925	.. 9																
Calcutta.....	July 2, 1925	.. 4																
Copenhagen.....	Jan. 17, 1924	.. 7																
Danzig.....	Mar. 6, 1925	.. 9																
Helsingfors.....	Mar. 5, 1924	.. 9																
Lisbon.....	Sept. 12, 1923	.. 8																
New York Federal Reserve.....	Feb. 26, 1925	.. 3 1/2																
Madrid.....	Mar. 23, 1923	.. 5																
Oslo.....	May 9, 1925	.. 6																
Paris.....	July 9, 1925	.. 6																
Prague.....	Mar. 25, 1925	.. 7																
Riga.....	Feb. 16, 1924	.. 8																
Rome.....	June 18, 1925	.. 7																
Sofia.....	July 23, 1925	.. 7																
Stockholm.....	July 14, 1923	.. 4																
Swiss Bank.....	April 15, 1925	.. 7 1/2																
Tokyo.....	July 23, 1925	.. 10																
Vienna.....	(See note below)																	
Warsaw.....	Mar. 5, 1925	.. 6																

The Bank Rate of the South African Reserve Bank is 5 1/2% for first-class commercial bills (90 days), and 6% for agricultural bills (of not more than six months).
Warsaw (Poland).—From November 28, 1924, discount rate, gold francs, 10% loans on collateral security, gold francs, 12%.
We are informed that the head office of the De Javasche Bank at Batavia, as from October 20th, has increased its discount rate for bills from 3 1/2 per cent. to 4 1/2 per cent.

RATES OF EXCHANGE.

London on	Usance	Par.	July 31, 1924.	July 24, 1925.	July 30, 1925.
Paris	francs to £1	T.T.	25-22 1/2	88-30-35	102-90-95
Berlin	marks to £1	T.T.	20-43	184-184 bins.	102-15-20
Vienna	schillings to £1	T.T.	34-58 1/2	310-315,000	30-40-42
Prague	kroner to £1	T.T.	24-02	148 1/2-149	34-48-53
Warsaw	zloty to £1	T.T.	22-20-95	25	163-16-16
Riga	lats to £1	T.T.	25-22 1/2	1825	28-28
Kovno	lits to £1	T.T.	25-22 1/2	22-69-94	1810-1850
Bukarest	lei to £1	T.T.	48-66	25-03-29	25-05-25-30
Budapest	kr. to £1	T.T.	25-22 1/2	20-49-35	49-10-49-30
Constantinople	piastres to £1	T.T.	110	1010-1025	960-970
Bombay	rupees to £1	T.T.	25-22 1/2	335,365,000	346,347,000
Amsterdam	guilder to £1	T.T.	25-22 1/2	600-610	860-870
Brussels	francs to £1	T.T.	12-107	368-373	870-878
Oslo	kroner to £1	T.T.	25-22 1/2	77-97 1/2	660-670
Stockholm	kronor to £1	T.T.	18-159	32-60-54	269-272
Copenhagen	kroner to £1	T.T.	18-159	32-60-54	105-105-105
Helsingfors	F. marks to £1	T.T.	25-22 1/2	175-175 1/2	105-105-105
Greece	drachmas to £1	T.T.	25-22 1/2	175-175 1/2	26-23-25
Italy	lire to £1	T.T.	25-22 1/2	255-258	18-06-08
Switzerland	francs to £1	T.T.	25-22 1/2	1018-1019	21-10-15
Madrid	pesetas to £1	T.T.	25-22 1/2	101-103 1/2	1924-1924
Lisbon	pence to escu.	T.T.	25-22 1/2	33-02-05	309-312
Alexandria	piastres to £1	Sight	53-4	138-139	132-132 1/2
New York	dollars to £1	Cable	97 1/2	87-88	309-312
Montreal	dollars to £1	Cable	4-8 1/2	87-88	132-132 1/2
Sao Paulo	pence to peso	T.T.	47-63 1/2	4-8 1/2	4-8 1/2
Rio de Janeiro	pence to peso	T.T.	47-63 1/2	4-8 1/2	4-8 1/2
Montevideo	pence to peso	T.T.	47-63 1/2	4-8 1/2	4-8 1/2
Valparaiso	pence to peso	T.T.	47-63 1/2	4-8 1/2	4-8 1/2
Lima	Eng. to Per. £1	T.T.	13-33	41-41	40-40
Calcutta	ster. to rupee	par	62% prem.	129% prem.	202% prem.
Bombay	ster. to rupee	10 to 1	1s 3d 3/4	1s 6d 3/4	1s 6d 3/4
Madras	ster. to rupee	Gold	1s 3d 3/4	1s 6d 3/4	1s 6d 3/4
Hong Kong	ster. to dollar	Sovn.	2s 2d 1/2	2s 2d 1/2	1s 6d 3/4
Shanghai	ster. to tael	T.T.	2s 2d 1/2	2s 2d 1/2	1s 6d 3/4
Singapore	ster. to dollar	T.T.	2s 2d 1/2	2s 2d 1/2	1s 6d 3/4
Yokohama	ster. to yen	T.T.	2s 2d 1/2	2s 2d 1/2	1s 6d 3/4
Manila	ster. to peso	T.T.	2s 2d 1/2	2s 2d 1/2	1s 6d 3/4
Mexico	pence to dollar	T.T.	2s 2d 1/2	2s 2d 1/2	1s 6d 3/4

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended July 24, 1925.	Miles Open.	Week ended July 27, 1925.			Aggregate 30 Weeks, 1925.		
		Passengers, &c.	Goods, &c.	Total for Week.	Passengers, &c.	Goods, &c.	Total Receipts.
Great Western.....	3,765	357,000	345,000	702,000	7,421,000	9,831,000	17,252,000
Do for 1924.....	3,754	378,000	338,000	716,000	7,377,000	10,189,000	17,566,000
London & N. Eastern (c).....	6,714	603,000	641,000	1,244,000	12,247,000	19,897,000	32,144,000
Do same period 1924.....	6,714	604,000	635,000	1,239,000	12,247,000	20,365,000	32,612,000
London, Mid. & Scottish.....	6,959	896,000	848,000	1,744,000	17,974,000	25,504,000	43,478,000
Do for 1924.....	6,959	906,000	805,000	1,711,000	18,036,000	26,034,000	44,070,000
Southern.....	2,163	451,000	125,000	576,000	5,473,000	5,451,000	10,924,000
Do for 1924.....	2,142	467,000	122,000	589,000	5,414,000	5,454,000	10,868,000
Metropolitan (c).....	58	34,643	3,936	38,579	384,364	117,138	501,502
Do for 1924.....	58	43,903	4,026	47,929	1,138,596	116,446	1,255,042
Underground E.R. (c).....	..	..	..	260,818	..	..	7,346,897
Do for 1924.....	..	..	..	258,137	..	..	6,892,696
London & Sub. Group (b).....	..	..	..	40,594	..	..	1,114,370
Do for 1924.....	..	..	..	43,018	..	..	1,130,023
Belfast & Co. Down (b).....	80	..	..	..	..	..	..
Great Northern.....(b).....	562	22,000	16,950	38,950	480,000	510,250	990,250
Great Southern.....(b).....	2,181	46,267	44,988	91,255	1,062,800	1,291,023	2,353,823

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1925.	1925.
				+ or -	+ or -
INDIAN.					
Assam Bengal.....	13 weeks	June 27	1,072	3,18,000 + 1,480	37,37,537 + 5,43,528
Bombay & N. Western.....	14 weeks	July 4	118	1,04,500 + 69,800	5,32,400 + 7,000
Bombay, Bar., & C.I.	13 weeks	June 27	2,800	15,61,000 + 84,000	2,06,91,000 - 2,36,835
Bombay, Bar., & C.I.	13 weeks	June 27	3,033	19,37,000 + 20,000	3,68,54,000 - 12,37,000
Bombay, Bar., & C.I.	13 weeks	June 27	1,349	7,97,025 + 82,491	1,10,21,440 + 14,59,239
Delhi, Umballa & Kalka.....	16 weeks	July 18	239	1,06,250 + 4,753	16,09,850 - 1,02,012
East Indian.....	39 weeks	Dec. 31	2,873	18,45,000 + 4,57,000	1,305,65,000 + 66,11,000
G. Indian Peninsula.....	12 weeks	June 20	3,225	26,80,300 - 1,01,900	3,55,24,900 - 36,06,871
Madras & S. Mahr.....	14 weeks	July 4	3,029	15,40,000 - 25,832	2,29,03,873 - 1,70,275
Nizam's Guaranteed.....	14 weeks	July 4	965	2,83,251 - 28,953	46,30,156 + 12,792
Robt. & Kumaon.....	13 weeks	June 27	259	63,265 - 2,469	8,05,972 - 57,959
Do Lucknow-Breilly.....	13 weeks	June 27	287	75,086 - 4,269	9,71,856 - 1,14,232
South Indian.....	14 weeks	July 4	1,876	10,30,400 + 1,787	1,42,82,876 - 60,622

(a) Total receipts of all lines.

ARGENTINE (a).

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1925.	1925.
				+ or -	+ or -
Argentine N.E.	4 weeks	July 25	754	14,300 + 800	48,200 - 100
Argentine Trans.....	4 weeks	July 25	25	2,511 + 223	9,399 + 1,624
B.A. and Pacific.....	4 weeks	July 25	2,611	129,000 + 29,000	448,000 - 89,000
B.A. Central.....	4 weeks	July 25	26	14,405 + 843	53,529 - 5,835
B. A. G. Southern.....	4 weeks	July 25	4,718	191,000 - 9,000	649,000 - 90,000
B. A. Western.....	4 weeks	July 25	1,882	78,000 - 22,000	281,000 - 79,000
Central Argentine.....	4 weeks	July 25	3,305	225,000 - 15,000	748,000 - 120,000
Cordoba Central.....	4 weeks	July 25	1,202	75,500 + 500	274,500 - 12,600
Entre Rios.....	4 weeks	July 25	729	21,700 + 500	74,100 - 4,900

CANADIAN.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1925.	1925.
				+ or -	+ or -
Canadian National.....	22 weeks	June 7	..	4,029,141 - 273,062	91,363,222 - 8,118,472
Canadian Pacific.....	29 weeks	July 21	14,061	3,301,000 + 167,000	34,340,000 - 101,23,000

BRAZILIAN (b).

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1925.	1925.
				+ or -	+ or -
Gr. West. of Brasil.....	30 weeks	July 25	1,011	10,800 + 5,600	413,400 + 144,100
Leopoldina.....	30 weeks	July 25	1,856	34,186 - 497	829,081 - 11,079
San Paulo.....	30 weeks	July 25	1,534	54,608 + 45,999	1,150,521 + 43,443

CHILEAN.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1925.	1925.
				+ or -	+ or -
Antofagasta.....	30 weeks	July 25	838	4,500 + 7,445	1,221,920 + 108,300
Nitrato (4-monthly).....	27 weeks	July 25	15	366 - 40,197	718 - 491,021 - 28,253

CUBAN.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1925.	1925.
				+ or -	+ or -
Havana Central.....	3 weeks	July 18	..	12,537 + 559	32,255 - 330
United of Havana.....	4 weeks	July 25	1,250	58,853 - 6,765	213,070 - 52,665

URUGUAYAN.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1925.	1925.
				+ or -	+ or -
Central Uruguay.....	4 weeks	July 25	273	21,511 + 781	77,593 - 7,732
C. Urug. (East, Ext.).....	4 weeks	July 25	25	5,010 + 1,080	18,837 + 2,710
C. Urug. (North, Ext.).....	4 weeks	July 25	185	2,893 + 542	9,287 + 831
C. Urug. (West, Ext.).....	4 weeks	July 25	211	2,233 + 28	7,152 - 1,463

OTHER OVERSEAS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1925.	1925.
				+ or -	+ or -
Alcoy and Gandia.....	30 weeks	July 25	33	20,000 + 2,000	806,800 + 63,800
Egyptian Delta.....	14 weeks	July 25	10	7,651 + 930	75,181 + 2,751
Gr. Southern of Spain.....	29 weeks	July 25	18	74,078 - 39,303	3,259,182 + 337,407
Mexican Railway.....	3 weeks	July 25	21	245,000 + 9,300	761,000 - 17,300
New Cape Central.....	27 weeks	July 25	4	7,724 + 63	76,255 + 4,640
Paraguay Central.....	4 weeks	July 25	274	5,600 + 860	21,700 + 4,640
Salvador.....	4 weeks	July 25	100	2,625 - 495	9,177 - 375

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

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week.	Total Receipts.
				1925.	1925.
				+ or -	+ or -
Anglo-Argentine.....	29 weeks	July 22	329	£24,270 - 37	2,524,235 - 3,306
Buenos Aires.....	4 weeks	July 25	26	£12,362 - 471	49,640 - 1,868
Burnley Corporation.....	1 week	July 25	12	£3,158 - 47	.. - 43,131
Calcutta Tramways.....	52 weeks	July 25	354	£126,509 - 2,264	.. - 43,131
Chatham & District.....	28 weeks	July 25	16	£1,730 - 46	40,487 + 1,301
Egyptian Markets.....	28 weeks	July 25	16	£1,160 - 541	62,434 + 780
Glasgow Corporation.....	8 weeks	July 25	106	£34,027 - 219	357,687 + 11,778
Isle of Thanet Trams.....	28 weeks	July 25	15	£5,801 - 439	59,383 + 6,475
London Tramways.....	16 weeks	July 25	124	£27,921 - 898	420,487 + 29,382
L.O.C. Tramways.....	16 weeks	July 25	124	£78,453 - 1,911	1,281,062 - 30,109
Madras Elec. (2 wks).....	28 weeks	July 25	15	Rs 55,562 + 1,411	620,542 - 46,482
Pernambuco Trams.....	30 weeks	July 25	25	£4,577 - 902	133,431 - 25
Singapore Trams.....	25 weeks	July 25	25	£16,763 + 2,210	372,903 + 14,698

* Combined revenue.

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per annum, except where marked % or stated in Cash.			Dividend for Whole Years.
	Interim or Final.	Date of Payment.	Method of Payment.	
Banks.				
Australian Bank of Commerce..	8†	..	..	%
Bank of New Zealand.....	..	..	..	7½
Commercial Banking of Sydney..	10	..	..	13½
Railways.				
Bombay, Baroda.....	1½†	..	..	..
Great Northern (Ireland).....	2½†	Sept. 1	Less tax	6
La Guaira and Caracas.....	4†	(bonus of 1%)	..	..
London, Midland, and Scottish..	2½*	..	Less tax	8
Insurance.				
Employers' Liability Assur.....	1/6 p.s.*	Sept. 9	Tax free	..
Swiss Reinsurance.....	..	..	..	7½
Mining.				
Blackwater.....	..	..	Tax free	..
Gabait Tributing.....	20%†	..	Less tax	5
Tea and Rubber.				
Kota Tinggi Rubber.....	..	..	..	40
Do.....	10%*	..	Less tax	10
Panora Tea and Produce (Profit-Sharing Certs.).....	..	..	..	5
Pelepah Valley Rubber.....	7½	..	..	17½
Pusing Rubber and Tin.....	..	..	Less tax	10(x)
Santa Cruz Coffee.....	..	..	..	7½
Sumatra Cons. Rubber.....	..	..	Less tax	10
Sumatra Proprietary Rubber.....	..	..	Less tax	10
Tjiwankie Tea.....	..	..	Less tax	7½
Zaloni Tea.....	12½†	..	Less tax	5
Other Companies.				
Average Trust.....	15%*	..	Tax free	20
Bent's Brewery.....	10%*	..	..	17½
Bristol & South Wales Ry. Wagon	5%*	..	Less tax	10
Bristol Tramways and Carriage	3%*	Aug. 5	Less tax	..
Brompton and Kensington Elec.	10%*	Aug. 29	Tax free	..
D. and T. Fowler.....	5%†	..	..	10
Devas, Routledge.....	5*	..	Less tax	10
Dublin (South) City Market.....	2½*	..	Tax free	..
Eastbourne Gas, "A" Stock.....	8½*	Sept. 1	Less tax	..
Do "B" Stock.....	6½*	Sept. 1	Less tax	..
Eastwoods.....	..	..	..	15
Edinburgh Canadian Mortgage..	..	..	..	7½
Enfield Cable.....	15†	..	..	5
English Velvet and Cord Dyers..	2%*	..	..	20
Fleming, Reid.....	2½%*	..	Less tax	12½
Gaskell and Chambers.....	6%*	Aug. 1	Less tax	..
Gas, Light, and Coke.....	5½*	..	Less tax	..
General Hydraulic Power.....	3*	..	Less tax	..
Grand Canal.....	..	..	..	..
Hall and Woodhouse.....	5%†(bonus of 5%)	July 28	Less tax	10
H. E. Randall.....	5%†	..	..	10
Herbert Green.....	5*	..	..	..
Holt Brewery.....	3%*	Aug. 15	Less tax	..
Hunter, Barr.....	1/6 p.s.†	Sept. 30	Less tax at 4/5	..
Illinois Car and Equipment.....	7½%*	Sept. 1	Tax free	..
Imperial Tobacco.....	..	..	..	..
Improved Industrial Dwellings	2½†	..	Tax free	5
(Def. and Ord.).....	1/6 p.s.†	Sept. 1	Tax free	2(6 p.s.)
Isaac Holden.....	7/6 p.s.†	..	..	3 p.s.
John Terry.....	4%†	..	Tax free	7
Jones Sewing Machine.....	5/6 p.s.*	Aug. 8	Less tax	..
Kensington and Knightsbridge	5*	Aug. 1	Less tax	..
Electric.....	3%*	..	Tax free	..
Leshy, Kelly, and Leahy.....	2/2 p.s.*	Aug. 15	Less tax at 4/5	..
Linen Thread Company.....	6	..	Less tax at 4/5	..
Liverpool Daily Post and Echo	8*	..	Less tax	..
Llanelli and District Electric..	6	July 31	Less tax	..
London Electric Supply.....	7/6 p.s.	Sept. 1	..	..
Lotus.....	8%†	..	Tax free	13
Maple and Co.....	2%	Aug. 15	Quarterly	10
Metropolitan Gas of Melbourne..	5*	July 31	Tax free	15(b)
Mitchells and Butlers.....	7/6 p.s.	..	..	5
Parker's Burslem Brewery.....	8%†	..	..	..
Pontefract Park.....	..	..	..	..
Pullman Co.....	2%	Aug. 15	..	..
Radiation.....	5*	July 31	Tax free	..
Royal Brewery, Brentford.....	7/6 p.s.	Aug. 7	Less tax at 4/5	..
Rushden Electric.....	3½%*	Aug. 19	..	..
Sandown Park.....	3%*	July 31	Less tax	..
Scottish Canadian Mortgage.....	..	..	Less tax	6½
Sheffield Pure Ice.....	..	..	Tax free	6
South Metropolitan Gas.....	5*	Sept. 3	Less tax	8
South Suburban Gas.....	6½	..	..	..
Spratt's Patent.....	1/6 p.s.*	Aug. 15	Less tax	..
Swan, Hunter, and Wigham	3%*	..	Tax free	..
Richardson.....	8*	Aug. 4	Less tax	..
Thomas Wallis.....	..	..	..	10
Thornton Smith, Def. and Ord..	1/9 p.s.	..	..	10
United Grain Elevators.....	12%†	..	..	17
Watney, Combe, Reid, Def. Ord.	1/6 p.s.*	Sept. 1	Tax free	20
West Electric.....	10*	July 31	..	..
Western Wagon and Property ..	..	..	..	..

RUBBER OUTPUTS.

In the table below we give the outputs for last four complete years, and monthly outputs for last six months separately and July, 1924, of a number of Rubber Companies, while the latest reports of Rubber Companies are analysed under our Summary of Profit and Loss Accounts each week. The latest dividends declared appear under Dividend Announcements, and the Rubber Share Market is dealt with in our Stock Market section. Particulars as to the Market Price of the Commodity and other information will be found in our Produce Market Section.

Name. Year ends December 31, Except where Stated.	Outputs.				Outputs.						
	Year 1921.	Year 1922.	Year 1923.	Year 1924.	Jan., 1925.	Feb., 1925.	Mar., 1925.	April, 1925.	May, 1925.	June, 1925.	July, 1924.
	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.
Ampat (Sept. 30)	226,514	232,234	251,099	336,062	40,000	35,722	35,158	29,075	36,600	35,000	35,024
Anglo-Dutch	2,569,600	3,183,650	2,692,549	3,202,500	382,978	414,502	580,366	487,146	569,821	564,154	564,154
Anglo-Java	1,752,499	1,780,811	2,135,393	2,113,900	190,000	168,400	199,100	191,500	214,600	184,700	191,000
Anglo-Johore	239,212	272,056	261,201	237,400	15,000	11,600	13,000	11,200	20,000	20,000	22,516
Anglo-Malay	814,209	1,199,767	907,735	952,519	87,398	78,886	88,852	82,378	85,514	98,336	93,907
Ayer Kuning	812,127	856,670	656,026	446,872	47,000	41,500	45,000	42,000	53,000	75,000	35,500
Bakel	286,645	464,407	454,132	495,187	67,861	59,607	65,648	60,082	63,408	50,761	50,761
Bah Lias (Oct. 31)	1,129,038	1,245,416	1,202,380	1,017,187	145,400	103,535	43,000	37,690	156,030	159,670	110,542
Bandar Sumatra (July 31)	523,957	414,711	404,210	326,139	37,500	30,400	13,400	34,900	41,000	41,500	43,000
Banteng (April 30)	467,809	449,827	461,206	326,139	37,500	30,400	13,400	34,900	41,000	41,500	43,000
Batang Cons.	296,140	303,819	354,723	308,352	28,052	31,038	33,142	31,802	39,170	38,357	33,710
Batu Tiga	510,500	609,767	629,450	58,520	58,520	42,550	68,000	58,000	71,000	77,800	79,500
Bekoh (June 30)	418,745	432,773	400,603	306,535	36,701	34,558	35,985	33,400	39,836	49,581	33,554
Bertam Cons. (March 31)	1,269,877	1,504,498	1,528,745	1,217,921	137,000	90,000	62,000	62,000	68,000	72,000	121,000
Besoei	207,937	432,726	426,852	480,000	35,500	36,000	60,000	26,000	68,000	68,000	68,000
Bikam	246,735	294,000	285,800	236,489	19,300	19,100	19,400	19,500	23,000	26,700	26,000
Bradwall	392,248	524,578	451,141	467,991	38,585	39,095	39,337	28,997	42,682	49,037	43,098
Brooklands	615,204	702,000	688,805	635,422	80,000	41,000	39,000	49,000	82,000	88,000	64,000
Bukit Kajang (June 30)	756,638	655,540	645,536	623,925	58,525	57,417	17,696	46,894	63,634	61,391	61,391
Bukit Mertajam (Mar. 31)	602,386	676,119	784,210	784,210	1,027,247	92,713	23,947	72,150	92,209	84,470	84,470
Bukit Sembawang	1,010,164	1,065,656	1,123,433	1,107,189	57,052	42,045	47,700	46,496	56,941	52,375	53,564
Chersonese	504,891	502,733	428,345	441,707	57,052	42,045	47,700	46,496	56,941	52,375	53,564
Cheviot	867,033	728,000	600,000	552,000	47,300	40,800	47,000	42,000	43,000	54,600	53,600
Consolidated Malay	842,805	903,362	722,500	632,727	50,200	46,500	52,000	29,500	22,900	22,900	26,000
Dennistown	392,404	494,401	349,787	317,242	29,500	29,500	29,500	29,500	29,500	29,500	29,500
F. M. S. Planters	900,300	907,000	770,000	665,000	52,000	60,000	59,000	67,000	82,000	90,000	90,000
General Ceylon	1,063,642	1,153,166	858,746	620,747	76,000	28,000	18,000	52,000	52,000	52,000	52,000
Glenahiel	265,172	377,076	305,303	330,957	28,179	28,689	23,720	14,841	27,088	30,712	31,251
Golden Hope	233,446	343,759	279,875	301,529	31,671	29,580	29,149	25,682	27,272	29,022	29,022
Grand Central (Ceylon)	4,379,972	5,063,897	3,984,103	3,384,399	344,717	164,109	164,109	65,000	63,300	108,200	112,100
Highlands and Lowlands	1,215,773	1,717,977	1,129,717	965,100	89,900	92,800	65,000	63,300	108,200	112,100	128,915
Inch Kenneth (May 31)	334,688	396,583	343,537	291,166	20,330	20,840	22,930	18,700	20,240	23,130	21,390
Insulinde (June 30)	226,801	364,420	300,092	350,478	24,151	21,224	24,151	18,015	20,341	23,300	21,390
Java Amalgamated	882,331	834,149	934,832	878,896	83,300	83,900	94,000	81,000	97,000	30,080	33,486
Java Rubber Plantations	375,635	454,638	426,800	457,847	32,600	46,300	58,900	43,900	55,700	65,400	65,400
Jeram (March 31)	248,900	289,311	272,149	357,378	32,247	31,918	35,801	32,358	35,841	34,500	34,500
Kamuning (June 30)	747,769	721,071	764,452	527,392	54,000	47,600	40,200	53,300	64,800	30,483	30,483
Kali Glasgow (March 31)	216,908	305,420	353,419	303,195	59,000	52,700	52,300	43,100	43,100	48,700	47,300
Kawir (Java) (March 31)	474,803	584,251	468,100	631,500	52,500	49,400	60,700	52,300	52,400	50,200	49,000
Kepong (Malay)	483,350	683,840	542,542	530,052	61,500	44,371	51,181	48,584	61,058	49,616	49,616
Kinta Kelas (March 31)	663,000	667,750	572,403	505,172	52,400	45,900	45,900	45,900	40,070	53,100	53,100
K.M.S. (June 30)	249,093	262,641	295,200	387,650	37,600	33,200	27,400	35,200	34,500	34,500	34,500
Kuala Selangor	664,712	627,879	424,741	424,741	42,471	42,471	42,471	42,471	42,471	42,471	42,471
Labu (F.M.S.)	1,120,230	900,710	762,865	639,934	60,200	58,900	62,300	46,400	65,300	81,300	43,500
Lanadon	1,105,819	1,261,642	1,098,150	1,020,081	92,259	96,700	100,437	90,103	102,523	102,523	102,523
Langkat (Aug. 31)	455,034	555,688	712,289	510,835	61,805	55,984	66,282	45,196	58,068	61,352	61,352
Langkat Sumatra	370,000	353,000	498,000	446,000	34,000	31,000	18,616	25,000	30,000	40,000	40,000
Ledbury	434,976	473,677	475,452	480,511	60,849	54,882	55,953	49,069	55,231	55,231	55,231
Lingpi Plantation, Ord.	2,175,728	2,256,547	2,235,315	1,455,607	152,900	146,000	136,100	120,600	172,300	188,200	134,100
London Asiatic	1,426,257	1,335,145	2,327,718	1,713,027	172,510	175,497	168,946	165,444	186,049	190,143	150,459
Lunani (Sept. 30)	1,076,700	1,099,700	1,011,557	774,879	86,000	58,000	65,400	55,400	63,660	90,580	66,800
Malacca, Ordinary	5,515,765	5,584,678	3,249,628	3,355,910	234,400	258,800	267,400	233,700	254,100	237,700	309,800
Malayalam (March 31)	681,091	1,135,419	2,276,822	2,593,949	193,230	171,600	278,528	325,706	196,591	157,254	109,643
Mendari	1,148,360	1,260,408	1,294,011	1,444,756	158,527	141,090	144,186	103,550	103,550	157,254	109,643
Nordana (Johore)	517,290	702,603	636,694	504,219	38,185	46,500	43,000	46,000	51,400	53,655	34,064
Pasaling	539,770	574,370	495,710	462,917	40,700	40,000	44,280	41,280	51,400	53,655	34,064
Pegoh (Sept. 30)	527,110	769,087	745,324	712,550	53,027	53,027	49,666	62,120	62,120	62,120	62,120
Perak (March 31)	546,122	516,589	524,050	547,881	21,745	21,095	17,300	24,400	24,400	24,400	24,400
Pernambang	302,568	452,760	514,645	563,014	62,151	59,392	56,814	68,523	68,523	68,523	68,523
Pita Fibre and Rubber	660,667	769,403	687,152	612,308	59,000	59,000	59,000	59,000	59,000	59,000	59,000
Port Dickson (March 31)	478,893	521,150	560,073	575,459	65,534	59,531	59,531	59,531	59,531	59,531	59,531
Ram (Travancore)	701,347	773,346	682,713	751,850	58,220	38,480	38,480	38,480	38,480	38,480	38,480
Rembau Jelai	901,792	778,502	714,003	679,251	66,900	66,000	65,100	85,500	104,140	104,140	22,780
Rubana (April 30)	514,020	525,970	492,410	437,649	36,815	36,424	43,594	43,594	43,594	43,594	43,594
Rubber Estates of Johore	301,815	370,150	346,974	285,301	32,030	27,135	29,818	44,529	44,529	44,529	44,529
Rubber Estates of Krian	686,592	680,085	497,784	524,051	48,151	48,151	48,151	48,151	48,151	48,151	48,151
Sapumalande	853,967	1,081,960	808,234	425,021	39,743	38,820	40,257	40,257	40,257	40,257	40,257
Seaford	450,000	530,000	495,000	495,000	40,212	44,946	40,257	40,257	40,257	40,257	40,257
Seaport (June 30)	450,000	530,000	495,000	495,000	40,212	44,946	40,257	40,257	40,257	40,257	40,257
Selangor	656,554	680,150	666,526	504,759	40,212	44,946	40,257	40,257	40,257	40,257	40,257
Semayan (Sept. 30)	459,882	471,035	410,726	331,325	21,700	23,100	31,500	27,800	29,437	198,194	198,194
Semah (June 30)	1,585,637	1,747,842	2,246,530	2,273,897	213,846	187,391	222,685	176,358	46,000	57,700	23,800
Semang Central	833,000	382,000	355,000	408,000	40,000	35,000	26,000	27,800	29,437	198,194	198,194
Seremban	659,313	772,505	761,443	549,871	47,039	37,300	42,019	41,499	52,447	53,220	53,220
Singapore (Jan. 31)	1,507,287	1,698,565	1,574,300	1,626,186	191,377	125,762	130,741	14			

COFFEE.—The market remained steady for all the better liquoring grades, which are in limited supply, but inferior qualities move off slowly. East India Neilgherry, fair bold, sold, 135s; Jamaica,

mountain grown, good middling, 178s 6d; ditto, bold, 185s; Kenya, fair bold, 130s 6d; Costa Rica good middling colory, 159s 6d; bold fancy blue, 190s 6d; Colombian good bold, 141s per cwt. Brazilian for shipment remains in quiet request.

COCOA.—Spot parcels continue in fair demand, and at the auctions prices ruled fully up to recent private level. Good Trinidad, sold, at 76s; fair to fine Grenada, 65s to 70s; St Lucia, fair to good, 64s to 65s; and Ceylon, good estate, 95s. Accra quietly steady for shipment. F.F. grade, October-December, also December-February, sold, 43s f.o.b. terms. Trinidad, July-August shipment, sellers, 74s 6d; Bahia, ditto, 49s 6d; October-December, 49s 6d; St Thome, July-August, 53s, c.f. and i. terms. Cocoa butter, C.F.R., quoted 1s 6d; and prime English, 1s 6d; while Brazilian sold in auction at 1s 1d per lb, in bond.

TEA.—Indian supplies at public sales totalled 37,831 packages and encountered a good inquiry at generally steady rates, all autumnal flavoured invoices being well competed for. Offerings however included some very low, stinky and inferior grades which realised low figures. Pekoe sold 11d to 1s 6d; and broken orange pekoe, 1s 3d to 2s 6d. Ceylon sales of 27,547 packages were accorded fairly good support, but values displayed considerable irregularity owing to a falling off in quality in many instances. Pekoe sold 1s 1d to 1s 10d; and broken orange pekoe 1s 5d to 2s 2d per lb in bond. Of China, a good demand continues for common monings at 6d to 7d; while new season's Keemuns realised up to 3s 4d, with old seasons ditto ranging from 1s 3d to 2s per lb as to quality. Java descriptions moves off slowly except for fine quality.

RICE fairly steady on the part of shippers, but demand continues quiet. Rangoon two stars, spot, London, quoted 15s 6d; afloat, 15s 3d; July-August, 15s 3d, c.f. and i., London. Beans and peas steady, but inactive. Japanese peas, 25s 6d, spot; September-October, 23s 6d; October-November, 23s 7d. Madagascar butter beans, spot, 36s 6d to 37s 6d, as to quality; and July-August 34s, c.f.i., per cwt.

SPICE.—Pepper quiet and easier forward. Black Singapore L.S., August-October, sellers, 84d; Lampong, ditto, sold, 84d to 8d; white Muntok, August-October, sold, 1s 1d to 1s 1d; October-December, 1s 1d to 1s 1d. Cloves weak. Zanzibar October-December, sold, 1s 1d to 1s 1d. Tapioca quietly steady. Singapore flake, September-October, also October-November, to Havre, quoted 10s 6d; Penang seed, ditto, to London, 18s. Sago flour inactive. Sarawak, July-August, to U.K., 16s 6d; September-October, 16s 3d per cwt, c.f. and i. terms. Desiccated cocoanut quiet. Spot, halves, quoted 40s 6d; August-September, 39s 9d cwt.

JUTE.—Values continue firm, under stimulating advices from Calcutta, and fair inquiries with sellers more reserved, closing quieter, however. Firsts, to Continent, July, sold, £46; August, £43 5s; September, £42 2s 6d to £42; September-October, £41 10s; October-November, also November-December, £41. Lightnings, August, £42; September, £40 10s ton. Hessians and twills quietly steady.

HEMP.—Manila dull, and trend of values in buyer's favour. J grade, August-October, £46 10s value; K, ditto, £42, sellers; L, £42; and M, £35 ton. New Zealand H.P.F., July-August £38; and fair, £36 ton. African sisal, No. 1 Tanganyika, July-August, £45 10s, and No. 1 Kenya, ditto, £45 ton, c.f.

SHELLAC remains quiet. T.N., August, quoted 220s; October, 217s 6d; December, 215s cwt.

COPRA.—Firm, with a fair demand, and sellers somewhat reserved. F.M.S. Straits, April-June, to Rotterdam, sellers, £31 5s; May-July, £31 1s 3d; July-August, £31; July-September, sold, £31 to £30 15s; August-October, £30 12s 6d; and October-December, £30 7s 6d. Dutch East Indies, June-July, sellers, £30 12s 6d; June-August, £30 10s; July-September, sold, £30 10s; October-December, £30. Ceylon, July-August, buyers, £32 2s 6d; South Sea Islands, F.M.S. quality, July-August, Rotterdam, sellers, £29 17s 6d. Palm kernels firm, and July-September to Liverpool buyers, £22 7s 6d per ton.

ESSENTIALS.—Citronelle oil, spot, Ceylon, 2s 1d; forward, 1s 9d; Java, spot, 3s 9d; shipment, 3s 7d. Cinnamon leaf oil, spot, 44d; forward, 4d. Japanese peppermint oil, spot, 17s per lb.

EGG PRODUCTS slow. Dried yolk, spot, sellers, 11d; albumen, spot, new seasons, 3s 11d; July-August shipment, 3s 10d per lb. China hen liquid yolk, spot, 72s 6d; July-August, 72s 6d cwt.

RUBBER.—Market easier on realisations, while very irregular, with dealings on a moderate scale. Plantation standard sheet, spot, sold, 3s 9d to 3s 8d; August, 3s 7d to 3s 6d and 3s 7d; September, 3s 6d to 3s 5d and 3s 6d; October-December, 2s 11d to 2s 11d and 3s; January-March, 2s 6d, 2s 5d, 2s 7d, and 2s 6d. First crepe, spot, sold, 3s 7d to 3s 8d; August, 3s 7d, and 2s 6d. 3s 3d to 3s 6d; October-December, 2s 11d to 3s; January-March, 2s 6d to 2s 7d. Fine hard Para, spot, sellers, 4s 4d; soft fine, 3s 11d; cauchó ball, 2s 11d. To New York, rubbed smoked sheet, January-December (1926), sold, 2s 3d, c.f.i., terms.

FRUIT (Dried).—Trade quiet but prices generally steady. Of currants, Pyrgos quoted 31s to 32s; Amalia, 35s to 36s; Patras, 38s to 40s; Gulph, 40s to 42s; Vostizza, 45s to 51s. Sultanas: Smyrna, good quality, 64s to 69s; finer, 75s to 80s; Cretan, medium to good, 68s to 74s; Australian in fair demand at 66s to 72s; South African, 75s to 80s. Figs: Naturals, in bags, quoted 27s to 29s. Dates quietly steady. Hallowee, spot, 19s; Khadowie, 17s 6d; Siar, 16s. Raisins: South African, 40s to 50s; Australian, 48s to 50s; Lexias, 48s to 52s. Evaporated fruits steady. Californian apricots, standard new extra choice, 127s 6d; fancy, 135s; Australian, 120s to 130s; Californian peaches, choice, 62s to 63s; extra choice, 65s to 68s; fancy, 70s. Plums: Oregon, new, size 30/40, quoted 71s to 72s; 40/50, at 50s to 51s; Californian, new, 40/50, 58s to 60s; 50/60, 50s to 51s; 70/80, 44s to 45s. Pears, choice, 90s; extra choice, 102s to 103s. Apple rings, Californian, extra choice, 58s to 60s; Oregon, extra choice, 63s per cwt.

CANNED GOODS.—Sardines in moderate request on former terms. Portuguese, 1/2 flats quoted 4s 3d; clubs, 5s; 12 ozs, 7s 6d; 18 ozs,

12s per dozen tins. Salmon continues in good request at full rates, with limited stocks. 1/2 lb, flat reds, labelled, 77s to 78s; tall, 1 lb, 52s to 53s; 1/2 lb, tall, pink, 26s to 27s. Lobsters firm, and in fair request. Halves quoted 165s.

CANNED FRUITS.—Market quiet, but firm. Packers are withdrawing their offers for new season's, and trying to cut down their contracts. Loganberries and apricots are in good demand. Singapore pines continue in demand, and prices maintained. 48-1 1/2's quoted 86s 6d to 87s 6d; cubes, 2 1/2's, 13s to 13s 6d; slices, 2-2 1/2's, 12s 6d to 13s 6d; South African are coming to hand freely, and realise steady rates. Californian pears, 15s 6d to 17s; peaches, 12s 3d to 14s; cherries, 13s 6d to 14s; apricots, 10s to 13s 6d; loganberries, 13s 6d to 16s; fruit salad, 1 1/2's, 12s 6d to 14s; 2 1/2's, 21s 6d to 22s 6d; Australian pears, 24-2 1/2's, 16s to 16s 6d; Canadian, 14s to 14s 6d.

MISCELLANEOUS.—Cocoanuts quoted 25s to 27s 6d per 100. Coir yarn: Ceylon, £25 to £39; Cochin, £30 to £54. Ceylon bristle, £19 10s to £25; cinnamon leaf oil, 44d; citronella, Ceylon, 2s 1d; Java, 3s 9d.

OILSEEDS.—Linseed firmer, with moderate sales. Calcutta to London, August-September, sold, £21 15s; bold Bombay, ditto, £22 10s. Plate to Hull, July-August, sold, £19 12s 6d; September-October, £19 16s 3d; January-February, £18 15s to £19. Rapeseed quiet. Toria to Continent, July-August, £21 15s. Cotton-seed easier. Egyptian black, to Hull, July-August, sold, £13; November-January, £12 15s; white, July-August, £12 10s; November-January, sold, £12 3s 9d; Bombay, July-August, sold, £9 10s. Castor-seed firm. Bombay, July-August, £22 10s. Gingly seed quiet. Chinese to Continent, July-August, £28 5s; large Bombay ditto, £26 7s 6d. Ground-nuts quiet. Coromandel machined, July-August, £25 10s; Nigerian, July-August, £25 10s per ton.

OILS.—Linseed irregular. Spot, net, naked, 41s 6d; August, 40s 7d; September-December, 40s 9d. Rape steady. Crude, spot, 48s 6d; refined, 51s 6d. Castor-oil quiet. First pressure, spot, quoted 56s 6d; second pressure, 54s 6d; and pharmaceutical, 61s 6d per cwt. Hull, with London, 2s per cwt extra. Cotton firmer. Crude Egyptian, spot, 44s; Bombay, 41s; common edible, 49s; deodorised, 51s. China-wood nominal. Hankow, spot (barrels), 68s; June-July, 67s. Cocoanut quieter. Ceylon, spot, 48s 6d; June-July, 46s 9d; Cochin, ditto, ordinary packages, 60s. Soya quiet. Oriental, barrels, July-August, 44s 3d; bulk, 41s. Cod steady. English, spot, 34s to 35s. Ground-nuts steady. English, crushed, naked, spot, 49s 6d; deodorised, barrels, 57s 6d. Turpentine firmer but quiet. American, spot, 67s 6d; August, 67s 6d; September-December, 68s 9d. Rosin firm. American, grade B/D, 20s 6d; E, 21s 3d; F/G, 22s; W/G, 28s; W/V, 30s per cwt. French FG, nominal; W/V, 26s 9d per cwt. Petroleum quiet. American, standard white, spot, 1s; and water white, 1s 1d per gallon.

TALLOW.—Messrs Colchesters and Woolner write on July 29th as follows: The tallow market was steadier during the week, and prices were occasionally 6d dearer to-day. The best kinds changed hands most freely, and it was for such that the advance was most

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marked. There will be no auctions next week. At auction to-day 1,242 casks tallow were offered, and 302 were sold. Quotations are:—Australian mutton: Fine, 49s 6d; good to fair, 48s 6d to 46s; dull to dark, 43s to 39s; hard, 48s 6d. Australian beef: Fine, 48s 6d; good to fair, 47s to 44s 6d; dull to dark, 42s 6d to 38s; sweet, 49s 6d. Present shipment from Australasia: Good mixed, 46s 6d. Present shipment from South America, 47s 3d. The market letter is unchanged. Town tallow, 42s 6d per cwt. Rough fat per 8 lbs, 44d; melted stuff, 33s per cwt. Quotations are:—Town, 43s, net cash, naked, ex works. Country: Frail casks, 43s; home melted, shipping casks, net, f.o.b., good coloured, 45s 6d; fair to dull, 43s 6d to 42s 6d. Bone fat: white, none; pale, none; benzine, 40s; melted stuff, 39s f.o.b.

METROPOLITAN CATTLE.—JULY 29.

British Beasts, per stone of 8 lbs to sink the offal. Sheep, per stone.			
Beasts—Devons.....	7	0	5
Short-horns.....	7	0	7
Norfolks.....	6	8	7
Souths.....	..	..	..
Irish.....	..	..	..
Fat Cows.....	..	..	..
Beasts—Heavy Bulls ..	..	..	..
Canadians.....	..	..	..
Sheep—Downs (clipped)	9	8	10
Ewes.....	6	8	..
Crossbreds.....	..	..	..
Souths.....	..	..	..
Lamb—Downs.....	11	4	12

COMMERCIAL TIMES—WEEKLY PRICE CURRENT.

The prices in the following list are revised with the assistance of an eminent firm in each department.									
LONDON, THURSDAY.									
COCOA.—Duty British grown, 9s 4d, foreign, 14s cwt. 0 80 0									
Trinidad.....	58	0	110 0						
Grenada.....	58	0	110 0						
Ceylon, plantation.....	85	0	110 0						
Guayaquil.....	68	0	80 0						
Bahia, finest.....	53	0	54 0						
COFFEES.—British grown, 9s 4d, foreign, 14s cwt. 0 140 0									
Ro India, fine ord. gd. midline.....	150	0	158 0						
Do good to fine.....	150	0	158 0						
Costa Rica, ord. to mid.....	120	0	155 0						
Good to fine.....	170	0	196 0						
Central American, gd. ord. to mid.....	115	0	145 0						
Mid to fine.....	150	0	155 0						
Colombian, ordinary.....	113	0	115 0						
Do gd. ord. to low midline.....	118	0	128 0						
Do mid to fine.....	130	0	148 0						
CHEMICALS.—									
Acid, citric.....	per lb	1	5	0	0				
Nitric.....	0	24	0	4	0				
Oxalic, net.....	0	6	0	6 1/2	0				
Tartaric, English.....	1	1	1	1 1/2	0				
Foreign.....	0	11 1/2	1	0					
Cream of Tartar.....									
99 1/2-100%.....	per cwt.	76	0	78	0				
Alum lump.....	per ton	£10/10/0		11/0/0					
Do ground.....	per ton	£11/10/0		12/0/0					
Ammonia, carb.....	ton	37	0	39	0				
Muriate, White.....	ton	25	15	31	15				
Sulphate.....	£14	0	15	0					
Arsenic, lump.....	per ton	75	0	80	0				
Powder.....	per cwt	23	0	25	0				
Ashes, pot.....	per cwt	65	0	70	0				
Pearl do.....	per cwt	70	0	75	0				
Bleach ng powder, per ton	9/0/0		9/10/0						
Borax, gran.....	cwt	24	10	0	0				
Do crystals.....	25	0	0	0					
Do powder.....	26	0	0	0					
Calomel.....	per lb	4	0	4 1/2					
Iodine, dry.....	per oz	1	0	1					
Nitrate of Soda.....	per ton	12/17/6		13/0/0					
Potash..... Chlorate, net.....	0	42	0	44	0				
Prussiate.....	0	8	0	9					
Do Foreign.....	0	74	0	8					
Sulphate.....	per ton	12	0	15	0				
Sal-Ammoniac.....	per lb	1	10	2	0				
Soda Bicarb.....	per cwt	50	0	52	6				
Crystals.....	per ton	£9/0/0		10/0/0					
Alkali.....	per ton	£6/15/0		0/0/0					
Caustic.....	14/12/6		17/0/0						
Sugar of lead, white.....	ton	0/0/0	0/0/0						
Foreign white.....	£48	0	50	0					
Sulphate Quinine.....									
English Brands.....	2	3	0	0					
Foreign do.....	2	2	2	3					
Sulphate Copper per ton	24/10/0		25/10/0						
Zinc, out.....	nom								
Sulphur Flour.....	9/0/0		9/10/0						
Do Roll.....	3/0/0		3/0/0						
Vermillion, Chinese, per lb	4	6	4	9					
English.....	4	6	5	0					
Oil Peppermint, H.G.H.....	nom								
COPRA—per ton, c.f.i.....	£ 4	4							
Malabar, June-July.....	nom								
Ceylon.....	32	2	6						
F.M.S. Singapore.....	31	2	6						
F.M. Straits.....	30	2	6						
COCHINEAL..... per lb 2/9 3/6									
DRUGS.—									
Aloes, fine E.I.....	per cwt	£150	0	150	0				
Cape, good to fine.....	41	0	42	6					
Balsam Peru.....	per lb	7	3	7	6				
Capivi.....	2	0	2	3					
Camphor.....	2	9	2	9 1/2					
Japan, refined.....	6	0	8	0					
Cardamoms, Ceylon.....	6	0	8	0					
Cantharides, China, per lb	4	0	0	0					
Castor-oil.....	cwt	85	0	95	0				
Gum Benjamin Sum., cwt	5/0/0		10/0/0						
Olibanum, drops, fair to good.....	60	0	105	0					
Ipecacuanha.....	8	6	0	0					
Jalap.....	2	0	0	0					
Musk pod, China.....	77	6	80	0					
Oil, Cassia.....	per lb	3	8	3	6				
Aniseed.....	3	0	3	1					
Peppermint, Wayne County.....	70	0	75	0					
Rhubarb, China, fr to fr	0	3	3						
DYE STUFFS, &c.—									
Galls, China.....	per cwt	60	0	62	6				
Turmeric, Bengal.....	nom								
Madras, finger.....	37	6	40	0					
Gambler, block.....	60	0	0	0					
Cutch, ord. to fair.....	55	0	0	0					
DYEWOODS.—									
Brazil.....	per ton	18	0	18	0				
Fustic, Jamaica.....	8	10							
Cuba.....	15	0							
Lima Wood.....	20	0							
Logwood, Campeche.....	10	10							
Honduras.....	7	15							
Jamaica.....	12	0							
Red Sanders.....	15	0							
Sapang Ceylon.....	15	0							
FLAX.—spot—c.f.i. £ 85 0 87 0									
Riga ZK.....	85	0	87	0					
Pernau HD.....	128	0	0	0					
Slanets UJA Medium.....	98	0	0	0					
FRUIT.—									
Oranges, Murcia & Val.....	300	24	0	36	0				
Do.....	360	20	0	30	0				
Do Cape.....	0	0	28	0					
Lemons, Naples.....	cases	0	0	0					
Do.....	boxes	10	0	34	0				
Do Sicilian.....	boxes	5	0	17	6				
Do.....	cases	0	0	0					
Do Malaga.....	cases	0	0	0					
Grapes, Lisbon.....	boxes	0	0	0					
Almeria.....	barrels	0	0	0					
Val. Ona.....	10	6	13	0					
Egyptian Ona.....	bags	0	0	0					
Apples: Tasmanian.....	9	0	14	0					
Sturmer Pippin.....	0	54	0	73					
HIDES.—Wet salted—									
Australian.....	per lb	0	54	0	73				
West Indian.....	0	4	0	7					
Cape.....	0	6	0	7 1/2					
Lisbon.....	0	54	0	74					
Oporto.....	0	4	0	12 1/2					
Dry & Drysalted Cape.....	0	8	0	12 1/2					
Madagascar.....	0	62	0	112					
Central American.....	0	74	0	12					
Buffaloes, Singapore.....	0	5	0	10 1/2					
Penang.....	0	5	0	14 1/2					
Do.....	0	5	0	14 1/2					
Do.....	0	8	0	8 1/2					
Do.....	0	64	0	82					
Do light do.....	0	64	0	82					
Do ox, heavy.....	0	64	0	82					
Do light do.....	0	64	0	82					
Best cow.....	0	64	0	82					
2nd do.....	0	104	0	15					
Best calf.....	0	104	0	15					
2nd do.....	0	98	0	13					
INDIA RUBBER.—lb—									
Para, fine hard spot.....	4	4	0	0					
Plantation sheet.....	3	8	0	0					
INDIGO.—per lb—									
Bengal, good red violet to fine.....	6	8	7	0					
Do.....	6	8	0	6					
Mid. ord. vio. to good.....	6	0	6	0					
Low to good ord.....	3	0	4	0					
Madras, dry leaf, good.....	3	0	4	0					
Do low to ord.....	1	0	5	0					
Kurpah, gd. mid. to gd.....	3	0	4	0					
Low to mid.....	3	0	4	0					
HEMP.—per ton—									
Italian P.C.....	80	0							
Manila, Aug-Oct., "J".....	46	10							
Grade.....	36	0							
N.Z., high point, fair, Aug-Oct.....	48	0							
JUTE.—									
Native first marks, Aug.....	43	5	0						
LEATHER.—per lb—									
Sole Bends 6/9 lb.....	1	3	1	10					
Do 10/12.....	1	3	1	10					
Do 12/14.....	1	4	2	8					
Do 14/16.....	1	6	2	8					
Do 17 lb and up.....	2	6	3	3					
Bark Tanned from DB Hides.....	9	0	11						
Shoulder from DB Hides.....	0	104	1	8					
Do Eng. or WS do.....	0	78	0	84					
Bellies from DB do.....	0	84	1	1					
Do Eng. or WS do.....	0	84	2	2					
Dressing Hides.....	0	4	0	5	6				
Ro. King, Calf, 30/30 lb.....	1	0	1	3					
Aust. Sides.....	1	0	1	3					
METALS.—B. Copper..... £ s d									
Best selected.....	63	10	64	15					
Sheets (strong).....	91	0	0	0					
Standard.....	61/7/6		61/10/0						
Lead—English, pig, per ton	37/5/0		0/0/0						
Soft Foreign.....	36/10/0		36/3/6						
Spelter G.O.B.....	35/5/0		34/17/6						
Tin—English ingots.....	260/0/0		260/10/0						
Do do bars.....	261/0/0		261/10/0						
Standard cash.....	259/15/0		260/0/0						
OILS.—Fish, per ton— £ s d									
Seal, pale.....	40	0	41	0					
Lined, p. ton net, naked.....	41	10	0	0					
Rape, refined.....	51	12	0	0					
Crude.....	48	10	0	0					
Cotton-seed, crude.....	41	0	44	0					
Edible, refined.....	48	10	0	0					
Coconut, crude.....	53	0	54	0					
Refined.....	39	10	4	5					
Palm.....	70	0	78	0					
Lard.....	1/0	0	0	0					
Petroleum—Oil, per 8 lbs.....	1/0	0	0	0					
Water-White.....	1/1	0	0	0					
Oil Cakes, Lined, Eng., per ton.....	£12/15/0		£13/0/0						
Oil Seeds—Lined— £ s d									
La Plata, p. ton Aug-Sept.....	19	12	6						
Bombay, p. ton Aug-Sept.....	22	10	0						
Calcutta, p. ton Aug-Sept.....	21	15	0						
PORTLAND CEMENT.—Best English per ton delivered, London..... £8/0 58/0 63/6									
Rapid hardening "Ferrocete," 1 1/2 per ton extra.....									
PROVISIONS.—									
Butter—per cwt..... £ s d									
Irish Creamery.....	136	0	200	0					
Do Factory.....	160	0	166	0					
Australian.....	168	0	180	0					
Argentine.....	176	0	198	0					
Dutch.....	200	0	204	0					
New Zealand.....	186	0	200	0					
Danish.....	198	0	200	0					
Bacon, smd.—Irish.....	110	0	130	0					
Danish.....	112	0	122	0					
Canadian.....	106	0	115	0					
American.....	102	0	108	0					
Hams—I									

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THE MONEY MARKET.

FOUR AND A-HALF PER CENT.

Much to the surprise of all concerned, the Bank Court on Thursday reduced the official minimum rate of discount from 5 to 4½ per cent. A fortnight ago such a movement was thought by some observers of monetary conditions to be possible, but the hope had lately receded in view of the approach of the autumnal pressure on the exchange value of sterling. Apparently, however, the authorities con-

sidered that a sufficient stock of gold has now been acquired to permit this relaxation, with certain safeguards. The most obvious is the fact that the clearing banks have only reduced their rate for weekly advances to the discount market by $\frac{1}{4}$ per cent. to $3\frac{1}{2}$ per cent., and this arrangement, which may be relied on to be observed and maintained, will be an important influence in keeping the market rate within reasonable distance of the official minimum. In other words, industry, whose "sufferings," owing to the 5 per cent. Bank rate have been so eloquently over-stated, gets a certain relief, while it may perhaps be expected that the effect on the market rate of discount, which is so important an influence on the exchanges, will, when conditions have settled down, be found to have been slight. It also seems reasonable to suppose that the temporary settlement arrived at in the matter of the coal industry may have influenced the decision of the Court. The official movement was followed by the published deposit rates of the banks and discount houses, which were reduced by $\frac{1}{4}$ per cent.

Money was wanted in the early part of the week, but was rather more abundant yesterday, when it was seen that a substantial amount has been paid out by the Treasury, to the benefit of the Other deposits. The three months' discount rate, which was in the neighbourhood of $4\frac{1}{2}$ per cent. before the reduction in Bank rate, was quoted after it at 4 per cent., with business in fine bills at a shade below, the Continental demand being still in evidence. Yesterday's batch of Treasury bills went in accordance with the new conditions.

	Aug. 7, 1925.	July 30, 1925.	July 24, 1925.	July 17, 1925.	Previous Rate and Date Changed.
Bank Rate	$4\frac{1}{2}$	5	5	5	$\frac{1}{4}$ (Mar. 5, '25)
Banks' Deposit Rate	$2\frac{1}{2}$	3	3	3	2 (Mar. 5, '25)
Discount/Call	$2\frac{1}{2}$	3	3	3	2 (Mar. 5, '25)
Houses' Notice	$2\frac{1}{2}$	$3\frac{1}{2}$	$3\frac{1}{2}$	$3\frac{1}{2}$	$2\frac{1}{2}$ (Mar. 5, '25)
Market rate (3 months' bills)	$4\frac{1}{4}$	$4\frac{1}{4}$	$4\frac{1}{4}$	$4\frac{1}{4}$	..

The Bank return showed an increase in the stock of gold of £242,000, of which £228,000 had been announced during the week as received from abroad. The circulation of notes had expanded by £1,569,000, of which £1,300,000 had gone into the currency notes reserve; the Bank's Reserve was thus £1,327,000 lower, and its Proportion to liabilities had fallen by 0.4 per cent. to 31.2 per cent. Government and Other securities declined by £92,000 and £944,000, and Public deposits by £9,653,000, the Other deposits being thus increased by £7,234,000 on balance. Currency notes outstanding increased this week by £4,443,900 to £305,484,200, which includes £1,331,600 for notes called in but not yet cancelled. Bank of England notes in the currency note redemption account were increased by £1,300,000 to £56,250,000. The fiduciary issue is £247,902,500, or £242,900 below the maximum for 1925.

NEW YORK MARKETS.

Our New York correspondent cables:—Much interest is being taken here in the reduction in your Bank rate, which is considered reassuring in regard to the condition of our money market this autumn. The reduction is looked upon as a natural result of your gains in foreign balances, and emphasises the fact that the high Bank rate is a temporary measure. Meanwhile, you have accumulated an impressive amount of gold. Our markets remain steady, with recurrent touches of buoyancy and further signs of an industrial revival in the autumn. While the wheat crop is likely to be below normal, raisers of corn and cattle are faced with a better situation. During July, Dun's index number rose by 1.1 per cent., and Bradstreet's by 2.8, industrial groups becoming firmer towards the end of the month. The Reserve banks have extended the credit in consequence of end-of-month requirements. The Reserve system's discounts are up by \$75 millions, and there are moderate increases in acceptances and Government securities. The ratio is 75.3 per cent.

THE STOCK MARKETS.

Bank rate reduction took the Stock Exchange completely by surprise, and there was a general rise in prices, particularly in the gilt-edged market. The House had not been particularly pleased with the coal agreement, but was making the best of it, though business was small and markets quiet, with the exception of Courtaulds and the mining section which was supported by Cape and Paris buying. Home Rails fell sharply on the coal agreement, but recovered when Bank rate was lowered. In the foreign market there have been declines in German and French bonds, but mid-European issues have been steady. Argentine rails show a mild improvement. Rubbers have been quiet by comparison, but tea shares are better, and there has been a better tone in the oil market.

THE COMMODITY MARKETS.

Business in most markets has been affected by the holidays. There is very little inquiry for pig-iron, and constructional steel remains almost the only branch of the manufactured iron and steel trade to show any marked activity. The settlement of the coal dispute has caused some degree of disorganisation in the coal market, and at Cardiff prices have dropped from 1s to 2s 6d per ton. A better tone is maintained in the cotton trade, cloth demand from India being more active, while inquiry from China has tended to broaden. The wool textile trade is still under the depressing influence of the West Riding dispute, but conversations between the two sides are now being initiated. The wheat market has been firmer on news of the fall in Bank rate. Among metals, tin shows further improvement, copper has been active, and lead well supported. Trade inquiry for sugar has been on a broader scale than of late. The present quiet tone in tea is attributed to the large available stocks, especially of common grades. Jute has been distinctly easier, and rubber continues irregular.

FOREIGN EXCHANGES.

Under the influence of the holidays, the foreign exchange market has been extremely quiet during the week. The measure of general stability now obtained in the exchanges may be gauged by the comparatively small effect produced by the surprise announcement of the fall in the Bank rate from 5 to $4\frac{1}{2}$ per cent. The New York rate, which moved from $4.85\frac{1}{8}$ on Friday of last week to $4.85\frac{1}{4}$ on Saturday, remained steady over the week-end, but rose to $4.85\frac{1}{2}$ on Wednesday. On Thursday the change in the Bank rate produced a fall of only $\frac{1}{8}$ to $4.85\frac{1}{4}$, and by yesterday morning a further rise of $\frac{1}{8}$ to $4.85\frac{1}{2}$ was reported. With regard to forward rates, the same cause led to a narrowing of $\frac{1}{8}$ to $\frac{1}{4}$ cent per month below spot. There is considerable speculation as to whether it will be necessary to raise the Bank rate again when the autumn adverse movement sets in. Much depends on money rates in New York, which at present show signs of being easy for some time to come. Paris, after dropping from 102.35 on July 31st to 102.25 on August 1st, rose again to 102.55 on Tuesday. On Wednesday the rate touched 103.60 at one time on rumours of an unsatisfactory return of the Bank of France, which were justified on Thursday, when an increase of 950,000,000 in Advances to the State, and of 838,000,000 in the note circulation were recorded. The rate moved around 103.60 on that day, but yesterday morning had eased slightly to 103.45. Brussels followed a similar but stronger movement from 105.45 on Friday last to 107.85 on Wednesday, but had recovered by yesterday to 107.45. Forward rates in Paris broadened from 30 to 45 centimes per month above, but in Brussels were steady at 5 centimes per month below spot. Italy rose from 132 $\frac{1}{2}$ to 133 $\frac{1}{2}$. Amsterdam fell during the week-end from 12.09 $\frac{1}{2}$ to 12.08, but recovered slightly to 12.08 $\frac{1}{2}$ by yesterday morning. Geneva is steady at 25.01, but Madrid rose from 33.57 to 33.67. Of the Scandinavian countries, Stockholm is unchanged at 18.07, while the other centres have been quieter than for some time past. Oslo, which reacted from 26.25 to 26.70 on Friday, fell again during the week to 26.27, and Copenhagen, which had also risen from 21.20 to 21.65, stood once more at 21.30 yesterday morning. Helsingfors is steady at 192 $\frac{1}{2}$. Berlin is unchanged at 20.40, Vienna at 34.50, Prague at 163 $\frac{1}{2}$, and

Budapest at 345,000. Warsaw, after the sudden rise of last week, has been steady at 26.00, with practically no business transacted. Bucharest is slightly stronger at 945. In the East the rupee has shown little variation from 1s 6 $\frac{1}{2}$ d, but the yen has improved slightly from 1s 8 11-32d to 1s 8 15-32d. The silver market has also been extremely quiet, with a slight surfeit of supplies at the moment. Hong Kong is $\frac{1}{4}$ d cheaper at 2s 3 $\frac{1}{2}$ d, and Shanghai $\frac{1}{4}$ d cheaper at 3s 1 $\frac{1}{2}$ d. In South America, Rio has fluctuated slightly round 5 $\frac{1}{2}$ d, Buenos Aires round 45 $\frac{1}{2}$ d, and Monte Video round 49 $\frac{1}{2}$ d. Valparaiso is steady at 40.30.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended August 1st:—

EXPENDITURE.	RECEIPTS.
Supply Services	From Revenue
Interest, &c., on Debt	Increase in Debt
Sinking Fund	
Sundries	
Increase in Exchequer Balances	
14,098	14,098

The Revenue for the week amounted to £11,911,000, as compared with £14,233,100 in the corresponding week last year. Customs were slightly lower at £1,608,000, against £1,722,000, while Excise was higher at £1,026,000, against £971,000. Estate Duties brought in £720,000, as compared with £1,420,000. Property and Income-tax amounted to £5,467,000, against £7,086,000, while Super-tax at £750,000 was £160,000 higher. Ordinary receipts were nil, against £400, and Special receipts were nil for both periods. The week's operations increased the National Debt by £2,187,000, and caused the following changes:—

EXPENDITURE.	RECEIPTS.
Public Department Advances	Treasury Bills
3,050	National Savings Certificates
	Sundries
	863
3,050	

The floating debt was increased by £2,910,000 to £782,701,000.

FINANCIAL YEAR, 1925-1926 (April 1st to August 1st.)

EXPENDITURE.	REVENUE.
Total Expenditure .. 278,493,063	Raised by Revenue .. 237,512,333
	Decrease in Balances .. 3,816,820
	Amount borrowed .. 37,163,910
Total .. 278,493,063	Total .. 278,493,063

ESTIMATES FOR FINANCIAL YEAR 1925-1926.

EXPENDITURE.	REVENUE.
Expenditure .. 799,400,000	Revenue .. 801,060,000
Surplus .. 1,660,000	

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—Anglo-Dutch Plantations of Java and La Guaira and Caracas Railway.

ECONOMIST INTELLIGENCE BRANCH.

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

MR BALDWIN'S DILEMMA.

In the long line of disputes and settlements that forms so great a part of our industrial history in the last 20 years none has left in the public mind a greater sense of discomfort and apprehension than this battle and truce between the mineowners and the workmen. The extremists of the Labour movement who see it as a spectacular victory for organised labour, a proof of what Labour, organised and unified, can extract from a capitalist Government, are jubilant and vocal. The more moderate sections of Labour, including most of the men who have shared in the work and burden of Government, are almost certainly uncomfortable and nervous at the issue of these three-cornered negotiations, and in their

hearts are probably more out of sympathy than ever with their left wing. Conservatives are openly dissatisfied; Liberals are definitely hostile, and the general public has an unpleasant feeling that a new and dangerous chapter has been opened in the book of government.

The truce patched up at the last minute took the form of a suspension of the masters' notices, while the Government works out the details of a new inquiry and the scheme for Government assistance to the industry, which was the basis of the agreement. That the scheme of assistance was shadowy and half-defined was indicated by the delay in producing the details and the slow publication of the White Paper. That the ultimate cost to the taxpayer is problematical was proved by the very various estimates, with which the daily papers were supplied. That the Treasury is seriously embarrassed by the problem of tapping a new source of revenue is clear from the kite-flying rumours of an extra penny a pint on beer, from the vigorous protests instantaneously raised by the brewing interests, and from the decision to impose no new taxation announced by the Chancellor on Thursday. Nothing was clear except that from now until the spring the 1924 scale of wages is to remain in force, and that a Government subsidy is to make good the losses suffered in those districts which cannot pay the wages without encroaching on the owners' percentage of profits.

The position of the Prime Minister in trying to effect a peace between miners and masters was undeniably very difficult, and the decision he was called upon to make was momentous. Trade is bad, and the general situation more formidable than at any time since the close of the war. Our staple industries are hard put to it to keep their heads above water, and our export trades are finding it constantly more difficult to maintain their footing in the world's markets. In these circumstances what disaster could be greater than the stoppage of the whole mining industry, which has always supplied the greatest proportion of our exports in bulk and the power material for every trade in the country? And if that is not enough, what was Mr Baldwin's problem when faced with the action of the Trades Union Congress and the sympathetic threats of transport workers, which might have led to the immediate paralysis of the whole body of British trade? Presented with the alternative choice of these two evils—the general stoppage of industry at one of the most critical times in our history, or the outlay of anything up to £24,000,000 of public money to keep the mines at work for six months—could he, as a responsible statesman, invoke so great a disaster on a mere point of principle? The circumstances being so exceptional, and the offer of a subsidy being made with the stringent reservation that it was temporary and would not serve as a precedent, has any harm been done or any loss incurred one-tenth so great as would result from a stoppage of the mines? Of two evils, did he not choose, as any man in his position must have chosen, the smaller?

The argument for the Prime Minister's decision can be powerfully stated, but the more strongly it is put, the more we know of the pressure exercised by the Council of the Trades Union Congress, the more alarming are the consequences which flow from it. If a quarrel over wages in any vital industry can be taken up by the workmen in other industries, and extended till it becomes an immediate menace to the country's trade, and if at the first sight of that menace the Government is to sign a blank cheque in favour of the particular industry, and the taxpayer to foot the bill for losses until peace and equilibrium are restored, it is easy to see where the path leads, and very difficult to see why we should not be forced to follow it. The circumstances in this case may be exceptional, but circumstances often are exceptional, and exceptions swiftly become the rule. The subsidy is said to be temporary, but subsidies are like tariffs, easy to begin and uncommonly difficult to stop; and there is no guarantee—from the nature of things there cannot be a guarantee—that the time-limit which the Government so emphatically puts on the subsidy now will be effective next spring. Nor is there any great importance to be attached to the plea that this subsidy shall not form a precedent; for whatever the Prime Minister and his colleagues say to-day, the deciding word may rest not with them or

their successors, but with the leaders of the trades union movement, and with the use they make of the power which they have been proved to possess, and which at any moment they can employ. There seems to be nothing to prevent railwaymen, transport men, sailors, engineers, shipbuilders, or textile workers from doing with the help of their fellow unions what the mines have done in the past fortnight—nothing to stop them from extracting from the public purse any subsidy required to keep any given trade going over any undefined period.

It must not be forgotten, either, that State subsidies are a half-way house to State management. If the losses of mining are to fall on the State, an unanswerable argument can be established for handing over the profits to the State as well, for it is clearly absurd that Society should allow private ownership to enjoy the prosperity of the mines while the taxpayer carries the weight of their depression. Unless the industry of coal-mining is reorganised in such a way that the owners can carry their own losses without support from the taxpayer, it is difficult to see what defence we shall have against the demand for State management in an industry which of all industries is worst adapted for this experiment.

In looking back over the history of this dispute, however much we may sympathise with the Prime Minister's difficulties, we cannot but regret that the solution should have rested with one of his peculiar temperament. It is characteristic of him, even more than of Lord Balfour, that he has no settled convictions, and he has an inveterate habit, which may be attractive in a private speaker at a debating society but is disastrous in the head of a Government, of thinking out his perplexities in public. When the problem of unemployment was raised in the House of Commons in June he delivered a discursive speech, touching on many possible remedies, and closing with the following:—

It would be useful if the House would examine and consider, as the Government are proposing to do, whether by any form of subsidy it may be possible to give stimulus and lift in the region of those industries which seem at the moment beaten down into a position of helplessness.

Is it merely coincidence that within a month of this hint being dropped masters and men in one of the beaten-down industries forced the Government to produce a subsidy of ten to twenty million pounds?

THE COAL SUBVENTION.

THE Government, in the financial assistance which it has decided to give the mining industry for a period of nine months, follows the precedent of the subvention granted in 1921 after the national coal strike of that year. It will be recalled that on that occasion the Government of the day stepped in with a subvention of £10 millions to abate the severity of the fall in wages that was considered necessary to restore the industry to a sound economic basis. In the three months immediately preceding the strike of 1921 the industry had been losing at the rate of approximately between £40 and £45 millions per annum, exclusive of the profits and capital charges provided for under the Coal Control Act. To adjust wages to an industry suffering these huge losses would have necessitated unprecedented reductions, and the purpose of the £10 million subsidy in that year was to bring about this process of readjustment by stages. On the present occasion the Government is acting primarily in the interests of the miners, but the owners are also secured profits at a higher rate on the average than they have been earning under the agreements of 1921 and 1924. The Government has given the workmen a guarantee that their wages shall not fall below the minimum of 33½ per cent. on the standard wages to the end of April, 1926, and the following are the principal clauses of the agreement into which it has entered with the Mining Association of Great Britain:—(1) The wages payable shall continue to be determined according to the 1924 national agreement;

(2) the wages in August shall be determined by the trading results in April, May, and June, and in September by the trading results in May, June, and July; (3) the Government will pay monthly to each colliery the excess, if any, of its wages bill calculated at the minimum percentage or basis rates (plus allowances) over the wages which would be payable on results ascertained in accordance with the owners' proposals of July 1st last; (4) the areas and districts shall be those scheduled to the national agreement of 1924; (5) district profits are not to exceed 1s 3d per ton; in any period in which that profit is exceeded the subvention shall be correspondingly reduced; and (6) no colliery will be entitled to the subvention unless it accepts the provisions of the agreement.

It will be recalled that in the proposal of July 1st last the coalowners proposed that the proceeds of the industry, after the deduction of costs of production other than wages, should be distributed in the proportion of 87 per cent. to labour and 13 per cent. to profits. For the purposes of their scheme the Government have accepted this ratio of distribution. The liability of the coalowners to pay wages is limited to the amount represented by 87 per cent. of the divisible balance of the proceeds. If that 87 per cent. proportion, calculated on a district basis, is not large enough to pay the workmen the minimum wages provided for by the national agreement of 1924, the Government steps in and makes good the difference. The difference will vary as between district and district. In the South Wales coalfield the audited figures for the three months ended last June, under the Government's scheme, involve the owners in liability to pay only between 15 per cent. and 15½ per cent. on the standard rates in that coalfield; in other words, the 87 per cent. proportion of the divisible balance is equivalent to only that low percentage on standard wages. The South Wales miners, however, are entitled under the national agreement of 1924 to a minimum of 42.22 per cent. on their standard rates, and it is the difference between that 15 per cent. and the 42.22 per cent. that the Government will meet out of the subvention. The collieries will retain the remaining 13 per cent. share of the divisible balance. In the first three months of the present year the South Wales coalowners suffered a loss of £173,000, without taking into account the additional 3d per ton represented by expenses that are excluded from the terms of the joint audit; but if the Government scheme were applied to the trading results of that period the coalowners would have a profit of £949,000. There is no specific guarantee of profits, as is the case with wages. The owners can get no more or less than 13 per cent. of the divisible balance, providing that that proportion does not yield any of the administrative districts a general rate of profit of more than 1s 3d per ton; but the amount represented by the 13 per cent. of the divisible balance will vary with the amount of the gross proceeds, and also with the expenditure represented by costs other than that of wages, or with changes in both proceeds and costs. A simple calculation will show that a decrease of 10 per cent. in the proceeds would, on the basis of the Mines Department statement for the first quarter of the year, reduce the profits in the South Wales coalfield from £949,000 to £817,000 per quarter, and that an increase in costs of 10 per cent., as well as a 10 per cent. decrease in proceeds, would further reduce the aggregate profits represented by 13 per cent. of the divisible surplus to about £777,000. But while no specific guarantee is thus given to the coalowners in regard to profits, and while those profits must in any event vary from month to month, the colliery owners are at any rate assured of a rate of profit which, on a district basis, would compare not unfavourably with the pre-war rate of profit.

The Government scheme does not involve anything in the nature of the district pooling of profits; on the contrary, it may quite possibly have the effect of aggravating existing anomalies. For the purposes of illustration, let us take two collieries in the South Wales coalfield. One of these, working new pits in a comparatively virgin area, and admirably equipped, was able to show a fair profit even under the depressed conditions of the twelve months ending last July; another, but older, colliery working the deep measures in the Rhondda district, suffered a loss of between 2s and 3s per ton. Under the Government scheme these two collieries will pay the same general wage rate. In August the general wage rate applicable to both

will be about 15 per cent. on the standard rates, and it is estimated that the wage subsidy paid by the Government will in each case amount to between 2s and 3s per ton. If the subsidy were the only factor to be taken into account, the profits of the more favourably placed colliery would be increased to the extent to which it was relieved in the payment of the minimum wage of 42.22 per cent., while the other would, with the aid of the subsidy, be brought back to the margin of productiveness. If the loss of this less favourably situated colliery were, say, 1s a ton before the subsidy, it will earn a profit of over 1s per ton under the subsidy. This is one of the effects which have led the Government to believe that among the consequences of its action will be an increase in the number of miners employed, and a diminution in the amount absorbed by the dole. The incalculable factor in the problem is the incidence of the subsidy on the general economic conditions of the industry. Will outputs be increased, and to what extent? Will prices fall, and how far? Will costs of production other than wages be increased, and by how much? These are questions to which no definite answers can be given. In most trades where both supply and demand conditions are elastic, a fall in price usually stimulates demand. That is not always the case with coal, where a small excess of supply over demand leads to a disproportionate fall in prices or *vice versa*. We must, therefore, wait and see how far the lower price (South Wales f.o.b. prices are already from 1s 6d to 2s per ton less than they were at the end of July) will stimulate the demand for coal; and how far that increased demand will help to maintain the proceeds of the industry.

It is not difficult, in the light of these considerations, to understand why the Government in its explanatory memorandum of the terms of settlement estimates the cost of the subsidy at anything from £7½ millions to £24 millions. The probabilities are that unless there is a great and unforeseen expansion in the demand for coal, the cost to the Treasury will be nearer the larger than the smaller of these two estimates.

ECONOMIC INCONSEQUENCES.

IN the present depressed and depressing condition of our chief export industries it is much to be deplored that certain distinguished economists should disturb the public mind by attributing far too much effect to our monetary policy as a cause of the depression. It has long been evident to all who take an interest in these matters that international trade is running with a slack stream, chiefly owing to loss of buying power in countries that have been impoverished by the war, and political differences and uncertainties which check the economic revival which greater productive power has made possible. As the country which depends more than any other on the prosperity of international trade for its own economic activity and health, England has, as is obvious, suffered especially severely from this state of things, and her difficulties have been increased by depreciation of foreign currencies which has put a temporary advantage into the hands of certain of her rivals, and also by her high cost of production, due to high wages and relatively short hours enjoyed by her workers, and possibly by slack organisation and management on the part of some of her employers. Attention has also been especially called to the extent to which what are called the sheltered industries—that is, those which are not directly faced by the pressure of foreign competition—have taken advantage of their position to insist on a standard of wages and profit which the state of the country's trade does not justify, so increasing the working costs of those who produce our exports; high municipal rates, high cost of Government services, high cost of transport, and high port charges, all make it harder for the industries which sell goods abroad to meet foreign competition. In the case of coal, there are, as everyone knows, special causes which make it an article which is difficult to dispose of at a satisfactory price, namely, the competition of oil and of water-power and the introduction of fuel-saving appliances, all of which were

very vigorously stimulated by the very high prices charged to foreigners for British coal in the after-war period, when the mining industry was still under Government control. With these handicaps against it, coal-mining in Germany, as well as in England, finds a good deal of difficulty in disposing of its product.

It was necessary once more to tell over the tale of the causes which have been, and still are, depressing our foreign export trade, and especially that in coal, because language has lately been used by authorities who are rightly regarded by the public as unimpeachable on financial subjects, which leads it to believe that the only reason why we are suffering from trade depression and unemployment is because we have returned to the gold standard. Mr Keynes, in fact, goes even further, and attributes all our distresses to the fact that Mr Churchill is Chancellor of the Exchequer. The pamphlet in which he tells us what is the matter is entitled "The Economic Consequences of Mr Churchill," and the mere use of this title shows how far its brilliant author has been led astray from his usual detachment and clear-sightedness. For no one knows better than Mr Keynes that Mr Churchill had not much more to do with the restoration of the gold standard than the Serjeant-at-Arms. His was the voice that made the announcement, but the policy of which he declared the fruition had been aimed at by every Government that has been in power since the war, and would have been carried out, whoever happened to be Chancellor of the Exchequer, whenever the Bank of England and the Treasury agreed that the right moment had come. Mr Churchill has plenty of sins to answer for since he took office, but in arguing that depression and unemployment are due to the gold standard, and that the gold standard is due to Mr Churchill, Mr Keynes commits the vulgar error—most surprising in a controversialist of his kidney—of endeavouring to prove too much, by asserting with great emphasis what is palpably incorrect. That depression is due to Mr Churchill, he says in his title, that it is due to the gold standard, he says, almost in so many words, in the course of his pamphlet. "The monetary policy," he writes, "announced in the Budget being the real source of our industrial troubles, it is impossible to recommend any truly satisfactory course except its reversal." This sentence, penned by so high an authority, cannot fail to be taken literally by thousands of ill-informed people, who will, interpreting it at its face value, conclude from it that all we have to do in order to set the wheels of trade turning and make everybody prosperous and happy, is to restore and continue the prohibition of the export of gold except under licence. It implies that all the causes of depression which have been reiterated above are fanciful imaginings, and it ignores the depression that has been chronic, with occasional variations in acuteness, ever since the after-war fever burnt itself out. In hurling his thunderbolt at the innocent Mr Churchill, when all parties have been pledged to the policy which he happened to carry out, Mr Keynes allies himself with disappointed politicians; in saying that our monetary policy is the real source of our industrial troubles he shows symptoms of falling into the dangerous habit of concentrating the attention too closely on one branch only of the science of which he is so distinguished an exponent.

In his opening chapter he begins with the statement that "world trade and home consumption are both moderately good." Home consumption certainly is so, perhaps in certain lines rather better than we can afford; but moderately good is surely a flattering description of the present state of world trade. But it is in the chapter on the policy of the Bank of England that he seems, if we may venture to suggest such a thing, to use imagination rather than examination of available facts. He there says (pp. 16 and 17) that to restrict credit is the "orthodox policy of the gold party; the adverse trade balance indicates that our prices are too high, and the way to bring them down is by dear money and the restriction of credit. When this medicine has done its work, there will no longer be any need to restrict foreign loans or to borrow abroad. Now, what does this mean in plain language? Our problem is to reduce money wages, and, through them, the cost of living, with the idea that, when the circle is complete, real wages will be as high, or nearly as high, as before. By what *modus operandi* does

credit restriction attain this result? *In no other way than by the deliberate intensification of unemployment*" (Mr Keynes' italics). "The object of credit restriction, in such a case, is to withdraw from employers the financial means to employ labour at the existing level of prices and wages." But where is the evidence for this restriction of credit? The Bank return for the week ended April 29th, just after the restoration of the gold standard had been announced, showed Other deposits standing just below £105½ millions; by July 15th they had risen to £115 millions, largely owing to considerable receipts of gold from abroad. It is true that in recent weeks, when the market rate of discount was weak, there were considerable reductions in the Bank's holding of securities, but these movements were surely too recent to have caused the depression alleged by Mr Keynes to be due to the monetary policy announced in the Budget. In fact, since the restoration of the gold standard the basis of credit has been widened by receipts of gold, and increases in advances to customers have been an almost uniform feature of the periodical statements of the clearing banks. Money was certainly made dearer by a rise in Bank rate at the beginning of March, which may be attributed to preparations for the return to gold; but we showed in an article in the *Economist* of March 21st how small an item in the cost of production is a rise of 1 per cent. in the price of floating credit charged to industrialists. If deliberate intensification of unemployment, by restriction of credit, has really been the policy of the Bank of England, it seems to have been curiously slow in getting to work.

In his addendum to the Coal Inquiry Report, Sir Josiah Stamp also thought it necessary to ascribe the special plight of the coal industry since March to the "recent improvement in the exchange or decline in the price level, whether or not compulsorily brought about by the anticipation and then the realisation of the gold standard." More careful than Mr Keynes, he only says that "currency policy has aggravated the evil." His opinion is entitled to the highest respect, but he can hardly suppose that it is practical politics to propose to abandon the gold standard; and this being so, it was somewhat inopportune, at the present crisis, to lay so much stress on a view which is so likely to be misunderstood. We have not yet seen evidence that countries with low exchanges are, in fact, driving us out of international markets, either in coal or in general foreign trade. Mr Churchill, in the House of Commons on Wednesday, effectively recapitulated the reasons which had led to the restoration of the gold standard at the time when it took place—namely, the position of exchange, the favourable conditions of spring as compared with autumn, the fact of the approaching expiry of the export prohibition and the consequent need for a decision, and lastly "it was the case that if we had not taken this action the whole of the rest of the British Empire would have taken it without us, and it would have come to a gold standard, not on the basis of the pound sterling, but a gold standard of the dollar." He also laid bare once more the fraud on the wage earner that is perpetrated by depreciating the currency.

THE SHIPPING POSITION AND OUTLOOK.

DEVELOPMENTS in the past six months suggest that a setback in British industry, even if unaccompanied, from a world standpoint, by any marked general retrograde movement in commerce, suffices by itself to produce grave repercussions on British shipping. With the exception of disappointingly small cereal exports from the Argentine, world trade conditions and the fundamental economic position of overseas markets have not greatly deteriorated since last January. Pre-existing adverse factors, such as instability of the "Reparations" currencies and shortage of liquid capital in Germany, have not been aggravated to an extent capable of accounting for a shipping depression. At the worst, expansion of world trading activity in the first half of 1925 was temporarily arrested. It is difficult to detect anything more serious than signs of a commercial lull. The same cannot be said of conditions

in Great Britain. Here a positive retrograde movement has developed, and a decline of 15 per cent. in open-market freights—comparing June, 1925, with June, 1924—and an increase of 60 per cent. in the quantity of unemployed British tonnage indicate how this setback in "national" trade has reacted on "national" shipping. Although international in the sense of being exposed to the widest foreign competition, the shipping industry is still largely conditioned by industrial fluctuations within the country on whose ports it is based. Another feature of the present shipping position is that, just as depression has affected unequally different internal British industries, so adversity in the case of shipping has been sectional, falling primarily on "tramp" vessels, designed for carriage of bulk cargoes of "rough" goods, and leaving the "liners" comparatively unscathed.

In the following table are given the half-yearly averages of our Index Number of charter rates for whole cargoes, based on fixtures in the open market:—

FREIGHT INDEX—AVERAGE 1898-1913 = 100.

	Average Figure for First Six Months of		
	1923.	1924.	1925.
European waters	142.43	136.28	113.30
North America	125.35	143.36	129.16
South America	130.69	138.37	113.11
India	124.95	128.46	115.45
Far East and Pacific	134.07	131.40	116.84
Australia	132.27	140.13	146.59
	131.63	136.33	122.41

It will be observed that, with the exception of Australia, whose ample harvest provided profitable employment for much large-sized tonnage in the early months of the year, each group records a fall in 1925 as compared with 1924. A marked drop is shown by South America, where the wheat harvest yielded a reduced exportable surplus and the maize crop was late. A serious congestion of unfixed steamers occurred in the Plate, shippers' requirements being miscalculated by shipowners, and rates to Europe fell to the lowest level since 1914. The continued grave decline in the index figure for European waters reflects lessened exports of British coal and reduced imports of the raw materials for our "heavy" industries.

The next table summarises movements of our freight index since the beginning of 1923 in relation to corresponding fluctuations in the value of a new ready "tramp-type" cargo steamer of middling size (calculations based on figures from *Fairplay*), and in the cost of a typical quality of steam coal:—

	Indices Expressed as Percentage of Average for 1898-1913.		Cost per Ton Best Tyne Steam Coal.
	Freights.	Tonnage Values.	
1923—January	132.69	147	25/-
"—June	124.27	140	28/-
1924—January	136.25	134	25/-
"—June	126.37	134	21/-
1925—January	133.20	138	18/3
"—March	124.05	135	17/9
"—June	106.73	124	16/6

The above figures indicate clearly the normal tendency for "tramp" freights to be high in winter and low in summer. They also show that in the present year the downward swing in freights has far exceeded normal "seasonal" dimensions. The comparative cost of bunkers is interesting, and throws some light on the course of tonnage values—the latter being, in effect, a measure of the industry's anticipations of profit from the "tramp" class of vessel. Thus, whereas the reduction in bunker costs between January and June, 1924—amounting to 4s per ton of coals—was sufficient in market opinion to counterbalance the seasonal drop in freights during the same period, the relatively smaller benefit accruing from cheapening of coal prices between January and June of this year was considered not to offset the comparatively much greater decrease in freights, the index of which, together with that of tonnage

values, reached in June, 1925, the lowest level recorded since the war.

The tangible result of this setback in "open-market" freights has been a distinct aggravation of unemployment for the "marginal" vessel, as the following returns of laid-up British shipping, as compiled by the Chamber of Shipping, demonstrate:—

BRITISH SHIPPING LAID UP IN U.K. PORTS (Net Tons).

	Vessels of under 1,000 net Tons.	Vessels of over 1,000 net Tons.	Total.
1921—July	130,000	1,521,000	1,651,000
1922— "	87,000	1,093,000	1,180,000
1923— "	56,000	612,000	668,000
1924— "	67,000	381,000	448,000
January	67,000	403,000	470,000
April	79,000	298,000	377,000
July	153,000	601,000	754,000

It is probable that fuller analysis of the sizes of laid-up vessels would show that the majority of the idle ships of over 1,000 net tons burden belong to the group of 1,000-3,000 tons, i.e., those designed primarily for coal carrying and trade in European waters.

In view of the above evidence of depressed "tramp" freights and unemployment of tonnage, it would be natural to expect traffic returns of shipping to display a correspondingly adverse tendency. Such expectations, if entertained, would be completely falsified. The relevant statistics, so far as this country is concerned—and port returns from France, Holland, and Germany show the same tendency—are summarised below:—

TRAFFIC INDICATORS (in Millions).

	First Six Months of—		
	1923.	1924.	1925.
Net tons of shipping cleared with cargoes from U.K. ports—			
British	19.6	17.8	18.0
Foreign	14.3	11.6	10.5
Total	33.9	29.4	28.5
Per cent. British	57.8	60.3	63.1
Tons of coal and coke exported	41.8	33.0	27.3
Manufactured goods exported	£290	£301	£313
Net tons of shipping entered with cargoes at U.K. Ports—			
British	14.7	15.2	16.4
Foreign	8.3	8.4	8.4
Total	23.0	23.6	24.8
Per cent. British	64.0	64.4	66.2
Cwts of grain and flour imported	85.8	89.1	73.9
Total imports	£539	£598	£678

Not only do the aggregate figures of tonnage entered during the first six months of the past three years show a consistent rise, but the share taken by British vessels in both entrances and clearances has steadily risen. Diminished exports of coal betoken a serious curtailment in revenue for the class of vessel designed for carriage of this type of cargo, and total British and foreign clearances record, as might be expected, a substantial decline. Foreign vessels, however, have borne the brunt of this setback in the volume of outward cargoes, the British percentage having risen from under 58 to over 63 per cent. in 1925, as contrasted with two years ago. With respect to entrances, comparison of the values of total imports with the quantity of grain imported suggests that, just as has been the case with exports, "tramp" cargoes have declined, while cargoes of finer goods, whose carriage is effected by the regular "liners" sailings, have been at least maintained, and have probably expanded in volume.

Under these circumstances, and given the relative stability of freights enjoyed by "liners" through the operation of the conference system, the financial results of shipping are inevitably tending to reveal a striking discrepancy in favour of the "liner" combines and against the "independent" cargo companies. To illustrate this tendency, we have amalgamated the profits of 20 shipping companies, divided into two groups:—Group A., ten passenger and cargo liner companies; Group B., ten "tramp-owning" firms of the highest class, i.e., includ-

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ing no "boom-flotations" or financially unsound concerns. The result is striking:—

Profits, after providing for depreciation but before meeting Debenture Interest, earned in trading periods relating wholly or mainly to:—

	1920.	1922.	1923.	1924.
Group A (Liners)	£ 4,560,637	£ 4,428,014	£ 4,466,930	£ 4,732,778
Group B (Tramps)	1,360,783	315,708	132,300	243,489

The ultimate effects of these dissimilar results as between types of shipping remain to be seen.

Prospects for the remaining months of 1925 are uncertain and doubtful. With the approaching movement in northern hemisphere crops, a seasonal quickening in grain chartering is due to set in, but it is difficult to forecast how far good European harvests are likely to restrict importation of cereals this autumn from North America. Better employment for the smaller class of ship in the Black Sea export trade seems probable, but owners of this type of tonnage are more concerned to know what likelihood there is of sufficient volume of British coal exports to make European trading profitable, and, until the effects of subsidised production are ascertained, this question cannot be answered. It is, however, only too apparent that no sustained recovery in "tramp" freights can be expected before the British tonnage at present idle has been absorbed, and for that condition precedent to be attained a much greater flow of bulk cargoes than at present must be forthcoming.

TEA PLANTATION COMPANIES IN 1924.

In spite of the fact that towards the end of the year there was a pronounced break in the tea market, most producers were able to secure better prices for their crops, with the result that profits were very well maintained. The demand for the finer grades continues to expand, with Russia a particularly good buyer. Consumption in this country, too, is steadily increasing, while the export demand to America—a very difficult market—and the British Colonies is expanding. Trade with the North European countries has, in recent years, been handicapped by exchange difficulties. These have now been largely removed. The position, indeed, was probably never stronger than it is at present, and although the Mincing Lane market is inclined to depression, that refers entirely to the balance of the old crop. The new season's crop is commanding high prices, especially for the better quality leaf. The progress made in the industry may be gathered from a study of the following table of tea imports and re-exports:—

IMPORTS AND EXPORTS OF TEA.

From—	1913.	1923.	1924.	1913.	1923.	1924.
	Lbs.	Lbs.	Lbs.	£	£	£
India	203,459,657	267,993,207	295,089,571	7,839,223	19,973,661	24,313,294
Ceylon	110,936,427	12,550,546	130,651,730	4,179,462	9,289,323	10,643,073
China	16,272,548	25,565,425	24,984,672	613,147	1,622,120	1,588,809
Dutch Indies	32,052,717	38,910,236	57,654,634	1,072,515	2,354,576	3,787,822
Other countries	2,322,115	4,194,069	3,938,081	78,558	271,611	257,300
	365,043,464	456,513,513	512,348,688	13,782,905	33,461,491	40,570,298
Re-exports	57,555,661	63,982,869	75,782,119	2,808,940	5,440,239	6,939,021

Rapid strides have been made since 1913, and it is satisfactory to find that India and Ceylon, where the British interest is centred, have maintained a rate of progress which compares favourably with other areas. The exports from China, on the other hand, show a decline, which is probably accounted for partly by internal trouble, and partly by the popularisation of other grades of leaf. The Dutch East Indies has done very well indeed, exports from that district having risen from nearly 39 million lbs in 1923 to over 57½ million lbs in 1924, while the value has gone up from less than £2½ millions to more than £3½ millions.

The following table shows crops for the past three years and financial results over a period of five years, of 13 selected undertakings:—

	Crops.			Net Losses.	Net Profits.	Net Profits.	Net Profits.	Net Profits.
	1922.	1923.	1924.					
	Lbs.	Lbs.	Lbs.	£	£	£	£	£
Amalgamated...	4,941,409	5,940,101	5,935,836	89,423	44,634	158,233	295,353	304,913
British Indian	1,511,911	1,631,096	1,732,468	24,178	16,293	48,137	51,908	49,130
Ceylon Plant.	4,614,383	4,926,809	5,312,679	65,811	17,345	125,902	161,031	222,476
Chubwa	2,214,328	2,534,808	2,589,203	32,063	16,943	56,734	83,847	73,606
Cons. Tea, &c.	14,855,638	18,046,515	16,850,134	240,598	166,667	425,085	709,490	604,564
Dooars	3,962,461	4,872,942	3,770,246	46,347	64,853	128,526	192,451	143,852
E. Ind. & Ceylon	1,399,812	1,760,630	1,770,665	42,367	21,684	24,654	40,168	44,280
Eastern Prod.	4,522,084	4,930,152	5,449,474	34,839	98,215	104,762	151,268	180,529
Jhansie	2,977,720	3,361,882	3,593,411	18,949	39,026	84,655	97,605	105,919
Jokai	7,719,257	8,238,069	9,087,037	30,502	108,651	222,902	235,846	263,828
Lungla	2,240,463	2,636,351	2,677,511	21,512	6,646	59,714	67,933	68,226
Nedem	4,423,150	5,290,069	5,081,572	21,512	27,006	89,767	150,842	138,470
Yatiantota	525,443	551,391	458,970	30,559	14,956	8,191	18,098	20,755

* Net profit.

This table illustrates the remarkable change which has come over the position of the industry. In 1920, with but one exception—the Ceylon Plantations earned a profit of £65,811—losses were the general rule. To take as an example the most important concern in our list, the Consolidated Tea and Lands, the net loss incurred in respect of the year 1920 was £240,598. In the following year, however, conditions improved to such an extent that the company earned a net profit of no less than £166,667, which was still further increased in 1922 to £425,065, and in 1923 to as much as £709,480, although last year there was a slight setback to £604,664. The decline recorded for 1924, however, was not the general experience, although on reference to the foregoing table it will be seen that profits of several companies in that year were not quite up to the level of the preceding period. The Ceylon Plantations was able to secure larger net profits, as also were the Amalgamated, which shows a particularly progressive recovery since 1920, the East India and Ceylon, Eastern Produce, Jhansie, Jokai, Lungla, and Yatiantota. On balance, crops were higher in 1924.

Our next table shows the average prices of tea crops in 1923 and 1924, together with the total available balance and how it was utilised:—

		Average Price of Crops per Lb.		Available Balance.	Distribution of Available Balance.			
		1923.	1924.		Prof. Div.	Ord. Div.	Reserve &c.	Carry Forward
		d	d	£	£	£	£	£
Amal.	Nov. 30, '23	18.25	19.76	313,270	21,000	143,505	115,964	67,801
Estates	Nov. 30, '24	18.85	19.76	384,853	21,000	167,422	178,499	67,932
British Indian	Apr. 30, '24	17.01	17.10	69,735	825	31,629	21,700	15,581
India	Apr. 30, '25	17.01	17.10	68,576	845	38,320	12,130	17,501
Ceylon	1923	14.63	17.93	203,149	10,579	150,400	7,000	35,220
Plants	1924	14.63	17.93	257,697	10,579	188,000	10,000	49,118
Chubwa	Nov. 30, '23	17.91	19.51	100,642	3,700	47,700	38,000	11,232
Tea	Nov. 30, '24	17.91	19.51	84,819	3,710	53,070	15,000	13,129
Cons. Tea & Lands	Nov. 30, '23	17.07	18.24	901,992	78,000	300,000	301,782	222,210
Dooars	1923	17.76	19.39	888,942	78,000	367,000	224,369	225,573
Tea	1924	17.76	19.39	1,090,973	5,250	136,500	42,439	25,684
East India & Ceylon	1923	15.15	17.39	48,507	6,500	132,405	1,000	22,295
Ceylon	1924	15.15	17.39	51,695	6,000	30,000	4,591	7,416
Eastern Produce, &c.	1923	16.75	17.75	160,135	3,600	116,550	27,000	12,985
Jhansie Tea	1923	17.78	18.96	130,583	10,723	59,800	22,000	21,929
Jokai (Assam)	1923	18.03	18.93	241,862	6,000	154,180	42,500	45,182
Lungla	1923	15.57	16.44	235,856	6,000	173,452	64,258	52,146
Nedem	1923	15.23	16.47	64,708	4,781	31,724	7,596	10,184
Yatiantota	1923	15.53	15.55	136,498	4,812	41,525	10,000	8,372
Tea	1924	15.53	15.55	144,412	10,835	11,165	94,500	21,157
Yatiantota	1923	15.53	15.55	16,120	2,700	8,681	17,000	19,925
Tea	1924	15.53	15.55	21,950	2,700	7,875	3,000	2,545

The higher prices which were obtained for leaf were, of course, responsible for the excellent results disclosed. The Ceylon Plantations was able to mark a particularly good increase in price per pound for its crop, last year's figure being 17.93d, compared with 14.63d. The highest price was obtained by the Amalgamated, with the Chubwa a close second, and the Dooars not far behind. The Yati-

yantota's figure, however, showed only a very small advance. The amounts required for preference dividends show little alteration, but ordinary dividends, in the great majority of cases, absorbed more than twelve months previously. The exceptions were the Dooars and the Nedem, where the totals were both lower on account of reduced dividends. The East India disbursement required the same as in 1923. In the cases of the Consolidated and Jhansie companies, however, the payment was higher, although, owing to capital alterations, the actual rate of dividend was lower, while the Dooars also paid a smaller dividend on a different capital basis. Reserve appropriations were increased by most of the undertakings, while larger sums were carried forward.

The following table shows the principal balance-sheet items during the past two years:—

Name.	Bal. nee Sheet Total.	Share Capital & Res.	Creditors.	Properties.	Stocks.	Cash & Investments.	Debtors.
	£	£	£	£	£	£	£
Amalgamated (Nov. 30, '23)	1,729,917	1,224,350	113,385	772,650	296,529	519,991	140,744
British Indian (Nov. 30, '24)	1,777,278	1,249,350	135, 69	772,650	350,511	520,275	133,841
Ceylon Plant. (Apr. 30, '24)	205,729	130,120	9,567	56,463	29,337	83,905	35,923
Chubwa (Apr. 30, '25)	213,355	145,438	8,469	56,463	37,517	9,740	20,614
Cons. Tea & Lands (Nov. 30, '23)	333,691	294,120	8,462	50,168	75,808	235,499	18,648
Dooars (Nov. 30, '24)	917,552	594,120	88,779	536,975	104,795	248, 33	27,548
East India & Ceylon (Nov. 30, '24)	288,700	171,000	24,213	106,000	103,902	77,811	696
Eastern Produce, &c. (Nov. 30, '24)	308,648	209,000	27,264	106,000	142,352	59,844	596
Jhansie (Nov. 30, '23)	2,269,677	2,738,000	224,826	2,026,644	904,292	1,098,869	150,429
Jokai (Assam) (Nov. 30, '24)	4,480,484	2,838,000	276, 2	712,026,644	989,891	1,223,972	150,480
Lungla (Sylhet) (1923)	678,601	428,897	73,955	286,248	161,391	189,235	22,261
Nedem (1924)	661,989	452,819	82,339	286,248	101,495	212,824	27,975
Yatiantota (1924)	3,061,6	289,634	5,172	26, 014	40,670	23,935	2,216
Eastern Produce, &c. (1924)	769,633	294,968	10,156	264,493	39,821	27,691	8,966
Jhansie Tea (1924)	847,376	555,000	95,699	460,215	149,507	111,252	57,828
Jokai (Assam) (1923)	346,974	222,069	15,103	128,333	118,661	34,900	3,491
Lungla (Sylhet) (1924)	373,014	241,634	16,829	128,333	120,234	531	531
Nedem Tea (1923)	975,320	690,916	42,403	412,980	201,319	283,070	747
Yatiantota Tea (1924)	1,071,135	768,479	43,370	41,980	211,711	347,254	1,331
Lungla (Sylhet) (1923)	449,863	316,656	4,619	284,573	7,762	64,178	9,382
Nedem Tea (1923)	753,160	589,873	8,900	285,553	83,708	65,841	11,093
Yatiantota Tea (1924)	772,155	591,565	46,744	456,018	67,880	192,438	17
Yatiantota Tea (1923)	233,164	213,500	4,035	202,174	26,075	4,915	..
Yatiantota Tea (1924)	245,328	216,500	7,258	203,841	28,631	12,864	..

The values put on properties are practically unchanged, but cash and investments are higher in most cases, while stocks also have risen. Both creditors and debtors are higher on the whole, while share capital and reserves taken together account for more. Balance-sheet totals, with one exception—the Dooars—have increased.

Our final table shows a comparison of dividends and prices and present yields:—

Name.	Prices of 1924.		Dividends.		Price End of 1924.	Price End of July, 1925.	Present Yield.
	Hgts.	Lowest	1923.	1924.			
Amalgamated (£10).....	51	16 3/4	%	%	48	37 1/2	8 7 0
British Indian (£1).....	48 1/2	32	40	45	4 1/2	5 1/2	12 4 0
Ceylon Plantations (£1).....	58	40	50	50	5 1/2	5 1/2	8 17 0
Chubwa (£1).....	53	38	50	50	5 1/2	5 1/2	11 15 0
Cons. Tea and Lands (£10).....	186 1/2	32 1/2	150	30	182	31 1/2	12 16 0
Dooars (£1).....	41 1/2	3 1/2	150	42 1/2	4 1/2	4 1/2	11 8 0
Jhansie (£1).....	44 1/2	3 1/2	150	45	4 1/2	4 1/2	11 8 0
Jokai (£1).....	5 1/2	3 1/2	40	45	5	4 1/2	10 8 0
Lungla (Sylhet) (£1).....	2 1/2	1 1/2	15	20	2 1/2	1 1/2	11 9 0
Nedem (£1).....	58	24	10 3/4	40	4 1/2	3 1/2	12 16 0

† On old capital.

(b) Free of tax.

From this it will be observed that present prices do not compare very favourably with those prevailing at the end of 1924, and yields are exceptionally high. It is not unlikely, however, that before very long interest in the share market will revive on the knowledge that very good prices are being obtained for the best teas. At present lower values for the balance of the old crop are exercising a depressive influence in Mincing Lane. When this has been disposed of a better tone is expected.

RUSSIA'S CROPS.

(BY A CORRESPONDENT.)

OBSCURE reports as to Russia's crops, which have now partly been got in, have appeared in the West-European Press. If the Soviet official data are reliable, there is no reason for this obscurity, for very full data have been appearing ever since the spring. In some minor points data from different official sources do not agree; but the crop conditions indices, and comparisons with former years, are complete and minute; and those official figures, which are admittedly estimates, differ very little. Further,

as there is no alternative authority, the data must be provisionally accepted.

The crop is a good one, judged by Russian standards, where at best local famines occur every year. Doubt as to this in West Europe probably arises through comparing out-of-date fortnightly condition indices with recent extremely optimistic official utterances. This produces confusion, because the earliest 1925 indices showed little better conditions than those of the same time in 1924, a famine year, whereas the July, 1925, indices show very much better conditions. In May and June, 1924, crops badly deteriorated, whereas in these months this year they somewhat improved.

The following figures are for all the federated Soviet republics, where not otherwise stated, and are compiled on a 5 ball system, according to which 1 is very bad and 5 excellent, 3 being "medium," which does not necessarily mean average in regard to quantity:—

	Winter Grain Crops.			All Grain Crops.		
	May 1.	June 1.	July 1.	May 1.	June 1.	July 1.
1924	3.3	2.8	2.5	3.3	2.8	2.5
1925	3.1	3.1	3.3	3.1	3.1	3.3

The area sown with grain crops in 1925 was 72 million desyatines (of approximately 2.7 acres), against 69 million desyatines in 1924, an increase of 4 per cent. The official *Ekonomicheskaya Zhizn* puts the sown area at 30 per cent. more than in 1922 (which seems doubtful). The comparative index of conditions for the various grain crops on July 1st was:—

	Rye.		Wheat.		Barley.		Oats.		Millet.		Buck-wheat.		Maize.		All.
	Wint.	Spring.	Wint.	Spring.	Spring.	Spring.	Spring.	Spring.	Spring.	Spring.	Spring.	Spring.	Spring.	Spring.	
1924	2.7	2.9	2.4	2.5	2.2	2.5	2.5	2.1	2.4	2.4	2.4	2.4	2.4	2.5	2.5
1925	2.7	2.9	2.4	2.5	2.2	2.5	2.5	2.1	2.4	2.4	2.4	2.4	2.4	2.5	2.5

The index number for "All" is based on the quantities of the different crops, and therefore mainly represents rye and wheat. On July 1st the index figure for "All" in Great-Russia was 3.3, against 2.5 at the same date last year; Ukraine 3.5, against 2.4; Siberia 3.1, against 2.9; North Caucasus 3.7, against 2.1. In late July the Inter-Departmental Export Commission put the grain crop per desyatine at 58 puds (of 16.38 kilos), against 38 puds in 1924. The crop conditions locally are anything but even. But whereas the condition map of July 1, 1924, showed very large areas of failure, and only a small patch as "better than medium," the July, 1925, map shows a very small patch as failure, a very large area stretching from the Black Sea to well north of the Asiatic frontier as "better than medium," and most of the remaining area as medium. The earlier reports recorded failure only in four provinces, Riazan, Tambov, Voronezh, and Penza, all in the "Central Agricultural District." Here crops largely registered below 2; and already in June relief measures were being organised. Although, as shown above, the Ukraine crops on July 1st had, as a whole, a better index figure than the Great-Russian, the official journal mentioned gave a very unfavourable picture of part of them in late July. On July 15th considerable areas had winter rye below 2, and still larger areas winter wheat under 2, from 42 to 73 per cent. of the crops having perished altogether. The total area of failure in the Ukraine embraces 242,000 farms, with a population of about 1,000,000.

The Commissariat of Agriculture reported on July 20th that "the grain yield per unit of area will be equal to that of 1922, and higher than the pre-war yield per area. He estimated that the yield *per capita* would be 28 puds, against 20 puds in 1924. Earliest reports put the total yield at about that of 1923, which was 2,802 million puds, as against 2,564 million puds in 1924. At the beginning of June an official estimate was 3,300 puds. At the end of June, Commissary of Finances, Sokolnikoff, estimated "800 to 900 million puds more than in 1924." In July the Soviet Commercial Agent at Vienna said 3,800 million puds. The latest official estimate, which is backed by precise data, says 4,100 million puds. A simultaneous report from a different official quarter states:—"Consuming" means producing no surplus for sale, and "producing" means producing such a surplus.)

	Millions of Puds.
Great-Russia (Consuming belt)	480
North Caucasus	458
Ukraine	1,113
Siberia	353
Turkistan	80
Trans-Caucasia	95

According to *Ekonomicheskaya Zhizn*, the need is (in millions of puds): For seed, 652; for consumption by the peasantry, 2,305 to 2,451; for consumption by the town population, 320. The estimates of surplus have risen from 600 to as much as 1,000 million puds. Latest estimated surpluses of the different crops, as reported by M. Popoff to the "Gosplan," are:—

Poles, on the other hand, who had only some 7,500 of their countrymen returning from Germany to deal with, had their preparations well in hand, and have given the optants a warm welcome. Such transferences of population are always to be regretted, but when territory changes hands, as it has in so many cases as the result of the Peace Treaties, it is reasonable enough that the inhabitants of the transferred territory should be required to accept the new sovereignty if they remain there at all. There is, of course, nothing peculiar to the Treaty of Versailles in these provisions. Similar requirements are embodied in all the Treaties of Peace.

Inter-Allied Debts.—The unexpected return to Paris at the end of last week of the French financial experts who had been discussing the French war debt with British Treasury officials appears to have caused considerable surprise in French financial circles, and was the subject of questions to the Chancellor of the Exchequer on Wednesday. In a somewhat non-committal answer it was stated that negotiations had not been broken off, but that they will be resumed in due course. It was also stated that a preliminary exchange of views has taken place between the British and Italian Governments in regard to the settlement of the Italian debt to this country, and it is understood that the Italian Government is at present engaged in framing proposals on the subject. In reply to a further question, it was added that replies have not yet been received from all the Governments to which the British Note of June 26th was addressed, but no difficulties were expected with regard to the principle of equal treatment with the United States in the matter of payment, which has been adopted by the British Government as a fundamental basis for any settlement of these war debts.

Relative Taxation Burdens.—The July number of the *Index* (published by the New York Trust Company) gives an interesting table showing annual taxation and national income *per capita* for leading countries in Europe compared with the United States. Figures for taxation are based on national and local taxes in 1923 and 1924, converted at average exchange rates. The table is adapted from the computations of the United States National Industrial Conference Board, and may be compared with similar estimates made in the *Economist* from time to time:—

	Taxation (National and Local) per Capita.	National Income per Capita.	Proportion of National Income Absorbed by Taxation.
Great Britain....	\$6.94	\$74.74	23.2
France.....	39.07	186.98	20.9
Italy.....	19.04	99.17	19.2
Belgium.....	24.83	146.06	17.0
United States....	69.72	606.26	11.5

The final figure for Great Britain is slightly higher than those arrived at by Mr G. Findlay Shirras and ourselves (see page 1288 of our issue of June 27, 1925), but the difference is not very material. The present ratio in the case of France may be somewhat higher than that shown in the *Index*, while our own estimates coincide almost exactly with the figure given as regards the United States. The New York Trust Company rightly points out that while the taxes of foreign countries, converted into dollars, are of interest for comparison, it should be understood that the actual taxation in a country does not necessarily represent the true tax burden on the people of that country. It is the relation of taxation to national income which constitutes more nearly the real tax burden.

Comparison of the *per capita* taxation of countries is also significant as indicating to a certain extent the degree of governmental enterprise, such as "social" undertakings

or departmental work, in the respective countries. In the United States approximately three-fifths of the total taxation is for States and municipalities, whereas the major part of taxation in European countries is national.

Our Index Number.—The decline in commodity prices recorded in our Index Number a month ago has been nearly made good by the rise which has taken place in July, the total having risen from 4351 to 4446; the latter compares with 4458 at the end of May and 4855 at the end of December last. The upward movement was fairly general, though other foodstuffs provided an exception. The table below shows the latest position of the five groups and of the total in comparison with preceding months:—

Date.	Cereals & Meat.	Other Food Pro- ducts (Tea, Sugar, &c.)	Textiles.	Minerals.	Miscellaneous (Rubber, Tim- ber, Oils, &c.)	Total.	%
Basic (avg. 1901-5) ..	500	300	500	400	500	2200	100.0
End July, 1914	879	382	616	464	853	2698	118.6
" Dec., 1915	897	446	731	711	848	3634	165.1
" Dec., 1917	1286	686	1684	839	1348	5845	265.2
" Nov., 1918	1289	782	1848	903	1389	6212	282.6
" Mar., 1920	1508	914	2974	1246	1709	8352	379.6
" Dec., 1920	1344	805	1284	1216	1275	5924	269.8
" Dec., 1921	921	636	1106	762	931	4357	198.0
" Dec., 1922	861	708	1184	705	807	4264	193.8
" Dec., 1923	853	815	1382	774	755	4580	208.2
" Mar., 1924	897	843	1313	805	780	4640	210.9
" June, "	914	736	1347	764	769	4531	205.9
" Sept., "	1003	777	1395	762	790	4729	214.9
" Dec., "	992	789	1452	815	806	4855	220.7
" Jan., 1925	1020	763	1404	782	798	4768	216.7
" Feb., "	1001	769	1436	780	785	4772	216.9
" Mar., "	959	746	1434	760	780	4680	212.7
" Apr., "	944	724	1362	743	776	4550	206.8
" May, "	956	706	1261	745	789	4458	202.6
" June, "	885	704	1234	736	791	4351	197.8
" July, "	908	698	1274	756	809	4446	202.1

The rise in primary foodstuffs is largely due to meat and potatoes, cereals being mostly a trifle lower. In the subsidiary foodstuffs group tea was higher, but this increase was more than offset by decreases in coffee, sugar, and butter. In textiles there was a rise in both American and Egyptian cotton, but the increase in the total is principally due to English wool, and flax, hemp, and jute. Australian wool was lower, and there was a slight decline in cotton cloth. Pig-iron was again lowered slightly, but coal prices rose a little in anticipation of the stoppage, and the non-ferrous metals were all a trifle higher. In the miscellaneous section the further sharp rise in rubber was the only feature. The table below shows the changes in each commodity's index number in comparison with that for the end of June, the figure 50 representing in each case the average price during the basic period 1901-5:—

	Index Number.	Inc. or Dec.		Index Number.	Inc. or Dec.		Index Number.	Inc. or Dec.
Wheat—For.	105	+ 2	Cotton, A	126	+ 3	Copper	50	+ 1
English	32	- 5	Cotton, E	224	+ 7	Minerals	755	+ 20
Flour	80	+ 4	Earn	126	+ 1			
Barley	80	+ 2	Wool	129	+ 4			
Oats	82	+ 1	Do	120	+ 13	Baltic timber	100	..
Potatoes	75	+ 12	Do	120	+ 4	Amer. timber	80	..
Rice	117	+ 2	Silk	94	- 2	Leather	100	..
Beef	82	+ 4	Flax	123	+ 6	Petroleum	100	..
Mutton	91	+ 3	Hemp	66	+ 7	Oils	77	..
Pork	91	+ 11	Jute	144	+ 5	Oilseed	86	- 3
						Tallow	76	+ 2
Cereals & meat	908	+ 22	Textiles	1,274	+ 40	Indigo	90	..
Tea	153	+ 7	Pig-iron	76	- 2	Crystals	85	+ 20
Coffee	137	- 3	Steel rails	71	..	Rubber	54	+ 20
Sugar, cane	96	+ 3	Iron bars	132	+ 4			
Sugar, beet	103	- 5	Coal, steam	132	+ 3	Miscellaneous	809	+ 18
Butter	92	- 2	House coal	85	+ 3			
Tobacco	116	..	Lead	149	+ 11	Total	4,446	+ 95
			Tin	101	+ 2			
Other foods	698	- 6						

These changes bring the increase in the total over the figure for the end of July, 1914, to 73.3 per cent., which compares with 69.6 per cent. at the end of June. The

increases of the five groups over the pre-war figure may be seen from the following table:—

End of—	Cereals & Meat.	Other Food.	Textiles.	Minerals	Miscel- laneous.	Total.
July, 1914	100	100	100	100	100	100.0
Dec., 1918	226	222	293	186	241	237.5
Mar., 1920	261	260	484	269	309	325.6
Dec., "	233	229	209	261	230	230.9
Dec., 1921	159	180	180	164	168	169.6
Sept., 1922	151	194	181	150	148	163.3
Dec., "	149	200	193	152	146	166.2
Dec., 1923	148	231	225	167	136	178.6
June, 1924	158	210	219	164	139	176.6
Dec., "	171	224	235	175	146	189.3
Jan., 1925	176	217	228	168	144	185.9
Feb., "	173	219	233	168	142	186.0
Mar., "	166	212	232	164	141	182.5
Apr., "	163	206	221	160	140	177.4
May, "	165	201	205	160	143	173.8
June, "	153	200	200	159	143	169.6
July, "	157	198	207	163	146	173.3

At this time last year the increase shown by the total was 81.6 per cent., cereals and meat standing at 164, other food at 208, textiles at 231, minerals at 167, and miscellaneous at 140.

Foreign Investment and Trade Stagnation.—A little booklet published this week by the Federation of British Industries suggests an explanation of "Some Causes of the Present Stagnation of British Trade" which has at least the merit of novelty. The Balfour Committee in its recent "Survey," it will be remembered, came to the conclusion that the *malaise* which affects some of our great export industries was due mainly to a decrease in the volume of the world's trade as a whole, our relative share in the latter being actually higher than in pre-war days. The two members of the economic staff of the Federation who have conducted the present investigation suggest that the ruling cause of trade depression is a decline in our export of capital. They show that for many years before the war periods of active foreign investment coincided with periods of prosperity in the export trades, and produce the following table to show the magnitude of our export of capital in relation to the trade figures before the war, and its subsequent decline:—

	(a) Export of Capital.	(b) Post-War Export of Capital Converted to 1913 Values.	(c) New Overseas Issues on the London Market.	(d) British Exports.	(e) Total Over- seas Trade.	% to (d)	% to (e)
	Mill. £.	Mill. £.	Mill. £.	Mill. £.	Mill. £.	%	%
1910 ..	153	..	207	430	1,212	36	13
1913 ..	181	181	198	525	1,294	35	14
1922 ..	154	97	135	719	2,216	21	7
1923 ..	102	64	136	767	1,982	13	5
1924 ..	29	18	134	795	1,826	4	2

Although the writers appear to have gone to considerable trouble to demonstrate the obvious fact that two and two make four when the Board of Trade is calculating our annual balance, some of their diagnoses of trade tendencies merit careful consideration. They suggest that in the 10 years before the war there was a definite diversion of some part of the country's activities from home trade to foreign trade, and that recently the current has set the other way. The latter explanation is, they state, in accord with such facts as the increase as compared with pre-war in our home consumption of coal; the movements in country and provincial bank clearances relative to those in London; the fact that, despite the reduction of our export trade to 75 per cent. of the pre-war amount, there were in 1923 approximately as many persons in employment as before the war; the alteration in the relative positions of sheltered and unsheltered industries; and, lastly, the relatively greater prosperity—as compared with pre-war—of the home trade of many of our export industries. The writers believe that while heavy pre-war taxation has reduced the fund of savings, the heavy annual payments on account of War Loans involve the transfer of savings from holders who would normally largely reinvest them

* Obtainable from the Federation's offices, 39 St James' street, S.W.1. Price 1s.

in home industry or foreign development to investors in securities of the gilt-edged class—a somewhat questionable assumption. Mr M. T. Nugent, director of the Federation, in an introduction, touches on current controversies regarding the gold standard and British industry, and comes to the following conclusion, which is especially interesting in view of the Federation's previous pronouncements on monetary policy:—"The prospects of a general return to stable exchange conditions must have been improved by the return of the British Empire to a gold standard, and it is to be hoped that an early meeting of that General Conference of Central Banks contemplated by the resolutions of the Genoa Conference will still further assist the return to normal conditions."

Labour in Ireland.—Our Dublin correspondent writes—In the Irish Free State, as in Britain, there is trade depression and a clearly recognised necessity for negotiation, with a view to readjustments for the benefit of all, between employers and employed. Subject to that similarity, all the conditions of the Irish problem are different. Ireland is very much under-industrialised where Britain is predominantly industrial. Labour, consequently, is relatively less numerous, less highly organised, and less powerful. The Executive is probably strong enough to deal with any attempt to paralyse the State by a wholesale sympathetic strike if there were any attempt—of which there is not the slightest sign—to have recourse to such an expedient. But there are very pressing problems crying out for treatment. Economic recuperation is slow, and there is a lack of confidence, and therefore of investment in new enterprise, for which the Government is not wholly free from blame. It has been somewhat rough-handed and inconsiderate occasionally in dealing with the interests of capital invested in the railways, the breweries, the distilleries, and the retail liquor trade—even the banks have required to be reassured. The result is that the moneyed classes, who have all got something in these enterprises, are most reluctant, in spite of double income-tax difficulties, to sell out their British investments and bring home their money to start new industries or enterprises. The bearing of general public confidence on industrial and national credit seems as yet to be imperfectly appreciated. Apart from lack of confidence, the cost of conditions of labour are alleged to be a big factor in the prevailing depression and the resulting unemployment. Now Labour, as a whole, is willing to join in a National Conference upon broad lines. The proposal actually came from a leading Dublin employer in the Dail. Most sober and far-sighted publicists are in favour of its adoption. But it will be for the Government to make the first move to bring the parties together and to promise its assistance and counsel. The opportunity for an open and comprehensive discussion in a spirit of goodwill which may not recur is afforded by the resolutions and debates at the recent annual meeting of the Irish Labour Party and Trades Union Congress, where an excellent spirit was shown by the leaders, and the proposal for a National Conference was formally approved. The volume of unemployment makes the matter urgent, and the curtailment of the "dole" within the strict covenanted limits accentuates the pinch from which a large section of the population is suffering. Nationalists and students of economics point out how greatly the project would tend to keep Irish Labour within national bounds and to free it from international control. They deprecate, on various grounds, Irish Labour getting its instructions from English unions, and suggest—an old suggestion redolent of bygone controversy—that the decisions in England upon Irish problems follow the bias of English rather than of Irish interests. Thus recently the Irish railways applied for concessions as to wages and conditions from Irish Labour, on the ground of the extraordinary urgency of the companies' financial position. The application was referred to the English trade union chiefs in London. The latter, very naturally, turned it down, as they proposed to turn down a similar application from the English companies which was to come before them a few days later. Yet the circumstances of the Irish case differ entirely from the circumstances of the English case. The Irish Government is favoured with an opportunity for a signal act of beneficent and constructive statesmanship.

American Cotton Crop.—Our Manchester correspondent writes:—The cotton season in the United States for 1924-25 closed on July 31st, and interesting statistics have been published by several authorities. Mr H. G. Hester, the secretary of the New Orleans Cotton Exchange, gives the commercial crop as 14,698,356 bales, against 11,290,397 bales in the previous year, and 11,282,806 bales in 1922-23. He estimates the carry-over at 2,880,000 bales, against 2,319,000 bales a year ago. His estimate of consumption has caused surprise, the amount being 14,247,000 bales, against 11,243,000 bales in the previous twelve months. Some figures have also been issued by Mr Alston Garside, of the Merchants' National Bank of Boston, but his estimate of consumption is only 13,200,000 bales, as compared with 10,926,000 bales in the previous year. According to Mr Garside, the mills of the world are now consuming American cotton at an annual rate of between 14,000,000 and 14,250,000 bales. He estimates the carry-over at 3,388,000 bales, as compared with 2,754,000 bales on July 31, 1924. The International Cotton Federation is now obtaining returns from the members as to consumption during the second half of the season, and stocks at mills, but it is not likely that the figures will be published until the end of this month. It is generally recognised that if cotton prices are to remain on the present level, a growth this season fully equal to last year will be necessary. Forecasts of the yield in 1925-26 vary considerably. The United States Government will publish another condition report on the crop with an indicated yield to-day.

Home Railway Dividends.—The Home Railway market has lately been very sensitive to developments in the coal crisis, and it is therefore difficult to gauge the effect produced by the interim dividend announcements. In view of the declines in gross traffic receipts for the half-year, however, it is not surprising to find reductions. The London, Midland and Scottish and the Great Western reduce their interim ordinary dividends from 6 to 5 and 5½ per cent. per annum respectively, no mention being made of withdrawals from reserve:—

Name of Line.	Interim Dividends Rate % per Annum.		Prices of Ord. Stocks.		Present Yield.
	1924.	1925.	Highest 1925.	Aug. 6, 1925.	
Great Western ord. stock	6	5½	111½	89½	5 3/8
London and North-Eastern pref. ord. stk.	5	5	83½	61½	5 3/8
London, Midland, and Scottish ord. stk.	6	5	102½	80	5 5/8
Metropolitan cong. stock	4	4	83	70½	5 13/16
Southern pref. ord.	5	5	85½	78	6 8/8

Neither the Southern nor the London and North-Eastern make interim distributions on their deferred ordinary stocks, but pay the usual 5 per cent. per annum on the preferred ordinary. The Southern showed a slight increase in traffic receipts for the first half-year, and is obviously able to pay this dividend out of revenue, but the London and North-Eastern had to make "a large transfer" from the railway compensation account reserve, which stood in the last balance-sheet at some £8½ millions. At the end of 1924, £2½ millions was withdrawn from this fund to pay a dividend of 2½ per cent. on the deferred ordinary stock, which required £3 millions. Traffic receipts for the half-year are down by £563,000, the company being, of course, peculiarly sensitive to depression in the mineral trades. As will be seen from our table, prices of the stocks are very much below the highest figures of 1925, which were touched early in the year. There was a sharp rise in prices on Thursday, when Bank Rate was lowered, and this partly accounts for the moderate yield on the ordinary stocks. In the circumstances, the very high yield on London and North-Eastern preferred ordinary is perhaps not surprising.

American and English Railway Stocks.—A correspondent writes:—The enthusiasm of those who announced the certainty of feverish activity in the American market as soon as the dollar exchange became stabilised must now have waned; judging from the paucity of markings in American railroad stocks and bonds the public are taking little or no interest. Some of the old favourites, like

Atchisons, Pennsylvanias, and Baltimore and Ohios, are being dealt in to some extent, and this is understandable, as they are good dividend-payers and also have speculative possibilities. The bond section, however, shows signs of neglect, and the reason is fairly apparent on examination. Their price is fixed by money conditions and the investment demand of the United States market, and the best of them yield under £4 5s per cent. This is not a very attractive basis for the British investor, surrounded as he is by plums in the shape of War Loan and other securities yielding about 5 per cent. It is but natural that, apart from arbitrage and professional dealings, business in this part of the market should not have developed as some expected. Differing income-tax scales on each side of the water account for the wide disparity in yields, and when they have been "corrected" for income-tax and brought on a net basis, it is remarkable how effectively the laws of supply and demand are performing their silent duties. For instance, the yield on London Midland and Scottish debenture stock, less tax at 4s, is £4 per cent.; on Atchison Topeka and Santa Fé General Mortgage Bonds the yield is about £4 4s, which, less United States income-tax at 6 per cent., is £3 19s per cent. A very striking comparison. From the point of view of the dealer who, in pre-war days, was able to place a good number of American bonds among the banks and others, and who is now cold-shouldered in favour of the Consol market, this state of affairs is rather saddening. His occupation in this direction is now gone, unless he cares to comfort himself with idle dreams of an income-tax of 25 cents in the dollar on the other side, or the elimination, by some as yet undiscovered genius, of our own.

Shipping Freight Index Number.—A turning point appears to have been reached in the course of our Index Number of "tramp" shipping freights, based on fixtures for whole cargoes concluded in the open market. The July index figure works out at 110.41, a rise of 3.45 per cent. on the month, but representing an average level of freights approximately 8.6 per cent. lower than twelve months ago.

The movement of the various groups in the index are summarised as under:—

Date.	European Waters.	North America.	South America.	India.	Far East and Pacific.	Australia.	Total.
Basis (Average, 1898-1913).....	100	100	100	100	100	100	100
Average, 1913.....	110.03	113.09	123.37	106.29	117.38	127.89	116.34
February, 1920.....	814.31	529.89	757.52	744.81	587.02	712.16	690.95
December, 1920.....	268.90	277.17	244.10	256.79	286.72	347.18	280.14
December, 1921.....	160.06	164.07	163.72	144.43	141.25	166.47	156.67
December, 1922.....	137.09	135.15	129.19	122.61	136.08	159.34	136.67
December, 1923.....	134.03	132.72	120.09	124.35	125.07	144.21	130.09
July, 1924.....	123.66	121.87	121.91	120.13	114.69	121.96	120.70
August ".....	120.45	128.10	119.94	118.97	113.31	128.19	121.49
September ".....	117.90	138.94	123.20	124.93	122.19	144.22	128.56
October ".....	118.80	143.09	125.96	126.59	135.47	156.68	134.43
November ".....	115.01	137.32	120.31	120.50	131.95	162.02	131.18
December ".....	117.44	129.18	119.45	119.76	129.29	161.13	129.38
January, 1925.....	115.26	134.60	120.38	123.83	132.44	172.70	133.20
February ".....	114.92	146.54	118.04	121.95	129.99	178.04	134.91
March ".....	116.34	130.81	110.41	116.99	118.42	151.33	124.05
April ".....	114.18	133.39	110.82	115.95	114.60	138.87	121.27
May ".....	109.86	124.85	110.97	108.43	105.16	126.41	114.28
June ".....	109.25	104.78	108.24	105.53	100.43	112.17	106.73
July ".....	119.02	111.96	113.42	106.15	94.43	117.51	110.41

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

	Index No.	Ino. or Dec. Points.		Index No.	Ino. or Dec. Points.
Home trade.....	107.88	+ 14.29	S. America—outwards	134.27	— 0.57
Bay—outwards.....	137.62	+ 25.89	"homewards.....	92.56	+ 10.92
"homewards.....	119.35	— 4.03	India—outwards.....	122.11	+ 1.25
Mediterranean—outwards	131.27	+ 3.81	"homewards.....	90.19	+ 6.00
"homewards.....	110.08	+ 4.63	Far East, &c.....	94.43	+ 5.34
North America.....	111.96	+ 7.18	Australia.....	117.41	+ 5.34

Factors in the upward movement recorded last month were (1) a stimulated demand for colliers ready for "spot" loading, and thus able to effect clearance before

the date on which the mining agreement was due to terminate; (2) restricted offerings of vessels as a result of the considerable quantity of tonnage laid up during the past two months; (3) tentative signs of greater activity in movement of grain from North and South America. Of these factors, only the third can be considered of a really satisfactory nature. No revival of Far Eastern business was apparent, and, it will be observed, the index number of this group is now disproportionately low in comparison with the general average. The quotation for Australia is more or less nominal.

The relation of the index to the average for 1913 may be seen from the following table:—

Month.	1913 = 100.	1923.	1924.	1925.
January.....	131.60	114.05	117.11	114.49
February.....	135.76	112.73	123.78	115.96
March.....	135.53	115.23	122.09	106.63
April.....	129.46	115.45	117.22	104.24
May.....	125.12	114.55	114.27	98.23
June.....	117.45	106.82	108.62	91.74
July.....	114.52	103.39	103.75	94.90
August.....	113.16	100.16	104.43	..
September.....	110.37	103.04	110.50	..
October.....	114.42	107.86	115.55	..
November.....	119.43	111.21	112.76	..
December.....	117.39	111.81	111.21	..
Mean for year.....	122.02	109.69	113.44	..

A general rise of at least 15 per cent. in the level of freights is required before the acute depression of this summer can be said to have passed.

The American Leather Trade.—A correspondent writes: Leather trade conditions in the United States during the past few years have been much the same as those prevailing in this country. Most of the big sole and upper tanners have lost a good deal of money, and reductions of capital have been frequent. A policy of reduced input of hides and skins has also been followed, but, mainly owing to the Continental demand, values of all classes of raw stock have been maintained at a high level, while it has been found impossible to obtain prices on finished stock which showed a profit. In spite of this, however, much more leather was produced in the United States than could be absorbed, and tanners, faced with large accumulations, have had to sacrifice holdings of stock, often at great sacrifices. But latest advices from America seem to suggest that the outlook is improving. In a recent statement made by Mr H. W. Boyd, president of the Armour Leather Company, he reported that, for the first time since the American Government required reports, "stocks on hand are below the normal supply, whilst losses due to the war have now been so completely liquidated that, with prices and demand strong, the leather industry as a whole may be considered on the up-grade." One of the largest Milwaukee tanners recently stated that for some years past the percentage of profit on leather manufacture was probably the smallest of any native industry in view of the amount of capital involved. He contended that far too much leather was being produced, and that unless conditions soon altered many large concerns would have to shut down. Mr Boyd, however, thinks conditions are such that tanners may again look forward to a normal profit, although he warns the trade against expecting large profits. He contends that war-time hide and leather stocks, which at the end of 1920 amounted to the equivalent of the whole year's supply, have been so reduced that stocks on hand at the present time are about 1,000,000 sides less than a reasonable normal amount. This does not mean a shortage, but it does mean that the excessive stocks of American and imported leather which followed the war have been so disposed of that trading operations can now be conducted on a normal basis. The above views are satisfactory to British readers, as improvement in this country always follows on a betterment in American industry; moreover, it cuts away any fear of any dumping here of surplus American stocks of leather.

The Finance of Iraq.—The report of the Financial Mission to Iraq, undertaken by Commander Hilton Young and Mr R. V. Vernon, and published as a White Paper (Cmd. 2438, price 1s), is an interesting but rather disquieting document. It starts from this position:—For

1923-4 and 1924-5 the Budget of Iraq actually showed a surplus, amounting, for the latter period, to 60 lakhs of rupees. This surplus has, however, been turned into a deficit by the imposition on Iraq of two heavy new charges. The first is the obligation to bear a part of the burden of the debt of the Ottoman Empire—some 80 lakhs, in fact. The second is the new military burden. In 1924-5 the actual expenditure on the Army was 101 lakhs; in 1925-6, under the arrangements recently made between the British Government and that of Iraq, it will be 135 lakhs. The surplus thus becomes a considerable deficit. Faced with this problem, the Commissioners found that the general character of the Budget can hardly be altered substantially either by increasing revenue or reducing expenditure, though they have some suggestions to make under both heads. The broad facts are, as stated by them, that "Iraq is a small country of some 3,000,000 inhabitants. It emerged recently from a foreign domination that was hostile to all progress. There has not yet been time for the secure establishment of public order. It lacks much of the apparatus essential to a developed State. It started life without a financial balance. As an independent State, it has to support an Administration which is necessarily far more expensive than its former one." There is probably no historical instance of an infant State expected to do so much so soon. They propose the calling of a "temporary halt" in such services as Public Works, Education, Irrigation, and Agriculture, not because they are not desirable and even necessary, but because they cannot be afforded; an increase in Customs and Excise to yield an additional revenue of 30 lakhs; certain other taxes to yield minor sums. But "the result is, when all has been done that can be done, the Budget is still faced with a deficit for 1925-6 of 49.25 lakhs." In that situation, either a part of the Ottoman debt must remain unpaid, or "the military programme contemplated by the recent arrangements must be substantially reduced." Which alternative should be adopted they do not, of course, state; they do, however, suggest that the British Government should definitely cancel the debt charged under the head of transferred assets on the railway account, and "that a substantial concession be made in respect of the railways, by way of a postponement of British claims. Further, that the military programme should not be expanded they regard as vital to all their calculations. [We are of opinion that under present conditions any further substantial increase in military expenditure must be inconsistent with the establishment and maintenance of national solvency.] They throw out the somewhat sinister suggestion that a saving (possibly 20 per cent.) could be effected by the introduction of conscription, but on the necessity of confining military expenditure to its present limits they are definite. It is on that hypothesis that they have framed the suggestions they make for detailed reform. The present land revenue system, they find, is "unsatisfactory and uneconomic." The levy which actually reaches the Treasury is very much smaller than that exacted from the cultivator. Corruption is rife. There has been a tendency on the part of spending Departments to secure comfort for themselves by overestimating, though "habitual overestimation of expenditure is the worst of all nuisances to those responsible for general financial policy." The Report concludes with a plan for the establishment of a railway corporation, and the suggestion that, either through the Trade Facilities Act or otherwise, advances might be made to the British Government for railway works and replacements and for bridges, the Basrah Customs possibly forming a suitable special security. The minimum amount required would be about £600,000—a modest sum in these days of millions.

Deposits by Reinsurance Companies.—An interim report has been issued by the Departmental Committee which is inquiring into the working of the Assurance Companies Act, 1909, dealing with the question of statutory deposits by reinsurance companies in this country. The Act of 1909 was not intended to apply to reinsurance companies, which do not carry out direct insurance business with the public. That was made clear during the passage of the Act through Parliament, and was accepted as the law by the Board of Trade for several years. But in its drafting the Act has been since held by the Courts of

Scotland and by the House of Lords to impose upon reinsurance companies, both native and foreign, a liability to put up deposits of £20,000, and to make returns as required by the Act. In accordance with these legal decisions, the British reinsurance companies have made the statutory deposits, but the foreign reinsurance companies with branches in this country have so far declined to do so. The Departmental Committee, which is now sitting, examined the whole question, and reported unanimously that "companies which transact reinsurance business only, whether fire, accident, or employer's liability, ought not to be treated as doing these classes of insurance business for the purposes of the 1909 Act, and that the Act should be amended so as to secure this result. If the law is altered to give effect to our recommendations in this regard, provision should, we think, be made for releasing their deposits to such companies of this class as have made deposits under the 1909 Act." It is unlikely that the Board of Trade will at once act on the recommendations of the Committee. The most probable course will be to await the full report of the Committee in the autumn, and then to lay before Parliament next year a Bill to amend the Assurance Companies Act in those respects which are held to be desirable. The reinsurance question can be dealt with then. In the meantime, it would clearly be illegal to release the deposits of British reinsurance companies made under the existing Act. The Committee's principal reason for recommending that reinsurance companies should be put outside the Act was because reinsurance is done with the direct insurance companies and not with the public, and that "the bodies which contract with these reinsurance companies are fully capable of securing adequate protection for themselves, and ultimately for their policyholders, and often do so by retaining a considerable proportion of the reinsurance premiums, or by requiring a deposit of securities."

Guinness's Report.—The accounts of Arthur Guinness Son, and Co., Limited, for the year ended June 30th last have appeared with commendable promptitude, when the laxity of so many industrial concerns in this direction is considered. They show that after the slight decline recorded a year ago, profits have recovered. Gross receipts amount to £13,220,814, compared with £12,528,137 in 1923-24, so that with expenses showing a small decline from £10,237,134 to £10,121,266, the net profit is £3,099,548, against £2,291,003. The reserve fund receives £400,000, in comparison with £200,000 in the preceding period, while the ordinary distribution absorbs £2,400,000, in contrast with £1,950,000. The following table affords an interesting comparison of results over a period of years:—

	Receipts.	Ex- penses.	Net Profit.	Reserve, Depreciation, &c.	Ordin'y Dividend.	Rate %
	£	£	£	£	£	
1908-9	2,218,160	1,096,522	1,121,638	280,000	700,000	14
1909-10	2,465,713	1,195,090	1,270,623	325,000	775,000	15½
1910-11	2,629,180	1,301,511	1,327,669	335,000	825,000	16½
1911-12	2,541,030	1,328,241	1,212,789	255,000	825,000	16½
1912-13	2,527,237	1,443,119	1,084,118	185,000	825,000	16½
1913-14	2,752,974	1,514,726	1,238,248	235,000	700,000	14
1914-15	4,181,655	2,721,206	1,460,449	585,000	700,000	14
1915-16	5,472,922	3,962,122	1,510,800	531,000	800,000	16
1916-17	4,920,287	3,014,157	1,906,129	235,000	800,000	16
1917-18	4,105,393	2,083,307	2,022,086	235,000	800,000	16
1918-19	5,858,854	3,808,174	2,050,680	285,000	800,000	16
1919-20	12,941,420	9,677,513	3,263,907	735,000	1,000,000	20
1920-21	18,187,514	14,558,324	3,629,190	519,407	1,250,000	25
1921-22	14,570,320	11,691,967	2,878,353	235,000	1,450,000	29
1922-23	13,759,584	11,084,264	2,675,320	235,000	1,800,000	24
1923-24	12,528,137	10,237,134	2,291,003	200,000	1,950,000	26
1924-25	13,220,814	10,121,266	3,099,548	400,000	2,400,000	32

The rate of dividend on the ordinary stock is increased from 14 to 24 per cent., so that in spite of a reduction in the bonus from 12 to 8 per cent. stockholders actually receive a total payment of 32 per cent., which compares with 26 per cent., and is the highest ever made by the

company. The reserve fund now aggregates £1,500,000, and the sum carried forward is £832,918, against £713,822 brought in.

Bass, Ratcliff, and Gretton.—There was a slight increase in the gross trading profit of the well-known brewing concern of Bass, Ratcliff, and Gretton, Limited, for the year ended June 30th last, but expenses rose by a larger amount. The balance available for distribution, however, was larger than last year by £40,000, sundry revenue having produced nearly £23,000 more, and £30,000 more having been brought into the accounts. The following table gives results for a number of years:—

Year ended June 30.	1914.	1920.	1921.	1922.	1923.	1924.	1925.
Gross trading profit.....	749,607	1,113,121	1,158,172	1,205,795	1,167,135	1,222,864	1,267,530
Expenses.....	455,611	817,546	860,771	925,946	857,617	851,301	908,767
Sundry revenue.....	293,996	295,575	277,401	279,849	309,518	371,563	358,863
Balance forward.....	143,153	282,365	236,894	200,528	204,394	236,796	259,466
	64,593	60,080	61,970	73,085	66,748	63,571	93,429
Deb. interest.....	501,742	638,620	576,265	553,462	580,660	671,930	711,758
Bad debts and invest.	80,800	80,800	80,800	80,800	80,800	80,800	80,800
Depreciation.....	34,266	43,450	29,980	13,514	43,889	64,501	81,661
Prof. dividend.....	68,000	68,000	68,000	68,000	68,000	68,000	68,000
Ord. dividend.....	204,000	224,400	224,400	224,400	224,400	265,200	265,200
Rate.....	15 %	11 %	11 %	11 %	11 %	13 %	13 %
Reserve, &c.....	50,000	160,000	100,000	100,000	100,000	100,000	150,000
Carried forward.....	64,676	61,970	73,085	66,748	63,571	93,429	66,097

Last year's increased distribution on the ordinary shares of 13 per cent., free of income-tax, is repeated, and includes a bonus of 2 per cent., and by reducing the balance forward by some £27,000, the directors are enabled to transfer £50,000 to reserve and £100,000 to the reserve for property depreciation. The reserve fund now amounts to £1,000,000, against paid-up ordinary and preference capital of £3,400,000. Total assets figure at £8,613,400, including £800,000 for goodwill and trademarks, which can hardly be called an extravagant figure. Licensed properties show an increase of £179,000, but there are reductions of £137,600 in sundry debtors, of £80,500 in cash, and of £84,600 in investments. An analysis of the balance-sheet will be found in the usual column.

Union Cold Storage.—A substantial improvement in earnings is shown in the report of the Union Cold Storage Co., Limited, for the year 1924, gross profits being £121,000 higher at £848,100. The comparative table below shows results for several years past:—

	1913.	1919.	1920.	1921.	1922.	1923.	1924.
Gross profits.....	137,094	306,360	467,393	558,765	581,589	726,904	848,070
Deb. interest, &c.....	31,727	58,133	72,118	74,676	83,424	72,830	61,329
Net profit.....	105,367	248,227	395,275	483,999	498,166	654,074	786,741
Brought forward.....	23,806	51,066	71,717	87,497	104,028	109,922	127,842
Reserve & depreciation	126,173	299,293	466,992	571,496	602,194	761,996	914,582
Prof. dividend.....	43,185	78,777	87,939	108,667	133,472	138,826	138,504
Ord. dividend.....	46,109	118,800	261,556	328,800	328,800	395,830	596,800
	..	50,000	30,000	30,000	30,000	100,000	100,000
	(10 %)	(10 %)	(10 %)	(10 %)	(10 %)	(10 %)	(10 %)
Carry forward.....	36,879	71,716	87,497	104,028	109,922	127,840	149,278

Out of the sum transferred to depreciation reserve, £63,500 of debenture stock has been purchased and cancelled. Debenture and mortgage interest absorbs £59,500 and the dividend on the 6, 7, and 10 per cent. preference shares £526,000. In June last the preference was increased to £11 millions by the issue of £3,220,000 in 6 per cent. preference shares, the dividend on which in a full year will absorb £193,200. The balance-sheet shows that secured loans and bank overdrafts have been reduced by £907,100 to £1,509,000, and creditors by £2,709,500 to £3,853,500. Net advances to associated companies figure as a separate item in the present balance-sheet at £1,380,300. A year ago they were included with sundry debtors and stock in trade. The latter item now stands at £3,040,700, representing a reduction, making allowance for the separation, of £3,424,300. The property item is £281,100 lower at £13,784,400, and cash is £19,800 higher at £377,700.

Oversea Correspondence.

UNITED STATES.—STOCK MARKET TENDENCIES—RAILROAD EARNINGS—MONEY AND CREDIT—STEEL CORPORATION—THE GOLD STANDARD.

(FROM OUR CORRESPONDENT.)

NEW YORK, July 28.

RENEWED strength in the stock market after a period of irregularity is the chief matter of interest at the present moment. The burst of strength is the more interesting because it has come as something of a surprise. With the July re-investment demand disappointing in the sense that it was pretty thoroughly anticipated during June, with the bond market reacting, with stocks dull, and with thoughts turning to the probability of higher money during the fall, it was assumed in many quarters that a period of digestion had set in. Even when high-priced specialties began to move upward sharply, attention was directed to the fact that the body of the market was remaining practically stationary. Many observers concluded that the market was tired, and that the "pools" and professional operators were merely giving it the appearance of strength. Now, however, the market has become quite active again, and spectacular advances have occurred in a considerable number of directions. Motor shares, and particularly those of truck and bus companies, have stood out, but so have utilities, while there has been increased interest and strength in rails. At the moment the market is beginning to give, in fact, the appearance of a general advance. Rising prices always create more optimistic views of the situation, and some of the recent sceptics are beginning to say that the steadiness of the market as a whole during the recent period of quietness was a reflection of the absence of speculative activity, and that the sharp rises in specialties were due to the meagreness of the supplies of stocks that were for sale. Whatever the real position may be, the fact cannot be doubted that the market again is active and decidedly strong.

Part of the rise undeniably is due to the growing conviction that business will be good during the rest of the year. Part of it also is due to the excellent earning statements for the first half of the year, that are now being published. Despite the pessimism that existed in certain quarters earlier in the year, a host of important corporations are revealing good gains in earnings, as compared with their showings in the corresponding period of last year. Another supporting factor in the market is the excellent showings made by the railroad earning statements for June. The returns are incomplete as yet, but there is no mistaking the decided nature of the improvement over the statements of a year ago. Some competent judges believe, in fact, that the Class 1. roads will be able to show net revenue of between \$75,000,000 and \$85,000,000 for June. Such a record would compare with about \$60,000,000 in June of last year, and would represent a return of nearly 5 per cent. on the valuations set up by the Interstate Commerce Commission. Certainly the railroads are in splendid condition. Their physical assets have been rehabilitated, their earnings are good, and their credit has been much improved. Under these circumstances they are in a position to contribute to general prosperity through the exercise of their great purchasing power.

One factor that serves to restrain the exuberance of market followers is the money situation. Credit is still plentiful and cheap, even though the tone of the money market is, perhaps, slightly firmer. It would surprise no one if current ease persisted for a few weeks more. Nevertheless, it is realised that the combination of an industrial revival and the usual autumn pick-up in farm and business activity is pretty certain to increase the commercial demand for credit. Since gold no longer is coming into the country, this extra credit would have to come either from the investment or security loan accounts of the commercial banks or from the Federal Reserve system. What shrewd market followers are asking them-

selves is whether the Federal Reserve banks will make sufficient credit available to sustain a large volume of market activity as well as that in industry and commerce. On the one hand, they believe that the Federal Reserve authorities wish to take care of all the legitimate demands of commerce, and that they wish, having in mind the situation regarding the pound sterling and the gold standard in general, to keep money rates as low as practicable. On the other hand, they realise that the Federal Reserve authorities would not be likely to countenance a misuse of credit for speculative purposes, and that while the Federal Reserve authorities might not be disturbed by a mild rise in commodity prices here, they would hardly view the prospects for an inflationary boom with equanimity. The developments of last March demonstrated the control which the Federal Reserve banks had over the strategic position even stronger than it was last spring. By withholding credit or taking it away from the speculative markets, they undoubtedly could greatly affect the course of events in the latter. Just how the Federal Reserve authorities will shape their policies as the situation develops is a matter of the highest interest and importance.

Publication, after the close of the markets to-day, of the second quarter earning statement of the United States Steel Corporation furnished another surprise that should be pleasant to those bullishly inclined. The report showed that the corporation made net earnings of \$40,624,222. The most optimistic estimates had placed the figure at no higher than \$36,000,000. The latest return compares with \$39,882,992 in the preceding quarter, when operations were being carried on at a very high rate, and with \$41,381,039 in the most excellent second quarter of last year. As operations declined materially during the second quarter, the good earning statement probably reflects in part the higher prices that obtained on shipments made during this quarter as compared with those of the previous quarter. The surplus available for dividends amounted to \$21,889,004, or \$3.06 a share. This makes the earnings for the first half of 1925 equal \$5.99 a share. The corporation, in other words, is easily earning its regular 5 per cent. and its extra 2 per cent. dividends.

Much attention has been attracted here by the reports of labour troubles on your side. One thing that our people are not impressed with is the contention that your industrial troubles are due to the installation of the gold standard. The resumption of gold payments may be a factor in the situation, but the opinion here is that it is a small one. Your industrial difficulties are regarded as a more or less natural heritage of the war upset. Our people note that the decline in commodity prices that you have felt this spring has been far from a local affair. A coincident decline in commodities occurred on this side of the water, and for quite different reasons than the restoration of the gold standard on your side. Those who blame all your troubles on the restoration of sound money are thought to be pushing a theory of rather doubtful value to extreme limits.

FRANCE.—BUDGET FIGURES—DEBT CHARGES—DAWES PLAN AND PAYMENTS IN KIND.

(FROM OUR CORRESPONDENT.)

PARIS, August 5.

It is now possible to dissect to some extent the totals of the Budget for 1925, and ascertain how the total estimated expenditure and revenue, each amounting to slightly over 33,000,000,000f, has been made up. The estimated expenditure for the year is made up as follows:—

	Francs.	%
Public debt services.....	18,573,589,632 (or 56.1)	
Parliamentary salaries, &c.....	44,526,710 (or 0.1)	
Army, navy and other Government departments.....	12,870,470,702 (or 38.8)	
Cost of exploitation of State monopolies, inland revenue collection, &c.....	1,349,108,524 (or 4.1)	
Repayments, restitutions, and "Irrecoverables".....	299,485,000 (or 0.9)	
Total credits opened.....	33,137,180,018	

The estimated revenue for the year is made up as follows:—

	Francs.	%
Taxation	25,381,092,000 (or 76.6)	
Yield from State monopolies and industrial exploitations by the State	2,641,810,584 (or 8.0)	
Revenue from State property	376,280,000 (or 1.1)	
Recettes d'ordre (from sundry resources) ..	1,871,162,094 (or 5.6)	
Exceptional resources	1,605,000,000 (or 4.8)	
From reparations (Dawes plan receipts)	1,275,500,000 (or 3.9)	
	33,150,844,678	

As will be noted, the Budget is only approximately balanced, and has not attained the super-equilibrium desired by M. Caillaux. It was the Finance Minister's desire that this year's estimated receipts from the Dawes Plan should be excluded from the 1925 Budget, and the money directly devoted to meeting expenditure arising out of the war, and also that revenue derived from exceptional resources and amounts received from taxation in excess of Budget estimates should be utilised for debt redemption; but under the force of things both these counsels of perfection had to be ignored for the time being. The Finance Minister, however, insists that he shall be free to apply them to next year's Finance Act.

The 18½ milliards of expenditure comprised under the heading of "Public Debt Services" not only comprises the normal interest charges on the whole of the floating and funded debt, both internal and foreign (with the notable exception of the so-called "political" debts due to Great Britain and the United States), but also the whole of the civil and military war pension charges. M. René Théry sets forth details of the credits authorised by the 1925 Budget in respect of the debt services as follows:—

	Francs.
Internal debt—	
Interest charges on war loans in the form of Perpetual Rentes, 1917-1920	4,354,903,358
Interest on National Defence Bonds	419,150,000
Interest on Treasury Bonds of over one year	1,889,870,000
Interest on Treasury floating debt	3,150,000,000
Service (interest and redemption) of Redeemable Rentes (3 per Cent. and 3½ per Cent. pre-war issues, and 1920 5 per Cent.)	1,079,657,140
Annuities of war losses' damages	683,400,000
Service (interest and redemption) of Crédit National Bonds	1,800,000,000
Cancellation of public debt equivalent to the amount of Rentes surrendered in payment of special tax on war profits	110,000,000
Sundry annuities and repayment of advances	166,205,701
Total (or 73.5 per cent. of the whole)	13,653,186,199
Foreign Debt (exclusive of "Political Debt")—	
Interest on short-term operations abroad	98,000,000
Interest on bonds handed to American Government in payment for war stocks	367,000,000
Interest on bonds handed to British Government in payment for war stocks	5,275,000
Service (interest and redemption) of loans contracted in U.S. in 1920, 1921, and 1924	661,500,000
Total (or 6.1 per cent. of the whole)	1,131,777,200
Life-interest debt—	
War pension annuities (or 12.6 per cent. of total debt service)	2,335,538,000
Civil pensions	600,000,000
Military and naval pensions	670,000,000
Sundry pensions and allowances	183,088,283
Total (or 20.4 per cent. of whole)	3,788,626,283
Grand total	18,573,589,682

The fact that M. Caillaux has found it necessary, in order to balance his Budget, to include on the revenue side 1,605,000,000 coming from "exceptional sources," and 1,275,500,000 from the estimated receipts under the Dawes Plan and other Reparation payments, in no way, M. René Théry argues, justifies adverse criticism of the sincerity of the Budget. The 1,605,000,000 derived from the "exceptional sources" in question is made up as follows:—

	Francs.
Special tax on war profits	775,000,000
Liquidation of war stocks	450,000,000
Excess revenue over Budget estimates	380,000,000

The 1,275,500,000 which the Finance Minister expects to receive from the payments made under the Dawes Plan and kindred sources is composed as follows:—

	Francs.
Receipts in cash and kind under Dawes plan	1,100,000,000
Sundry other receipts (recettes d'ordre)	32,050,000
Receipts from alienation of material, revision of certain awards for war losses	143,450,000

The figures set forth above, it may be taken for granted, will be found to have been substantially modified when M. Caillaux reveals his proposals for his 1926 Budget, which he is now preparing. Next year's yield from the Dawes Plan will, it is practically certain, cease to figure on the revenue side of the account, and the deficit thus arising will have to be met by still further additional taxation. From what sources this additional taxation will be obtained is still unknown, but it is quite likely that M. Caillaux, instead of satisfying himself with a percentage of the profits made by the insurance companies, will revive his recent proposal that the State shall in future appropriate a full 50 per cent. of the total premiums received by them. A similarly heavy demand may also be made on the petroleum industry, which he also regards as another "practical monopoly in which the State should participate."

Meanwhile, the dislike of the French industrial and trading classes for that portion of the Dawes scheme which provides for a substantial proportion of the Reparations to be made in kind has reached rather a critical stage. It is no secret that the amount of raw materials and manufactured goods which it was hoped this country would absorb under the payments-in-kind clauses of the Reparation scheme has been disappointingly small. Traders have found that they can buy direct from the German manufacturer on better terms and with less inconvenience than through the medium of the Reparations machinery. Manufacturers in this country naturally bitterly object to be deprived of the profits they would reap if German Reparation deliveries were suppressed, and they had their own market to themselves. Not only, they argue, are they certain to suffer direct loss through Reparation payments being made in kind, but the German manufacturer is thus being doubly assisted to compete with them in other countries. Just as French private interests of one kind and another were able to defeat the proposals for a portion of the Reparation payments to be made by bringing German labour into France, and by utilising German machinery, &c., for the carrying out of various great public works, so there now appears to be a danger that an essential part of the Dawes plan will prove unworkable.

The list of commodities that may be utilised for making payments in kind, it will be recalled, was limited to such categories of goods as can be produced in Germany itself, subject to the proviso that the cost of the labour expended on them shall exceed that of the material employed. Thus raw leather, of which France requires a large quantity, and which she imports from abroad, was excluded, because Germany, if called on to make Reparation payments in the form of leather, would also have to purchase it from abroad, and consequently would find it equally convenient to pay in cash. Boots and shoes were included in the list, however, because the greater part of the price would be represented by labour cost. "Why," it is asked by the French shoe manufacturer, "should we accept German-made boots and shoes instead of cash, in payment of Reparations, when by so doing we are depriving our own workmen of their wages? Pay us in cotton, or wool, or anything else which we have to buy elsewhere, in any case, and which we transform ourselves."

The proportion of Reparation payments which it was agreed to take from Germany in kind this year has been realised to such a small extent that there is a good deal of nervousness in French official quarters as to how to find means to enable the country to absorb the quantities of goods necessary to prevent this part of the Dawes plan from collapsing. At an important inter-Ministerial conference yesterday, in which the Premier and MM. Briand, Caillaux, and other leading Ministers, as well as many high officials took part, the whole situation was seriously discussed. On the one hand, it was urged that greater publicity should be given to the possibilities and advantages of purchasing supplies under the provisions of the Dawes plan. On the other hand, it was urged that, as private purchasers, in the form of French manufacturers, traders and contractors, have failed to absorb the quantities of German goods necessary to make this part of the

Dawes plan a success, the State should intervene. The Minister for Public Works has recently contracted for the supply of a large amount of dredging plant, it is reported. The suggestion is made that advantage should also be taken of the fact that a large amount of machinery and other plant is now required in connection with the electrification of the French railways, and that these supplies should also be purchased under the Dawes scheme. How British foreign trade and British unemployment may be affected in this connection will be seen by a study of the schedules of commodities which Germany is able to furnish for the purpose of making Reparation payments in kind.

GERMANY.—TARIFF—TAXATION—CURRENCY— TRADE BALANCE—INDUSTRY—INDUSTRIAL CAPITALISATION—BOURSE.

(FROM OUR CORRESPONDENT.)

BERLIN, August 4.

IN spite of the compromise reported last week on the Tariff Bill, the exact nature of the food duties is still in doubt. The Centre Party, which agreed to minimum duties on livestock and meat in exchange for the abandonment by the Agrarians of grain minimum duties, is having trouble with its consumer and Catholic trades union representatives. These declare that the abandonment of the grain minimum duties is illusory, because the majority parties have pledged themselves to oppose any commercial treaty that admits grain at lower duties than those which in the original Bill were fixed as minimal (i.e., 35 marks per ton for wheat and 30 marks for rye). The Centre desires new amendments favouring the consumer. A Socialist Reichstag motion for removal of the Sales Tax from all foodstuffs, and its reduction from April 1st next to ½ per cent. for all wares was defeated, and the tax has been fixed at 1½ per cent. (against 1½ per cent. at present), the luxury sales tax at 7½ per cent. (against 10 per cent.). The tariff is being strongly attacked by representatives of traders and consumers, who declare that the real aim of the Government or of its majority is to impose the maximum duties in the Bill, and not, as was professed, to use them merely as a means of exacting concessions from other countries. The Central Association of Wholesale Merchants has expressed itself in this sense, and in particular has declared against the increase in the textiles duties. The plan is to put the new tariff in force on October 1st. The duties on grain, dairy produce, livestock, meat, sugar and some other foodstuffs will, however, come into force a fortnight after the Bill is passed.

A compromise in the dispute over the subventions has been come to by the majority parties, and will probably be accepted by the States and municipalities. It provides for subventions of 75 per cent. of the income and corporation income-tax yield, to a guaranteed sum of 1,575 million marks per year; and 35 per cent. of the sales tax yield, to a guaranteed sum of 525 millions; in all, 2,100 millions. The revenue side of the 1925-26 Budget has been re-submitted to the Reichstag in a radically revised form, putting the yield of taxes at 6,343.8 million marks as against 5,239.7 million marks in the original Budget. The estimate is now as follows:—

	ORDINARY BUDGET. (000's omitted.)	Marks.
Income-tax		1,700,000
Corporation income-tax		300,000
Property tax		500,000
Sales and luxury sales tax		1,500,000
Capital transactions taxes		130,000
Traffic tax		282,000
Customs		365,050
Tobacco		560,200
Sugar		185,000
Beer		174,000
Spirits monopoly		150,000

The ordinary revenue, including 145.8 millions from sales of railway corporation shares, is 6,498,688,000 marks, and

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the extraordinary revenue 576,833,000 marks, total revenue being 7,075,521,000,000 marks. The extraordinary revenue consists of 225 millions from coinage, 56 millions surplus on the ordinary Budget, 150 millions from the surplus of 1924, and a second 145.8 millions from sale of railway shares.

The money market at the end of July was extremely strained. The supply of day loans ran short, and interest rate rose in four days from around 8½ to 12 per cent. Apart from such temporary fluctuations, interest rates are higher than they were in the spring, and it seems that the permanent tendency is upward. Mid-August usually sees a demand for money for movement of crops. The Reichsbank's policy as regards discount rate and credit rationing is not to be changed. Addressing the Bank's Central Committee on these points, Dr Schacht announced that he intends to increase further the gold reserve, which is now 1,103 million marks, by purchasing gold with the bank's reserve of legal-cover exchange. He characterised the use of exchange as cover for circulation, as permitted by the Bank Law of August, 1924, as a makeshift, and declared that "cover in coined and uncoined gold is far preferable." The Bank Law permits 25 per cent. of the legal cover to be held in exchange. It is surmised that this decision is a result of arrangements come to during the recent visit of the Governors of the Bank of England and of the New York Federal Reserve Bank. Since the end of 1924 the reserve of legal-cover exchange has risen from 253 million marks to 368 million marks; but the bank's holding of non-legal-cover exchange, which appears among "other assets," has declined heavily, though by what amount exactly is not shown. This decline, as Dr Schacht reported, is due in part to the continuing passive trade balances, in part to the calling in of short-term foreign credits, against further conclusion of which he issued a new warning. The Savings Banks report further rapid increases of deposits.

Prussian Savings Bank deposits increased by 391 million marks to 797 million marks in the first half of the year. The bi-monthly commercial bank balance-sheets for June 30th show increases of all chief entries. Totals for the four "D" banks, the Commerz und Privat, and the Mitteldeutsche Credit, are:—

	(000's omitted.)	July 30th.	June 30th.
All assets	4,789,389	5,013,707	
Bills	1,010,177	1,095,175	
Correspondents	658,120	698,802	
Advances on wares	360,128	343,525	
Debtors on current account ..	2,100,697	2,252,082	
All creditors	3,942,572	4,127,357	
Deposits	1,444,209	1,549,236	

Deposits in the State banks tend to increase more rapidly than in the private commercial banks, the cause being the hoarding of tax yields by public bodies.

The Prussian Trade Ministry's monthly report for July describes improvement in the potash, brewing, printing, and (in part) textile industries, but states that, in general, the home selling market has not improved. Bankruptcies in July numbered 797, against 709 in June. The wholesale prices index number for July 29th was 133.9, against 134.3 one week earlier. The cost-of-living index for July was 143.3, against 138.3 in June. In the iron and steel industry a sudden revival of activity has taken place. The Steel Syndicate had already reduced the production quotas for August to 65 per cent. of the full quotas when the revival began, bringing the first upward movement of prices for months. The increasing demand was stimulated by better reports from the engineering branch, and in part by further progress made in cartel formation. The Bars Syndicate has at last been formed. Bars rose from 124 to 129 marks per metric ton, and other rolled goods accordingly, but the prices of ingots, blooms, and billets remained unchanged. A syndicate for rolled aluminium has been founded. This organisation, it is reported, will pursue the same policy as the Raw Steel Syndicate, maintaining prices at home, but granting a price rebate to manufacturers on aluminium used in the production of goods for export. The electrical industries are very active, owing to increasing electrification and to municipal orders. The electric cable works have orders for nine months ahead. The consumption of copper in 1925 is estimated at 320,000 metric tons, as against 290,000 tons in the last pre-war years. The potash branch continues to flourish. Sales in July totalled 95,603 metric tons of pure potash, as against 47,297 tons in July, 1924. Sales in the first seven months were 829,270 tons, against 374,804 tons in the same months of 1924.

The conversion of company balance-sheets to a gold mark basis is now practically complete. An analysis published in the *Berliner Tageblatt* for 911 companies whose securities are quoted on the Berlin Bourse shows:—

	(000's omitted.)	Pre-War Capital.	Paper Mark Capital.	New Gold Mark Capital.	Sealing Down Ratio.
		7,874,000	72,363,400	8,835,300	8.3 1

The new gold mark capital is about 10 per cent. greater than the pre-war capital. A considerably greater increase would be shown if banks and shipping and insurance companies, which have fallen heavily below their pre-war capitals, were omitted. The new capitals of the purely industrial companies are mostly much larger than the pre-war:—

	(000's omitted.)	Pre-War Capital.	New Gold Mark Capital.
67 Chemical companies	424,900	1,035,700	
224 Metal & engineering companies	980,100	1,380,300	
79 Textile companies	52,300	101,900	
78 Mining and smelting companies	1,260,000	2,149,100	
25 Breweries	62,900	93,300	
44 Electrical companies	754,900	917,600	
10 Potash companies	65,100	403,300	
44 Food companies	120,800	166,600	

The Bourse last week was again depressed, and the first two days of this week saw no improvement. The shortage of money checked speculation. Mining and metal stocks had big drops—up to 5 per cent.—to-day. Paper mark loans fell very heavily last week, and they now average about 77 per cent. below the quotations of the beginning of the year.

CANADA.—CROP PROSPECTS—FEDERAL REVENUES — PRICES — UNEMPLOYMENT SITUATION — INDUSTRIAL CONDITIONS—MINING INDUSTRY.

(FROM A CORRESPONDENT.)

OTTAWA, July 24.

A SPELL of very severe drought during the latter half of July undoubtedly wrought considerable damage to the wheat crop in various areas of the West, and in some districts the deterioration is estimated as high as 30 per cent. Hailstorms and the sawfly have also caused some loss, but the excellent condition which the crop enjoyed before these vicissitudes has not been in the aggregate seriously impaired, and the latest bulletin of the Dominion Bureau of Statistics forecasts that the wheat yield for the whole of Canada will be 365,000,000 bushels, which is an increase of 103,000,000 bushels over last year's figures. The estimates of the C.P.R.'s economic service and other authorities are even higher. Other grain yields are estimated as follows:—Oats, 468,949,000 bushels, as compared with 411,000,000 bushels in 1924; barley, 86,105,000 bushels, compared with 86,753,000; rye, 12,970,000, compared with 14,000,000; flax, 10,480,000, compared with 9,694,000. The index figure of crop conditions shows wheat at 106, as compared with 92 last year, and there is almost a parallel improvement in the other crops. The total area of all field crops sown is estimated at 56,103,000 acres, as compared with 55,821,000 in 1924. The crop in the West may still suffer some damage before the harvest begins at the middle of next month, but it is now a safe calculation that it will be substantially larger than last year's yield, and as prices are keeping reasonably high, the West is returning to a mood of greater optimism. In Ontario conditions are variable; the crops in the Eastern regions of the province are well above the average, but in the Western and Southern sections they have suffered from drought. Pastures, however, have been good, and the dairy industry is flourishing. In Quebec the cereal crops are somewhat below the average, but the fodder and root crops are good, and in the maritime provinces all the crop prospects are excellent.

It is at last possible to record a welcome, if modest, improvement in the revenue returns. For the first quarter of the fiscal year, from April to June, inclusive, the Federal revenue increased some \$3,000,000 over last year's figures. The chief source of increase came from the Customs, which totalled \$31,000,000, being an increase of \$2,000,000, and there are indications that the expansion in imports which began at the end of April and contributed this increase will continue. At the end of the first quarter the national debt stood at \$2,378,000,000, which is a decrease of \$11,000,000 from the total on June 30, 1924.

The index number for wholesale prices compiled by the Bureau of Statistics reveals them as practically stationary, the figure for the end of June being 158.8, as compared with 159.1 at the end of May. Thirty-eight quotations were lower, 44 higher, and 154 were unchanged. There was the usual seasonal fall in vegetable products, but animals and their products, on account of higher prices for hogs and cattle, rose from 131.3 to 132.5. There was a decline in the price of iron and its products, but fibres, textiles and textile products, owing to advances in cotton, silk, and wool, rose to 197.7 from 194.4.

The good crop prospects have had a heartening effect upon the general business situation, and wholesalers report that country storekeepers are disposed to buy more freely than at the corresponding date in previous years. Retail trade in the cities and towns is experiencing the usual holiday dullness, but business has merely been transferred to the summer resorts, and the influx of American tourists, which is greater than ever this year, will leave behind large sums of money in the favoured districts, like the shores of the St Lawrence and British Columbia, which they frequent. The unemployment situation has been completely eased for the moment, and the Department of Labour's employment index figure, placed for July at 96, was higher than for any parallel date in the last four years. Indeed, some difficulty is anticipated in securing sufficient labour to harvest the crop, and it is estimated that some 60,000 extra hands

will be required in the prairie provinces. The position of the iron and steel industries is gradually improving, and many of the plants report a much better demand for their products. The new Conservative Government in Nova Scotia is making valiant efforts to end the industrial conflict in Cape Breton, whose effects have been very serious for the economic life of Nova Scotia, but both parties are exceedingly stubborn, and a settlement is not yet quite assured.* Most of the textile plants are well occupied with orders, but their owners and managers continue to wail about the disastrous effects of British competition. The pulp and paper mills are fully employed, and the American demand for newsprint seems to be insatiable. This industry shows an amazing record of expansion, and during 1924 there was an increase of almost 42 million dollars in the capital invested in it, which was at the end of last year estimated at \$459,457,696.

Despite some unpleasant revelations about individual mines, the mining industry, particularly in Northern Ontario, is in a very flourishing condition. The mines in the Porcupine area have shown a gain of 17 per cent. in output during the past year, and in the second quarter of 1925 the gold mines of the Northern Ontario region produced approximately 360,000 fine ounces of gold valued at \$7,398,561, as compared with 336,231 ounces valued at \$6,992,553 in the first quarter. Some British capital is interesting itself in this mining development, but it is still exceedingly timid in comparison with American capital.

What threatens to be a very bitter controversy has developed between the provinces of Ontario and Quebec in connection with a projected railway planned to provide much-needed communications for the new Rouyn mining field, which, although lying within the boundaries of Quebec, is merely an abutment of the Ontario mining fields. The latter are served by the Temiskaming and Northern Ontario line, which is the property of the provincial Government of Ontario, and authority has been sought by it to build a branch to the Rouyn field. The business interests of Montreal, however, are exceedingly anxious to secure a share of the profitable business of these mining communities, and at their bidding the provincial Government of Quebec is resisting the plans of the Ontario Government; they want the C.P.R. or the Canadian National to build a line which will give direct and easy communication between the new mining field and Montreal, and refuse to allow the Ontario railway a right of way over the extensive portions of Crown land through which it must pass. The Ontario Government are demanding that the Federal Ministry exercise the powers of expropriation for railway purposes which belong to it, and at present the issue has been shelved until the courts render a decision upon a legal point. But sooner or later the King Government will be faced with the problem of a ticklish administrative decision upon this question, and it will have the unpleasant alternative of either offending its Quebec supporters or exposing itself to the charge that the domination of Quebec has prevented it from acceding to the quite legitimate demand of another province. Some political experts argue that the difficulties involved in this decision make it quite certain that a Federal general election will be held this autumn before it is necessary to formulate any policy on this issue. The results of the provincial election in Nova Scotia cooled the enthusiasm of many of the Government's supporters for an appeal to the country during the present year, but election forms and ballots are being printed and other preparations are going ahead. The final decision is likely to depend upon the result of another provincial election, which takes place in New Brunswick on August 10th, and if the Liberals retain their present control of this provincial legislature, the dissolution of the Federal Parliament is likely to be announced immediately afterwards. Meanwhile, Mr. MacKenzie King is understood to be planning a reorganisation of his Ministry; a number of the present Cabinet are anxious to withdraw from active public life, either to the comfortable haven of the Senate or to public posts of different kinds, but he is said to be experiencing some difficulty in finding substitutes who can competently fill their places.

* Since this was written the miners have voted for a return to work, and the proposed terms of settlement have been accepted by Steel Corporation's directors.

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UNION OF SOUTH AFRICA.—DECLINE OF GOLD DIVIDENDS—LOW GRADE MINES—ORE RESERVES.

(FROM OUR CORRESPONDENT.)

JOHANNESBURG, July 7.

In the first five completed months of 1924 the total value of the gold production of the Transvaal was £2,017,806 in excess of the par value, but the net "currency premium" was very much less, owing to the heavy exchange charges imposed by the banks for bringing a portion of the proceeds back to South Africa. The net price of gold for the first half of 1924 was 92s 9d per ounce, or 8s 9d over normal, representing 2s 7d per ton on the basis of an average yield of 6.55 dwt per ton. This year there has been no premium, and on an estimate of 14,150,000 tons crushed for the six months the loss of premium represents £1,827,700. Savings in operating charges have been only 7d per ton (19s 3d, as against 19s 10d), or less than a quarter of the shrinkage in premium, and representing over the period £412,000. In the face of a net decline of £1,415,000 in revenue (subject to the profit on about 250,000 more tons crushed), it is impossible that dividends of the gold mines could have been maintained at last year's level. As a matter of fact the total is £4,137,397, as against £4,610,110. A maiden dividend by New State Areas, which has to pay an unconscionably high royalty tax to the Union Government, brings in £112,500, but Durban Deep and Geldenhuis, which made distributions a year ago—the latter at Christmas as well—have fallen by the wayside. A year ago the total was swollen by arrear payments by the Robinson Deep, which paid £287,500, or a quarter of a million more than during the past six months. The ten mines of the Far East Rand will distribute £3,048,146, or practically three-quarters of the Rand's total. Excluding New State Areas, dividends are 18 per cent. less owing to the disappearance of the gold premium, while no fewer than 12 producing mines, employing 28 per cent. of the European labour force, declared no dividend.

Mr P. M. Anderson, the President of the Chamber of Mines, at the quarterly meeting last week, pointed out that since the disappearance of the premium many mines were working without profit to shareholders, and the hostile attitude of the Government in hampering forms of legislation—such as Mining Regulations Amendment, Government director on mining boards, colour bar, increased phthisis burdens, &c., "must lead to the abandonment of hope on the part of the owners and the closing of such mines, causing serious unemployment." Sir Evelyn Wallers, past-president on many occasions, doubted whether the real gravity of the position was properly appreciated by the Rand community, and assuredly it was not by the Government. None of the legislation was designed to help the industry.

The *South African Mining Review*, in its current issue, analyses and collates the ore reserve statements of 35 producing gold mines. They now show a total of 91 million tons, an increase of about one and a half millions, to which the chief contributors are Simmer and Jack (owing to inclusion of ore in the former Simmer Deep ground), 1,100,000 tons; Crown Mines, 525,000 tons; City Deep, 400,000 tons; and Brakpan Mines, in the two last-named cases accompanied by a fall of half a dwt in value. Geduld has added 250,000 tons, and Government Areas 330,000, with maintenance and improvement in value. In the West Rand, both Randfontein and West Rand Con-

solidated have put on half a million tons. The most serious decline was one of 650,000 tons at Nourse, while three other subsidiaries of the Rand Mines group reveal important decreases. Some of the old Central Rand mines have drifted into a parlous position, and are making poor profits. While Geduld and Government Areas are obtaining a yield corresponding closely with the average assay value of the reserve, New States are yielding one dwt below, but Modder Deep and New Modder are recovering in excess of ore reserve values, probably owing to narrowing of stoping widths.

DENMARK.—EXCHANGE—AMERICAN LOAN.

(FROM OUR CORRESPONDENT.)

COPENHAGEN, July 27.

THE violent rise of the value of the Danish krone is the all-pervading problem of the day, and it is discussed as eagerly as was the corresponding drop in the past. The parity of the krone in proportion to the dollar is 3.73, and the lowest value was 48½ per cent. on November 9, 1920, the dollar rate being then 7.68. At New Year, 1925, when the dollar rate was 5.69 kr., and the value of the krone consequently 65½ per cent., it was decided by law that during the two years next following, the Nationalbank should be bound to bring about a slow improvement of the value of the krone, according to a definite plan, by which the dollar rate was not to exceed certain figures; for instance, during the second half of 1925 a rate of 5.60 kr., corresponding to a value of the krone of 66½ per cent. The actual development, however, has been quite different from that presumed by the law. The krone has now reached 84 per cent. of its par value, the dollar rate having dropped to 4.39½ kr., by far the greater part of the improvement having taken place during the last month.

It will not be difficult to point to a number of facts which may account for the rise of the Danish currency. The deflation policy maintained by the Nationalbank during the last few years in connection with the falling tendency of the prices of the world market has forced trade to adopt a tentative policy with regard to purchases from abroad, and by this means effected a considerable improvement of the balance of trade of the country. January showed an excess of imports amounting to 22,000,000 kr.; February, 25,000,000 kr.; March, 15,000,000 kr.; and April, 10,000,000 kr.; while, on the other hand, the month of May showed excess of exports of 14,000,000 kr., the value of the imports being 14,000,000 kr., while that of the exports was 154,000,000 kr. The fact that this year there are prospects of record crops in Denmark—the work being so far progressed that the drought will hardly do much damage—of course, plays a part in the optimistic views on the exchange situation.

As one of the principal causes of the rise of the krone has been mentioned extensive bull speculations from abroad, especially from America. It is, however, unquestionable that the importance of this fact is very much exaggerated. An official summary of the position of the Danish banks as at June 30th shows that the extraordinary purchases of Danish kroner from abroad during the past half-year cannot be estimated at more than about 20,000,000 kr. The speculation taking place is more of an inland phenomenon, and is of a special character. Had not the Nationalbank and the equalising fund effected very considerable purchases of foreign exchange lately, the rise of the value of the krone would have been still more violent.

During June the Nationalbank has increased its exchange holdings—which are booked at par—from 38,000,000 kr. to 65,000,000 kr., while a year ago the holdings were only 3,500,000 kr. The equalising fund, which was established at the end of 1923 for the purpose of regulating the exchange market, and which contracted a credit abroad of £2,700,000 and \$10,000,000, was practically exhausted after a few months' activity—so violent was the demand for foreign exchange. During the intervening period the fund has been of no practical importance, as it had no opportunity to re-establish its exchange holding. During the last month the fund has effected

purchases to such an extent that it is fully re-established. Apart from the holdings of the Nationalbank and the equalising funds, there is an exchange credit of \$40,000,000, which was contracted early in the year, and is still untouched. In judging whether the krone can be maintained at the value which it has now reached, it must be taken into consideration that visible means of support amounting to £15,000,000, or £16,000,000, or \$75,000,000, are available—a fact which may exercise an enormous influence on a market as limited as the Danish.

The Danish State has converted the 8 per cent. American Loan of \$25,000,000, contracted in 1920, into a 5½ per cent. loan of \$30,000,000. The old loan was redeemable at 110 per cent., and as the price of issue of the new loan is 97.27 per cent., the State obtains only \$1,681,000 more than what is used for the redemption. While the effective interest for the old loan was 8.98 per cent., that of the new will be only 5.76 per cent. The new loan has been contracted through the Guaranty Trust Company, New York.

HUNGARY.—CROPS—INDUSTRY—TRADE RETURNS.

(FROM OUR CORRESPONDENT.)

BUDAPEST, AUGUST 1.

THE latest estimates for the harvest, while satisfactory and encouraging, do not point to anything like a bumper harvest such as that of 1923. The amount of wheat is given at 17.20 million quintals, against 14.89 for last year and 18.42 produced in 1923, but it is much better than for the preceding years. Rye is given at 7.40, against 5.61 yielded in 1924, but 8.16 in 1923; but here, again, it is greatly in excess of 1921 and 1922. Barley is estimated 4.58, against 3.20, but 5.37 in 1923—also less than for the preceding years. Oats is about the same as the years before 1923, but considerably less than that year (3.71), though much better than 1924 (2.28). The reports as to the other crops are, on the whole, quite good, maize and sugar-beet having profited much from the recent rainy weather. Potatoes, "roots," garden produce, tobacco, hops, and hemp all have a good appearance, and promise well. Perhaps the best crop of all those yet predicted is that of onions, which is expected to amount to 7,000 or 8,000 wagons, more than double the yield of last year, although the price has fallen. To note the importance of the yield, it may be stated that in 1924 the export of onions was 256,445 quintals; in 1923, 327,917. On these lines, the export for 1925 should reach well over half-a-million quintals. Potatoes and maize, said to have benefited much from the recent rains, might well prove to yield record crops.

Considerable sales of cattle—cows and steers—to Turkey—300 cows and 100 steers—are reported, and a cattle and horse show is announced to be held at Vacs, a large riverside town not far from Budapest, in September, while an agricultural implement exhibition is to be held in a provincial town in the month of August. These are, indeed, welcome signs of industrial and commercial activity in many directions. The chief danger is lest there should be too much optimism, which is what seems to cross the mind of Commissioner Smith, from the note of warning to be read between the lines of his most favourable reports. Hungary is by no means out of the wood, and care and economy are needed more than ever to bring to a happy conclusion the work so well begun and carried on under the auspices of the League of Nations.

The trade figures for the month of June are now available, and are again encouraging. The value of the imports amounts to 47.1 millions of gold crowns, about a million less than last year, while the exports are 45.8, against 35.4, a very satisfactory increase. The passive balance of 1.3 is not quite so good as the 0.2 for May, but the two months together compared with last year show a remarkable improvement, an adverse balance of 1½, against 25.1. For the six months of 1925, however, this balance is 60.1, against 58.2 for 1924. For the four months since February there is an adverse balance of only 13 millions, against 39.4 millions for the same period last year.

Books and Publications.

FISCAL POLICY AND PRACTICE.

MR McDougall's book* may be commended to the attention of everyone concerned with the present state of the Empire and with the policy which the British Commonwealth ought to pursue in years to come. Mr McDougall's most original work is a theory of international trade, highly interesting, but, unfortunately, quite absurd. He argues that "the national value of exports can be assessed from two points of view: firstly, by the amount of employment of labour, skill, and capital required in each category; and, secondly, by the amount of national wealth created in the production of goods that are eventually exported" (p. 37). Therefore, "the most important industries to the national economy are those in which raw materials obtained from the soil or seas of Great Britain, for the winning of which wages are paid to British labour, are worked up by process of manufacture to the most highly finished products" (pp. 38-9). By this test he finds that the "value to the nation" of exports diminishes as one passes from "finished goods produced from British raw materials" to re-exports. He proceeds to the propositions that "direct" trade between two countries is preferable to triangular trade, because the latter (why not the former also?) can leave one nation at a disadvantage; and that what he terms "competitive" trade—e.g., between Great Britain and Germany—is less beneficial than "complementary" trade—e.g., between Great Britain and Australia.

When these assertions are more closely examined their specious plausibility drops from them like a garment. The foundation of economic life, the corner-stone of all efficient labour, is the principle that an individual, an industry, and a nation should devote their efforts and energies to the production of goods which they can make, immediately or after a period of training, with a minimum outlay of labour, capital, and skill. From the path thus laid down deviation can be justified only by the necessities of national defence. And since various nations enjoy various relative advantages, their joint and several interests will generally be best served if each concentrates on what it can make the best. It follows that all international trade is "complementary," for then, to use Mr McDougall's words, "each country is supplying the other with goods which it lacks," and "an interchange of this nature should be purely beneficial to each" (p. 53). Those who dispute these propositions will be at once converted if they will only realise that the exact signification of "lacks" is "lacks the power to make some commodities cheaply," and that the criterion of cheapness is their relative or comparative (not their absolute) cost in the several countries concerned. Were this doctrine of comparative costs more easily and more generally understood, many erroneous and misleading arguments in favour of Protection would be straightaway swept from off the face of the earth.

Thus the *soi-disant* original part of "Sheltered Markets" is fallacious, and such of Mr McDougall's arguments as rest upon it therefore collapse. The rest of his book either conjures up baseless fears about the decline of British trade or states the uncontroversial truth that development of the Empire is greatly to be desired. Mr McDougall has imbibed most of his pessimism by contemplating the drop in percentage figures of Great Britain's share in the total import trade of various countries. The growth of international trading in raw materials and the development of other industrial nations amply account for this phenomenon, and in the result the share of world trade left to Great Britain is—momentary vicissitudes of adjustment apart—ample to ensure our prosperity. Nevertheless, in spite of all its faults, "Sheltered Markets" deserves close attention because it will probably be often requisitioned in future political controversies, and because, though jejune in style, it is the work of a singularly honest man who never wittingly conceals facts adverse to his argument, and who even points out when and where his evidence fails wholly to support his case.

* "Sheltered Markets." By F. L. McDougall. John Murray 5s net.

Very different is Mr Hirst's book,† which instructs and edifies, heartens and entertains. This convenient and lucid conspectus recounts the history of Free Trade, "a theory, an idea, and a practice," which have assured to Great Britain her "comparative immunity from a tariff which would raise the cost of living and production to the grievous detriment of our manufactures, commerce, and shipping." Mr Hirst shows how the seed of liberal economic doctrines was sown by Hume and the Physiocrats, flourished in the vigorous mind of Adam Smith, and ripened in the practice and policy of the youthful Pitt. He traces the relapse into Protection during the fierce struggle of the Revolutionary and Napoleonic wars, and relates the epic of Richard Cobden, whose courage, reason, and assiduity, fortunately seconded by events, themselves tragic but happy in their outcome, inspired Peel with the noble resolution to sacrifice a career to a conviction. From 1846 to 1903 British trade grew almost unfettered by tariffs, and British prosperity, thanks not least to this freedom, increased and multiplied. Those who have forgotten or who never knew the "raging tearing propaganda" of Mr Joseph Chamberlain will be encouraged in the midst of our present difficulties by the account of the overthrow of Protection in 1906; and few, even amongst those concerned chiefly or solely with public affairs, will not be grateful to Mr Hirst for his summary history of Protection and Free Trade since the war; for the turmoil and commotion of these years have distracted men's minds and made them forgetful of the foundations on which British wealth and well stand broad based.

Forty years ago Lord Randolph Churchill in Blackpool said: "Your iron industry is dead, dead as mutton; your coal industries, which depend greatly upon the iron industries, are languishing. Your silk industry is dead, assassinated by the foreigner. Your woollen industry is in *articulo mortis*, gasping, struggling. Your cotton industry is seriously sick. The shipbuilding industry, which held out longest of all, is come to a standstill. Turn your eyes where you will, you will find signs of mortal disease." Later on Mr Joseph Chamberlain lamented similarly. Our own ears are assailed by an identical cry. The nostrum prescribed on all three occasions has been Tariff Reform; but whoever reads Mr Hirst's book will see from the record of the past that the wisdom of the great Victorian days has not been overthrown, and that "the theory, the idea, and the practice of Free Trade," neither tarnished nor weakened by time, are no less necessary to-day than in any other period of our history.

BOOKS RECEIVED.

Unemployment Insurance in Great Britain: A Critical Examination. By the authors of "The Third Winter of Unemployment" and "Is Unemployment Inevitable?" (London) Macmillan and Co., Limited. 1s net.

A Flying Visit to the Middle East. By Sir Samuel Hoare. (London) Cambridge University Press. 3s 6d net.

The Proposed Guarantee Pact. By Percy A. Molteno. (London) R. Cobden-Sanderson. 3d.

Labor Economics. By Solomon Blum. (New York) Henry Holt. \$4.00.

The English Budget and Mr Winston Churchill. By Henri Pouyanne. Reprinted from the *Revue de Paris*, August 1, 1925.

Wheat Studies of the Food Research Institute. Average Pre-War and Post-War Farm Costs of Wheat Production in the North American Spring Wheat Belt. (California) Stanford University.

The Canada Year Book, 1924. (Ottawa) Dominion Bureau of Statistics.

The China Year Book, 1925-26. Edited by H. G. W. Woodhead. (London) Simpkin, Marshall, Hamilton, Kent and Co. 42s net.

Transactions of the Manchester Statistical Society, Sessions 1922-23, 1923-24. (Manchester) John Heywood, Limited.

Institut International de Statistique. Bulletin Mensuel. Juillet, 1925. (La Haye) W. P. Van Stockum et Fils. 1.50 fl.

† "From Adam Smith to Philip Snowden." A History of Free Trade in Great Britain. By F. W. Hirst. T. Fisher Unwin. 2s 6d.

Annual Statistical Report of the American Iron and Steel Institute, 1924. (New York) American Iron and Steel Institute.

The Liberal Magazine. August, 1925. (London) Liberal Publication Department. 6d net.

Empire Review. August, 1925. (London) Macmillan and Co. 2s net.

Annual Report of the Bank of Latvia, 1924. (Riga) Latvian Bank.

OFFICIAL PUBLICATIONS RECEIVED.

The following may be obtained from H.M. Stationery Office, Adastral House, Kingsway, W.C. 2 :—

Minutes of Evidence taken before the Departmental Committee appointed by the Board of Trade to consider and report what amendments are desirable in the Companies Acts, 1908 to 1917. Ninth, Tenth, and Twelfth Days. 1s 6d, 1s 6d, and 2s 3d net respectively.

Sixth Annual Report of the Ministry of Health. 1924-25. Cmd. 2450. 3s 6d net.

Interim Report to the Right Honourable the President of the Board of Trade by the Departmental Committee appointed to Inquire and Report what Amendments are desirable in the Assurance Companies Act, 1909. Cmd. 2474. 2d net.

International Labour Conference, 7th Session, Geneva. Report by the British Government Delegates to the Minister of Labour. Cmd. 2465. 9d net.

Report on the Commercial and Industrial Situation in Hungary. March, 1925. 1s 6d net.

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STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET, August 12. ACCOUNT, August 13.

The reduction from 5 per cent. to 4½ per cent. in the Bank rate, on Thursday morning, came as a great surprise to the Stock Exchange, where such an alteration was entirely unexpected. Two or three weeks ago members had been discussing the possibility of a rise in the rate, and although money has been showing signs of getting cheaper, a fall in the Bank minimum caused unbounded astonishment in the House. It was promptly labelled as being a political move, coming as it did a few hours before the momentous debate in the House of Commons, on the arrangement made between the Government, owners, and miners on the coal question. The Stock Exchange had been far from satisfied with the terms, but, making the best of a bad job, argued that if matters had been allowed to proceed to extremes, the result might have been worse than the remedy now proposed.

There has not been much business. The rending of the rubber boom has reduced trade in the rubber share market to a slender shadow of its July self, but a fresh jump in Courtaulds and Bradford Dyers enlivened the Industrial market, while, amongst mining shares, both the Cape and Paris have been supporting their usual favourites. The Stock Exchange population is greatly thinned by the usual holiday exodus.

The feature in the Consol market is the way in which the recently issued scrip stocks are moving upwards. They make rapid progress under the genial influence of absorption by investors who put safety first, and are content with 4½ to 5 per cent. on the money. The War Loan and Conversion responded to the Bank rate news, and most of the other British Government stocks present a harder aspect. In the foreign market Germans have weakened, and French bonds have given way to some extent. Chinese are lower. Mid-European bonds hold their prices. Peruvian Corporations, Mexicans, and Turkish Unified, together with Brazilian bonds, have gone back.

The Home Railway market fell sharply upon publication of the agreement in the coal trade. What led to the drop was the fear that, if the coalminers are to have their demands satisfied by means of a subsidy, this will lead to demands from railwaymen on similar lines. From the lowest prices touched, there was substantial recovery, after the fall in the Bank rate had been announced. Undergrounds had not suffered so much as the rest, and their recovery was correspondingly less.

Grank Trunk Pacific debenture, after a fall from 42 to 32, recovered a point or so. Argentine Railways continued their mild improvement. The offer made by the Cordoba Railway to the Argentine Government for the sale of its stocks has fallen through, owing to the delay on the part of the Government to come to a decision. Cordoba stocks thereupon advanced, the hope being expressed that the company can do well on its own account. Nitrates have been good, attracting, however, little public interest.

Rubber shares went back on the fall in the price of the raw material caused by release of "uncoupons" rubber stocks, and by a concession which is said to have been made to some of the big producers that they should be allowed to turn out 500 lbs to the acre instead of 400 lbs as at present. Moreover, the standard production limit was raised by 10 per cent. a week ago, and this, it is anticipated will bring a good deal of additional rubber to market. Moreover, rubber share speculators are rather tired. Tea shares, on the other hand, are better, and in the oil market a sharp rally in British Controlled, the full extent of which was not held, aroused some little interest. The oil share market commands more hopefulness than business.

Courtaulds have been the leading feature of the week, rising to well over £6, on hopes of a bonus issue of preference shares. This had the effect of strengthening Bradford Dyers, which spurred strongly, and, at the same time, of adding firmness to textiles all round. Tobacco shares are better, Godfrey Phillips being the chief attraction; Imperials, too, were good at over £5. The iron and steel market hardened, upon the settlement of the coal crisis, but shipping shares remained dormant, nor has there been any activity in banking, insurance, or trust companies' stocks. Roadmaking shares are better, Cements more particularly, thanks to the recent favourable report issued by Eastwoods. Gas stocks drooped a little, but electricity supply shares are unaffected by the Industrial disputes. The newspaper market braced up, with Allied Newspapers ordinary a lively feature of strength. Catering shares exhibited a better tone. Guinness rose to 600 on the dividend, and brewery issues remain good as a whole.

The Cape has taken more interest than usual in its favourites. Langlaagte Estates were vigorously supported, and shares in various companies interested in the platinum business, notably Central Mining and Rand Mines, have improved. The market generally speaking is better. Paris and Brussels have been buying Tanganyika and Zambesias. Diamonds went ahead on the reported conclusion of another agreement in the diamond trade. Malayan Tin shares, together with some of those in the Cornish market, attracted buyers' attention as the price of tin advanced. West Africans are neglected. There has been a little more doing in copper, owing to the strength shown by the metal, and the mining markets as a whole cannot complain as much as they generally do of being left out in the cold so far as business is concerned.

The Stock Exchange Committee decided at their meeting on Tuesday to make no alteration in the contango-day for rubber shares.

NEW ISSUES.

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

	Nominal Capital, £	Cash Subscription, £	First Payment, £	Further Liability, £
Amount previously recorded.....	126,441,103			
ISSUES OF THE WEEK—				
NATIONAL SAVINGS CERTIFICATES.				
NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED AUG. 1, 1925.				
April 1, 1925, to Aug. 1, 1925, £950,000.....	Dr.150,000		Dr.150,000	
To the Public—				
Sabrang Rubber, 100,000 Shares of £1, at 3s	100,000	150,000	25,000	125,000
Theindaw Tin Dredging, 30,000 Shares of £1, at 2s 6d	30,000	33,750	7,500	26,250
Total offered to the public.....		183,750	32,500	151,250
To Shareholders—				
Cicely Rubber Estates, 436,562 Shares of 2s, at 6s per share	43,656	130,968	87,312	43,656
Clovelly Rubber Estates, 150,000 Shares of 2s, at 3s 6d per share				
Peleph Valley Rubber, 150,000 Shrs. of 2s, at 5s 6d per share	15,000	41,250	41,250	
Spies Petroleum, £136,571 5 Year 10% Reg. Stock, at par	136,571	136,571	136,571	
Total offered to shareholders.....		335,039	291,383	43,656

Total offered for subscription to date in—	Total offered for subscription for whole year—
1925.....126,950,892	1924.....209,336,100
1924.....127,809,754	1923.....271,383,175
1923.....201,909,067	1922.....327,675,650
1922.....502,528,887	1921.....388,978,203
1921.....146,859,781	1920.....367,549,656
1920.....272,385,547	1919.....1,036,069,951

Sabrang Rubber Estate, Limited.—Authorized capital £500,000, in £1 shares, of which 250,000 have been issued. This is an offer for sale of 100,000 shares at 30s per share. It is stated in the advertisement that the company was formed in 1920, to acquire an estate of about 5,250 acres in Perak, of which 3,269 acres are planted. Crops and net profits are given since 1920. The latter have varied from £5,993 in 1920 to £20,584 in 1921. Last year they were £17,050. It is stated that, apart from a 5 per cent. dividend in respect of last year, all profits since formation have been carried to reserve, which now amounts to £40,000.

ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Price Week Ending	Latest Price.	Ratio of Fall.
War 5%, 1925-32.....	97½	98½	+
Loans 4½%, 1925-48.....	95½	96½	+
4½%, 1925-47.....	100½	101½	+
4½%, 1925-43.....	100½	101½	+
Funding Loan 4½%.....	91½	92½	+
Victory Bonds 4½%.....	89½	90½	+
Conversion Loan 4½%.....	76½	77½	+
Consols 2½%.....	56½	57½	+
Irish Land Stock 2½%.....	57½	58½	+
Local Loans 3½%.....	65½	66½	+
Aust. 6% 1931-41.....	104	102½	-
India 5% Stock.....	67	67½	+
Do 7% 1926-31.....	105½	105½	+
Do 6% 1932.....	101½	101½	+
Do 4½%.....	89½	90½	+
N.S.W. 5½% 1922-33.....	101	101	+
N. Zealand 3½% 1940.....	83	83	+
Nigeria 6% 1925-78.....	112	112	+
U. of S.A. 6% 1930-40.....	104	104	+
Victoria 5½% 1924-34.....	100½	100½	+
W. Aust. 6% 1930-40.....	102	102	+

British Railways.

Great Western, Ord.....	87½	90	+
London & North-Eastern 5% Pref. Ord.....	61½	62	+
Do Def. Ord.....	21½	21½	+
London, Mid., and South-East, Ord.....	79½	80½	+
Metropolitan.....	69½	70½	+
Metropolitan District.....	45½	46½	+
Southern, Ord. "A".....	38	38	+
Do Ord. "B".....	7½	7½	+
Do Pref. Ord.....	77½	78½	+
Do Def. Ord.....	40	40½	+
Underground Electric (Edo).....	2½	2½	+
Do "A" (1).....	92½	92½	+
Do Inc. Bds. (£100).....	92½	92½	+

Colonial and Foreign Railways.

Antofagasta Cons.....	83	84½	+
B.A. and Pacific.....	80½	82½	+
S.A. Gt. Southern.....	88	88½	+
Buenos Ayres West.....	74½	75	+
Canadian Pacific.....	147	146	-
Central Argentine.....	73½	73½	+
Cordoba Cen. Ord. Stk. 1½%.....	15½	15½	+
Grand Trunk Pacific, 4% Debs.....	40	35	-
Leopoldina.....	30	29½	-
Mexican Railway.....	6	6	+
Do 1st Pref.....	22	21	-
San Paulo.....	160	160	+
United Havana.....	97	97½	+

Foreign Government Securities.

Argentine 5%, 1898-7, 100.....	100		
Austrian 6% Guas. 94½.....	95		
Belgian 3%.....	74	73½	-
Brazil 6% Fund, 1914 78.....	75½		
Chilian 4½%, 1896.....	87	87	+
Do 7%.....	103	103	+
Chinese 5%, 1912.....	63	63	+
Egyptian 4%.....	82	82½	+
French 5%.....	16	15½	-
Do 4%.....	13½	13½	+
German 3% Loan.....	98½	98½	+
Do 7%, 1924.....	98½	98½	+
Greek 5%, 1884.....	54	53	-
Do 7%, 1924.....	90½	90½	+
Hungarian 7½%, 1924 98½.....	95½		
Japanese 4% 1910.....	60	60	+
Do 6% 1924.....	87	86½	-
Mexican Cons. 1899.....	34	33	-
Peruvian Corp. Pref.....	33½	32½	-
P.L.M. 6%.....	87	87	+
Portuguese (Nort).....	28	27	-
Russian 5%, 1906.....	3	4	+
Spanish 4%.....	64	64	+
Seine (Dept) 7%.....	97½	97½	+
Siam 7%.....	106	106	+

American Railroads.

Chesapeake & Ohio.....	97	100	+
Erie.....	29	30	+
Do 4% 1st Pref.....	39	40	+
Nat. Bank of S. Africa 8.....	8½	8½	+
National Provincial, (20, with 4 paid).....	11½	11½	+
Standard of S. Africa (20, with 5 paid).....	11½	11½	+
Westminster Bank (20, with 5 paid).....	18½	18½	+
Anglo-American "A" 24.....	24	24	+
Marconi Wireless.....	18½	18½	+
Marconi Canada.....	8½	8½	+
Marconi Marine.....	8½	8½	+

Banks.

Barclays B. (£1, p.d.).....	24½	24½	+
Chartered Bk of India 19½.....	20	20	+
Lloyds (£5 with 1 paid).....	5½x	5½x	+
Midland (£12, with 2½ paid).....	8½	8½	+
Nat. Bank of Egypt (£10).....	31½	32½	+
Nat. Bank of S. Africa 8.....	8½	8½	+
National Provincial, (20, with 4 paid).....	11½	11½	+
Standard of S. Africa (20, with 5 paid).....	11½	11½	+
Westminster Bank (20, with 5 paid).....	18½	18½	+
Anglo-American "A" 24.....	24	24	+
Marconi Wireless.....	18½	18½	+
Marconi Canada.....	8½	8½	+
Marconi Marine.....	8½	8½	+

Telegraphs.

Anglo-American "A" 24.....	24	24	+
Marconi Wireless.....	18½	18½	+
Marconi Canada.....	8½	8½	+
Marconi Marine.....	8½	8½	+

Miscellaneous.

Aerated Bread (£1).....	1½	1½	+
Amal. Cottons (£1).....	8	8	+
Anglo-Persian Oil (£1).....	3½x	3½x	+
Armstrong (Sir W.B.) and Co. (£1).....	8	8	+
Ass. Ind. Cement (£1).....	3½	3½	+
Barker, John (£1).....	3	2½x	-
B'ham Small Arms (£1).....	48	48	+
British Traction (£100).....	60	60	+
British-American Tobacco (£1).....	5½x	5½x	+
British India (20).....	11½	11½	+
Burmah Oil (£1).....	5½x	5½x	+
Coats (J. and F.) (£1).....	3	3	+
Courtauld (£1).....	5½x	5½x	+
Conard (£1).....	18	18	+
Dorman, Long (£1).....	7½	7½	+
Dunlop Rubber (8).....	8	7½	-
Fine Cotton Spinnery (£1).....	2½x	2½x	+
Forestal Land (£1).....	1½	1½	+
Furness, Withy (£1).....	18½	18½	+
Highlands and Lowlands Rubber (£1).....	2½	2½	+
Hudson's Bay (£1).....	4½	4½	+
Imperial Tobacco (£1).....	4½x	4½x	+
Lingit Plantations (£1).....	2½	2½	+
Lipson (£1).....	18	18	+
Liver Br 7% Cmp (£1).....	1	1	+
Do 8% Cmp A Pr (£1).....	1	1	+
Do 10% Cmp P Ord (£1).....	1	1	+
Lister (£1).....	18	18	+
Lobitos Oilfields (£1).....	3½	3½	+
Lyons (J.) & Co. (£1).....	34	34	+
Mexican Eagle (£10).....	18	18	+
Nobel Industries (£1).....	18	18	+
Pekin (20).....	18	18	+
Royal Dutch Petroleum (100 fl).....	32½	31½	-
Rubber Plantations Investment (£1).....	2½	2½	+
Shell Transport (£1).....	48½	48½	+
Smithfield Argentine Meat (£1).....	48	48	+
Union Cold Storage 6% Cum. Pref. (£1).....	1½	1½	+
Do 7% Cmp. Prt. (£1).....	1	1	+
United Dairies (£1).....	18½	18½	+
United Serang (£1).....	48	48	+
United Troling (£1).....	24	24	+
V.O.C. Holdings (£1).....	24	24	+
Waters (£1).....	24	24	+
Wayne Def. Stk.	28½	28½	+

ANALYSIS OF BALANCE-SHEETS.

BASS, RATCLIFF, AND GRETTON.

June 30, 1925.

LIABILITIES.	Amount.	Compared with June 30, 1924.	ASSETS.	Amount.	Compared with June 30, 1924.
Creditors.....	1,923,348	- 271,276	Cash.....	585,350	- 80,530
44% deb. stock.....	1,360,000	..	Investments.....	1,823,928	- 84,636
34% deb. stock.....	560,000	..	Bills receivable.....	5,674	- 20
Pref. stock.....	1,360,000	..	Debtors.....	1,308,064	- 137,551
Ord. shares.....	2,040,000	..	Stocks.....	1,406,198	- 13,759
Reserve.....	950,000	+ 100,000	Freehold brew-eries, &c.....	1,160,514	- 11,138
Profit and loss.....	420,097	+ 22,658	Licensed pro-panies, &c.....	1,523,719	+ 178,984
			Goodwill.....	800,000	..
Total.....	8,613,445	- 148,608	Total.....	8,613,445	- 148,608

UNION GOLD STORAGE COMPANY, LIMITED.

December 31, 1924.

LIABILITIES.	Amount.	Compared with Dec. 31, 1923.	ASSETS.	Amount.	Compared with Dec. 31, 1923.
6% cum. pf. shrs. 4,780,000.....	..	..	Property.....	13,784,427	- 281,101
7% cum. pf. shrs. 2,000,000.....	..	..	Discou. on deb. stock.....	42,159	- 3,4

SECURITY FIRST
ROYAL
INSURANCE COMPANY, LIMITED
HEAD OFFICES: LIVERPOOL AND LONDON

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

COMPANY MEETINGS, &c.

ANGLO-DUTCH PLANTATIONS OF JAVA, LIMITED. CHAIRMAN'S REVIEW OF RUBBER AND TEA POSITION. FORWARD SALES.

The fifteenth ordinary general meeting of the Anglo-Dutch Plantations of Java, Limited, was held, on the 6th instant, at the Cannon Street Hotel, London, the Hon. C. H. Strutt (the chairman) presiding.

The Chairman, in moving the adoption of the report and accounts, said: You will perhaps wonder why, with the profits from our products reaching £90,000 more than last year, and having received nearly £50,000 more from the Dutch company than in the previous year, we are only able to increase our dividend by 1 per cent., and then only by taking £20,000 from our income-tax account. The disappearance of £50,000 from the net profits is easily explained. In 1923 we received in interest on our London investments £31,000 more than last year, owing to need of the capital in Java, and we have had to pay £21,000 in respect of debenture interest. We were also rather unfortunate last year in having to make £10,000 further depreciation on some of our assets taken over by the Utilities Company.

The transfer of the assets to the Utilities Company is now almost completed, and we hope that, by charging the P. and T. Company on the basis of Government charges, the proceeds will soon be able to provide the Utilities debenture interest. In 1924 we had under our guarantee to pay £3,000 on behalf of these debentures, and also we thought it proper to write off £3,300 of the expenses of our oil exploitation, which expenditure we did not think ought to be kept as an asset in our company's books unless and until we see some successful mode of dealing with it. It must not be forgotten that in the last three years we have spent a largely increased amount on capital account independently of the purchase of new estates. The amount spent in 1922 was only just over £250,000, increased in 1923 to £620,000, and in 1924 to £631,000. Of our different cultures only just over half are now in production, and we therefore have a heavy load to carry of capital expenditure for the sake of the future.

RUBBER.

Last year I had a note of pessimism in my speech about the price of rubber, which at that time was very disappointing. It was not that I did not believe that the Stevenson scheme would be successful in having a temporary effect on the price of rubber, but I was afraid the native rubber might be so augmented in production that the ultimate effect might be injurious to the English rubber producers, and I was still more afraid that the suggested selling combine would give the Dutch and native growers outside a still greater advantage over ourselves. The potential production of rubber was at the time, and, in fact, has been ever since, larger than the consumption, so it was only by restrictions in some form or other that it was possible to prevent the price becoming unprofitable. The Dutch and native production was increased, not directly owing to the restriction, but to the rise in price incident thereto, and if this rise in price has temporarily come from increased demand, not only should we have had, without restriction, the Dutch and native rubber rushing into the market, but we should have had the same thing happen from our English plantations which were not tapping all out during the low prices. Therefore, there was no hope, especially with the large stocks we had, that the price would permanently rise at all unless the potential production was decreased by some means or other to a smaller actual production. If the potential production could not be kept down to some extent whilst the price was rising, there was no hope for the industry.

BUYER'S FOOLISH POLICY.

This essential condition was brought about by the Stevenson scheme, which was framed in such a way that the interests both of the buyer and seller seemed to be safeguarded. The price was

made to pivot round 1s 3d a lb, a price at which no buyer ought to complain. I confess my error in not realising that the scheme would not prevent the price of rubber going up to its present figure, but when I make a mistake I always ask myself what was the reason for it; and I think that when we look at the workings of the restriction scheme, the action of the buyers with regard to it has taken everyone by surprise. When the price of rubber went below 1s 3d we were prevented by the Stevenson scheme from producing and selling a large proportion. The higher the rubber went the more we were encouraged to produce and sell, and we did so. The producers of rubber not only sold what they had on hand, but willingly sold a large amount of produce ahead, when they would get a price which was higher than that round which the Stevenson scheme was meant to pivot. What did the buyers do? When the price, in spite of the scheme, was 1s 10d or less, instead of feeling that now was their chance to buy, they held off from the market, and on two occasions when by small purchases they could have brought about a quicker release of rubber, they did not succeed in taking advantage of it, although I have been informed that on the last occasion they did intend to, but their agents unintentionally frustrated their endeavours. I asked the chairman of one of the biggest companies in America why they, with the Stevenson scheme staring them in the face, did not buy when rubber was cheaper. He replied that it was owing to the action of the banks, and not of the manufacturers, the banks refusing to advance the money for that purpose at the time; but he seemed to have no satisfactory answer to give when I suggested that they could have bought in advance. The much larger demand from the Continent lately has evidently come as a surprise to the American buyers, as well as their own large demand, and has also helped to upset the equilibrium of the Stevenson scheme.

FORWARD SALES.

It is personally very aggravating as a director to have the extremes of prices which rubber has exhibited during the past few years. There has, I hear, been controversy going on as to the wisdom of forward sales. Those who are against it are able for the first time for some years to point out that their refusal to adopt it has been to the advantage of their companies. We have on Anglo-Dutch sold forward part of our crop in most years, though on some occasions the price was too low to make it worth while. We sold 564 tons forward during the year 1920 at an average of

1s 9½d f.o.b. Batavia, or a London equivalent of 1s 10½d, the London average for the year eventually turning out to be 1s 10½d, and 564 tons forward in 1921 at 1s 10d, against a subsequent market average of only 9½d. In 1922 we sold 646 tons at an average of 1s 8½d, the average market price being subsequently 9½d for the year. In every year the advantage thus rested with the forward sales.

For the last three months of 1922 and the whole of 1923 and 1924 we sold the entire output on first-grade rubber to the General Rubber Company at what was practically the equivalent of 1d per lb premium, the rubber being delivered ex factory Java, but paid for on the basis of London landed price. The 1s 0½d we got for the 1924 crop ex our factories pretty well corresponded to the 1s 1½d London average for the year. The maximum and minimum price in this year acted against us, as during the last three months the market price was higher than our maximum of 1s 4d, and the loss on those three months practically wiped away during the year most, if not all, of the premium that we should otherwise have got from selling in Java at London prices. We have made a new contract with the General Rubber Company which we hope and believe will prove satisfactory. We have a large acreage of plantations now coming into bearing, and we shall see, both this year and next, a considerable increase in our output.

We anticipate we shall export next year a rubber crop of between seven and eight million pounds, and for that year our forward sales to date amount to approximately three million pounds at an average of 1s 10½d.

TEA.

Of any one product tea last year realised by far the largest share of our profits. I told you at our last meeting of the forward sales we had made of a third of our crop, and later on we increased it to a half by a still better forward sale, and I may tell you that up to date the price of the half sold forward is considerably better than the price of the spot market. Although we are creating a garden reserve to write off our rubber 24 years from coming into bearing and our tea in 50 years, I have no doubt that under the greatly improved system of management we shall prolong the profit-bearing capacity of the trees and shrubs beyond our earlier expectations. We have already applied to date £41,500 to this reserve. There is no doubt that Java tea all over the island, and, I may say, especially on our property, is improving in quality. We have still large reserves of land suitable for tea. Mr Hammond considers that if we plant up all we can for ten years we shall scarcely have exhausted it. The cost of the factories is the weak point in tea, but we shall certainly extend as far as we can where no heavy factory increase is made necessary by so doing.

The Chairman, having dealt with their coffee, sisal, and tapioca interests, &c., continued:—It may be thought strange, and even wrong, that after 15 years we are still making our foundations strong. No one policy can ever suit all investors, but ours has been to unite progress with stability, and we hope this will in the long run suit our shareholders. We have heard from some of our shareholders that they would appreciate an interim dividend. When we have been obliged to hold over our meeting until after the holidays we have managed to provide one, and we will see if it is possible to do it earlier in the year if our funds permit, but I must warn the shareholders that our funds have been lately—and may be yet for some little time longer—rather short in the early months of the year.

The report and accounts were unanimously adopted.

KANSALLIS - OSAKE - PANKKI

(National Joint Stock Bank).

Established 1889.

Head Office: Helsinki (Helsingfors), FINLAND.
134 BRANCHES at all important business centres in Finland.

Capital ... Fmk. 150,000,000
Reserve Fund and Profits ... " 115,000,000
Deposits, etc. (31/12/24) ... " 1,704,000,000

All descriptions of banking business transacted.
Telegraphic Address: KANSALLISPANKKI.

LA GUAIRA AND CARACAS RAILWAY COMPANY, LIMITED. DEVELOPMENT IN PASSENGER TRAFFIC.

The forty-third ordinary general meeting of the La Guaira and Caracas Railway Company, Limited, was held, on the 5th instant, at Moorgate Hall, London.

Mr J. A. Goudge, C.B.E. (the chairman), in moving the adoption of the report and accounts, said that he could sum up the results of the year under review by saying that there was a very slight variation in the quantity of goods carried, a loss in one direction being offset by an increase in other branches of traffic. The noteworthy feature was that they had developed their passenger traffic by means of special rates and facilities, tickets at special rates having given them an increase of passengers from 18,000 to 50,000 during the year.

The competition of the cart road still continued. They had been faced with that competition for so many years that they had almost come to regard it as a settled condition of their working. That road was now being laid with cement, and there was no doubt that the competition would be accentuated in the future. The gratifying feature was that the company's traffic had been increasing in spite of the cart road competition; that was to say, the motor traffic in goods and passengers was practically new business. It might be that they had not been taking their full share of that new business, but they had not yet suffered in their takings by that competition. The work on the cart road was being pushed on, but they did not anticipate that the road from La Guaira to Caracas would be completed much before the end of next year. The board had had under consideration for over two years the question of meeting that competition, or an intensification of it. The only solution seemed to be that of electrification. If the necessary assurances could be obtained from the Government, and the directors were satisfied about the prospects of electrification, the shareholders would be called together, perhaps in a few months' time, to resolve upon the matter.

As regarded prospects, the directors had every reason to think that the results of the current year would be more or less equal to those of the year under review, although they anticipated a decrease on exchange. There was no doubt that under the settled and enlightened Government of General Gomez the country was working its way towards a condition of great prosperity. Oil developments would materially assist the Republic, and in addition the Government had undertaken very serious work in the improvement of the roads. The company's relations with the Government were good.

The report and accounts were unanimously adopted.

GOVERNMENT RETURNS, &c.

NATIONAL DEBT—(Million £).

	Aug. 1, 1914.	Dec. 31, 1916.	Mar. 31, 1917.	Mar. 31, 1922.	Mar. 31, 1923.	Mar. 31, 1924.	Dec. 31, 1924.	Mar. 31, 1925.	Aug. 1, 1925.
Funded Debt	588	315	315	315	314	314	314	314	314
Term Annuities	30	20	18	16	14	14	13	13	13
3% Conversion Loan ..	..	..	..	266	684	666	666	709	732
4% Conversion Loan ..	..	..	..	..	..	..	210	210	210
4% War Stock	..	63	63	63	63	63	63	63	63
4% War Stock	..	13	13	13	13	13	13	13	13
4% and 5% War Stock ..	2,047	1,995	1,953	2,095	2,168	2,017	2,052	2,052	2,052
National War Bonds	1,509	1,413	1,201	833	890	813	780	777	777
4% Funding Loan	..	409	406	399	396	396	396	396	396
4% Victory Bonds	..	350	347	335	325	314	314	350	350
Treasury Bonds	..	323	289	185	150	150	69	32	32
Exchequer Bonds	..	267	285	342	354	366	364	368	370
National Savings Certs ..	..	1,306	1,132	1,087	1,157	1,128	1,132	1,124	1,124
Other Debt*	..	..	..	..	..	..	..	..	..
American Loan (Anglo-French)	15	61	1,121	878	616	588	626	575	604
Treasury Bills	1	243	154	147	194	188	230	166	179
Temporary Advances ..	654	8,033	7,574	7,655	7,742	7,641	7,726	7,646	7,686
Other Capital Liabilities ..	57	46	49	66	70	66	68	72	68
Total Liabilities	711	8,079	7,623	7,721	7,812	7,707	7,794	7,718	7,794

* Includes debt to American Government.

POSITION OF THE FLOATING DEBT.

Ways and Means Advances	Aug. 2, '24.	Mar. 31, '25.	Aug. 1, '25.	Movement Week ended Aug. 1, '25.
Outstanding—				
Advances by Bank of England	188,223,500..	166,585,000..	178,471,000..	+ 3,650,000
Advances by Public Deptmt.	188,223,500..	166,585,000..	178,471,000..	+ 3,650,000
Treasury Bills Outstanding	596,415,000..	575,610,000..	604,230,000..	+ 140,000
Total Floating Debt	784,638,500..	742,195,000..	782,701,000..	+ 2,910,000

* Includes £34,000, the proceeds of which were not carried to the Exchequer within the period of the account.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £35,000,000 in Treasury Bonds and Treasury Bills were opened on Aug. 7, 1925, and the total amount applied for was £47,070,000. For bills at three months dated Monday to Friday,

38 19s 9d, about 70 per cent., above in full. Saturday's bills at 99 0s 0d, and above in full. The amounts allotted were as follows:—a bills at 3 months, £35,000,000; in bonds, nil.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.	4% Treasury Bonds. Average Price.
1925.				
me 12.....	40,000,000	54,150,000	4 7 10-14	nil
me 19.....	40,000,000	49,235,000	4 8 3-35	nil
me 26.....	40,000,000	60,805,000	4 10 5-19	nil
me 3.....	40,000,000	59,085,000	4 10 2-47	nil
me 10.....	35,000,000	51,950,000	4 7 10-46	nil
me 17.....	35,000,000	49,605,000	4 4 6-41	nil
me 24.....	35,000,000	46,090,000	4 3 6-17	nil
me 31.....	35,000,000	44,055,000	4 5 0-44	nil
me 7.....	35,000,000	47,070,000	3 19 11-14	nil

Tenders will be received on Aug. 14, 1925, for Treasury Bills and Treasury Bonds to be issued to the maximum amount of £35,000,000. The amount of Treasury Bonds issued will not exceed £3,000,000.

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

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Redemption Account.
1922.			
Mar. 29.....	300,351	14,255	5,000
June 29.....	295,374	13,338	5,000
Sept. 27.....	289,127	12,648	7,000
Dec. 26.....	301,337	12,872	7,000
1923.			
Mar. 28.....	285,616	12,318	7,000
June 27.....	286,503	12,516	7,000
Sept. 27.....	282,784	12,401	7,000
Dec. 26.....	299,070	12,571	7,000
1924.			
Mar. 28.....	281,538	11,908	7,000
June 29.....	290,316	12,472	7,000
Sept. 24.....	285,592	12,297	7,000
Dec. 31.....	296,261	12,812	7,000
1925.			
Mar. 25.....	284,256	11,882	7,000
June 24.....	292,278	12,265	7,000
Sept. 22.....	298,936	12,528	7,000
Dec. 29.....	301,040	12,576	7,000
Aug. 5.....	305,484	12,682	7,000

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £300,000,000, for 1921 at £317,555,200, for 1922 at £309,988,400, for 1923 at £370,183,800, for 1924 at £248,190,900, and for 1925 at £248,145,400.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1925-26. (See Note.)	Total Receipts into the Exchequer from Apr. 1, 1925, to Aug. 1, 1925.	Total Receipts into the Exchequer from Apr. 1, 1924, to Aug. 2, 1924.	Receipts. Week Ended Aug. 1, 1925.	Receipts. Week Ended Aug. 2, 1924.
Balances in Exchequer on 1st April.....		£ 5,341,778	£ 5,069,613	..	..
Bank of England.....	..	1,215,322	1,562,001	..	..
Bank of Ireland.....	..	6,557,100	6,631,614	..	..
REVENUE.					
Customs.....	102,040,000	31,167,000	34,078,000	1,698,000	1,722,000
Excise.....	137,230,000	40,257,000	41,610,000	1,026,000	971,000
Motor Vehicle Duties.....	17,500,000	3,818,000	3,223,000	190,000	100,000
Stamps, &c., Duties.....	66,500,000	20,590,000	22,810,000	720,000	1,430,000
Land Tax, House Duty & Mineral Rights Duty.....	24,000,000	6,140,000	5,640,000	510,000	600,000
Property & Income Tax.....	1,000,000	150,000	580,000	..	10,000
Super-Tax.....	262,000,000	64,353,000	70,924,000	5,467,000	7,086,000
Excess Profits Duties, &c.....	63,300,000	22,640,000	21,060,000	750,000	590,000
Corporation Profits Tax.....	4,000,000	4,450,000	6,050,000	250,000	260,000
Post Office.....	87,000,000	17,700,000	17,500,000	1,300,000	1,400,000
Crown Lands.....	900,000	340,000	380,000	..	..
Interest on Sundry Loans.....	12,600,000	6,026,920	5,704,247	..	73,705
Miscellaneous.....	14,000,000	3,470,364	4,198,232	..	436
Ordinary Receipts.....	30,000,000	14,410,049	11,552,533	..	..
Revenue.....	801,060,000	237,512,333	245,231,121	11,911,000	14,233,141
Total inc. Balance.....		244,069,433	251,922,636	..	..
OTHER RECEIPTS.					
Temporary Advances Repaid:—					
Under the Unemployment Insurance Act, 1921.....	670,000	4,790,000	..	270,000	..
Money Raised by Creation of Debt:—					
(a) For Capital Expenditure Issues:—					
Under the Telegraph (Money) Acts, 1922 and 1924.....	3,050,000	2,200,000	..	..	..
Under the Housing Act, 1914.....	3,000	1,000	..	..	..
Under the West Indian Islands (Telegraph) Act, 1924.....	11,533	..	..	..	..
(b) Under the Unemployment Insurance Act, 1921.....	920,000	..	..	..	..
(c) For other issues:—					
By Treasury Bills.....	820,909,000	797,209,000	46,287,000	49,629,000	..
By 3% Conversion Loan.....	23,079,560	12,700,000	9,500,000	450,000	500,000
By National Savings Certificates.....	10	13,521,620	..	..	..
By Treasury Bonds, 1925.....	..	..	..	..	..
(d) Ways and Means Advances.....	251,885,000	288,291,500	8,000,000	8,050,000	..
RECEIPTS.....		1,367,363,844	1,367,367,970	66,648,000	72,698,471
EXPENDITURE.					
National Debt Services:—					
Interest, &c.....	305,000,000	132,379,226	132,966,651	5,390,731	8,861,323
Sinking Fund.....	50,000,000	14,370,352	9,575,865	270,607	500,000
Road Fund.....	16,900,000	3,027,044	2,410,044	..	..
Payments to Local Taxation Accounts, &c.....	13,389,000	1,789,932	1,876,891	354,797	568,891
Payments to Northern Ireland Exchequer.....	4,000,000	1,363,197	1,376,560	91,000	75,000
Land Settlement.....	700,000	114,502	279,205	9,008	6,158
Other Consolidated Fund Services.....	2,000,000	1,133,346	967,812	289,727	252,476
Supply Services.....	407,471,000	123,154,464	122,914,337	7,610,300	6,510,000
Expenditure.....	799,400,000	278,493,063	272,367,365	13,996,170	16,772,848
OTHER ISSUES.					
Temporary Advances:—					
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1924.....	36,891	36,891	..	..	..
Under the Unemployment Insurance Act, 1921.....	1,250,000	..	..	..	..
Issues to Meet Capital Expenditure:—					
Under the Telegraph (Money) Acts, 1922 and 1924.....	4,050,000	2,320,000	600,000	..	..
Under the Housing Act, 1914.....	6,000	4,000	..	..	..
Under the West Indian Islands (Telegraph) Act, 1924.....	11,533	..	..	..	..
Unemployment Insurance Act, 1921.....	250,000	3,320,000	..	..	..
Repayment of amounts borrowed:—					
Redemption of Debt.....	792,285,000	789,190,000	46,400,000	52,040,000	..
Treasury Bills.....	10,650,000	11,000,000	600,000	600,000	..
Principal of National Savings Certificates.....	306,667	..	..	..	..
Principal of Exchequer Bonds paid off.....	3,639,550	..	..	..	..
Principal of National War Bonds paid off.....	23,645,860	..	..	..	..
Principal of Treasury Bonds paid off.....	..	50	..	..	..
Other Debt under the War Loan Act, 1914 to 1919.....	..	..	..	..	..
Ways and Means Advances Repaid.....	239,999,000	286,223,500	4,950,000	3,200,000	..
Balance in Exchequer:—					
Bank of England.....	1,354,623,564	1,364,461,806	66,546,170	72,612,848	..
Bank of Ireland.....	4,037,620	4,052,612	37,627	34,698	..
Bank of Scotland.....	682,660	1,443,552	64,203	60,925	..
Total.....	2,740,280	3,496,164	101,830	85,623	..

NOTE.—Budget Estimate as in H.C. No. 84 of 1925. Treasury, August 4, 1925.

ESTABLISHED OVER ONE HUNDRED YEARS.

SCOTTISH UNION & NATIONAL INSURANCE COMPANY.

ASSETS £13,000,000.

FIRE. LIFE. ACCIDENT. MARINE

Edinburgh: 35, St. Andrew Square.

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

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, August 5, 1925.

ISSUE DEPARTMENT.	
Notes issued.....	£ 182,404,875
Government debt.....	£ 11,015,100
Other securities.....	£ 8,734,900
Gold coin & bullion.....	£ 162,654,875
	182,404,875
BANKING DEPARTMENT.	
Proprietors' capital.....	£ 14,553,000
Reserve.....	£ 3,576,414
Public deposits.....	£ 11,037,407
Other deposits.....	£ 110,497,528
Seven-day & other bills.....	£ 4,177
	139,668,526
Government securities.....	£ 33,508,520
Other securities.....	£ 68,229,479
Notes.....	£ 36,085,250
Gold and silver coin.....	£ 1,845,277
	139,668,526
* Including Exchequer, Savings Banks, Commissioners of National Debt, and Dividend Accounts.	

	Amount, Aug. 5, 1925.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Rest.....	£ 3,576,414	+	£ 56,712
Public deposits.....	11,037,407	+	2,273,536
Other deposits.....	110,497,528	+	438,914
Government securities.....	33,508,520	+	9,733,947
Other securities.....	68,229,479	+	9,907,541
Reserve.....	3,576,414	+	16,979,255
Note circulation.....	110,497,528	+	19,213,310
Coin and bullion.....	162,654,875	+	36,192,566
% of reserve to liabilities.....	314%	8%	148%

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Gold in or out of Bank.	Reserve and % of Reserve to Liabilities.	Bank Rate.
1925.							
June 24.....	157,183,840	145,270,460	131,813,435	118,054,916	424,000 out	31,663,380	24%
July 1.....	157,602,808	146,629,485	155,610,626	142,854,891	540,000 in	30,721,123	19%
July 8.....	158,861,736	145,378,700	129,901,699	114,509,035	1,250,000 in	33,405,986	25%
15.....	161,567,002	145,378,700	127,823,813	107,631,188	2,703,000 in	38,168,422	29%
22.....	163,234,260	143,391,635	126,265,047	104,721,626	1,669,000 in	39,524,685	31%
29.....	164,257,807	144,750,795	123,954,104	102,774,350	1,078,000 in	39,257,012	31%
Aug. 5.....	164,500,152	146,319,625	121,534,935	101,737,999	228,000 in	37,930,527	31%

BANKERS' CLEARING RETURNS (000's omitted).

Week Ending—	Town.	Metropolitan.	Country.	Total.
1925.				
January 1 to July 22.....	20,306,474	949,567	1,684,482	22,940,513
July 29.....	620,414	32,504	51,019	703,937
Aug. 5.....	665,387	31,795	45,661	742,843
Total to date 1925.....	21,592,265	1,013,866	1,781,162	24,387,293
Do 1924.....	21,239,501	966,116	1,738,397	23,945,014
Increase or decrease in 1925.....	+ 352,764	+ 47,750	+ 42,765	+ 444,279
%.....	+ 1.6%	+ 4.9%	+ 2.4%	+ 1.8%
Total for year 1924.....	35,038,605	1,594,114	2,900,145	39,532,864
Total for year 1923.....	32,370,373	1,546,566	2,810,654	36,727,593
Increase or decrease in 1924.....	+ 2,668,232	+ 47,549	+ 89,491	+ 2,805,272
%.....	+ 8.5%	+ 3.0%	+ 3.1%	+ 7.9%

PROVINCIAL CLEARING RETURNS.

	Month of July.		Aggregate Weekly Totals to Aug. 1.	
	1924.	1925.	1924.	1925.
Number of Working Days.....	27	27		
BIRMINGHAM.....	11,319,000	12,023,000	73,326,400	78,689,800
Bristol.....	5,671,000	5,532,000	35,629,000	35,801,000
DUBLIN.....	4,732,000	4,565,000	170,577,770	161,435,200
LIVERPOOL.....	4,560,000	5,083,000	32,559,800	32,496,600
LEICESTER.....	3,846,000	3,973,000	21,816,900	21,998,200
LONDON.....	41,139,000	39,658,000	275,789,800	282,804,500
MANCHESTER.....	67,703,000	68,757,000	470,258,700	493,557,900
NEWCASTLE-ON-TYNE.....	7,889,000	8,091,000	19,572,500	20,858,300
NOTTINGHAM.....	3,091,000	3,077,000	19,572,500	20,858,300
SHEFFIELD.....	5,131,000	4,534,000	33,965,652	31,834,981
Total.....	155,941,000	151,891,000	..	..

OVERSEAS BANK RETURNS.

NOTE.—The latest return of the Bank of Esthonia appeared in the *Economist* of June 27; Lithuania, Bulgaria, Portugal and Egypt in July 25; Canada, Norway, Hungary, Serbs, etc., and Greece in Aug. 1.

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

	July 31, 1925.	July 24, 1925.	July 17, 1925.	July 10, 1925.
RESOURCES.				
Total gold reserves.....	2,791,080	2,793,850	2,790,500	2,784,260
Total bills discounted.....	468,360	442,520	454,740	450,330
Bills bought open in market.....	210,480	224,530	231,330	240,710
Total U.S. Government securities.....	330,180	335,300	344,480	336,960

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

Assets.	July 23, 1925.	July 15, 1925.	July 8, 1925.	July 23, 1924.	Position, May 30, 1914.
Gold	43,286	43,286	43,286	42,965	35,091
Balance abroad and foreign bills	1,060,740	1,049,081	1,047,543	588,991	90,379
Finnish and Foreign Government securities	403,296	403,296	403,296	498,642	21,826
Discounts and loans	375,403	411,238	414,180	568,642	105,151
LIABILITIES.					
Notes in circulation	1,222,473	1,243,101	1,261,287	1,233,143	123,941
Deposits at notice	468,717	463,005	450,010	334,778	21,225

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

Assets.	July 29, 1925.	July 22, 1925.	July 15, 1925.	July 8, 1925.	Nov. 22, 1924.
Gold bullion and coins	23,535	23,532	23,522	23,521	12,993
Silver coin	3,633	3,980	4,296	4,543	19,422
Foreign currency	11,436	11,298	11,298	11,346	22,466
Treas. notes & small change	58,898	58,569	57,952	56,811	6,639
Short term bills	48,515	49,228	48,363	49,211	2,912
Loans against securities	7,873	8,404	8,858	8,769	1,359
Other assets	28,350	28,284	28,040	28,083	4,085
LIABILITIES.					
Notes in circulation	11,659	11,659	11,659	11,659	8,000
Capital paid up	1,522	1,522	1,522	1,522	1,522
Reserve	1,000	1,000	1,000	1,000	1,000
Special reserve	46,772	46,776	45,999	47,019	16,933
Current accounts	75,769	76,175	76,816	75,328	3,806
Government deposits	15,139	15,563	14,757	14,615	12,891
Other liabilities					3,757

BANK OF DANZIG.—In Danzig gulden (000's omitted).

Assets.	July 31, 1925.	July 25, 1925.	June 30, 1925.	June 15, 1925.	June 2, 1925.	July 31, 1924.
Coin and bullion	2,762	2,954	2,937	3,142	2,973	2,902
Of which gold coin	5	5	5	5	5	14
Danzig subsidiary coin	2,757	2,949	2,932	3,136	2,968	2,887
Foreign coin and balance	16,309	12,834	14,977	10,613	12,055	12,297
Balances, Bk. of Eng. Inc. notes	20,891	21,592	20,388	19,845	17,976	14,826
Bills of exchange	3,165	2,100	2,288	1,984	4,441	1,006
Loans	15,854	17,792	28,544	21,745	21,977	7,916
Foreign exchange	713	524	556	878	1,583	880
Other balances on demand						
LIABILITIES.						
Capital paid up	7,500	7,500	7,500	7,500	7,500	7,500
Notes in circulation	34,203	29,689	32,948	27,532	30,853	22,977
Deposits on demand	5,723	3,901	8,768	8,512	6,286	12,269
Deposits at notice	nil	nil	nil	997	996	80

BANK OF POLAND.—In zloty (000's omitted).

Assets.	July 20, 1925.	July 10, 1925.	June 30, 1925.	June 20, 1925.	June 10, 1925.	June 10, 1924.
Gold	121,383	121,164	120,173	119,692	119,180	119,180
Foreign coin and balance	100,544	123,158	119,841	127,082	146,156	146,156
Private loans & discounts	318,881	326,253	324,146	326,610	314,760	314,760
LIABILITIES.						
Notes in circulation	440,841	467,481	503,195	500,873	519,739	519,739
Deposits	92,423	116,693	70,778	91,978	75,589	75,589

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

Assets.	July 23, 1925.	July 15, 1925.	July 7, 1925.	June 30, 1925.	June 15, 1925.	June 1, 1925.
Gold and silver holdings	1,030,493	1,030,493	1,030,493	1,030,493	1,030,493	1,030,493
Balance abroad and foreign currency	630,488	628,583	624,083	613,272	613,272	613,272
Discounts and advances	1,141,866	1,167,006	1,172,459	1,253,365	1,253,365	1,253,365
Uncovered state notes debt balance	5,333,544	5,341,209	5,354,774	5,368,438	5,368,438	5,368,438
Other assets	355,859	511,136	708,895	710,564	710,564	710,564
LIABILITIES.						
State notes in circulation	7,035,685	7,206,207	7,523,450	7,587,389	7,587,389	7,587,389
Cheek account balances	840,217	841,733	724,140	603,314	603,314	603,314
Other liabilities	607,658	630,676	643,114	785,254	785,254	785,254

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

Assets.	July 23, 1925.	July 15, 1925.	July 7, 1925.	July 23, 1924.
Metal reserve	11,347	11,347	11,347	11,347
Gold in coin & bullion	419,909	421,046	433,490	433,490
Foreign bills	106,093	113,511	120,013	120,013
Other foreign bills	82,213	83,630	85,915	85,915
Advances to the Treasury	202,359	202,707	203,403	223,117
LIABILITIES.				
Reserve fund	2,679	2,679	2,679	2,679
Notes in circulation	746,647	770,158	805,041	733,512
Deposits	75,445	62,165	49,215	136,046

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

Assets.	July 4, 1925.	June 20, 1925.	Mar. 28, 1925.	July 5, 1924.	May 12, 1924.
Gold	562,960	562,960	562,960	560,929	545,275
Silver, &c.	7,238	7,479	10,115	5,283	776
Government loan	11,249,793	11,230,947	11,247,445	11,496,780	12,585,180
Other advances	9,273,088	9,323,055	9,095,636	7,187,169	5,037,432
LIABILITIES.					
Notes in circulation	19,536,406	19,347,925	19,070,877	17,792,619	15,845,426
Deposits	7,621,486	7,752,631	6,750,387	6,993,231	7,077,340

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

Assets.	Aug. 1, 1925.	July 24, 1925.	July 18, 1925.	July 11, 1925.	Aug. 2, 1924.	Position, May 30, 1914.
Gold	2,536,620	2,536,616	2,536,617	2,536,613	2,534,613	521,775
Silver	659,554	657,666	654,798	655,221	660,687	728,500
Loans & discounts	2,372,341	2,346,888	2,425,386	2,475,417	2,472,712	800,725
Treasury bills	150,000	150,000	150,000	150,000	150,000	150,000
LIABILITIES.						
Circulation	4,286,371	4,276,783	4,289,153	4,343,873	4,396,334	901,550
Deposits	980,554	1,003,140	1,096,700	1,045,909	1,006,269	477,500

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

Assets.	July 10, 1925.	June 30, 1925.	June 20, 1925.	June 10, 1925.	July 10, 1924.	Position, May 31, 1914.
Total cash	1,708,348	1,562,379	1,556,372	1,549,494	1,572,404	1,221,875
Inland bills	4,518,144	4,509,611	4,020,862	3,816,270	3,319,434	418,400
Advances to the Treasury	5,378,655	5,378,695	5,383,150	5,383,200	5,652,918	nil
Other advances	3,098,075	3,356,563	2,596,338	2,444,261	1,720,593	75,175
LIABILITIES.						
Circulation	15,147,414	15,053,571	14,031,032	13,780,774	13,668,029	1,556,929
Deposits & bills	1,880,366	1,841,066	1,596,700	1,438,900	1,406,269	183,978

RUSSIAN STATE BANK.—Note-Issuing Department.

Assets.	Aug. 1, 1925.	July 16, 1925.	July 1, 1925.	June 16, 1925.	Aug. 1, 1924.
Gold in coin and bullion	16,657	16,949	16,909	16,909	11,429
Platinum	2,370	2,370	2,370	2,370	743
Foreign bank notes	4,685	4,685	4,684	5,100	10,003
Drinks in sterling (less 10%)	170	170	172	234	343
Bills (less 10% discount)	44,532	42,891	42,406	39,587	15,891
Securities covering advances on goods (less 10%)	869	486	500	1,799	5,891
LIABILITIES.					
Bank notes	67,750	67,243	66,466	65,377	41,750
Balance to which notes may still be issued	750	307	784	623	2,550

LONDON RATES.

	July 31, 1925.	Aug. 1, 1925.	Aug. 2, 1925.	Aug. 3, 1925.	Aug. 4, 1925.	Aug. 5, 1925.	Aug. 6, 1925.	Aug. 7, 1925.
Bank rate (changed from 4% March 5, 1925)	5%	5%	5%	5%	5%	5%	5%	5%
Market rates of discount—								
60 days' bankers' drafts	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
4 months' do	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
6 months' do	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Discount (Treasury Bills)—								
2 months	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
3 months	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
6 months	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Loans—Day to day	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Short	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Deposit allowances: Banks	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Discount houses at call	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
At notice	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2

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

Comparison with previous weeks:—

		Short Loans.	Bank Bills.				Trade Bills.							
			3 Months.		4 Months.		6 Months.		3 Months.		4 Months.		6 Months.	
1925.		%	%	%	%	%	%	%	%	%	%	%	%	%
July	17	34	48	44	44	44	44	44	44	5	44	5	48	44
	24	34	48	44	44	44	44	44	44	5	44	5	48	44
	30	34	44	44	44	44	44	44	44	5	44	5	48	44
Aug.	7	34	44	44	44	44	44	44	44	5	44	5	48	44

OVERSEAS BANK RATES.

	Changed.	%		Changed.	%
Amsterdam	Jan. 14, 1925	.. 4	Oslo	May 9, 1925	.. 6
Athens	Feb. 5, 1925	.. 8	Paris	July 9, 1925	.. 6
Belgrade	.. ..	.. 6	Prague	Mar. 25, 1925	.. 7
Berlin	Feb. 26, 1925	.. 9	Riga	Feb. 16, 1924	.. 8
Brussels	Jan. 22, 1923	.. 5	Rome	June 18, 1925	.. 7
Bucharest	Sept. 4, 1920	.. 9	Sofia	.. ..	.. 7
Budapest	May 28, 1925	.. 9	Stockholm	July 23, 1925	.. 5
Calcutta	July 2, 1925	.. 4	Swiss Bank	.. ..	.. 4
Copenhagen	Jan. 17, 1924	.. 7	places	July 14, 1923	.. 4
Danzig	Mar. 6, 1925	.. 9	Tokio	April 15, 1925	.. 7
Helsingfors	Mar. 5, 1924	.. 9	Vienna	July 23, 1925	.. 10
Lisbon	Sept. 12, 1923	.. 9	Warsaw	.. ..	.. 10
New York Federal Reserve	Feb. 26, 1925	.. 3 1/2			
Madrid	Mar. 23, 1923	.. 3 1/2			

The Bank Rate of the South African Reserve Bank is 5 1/2% for first-class commercial bills (90 days), and 6% for agricultural bills (of not more than six months).

Warsaw (Poland).—From November 28, 1924, discount rate, gold francs, 10% loans on collateral security, gold francs, 12%.

We are informed that the head office of the De Javasche Bank at Batavia, at from October 20th, has increased its discount rate for bills from 3 1/2 per cent. to 4 1/2 per cent.

RATES OF EXCHANGE.

London on		Usance	Par.	Aug. 8, 1924.	July 30, 1925.	Aug. 1925
Paris	francs to £1	T.T.	25-224	80-60-70	102-15-20	103-40-
Berlin	marks to £1	T.T.	20-43	19-19-1/2	20-40-42	20-39-41
Vienna	schillings to £1	T.T.	34-583	320/325,000	34-48-53	34-48-53
Prague	krone to £1	T.T.	24-02	15-1/2	16-3-1/2	16-3-1/2
Warsaw	zloty to £1	T.T.	25-224	23-50-75	27-28	27-28
Reval	Estons. to £1	T.T.		1925	1810-1850	1810-1850
Riga	lats to £1	T.T.	25-224	23-40-67	25-05-20	25-05-20
Kovno	lits to £1	T.T.	48-66		25-05-20-30	25-05-20-30
Budapest	kr. to £1	T.T.	25-224	990-1010	960-970	960-970
Constantinople	piastres to £1	T.T.	24-02	330/360,000	345/347,000	347/347
Sofia	leva to £1	T.T.	110	830-840	835-845	835-845
Belgrade	dinars to £1	T.T.	25-224	600-610	660-670	660-680
Amsterdam	florin to £1	T.T.	25-224	33-65	269-272	269-272
Brussels	francs to £1	T.T.	25-224	88-1/2	105-105-1/2	105-105-1/2
Oalo	kroner to £1	T.T.	18-159	32-50-55	25-23-28	25-23-28
Stockholm	kronor to £1	T.T.	18-159	16-97-17-00	18-06-08	18-06-08
Copenhagen	kroner to £1	T.T.	18-159	27-83-88	31-10-15	31-21-32
Helsingfors	F. marks to £1	T.T.	25-224	181-181-1/2	1924-1924	1924-1924
Geneve	francs to £1	T.T.	25-224	252-257	309-312	312-312
Italy	lire to £1	T.T.	25-224	1009-4	132-132-1/2	1336-1
Switzerland	francs to £1	T.T.	25-224	23-82-85	25-00-02	25-00-00
Madrid	pesetas to £1	T.T.	25-224	33-73-76	33-54-56	33-64-66
Lisbon	pesce to eson.	T.T.	53-1/2		24-24-24	24-24-24
Alexandria	piastres to £1	Sight	97-1/2		97-1/2	97-1/2
New York	dollars to £1	Cable	4-964	4-533-544	4-854-854	4-854-854
Montreal	dollars to £1	Cable	4-968	4-508	4-848-851	4-854-854
Buenos Aires	pesce to peso	T.T.	47-624	40-14	45-1/2	45-1/2
Rio de Janeiro	pesce to mils.	30 days	16	5-1/2	58-58	58-58
Montevideo	pesce to peso	T.T.	51	41-424	43-43	43-43
Santiago	pesce to £1	30 days	13-33	44-60	40-20	40-20
Lima	Eng. to Per.	30 days	13-33	74% prem.	204% prem.	243% prem.
Calcutta	ster. to rupee	T.T.	10 to 1	1s 6d 1/2	1s 6d 1/2	1s 6d 1/2
Bombay	ster. to rupee	T.T.	10 to 1	1s 6d 1/2	1s 6d 1/2	1s 6d 1/2
Madras	ster. to rupee	T.T.	10 to 1	1s 6d 1/2	1s 6d 1/2	1s 6d 1/2
Hong Kong	ster. to dollar	T.T.	2s 1/2	2s 1/2	2s 1/2	2s 1/2
Shanghai	ster. to tael	T.T.	2s 1/2	2s 1/2	2s 1/2	2s 1/2
Singapore	ster. to dollar	T.T.	2s 1/2	2s 1/2	2s 1/2	2s 1/2
Yokohama	ster. to yen	T.T.	24-58d	1s 10d 1/2	1s 8 1/2	1s 8 1/2
Manila	ster. to peso	T.T.	24-066	12s 2d	12s 0d	12s 0d
Mexico	pesce to dols.	T.T.		28d-30d	24d-24d	24d-24d

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended July 31, 1925.	Miles Open.	Week ended Aug. 3, 1925.			Aggregate 31 Weeks, 1925.		
		Passengers, &c.	Goods, &c.	Total for Week.	Passengers, &c.	Goods, &c.	Total Receipts.
Great Western.....	3,765	474,000	336,000	810,000	7,895,000	10,167,000	18,062,000
Do for 1924.....	3,754	501,000	326,000	827,000	7,818,000	10,151,000	17,969,000
London & N.E. (a).....	6,714	783,000	671,000	1,454,000	13,320,000	20,580,000	33,900,000
Do same period 1924.....	6,714	788,000	674,000	1,462,000	13,312,000	20,590,000	33,902,000
London, Mid., & S. (a).....	6,950	1,156,000	833,000	1,989,000	19,150,000	26,845,000	46,000,000
Do for 1924.....	6,950	1,139,000	811,000	1,950,000	19,175,000	26,845,000	46,020,000
Southern.....	2,163	591,000	129,000	720,000	10,064,000	13,570,000	23,634,000
Do for 1924.....	2,142	610,000	121,000	731,000	10,024,000	13,575,000	23,599,000
Metropolitan (a).....	58	36,358	3,696	40,054	1,020,722	120,804	1,141,526
Do for 1924.....	58	47,007	3,757	50,764	1,185,603	120,203	1,305,806
Underground E.R. (a).....	..	..	..	..	247,552	..	247,552
Do for 1924.....	..	..	..	..	255,254	..	255,254
London & Sub. Group (a).....	..	..	..	..	37,652	..	37,652
Do for 1924.....	..	..	..	..	41,721	..	41,721
London & S.W. (a).....	..	..	..	..	6,910	124,113	131,023
Do for 1924.....	..	..	..	..	6,910	124,113	131,023
Great Northern (b).....	552	24,450	20,050	44,500	504,450	530,300	1,034,750
Do for 1924.....	552	24,450	20,050	44,500	504,450	530,300	1,034,750
Great Southern (b).....	2,181	51,220	44,570	95,790	1,113,420	1,335,593	2,449,013

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1925. + or -	1925. + or -
INDIAN.					
Assam Bengal.....	13 weeks	June 27	1,074	3,18,000 + 1,480	37,37,537 + 5,43,528
Bombay, Bar., & C.I.	13 weeks	July 11	118	63,600 + 22,900	5,96,000 + 15,900
Bombay, Bar., & C.I.	13 weeks	June 27	2,800	15,61,000 + 84,000	2,06,91,000 + 2,36,835
Bombay, Bar., & C.I.	13 weeks	July 25	3,033	18,34,000 + 82,000	3,86,88,000 + 13,19,000
Bombay, Bar., & C.I.	14 weeks	July 25	4,134	6,89,239 + 66,332	1,17,10,679 + 15,25,591
Bombay, Bar., & C.I.	14 weeks	July 25	2,339	14,45,000 + 4,57,000	1,30,65,000 + 6,61,000
Bombay, Bar., & C.I.	14 weeks	Dec. 31	2,874	26,80,300 + 1,01,900	3,55,24,900 + 16,06,871
Bombay, Bar., & C.I.	12 weeks	June 27	3,029	15,40,000 + 25,834	2,29,03,873 + 1,70,275
Bombay, Bar., & C.I.	12 weeks	July 4	1,965	3,26,244 + 12,938	50,66,398 + 2,96,291
Bombay, Bar., & C.I.	13 weeks	June 27	259	63,265 + 2,469	8,05,972 + 57,959
Bombay, Bar., & C.I.	13 weeks	June 27	287	75,086 + 4,869	9,71,856 + 1,14,212
Bombay, Bar., & C.I.	14 weeks	July 4	1,876	10,30,400 + 1,787	1,42,82,876 + 60,622

(a) Total receipts of all lines.

ARGENTINE (a).

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1925. + or -	1925. + or -
Argentine N.E.	5 weeks	Aug. 1	754	16,500 + 2,400	64,500 + 2,300
Argentine Trans.	5 weeks	Aug. 1	1	3,133 + 57	12,592 + 1,682
B.A. and Pacific	5 weeks	Aug. 1	2,611	139,000 + 15,000	581,000 + 104,000
B.A. and Pacific	5 weeks	Aug. 1	2	13,434 + 136	67,135 + 5,971
B.A. and Pacific	5 weeks	Aug. 1	4,718	183,000 + 16,000	832,000 + 106,000
B.A. and Pacific	5 weeks	Aug. 1	1,882	78,000 + 22,000	359,000 + 101,000
B.A. and Pacific	5 weeks	Aug. 1	1,305	221,000 + 6,000	969,000 + 126,000
B.A. and Pacific	5 weeks	Aug. 1	1,202	80,000 + 5,000	354,500 + 7,600
B.A. and Pacific	5 weeks	Aug. 1	729	23,100 + 1,400	97,200 + 3,500

CANADIAN.

Canadian National.....	22 weeks	June 7	14,061	4,029,141 + 273,062	91,363,222 + 8,118,472
Canadian Pacific.....	30 weeks	July 5	14,061	4,751,000 + 241,000	89,789,000 + 9,752,000

BRAZILIAN (b).

Gt. West. of Brazil.....	31 weeks	Aug. 1	1,011	9,800 + 2,900	423,800 + 147,000
Leopoldina.....	31 weeks	Aug. 1	1,856	35,753 + 4,354	865,849 + 4,785
San Paulo.....	31 weeks	Aug. 1	2,534	52,873 + 44,263	1,203,391 + 87,703

CHILEAN.

Antofagasta.....	31 weeks	Aug. 2	838	47,550 + 5,416	1,269,450 + 113,715
Nitrato (4-monthly).....	29 weeks	July 31	366	47,782 + 3,042	538,803 + 25,211

CUBAN.

Havana Central.....	5 weeks	Aug. 1	1,250	12,077 + 111	56,584 + 417
United of Havana.....	5 weeks	Aug. 1	1,250	56,642 + 11,349	268,712 + 64,014

URUGUAYAN.

Central Uruguay.....	5 weeks	Aug. 1	273	24,044 + 149	101,637 + 7,881
C. Urug. (East. Ext.).....	5 weeks	Aug. 1	311	5,415 + 1,291	24,252 + 4,002
C. Urug. (North. Ext.).....	5 weeks	Aug. 1	185	2,725 + 77	11,992 + 907
C. Urug. (West. Ext.).....	5 weeks	Aug. 1	211	2,340 + 246	9,492 + 1,709

OTHER OVERSEAS.

Alcoy and Gandia.....	31 weeks	Aug. 1	33	17,200 + 2,200	824,000 + 66,000
Egyptian Delta.....	15 weeks	July 20	600	8,409 + 2,051	83,590 + 4,812
Gt. Southern of Spain.....	30 weeks	Aug. 1	104	104,377 + 15,880	3,363,559 + 321,427
Mexican Railway.....	4 weeks	Aug. 1	432	355,200 + 41,500	1,116,300 + 58,800
New Cape Central.....	28 weeks	Aug. 1	11	2,601 + 259	78,856 + 1,381
Paraguay Central.....	5 weeks	Aug. 1	274	5,970 + 1,380	27,740 + 6,020
Salvador.....	5 weeks	Aug. 1	100	2,788 + 582	11,965 + 957

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

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week.	Total Receipts.
				1925. + or -	1925. + or -
Anglo-Argentine.....	30 weeks	July 29	339	283,867 + 120	2,608,102 + 3,186
Buenos Aires La.	5 weeks	Aug. 2	12	412,746 + 87	62,386 + 1,935
Buenos Aires La.	1 week	Aug. 1	12	43,184 + 7	..
Buenos Aires La.	1 week	Aug. 1	354	1,118,861 + 9,421	..
Buenos Aires La.	1 week	July 16	15	21,730 + 46	40,487 + 1,301
Buenos Aires La.	30 weeks	Aug. 1	30	41,678 + 254	65,772 + 1,296
Glasgow Corporation.....	9 weeks	Aug. 1	108	238,778 + 1,403	396,165 + 12,717
Glasgow Corporation.....	28 weeks	July 15	108	238,778 + 1,403	59,383 + 6,475
Liverpool Corporation.....	18 weeks	Aug. 1	124	226,166 + 1,405	474,669 + 33,326
Liverpool Corporation.....	16 weeks	July 22	164	278,453 + 1,911	1,281,062 + 30,199
Liverpool Corporation.....	31 weeks	Aug. 1	31	52,973 + 2,233	673,515 + 44,249
Madras Elec. (2 whs).....	30 weeks	Aug. 1	..	24,676 + 879	138,007 + 854
Perambalur Trans.	26 weeks	Aug. 1	..	113,630 + 227	386,533 + 14,471

* Combined revenue.

RHODESIAN GOLD OUTPUT.

Month.	1922.	1923.	1924.	1925.
January.....	240,056	261,310	250,880	226,669
February.....	304,488	337,018	333,811	218,980
March.....	257,356	211,379	236,166	207,097
April.....	265,591	232,765	256,352	205,006
May.....	273,562	245,870	275,826	213,095
June.....	247,161	253,226	234,697	204,613
July.....	263,918	244,848	262,236	..
August.....	271,142	232,546	259,178	..
September.....	240,846	256,107	239,051	..
October.....	255,619	246,616	246,253	..
November.....	251,646	246,943	230,393	..
December.....	240,084	240,531	215,309	..
Total Gold.....	3,111,469	2,909,159	2,939,562	..

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

MINING OUTPUT STATISTICS FOR JULY, 1925.

	Tons Crushed.		Gold Recovered.			Value.	Profit.
	Mill.	Cyanide Works.	Mill.	Cyanide Works.	Total.		
Gold.	Tons.	Tons.	Ozs.	Ozs.	Ozs.	£	£
Baleghat	3,600	6,250	2,574	300	2,874		
Blackwater	3,746					7,509	2,37
British Platinum and Gold	80 ozs	platin	um;	30 ozs	gold.	(a)	38,033
Cam and Motor	19,600				8,496		
Champion Reef	10,285	21,765	4,508	756	5,264		
Colombian Proprietary					158		
Fairbanks					1,565		
Frontino and Bolivia	2,250					5,906	
London and Rhodesian	1,471					1,505	
Marmajito	500					2,615	
Mexican Corporation— Fresnillo Unit	112,092					\$48,109	
Mysore	19,558	33,563	9,106	1,547	10,653		
Nandydroog	10,800	20,364	4,228	922	1,150		
Oreogum	14,000				8,599		
Oriental Consolidated	(clean	n-up)				\$82,500	
Rezende	6,300	956			3,184	13,719	
Sherwood Starr	2,100					7,401	

(a) Total receipts of all lines.

ARGENTINE (a).

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				1925. + or -	1925. + or -
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Canadian Pacific.....	30 weeks	July 5	14,061	4,751,000 + 241,000	89,789,000 + 9,752,000

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San Paulo.....	31 weeks	Aug. 1	2,534	52,873 + 44,263	1,203,391 + 87,703

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Antofagasta.....	31 weeks	Aug. 2	838	47,550 + 5,416	1,269,450 + 113,715
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URUGUAYAN.

Central Uruguay ..	5 weeks Aug. 1	273	24,044 —	149	101,637 —	7,881
C. Urug. (East. Ext.)	5 weeks	311	5,415 +	1,291	24,252 +	4,000
C. Urug. (North. Ext.)	5 weeks	185	2,725 +	77	11,992 +	900

cent. on the preference shares, they recommend a dividend of 5 per cent. on the ordinary shares of the company for the year ending June 30, 1925, of which 2s 6d per share is payable on July 31st and the second 2s 6d per share is payable at December 31 next, less income-tax. They further recommend that £5,000 be carried to depreciation account. The sum available for distribution would thus be allocated as follows:—To debenture interest, dividend, and income-tax, £27,125; to depreciation account, £5,000; carry to next account, £2,207.

YORK STREET FLAX SPINNING COMPANY, LIMITED.—The profits for year ending June 30, 1925, after deducting interest paid on debenture stock and allowing for bad debts, amount to £7,695; add balance of last profit and loss account, £22,722, making £30,417; deduct income-tax and sundry expenses, £16,012, leaving £14,405; to be applied to pay dividends on 6 per cent. preference capital, £15,000; on 7 per cent. preference capital, £21,000; on ordinary capital, £24,000; leaving to be carried to new profit and loss account £4,405. From the above statement it will be seen that, in addition to the interim dividends paid on January 31st last, the directors propose to pay dividends for the half-year ended June 30th at the rate of 6 per cent. per annum on the 6 per cent. preference capital, and at the rate of 7 per cent. per annum on the 7 per cent. preference capital. The directors regret that the result of the trading, owing to the severe drop in values and the marked decrease in the volume of business done, especially in the last four months of the company's year, is such that they are unable to see their way to propose paying any dividend on the ordinary capital in respect of the half-year ended June 30th last.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

Climatic conditions were not favourable for harvesting, owing to frequent rains, which rendered the ground too soft for reaping machines. Reports of the crop are somewhat variable, but it is generally anticipated that a full average yield will result. With a spell of drier weather first samples of new crop wheat should soon be seen on the market. Fine samples of old crop experienced rather better support, and prices ruled firm in view of the general situation. Imported varieties were also accorded more attention and values responded to higher forward offers. In the floating and forward cargo section sellers adopted reserved measures following improved foreign cable advices, together with a better milling demand and improved inquiries on Continental account. Steamers No. 1 Northern Manitoba afloat sold at 63s 3d, No. 2 ditto 62s 3d; Australian afloat, 58s. to 58s 3d as to position; Rosafé, 62½ lbs, July 29th, 59s 10½d; Baril, 62½ lbs, loading, 57s 9d, August 20th 58s 7½d; and Barusso, 63 lbs July 13th clearance, 58s. Maize cargoes also firmer, and a fair demand prevailed for near positions. Steamers of La Plata afloat sold 42s 4½d to 42s 6d, ditto August 15 clearance 41s 9d, August 17th 41s 9d, all per 480 lbs. Wheat firmer. No. 1 Northern Manitoba quoted 65s 3d, No. 2 ditto 64s 3d, No. 3 63s 3d, Australian 62s 6d, Rosafé 62½ lbs 63s 3d, Barusso 62½ lbs 62s 3d, all ex ship, per 496 lbs. English old quoted 11s 6d to 12s 2d per 112 lbs, free on rail. Flour dearer. London standard grade quoted 48s 6d, patents 50s 6d-51s 6d, town whites 48s 6d per sack, delivered in the Home Counties, with 6d to 1s per sack less deliveries in London districts. Of imported, Manitoba patents range from 47s-50s, Minneapolis 47s 6d-48s 6d, Kansas patents 46s-47s, Australian 42s-42s 6d per 280 lbs, ex store. Maize firm. Plate, ex ship, quoted 44s 6d; ditto landed, 46s 6d; white flat African, ex ship, 47s 3d per 480 lbs. Barley firm. Californian quoted 45s-52s, Chilian Chevalier 60s-65s, brewing 52s-56s, according to quality; Australian, 57s-63s, ex store, per 448 lbs; No. 3 Canadian Western, ex ship, 38s 6d; Karachi, 38s 6d; Morocco, 38s; American malting, 48 lbs, ex ship, 37s 6d; Tunisian landed, 37s 6d per 400 lbs. English quoted 10s 6d-11s 4d per 112 lbs. Oats steady. Plate, ex ship, quoted 26s 3d, landed 27s 6d; No. 2 Canadian Western, ex ship 31s 9d, landed 33s; No. 2 Canadian feed, ex ship 25s 6d, landed 26s 6d; Chilian Tawny 27s 6d landed, No. 2 white clipped American, ex ship, 25s 3d, all per 320 lbs. English quoted 10s-11s per 112 lbs, free on rail. Millers' offals firm. Broad bran quoted 8s 6d, middlings 8s 6d, fine ditto 9s 9d, bags included, ex mill; powdered oat husks 6s 3d, feed oatmeal 8s 3d, ground oats 12s 9d per cwt., free on rail. Oatmeal steady, with a better demand. London made flaked 19s, rolled oats 18s, medium also fine cut 18s, coarse also medium pin-head 18s, ex mill; ordinary Scottish oatmeal 19s 6d, American ditto 17s 6d-18s per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest years 1924-25, 1923-24, 1922-23, 1921-22.

	1924-25.	1923-24.	1922-23.	1921-22.
Estimated sales of home-grown wheat—				
1 week to Aug. 1	Cwts. 153,960	Cwts. 19,783	Cwts. 31,269	Cwts. 78,727
48 weeks to Aug. 1	11,157,571	12,693,123	16,867,631	16,007,037
Average price of English wheat per cwt.	11 11	12 9	11 5	12 6

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1921 to 1924:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1925.						
July 25	Cwts. 133,824	Cwts. 12,904	Cwts. 11,9	11 9	10 4	10 4
Aug. 1	155,960	16,092	23,205	11 11	10 0	10 3
1921	92,233	16,764	25,158	16 9	12 9	11 6
1922	78,729	2,543	9,427	12 8	10 7	11 10
1923	33,269	5,920	11,419	11 5	8 3	10 0
1924	19,783	912	4,511	12 9	11 9	10 2

AMERICAN WHEAT MARKETS.

The markets have been, on the whole, firmer this week, on reduced private crop estimates, reported damage by storms in some areas, and increased purchases by mills. Better weather reports and quietness on export account were responsible for a subsequent decline of prices. The Canadian Dominion Bureau of Statistics has issued a report of the condition of the cereal crops on July 31. In Ontario, the quality is well above the average, but in those districts which have suffered from a shortage of moisture the yield will be below that of last year. In Manitoba, crops on light soil are not filling well, but on heavier land the prospects are fair to good. In Saskatchewan, wheat prospects indicate that the yield is slightly above the average. The crops have suffered little damage, except from lack of moisture, and have been exceptionally free from rust and hail damage. Wheat cutting will be general by August 10. In Alberta the south-eastern portion of the province has suffered severely from drought, but other portions will harvest average to good crops.

Recent market quotations are:—

	Aug. 8, 1924.	Jan. 2, 1925.	July 23, 1925.	July 29, 1925.	Aug. 6, 1925.
Winnipeg (No. 1 Manitoba)—Cents per 60 lbs	149½	183	159½	162½	146½
Chicago (No. 2 Winter)—Cents per 60 lbs	130½	177	154½	156½	160
(a) July delivery. (b) September delivery. (c) October delivery.					

IRON, STEEL, AND COAL.

Our Middlesbrough correspondent's report, dated August 6, is as follows:—Pig-iron: Owing to the holidays the weekly market was not held, most of the works being closed. There is very little inquiry from abroad. Cleveland No. 3 G.M.B. pig-iron is quoted 70s 6d per ton, and mixed numbers East Coast hematite 75s 6d per ton. Manufactured iron and steel: The steel works are still very badly off for orders, except for constructional steel. The follow-

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SUBSCRIBED CAPITAL	£8,916,660
PAID-UP CAPITAL	£2,229,165
RESERVE FUND	£2,893,335
UNCALLED CAPITAL	£6,687,495
	£11,809,995

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SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Debenture Interest.	Amount Available for Distribution.	Appropriation.			Corresponding Period Last Year.	
					Dividend.		Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.
					Prefere.	Ordinary.			
					Amount.	Amount.	Rate.		
Breweries.									
Arthur Guinness, Son, and Co.	June 30	£712,822	£3,039,096	£3,752,918	£120,000	£2,400,000	32½	£400,000	£832,918
Bass, Ratcliff, and Greeton	June 30	53,429	455,868	549,297	68,000	265,200	13½	150,000	66,097
Whitbread and Co.	June 30	342,489	198,034	540,523	46,257	99,590	10	394,676	168,812
William Hancock and Co.	May 31	12,510	62,414	74,924	20,700	24,000	12	5,000	25,224
Canals and Docks.									
Regent's Canal and Dock	June 30*	1,780	14,622	16,402	..	11,883	1½	2,506	2,013
Financial, Land, &c.									
British Canadian and General	Dec. 31	3,268	2,206	5,474	..	..	..	3,474	2,000
Cellulose Holdings Investment	June 30	1,257	35,134	36,391	..	26,512	50½	..	9,879
Gas.									
Malton Gas	June 30*	3,106	1,465	4,571	..	1,440	6½	500	2,631
Portsea Island	June 30*	40,688	22,135	62,823	..	20,291	..	..	42,532
Iron, Coal, and Steel.									
Edward Wood and Co.	May 31	1,915	4,332	6,247	2,000	..	..	..	4,247
Rubber.									
Bukit Selangor	Mar. 31	1,782	12,688	14,470	..	11,654	5½	..	2,816
Sarawak	Mar. 31	466	26,870	27,336	..	13,950	15	4,749	8,637
Semenyih	April 30	6,877	4,589	11,466	..	3,939	10	..	7,527
Shops and Stores.									
Mappin Store (Brazil)	Feb. 28	2,612	23,028	25,640	..	..	..	(a) 14,062	11,578
Textiles.									
Isaac Holden	June 30	58,937	13,059	71,996	8,496	27,187	12½	10,000	26,313
Rylands and Sons	June 30*	156,779	97,777	254,556	47,213	78,687	10	..	128,656
York Street Flax Spinning	June 30	22,721	8,316	14,405	36,000	24,000	4	Dr 50,000	4,405
Tramways.									
Tyneside	June 30*	751	79	830	..	..	..	830	1,573
Waterworks.									
Chester	June 30*	..	4,660	4,660	1,379	2,155	3	..	1,126
Whitby	June 30*	1,751	..	2,247	200	608	6½	..	1,439
Other Companies.									
Bradford Coal Merchants	Mar. 31	2,846	11,947	14,793	5,697	4,494	3	..	4,602
Jones' Sewing Machine	May 31	1,412	12,863	14,275	1,950	7,200	8½	3,000	2,125
North Central Wagon	June 30	11,620	27,714	39,334	..	16,444	14	10,000	12,890
Union Cold Storage	Dec. 31	127,841	786,741	914,582	526,800	100,000	10	138,504	149,278
W. and H. M. Goulding	June 30	3,476	26,446	29,922	15,750	5,000	5	5,000	2,297
Wellman, Smith, Owen Engineering	Dec. 31	16,529	16,039	32,568	..	12,750	5	..	19,818

* Half-year.

† Tax free.

(a) Suspense account written off.

ing remain the principal quotations:—Steel ship plates, £8 10s; steel ship angles, £8 5s; iron bars, £11 12s 6d; steel rails, £8 10s. Iron ore: There is still no business doing in foreign iron ore, and 20s 6d is purely a nominal seller's price for best Bilbao Rubio, c.i.f. Tees.

Our Glasgow correspondent writes:—The market for pig-iron was quieter this week, as a result of the withdrawal of immediate danger of a stoppage of supplies. A fair amount of business was done, however, at prices on the lines of recent quotations. Shipments from Glasgow Harbour last week totalled 1,312 tons, of which 1,270 tons were on foreign account. For the corresponding week of last year the figures were 635 tons and 190 tons respectively. The majority of the steel and iron works have now resumed after the annual holidays, but orders are scarce, although export inquiry is more encouraging. Shipyards are not getting sufficient orders to replace the large tonnage recently launched, but negotiations are on foot in several directions, which, it is hoped, will lead to the placing of several substantial orders. The sheet trade continues active, demand from the Far East being, if anything, more insistent, and it is only with difficulty that early delivery of even small lots of light gauges can be procured. Galvanised and corrugated sheet makers are well booked for the month of August.

Our Sheffield correspondent writes:—The majority of the steel works are closed for the whole of the present week, as the practice is extending of concentrating the holidays of men and staffs, as well as repairs, within the August Bank Holiday stoppage. Melting operations at the open-hearth plants, however, have not been suspended, although still working at greatly reduced capacity. Rather more activity in acid steel is reported, and there is a fair demand for special engineering parts, both forgings and castings. From a tonnage point of view, however, the volume of work at the steel foundries is unsatisfactory. Business in hand tools continues brisk, and the export of these is well in advance of the figures for 1913. Large Russian orders have just been delivered for files, saws, edge tools, and tool steel and common steel. To secure this business, sellers are giving nine months' credit. Prospects in the hematite pig-iron trade are a little better, and the placing of an American order in Middlesbrough for 5,000 tons of special iron has brushed up conditions in the Cleveland district. The cutlery and plate branches are flat and unprofitable. Consumers of fuel are looking for easier prices as the result of the recent settlement, and no considerable buying is taking place. Some of the panic orders for coal and coke, placed when the prospects of a stoppage of the colliers seemed inevitable, have since been cancelled.

Our Cardiff correspondent writes:—The settlement of the coal dispute has completely disorganised the Cardiff coal market, the

temporary strength which the market derived from the fear of a stoppage having been displaced by a weakness probably more severe and widespread than at any other time this year. Very few traders have a clear knowledge of the implications of the terms, and actual business, therefore, has not only been of a hand-to-mouth character, but of extremely restricted proportions. Prices on Thursday were from 1s to 2s 3d per ton less than a week ago, and lower than when the market was at its worst in June. The following are the current approximate quotations:—Best Admiralties, 25s 6d to 26s; seconds, 24s 6d to 25s 6d; best dries, 25s to 25s 6d; Black Veins, 24s to 24s 6d; Western Valleys, 23s 6d to 24s; Eastern Valleys, 23s to 23s 6d; best steam smalls, 14s 6d to 15s; ordinary cargo smalls, 13s to 13s 6d; coking smalls, 14s 6d to 15s; anthracite best large, 43s to 47s 6d; Red Vein, large, 27s to 31s; machine-made cobbles, 51s 6d to 53s 6d; French nuts, 52s 6d to 55s; stove nuts, 48s to 51s; rubbly culm, 13s to 14s; coke (special qualities), 40s to 45s; patent fuel, 23s 6d to 26s; pitwood, ex ship, 39s 6d to 40s 6d. In the tinplate industry production this week has been suspended, but the general tone of the market is unaltered.

METALS.

A firm tone governed tin; the market further improved, in face of stimulating Eastern advices, combined with fairly liberal buying orders. Holders consequently adopted reserved measures, though movements were attended by slight irregularity, especially with regard to forward positions, and top points were not maintained. Standard cash changed hands at £264 5s to £265 5s and £263 15s and £264 10s; three months, £267 to £268 5s and £266 7s 6d to £267. Sales in the East were reported at £271 to £273 5s, c.i.f. terms. Copper proved a very active market, offerings being readily absorbed, with chief attention centred on forward positions, while prices, after slight fluctuations, ruled dearer on balance. Standard cash sold £62 7s 6d to £62 17s 6d, and three months £63 10s-£63 6s 3d and £63 16s 3d per ton. Lead in good support at firmer rates. Good soft foreign pig, August, sold £36 10s-£37 15s; September, £36 7s 6d-£36 15s and £37 6s 3d; October, £36 to £37 2s 6d and £37; November, £35 17s 6d-£36 17s 6d and £36 15s per ton. Spelter firmer, values responding to liberal buying orders. August sold £35 15s to £36 11s 3d, September £35 15s to £36 5s, October £35 10s to £36, and November £35 10s to £36 3s 9d per ton. Antimony firm. English specials quoted £74 10s to £85 as to make and quantity, foreign refined £64 10s to £65 10s per ton, ex warehouse. Aluminium nominal. Home trade and export £118 to £120 per ton. Quicksilver firm; spot quoted £14 per bottle. Wolfram firm; spot 17s 6d to 18s per unit, ex warehouse.

LONDON, THURSDAY.				DYE STUFFS, &c.—				METALS.—B. Copper				SUGAR—per cwt, duty, 11s 8d			
COCOA—Duty, British grown, % 4d, foreign, 14s cwt	s	d		Gall. China, per cwt	s	d		Best selected	£	s	d	per cent. oxidation, s d	s	d	
Trinidad	per cwt	74	0	Turnerine, Bengal	nom			Sheets (strong)	32	0	0	B.W.I., muscovado	nom		
Granada	58	0	80	Madras, finger	37	6	40	Standard	62/15/0	62/17/6		Crystallised	24	6	29
Guaymas, plantation	85	0	80	Gambier, block	60	0	62	Lead Eng. Pig per ton	39/0/0	0/0/0		Java, white	15	9	0
Guaymas, block	51	0	80	Cutch, ord. to fair	65	0	0	Soft Foreign	37/12/6	36/12/6		REFINED—London—			
Bahia, fines	51	0	80	DYEWOODS—	£	s	d	Spelter G.O.B.	36/15/0	36/17/6		Yellow Crystals	37	10	0
COFFEE—British grown, % 4d, foreign, 14s cwt	s	d		Brazil	per ton	18	0	Tin—English ingots	284/10/0	285/0/0		Cubes	34	9	35
E. India, fine ord. gd. mid.115	0	140	0	Fustic, Jamaica	£	s	d	Do do bars	265/10/0	266/0/0		Crushed	32	9	0
Do good to fine	120	0	158	Cuba	15	0		Standard cash	264/5/0	264/10/0		Granulated	30	4	30
Costa Rica, ord. to mid.	120	0	155	Lima Wood	30	0		OILS.—Fish, per ton—	£	s	d	Crystals, No. 3	30	3	0
Good to fine	170	0	196	Wood, Campeachy	9	0		Seal, pale	40	0	41	Color	30	3	0
Central American, gd. ord.	115	0	145	Madras	10	10		Linseed, p. ton, net, naked	42	15	0	Pieces	24	3	29
Mid to fine	150	0	155	Jamaica	7	15		Refined	51	10	0	SPICES—Pepper, lb—			
Colombian, ordinary	113	0	115	Red Sanders	12	0		Cotton-seed, crude	41	0	44	Muntok, fair White	1	1	0
Do gd. ord. to low mid.	118	0	128	Sapang Ceylon	15	0		Edible, refined	49	0	51	Black Singapore	0	9	0
Do mid to fine	130	0	148	FLAX—spot—c.i.f.	£	s	d	Coconut, crude	48	10	0	White Siam	1	1	0
CHEMICALS—				Riga 2K	85	0	87	Refined	53	0	54	Pimento	0	4	0
Acid, citric	per lb	1	4	Peruan HD	nom			Palm	39	10	40	Cinnamon—1st sort	1	9	0
Nitric	0	24	0	Slates U/A Medium	98	0	0	Lard, American	70	0	78	Do 2nd	1	8	0
Oxalic, net	0	6	0	FRUIT—	£	s	d	Petroleum Oil, per 5 lbs.	1/0	0/0		Do 3rd	1	7	0
Tartaric, English	1	0	0	Oranges, Murcia & Val.300	0	0	0	Oil White	1/1	0/0		Cassia Ligna	47	6	0
Do Foreign	0	11	1	Do	360	0	0	Oil Cakes, Linsed, Eng.	1/1	0/0		Cloves—Zanzibar	0	11	1
Cream of Tartar	99 1/2-100%	per cwt	78	Do Cape	16	0	27	per ton	£12/15/0	£13/0/0		Madagascar	1	3	1
Alum lump	per ton	110/0	110/0	Lemons, Naples	0	8	0	Oil Seeds—Linsed—	£	s	d	Ginger—per cwt—			
Do ground	£11/0/0	12/0/0		Do	0	0	0	La Plata, p. ton Aug.-Sept.	20	5	0	Cochin, small rough	.105	0	0
Ammonia, carb.	ton	37	0	Do Sicilian	0	0	0	Bombay, p. ton Aug.-Sept.	22	15	0	Do wormy	0	0	0
Muriate, White	ton	25	15	Do Malaga	0	0	0	Calcutta, p. ton Aug.-Sept.	22	2	6	Japan	95	0	0
Sulphate	214	6	31	Grapes, Lisbon	0	0	0	PORTLAND CEMENT—Best English				Jamaica, ord. to good	90	0	120
Arsenic, lump	ton	75	0	Almeria	0	0	0	per ton delivered, London 58/0	63/6			Mace	3	9	0
Powder	per cwt	22	0	Val. Ona	8	9	11	Rapid hardening "Ferrocrete"	13/8			110 eggs, 80's	2	8	0
Ashes, pot	per cwt	65	0	Egyptian Ona	0	0	0	per ton extra				Chillies—per cwt	36	6	97
Pearl do	nom			Apples: Tasmanian—	7										

MONEY was scarce in the early part of the week, chiefly, it would seem, owing to the considerable amount that has been transferred, through revenue payments, and the sale of Treasury bills in excess of maturities to the Public Deposits at the Bank of England. Borrowing from the Bank was necessary both on Monday and Tuesday, but after that conditions were more comfortable. Discount rates were barely steady, bank bills being scarce, while a further reduction in Bank rate is regarded as a possibility to be reckoned with.

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	Aug. 14, 1925.	Aug. 7, 1925.	July 30, 1925.	July 24, 1925.	Previous Rate and Date Changed.
Bank Rate	4½	4½	5	5	4 (Mar. 5, '25)
Banks' Deposit Rate	2½	2½	3	3	2 (Mar. 5, '25)
Discount/Call	2½	2½	3	3	2 (Mar. 5, '25)
Houses' Notice	2½	2½	3½	3½	2½ (Mar. 5, '25)
Market rate (3 months' bills) ..	3½	4	4½	4½	..

The Bank return showed a decrease (of which £240,000 was accounted for by exports) of £243,000 in the stock of gold, but, on the other hand, notes had returned from circulation to the extent of £1,066,000, so that the Reserve was £823,000 higher on balance, though its proportion to liabilities had declined by .6 per cent. to 30.6 per cent. Borrowing by the market was reflected in an addition of £3,376,000 to Other securities, and Government securities were also £710,000 higher; Other deposits however, were less than a quarter of a million higher, Public Deposits having expanded by over 4½ millions. Currency notes outstanding were reduced this week by £4,268,100 to £301,216,100, which includes £1,330,800 for notes called in, but not yet cancelled. The fiduciary issue is £243,635,300, or £4,510,100 below the maximum for 1924.

The monthly return of average weekly balances of the London Clearing banks for July shows an expansion in deposits and a further decline in acceptances. The following table compares the aggregate figures of the nine English banks:—

	June, 1924.	Dec., 1924.	Mar., 1925.	May, 1925.	June, 1925.	July, 1925.
Capital and reserves	119.2	119.4	119.6	119.6	119.6	120.1
Acceptances	85.3	109.9	113.9	99.8	90.2	84.5
Deposits (incl. undiv. profits, &c.) ..	1,651.9	1,656.1	1,605.0	1,598.1	1,624.5	1,633.2
Total Liabilities	1,856.4	1,885.4	1,838.5	1,817.5	1,834.3	1,837.8
Coin, notes, balance at bank, and cheques in course of collection ..	249.1	259.7	237.1	236.2	253.9	244.0
Money at call	108.1	112.8	108.0	104.3	113.0	114.6
Investments	349.3	328.8	308.2	300.0	292.6	286.3
Discounts	245.0	234.6	202.3	200.1	205.5	228.5
Loans and advances	791.7	811.2	840.8	848.6	850.5	851.0
Cover for accept., promises, &c.	113.2	138.5	142.1	128.3	118.8	113.4
Total assets	1,856.4	1,885.4	1,838.5	1,817.5	1,834.3	1,837.8

There was a further slight increase in loans and advances and a big jump in bills discounted, which have been offset by a decline in cash and another reduction in investments. In July of last year movements on the credit side were of a similar nature, but deposits declined by £10 millions.

NEW YORK MARKETS.

Our New York correspondent cables:—The recent rising tendency in markets has been followed by some irregularity, while the tone of the money market is slightly easier. Opinion is divided as to the likelihood of moderately firmer rates in the autumn. Wheat reacted sharply on the Government estimate of a crop of 679 million bushels and the Canadian estimate of 375 million bushels. The estimate for maize is reduced to 2,950 million bushels. Cotton is lower on the official estimate of 13,566,000 bales. Steel prospects appear favourable. Much interest has been aroused by the reduction in prices of automobiles and oil. The Reserve System reports a moderate decrease in discounts and Government security holdings, with a reserve ratio of 75.5 per cent.

THE STOCK MARKETS.

The Stock Exchange was half-prepared for a further reduction in Bank rate this week, but when "no change" was announced, gilt-edged stocks held their ground, the House still being of opinion that a further reduction is not unlikely in the near future. French bonds have been unaffected by the Anglo-French conversations, but middle-European issues are a little better. Home rails, now quoted ex-dividend, have lacked support, but Argentine rails have spurred on dividend prospects. Rubber shares keep steady, but tea shares are dull, and oils have been heavy on price cuts in the United States. Courtaulds have been the feature in industrials, having risen at one time to 135s. Other textiles and the tobacco group have been firm. There has been some selling of Kaffirs and tin shares have given way, but the diamond group spurred on the new diamond trade agreement.

THE COMMODITY MARKETS.

The commodity markets have been slightly more active this week, though conditions remain quiet in many cases. Purchases of pig-iron are still restricted in view of a possible lowering of quotations in the near future, but rather better business has transpired in manufactured iron and steel. Coal prices show a tendency to sag owing to scarcity of buying orders. In the cotton trade inquiry is maintained fairly well, but sentiment as to values is less strong, and commitments are being limited. Business in woollen textiles remains stagnant in the absence of a settlement of the wage dispute. Wheat is firmer in sympathy with conditions overseas. Potatoes have been in fair demand, but the fruit market is less active. Sugar has been steady at recent rates, tea steady as regards finer grades but weaker as regards commoner varieties. Rubber is lower on the week, but forward positions show a firmer tendency. Among metals tin and copper have declined, and lead is easier.

FOREIGN EXCHANGES.

If anything, the foreign exchange market has been even quieter than last week, with little or nothing to stir the dulness of the holiday season. The only feature of interest has been the further weakness of the French franc on last week's poor Bank return, and some doubts as to the extent of the success of the gold loan. This week's return makes a considerably better showing, but so far the rate has shown little response. From a closing price of 103.55 on the 7th the quotation moved up to over 104 in the early part of the week, and at times, on the 12th and 13th, stood at 104.25. Yesterday morning, however, it was somewhat better again at 104.05. Brussels, in sympathy, has moved up from 107.45 to 108, while the lira, after considerable fluctuations, is slightly higher at 134½ than the 134¼ quoted a week ago. Forward rates in Paris have broadened a little to 45.50 centimes above for one month, while Brussels is narrower at par—2 centimes below. The dollar rate has continued very stable round \$4.85½, at which it stood yesterday morning, as compared with \$4.85½ a week ago. Forward rates are slightly wider at 7-32 cent per month premium. Amsterdam has moved slightly against us from 12.08½ to 12.07½. Switzerland has remained steady at 25.01, while Madrid shows a sharp jump from 33.66 to 33.73½. Of the Scandinavian rates, Oslo and Copenhagen have been steadier than of late, a tendency to appreciate in the middle of the week being at once checked. Stockholm and Helsingfors show little movement, while Berlin, Vienna, Budapest, and Prague are all practically unchanged. The zloty in the middle of the week showed a further tendency to run away, in spite, or, perhaps, as the result, of stringent methods on the part of the Central Bank, and on Wednesday was up to 27.50. Yesterday morning, however, there was a recovery to 26, and excellent harvest prospects, together with the reduction in imports shown in the most recent figures, suggest that the recent trouble will be overcome. In the East the rupee stands at 1s 6½d, very slightly cheaper than last week, while Japan is also slightly lower at 1s 8 11-32d. The silver market has been even more featureless than before, a slight rise being due to the almost complete absence of supplies. Hong Kong is unchanged at 2s 4d, Shanghai at 3s 2d. In South America, Rio shows a further slight improvement from 5½d to 5 29-32d, while Monte Video is the same at 49½d. Buenos Aires, however, has gone down from 45½d to 45½d, and Valparaiso has depreciated from 40.20 to 40.30.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended August 8th:—

(000's omitted.)			
EXPENDITURE.	£	RECEIPTS.	£
Supply Services	6,879	From Revenue	14,666
Interest, &c., on Debt	2,722		
Sinking Fund	114		
Increase in Exchequer Balances ..	4,581		
Decrease in Debt	14,666		

The Revenue for the week amounted to £14,666,400, as compared with £12,240,200 in the corresponding week last year. Customs were higher at £2,201,000, against £1,753,000, while Excise was slightly lower at £827,000, against £849,000. Property and Income-tax brought in £4,922,000, as compared with £5,384,000, while Super-tax amounted to £600,000, against £610,000. Ordinary receipts were lower at £8,300, against £248,600, but Special receipts brought in £12,400, as compared with £600. The week's operations reduced the National Debt by £4,581,500, and caused the following changes:—

(000's omitted.)			
Treasury Bills	£ 3,696	Public Department Advances ..	£ 8,250
National Savings Certificates ..	50	Sundries	77
	+ 3,746		— 8,327

The floating debt was reduced by £4,495,000 to £778,206,000.

FINANCIAL YEAR, 1925-1926 (April 1st to August 8th).

£		£	
Total Expenditure ..	288,463,565	Raised by Revenue ..	252,178,719
		Decrease in Balances ..	3,702,428
		Amount borrowed ..	32,582,418
Total	288,463,565	Total	288,463,565

ESTIMATES for FINANCIAL YEAR 1925-1926.

£		£	
Expenditure	799,400,000	Revenue	801,060,000
Surplus	£1,660,000.		

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—Mercantile and General Insurance Company, Mitchells and Butlers, Anglo-Austrian Bank, Watney, Combe, Reid, and Union Cold Storage. Mr Richard S. Guinness, at the meeting of the Mercantile and General Insurance Company, commenting on the increased premium income, said that in home business the increase was a small one, but the foreign income, owing to certain treaty arrangements, showed a considerable increase.

ECONOMIST INTELLIGENCE BRANCH.

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

INTERLUDE AND RETROSPECT.

HARD times and bad trade are powerful influences, but two things apparently they cannot do—they cannot reduce the consumption of tobacco and they cannot interfere with peoples' holidays. The world seems to be as busy holiday-making this August as in the most spacious summers of our prosperity. The moors are full of plutocrats; the golf courses crowded with middle-class parents and schoolboys; the seaside, from Deauville to Southend, is packed with trippers of every social class. London is in charge of a skeleton staff left behind to continue the essential services, such as writing leading articles and publishing newspapers.

As Parliament adjourns, and its members scatter on their holidays, we naturally look back over the first nine months of its career, and try to assess the value of its performances. November to August is a useful accounting period, and a tolerably accurate profit and loss account is possible. Starting with high hopes and the encouragement of a tremendous victory at the polls, supported by the votes of thousands of neutral electors who genuinely feared the prospect of revolution, and genuinely believed that trade must improve under a steady Conservative Government, has the Cabinet justified the hopes and the confidence which shone so brightly on its birth?

If good trade be the test of good government, Mr Baldwin's administration is written down a failure, for in the unsettled régime of the Socialist Premier, trade was better than it has been under Mr Baldwin. The promises

of renewed prosperity, which were made so freely at the last election, have not been fulfilled, and we may make up our minds that politicians of whatever colour and complexion never will restore it, for the power of Government to affect trade is mainly negative, and is far more prone to wound than to heal. The discrepancy, therefore, between the hopes and the performances will not be insisted on by any reasonable critic, except possibly those who see in the gold standard the source of all our recent difficulties. We should be more disposed to give the Government credit for a temperate foreign policy which has certainly not thrown obstacles in the path of a European recovery. Mr Chamberlain has shown himself an interesting and reasonable Secretary for Foreign Affairs, and our international relationships, except in regard to Russia, where other members of the Government have been allowed far too great a freedom of expression, have not deteriorated under his charge. In domestic policy, too, the Government has displayed a measure of wisdom in tackling one of the most urgent problems of civilisation, the care of dependents left helpless by the death of the breadwinner. The line of approach to the problem is open to criticism, but it is a great deal to the good that a Conservative Government should move in the matter at all.

On the other side of the account, unhappily, the sheet is not clean, and in much that Mr Baldwin's Government has done we can see not only blundering mistakes, but just that questionable type of political manoeuvring which is said to be most foreign to the Prime Minister's character, and from which, above all things, he was to redeem his country. The unpleasant episode of the cruisers, which consisted of a stand-up fight inside the Cabinet, a balancing of party considerations and electoral chances, and finally a surrender to the open menaces of the Board of Admiralty, showed up both the Premier and the Chancellor of the Exchequer as very undignified figures, and its effect has not been neutralised by economy speeches, and the appointment of the new Committee of three to save money in thousands where the Government is wasting it in millions. The whole business has a look of compromise and barter of principle which does not augur well.

The same lack of guiding principle was evident in the handling of the coal dispute, and the Prime Minister's unhappy alternations of resistance and surrender. But, most of all, it has been seen in the Government's attitude to Free Trade, and its dishonourable entanglements with Protection. At the election, as everyone knows, Mr Baldwin, by pledges repeated and emphasised, limited the fiscal changes open to his Government, and thereby won the votes of many Free Traders, who were persuaded that Protection was not an issue. But, unhappily, the more reactionary type of Unionist is Protectionist first, with his Unionism a very bad second, and the deadweight of this reactionary type has been influencing the Government from the very first, and impelling it, contrary to honour and pledges, to introduce Protection right and left. The Budget was Protectionist, and provided an admirable example of the behind-scenes bargaining and negotiation which go to the making of a tariff, and to the enrichment of a protected minority at the expense of the whole nation. Still more striking was the case of Nottingham, which exercised the right kind of pressure at the right spot and the right moment, and, in open breach of the Prime Minister's pledge, got one of the earliest slices of the tariff melon. This unsavoury episode is the worst blot on Mr Baldwin's career and the record of his Government, and it makes one wonder how our politics will develop if the Protectionist wing of the party finally gets its way.

On the whole, the position of Mr Baldwin has not been strengthened in these nine months, and we detect a recognition of this fact in the first beginnings of a campaign to "boost" him back into popularity. The Baldwin cult is being propagated by means of pen pictures, of which the following, taken from the *Times*, is a good specimen:—

Mr Baldwin has brought into public life a pleasant savour of freshness and health. It is the fragrance of the fields, the flavour of apple and filbert and hazel nut, all the unpretentious, simple, wholesome, homely but essential qualities, suggestions, traditions

of England that Mr. Baldwin has substituted for the over-charged, heavy-laden, decadent atmosphere of pre-war days.

A Prime Minister who needs to be "boosted" with such highfalutin nonsense must need "boosting" very badly. And what a commentary on Nottingham lace!

BRITISH GOODS AND FOREIGN TARIFFS.

THE application of index numbers to express the relative burden upon British manufactured goods of Dominion and foreign tariffs, and also to enable tariffs now to be compared with what they were before the war, has to be made with caution and to be interpreted with even more caution. Index numbers will not stand the strain which so frequently is put upon them. Nevertheless, in competent hands they are a great deal better than nothing; they do give us a rough means of measuring relative movements.

In the "Survey of Overseas Markets," prepared under the auspices of the Balfour Committee, an attempt is made to set forth by means of index numbers "the relative *ad valorem* incidence of Customs tariffs in 1914 and in December, 1924, as affecting British trade." The investigation was limited to 18 important foreign and Empire markets, and to our exports of typical goods "wholly or mainly manufactured." The value of the manufactured goods taken into account was over 80 per cent. of the total manufactured exports. A system of weighting was adopted, and the results expressed as a general average. "The utmost that can be claimed for these figures," say the compilers, "is that they may be useful as indices for purposes of comparison as between different countries and different years, when the basis on which they have been calculated is borne in mind. The figures have no meaning in themselves, and are purely relative. No one figure can give an absolute indication of the level of any country's tariff." We give below the figures as printed on page 545 of the "Survey." The Netherlands index for 1925, calculated from the new tariff, has been added:—

Country.	Index Number expressing the Estimated <i>ad valorem</i> Incidence of the Tariff applied to British goods in—	
	1914.	1924.
Empire Countries—	Per Cent.	Per Cent.
India	24	10½
Australia	6½	9½
Canada	15½	13½
Union of South Africa	7½	9
New Zealand	8½	8½
Foreign Countries—		
U.S.A.	19½	32
Germany	17½	10
Argentina	24	20½
France (and Algeria)	21½	12½
Japan	19½	10½
China	5	5
Netherlands	2½	2½ (41 1925)
Brazil	88	41
Belgium	10	8½
Egypt	8	8
Italy	18½	15½
Spain	42	37½
Sweden	23	12½

The most interesting feature of this comparison is that, apart from India—which has "gone Protectionist"—and the United States—which by the tariff of 1922 has surpassed its previous records in extravagant protection—the tariff walls which our manufactured goods have to surmount are in most cases lower than in 1914. The Dominion tariffs, except those of Canada, have, after allowing for preference, all gone against us. The reduction in the Canadian index number is mainly due to the 10 per cent. preferential rebate now granted on all rates which are over 15 per cent. *ad valorem*. But even then the Canadian tariff is higher than that of any other important part of the Empire. The average level of the Australian and New Zealand tariffs are kept down by the duty free admission of cotton goods which bulk so largely in our export trade. If cottons were left out of account, the index numbers for Australia would be 10 and 15 per cent. for 1914 and 1924, and those for New

Zealand would be 12 and 13 per cent. The way in which the latter-day Government of India (which grants no British preference) is rushing up tariffs against us and extending protection is ominous, to say the least. Already India, at 10 per cent. on the average, is approaching the level of Canada, and Canada is actually higher, after allowing for preference, than Germany, or France, or Japan. If, as so many preach, we must look for our overseas markets of the future to the self-governing Dominions, we must do all that we can to foster in the minds of their people a sense of joint interests with us. We shall not convince them of the folly of piling up tariffs if we ourselves—as the present Government is doing—go in for protection by instalments.

The Balfour Committee also attempt to show by means of index number percentages the "effective preference" enjoyed by British goods in the self-governing Dominions. We give the figures. It will be observed that the percentages given under the *ad valorem* duties on British goods correspond with those in the main table, but that it would be misleading to add the columns of British duties and preference together to get the average level of duties charged against foreign goods. All these figures are calculated in terms of British manufactured exports, and not of the manufactured goods, in many cases quite different, exported to the Dominions from foreign countries:—

	1914.		1924.	
	<i>Ad Valorem</i> Level of Duties on British Goods	Extent of Preference Over Foreign Goods	<i>Ad Valorem</i> Level of Duties on British Goods	Extent of Preference Over Foreign Goods
Australia	6½ per cent.	3½ per cent.	9½ per cent.	11½ per cent.
Canada	15½ per cent.	5½* or 6½† per cent.	13½ per cent.	5* or 8½† per cent.
Union of South Africa	7½ per cent.	2½ per cent.	9 per cent.	2½ per cent.
New Zealand	8½ per cent.	3½ per cent.	8½ per cent.	12 per cent.

* Over countries enjoying Intermediate Tariff Rates (France, Italy, Belgium, Netherlands).
† Over countries subject to General Tariff Rates (Germany, United States of America).

In so far as British goods are concerned, the effective preference in Canada is much the same as it was before the war, and so also is that of the Union of South Africa. In Australia and New Zealand the preference has risen considerably, though in Australia there has been a substantial increase also in the general level of duties applicable to British goods. For instance, in the iron and steel and machinery groups the duties are practically twice as high as they were in 1914.

The fall in the *ad valorem* percentage of tariffs in many foreign countries has been due to the rise in world prices and to the failure of the attempt to keep pace with them by the system of quotients, as in France. The effect for the moment is to make France, Germany, and Japan quite moderate tariff countries, and neither Holland nor Belgium, in spite of tariff revisions, has gone very far in the march towards Protection. In Germany, when the import restriction system lapses, an increase in tariff duties is to be expected. The Japanese duties are mainly specific, and have been swamped *ad valorem* by the rise in prices and depreciation of the yen. The revision of duties in Belgium has, on the whole, been favourable to British trade; the machinery and iron and steel groups have gone up, while textiles have gone down. Among the high tariff countries, the average in Spain has gone down in spite of the tariff revision (mainly specific) of 1921-2, modified by a subsequent commercial treaty with us. On paper, the Brazil tariff remains as it was, one of the highest in the world, but the price advance has pulled down its *ad valorem* incidence upon British manufactured exports.

A study of the tables given above, and of the observations upon them contained in the Balfour "Survey," gives, upon the whole, a favourable impression. There is a clear tendency of the Dominion tariffs to rise against us, an advance not in most cases offset by the preference. On the other hand, the advance in prices and the depreciation in currencies has lowered foreign duties *ad valorem*, with the glaring exception of the United States. And even with the United States the Committee say "the

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tariff increase of 1922 has not had so deterrent an effect on our export trade to the United States as was anticipated in some quarters." After the craze for tariff revision, which began in most countries about 1920, had spent its force, there was a definite slackening and the emergence of doubt as to whether the piling up of Customs duties was a sure and short cut to national prosperity. France and Germany, partly, it must be admitted, against their will, have become with respect to British trade moderate tariff countries, and with the exception of Canada the Dominions have kept the duties operating *ad valorem* against us at less than 10 per cent.

SWEATED GOODS.

THE Parliamentary Labour Party some time ago appointed a Committee to consider the question of sweated goods, and an Interim Report dealing with the international aspect has now been published. The Report will bring but cold comfort to those who prophesied—or desired—that on this question the Labour Party would resort to Protection.

Perhaps it is with the object of making their position clear at the outset that, after outlining the problem, the Committee turn to deal with this question in a section headed, "Tariffs no remedy." "We wish to make it clear and beyond all doubt," say the Committee, "that we see no solution in discriminatory tariffs." This is not surprising in view of the fact that Mr Philip Snowden, Mr Arthur Henderson, Mr Tom Shaw, and Lord Arnold are members of the Committee. The Committee, indeed, criticise the proposal of Dr Otto Bauer, the Austrian Socialist, adopted by the Austrian Chamber of Deputies, to impose an additional import duty on goods exported from States where the hours of labour are less favourable than those laid down in the Washington Hours Convention. On other grounds they disagree with the suggestion made by an Australian Labour organisation for the exclusion by the Australian Commonwealth of all goods produced below Australian trade-union standards.

What the Committee clearly have in mind is the ultimate adoption of an international code of labour conditions, embodying Labour Conventions, and enforced by the use of the "boycott" against goods proved to be violating these standards. It is recognised that "the impossibility of fixing an international minimum of subsistence, even for European countries, owing to differences of race and climate and physiological needs, thrusts into the future the question of an international wages standard, more especially if, as would need to be the case, Asiatic countries were included." It is suggested, however, that the time is ripe for a Convention having as its object "the establishment of minimum wage machinery in different

countries, and providing that measures should be taken in all countries to adopt and enforce legislation designed to raise the level of wages in all industries to a given percentage of the average of unskilled workers' wages."

But it is admitted that, though the existing International Labour Conventions do not cover the whole range of working conditions, they provide more "standards" than could in present circumstances be enforced. And so in the end the Committee suggest as "a first step, confining the definition of 'sweated' goods to those that are made under conditions which do not conform to the Washington Hours Convention." "We are aware," continue the Committee, "that this is a restricted definition, and we would welcome a wider view, but we are so keenly desirous of establishing some practicable test of 'sweating' that we would accept a single test, such as that of the hours of labour, in the knowledge that once this was adopted, succeeding steps would be far less difficult."

The Committee envisage, as experience and confidence are gained, a gradually widening international definition of "sweating." The conditions laid down in other Conventions would, it is hoped, be added to the definition, and it is suggested that ultimately "sweated" goods would be defined as goods produced under conditions less favourable than those laid down in the International Labour Conventions. For the moment, however, we are concerned with a single condition—that of hours of labour, which has always found its way early into Acts of Parliament regulating conditions of labour.

The machinery provided in the Treaty of Peace is not, in the opinion of the Committee, adequate. The Treaty provides for action against a State which has ratified a Convention but failed to carry out its terms. Provision is made for a Commission of Inquiry, and for reference to the Permanent Court of International Justice, either of which bodies may recommend the adoption of "measures of an economic character" against the defaulting State. But the Committee want more than this. They ask for the adoption of a "boycott" in specific terms, to be enforced not only against States which ratify but do not apply the Convention, but against the goods of any State, whether it is part of the International Labour Organisation or not, and whether it has ratified the Convention or not. The Committee admit the impracticability of revising the Treaty of Peace, and suggest that "it would be possible, however, for the members of the International Labour Organisation by resolution to bind themselves, after inquiry has proved a complaint to be justified, to refuse to import the kind of goods in question from the country which had failed to observe the terms of a Convention, until it had fulfilled the conditions required in the Convention."

There are obvious difficulties in the way of carrying out a "boycott," but then the Committee would argue that there were equally great difficulties a century ago in the administration of our Factory Acts. The real question is whether it is possible to secure international standards and their reasonably effective enforcement. The Committee rightly regard the existence of the Inter-

national Labour Organisation and of the Conventions adopted by successive International Conferences as proof of the desire for such standards, and of a belief in their practicability. The question of enforcement is, however, a different one, though the Committee would argue that, admitting the need for standards, a method of enforcement must be found.

The method of inquiry into and report upon complaints is analogous to factory or mines inspection. What can be put in the place of the penalties for infringements of the law, imposed by the Courts? Can anything be put in its place at all? The Committee suggest the "boycott." They point out that absolute prohibition of import is not a new policy. As the report states, "the State has..... accepted the principle of the prohibition of imports, partly on economic and partly on moral grounds." The goods which are banned include "clocks and watches infringing the Trade Marks Act, indecent books and prints, books infringing the Copyright Acts, goods proved to have been made in foreign prisons, and infected animals."

The question is whether a sufficient number of States will agree in common to put a "boycott" into operation against the specific classes of goods proved, after complaint, to violate the Washington Hours Convention. The report deals fairly fully with the present situation as regards the Hours Convention. Austria and Italy have ratified it, subject to other industrial nations ratifying. The French Chamber of Deputies on July 8th unanimously adopted a Ratification Bill, which provides that it shall only take effect in France when the Convention has been ratified in Germany. At the recent International Labour Conference at Geneva, the Belgian Government representative declared that Belgium "was ready to ratify the Hours Convention, but it could not take such action in isolation. If the great industrial nations which were competitors of Belgium in the world's markets would adopt a similar attitude, there would be no further need for a debate on the question of ratification." At the same conference the German Government said it "sincerely desired simultaneous ratification by the principal industrial States," while the Indian delegates complained of India's difficulties because of Japan's failure to ratify the Hours Convention.

It would seem, according to the Labour Committee's view, that there is a widespread desire for simultaneous ratification and a recognition of the need for all States to conform to the Washington standard. Once ratification by the chief States has been secured, it would be argued that the "boycott" would be the next logical step in order to secure enforcement.

A difficulty, it was thought, might arise if a case arose where the product complained of was a virtual monopoly. To apply a "boycott" in such an event would be an act of heroism. But the report declares that such a situation is hardly likely to arise. The Hours Convention refers only to "industrial undertakings," and therefore this country would not suffer from the deprivation of, say, tea or raw cotton. But to meet this point it is proposed that the "boycott" shall not be applied against goods of which there is no alternative source of supply.

It is more than probable that this and other questions will create difficulties. But the Committee would then fall back upon the experience of the past, which has shown that, whilst new policies bring in their train unexpected difficulties, ways and means are usually found of overcoming them.

The Labour Party Committee base the case for their policy on economic and moral grounds. As regards the latter, the Committee have chiefly in mind the industrialisation of the world. "The conscience of the world," they say, "will not continue to tolerate the exploitation of inexperienced and unorganised workers by modern capitalism. It will, we believe, resent and destroy industrial semi-slavery and exploitation as it resented and destroyed the ownership and exploitation of slaves by the planters."

On economic grounds, they argue that inferior conditions of labour abroad are a menace to our own standard of life, and that the world has more to gain from higher standards in the countries now entering the industrial field than from the perpetuation of existing standards. Greater capacity and efficiency abroad mean, in a word, better markets for British goods.

THE POPULATION OF ENGLAND AND WALES.*

THE order of publication of the results of the Population Census of 1921 has been (i.) a Preliminary Report; (ii.) a series of County Reports; (iii.) General Reports on Occupations and Industries (reviewed in the *Economist*, May 30, 1925); (iv.) General Report on Dependency and Orphanhood; (v.) General Tables; and (vi.) Workplaces, the last named being a new departure. It may be presumed that a general report on the results of the Census as a whole will ultimately be issued. Except in the Preliminary Report, the tables have been limited to England and Wales; we have as yet no detailed statistics for Great Britain as a whole, except any we can obtain by combining the English with the Scottish results; and, since no Census has been taken in either part of Ireland since 1911, we shall never have totals or details for the United Kingdom in 1921 as a whole.

The general tables now published give the aggregates of the more important tables already issued for the counties, combining them for the whole of England and Wales, for all county boroughs, and all urban and all rural districts, and in some cases for each of six main geographical divisions. They do not, however, recapitulate the occupational or dependency tables, since these have already been issued for the country as a whole. This volume is undoubtedly the most generally important of the Census series, and as it is at a moderate price, can and should be obtained and used for reference by all who are interested in population statistics. Since it gives the more important data separately for every urban and rural district, the county volumes will not often be needed, except locally. It should be added that it completes the Census by recording the numbers of sailors and fishermen, and of the Army, Navy, and Air Force abroad at the time of Census, and contains some other matter excluded from the county volumes. Our only regret is that it was not possible to issue this essential volume at a much earlier date. Logically, no doubt, details precede summaries, but with careful organisation it might have been practicable to give precedence in the Press to these tables, for which all the material was presumably assembled two years ago.

The whole question of the acceleration of the issue of public statistics needs serious and immediate consideration, and not only with regard to Census statistics. At present very many publications do not appear till the matter contained in them is out of date, so that the expense of their compilation is to a great extent wasted. It would be more economical in the end to incur the slightly greater cost of speeding up the tabulation and publication when once the data have been obtained and verified. In particular, it is to be hoped that no trouble or expense will be spared in hastening the issue of the results of the current Census of Production.

The first section of these general tables, which relates to the change of population in the various districts between 1911 and 1921, with some comparative figures from earlier Censuses, contains little that was not already known from the Preliminary Report. The second section, which analyses in great detail housing accommodation and the size of families, is new and very important. The whole recorded population in England and Wales in 1921 was 37,887,000. Of these, 36,180,000 were considered to be members of private families, the remainder being in institutions, hotels, &c. The number of private families was 8,739,000, and the average size (including resident servants), 4.14 persons; 21 per cent. of the families consisted of three persons, 57 per cent. of two, three, or four. In 1911 the average size of the family was 4.36 persons, significantly larger than in 1921, and 53½ per cent. consisted of two, three, or four persons. In 1921 there were 1.13 families per structurally separate dwelling. The aggregate of the dwellings contained 39,786,000 rooms; 5.14 rooms per dwelling, 1.10 rooms per person. The number of rooms per person was very nearly the same in 1911 as in 1921. If this was all, there would be no

* Census of England and Wales, 1921. General Tables. H.M. Stationery Office. 13s net.

evidence of overcrowding, no shortage of houses, and no deterioration between 1911 and 1921. In relation to the last point the Census naturally cannot deal with the state of repair and fitness of buildings for habitation. The only comparison that can readily be made is by the number of persons in families living more than two to a room. In England and Wales, as a whole, this has increased from 9.1 to 9.6 per cent. of the population. In the County of London it had actually diminished, from 17.8 to 16.1 per cent. Comparative figures are shown for all urban and rural districts, pp. 86 to 120. At both dates approximately 52 per cent. of the population enjoyed the relative comfort of at least one room per person. In 1911 there were 409,000 uninhabited houses, and 38,000 being built (Cd. 8491, p. 200). In 1921 there were 205,000 houses or flats vacant on Census night, and 91,000 in course of erection. The number of "places of worship" is stated as 49,970 in 1911 and 50,377 in 1921.

Both in 1911 and in 1921 approximately one quarter of the families are recorded as living in 4-roomed houses. But, in fact, some doubt attaches to the Census account of the number of rooms in a house. In the usual two-storied house the ground floor is divided either into two or three compartments, used as scullery, kitchen, or parlour. If the householder describes one of the rooms as a scullery, it is not counted as a room, and since there is no check on the householder's statement, and there is no definition of a scullery, and commonly cooking can be done in the scullery or kitchen, and the kitchen may be regarded as a kitchen or sitting-room, it is found in practice that the statement of the number of rooms is often arbitrary. In consequence we cannot depend on the exactness of the proportions recorded of the 3, 4, or 5-roomed houses. The table on page 89 shows interesting variations from county to county. In the majority the four-roomed is the commonest type of house; but in Berkshire, Derbyshire, and Dorsetshire, for example, the number of five-roomed exceeds that of four-roomed, and in Northamptonshire six-roomed houses are the most numerous, and account for 28 per cent. of all.

In 1921 the number of inmates of institutions such as hospitals, workhouses, and prisons was 453,000. In 1911 it was about 493,000.

The principal results of the distribution of population by age, which is tabulated in the 4th section of these tables (pp. 127 to 174) have already been made known, having been ascertainable from the aggregate of the county volumes, but we now have (precisely 4 years and 19 days after the date of the Census) the first official publication of the figures.

ENGLAND AND WALES, APRIL, 1911, and JUNE, 1921.

Ages.	Per 10,000 Persons.				Actual Numbers, 000's.			
	Males.		Females.		Males.		Females.	
	1911.	1921.	1911.	1921.	1911.	1921.	1911.	1921.
Under 5.....	537	444	532	433	1,936	1,681	1,918	1,640
5 and under 15	996	951	999	944	3,595	3,604	3,602	3,575
15 " 20	459	456	466	469	1,655	1,728	1,682	1,775
20 " 40	1,552	1,409	1,705	1,668	5,596	5,343	6,149	6,315
40 " 65	1,069	1,251	1,165	1,371	3,855	4,739	4,205	5,195
65 " 70	101	119	122	141	366	449	537	641
70 and over....	123	141	174	203	443	531	628	774
Total.....	4,837	4,771	5,163	5,229	17,446	18,075	18,625	19,811

The small number of births in the war-years 1916 to 1918 resulted in the fall in the numbers in the first line of the table. The decrease in the birth rate from 1901 to 1916 accounts for the stationariness of the entries in the second line. The war losses are seen in the diminution of the numbers of males aged 20 to 40. The natural growth of the population, born before the falling off of births after 1901 and subject to a decreasing death-rate, leads to the considerable increase in the higher age groups.

The average age of the male population increased from 28.0 years in 1911 to 29.9 in 1921, that of the female population from 29.1 to 31.2. Persons, male or female, of the potential working ages 15 to 65 formed 64 per cent. of the population in 1911, 66 per cent. in 1921; the non-effectives under 15 years decreased from 30.6 per cent. to 27.7 per cent., over 65 years increased from 5.2 to 6.0 per cent. The number of persons in the proposed new pensionable group (65 to 70 years) was 980,000 in 1921.

The sex and age distribution varies considerably from county to county. In London there were 1,165 females to

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1,000 males, in Wales 997. In East Sussex 7.9 per cent. of the males were under 5 years, in Rhondda U.D. 11.1 per cent. In London there were 1,151 unmarried females per 1,000 unmarried males under 45 years, in Blackburn 1,214, in Glamorganshire only 925. As a Census curiosity we may state that one male aged 15 years in London is recorded as divorced, and 5 males and 3 females aged 15 as widowed, somewhere in England and Wales.

From table 43 we learn that about 96 per cent. of the children between the ages of 7 and 14 are in attendance at educational institutions. In the age year 14 to 15 the percentage falls to 29, next year to 16, and at 18 years to 3.

Less detail is given in relation to place of birth than in previous censuses, for the county of birth is not shown, so that no study of internal migration is possible. On the other hand, we have for the first time a division between visitors and permanent residents from abroad. The following tables show the kind of information available, which shows no great change between 1911 and 1921:—

(Enumerated in 000's.)

	1921.					1911.
	England and Wales.	England.	Wales.	London.	Lancashire.	England and Wales.
Born in—						
England.....	34,310	33,932	378	4,130	4,639	34,463
Wales.....	2,082	314	1,768	28	59	322
Ireland.....	334	325	9	50	48	375
Empire.....	365	347	18	52	101	375
Elsewhere—	243	235	8	47	25	198
British by birth.....	56	53	3	10	6	381
" " naturalisation.....	48	46	2	17	6	24
Alien or not stated.....	230	221	9	120	19	331
Not stated.....	219	208	11	31	19	331
Total.....	37,887	35,681	2,206	4,485	4,927	36,070

Of the 334,000 persons born outside the British Empire and here in 1921, 23,000 were visitors, the rest residents. The residents include 61,000 persons born in Russia, 42,000 from Poland, 37,000 from the United States, 33,000 from France, 22,000 from Germany, and 21,000 from Italy.

BRANCH SHOP COMPANIES.

In our issue of June 6th last (page 1125) we reviewed the accounts of a number of companies engaged in retail trade in London. We now propose to supplement this with a brief survey of the reports of a number of retail companies whose business is run on somewhat different lines, namely, that of branch distributing centres with centralised management. Our list comprises fifteen branch shop companies, including four grocery concerns, three drapers, four men's outfitters, and two chemists. In most cases the latest reports refer to the year 1924, although many cover the early part of 1925.

On the whole, results of these undertakings were not altogether unsatisfactory, although here and there it will be noticed that profits declined to quite an appreciable extent. This, however, can be readily understood if regard is paid to general economic conditions. Those concerns which have been able to show better earnings are certainly to be congratulated upon their performance in such difficult times. It is here that efficient organi-

sation and expert supervision make their presence felt. To what extent fresh blood is needed in an undertaking which has fallen upon evil days is always a moot point, and shareholders are, alas, only too often willing to accept the promise of jam to-morrow in spite of failure to produce jam yesterday or to-day. Fortunately, in branch shop companies the need for drastic action in this direction is necessary only in rare instances.

Our first table shows the amount brought forward from the previous year's accounts, together with net profit, after payment of debenture interest, and how the available balance was distributed:—

Name and Year Ended.	Bro't In.	Net Profit after Payment of Deb. Int.	Distribution of Available Balance.				
			Prof. Div.	Ord. Div.	To Reserve, &c.	Carried Forward.	
Baker (Chas.) Jan. 31, '24	2,171	Dr 14,498	£	£	Dr 12,500	£	179
Bobby and Co. Jan. 31, '25	179	Dr 48,756	£	£	Dr 7,500	£	56,077
Boots Pure Drug Mar. 31, '24	20,303	70,285	44,250	12,500	13,000	20,838	
Home and Colonial (A) Feb. 10, '25	20,838	69,794	44,250	13,420	13,000	10,962	
Hope Brothers Mar. 31, '24	138,682	628,620	96,750	360,000	100,000	210,552	
Horne Brothers Mar. 31, '25	210,552	654,837	96,750	360,000	256,010	152,629	
International Tea Stores Lipton Mar. 31, '24	50,304	354,504	129,000	100,000	110,450	65,358	
Maynards Mar. 31, '25	65,358	341,246	129,000	120,833	73,125	83,646	
Maypole Dairy (Def.) Feb. 28, '24	26,649	81,012	16,500	40,000	23,732	27,229	
Parke's Chemists Feb. 28, '25	27,429	82,408	16,500	40,000	23,000	30,337	
Pim Bros. Mar. 31, '24	67,264	29,218	38,000	22,500	10,000	3,337	
Plummer, Roddis Mar. 31, '25	100,205	349,643	53,500	161,500	100,000	134,848	
Walton (Isaac) Apr. 30, '24	143,048	326,721	53,500	170,000	100,000	126,269	
Baker (Chas.) Mar. 31, '24	35,640	236,245	104,000	125,000	—	42,884	
Bobby and Co. Mar. 31, '25	42,884	86,712	104,000	—	—	25,597	
Boots Pure Drug June 30, '24	123,807	77,586	3,390	38,960	25,000	134,043	
Home and Colonial June 30, '25	130,163	75,633	3,390	43,830	25,000	133,576	
Hope Brothers 1923	4,426	433,443	107,500	269,792	10,000	49,577	
Horne Brothers 1924	49,577	215,410	107,500	20,000	—	137,487	
International Tea Stores Jan. 5, '24	18,169	235,839	41,228	156,250	21,087	35,263	
Maynards Jan. 3, '25	35,263	239,939	45,000	156,250	25,000	4,952	
Maypole Dairy Feb. 28, '24	428	7,688	2,382	4,500	—	1,347	
Parke's Chemists Feb. 28, '25	1,234	7,045	2,382	4,500	—	1,234	
Pim Bros. Jan. 31, '24	12,661	3,069	5,500	7,500	—	2,740	
Plummer, Roddis Jan. 31, '25	2,730	1,865	5,500	7,500	—	1,595	
Walton (Isaac) Feb. 7, '24	15,820	33,659	3,855	17,067	11,000	17,557	
Baker (Chas.) Feb. 7, '25	17,557	35,509	3,875	16,953	13,500	18,738	
Bobby and Co. Jan. 31, '24	17,833	8,400	10,000	—	—	10,460	
Boots Pure Drug Jan. 31, '25	9,575	26,839	8,400	6,000	—	10,764	

Boots Pure Drug Company had another good year, being able to show profits of £654,837, compared with £628,620, while the reserve fund was strengthened by no less than £246,011, against £100,000 a year previously. A good showing was also made by Isaac Walton, whose profits rose from £17,833 to £26,839, which enabled the transfer of £6,000 to the reserve fund, which received nothing last year. Increased profits were recorded by Hope Brothers, Horne Brothers, the Meadow Dairy, and Plummer, Roddis. On the other hand, the position of Chas. Baker took a turn for the worse, the debit balance carried forward amounting to £56,077, against a credit brought in of £179, although the reserve fund, which in 1923-4 was drawn upon for £12,500, was written up by £7,500. In the 1924 report the directors stated: "Fortunately, the outlook for the current year is brighter." It is evident, however, that the improvement shown at the beginning of the period was not maintained, although it is to be hoped that the expected recovery will not be much longer delayed. Lipton's also went through a bad time, the profits declining from £236,245 to £86,712, so that once again nothing was placed to reserve, and the sum carried forward was brought down from £42,884 to £25,597. Apparently the poor results achieved were due to bad trading in this country, for the report states that the company's tea and rubber estates continue to show satisfactory results, and this applies also to the export trade. The decline which occurred in the profits of the Maypole Dairy was not quite so pronounced as in the case of Lipton's, but it was, none the less, of considerable proportions, the net profits at £215,410 comparing with £433,443 in 1923. The reserve appropriation, however, was maintained at £10,000, and, in addition, £10,000 was transferred to income-tax reserve. Slight decreases occurred in the profits of Bobby and Co., the Home and Colonial, the International Tea Stores, Maynards, Pims, and Parke's Chemists, but, with the exception of Pims, whose figures fell from £3,069 to £1,865, the movements were of only minor importance.

The position as it affects shareholders is seen in the following table of dividends for a number of years past:—

	1912	1913	1914	1915	1916	1917	1918	1919	1920	1921	1922	1923	1924
Bobby and Co.	10	10	6	6	8	8	12	25	10	12	12	12	12
Boots Pure Drug	7	6	3	7	8	8	12	25	10	12	12	12	12
Home and Colonial (A)	20	20	25	30	30	30	30	15	25	22	22	25	25
Hope Brothers	6	6	5	4	6	8	10	15	10	6	10	10	10
Horne Brothers	8	9	10	7	10	12	12	12	16	18	18	19	20
International Tea Stores	6	6	10	10	12	12	12	12	12	12	12	12	12
Lipton	10	10	10	10	20	40	50	50	20	20	20	40	45
Maynards	212	162	100	100	25	125	100	37	12	12	12	12	12
Maypole Dairy (Def.)	6	6	6	6	7	7	7	7	7	7	7	7	7
Meadow Dairy	11	4	6	4	7	7	7	7	7	7	7	7	7
Parke's Chemists	7	7	7	7	7	7	7	7	7	7	7	7	7
Pim Bros.	6	7	7	7	7	7	7	7	7	7	7	7	7
Plummer, Roddis	6	7	7	7	7	7	7	7	7	7	7	7	7
Walton (Isaac)	6	7	7	7	7	7	7	7	7	7	7	7	7

* Free of income-tax.

The outstanding feature here is the remarkable change which has come over the position of holders of Maypole deferred. For 1912 no less than 212½ per cent. was distributed, but in 1916 the payment fell to only 25 per cent. The following year, however, witnessed a quick recovery, 125 per cent. being declared. From that year, however, there has been a continuous falling off, and whereas since 1921 the dividend had been 12½ per cent., results last year were not good enough to warrant a dividend on the shares. As was to be expected, Lipton's also were unable to make a payment to the ordinary proprietors, who received 10 per cent. for 1923, but, despite the small decline in profits, the directors of the International Tea Stores evidently considered prospects bright enough to warrant an extra 1 per cent., making the total for the year 20 per cent., against 19 per cent. for the previous 12 months. Maynards also increased their rate, paying 45 per cent., in contrast with 40 per cent., while Bobby's, Parke's, Boots, the Home and Colonial, and Hope Brothers and Plummer Roddis maintained their dividends. Horne Brothers was able to make its first payment—namely, 5 per cent.—while Isaac Walton shareholders received 11½ per cent., against 10 per cent. Once again Bakers paid nothing, while Pim Brothers' proprietors had to go dividendless after a very long period of excellent distributions.

The principal balance-sheet items are compared hereunder with those of the previous period:—

Name and Year Ended.	Balance Sheet Total.	Share Capital and Reserves.	Debentures and Loans.	Creditors.	Properties, &c.	Stocks.	Cash and Investments.	Debtors.
Baker (Chas.) Jan. 31, '24	441,787	229,147	164,000	48,460	121,611	245,603	11,282	9,131
Bobby and Co. Jan. 31, '25	415,353	215,500	161,270	36,818	119,928	166,688	11,087	7,478
Boots Pure Drug Feb. 10, '24	1,362,266	810,015	358,312	125,476	847,243	311,284	73,458	97,124
Home and Colonial (A) Feb. 10, '25	1,446,893	830,455	415,387	132,543	947,048	288,092	66,302	112,296
Hope Brothers Mar. 31, '24	3,982,838	3,187,446	—	484,839	1,535,600	868,962	1,009,112	5,916
Horne Brothers Mar. 31, '25	4,223,432	3,341,102	—	473,691	1,758,278	806,909	1,217,329	440,916
International Tea Stores Dec. 29, '23	3,151,700	2,434,335	—	502,008	690,925	955,438	1,064,300	66,797
Lipton Dec. 27, '24	3,732,534	3,100,788	—	413,267	695,228	768,820	1,822,967	71,279
Maynards Feb. 29, '24	1,026,936	846,653	—	90,308	298,840	388,150	99,759	6,595
Maypole Dairy Feb. 28, '25	1,030,614	852,500	—	85,871	321,938	366,182	121,899	6,612
Parke's Chemists Feb. 28, '24	1,104,299	1,010,221	—	36,782	609,965	234,817	85,153	3,571
Pim Bros. Feb. 28, '25	1,128,130	1,058,659	—	30,633	614,074	236,441	104,424	4,398
Plummer, Roddis April 26, '24	2,816,514	2,084,906	83,545	406,317	1,055,785	704,760	163,793	265,500
Walton (Isaac) April 26, '25	3,037,665	2,184,906	194,182	391,843	1,173,064	788,135	164,446	285,344
Baker (Chas.) March 31, '24	5,180,601	3,250,926	1,100,000	509,673	3,117,002	1,161,016	406,809	496,773
Bobby and Co. March 31, '25	5,140,234	3,250,000	1,100,000	551,904	3,138,019	1,306,463	266,911	428,840
Boots Pure Drug June 30, '23	518,692	281,746	—	41,300	254,120	77,948	155,652	25,864
Home and Colonial June 30, '24	599,122	307,279	29,681	61,913	337,968	98,915	120,655	37,722
Hope Brothers 1923	4,072,334	3,530,383	—	436,031	1,978,431	722,115	920,349	28,539
Horne Brothers 1924	4,205,911	3,528,319	—	481,268	1,943,551	990,947	798,016	50,496
International Tea Stores Jan. 5, '24	1,646,170	1,080,000	64,179	372,800	342,886	363,442	920,017	19,775
Maynards Jan. 3, '25	1,629,679	1,105,000	61,190	320,619	407,917	287,725	909,315	24,722
Maypole Dairy Feb. 28, '24	148,577	126,532	—	16,610	42,842	58,565	31,800	3,310
Parke's Chemists Feb. 28, '25	150,826	127,497	—	17,790	46,275	61,776	27,750	2,875
Pim Bros. Jan. 31, '24	439,929	315,000	64,352	51,347	160,000	123,091	7,200	148,554
Plummer, Roddis Jan. 31, '25	451,772	305,000	50,000	88,677	160,000	128,291	7,278	154,158
Walton (Isaac) Feb. 7, '24	552,495	358,131	77,742	73,288	304,137	118,940	29,642	49,776
Baker (Chas.) Feb. 7, '25	579,625	358,931	77,742	67,725	347,392	123,325	9,629	49,278
Bobby and Co. Jan. 31, '24	384,863	295,000	46,450	25,652	269,608	58,812	14,207	9,946
Boots Pure Drug Jan. 31, '25	428,082	295,000	80,450	27,518	305,395	64,817	21,363	10,404

Changes in capital account have been few, the only alteration of note being an issue of 250,000 new £1 ordinary shares by the Home and Colonial, while Bobby's issued 10,354 £1 ordinary shares. Since the making up of the accounts of the Meadow Dairy Company, however, the concern has issued 100,000 £1 preference shares at 22s 6d per share.

Loans in several instances have increased. Properties, &c., in the majority of cases account for more, the only declines being shown by Charles Baker and the Maypole Dairy, but stocks, on the other hand, are lower. Lipton's stock figure is down from £406,809 to £266,911, the Maypole's from £920,349 to £798,016, those of Plummer Roddis from £29,642 to £9,629, Baker's from £245,603 to £166,688, and the Home and Colonials from £955,438 to £768,820. Cash and investments are lower in the aggregate, and while creditors have fallen, debtors, on balance, account for more.

We conclude with a table of share prices and yields:—

Description.	Share.	Price July 30, 1924.	Price July 30, 1925.	Price July 30, 1924.	Price July 30, 1925.	Price July 30, 1924.	Price July 30, 1925.	Price July 30, 1924.	Price July 30, 1925.	Present Yield.
Boots Pure Drug	£1	5 1/2	5 1/2	4 1/2	4 1/2	4 1/2	4 1/2	5 1/2	5 1/2	9
Chas. Baker, 8% cum. pref.	£1	5 1/2	5 1/2	4 1/2	4 1/2	4 1/2	4 1/2	5 1/2	5 1/2	9
Home & Col., 6% cum. pref.	£1	5 1/2	5 1/2	4 1/2	4 1/2	4 1/2	4 1/2	5 1/2	5 1/2	9
Do 15% cum. pref.	£1	5 1/2	5 1/2	4 1/2	4 1/2	4 1/2	4 1/2	5 1/2	5 1/2	9
Do 15% cum. ord.	£1	5 1/2	5 1/2	4 1/2	4 1/2	4 1/2	4 1/2	5 1/2	5 1/2	9
Do ord.	£1	5 1/2	5 1/2	4 1/2	4 1/2	4 1/2	4 1/2	5 1/2	5 1/2	9
Hope Bros.	£1	5 1/2	5 1/2	4 1/2	4 1/2	4 1/2	4 1/2	5 1/2	5 1/2	9
Do 5% cum. pref.	£1	5 1/2	5 1/2	4 1/2	4 1/2	4 1/2	4 1/2	5 1/2	5 1/2	9
Horne Bros., 7% cum. pref.	£1	5 1/2	5 1/2	4 1/2	4 1/2	4 1/2	4 1/2	5 1/2	5 1/2	9
Internat. Tea, 6% cum. pref.	£1	5 1/2	5 1/2	4 1/2	4 1/2	4 1/2	4 1/2	5 1/2	5 1/2	9
Do 7% cum. "A" pref.	£1	5 1/2	5 1/2	4 1/2	4 1/2	4 1/2	4 1/2	5 1/2	5 1/2	9
Lipton, Limited, ord.	£1	5 1/2	5 1/2	4 1/2	4 1/2	4 1/2	4 1/2	5 1/2	5 1/2	9
Maypole Dairy, def.	£1	5 1/2	5 1/2	4 1/2	4 1/2	4 1/2	4 1/2	5 1/2	5 1/2	9
Meadow Dairy, 7 1/2% cum. pref.	£1	5 1/2	5 1/2	4 1/2	4 1/2	4 1/2	4 1/2	5 1/2	5 1/2	9
Plummer, Roddis.	£1	5 1/2	5 1/2	4 1/2	4 1/2	4 1/2	4 1/2	5 1/2	5 1/2	9

The price of Boots' shares has risen considerably during the year ended June last, with the result that the yield has narrowed to £5 11s per cent. A considerable amount of faith is placed in the future of this undertaking, which probably accounts for the comparatively modest yield. The Home and Colonial issues all give good returns. International Tea Preference have remained exceptionally stable during the past three years, and yield quite well at their present price, but Lipton's, after rising very substantially, are now about the same as in 1914. In only four instances, however—Horne Bros., Pims, Liptons, and Bakers—are present quotations below prices at which the shares were issued.

Branch shop undertakings have a future second to none among joint stock concerns. The one thing needful is a master-mind in control. They cater in nearly all cases for the needs of the community. Industrial depression may reduce turnover and profits, but as distributors they occupy a strong and recognised position in our modern economic system.

THE TOBACCO TRADE.

THE historian may perhaps chronicle the remarkable period through which we now pass as darkened by a cloud of industrial depression with a silver lining provided by the tobacco trade. On the whole the consumption of tobacco keeps up remarkably well, though the Chancellor of the Exchequer, in reviewing finance last April, had to record a deficiency on the estimate of £2,000,000, which represents 5 or 6 million lbs of tobacco. In the financial year 1924 the total yield was £51,880,712, and the net weight of tobacco cleared in Great Britain and Northern Ireland was 128,810,070 lbs. Coming nearer to the present, 63,987,085 lbs were retained for home

intelligence. The success of the Imperial Tobacco Company and of the large independent concerns depends on experience in buying, expert technique in the factory, and spirited marketing.

New paths have been widened or diverted by political events. One of these gives freer scope for the use of Empire-grown leaf. Since September 1, 1919, up to June 30th last the import duty on tobacco grown in the British Empire has been reduced by one-sixth. As the ordinary duty is 8s 2d per lb, the one-sixth preference has meant an advantage of approximately 1s 4d per lb on tobacco "consigned from and grown, produced, or manufactured in the British Empire." The Government, at the time of the Imperial Economic Conference in October, 1923, gave the Dominions the choice of stabilising this preference for a term of years or increasing it to one-fourth. The Conference chose the larger but precarious cake. The matter came before the Labour Parliament, and, after discussion, the recommendation of the Conference was rejected (June 17, 1924) by 13 votes. In June last Mr Churchill obtained the sanction of Parliament to the one-fourth by 277 votes to 93. The majority included several members of the Labour Party. It was stated by the Chancellor of the Exchequer that the Imperial Tobacco Company proposed "to make the whole arrangement effective upon the price of Empire tobacco at a halfpenny per ounce retail price lower than any other tobacco." The Imperial Tobacco Company and the other manufacturers acted accordingly, reducing tobaccos made from Empire leaf from 7½d to 7d per oz.

A path which has been diverted by a political event is that by which tobaccos manufactured by English manufacturers reach the smoker in Southern Ireland. On April 1, 1923, Southern Ireland separated fiscally from this country. The Government there adopted provisionally the British tariff, and they continue on that basis, with the exception that the preference on Empire-grown tobacco was, out of deference to the home growers of tobacco, rescinded by the Southern Irish Parliament on April 25, 1924. The effect of the adoption of the English tariff was to penalise the imported manufactured article which could only be brought into Southern Ireland at a higher rate of import duty than that paid on the raw material from which the home-manufactured goods are made. This led to several movements, the chief of which was the establishment of factories in the Free State by the W. D. and H. O. Wills, the Players, and the William Clarke and Sons branches of the Imperial Tobacco Company within the fiscal area of Southern Ireland. The important independent firm of Cope Bros. and Co., Limited, of Liverpool and London, made an arrangement with the firm of T. P. and R. Goodbody, of Dublin, for the supply of the Cope goods in Southern Ireland, and P. J. Carroll and Co., Limited, of Dundalk, started a factory at Liverpool, to take care of their English customers. The imports of manufactured tobacco goods from this country into Southern Ireland dropped in the first six months of this year to 32,838 lbs, compared with 553,867 lbs in the first six months of last year.

The exports of tobacco, "the produce and manufacture of U.K.," have recovered somewhat. In 1924, 18,106,350 lbs were exported, against 18,357,976 lbs in 1923 and 14,958,844 lbs in 1922. Exports are now maintaining a satisfactory level, the figure in the January-June period this year being 9,181,782 lbs, compared with 9,172,309 lbs in the corresponding period last year.

The stocks of tobacco held in this country are heavy. They total in raw leaf 347,529,000 lbs, against 141,871,000 lbs in December, 1919. Tobacco has to be bought when the favourable crop is for sale. It is stored in the warehouses at the docks till required, when duty is paid on clearance. The necessity of buying when suitable tobacco is to be had, and allowing it to mature, ensures good tobacco for the smoker, but means the sinking of heavy capital resources in the raw material.

The cigar trade has for some time been working at a disadvantage. The cigarette habit, encouraged by profuse advertising, has weakened the cigar position, and high prices have to be paid for the best cigar tobaccos. A committee of Havana cigar importers has recently undertaken propaganda to instil into the minds of the smoking public that a cigar is not, after all, a dear

pleasure compared with other luxuries which are freely indulged in. This committee have taken a leaf out of the book of the cigarette manufacturer by making more use of the advertisement columns of the influential Press. The Havana cigar is unique in its appeal, but very good cigars are made in this country. One firm reported an increase in sales in one year of their high-class cigars, made in this country, of a million cigars.

The distributive section is exercised over the post-war development of tendencies which have grown seriously under high taxation and the Shop Hours (Early Closing) Act. The legitimate tobacconist has to pay rates and taxes in respect of his shop, is prevented by manufacturers' minimum price schedules from paving a way to the bankruptcy court by selling goods retail at wholesale prices, and of his business transactions an account has to be rendered for income-tax. This being so, the sales of tobacco goods in offices, works, and other establishments by employees he considers an injustice. Another tendency is that of the use of automatic machines by publicans, confectioners, and others, whose places are open after the tobacconist's shop is shut under the existing legislation. The present position is that tobacconists are installing the machines in self-defence, and that manufacturers are giving them facilities to do so.

Notes of the Week.

The Chamberlain-Briand Conversations.—M. Briand, on his departure for Paris, said that the result of his conversations with Mr Chamberlain was that the barometer had risen and was now "set fair." The official *communiqué* and the usual inspired statements were eloquent as to the harmony of views and the progress achieved. We are so used to such glowing phrases after international conversations, that we have learned to attach little importance to them. But in this particular case there appears to be at least some solid ground for congratulation. Until the full text of the reply to Germany is published next week, it will not be possible to say exactly how much substance there is in the criticism made in certain quarters that the Anglo-French agreed proposals whittle down the functions of the League. Meanwhile, unqualified welcome may be accorded to two results of the conversations. The point that the proposed Pact is to be essentially bilateral has been emphasised, and the long and tedious method of interchange of Notes is to supersede, if the Germans agree, by direct Anglo-Franco-German conversations. Only so is it possible to hammer out any concrete agreement before the League Assembly takes place. Whether this highly important race against the clock can be won now rests largely with Germany. The Briand-Chamberlain conversations have made it possible.

French Troubles in Morocco and Syria.—Morocco has been the danger point for French Governments for some time past. It was their unwillingness to be involved in any responsibility for the drain of blood and treasure which that unhappy question is involving that caused the Socialists to decide, as a party, to refuse support to the Painlevé Government, although when the actual vote was taken, on June 24th, the majority of the Socialists went into the Government lobby. The Rifi forces still stand on territory claimed as part of the French zone, and the prospect still seems remote of peace of any stable kind, on tolerable terms, in the Rif. Marshal Petain, who went to look into the situation early in June, brought back a secret report so gloomy as to more than offset the hopes raised by the joint Franco-Spanish blockade. The depression caused by rumours as to what was in this report, indeed, became so serious that this week the Government has published the document itself, or the major part of it. Marshal Petain, dealing with the recent withdrawal, says, "The brutal truth is that we were attacked suddenly by the most powerful and best armed enemy we have ever encountered in the course of our colonial operations." The Rifs and Djebelas, Petain found, had reserves thirty

or forty thousand strong; hardy warriors accustomed to operating in precipitous country, "frugal to the point of being able to do without the convoys which burden our columns," and plentifully supplied with ammunition. Bad weather is an advantage to such fighters, and the task before the Franco-Spanish forces is, by the most sanguine calculations, a long and unexhilarating one. Meantime the French Government has other troubles on its hands. Syria is a very tender spot in French *amour propre*. There General Sarrail's openly pro-Moslem policy has roused the Jebel Druses, a remarkable Syrian tribe, to revolt. These Druses—known to most of us only from Robert Browning's play—are an austere and fanatical sect, who condemn prayer as an attempt to interfere with the Deity, and while recognising Christ as one of his numerous voices, do not in the same way accept Mohammed. Exactly what is happening, and why, is singularly hard to discover, for the French High Commissioner, General Sarrail, has imposed a severe censorship locally, and in his own despatches avoids giving any details of casualties, while, on the other hand, various Bloc National papers, headed by the *Echo de Paris*, have committed themselves to a fierce vendetta against Sarrail, whose original appointment by M. Herriot was received with an outburst of indignation by the Right. Between strategic concealment on the one hand, and political rancour on the other, truth so far remains well lost. It seems probable that the disturbance began with domestic quarrels between different factions of Druses, and that it was only when French troops intervened in the interests of order that the movement assumed an anti-French colour. However that may be, it is anti-French enough now, and General Sarrail has had to acknowledge two unpleasant little reverses. There does not, however, appear to be anything like a national uprising against France in prospect—if, indeed, the word national can properly be used of the collection of tribes that makes up Syria—and either the present High Commissioner or his successor, if the domestic campaigns against him bear fruit, will no doubt gradually restore peace. The seriousness of the Syrian trouble lies in the fact that it comes while Morocco is still causing anxiety, while the franc still hovers round 104, and while M. Painlevé is broadcasting exhortations to invest in the new internal loan. On the whole, the operations against Abdul Krim are making progress. Liaison is being established with some effect between French and Spaniards, and an offensive is on the point of being launched. The Rifi chief meanwhile has declared his peace terms, which appear to include a demand for complete independence. That means, of course, that fighting will continue.

The Mosul Report.—On August 8th the Commission set up by the League of Nations to inquire into the delimitation of the frontier between Turkey and Iraq issued its report—a purely advisory document, on which the League will have to make a decision in September, a decision which both Great Britain and Turkey bound themselves, by the Lausanne Treaty, to accept. In thus agreeing to accept the League decision, Turkey virtually renounced its rights; therefore, the League Commission in its report can and does pass from purely legal arguments to moral ones. On their basis the report finds in the "interests of the population," in economics and geography, and in popular sentiment convincing arguments against any partition; and, therefore, goes as near as its colourless phraseology can allow to recommending that the whole territory south of the Brussels line (*i.e.*, the *status quo* of July, 1923, established by the League as a provisional boundary) should be united with Iraq. This incorporation is, however, subject to two conditions. The first is that the rights of the Kurdish minority are to be safeguarded; the second that the League mandate to Great Britain should remain in force for twenty-five years. If not assured of this, the inhabitants, in the view of the report, would prefer Turkish to Arab sovereignty. The Report does not justify the adverse comments which have been passed on it in various quarters. The umpire's ruling has not yet been given, for it is the League Council that has to determine the actual frontier of Iraq. The function of the commission was merely to provide

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the Council with all the necessary data for its ultimate findings, a fact which largely justifies the incisive character of the report. It is no unreasonable incursion into politics for the commissioners to point out that if permanent stability was being sought it was necessary to distinguish between the prospects of a Mosul under the sovereignty of Turkey, under the sovereignty of an Iraq standing alone, and under the sovereignty of an Iraq benefiting for a long series of years from British tutelage; nor is it of necessity *lèse majesté* to suggest that if it be a choice between Turkey and an unsupported Iraq the political stability of the former State is greater than that of the latter. The difficulties in the way of the League Council are great, and it may be doubted whether in the end the report of the Commission will be found to have advanced matters very much. One complication lies in the fact that the "Iraq mandate," to which perpetual reference is made in most comments on the Commission's report, does not exist and never has existed as an approved document. Its place was taken by the Treaty of 1922, which created the rather anomalous relationship which now maintains between this country and Iraq. The main question for the British Government to decide is whether it is ready to allow that relationship to continue for perhaps another twenty years instead of allowing it to lapse, as the original intention was, in 1928. It does not, of course, follow that the League Council, on which Great Britain will have a voice but no vote when the Mosul question is being discussed, will favour that solution in any case, but Mr Chamberlain must clearly be ready to declare this country's policy in case the Council were disposed to attribute Mosul to Iraq on the understanding that the British connection were continued. Such an arrangement need not of necessity involve any considerable financial commitments, for Iraq, if things go reasonably well, should very soon be quite self-supporting. On the other hand, if once we became involved in military operations in defence of Iraq, they would have to be carried through at almost any cost. It is not clear, moreover, what effect such a prolongation of the British connection would have on the intention that Iraq should by 1928 have become a member of the League of Nations. In the case of original members, the League has not been over-meticulous about the condition of complete independence, as witness the case of Haiti, but whether British patronage would be considered to derogate unduly from the autonomy laid down as a condition in Article 1 of the Covenant is arguable either way. In any case, it may be hoped that this country will be scrupulous to observe, in spirit as well as letter, the pledges successive Governments have given to abide absolutely by the League Council's decision.

The Wool Textile Lock-Out.—After years of uninterrupted peace, assisted by the operations of a Joint Industrial Council that has been regarded as a model, the wool textile industry is now entering the fourth week of a serious dispute. After extended discussions, starting with a demand by the operatives for an increase of wages, which was dropped, and going on to a demand by the employers for a reduction, which was not dropped, the Industrial

body, was under peculiar obligation to assist in so important a matter, and appointed a special committee to consider what recommendations it should make. The report of this committee was presented at the meeting of the Council on the 6th inst. It was divided into two parts, the second of which dealt with familiar subjects, such as education, research, co-operation, credit, taxation, and drainage, which are not controversial. The first part propounded a "national agricultural policy," which has, at least, the merit of novelty. For the past thirty or forty years—i.e., since the political impossibility of Protection in its crude form has been recognised by the more intelligent agriculturists, devices for stimulating food production by some form of subsidy have been put forward at every opportunity. The utmost ingenuity of the interested has been directed to the discovery of the most effective and least objectionable form. The proposals are recorded voluminously in the reports of numerous Commissions, Committees, and Tribunals, and they have been discussed with untiring volubility at innumerable agricultural gatherings. It has been proposed to pay a bounty on all arable land, on additional arable land, on corn acreage, on corn production, on wheat in stack, on wheat sown, on wheat harvested, &c. The difficulty with all such proposals has been to show that if public money were spent value would be received. But all of them assumed that at least the money would be given in respect of land which was producing something. The distinctive novelty of the scheme proposed by the Council of Agriculture is that the subsidy is to be given for land which is, at the time, producing nothing. They suggest that farmers should be paid £2 per acre for all land which is in bare fallow or in fallow crops. Under the old manorial system one-third of the arable land was in fallow each year. The whole tendency of modern farm practice has been to reduce the area of uncropped land. At the present time not more than 4 per cent. of the arable land is left in bare fallow each year. That the State should offer a premium for uncropped land is an unexpected idea. But it is proposed also to pay the subsidy on "fallow crops." The term is not very precise, but it is stated to include "roots on other crops grown for the purpose of cleaning and manuring the land." Presumably potatoes, carrots, and other "market garden" crops would rank for the subsidy. Sugar-beet growers are already subsidised, but they would get an extra bonus of £2 per acre. There have been cases where by high farming farmers have grown wheat continuously for several years on the same land. Under this proposal any farmer foolish enough to do so would receive nothing, while his neighbours would be paid by the State for growing turnips or for leaving their land idle. The Council of Agriculture made a calculation of the cost to the State of giving this subsidy, and they reckon that it would not exceed £5,000,000 per annum. They would increase the public interest in their ingenious, not to say ingenuous, scheme if they would add a calculation of the value which the nation would obtain for this expenditure. It should be added that, while 49 members of the Council voted in favour of this "national agricultural policy," there were 14 votes recorded against it, thus indicating that all the members are not equally wise.

Home Crop Estimates.—The monthly report of the Ministry of Agriculture and Fisheries states that the earlier corn crops ripened quickly as a result of the hot weather, and in many districts in the southern half of England reaping was begun with winter oats in the third week of July. The showery weather in the last ten days delayed cutting, but most of the winter oats and barley was in stock in many southern districts at the end of July, and some wheat had been reaped. The yield of wheat over the whole country is estimated on the appearance of the crops while still uncut at 17.1 cwts per acre, or practically the average of the past ten years. Relatively the best crops are in the south-east. Barley is variable; winter barley is generally satisfactory, and some spring crops are fairly good, but others, especially on light land where sown late, are poor. A light yield of barley is, however, indicated, the average over England and Wales being forecasted at 14 cwts per acre, or more than $\frac{1}{2}$ cwt per

acre under average. The yield in the eastern counties appears likely to be about 1 cwt below average, but the north-eastern counties should harvest average crops. Winter oats will give very fair yields, the crop being well eared, but, as with barley, spring sowings are variable, being frequently weak where sown late. Prospective yields on the whole are, however, forecast as equal to the average, or nearly $13\frac{1}{2}$ cwts per acre. In a few districts beans have suffered appreciably from black fly, but usually they are clean and well podded, and the average yield is estimated at $16\frac{1}{2}$ cwts per acre, or $1\frac{1}{2}$ cwts above average. Peas are variable, and in many cases suffered considerably from the drought. The average yield for the country is estimated as $13\frac{1}{2}$ cwts per acre, or nearly $\frac{1}{2}$ cwt below the ten years' average. As the figures of the approximate area under each of the cereal crops, compiled from the annual agricultural returns collected in June last, are now available, it is possible to estimate, from the basis of the estimated yield given above, the total yield of the crops this year. These estimates are given in the table below, in which the final figures of 1924 are included for purposes of comparison. It is to be borne in mind, however, that the forecasts of this year's production are based on estimates made at the beginning of this month, and are consequently subject to modification:—

	1924.	1925.	Production, 1924.	Forecast, 1925.
	Acres.	Acres.	Cwts.	Cwts.
Wheat	1,545,000	1,499,000	27,260,000	25,715,000
Barley	1,314,000	1,319,000	20,280,000	18,525,000
Oats	2,038,000	1,867,000	29,980,000	25,076,000

Yields of early potatoes have generally been light, the tubers being small as a result of the drought. Main crop potatoes are healthy and look well in most cases, but those planted late suffered from the lack of rain and are not very vigorous. On the whole, only light yields are anticipated, the present appearance of the crop suggesting a yield per acre about 6 per cent. under average over the whole country. The area under this crop is returned at 493,000 acres, or 41,000 acres more than last year.

American Cotton Crop.—Our Manchester correspondent writes:—At the end of last week the Department of Agriculture of the United States Government published a further report on the cotton crop for 1925-26, the condition on August 1st being given as 65.6 per cent., against 70.4 per cent. on July 16th, and 67.4 per cent. on August 1, 1924. The indicated yield at the moment is 13,566,000 bales, exclusive of linters, against 13,588,000 bales in the previous estimate, and 12,351,000 bales, the estimate on the corresponding date last year. These figures were scarcely equal to expectations, but during the last few days it has been realised that if the plants continue to do well, there is a likelihood of the yield this season being distinctly larger than in 1924-25. Some authorities are talking of a production of over 15,000,000 bales, including linters. A great deal, of course, depends upon the weather in the belt during the next month. The Agricultural Bureau of the American Government states that the further decline in condition during the fortnight, owing to drought in portions of Texas and Oklahoma, was partially offset by the lessening boll-weevil menace in the South-East, and the better prospects in Arkansas, Tennessee, and Missouri. Excessive temperatures and hot winds in Texas have caused great damage, and the number of bolls reported safe are only half the amount of a year ago. Since the end of last week prices in Liverpool have tended to ease, and bearish sentiment has been more pronounced in trading circles.

Russia and Lancashire.—In Lancashire trade circles there has been much interest this week in the reports of the Russian Government purchasing large supplies of cotton yarn and cloth. It is rather difficult to estimate the extent of the trade done, writes our Manchester correspondent, but in round figures the orders amount in value to about £500,000, and approximately 16,000,000 yards of

cloth, and 2,000,000 lbs of yarn, have been purchased. Some of the deals have taken place through merchant houses on this side, and certain firms have refused to entertain the business owing to dissatisfaction with the arrangements as to payments. At the time of writing extensive negotiations are taking place between representatives of the Russian Government and Lancashire textile machinists, and it is understood that contracts to the extent of about £5,000,000 are pending.

The New Diamond Syndicate.—Our mining correspondent writes:—Following recent rumours, which could not be verified, and cables from New York, which met with denials on the part of the people referred to, an official *communiqué* has been issued to a section of the Press announcing that—

"An agreement has been concluded by a powerful combine which includes the firms of Barnato Bros., Johannesburg Consolidated Investment Company, the Anglo-American Corporation, A. Dunkelsbuhler and Co., and friends, and the chief South African producers of diamonds—namely, the De Beers, Premier, and Jagersfontein Companies, under which the latter sell their production to the combine for a number of years. As this combine already control the sale of the production of the Consolidated South-West Africa Company, Angola Company, and West African Selection Trust, and has a working arrangement with the producers of diamonds in the Congo district, it means that practically the whole world's output will be dealt with by one syndicate in London."

It will be recollected that for years past the output of the big South African producers has been marketed through the London Diamond Syndicate, a private institution, with which the producing companies themselves and various well-known financiers were connected. This syndicate regulated supply to demand so cleverly that even in the slump of 1921-22 the price of the stones did not fall to any material extent. Stocks were kept on hand; undue increase was prevented by the entire or partial suspension of mining operations. When the former German-owned deposits of South-West Africa came under British control, and were amalgamated under the title of the Consolidated Diamond Mines of South-West Africa, the latter also entered the fold. After a time, however, the sponsors of the last-named undertaking became dissatisfied both with the quota of the sales allotted and the prices given; and as after prolonged negotiations these difficulties proved incapable of adjustment, the company broke away from the syndicate, and its sponsors, the Anglo-American Corporation of South Africa, in conjunction with American partners, established a fresh selling agency. It has all along been evident, however, that both parties felt the undesirability of the split, with its concomitant danger of competition at a time when such might be particularly injurious. Hence, somehow, negotiations came to be renewed, and were crowned with the success above indicated. In usually well-informed quarters an impression exists that the prices of the stones are likely to be advanced. It might perhaps be mentioned that the Angola company referred to is an undertaking registered in Lisbon, which owns very comprehensive rights over the diamondiferous deposits of Angola. The Government of that country received 5 per cent. of the share capital of 9,000,000 escudos (about £2,000,000), and is entitled to a substantial proportion of the profits. By "West African Selection Trust" is intended the Consolidated African Selection Trust, which holds concessions over alluvial diamond deposits in the Akim district of West Africa. Additional machinery is being installed to increase the output, so far small. Prospecting is stated to have indicated the existence of over $2\frac{1}{2}$ million carats. As a result of the arrangement of the new combine, the shares of the leading African producers have been in demand, more especially those of the De Beers and Jagersfontein companies. Compared with the carry-over prices of July 20th, De Beers deferred (at $12\frac{1}{2}$) show an advance of nearly 2, and Jaegers (at $4\frac{1}{2}$) of $1\frac{1}{2}$. After being out of the list for three years, De Beers deferred have received

10s in respect of each of the past three half-years. On this basis they yield about $7\frac{1}{2}$ per cent. The preference shares (40 per cent.) show 8 per cent. There is the anomaly that the preference shares of the Premier company (which is controlled by the De Beers company, and occupies a position of special security, owing to the large Government interest) yield 9 per cent. On the dividends of the past two financial years—27½ per cent.—Jaegers return barely 6½ per cent.

British Trade With China.—The serious aspect of the present disturbances, so far as Great Britain's trade with China is concerned, finds striking expression in certain figures which have reached us from the Chinese Government Bureau of Economic Information, showing the percentage share of each of the more important nations in Chinese trade during 1924. The abridged table stands as follows:—

Flag.	Shipping Tonnage.		Trade.			Revenue.		
	Total Trips.	Tonnage Employed.	Foreign Trade.	Coastal Trade.	Total Foreign and Coastal.	Duties on Cargoes.	Tonnage Dues.	Total Duties.
	%	%	%	%	%	%	%	%
British	23.23	39.39	34.42	42.38	38.71	37.13	26.84	37.12
Japanese	14.11	24.58	33.64	17.12	24.75	31.72	24.66	31.43
Chinese	50.84	23.54	9.59	34.61	23.06	13.81	8.83	13.61
American	3.45	4.50	7.88	2.43	4.95	6.20	12.66	6.46
French	1.28	1.55	3.42	1.63	2.46	2.51	3.04	2.53
German	0.29	1.47	3.09	0.01	1.43	3.00	3.19	3.01
Russian	0.10	0.12	3.04	0.03	1.41	1.15	0.28	1.11
Others	3.70	4.85	4.92	1.79	3.23	4.48	10.50	4.73
Total	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00

Great Britain's stake is considerably greater than that of any other Power, more than one-third of the whole of Chinese trade being in her hands. The British, Japanese and Chinese flags covered over 86 per cent. of the foreign and coastal trade last year, while America's share was less than 5 per cent., and France's less than 2½ per cent. Due weight should be given to these facts whenever commercial relations come up for discussion in the future.

Stock Exchange Transfer Work.—A Stock Exchange correspondent writes:—Having regard to public misapprehensions in connection with what may be called the mechanical part of this Stock Exchange work, it may be of service to set out, even at the risk of monotonous reiteration, the method whereby ultimate buyers and original sellers are brought into contact with each other through the medium of transfers of shares. When a client buys shares the bargain is done, as everyone knows, for a fortnightly settlement, the date of which is printed in every daily and many weekly papers. Bargains in War Loan, Conversion, and other such stocks continue to be made for cash, but, apart from these descriptions, practically everything else is settled twice a month on the pay-days appointed officially by the Stock Exchange Committee. On the day previous to pay-day, the name of the buyer of shares is written out on what is called a ticket, which gives the purchaser's names, address, and occupation; with the statement, also, to whom the ticket is passed—that is, the man from whom the shares were bought. The latter may have bought them from somebody else, who, in his turn, purchased them from a third party. In effect, those same shares may have changed hands not once, but a hundred times during the fortnight. The purchase money stated on the transfer is that, however, which is paid by the ultimate buyer. It may differ considerably from the sum received by the ultimate seller whose shares have been turned over many times during the fortnight before they reach the final purchaser. This is the reason why the consideration-money on a transfer frequently perplexes a seller, in that it is the amount paid by the ultimate purchaser of shares, not to the actual seller himself, but to the man from whom the buyer made his purchase. The ticket with the buyer's name, &c., is handed to the seller on the morning before pay-day, and, if the shares have been an active market during the account, that ticket has to travel through, it may be, dozens of hands before it arrives finally at the client who sold in the first place, and who is delivering. The Stock Exchange Clearing House steps in to obviate the necessity, in many cases, for the ticket itself to pass through so many hands. The Clearing House, by an ingenious

system of listing shares, brings into direct contact the final buyer and the original seller. That ticket, with the buyer's name on it, may not get to the final seller until the evening before pay-day or, sometimes, later than that. The seller, however, depends upon this ticket for his particulars for preparing the transfer of shares into the buyer's name, and, if he has not received it early enough for him to make out the transfer on the night before pay-day, the seller may not get the deed until the end of the week. Directly he returns it to his broker, he will receive payment. The theory is that, with the buyer's name in his hands on ticket-night, the broker can make out the transfer, send it to the seller, who, having signed it, can present it on the following day, pay-day itself, and be paid then and there, thus completing the bargain on the account day for which the transaction was done. But if the names are delayed through congestion of work; if there are a number of transfers to be sent in respect of one sale, and these transfers have subsequently to go to various companies' offices for certification; if there should be a difficulty in catching country posts, then delays are bound to occur, and the seller may not get his money until two or three days later than the pay-day. Clients frequently think that, if they sell shares for a certain day, they should receive their money at due date, irrespective of their having signed a transfer or not. A broker, however, cannot receive payment from the buyer of the shares until he, the broker, delivers the signed transfer out of the name of the seller, together with the certificate or its equivalent. A little understanding of this mechanical part of the business may enable the removal of some of those misapprehensions which occur, and which ruffle relations between the broker and any client of his who does not realise the processes through which a bargain has to pass before it can be finally concluded.

Russian Trade in May.—A correspondent writes:—Industrial output in Russia showed a sharp increase during May, and amounted to 223 million roubles (in pre-war prices), as against 213 million roubles in April and an average monthly output in 1923-4 of 129.4 million roubles. The largest increase in production is shown by the metal industry, pig-iron increasing by 17 per cent. and steel by 12.5 per cent. The oil output has increased by 6 per cent. The following table gives monthly outputs (000's omitted):—

	Monthly Average 1915.	1925.			Increase in May as compared with May, 1924.
		Jan.	April.	May.	
Coal	2,337	1,197	990	1,049	0.9
Oil	758	487	589	608	29.0
Pig-iron	346	87	100	126	122.0
Steel	..	140	139	167	86.0
Cotton yarn	47,880	33,140	33,712	35,616	81.0
Cotton piece goods	..	248,462	283,000	288,750	69.0
Wool yarn	7,200	5,256	4,995	5,186	43.0
Flax yarn	..	8,604	9,004	9,408	27.0

The transactions in agricultural and industrial products registered on the goods exchange by private people in May show an increase of 19 per cent., by co-operative societies of 1.8 per cent., and by State trading organisations of 2.4 per cent. The largest demand during the month under review was for cotton piece goods and agricultural implements. Imports amounted in May to 87.8 million roubles, as against 62.8 million roubles in April, and exports to 38.5 million roubles, as compared with 29.7 million roubles for the preceding month; the imports of rye and of cotton show an expansion of 5 million roubles and 17 million roubles respectively; some expansion is shown also by paper and by cotton piece goods. An increase in exports was shown during the month, and amounted to 5.5 million roubles in fur, 3.4 million roubles in oil, 0.7 million roubles in timber, and 1.8 million roubles in bristles. Railway traffic expanded during the month, the average car loading per day in May amounting to 16,245 railway trucks, as against 16,039 in April. The transport of oils, minerals, metals and timber showed an increase, but there was a decrease in grain and coal.

Oversea Correspondence.

UNITED STATES.—MARKET TENDENCIES—SHARE AND STOCK YIELDS—COMMODITY PRICES—INDUSTRIAL CONDITIONS.

(FROM OUR CORRESPONDENT.)

NEW YORK, August 5.

TEMPORARILY, at least, the stock market has been reassured on the immediate outlook, and bearish sentiment is much less pronounced. Buoyancy has returned to most sections of the stock list, although bonds continue gradually to droop. The manner in which a large number of leading stocks have regained their losses sustained during the selling of last week, and even progressed to fresh high levels, suggests the purely professional character of the selling. It is doubtful if very much long stock was "shaken out" of the market. If, as some say, stocks are passing from strong hands into weak, under cover of strength in specialties, the process is being applied to but few issues. As a matter of fact, the main body of stocks has made no great progress in recent weeks, and the selling last week is generally regarded as having brought such technical correction as was needed. Virtually eight days of uninterrupted advance in leading issues, circulation of reports that brokers' loans were again at the high levels of the year, and fear of stiffer money rates account for the halt in the advance, which now has been resumed.

After all, stocks do not appear to be too dear at current levels, considering money conditions and the volume of business which is being done and which is in prospect. Considered on a yield basis, good dividend-paying shares do not seem to be inflated. Call money is fluctuating between 3½ per cent. and 4½ per cent. Time funds are available at 4½ per cent. to 4½ per cent., depending on maturities, and the bulk of commercial paper is moving at 4 per cent. Meanwhile, representative sound stocks are selling to yield close to 6 per cent. The average price of twenty representative industrial stocks is now at the highest level which it has ever attained. This list of twenty stocks contains two—American Sugar common and U.S. Rubber common—which pay no dividends. Of the remaining eighteen issues, five sell at prices which have little relation to current dividend rates. These are American Can, General Electric, Mack Trucks, Sears-Roebuck, and Woolworth. Expectation of early changes in capitalisation and higher cash dividends as well as stock dividends figure largely in the prices paid for these shares. Other shares on the list from which the average price is compiled may be taken as fairly representative of the market as a whole. Following is a list of these shares, with the exceptions above noted:—

Company.	Yesterday's Average Price.	Annual Dividend.	Annual Yield.
American Car and Foundry	101	6	5.9
American Locomotive	113	8	7.2
American Smelting	104	6	5.8
American Telephone and Telegraph	140	9	6.4
American Tobacco	98	7	7.1
General Motors	89	6	6.7
International Harvester	118	5	4.2
Kennecott Copper	54	3	5.6
Texas Company	50	3	6.0
United States Realty	136	8	6.0
United States Steel	119	7	6.0
Westinghouse Manufacturing	73	4	5.5
Western Union	131	7	5.4

Average yield, 13 stocks 5.98

Although the railroad "average" prices have lagged somewhat behind those of the industrial shares, representative railroad shares are selling on a yield basis actually lower than that of the industrials. A list of railroad shares used in compiling daily average prices contains four non-dividend payers—Erie, New Haven, St Louis-South-Western, and St Paul. The remaining six-

teen, with their yields at current prices and dividend rates, follow:—

Company.	Yesterday's Average Price.	Annual Dividend.	Annual Yield.
Atchafalpa, Topeka, and Santa Fé	121	5	5.8
Baltimore and Ohio	76	7	6.6
Canadian Pacific	142	10	7.0
Chesapeake and Ohio	95	4	4.2
Delaware and Hudson	148	9	6.0
Delaware, Lackawanna, and Western	137	6	4.3
Illinois Central	116	7	6.0
Louisville and Nashville	115	6	5.2
New York Central	117	7	6.0
Norfolk and Western	132	8	6.1
Northern Pacific	67	5	7.5
Pennsylvania	46	3	6.5
Philadelphia and Reading	85	4	4.7
Southern Pacific	99	6	6.1
Southern Railway	100	5	5.0
Union Pacific	141	10	7.1

Average yield, 16 stocks 5.88

Giving full consideration to the risks involved, a 6 per cent. yield seems to indicate a fair price for shares, and that is just about where good stocks are selling. Virtually all the companies included in these lists are earning well above their dividend requirements. Splendid earnings combined with cheap money would seem to justify higher prices than used to obtain.

Of course, the much-talked-of autumn reaction may materialise. Whether it does probably will depend to a large extent on the money market. Business is becoming more active, and already money rates are a little firmer. If business continues to improve, and if commodity prices continue to rise, it may be that commercial demands for credit might cause sufficient withdrawal of funds available for the stock market as to bring about a pronounced recession. At present the banks have large sums out on call, while their indebtedness to the Federal Reserve institutions is not large. It is altogether probable that should any marked increase in commercial credit demand occur, the call money market would be the first to feel the pinch. Borrowing at the Reserve banks would come later. Changes have taken place in the past year and a-half which suggest less reliance on the Federal Reserve for help in crop moving and expanding business. Wheat is moving to market but slowly, and it is expected that less will go to seaboard for export than usual. Rural banks are now in a much more liquid condition, and it is highly probable that they will be able to get along this year with very little assistance. Moreover, most industrial corporations have so strengthened their working capital position that they are much less dependent on the banks than formerly was the case. Many of them, in fact, have for some time employed large amounts of their liquid assets in the call money market and in marketable securities.

A rise in commodity prices would, of course, help to tighten money. Some business men are beginning to appreciate the disadvantages of extreme hand-to-mouth buying. Cases in point are the rubber and leather industries. A reversion to forward buying would naturally tend to harden commodity prices. Meanwhile, commodity prices already have become steadier, and seem poised for an upward movement. Dun's and Bradstreet's indices of wholesale commodity prices appeared to-day, and both show a moderate advance during July. Dun's index for August 1st stands at 163.9 per cent. of the 1913 level, having gained 1.1 per cent. during the past month. Prices for the breadstuffs, clothing, and miscellaneous groups decreased, but these declines were outweighed by gains elsewhere. According to this index, prices are now 5.4 per cent. above a year ago, and are at the highest level since March 1st. Bradstreet's compilation shows a gain of 2.8 per cent. for the month, standing at 154.6 per cent. above pre-war, and of 12.8 per cent. over a year ago. Seven of the 13 groups advanced, four were steady, and two declined. As was the case with Dun's, breadstuffs accounted for the principal loss. Most judges, however, expect that any further rise will be but moderate, as industrial efficiency still is high and productive capacity is great.

Gradual improvement continues in the steel industry, and the principal mill operators look for further recovery

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in the autumn, when railroad buying is likely to develop. Prices are showing a firmer tendency, especially in the scrap market, and a good demand for pig-iron is reported. It is understood that the Steel Corporation had a further decrease in unfilled orders during July, but the loss probably was not more than 150,000 tons. Harvesting of wheat is progressing in the north-western States, and the corn crop is making good progress. Continuance of the drought in Texas has hurt cotton, but favourable conditions elsewhere lead the majority of the trade to look for a larger crop than was indicated by the last Government estimate of condition.

GERMANY.—POLITICS—TARIFF—CROPS—CURRENCY AND CREDIT—INDUSTRY—BOURSE.

(FROM OUR CORRESPONDENT.)

BERLIN, August 11.

THE Reichstag session, which has almost ended, was the first real test of the Luther Cabinet, and an uncommonly severe test. All of the four chief official measures—debts valorisation, taxation reform, the subventions agreement with States and municipalities, and the Tariff—were fiercely contested in part not only in the Reichstag, but also in the Reichsrat and Reichswirtschaftsrat. They were to some extent opposed and mutilated by the Cabinet's own supporters. Although the German Legislature has always had a reputation for negative obstructiveness, these struggles were something new. In the inflation period, economical legislation, being always deprived of its intended effects by the depreciation of the currency, was not taken very seriously; and during the stabilisation period, when the Stresemann and Marx administrations held office, measures were issued in the easy shape of Cabinet decrees under "Empowering Laws." It was the defects of these decrees which forced on Dr Luther most of the recent contentious legislation. The Cabinet has governed in no very democratic way, but it has shown considerable parliamentary skill. Where other Cabinets would probably have resigned as the result of being repeatedly outvoted, it has accepted radical amendments. The Tariff Bill is the only measure that got through without important changes. The accepted shape of direct taxes, Excise duties, and debts valorisation differs very much from the Cabinet drafts, and on the subventions question the States exacted the very considerable concession of a guarantee that their reduced shares in the tax yield shall not fall below a stated sum. The session, however, has been one of progress. The four questions are disposed of for the present. The demand of the creditor classes for a reopening in principle of the valorisation issue has no chance of present acceptance, but further legislation in order to clear up obscurities in the law valorising private debts is probable.

The Minor Tariff has been forced through the Reichstag on second reading by the summary means of rejecting opposition amendments *en bloc*. The Socialists protested emphatically. Opposition to the Tariff in the country seems to be stronger than in the Reichstag, but this outside opposition has been skilfully veiled or suppressed by the dominant heavy industry. Certain finishing industries protest not only against the increasing of production cost by the duties on raw materials and food, but also declare that they do not want the increased protection given for their own finished goods. At home, they affirm, they feel secure against foreign competition,

but the higher duties will result in retaliatory foreign measures against their exports. The supplementary duties on fine steel (784 and 785A of the new Tariff) are condemned by the Solingen Chamber of Commerce as liable to injure the cutlery industry. Manufacturers of clocks and firearms and of certain kinds of musical instruments declare that they feel no interest in the increased duties; "they need no Protection." They express the view that the officially declared aim of using the maximum duties as an instrument for exacting concessions will not be attained, because foreigners realise that they cannot under any conditions compete in these branches in Germany, and they will, therefore, have no motive to bargain for reductions. The textile duty increases continue to be sharply criticised by the clothing industry. The Anglo-German Commercial Treaty has been ratified on first reading. A German-National Reichstag member, who is secretary of the Iron and Steel Association, proclaimed that the latest British Tariff measures do not accord with the Treaty condition that neither party should impose duties which specially threaten the other's export interests.

The crop conditions report records a certain damage from heat and drought, which was partly made good by later rains. Harvesting of grain began earlier than usual. The July heat did serious damage to meadows and clover fields, which were entirely burnt up in some districts. In general the crop of fodder plants will be satisfactory. The official index for August 1st for all Germany (basis 2 = good, 3 = medium, 4 = meagre) is:—winter wheat, 2.6, against 2.4; spring wheat, 3.1 against 3.1; winter rye, 2.5 against 2.5; spring rye, 3.0 against 2.9; winter barley, 2.5 against 2.5; spring barley, 2.8, against 2.9; oats, 3.1 against 3.2; potatoes, 2.8 against 2.7; sugar-beet, 2.9 against 2.8. The change during the month is small, and crops will be distinctly good.

The money market continues tight; the maximum rate for day money remaining at 1½ per cent. The Reichsbank return for July 31st shows heavy pressure. Discounts increased by 30½ millions to 1,789 millions; advances by 38½ millions to 60 millions; and circulation by 329½ millions to 2,530 millions. The circulation of all currencies on July 31st was 4,908 millions, against 4,797 millions on June 30th. The Reichsbank item "Other Assets" declined by 222 millions to 502 millions. On December 31, 1924, "Other Assets" totalled 1,654½ millions. Under this heading appears the Bank's holding of such foreign exchange as is not booked as valid reserve for circulation. The holding has heavily declined, but the exact amount of the decline is not given. The total of credits outstanding to business from the Reichsbank, the private note-banks, and the Rentenbank on June 30th was 2,720 million marks, against 2,509 million marks on April 30th.

Unemployment shows a slight increase, the first increase since February. Publicly supported unemployed, on July 15th, numbered 198,067, against 195,005 on July 1st. The official wholesale prices index for August 5th is 133.8, against 133.9 one week earlier. The *Frankfurter Zeitung's* wholesale prices index number for July 30th is 143.31, against 142.63 on June 30th, and 147.14 at the end of January. The average skilled wage in eleven branches of employment (including State railways) in June was 42.46 marks, against 41.77 marks in May; unskilled, 31.90 marks, against 31.34 marks. The Railways Corporation's employees demand a wages increase of 12 pf an hour, which would cost about 144,000,000 marks a year. From August 14th are removed the import prohibitions on a number of articles, including upholstery textiles, upholstered furniture, furs, fine wood wares, celluloid goods, letter-paper in containers, jewellery, ordinary pottery wares, optical glass, gold wares, and most silver wares, iron tubes, pens, jewellery, and ornaments of base metals, and bicycle parts. Syndicate deals designed to promote export of finished goods are increasing. The paper industry, which charges high prices at home, is negotiating with the paper-ware manufacturers for delivery to the latter at specially low prices of paper consumed in manufacture of articles for export. This is the system already practised in the steel and aluminium trades. The syndicates for bar-iron and for bands have at last been negotiated, and the chain of subordinate syndicates designed after the creation last November of

the Raw Steel Syndicate is practically complete. No increase in the new activity in steel has been reported, but the higher prices reached at the beginning of August have been maintained, and for some sorts have increased. The new Bars Syndicate has fixed its price at 135 marks per metric ton ex works, against a low point in July of 124 marks. Prices of semi-finished steel did not share in the rise, ingots remaining at the July lowest rates of 105 marks per metric ton, blooms 112½. Other prices are:—Structural forms 132 marks, universal iron 145 marks, bands (as fixed by the syndicate) 155 marks, thick sheets (over 5 mm.) 145 million; thin ditto (under 1 mm.) 185 marks. The coal industry is still negotiating for official favours. The Association for Mining Interests publishes the following comparisons of coal finance before and after the war (the 1925 figures are for July):—

Average price received per ton:—1913, 11.93 marks; 1925, 15 marks. Production per cap per shift:—1913, 934 kilos; 1925, 908 kilos. Wages per cap per shift:—1913, 5.60 marks; 1925, 7.30 marks. Wages per ton of output:—1913, 6.38 marks; 1925, 8.92 marks. Salaries per ton of output:—1913, 0.51 marks; 1925, 1.07 marks. Employer's contribution to social insurance per ton of output:—1913, 0.44 mark; 1925, 1.06 mark. Cost of labour, including social insurance, per ton:—1913, 7.33 marks; 1925, 11.05 marks. Percentage of labour, including insurance, to selling price:—1913, 61.44; 1925, 73.67.

Stocks have been extremely weak. A slight recovery on the last two Bourse days of last week was followed by new weakness yesterday and to-day. From September 1st trading in stocks for future settlement will be resumed in Berlin. At first this is to be limited to a list of 48 stocks, on which are all the chief industrial, banking, and shipping stocks. No fixed-interest securities are on the list. The opening of the Bourse in Saturdays is expected from September 5th.

ITALY.—RESIGNATION OF SIGNOR DE STEFANI—PUBLIC FINANCE—STOCK MARKETS—DUTY ON CEREALS—WHOLESALE PRICES.

(FROM OUR CORRESPONDENT.)

TURIN, July 27.

SINCE my last letter of July 4th the Minister of Finance, Signor Alberto De Stefani, has resigned. He had been Minister from October, 1922, and his work in these 32 months will be long remembered. During his tenure of office the Italian Budget position was turned from a huge deficit to a small surplus. The last year of surplus was 1910-1911, when revenue exceeded expenditure by 11.6 million lire. The subsequent story is best told by the following figures:—

Financial Years.	Deficits in Millions of Lire.
Lybian War—	
1911-12	111.8
1912-13	257.8
1913-14	163.9
European War—	
1914-15	2,835.4
1915-16	6,891.5
1916-17	12,250.2
1917-18	17,766.1
1918-19	22,775.7
War liquidation—	
1919-20	7,885.9
1920-21	17,409.0
1921-22	15,760.4
Return to peace budgets—	
1922-23	3,028.8
1923-24	418.4
1924-25	209.0

The 1922-23 Budget was begun by Signor De Stefani's predecessors; and successive Governments, from the suppression of the bread subsidy by Signor Giolitti onward, may justly claim a part of the credit for the improvement. Signor De Stefani was a strong opponent of new expenditure, and, so far as he could go, worked against Protection. On leaving office he was able to state that the Budget for 1924-1925 was closed with 209 million lire surplus.

His successor, Senator Volpi, does not come, as did

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Signor De Stefani, from the ranks of university professors, but from business circles. He was a director of Banca Commerciale Italiana, president of the Società Adriatica l'Elettricità, a much-esteemed practical administrator, and until recently Governor of the Lybian Colony.

No great changes were announced by Signor Volpi, but he is endeavouring to keep himself in close touch with banking and business circles. Signor De Stefani was rather drastic in his handling of Stock Exchange machinery. In a well-meant endeavour to revalue the lira, he shook financial markets; the lira, instead of improving, followed the slump in securities, and fell from 116 to the pound sterling to 133 lire in the month of July. Money became dear, and securities, especially speculative issues, went from bad to worse. July 23rd was a new black day. Banca Commerciale shares, which closed at 1,530 in June—and had already lost some 200 points from the highest level touched in February—went down to 1,390; Snia Viscosa, after rising as high as 450, were at the end of June at 334, and continued to be had at 240 on July 23rd. Small operators had to sell at almost any price, as it was rumoured that money would be extremely scarce at the settlement. However, as the market was almost cleaned, settlement was easy, and markets recovered.

Closing prices were generally higher by 20 to 30 points than the bottom of July 23rd. The first fiscal act of the new Minister was favourably received by the Stock Exchanges—i.e., the abolition of the tax of 15 per cent. on dividends on bearer securities. The tax was originated in 1920 as a means to induce security holders to inscribe them in the books of companies. Bearer securities were always in Italy a great stumbling-block against taxes on total income. From the business point of view, the suppression of the tax is favourable to the easy sale and marketing of bearer securities. Signor Volpi also proposed to reinstate the Customs duty on wheat and other cereals at the pre-war rate of 75 lire per ton for wheat, 115 lire for wheat flour, 13 lire for corn, 31.50 for corn-flour, &c. The purpose of the duty is to promote wheat production and diminish the need for importing wheat from foreign countries. A great pro-wheat campaign was initiated recently by Signor Mussolini, and experts were appointed to suggest means to improve technical methods of growing cereals.

Bachi's index number has risen by 16.7 per cent. On the 1913 basis the general index was 682.6, on the 1901-1905 basis 860.1. There continues, notwithstanding this rise, a lag between home and external prices. If we multiply the index 682.6 for June by 0.19, which is the present gold value of the lira, we get internal prices of 130, against 160 in the United States, Great Britain, Netherlands, and other gold countries. Living is cheaper in Italy than in gold countries; and that fact is not the least obstacle against a speedy return to a gold system.

GREECE.—THE GROWTH OF THE BANKS—ECONOMIC EXPANSION—SHORTAGE OF MONEY—THE REFUGEE SETTLEMENT.

(FROM OUR CORRESPONDENT.)

ATHENS, July 27.

THE recent growth of the Greek banks, as reflecting the economic development of the country, becomes evident by a comparison of the following figures compiled from the balance-sheets of the principal banks of the country:—

(Millions of Drachmæ.)

	December 31.		
	1920.	1923.	1924.
Cash	808	1,545	1,272
Discounts	133	285	761
Loans and advances—			
On securities	207	431	769
" merchandise	331	564	822
" mortgages	104	242	464
Sundry loans	226	552	1,053
Deposits	2,264	4,659	5,138

It may be recalled that in 1914 there existed in Greece only seven banks, with a share capital and reserve funds

of 146,000,000 dr, and deposits of 481,000,000 dr; and that, contrary to practice in England and America, deposits represent only actual money deposited with the banks, and not credits entered to the banks' customers' deposit accounts. Inflation is, of course, to a certain extent the cause of the increases observed. That a real economic progress has none the less taken place, however, is further proved by the appended table of those Greek joint-stock companies for which it has been possible to obtain data:—

(Amounts in Millions of Drachmæ.)

Nature of Companies.	End of 1914.		End of 1924.		June, 1925.	
	Number of Companies.	Share Capital & Reserve Funds.	Number of Companies.	Share Capital & Reserve Funds.	Number of Companies.	Share Capital & Reserve Funds.
Banks	7	145.8	30	726	34	880
Communication	14	123.3	21	179	25	231
Mining	8	40.1	17	97	18	103
Building	4	7.6	18	104	20	134
Trading	3	2.6	33	68	41	134
Industrial	17	54.5	65	470	76	629
Insurance	2	3.1	12	31	12	32
Sundry	3	25.5	30	108	33	119
Totals	58	402.5	226	1,783	259	2,262

The tendency towards expansion is manifest in both the above tables. In either case, the actual earning assets are considerably higher than the figures for the paid-up capital and the reserve funds would indicate. But they are kept down at low figures, or written off from profits, as a precaution against a possible lowering of the level of prices, and also to avoid taxation, which is higher in the case of joint-stock companies than in that of other companies and individual enterprises, much to the detriment of the interests of the country. The increases shown in the number and the capital of companies and in the banks' figures for discounts and loans are significant of the growing economic development of Greece. They account also to a large extent for the shortage of money complained of since 1924, and especially during the current year; the more so since the use of the cheque as a means of payment is ignored for all practical purposes, and actual cash has to be paid down for the settlement of each transaction.

With regard to the incident between the Refugee Settlement Commission and the Greek Government as the result of the action of the Greek judicial authorities against certain officials of the Commission, it should be stated that this event, showing rather the susceptibility with which the Greek authorities and the public regard the administration of the money devoted to the refugee settlement, lacks any great importance. The prospect of a speedy solution of the difficulty is foreshadowed by a recent pronouncement of General Pangalos, the Premier, to the effect that the Greek Government is confident of a peaceful solution, and that it has been decided that the legislative measure complained of is to apply no longer to the R.S. Commission officials.

JAPAN.—BANK DIVIDENDS—TRADE DEPRESSION—SHIPPING—TRADE BALANCE.

(FROM OUR CORRESPONDENT.)

TOKIO, July 9.

WITH the approach of the dividend season the Department of Finance has again issued instructions to the banks that they should be conservative in distributing dividends for the period ending June 30th. According to a Treasury official, the reasons actuating the Department are summarised thus:—Firstly, with a lower Bank rate and market rate of discount banking profits have been falling; secondly, losses suffered by a number of banks from the earthquake disaster of 1923 and certain big business failures have not been sufficiently provided for; and, thirdly, there has recently been a considerable decline in the ratio of quick assets to deposit liabilities; and the financial authorities can urge with much justification that the banks should, by a more conservative method of allocating profits, provide for losses, bad debts and internal reserve, and so strengthen their position.

Following the official instruction, it has been agreed among nearly 600, or one-third of the total local banks throughout the country, to pay smaller dividends for the half-year just closed. But so far as Tokio and Osaka are concerned, it is said, there will be no organised reduction of bank dividends. The balance of opinion of the leading bankers in Tokio is that the Government has no power of veto or restriction in such matters as disposal of banking profits, and reduction in dividends is not a matter to be carried out in unison as is suggested, for there are differences in the banks' respective positions. Apart from the question of lower dividends, the bank reports, most of which should be available during the latter part of this month, are expected to show poorer results than for the previous period.

Besides banking institutions, company reports recently issued show that industrial profits are not rising. Though dividends were largely maintained by many of them, smaller dividends were paid by some of the sugar refineries, muslin mills, and shipbuilding companies. Of all the industries, shipping and shipbuilding companies have been the hardest hit by the continued depression. Their profits have been steadily on the decrease. The Nagasaki Dockyard owned by the Mitsubishi interests, one of the biggest shipbuilders in this country, have recently discharged a thousand of its employees for the fourth time since 1923. Shipping companies have also been very hard hit. Nippon Yusen Kaisha, Nisshin Kisen Kaisha, and Osaka Shosen Kaisha have suspended their China Sea service or placed fewer steamers on the routes, owing to the prevailing anti-alien agitation, and, consequently, they are suffering a loss of from 400,000 to 500,000 yen per month.

The trade returns for June show an excess of imports over exports amounting to 20,079,000 yen, which brings the total adverse balance for the first half of the year to 518,544,000 yen. It is true these figures are not of a nature to restore confidence. But the heavy import season came to a close a little earlier, and there was a small balance of exports in the last ten days of last month. Japan's exports to China during the first half of the year totalled 258,751,000 yen, and imports from China totalled 155,520,000 yen, showing a balance of 103,229,000 yen in favour of exports, as against 86,996,000 yen in the corresponding period of last year. The anti-foreign agitation along the Yangtse has inevitably affected the trade with Central China during June, and there is a decrease of 9,223,000 yen in exports to those parts as compared with the same period of last year. But the falling-off in exports to Central China has been more than offset by a steady expansion to North China.

While town-dwellers complain of hard times, farmers are prospering on account of high prices for silk and rice. Coupled with an earlier turn of the trade and with further signs of monetary ease after Bon Festival Settlement, the general tone of the stock markets and commodity markets has been strong in recent weeks, despite the absence of any marked recovery in the leading industries.

Books and Publications.

SUBURBS OR SATELLITE TOWNS?*

A SATELLITE town is the scientific alternative to the unchecked expansion of our overgrown cities, and is thus entirely distinct from a garden suburb. After an exposition of general principles and a review of the satellite towns built or proposed in foreign countries, Mr Purdom devotes nearly all the rest of this handsome and well illustrated volume to the two successful examples of modern town planning in England—the First (or Letchworth) Garden City and Welwyn Garden City. The first was designed expressly as a satellite of London, and the second lies near enough to count as one; both aim at drawing industries as well as individuals from the congested metropolis. To qualify as a Garden City, a town-building scheme should cover an area sufficiently large to include a permanent belt of farm land, which must not be developed for commercial purposes; somewhere about 3,000 to 4,000 acres seems to be the minimum.

In their financial plans and histories the two Garden Cities differ considerably. Letchworth had to fight its way and pay for its experience, but it had the advantage of starting in 1904, when prices were low and capital comparatively cheap. Welwyn started in 1920, when prices were high and capital scarce; but it could profit by the lessons learnt at Letchworth. Each company obtained its land at the reasonable price of £42 and £44 10s per acre respectively; each was hampered by difficulties in securing capital for continuous development. Since it is essential to keep the ownership of residential and business sites in its own hands, a garden city company cannot replenish its capital account by selling off blocks of land as they become ripe. Thus a continuous influx of capital is required, and the revenue from ground rents rises slowly. Experience shows that you don't get inflated land values unless you have congestion, and the basic idea of a garden city is to have ample space for a limited population.

Mr Purdom explains why Letchworth took so long to pay a dividend on its ordinary shares—"the revenue account was made to bear expenditure which should have been charged to capital." Since the return from growing land values at Letchworth had proved disappointing, the directors of the Welwyn Company resolved to secure part of the values created by an increasing population through the ownership of subsidiary enterprises, a notable experiment being the general stores which have the monopoly of the retail trade. While the Letchworth Company lease sites for shops in the ordinary way, it has discovered that its revenue comes mainly from its gas, water, and electricity undertakings.

* "The Building of Satellite Towns." By C. B. Purdom. 25s net. J. M. Dent and Sons.

THE WOOL TEXTILE TRADES.*

STUDENTS of the war and post-war history of the British textile industries will find statistical material for a complete review of the wool trade, from sheep's back to finished article, in a book of some 87 pages (with charts), published by a well-known firm of London wool brokers. The tables are unusually full, and as a work of reference this small volume should be invaluable. In a preface, Messrs Dawson show that, while our export trade in woollens has increased quantitatively since 1913, in worsteds a serious decline has occurred. In woollens there has been a distinct tendency in favour of light cloths, while in worsteds the current has set the other way. Commenting on the present position and outlook, the authors state:—"For three years manufacturers have been squeezed between ever-rising wool prices and low world purchasing power, and now all consuming centres seem to be determined that this experience shall not be repeated. No large volume of business is likely to emerge until users are satisfied that prices are more

* "Statistical Review of the Wool and Wool Textile Trades, 1912-1924." (London) H. Dawson and Co., 74 Coleman street, E.C. 2. 10s 6d.

nearly in line with the buying capacity of the ultimate consumer, and will also allow of a reasonable margin for conversion." It is to be hoped that further editions will be issued to bring the figures up to date from time to time.

BOOKS RECEIVED.

- International Economic Policies.* By William Smith Culbertson. (London) D. Appleton and Co. 15s net.
- Unemployment.* By Julius L. F. Vogel, with a Foreword by Sir Arthur Balfour. (London) Chapman and Hall, Limited. 5s net.
- Readings in the Economic History of American Agriculture.* By L. B. Schmidt and E. D. Ross. (London) Macmillan and Co. 15s net.
- Auditing.* By G. E. Bennett. (London) Macmillan and Co. 15s net.
- Building and Loan Associations.* By H. F. Clark and F. A. Chase. (London) Macmillan and Co. 17s net.
- Economics of Our Patent System.* By F. L. Vaughan. (London) Macmillan and Co. 10s 6d net.
- Economics of Social Problems.* By H. A. Silverman. (London) University Tutorial Press, Limited. 5s 6d net.
- Crop Production, Poisoned Food, and Public Health.* By John Hepburn. (London) Crosby, Lockwood and Son. 7s 6d net.
- Le Lin.* By N. A. Lazakévitch. (Paris) Gauthier-Villars et Cie. 50f.
- Report on the Cotton-Growing Industry in Uganda, Kenya, and the Mwanza District of Tanganyika.* (London) Empire Cotton Growing Corporation. 1s 3d.
- Reports Received from Experiment Stations for the Seasons 1923, 1924, and 1925 (South Africa only).* (London) Empire Cotton Growing Corporation.
- The Electrical Industry in France.* (London) Electrical Publicity Bureau. 2s 6d net.
- European Currency and Finance, Foreign Currency and Exchange Investigation.* (Serial 9, Vol. II.) By J. Parke Young. (Washington) Commission of Gold and Silver Inquiry, U.S. Senate.
- New South Wales Statistical Register for 1923-1924. Part V.: Social Condition; Part VII.: Commerce; Part VIII.: Private Finance.* (Sydney) A. J. Kent. 1s each.
- Der Wiederaufbau der Kohlenbergwerke im Französischen Reparationsgebiet.* Von H. van Lowick. Verlag von Wilhelm Knapp, Halle (Saale).
- Forward Sales, Highest and Lowest Prices of Rubber, August, 1925.* (London) Fredc. C. Mathieson and Sons, 16 Copthall avenue. 6d.
- Annual Report of the Professional Classes' Aid Council, 1924-25.* (London) 251 Brompton road, S.W.3.

OFFICIAL PUBLICATIONS RECEIVED.

- The following may be obtained from H.M. Stationery Office, Adastral House, Kingsway, W.C. 2:—
- Report on the International Conferences on Opium and Dangerous Drugs.* (Geneva) League of Nations, November, 1924, to February, 1925. Cmd. 2461. 1s net.
- Minutes of Evidence Taken Before the Departmental Committee Appointed by the Board of Trade to Consider and Report what Amendments are Desirable in the Companies Acts, 1908 to 1917. Thirteenth and Fourteenth Days, Fifteenth Day, and Sixteenth Day.* 3s, 1s, and 2s net, respectively.
- Report on the Economic and Commercial Conditions in Turkey.* April, 1925. 1s 6d net.
- Colonial Reports.* No. 1,250: *State of Brunei, 1924.* No. 1,251: *St Helena, 1924.* 1s and 6d net, respectively.
- Report of the Commissioner of Police of the Metropolis for the Year 1924.* Cmd. 2480. 1s net.
- Return of the Budget of the Governor-General of India in Council for 1925-26.* 5s net.
- First Report of the Imperial Economic Committee on Marketing and Preparing for Market of Foodstuffs Produced in the Overseas Parts of the Empire.* Cmd. 2493. 9d net.

National Health Insurance Fund Accounts for Year ended 1922. Cmd. 2484. 2d net.

Directions Issued by the Secretary of State in Pursuance of the Undertaking Given by the Accident Offices Association for the Purpose of Limiting the Charges to Employers in Respect of Employers' Liability Insurance. Cmd. 2483. 2d net.

BARCLAYS BANK

LIMITED.

Head Office: 54 Lombard Street, London.

AUTHORISED CAPITAL . . . £20,000,000
ISSUED CAPITAL . . . £15,592,372
RESERVE FUND . . . £8,250,000
DEPOSITS (30th June, 1925) . . . £298,947,270

FOREIGN EXCHANGE TRANSACTIONS ARRANGED.

CHIEF FOREIGN BRANCH:

168 Fenchurch Street, London, E.C.3.

STOCK EXCHANGE NEWS.

SETTLING DAYS,

TICKET, August 26.	ACCOUNT, August 27.
Stock Exchange markets were inclined to look for a reduction in the Bank rate to 4 per cent. on Thursday in this week. There was a good deal of advance talk concerning the probability of such a change, and gilt-edged stocks advanced in various departments, encouraged by the expectation. When the announcement was made of no change, the members of the Stock Exchange who happened to be in the Consol market—and there were a good many there—laughed a little self-consciously. Prices, however, held their ground, and it seems to be the general opinion in the House that a fall in the Bank rate is not unlikely to take place in the near future.	Conversion 3½ per cent. stock will go ex dividend in a week's time, a consideration that has assisted in strengthening the price. The War Loan is good on Bank rate hopes, and other British Government stocks strengthened in sympathy. Most of the newly-issued scrip varieties have risen an ½ to ¾, demand being persistent for the lightly-paid and for the fully-paid stock as well. West Ham Threes have fallen to the neighbourhood of 65, and are difficult to sell.
The visit to this country of Monsieur Briand has had little effect upon prices of French Government and French railway bonds. These keep steady without any special feature. Middle European issues are better, and there have been a few fluctuations in Scandinavians, caused by the movements of the rates of exchange. Rio Tintos, after a spurt, went back. Brazilian bonds are harder, because of the assumption that the recent rise in the price of rubber will assist to stimulate production of the produce in Brazil, and so to increase the value of Brazilian Government, State, and City bonds.	Home Railway prices are now quoted ex dividend, but the deductions, most of which were made on Thursday, failed to bring support into a market that was rendered more suspicious than ever of the Labour outlook owing to reported fresh threats on the part of the miners' leaders. Argentine Railway stocks have spurted, thanks to the dividend hopes and the traffics that are now being secured. Foreign rails are good, as a whole, though Mexicans have not moved.
The rubber market is steady. The carry-over on Tuesday disclosed a fairly heavy bull position in some of the leading shares, and the reaction from 4s 6d per lb to 3s 5d per lb in the price of the raw material brought in a good deal of scattered selling. This was met by fresh support later in the week. Some firms connected with the market worked all through the ticket-night, while a good many others were in their offices until the early hours of Thursday morning. Tea shares keep dull. British Controlled stand out as the most cheerful spot in the oil market, where otherwise prices were heavy, owing to talk of a cut in the price of crude oil in the United States. Courtaulds have been a wild and excited market. At one time the price touched 6½, from which it fell back to 6¼ upon sales on behalf of weak bulls who found themselves unable to carry over. The contango rate was extraordinarily stiff. Other textiles are holding most of their rises.	The iron and steel market had been going better, but its prices were checked by the labour considerations already mentioned. Insurance and banking shares are better. The tobacco group remains very hard. The wireless group is inclined to be dull. Cable construction shares have regained the ground which they lost when the price of rubber was so

briskly hoisted. Nitrates have taken a turn for the better, and Sudan Plantations, on the knowledge that the reorganisation plan is on the point of being published, enjoyed one of their periodical spurts. The trust companies' stocks are featureless. Amongst illumination shares, gas stocks are a little better, in sympathy with other investment securities, while electricity varieties have hardly moved. Breweries have gone ahead, Watney deferred crossing 300.

The majority of prices of the South African producing companies' shares were quoted ex dividend on Thursday. It had been expected that this might bring in buyers, more particularly as the market showed a firmer tendency beforehand, and prices had been rising. In point of fact, however, the disposition moved contrary to expectation, the Cape and Paris, both of which had been buyers previously, sending small numbers of selling orders. In the platinum group Transvaal Consolidated Lands have given way, owing to disappointing developments. Tin share markets are easier with the metal. Great excitement accompanied a spectacular rise from 1s 6d to 6s 3d in Colombian mining shares on the circular just issued by the company. The price reacted from the top, but hundreds of thousands of shares must have been turned over in the course of a few days. Diamonds spurred on the formation of a new diamond trade arrangement, and this directed attention to Johannesburg Consolidated, which stand out with a noticeable advance.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded.....	£ 126,925,142*	£ ..	£ ..	£ ..
*Corrected figure.				

ISSUES OF THE WEEK—

NATIONAL SAVINGS CERTIFICATES.				
NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED AUG. 8, 1925.				
April 1, 1925, to Aug. 8, 1925, £1,000,000	50,000	£	50,000	
To the Public—				
Atta Gold Co., 100,000 Shares of 5s, at par	25,000	£	25,000	5,000
Total offered to the public	25,000	£	25,000	5,000
To Shareholders—				
Rhodesia Broken Hill Development, 1,500,000 Shares of 5s, at par	375,000	£	375,000	56,250
Total offered to shareholders	375,000	£	375,000	56,250
Total offered for subscription to date in—		£		
1925	127,376,142	£	127,376,142	20,386,100
1924	127,777,151	£	127,777,151	271,393,173
1923	202,000,517	£	202,000,517	573,675,950
1922	505,332,637	£	505,332,637	388,978,903
1921	152,658,080	£	152,658,080	367,549,656
1920	274,718,416	£	274,718,416	1,036,659,968

ACTIVE SECURITIES.

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

British and Colonial Government Securities.				
Price	Latest	Week	Price	Latest
War 5%, 1925-28	86½	86½	Aust. 6% 1931-41	102½
Loans 5%, 1925-46	85½	85½	India 5% Stock	67½
5%, 1925-47	101½	101½	Do 7% 1926-31	105½
5%, 1925-48	101½	101½	Do 6% 1932	101½
Funding Loan 4%	89½	89½	Do 5% 1933	90½
Victory Bonds 4%	92½	92½	N.S.W. 5% 1922-32	101½
Conversion Loan 3½%	77½	77½	N. Zealand 3½% 1940	83
Consols 2½%	56½	56½	Nigeria 6% 1949-79	112
Irish Land Stock 2½%	58½	58½	U. of S.A. 6% 1930-40	104
Local Loans 3%	65½	65½	Victoria 5% 1924-34	101
			W. Aust. 6% 1930-40	102

British Railways.				
Price	Latest	Week	Price	Latest
Great Western, Ord. ...	90	87½	Southern, Ord. "A" ...	38
London & North-Eastern	62	59½	Do Ord. "B" ...	71
5% Pref. Ord. ...	21½	20½	Do Pref. Ord. ...	78½
Do Def. Ord. ...	21½	20½	Do Def. Ord. ...	408
Scottish, Ord. ...	804	77½	Underground Electric	24
Metropolitan, Ord. ...	704	68½	Do "A" Ord. ...	24
Metropolitan District	442	442	Do Inc. Eds. (£100) ...	982

Colonial and Foreign Railways.				
Price	Latest	Week	Price	Latest
Antofagasta Cons. ...	84½	84½	Grand Trunk Pacific	35
B.A. and Pacific ...	82½	84½	4% Debs. ...	35
B.A. & Southern ...	82½	84½	Leopoldina ...	29½
Buenos Ayres West. ...	146	147	Mexican Railway ...	6
Canadian Pacific ...	733	763	Do 1st Pref. ...	21
Central Argentine ...	152	163	San Paulo ...	164
Cordoba Cen. Ord. Sdk.	152	163	United Havana ...	99½

Foreign Government Securities.				
Price	Latest	Week	Price	Latest
Argentine 5%, 1886-7-100	100	100	Greek 5%, 1884	53
Austrian 6% Guar. 95	95½	95½	Do 7% 1924	90½
Belgian 3%	75	75	Hungarian 7½%, 1924-95½	9½
Brasil 5% Fund., 1914 75½	75½	76	Japanese 4% 1910	67
Chilian 4% 1895	87	87	Do 6% 1924	85
Do 7%	103	104	Mexican Cons. 1899	31
Chinese 5%, 1912	63	64	Peruvian Corp. Pref. ...	32½
Egyptian 4%	824	824	P.L.M. 6%	85½
French 5%	154	154	Portuguese (New) ...	27
Do 4%	123	123	Russian 5%, 1906	4
German 3% Loan	98	100	Spanish 4%	64
Do 7%, 1924	98	100	Seine (Dept.) 7%	94
			Siam 7%	106

American Railroads.				
Price	Latest	Week	Price	Latest
Chesapeake & Ohio	100	107	Southern	102
Erie	30	35	Do Non-conv. Pref. ...	93
Do 4% 1st Pref.	40	45		
Banks.				
Barclays B. (£1, l.p.d.) ..	2½	2½	Nat. Bank of S. Africa ..	84
Chartered Bk of India ..	20	20½	National Provincial ..	11½
Lloyds (£5 with £1 ..	34x	34	(£20, with £4 paid) ..	11½
Midland (£12, with ..	84	84	Standard of S. Africa ..	11x
Nat. Bank of Egypt ..	32½	33	Westminster Bank ..	18½
Telegraphs.				
Anglo-American "A" ..	24	24	Marconi Canada	1½
Marconi Wireless	1½	1½	Marconi Marine	1½
Miscellaneous.				
Aerated Bread (£1) ..	1½	1½	Linggi Plantations (£1) ..	2½
Amal. Cottons (£1) ..	3½	3½	Lipton (£1)	1
Anglo-Persian Oil (£1) ..	3½	3½	Liverpool & Lancashire ..	1
Armstrong (Sir W.G.) ..	3½	3½	Do 8% Cum. Pref. (£1) ..	1
Ass. Ind. Cement (£1) ..	2½	2½	Do 20% Cum. Pref. (£1) ..	1
Barker, John (£1) ..	2½	2½	Lister (£1)	1
Chambers & Co. (£1) ..	2½	2½	Lobitos Oilfields (£1) ..	1
Consolidated Alarms (£1) ..	60	64	Lyons (J. & Co.) (£1) ..	1
British-American ..	5½	5½	Mexican Eagle (£10) ..	1
Tobacco (£1) ..	5½	5½	Nobel Industries (£1) ..	1
British Controlled ..	5½	5½	Pekin (2½)	1
Oil (£5)	1	1	Royal Dutch Petro-	31½
Burmah Oil (£1) ..	5½	5½	leum (100 s)	30½
Coats (J. and P.) (£1) ..	5½	5½	Rubber Plantations ..	2½
Courtauld (£1) ..	6½	6½	Investment (£1) ..	2½
Cunard (£1) ..	1½	1½	Shell Transport (£1) ..	4½
Dorman, Long (£1) ..	1½	1½	Smithfield-Argentine ..	1
Dunlop Rubber (6/8) ..	1½	1½	Meat (£1) ..	1
Fine Cotton Spinners ..	2½	2½	Union Cold Storage ..	1
Forestral Land (£1) ..	1½	1½	Do 7% Cum. Pref. (£1) ..	1
Furness, Withy (£1) ..	1½	1½	United Dairies (£1) ..	1
Highlands and Low- ..	2½	2½	United Stevedores (2½) ..	1
lands Rubber (£1) ..	2½	2½	United Tobacco (£1) ..	1
Hudson's Bay (£1) ..	4½	4½	V.O.C. Holding (£1) ..	2
Imperial Tobacco (£1) ..	5½	5½	Vickers (£1) ..	2
			Watney Def. Sdk. ...	309x

An International Service

THE Central Union Trust Company of New York is equipped with every facility for the prompt and efficient handling of financial transactions throughout the world. Foreign banks and business houses with banking interests in the United States are invited to avail themselves of this service, which includes the purchase and sale of foreign exchange, collections, and the issuance of commercial and travelers letters of credit. In addition, the Company conducts a general banking business and acts as Executor, Trustee, Transfer Agent, Registrar of Stocks and in every other Fiduciary capacity.

ESTABLISHED 1864

Central Union Trust Company of New York

80 BROADWAY, NEW YORK

Capital, Surplus and Undivided Profits over 38 Million Dollars

MEMBER FEDERAL RESERVE SYSTEM

Correspondents

BARCLAYS BANK, LTD. MIDLAND BANK, LTD.
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COMPANY MEETINGS, &c.

MITCHELLS AND BUTLERS, LIMITED.

SATISFACTORY YEAR'S TRADE.

IMPROVED PUBLIC HOUSES—BIRMINGHAM'S LEAD.

"FEWER AND BETTER" SYSTEM.

The thirty-eighth annual general meeting of the shareholders of this company was held at the White Horse Hotel, Birmingham, on the 13th instant, under the presidency of Mr W. Waters Butler.

The Chairman, in moving the adoption of the report and accounts, said: Ladies and gentlemen, While the shareholders of the company should feel fully satisfied with the result of the past year's trading, at the same time they may wonder how such an improvement has come about during a time when the commercial prosperity of the country has been at a very low ebb. It is mainly due to the company fortunately being in possession at the beginning of the financial year of a large stock of high quality, well-bought barley and malt. The whole benefit of this stock, however, was not retained by us, but part was passed on to the consumer in the form of stronger beers.

I question whether any brewery of the size and standing of ours sells its products at such a low profit per barrel, notwithstanding that the beer is produced in a most up-to-date plant under economical conditions.

That giving a good article at the lowest possible rate of profit is a wise policy is evidenced by the fact that the increase in our output has far exceeded our anticipations during a year when one would least expect such a result. Particularly is this the case in our bottled beer department, which has shown a largely increased turnover, chiefly in the bottlings of the company's own products. The plant and efficiency of our bottling stores are not excelled.

BEER AND "COST OF LIVING" FIGURE.

The Budget unfortunately brought no reduction in the high beer and spirit duties. While I have no desire to obtain an increase in our rate of profit by relief of taxation, I am fully satisfied that if it were possible to lighten the duties on beer and spirits—particularly on beer, so as to make it cheaper—it would do much to remove the spirit of unrest which unfortunately prevails. We cannot get away from the fact that the working man and his wife look upon a certain quantity of beer as forming part of their daily diet. It is no use thinking that in estimating the weekly cost of living such an item as beer can be ignored, and though it is omitted from the calculation made by the Board of Trade in arriving at its "cost of living" figure for comparison with pre-war expenditure, beer ought to be included.

The figures of the balance-sheet call for no special comment, as they are quite normal. We have continued to expend large sums in building new licensed premises, and in improving others.

I am thankful to say we continue to meet with co-operation at the hands of the licensing justices, which it will always be our endeavour to maintain. The treatment we have received is principally responsible for our continuing to set aside a substantial portion of our annual profits for the carrying out of the policy of "fewer and better" houses, which we have supported for so many years.

MIDLAND BREWERY INSTALMENT.

Attention has been called in the report to the fact that this year we have not paid off any part of the balance of the loan in connection with the purchase of the Midland Brewery, as the instalment of £40,000, which in the ordinary course of events would have been paid this year, was paid in advance last year. A payment of at least £40,000 will be made during the current year.

An increased amount, namely, £7,228, has been paid away in pensions during the past year. The pension fund now totals the large sum of £135,778, and is not treated as an asset in the balance-sheet, but is invested in sound securities.

CURRENT YEAR—SATISFACTORY OUTPUT.

I am pleased to say the current year in regard to output has opened in a very satisfactory manner. Our brewing costs will not be less than in the past year, but the gratifying and ever-increasing popularity of the company's products gives one hope that increased costs of production will be more than counterbalanced by an increased output during the year.

Ladies and gentlemen, following the practice of the late Mr Henry Mitchell, I have during the past ten years delivered at these annual meetings addresses upon the prevailing conditions in the licensed trade, and have expressed my personal opinion

thereon—and here, to avoid any misunderstanding, I should like to emphasise again the fact that any views I have then expressed, or may now offer, upon the thorny problem of licensing reform are purely personal, and are not put forward in any way as being held by any trade organisation, or by my co-directors. My only desire is to give the conclusions I have arrived at after being in the closest touch with the manufacture and retail distribution of beer throughout my life, and as one who, I hope it will be allowed, has taken his full share in the defence and advancement of the industry.

I do not intend to trouble you to-day with a repetition of my views upon such subjects as State or municipal ownership of the licensed trade, which may appear to some of us as an ideal solution of the problem, nor will I speak on local veto and Sunday closing, the insidious methods by which the prohibitionist hopes to gradually attain his end, which is, of course, total prohibition.

What I wish to urge to-day is: do let us get down to fundamentals!

STEPS TAKEN TO CURE DRUNKENNESS.

Every man has a right to eat and drink what he prefers. The great majority of the inhabitants of Great Britain choose to consume alcoholic beverages, and feel they benefit thereby, but as the consumption of an excessive quantity is detrimental to the individual and those around him, the places of supply should be of such a character as to discourage any excess, and should be in charge of person of good character who may be expected to exercise proper supervision and control, and render good service to the users of such premises. To attain this, premises are licensed, and those in charge are registered as licence-holders after careful inquiry into their character, and are liable to heavy penalties—usually entailing the loss of their occupation—if breaches of the licensing laws take place; serious infringements may result in the renewal of the licence of the premises being refused, causing great loss to be inflicted upon the owners. Laws are in force to protect the consumer against impure and adulterated beverages. While the drinking of alcoholic beverages is popular, all agree that drunkenness is an evil, and although it is a rapidly decreasing weakness of a small section of mankind, anything we can do to bring about conditions conducive to the moderate consumption of such beverages the better, not only for the consumers, but also for traders. Let us see what steps have been taken to bring about these conditions.

COMMITTEE OF INQUIRY.

Lord Lamington in March this year again asked in the House of Lords that a Government Inquiry should be held. The Marquis of Salisbury, in reply, stated that the Government was prepared to grant this Inquiry, and in May announced that the form of Inquiry would be a Departmental Committee and not a Royal Commission, as the subject matter of the Inquiry was of a very limited character. The terms of reference were as follows:—

"To consider the several systems of disinterested management of public-houses which have been put into practice, whether in connection with private enterprise or otherwise, and report whether the experience already gained affords grounds for the development of any such system by an amendment of the Licensing Law."

The Committee is now taking evidence.

"DISINTERESTED MANAGEMENT."

I do not think it necessary to again explain what the term "Disinterested management" implies, as last year I went fully into the subject; but, shortly, it is said to apply to systems in connection with which the licensee in charge of a licensed house is a manager having no direct pecuniary interest in the profits derived from the sale of alcoholic beverages. Such a manager may be in the employ of a brewery company owning licensed houses, or a person or firm leasing a number of licensed houses belonging to a brewery company, such as one finds in London, or may be the servant of a company or of an association formed for the purpose of conducting licensed houses upon so-called reform lines, the shareholders in which are only permitted to hold a limited amount of capital, and agree that the dividend upon their capital shall not exceed that of an ordinary average investment. This yield at one time was limited to 5 per cent., but it has been

gradually raised, until in one company it may be 7 per cent., free of tax, equal to-day to 8½ per cent., subject to tax. There does not appear to be a limit to the amounts which may be placed to reserve, and in some cases the dividend is cumulative.

It is difficult to understand how it is possible to obtain desirable conditions from the point of view of good service to the public if the person conducting trading operations is made absolutely disinterested. While such a man's service has no direct connection with the amount of profit realised through such service, yet his own personal advancement must, of course, depend upon his efficiency in carrying out his duties.

The fact is all this talk of so-called disinterested management is founded upon the idea that a licensed trader should differ from an ordinary trader, in that he should not by any act push the sale of his goods, and that he should adopt an air of independence and give the impression that he does not care whether would-be patrons enter his premises or not, but, should they enter, attempts should be made to divert them from alcoholic beverages—which is nonsense. It is not a question of whether the patron of a licensed house should be persuaded to consume any particular beverage, but rather that he should have what he desires, and that the trader should be in a position to supply his requirements, whether they are alcoholic or non-alcoholic beverages, or foodstuffs.

PRESENT POSITION.

We should realise that the position to-day does not appear to give satisfaction to the broadminded man who, while recognising that the vast majority look upon alcoholic beverages as part of their daily requirements, thinks that those requirements are not provided for under the best conditions by licensed traders. Do we know of any undesirable conditions, and if so, how may they disappear?

I think we all agree that a person's conduct is greatly influenced by that of the people with whom he comes in contact, and their general environment. Also, that any trader, no matter what business he may carry on, will give the best service to his patrons if the conditions in his trade are such that, without having to resort to bad practices in his salesmanship, he can gain a living, or satisfactory remuneration for his labour, and an adequate return upon the capital he invests. Should, however, his business have to be carried on in the face of most strenuous competition, with that competition either leaving him without a living wage, or afraid to invest money in increasing or improving his business operations, then we have the conditions created under which the licensed trader now suffers, which are detrimental not only to his patrons, but also to the public welfare. This must result in demands for reform, and if they are not met the State might take the matter into its own hands and carry out the necessary reforms.

UNPROFITABLE PROPERTIES—POOR SERVICE.

Accepting these views and their application to the licensed trade, we must confess that in many of the licensed houses the environment of the patrons is not as satisfactory as it should be, and conditions are prevalent detrimental to good service and good order. We find that this is due to certain trading establishments doing so small a volume of trade as not to yield an adequate living wage to the occupiers, and to the severe competition arising from the existence of the large number of similar properties, intensified by the rapid and continued growth of clubs. This state of affairs results not only in poor service being given in these smaller unremunerative houses, but also in a tendency to weakness of management and supervision; unfair and undesirable to those who patronise them. The greater the number of small, low profit-earning houses you have, the poorer must be the type of person who will be attracted to occupy and control the business carried on. We are thus led up to this position—the business of every licensed house should be remunerative. To-day that is not so. Many small traders, in consequence of their poor turnover, obtained in the face of severe intensive competition, and the burden of onerous taxation, find it extremely difficult to get a living profit.

"FEWER AND BETTER" SYSTEM.

We know that capital invested in the licensed trade under the right conditions proves remunerative. How can we get rid of the undesirable conditions in the industry and be encouraged to invest more capital? One is inevitably driven to the policy which the brewers of Birmingham, and particularly your own company, have supported for the past 28 years, namely, that of "Fewer and Better" public-houses. Much has been accomplished in Birmingham by the operations of their organisation, which is known as the Birmingham Property Company, of which I have had the honour of being chairman during the past 22 years. By working in co-operation with the Licensing Justices they have been able to arrange for the closing of 557 small redundant licensed houses—practically 20 per annum—in addition to the houses closed by the Licensing Justices under the provisions of the Licensing Act

of 1904, which total about 300, but which number might have been greatly augmented had the Home Office consented, as it had power to do, to the Licensing Justices raising a loan on the security of the Compensation Levy, thereby being able to compensate the redundant houses at a lower cost than when closing them in a piecemeal fashion. The small number closed under the Act during the past 21 years would have been almost a negligible improvement without the aid of the brewers, who voluntarily closed approaching double that number. To give some indication of how your own company has freely supported this policy of "Fewer and Better" houses, it has been responsible for voluntarily closing in the City approximately 300 licences (of which now fewer than 155 have been closed, or arranged to be closed, during the past seven years) in connection with grants made to us by the Justices.

SUCCESS OF THE AWARDS.

This could not have come about had it not been for our large ownership in the City of Birmingham, and the application of the regulations of the Birmingham Property Company, whereby any licensed trader gaining benefit from the voluntary closing of a licensed house is assessed and pays for the "betterment" he obtains thereby. So successful has been the settlement of these awards that during my twenty-two years' chairmanship of the Birmingham Property Company no member to my knowledge has demanded the arbitration proceedings to which he is entitled in the event of being dissatisfied with the amount his fellow-members decide he should pay. A better example of co-operative working I think it would be difficult to find. Unfortunately, all firms trading in the city have not seen their way clear to join the movement, and, consequently, while reaping the advantages of the closing of licensed houses, they have not contributed their due share of the cost. One can quite understand that at times the small owner with his few houses does not welcome joining in any scheme for reducing the number of licences.

AMALGAMATION AND PRODUCTION COSTS.

This difficulty has been greatly eased by the large firms buying up the smaller firms, or by the amalgamation of businesses. The Prime Minister said, in effect, a few weeks ago that lower costs of production, and consequently efficiency in industry, would have to come about by amalgamation, resulting in larger trading concerns. This is advice which the brewing trade should well consider, particularly from the point of view of improving the conditions therein, although I, myself, would not favour a monopoly under private ownership. I also hold the view that there is a limit to the magnitude of a business, for beyond it the savings in overhead charges which should come about through concentration are more than balanced by the dilution of the individuality directing the business, for unless the directing heads can keep well in touch with the whole of a business organisation there is a weakening in direction and effort all down the line, with consequent losses.

While Birmingham has done so much in the way of putting into operation this "Fewer and Better" policy, and justly enjoys a reputation which is the envy of many traders in other districts, there is still much to be done in the improvement of the licensed house.

Unfortunately, the Birmingham Property Company has not the power, and no private body is likely to obtain it, to compel the recalcitrant owner to join in this policy of "Fewer and Better." Notwithstanding this fact, one feels that if brewers in other parts of the country had worked on similar co-operative lines to those of the Birmingham Property Company, which has now been in existence for the past 28 years and has received the commendation of the Licensing Justices for the time being throughout that period, it is probable we should not have heard so much about the necessity for State or municipal ownership, which policies I have on more than one occasion advocated, not because I think the State or a municipality can, generally speaking, carry on an industry better than under private ownership, but solely for the reason that the desired conditions will be only thus attained if traders ignore what the public demands, and will not take part in any reforming movement.

ABOLITION OF REDUNDANT HOUSES NECESSARY.

It is said that while the trade is anxious to bring about reforms, it is checked by the action of certain licensing benches in refusing to give sanction to improvements. Also, that the trade does not enjoy the same facilities for making improvements as the State has at Carlisle, but I would remind those who so contend that the State as part of its scheme reduced the number of licences in Carlisle and its Scottish areas by 40 to 50 per cent. I emphatically state that without the abolition of the truly redundant licensed house the appearance of the improved licensed house must be slow in large towns. Its erection in the midst of redundant houses is not a commercial proposition, and its presence would only aggravate the evils associated with them, as it would still more intensify the competitive conditions.

NARROW VIEWS OF REFORMERS.

I am sorry to say that the action of some Benches in refusing to sanction improvements has given an opening for complaint, due to there being among the occupants of the licensing Bench persons holding such narrow and out-of-date views as expressed by the Rev. James Barr, M.P. for Motherwell, who said that he was afraid of the public-house becoming respectable. Also, Lord Astor, I regret to say, when surveying the different remedies for the drink problem, said the improved public-house was the most dangerous.

Thus we see that these two reformers think the prospects of attaining their ends will be very remote if improved and respectable licensed houses increase in number. Their only hope is that licensed houses will tend to become disreputable and repulsive in the eyes of the public, and cause action to be taken to carry out their so-called reforms which would practically result in the ruination of traders. I think my trade will not be so suicidal as to allow such a position to develop, but rather will respond to the call on the part of the public for improved public-houses, and avoid the interposal of the State or municipalities.

LORD ASTOR'S UNFAIR ATTACK.

I am also sorry to note Lord Astor, at a meeting of what is known as the Liberal Summer School—a curious place for a man, who professes to be a Conservative, to be delivering an address—is reported to have used the word "blackmail" in connection with the activities of the trade, and warned Labour that they would lose many votes to "more honest parties" if they went on "funking" the brewers and whisky merchants; also that the trade was holding up the industrial programme of Labour. This comes strangely from one who seems to be obsessed with the bogey of subterranean political activities. He is annoyed at his own party turning down such a Bill as that which bore the name of the late Bishop of the Oxford, but of which it is well known he was not the author. The truth appears to be that Lord Astor is wandering around trying to find some organised body that will give him a backing. He is well aware that his ultimate goal of Prohibition, which he endeavours to cover up, but which his utterances from time to time betray, is strongly opposed by the industrial population of the country, who are determined to have their necessary requirements in the form of alcoholic beverages provided for them in the licensed

houses of the country, or in their own clubs; facilities he desires should disappear at the earliest moment.

I can assure you the majority of my fellow-traders are most anxious not to weaken their position in the eyes of their patrons, and resent the foolish imputation of Lord Astor that the trade seeks to blackmail or dominate political parties or persons to maintain its position. I am confident that the trade is anxious to conduct its trading operations in such a manner as to gain the support of friends in all parties. We have no desire to attach ourselves as a body to any political party, but that every trader should be free to take his part in the political activities of the country in the direction he thinks proper; nevertheless, so long as we are attacked in the unfair manner that Lord Astor and his co-extremists adopt we are compelled to make our trade our politics, and will support those who will see justice done to our industry.

With these remarks, ladies and gentlemen, I beg to move the adoption of the report, and will ask Mr Herbert W. Bainbridge to second the resolution.

Mr Herbert W. Bainbridge seconded the resolution, which was carried unanimously.

MERCANTILE AND GENERAL INSURANCE COMPANY, LIMITED.

SATISFACTORY RESULTS—STRONG POSITION.

The ordinary general meeting of the Mercantile and General Insurance Company, Limited, was held, on the 5th instant, at the London office, 25-31 Moorgate, E.C.

Mr Richard Guinness (the chairman) presided.

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

The Chairman said: Gentlemen,—I presume you will take the report and statement of accounts as read. (Agreed.)

Your directors feel much satisfaction in submitting to you the report and accounts for the past year, which show a considerable development both in our general departments and in our life business.

PREMIUM INCOME INCREASE.

The premium income on fire and miscellaneous account amounts to £1,176,740 gross, an increase of £327,954 over 1923, while our net retentions are £508,379, against £382,911 in 1923. As I have mentioned on previous occasions, we give you both the gross and the net figures to convey to you the growth in our business and the careful limit that, at the same time, is placed upon net retentions.

You may be surprised to see that in a year of general depression our premium income should show so satisfactory an increase. As regards home business, this increase is a small one, but the foreign income, owing to certain Treaty rearrangements and to the fact that your company becomes better known from year to year, shows a considerable increase. Our figures do not include any fire business from the United States, as we hold to our policy of not entering that field, anyhow for the present.

LOSS RATIO.

Our loss ratio at 52.6 per cent. shows a considerable improvement over 1923, but no doubt this improvement is principally due to the increase in premium income, which tends to reduce the immediate claims average. We must, therefore, anticipate that the loss ratio will probably, in the coming year, readjust itself to a more normal basis; meanwhile, the satisfactory result enables us not only to provide the necessary increase in reserve to meet the growth in premium income, but also to transfer a balance of £17,853 to the credit of profit and loss account. You will note that this reserve against unexpired risks, calculated at 40 per cent. of our net premium income, stands at £203,351, an increase of £50,187 over the corresponding figure in 1923.

Commission and management expenses also show a moderate decrease in ratio; here, again, increased premium income is helpful. You may rest assured that while every effort is made for economy, we are watchful that the efficiency of our organisation is not impaired either in the direction of close classification and limit of individual risks, an expensive but essential precaution, or in the effort necessary to expand our business connections.

LIFE AND MARINE ACCOUNTS.

The life assurance account shows again a satisfactory increase in premium income, the net figure being £52,100. We continue our policy of building up this department at a minimum cost, the management expenses debited to the account being the moderate figure of some £1,900. During the past year, we have extended the scope of our business, and welcome new connections which we have made with leading British offices.

The marine account is once again an unprofitable branch of our business. In spite of the fact that as from January 1, 1922, we largely reduced our marine retention so that the premium



The Anglo-South American Bank Limited.

Head Office:
117 Old Broad Street, London, E.C. 2

Authorised Capital	: : : : £10,000,000
Reserve Fund	: : : : £4,000,000
Issued Capital	: : : : £8,734,660
Paid-up Capital	: : : : £4,367,330

The Bank, in addition to 6 Branches in
SPAIN
has with its
AFFILIATED INSTITUTIONS
THE BRITISH BANK OF SOUTH
AMERICA, Ltd., and
THE COMMERCIAL BANK OF
SPANISH AMERICA, Ltd.

53 offices in the principal countries of
LATIN AMERICA

Auxiliaries Abroad.
ANGLO SOUTH AMERICAN TRUST CO.
(Incorporated under the laws of the State of New York)
NEW YORK.
BANQUE ANGLO-SUD AMERICAINE, SOC. ANON.
PARIS.
Northern District Office: 69, Market Street, BRADFORD.
Lancashire Branch: 19, Spring Gardens, MANCHESTER.

income for 1922 amounted to only £24,404, the belated claims of previous years necessitate the transfer of £10,182 from profit and loss to close the 1922 account. The amount carried forward in the marine fund is £51,551, while our income for 1923 and 1924 amounted to £48,317 and £48,955 respectively. Under any ordinary conditions the balance of the fund should, therefore, be more than ample to liquidate all outstanding claims at the date of the account. Our policy remains to write as small a marine account as possible during these difficult times, consonant with maintaining our position as reinsurers.

PROFIT AND LOSS ACCOUNT.

Turning to the profit and loss account, our receipts on account of interest show an increase of £1,344, and there is also profit of £604 on investments realised. The usual adjustment of exchange differences is this year on the credit side. Additional expenses show a welcome decrease, and after providing transfer to marine account, reduction in book values of leaseholds, &c., and income-tax, we have a balance of £52,932 to deal with. Of this, we transfer £4,000 to the reserve fund set under Article 106A, and also £8,000 to general reserve, thus increasing these two reserve funds to a total of £50,000. We recommend to you a dividend of 5 per cent., free of income-tax, and carry forward £37,882 to the credit of profit and loss account. You will appreciate that this item is in fact an additional reserve available to provide for abnormal losses in any department of our business should they arise.

LIQUID RESOURCES.

Our balance-sheet shows a strong and liquid financial position. Our invested funds total £372,737, of which £209,731 is in British Government securities, including issues guaranteed under Trade Facilities Acts; the market value as at December 31, 1924, is well in excess of our book values. Cash at bankers and in hand amounts to £103,910, so that our invested funds and cash total £476,647. We tender our grateful thanks to those ceding offices whose support has enabled us to upbuild our business, and we feel sure that the figures we place before you will convince them that the security we offer justifies the continuance and extension of that support which we value so much.

I would ask you to join in a hearty vote of thanks to the management and staff for the excellent report we are able to submit to you as the result of their careful management and zeal to maintain and extend our connections.

I beg to move the adoption of the report and accounts and the declaration of a dividend at the rate of 5 per cent. per annum, free of income-tax, on the paid-up capital.

Mr Roland A. Elliot (general manager) seconded the motion, which was carried unanimously.

ANGLO-AUSTRIAN BANK, LIMITED.

STEADY EXPANSION OF BANK'S BUSINESS.

The third ordinary general meeting of the Anglo-Austrian Bank, Limited, was held, on the 14th instant, at Winchester House, Old Broad Street, London, General the Hon Sir Herbert A. Lawrence, K.C.B., chairman of the company, presiding.

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

The chairman, in moving the adoption of the report and accounts, said there would be noticed a general increase in the figures of the balance-sheet as compared with the previous year. Generally speaking, that might be taken to imply a steady expansion of the business of the bank. The reduction in the profit for the year was what might be expected, in view of conditions of trading in Austria. However, when the board's plans for a reduction of staff in Austria was completed, they saw no reason why the bank's branch in Vienna should not regain some of its former prosperity. Shareholders would remember that the Anglo-Austrian Bank had taken a prominent part in placing on the foreign markets the Austrian and Hungarian reconstruction loans issued under the auspices of the League of Nations.

During the period under review important commercial credits had been arranged under the leadership of their bank, for the development of trade in Central Europe. Substantial amounts of short-term credits had been provided in the London market for financing industry last year in Austria, the movement of crops in Hungary, the production of sugar in Czechoslovakia, and of tobacco in Yugoslavia. The internal organisation of the bank had had to be adapted to those aims, and the board had endeavoured to facilitate and improve direct contact between their main branches and the head office in London. Their policy was to refrain from all political matters, and to confine themselves to banking operations.

CZECHO-SLOVAKIA AND JUGOSLAVIA.

The past year had witnessed a slight but marked progress towards the restoration of normal conditions in Central Europe. Czechoslovakia had made a notable effort to extricate herself from the industrial crisis which had resulted from the drastic deflation policy of 1922. It would be rash to prophesy that the crisis had been entirely overcome, but there was every reason to believe that the worst was passed, and that that country would now reap the benefit of a policy which in itself was sound. In Czechoslovakia the company's interests were represented by the Anglo-Czechoslovakian Bank, which was making steady progress. As to Yugoslavia, the action of the board in acquiring a large participation in the Croatian Discount Bank had been fully justified. The State finances of the country had been put on a sound basis, and though, as a result of measures taken to that end, a certain economic crisis had arisen, it was a healthy one, and formed an inevitable stage in the financial recovery of the country.

CONDITIONS IN AUSTRIA.

Their position in Austria was, unfortunately, not so satisfactory. The year 1924 had been a period of trial, with a severe Stock Exchange crisis, which, combined with industrial stagnation and unemployment, had placed a heavy burden on the financial resources of the country. Austrian currency, however, had maintained its stability, public revenues had continued to be favourable and the Budget was nearing the equilibrium provided for in the League of Nations Reconstruction Scheme. The position of the National Bank was satisfactory, and the new Bill prescribing the drawing up of gold balance-sheets for all joint-stock companies would help to restore confidence. He would explain that the bank had no intention of reducing its business in Austria; on the contrary, they were glad to see it expanding, and in the right direction. Their deposits and general banking business were increasing, which the board believed to be due to rigid adherence to sound banking principles. They hoped they were now in a position to make a good choice among the industrial concerns connected with their bank in that country, supporting and developing such undertakings as showed promise, and eliminating concerns which had been proved to have no vitality.

In pursuance of their intention to extend the bank's business in Italy, a branch in Milan was opened in January; a small exchange office had been opened in Grado for the benefit of travellers, and the same course would be followed in Venice. All information went to show that economically Italy was prospering; industry was active, the Budget had been brought into order, and there was little unemployment and labour trouble. On the other hand, the currency continued to fluctuate in a disturbing manner, and it was difficult to predict how long that instability was likely to continue. In Hungary the bank had had a good year, and the branches in Roumania had had a satisfactory year. To sum up, the general position of the bank was greatly improved. Everywhere, excepting in Austria, they were earning good profits, and in Austria they believed that with an improvement in industrial conditions their prospects were reasonably good.

Mr M. Spencer-Smith, D.S.O., M.C. (the vice-chairman) seconded the resolution, and it was carried unanimously.

WATNEY, COMBE, REID AND COMPANY, LIMITED.

SUCCESSFUL YEAR—STRONG POSITION.

The ordinary general meeting of Watney, Combe, Reid and Co., Limited, was held, on the 14th instant, at the Charing Cross Hotel, Strand, London, Sir H. Cosmo O. Bonsor, Bart. (the chairman), presiding.

The Chairman, in moving the adoption of the report and accounts, said: I feel that I may congratulate you all on a very successful year. If you will take the balance-sheet, the first remark I wish to make is that you will see that we have restored our liquid assets to a sum of £1,600,000, £520,000 of which is invested in short-term Government securities. That is all liquid, and that amount is practically a reserve, which I consider essential to keep as regards the liabilities on the other side.

If you will look on the liabilities side you will see that they also are reduced. During the year we were able to settle with the Inland Revenue authorities the actual amount due for income tax. A large amount for income-tax and corporation profits tax appeared in last year's sundry creditors, and we wiped them off in the autumn of last year, and consequently there is something like £150,000 less in sundry creditors owing to the Government. We paid up two years' corporation profits tax, and still have one year's tax to pay, which falls due on January 1st.

PROFITS AND LOSS ACCOUNT.

Taking the profit and loss account, you will observe that we received a net sum of £360,000 in rents. That sum, curiously enough, is just sufficient to pay the interest on the debentures, the dividend on the first preference stock, and the dividend on the

preferred ordinary stock. Consequently, the whole of the profits on manufacturing go to the deferred stockholders. I think I may say that that is a very remarkable and also a very strong position. Our profits, I think you will admit, are excellent, and the question is: Why are they so good this year? As a matter of fact, this year all our investments, which you have been good enough to allow us to make with undivided profits, have become remunerative. We have bought several breweries in the past three or four years. As a rule, in our experience, when a brewery changes ownership, a certain amount of trade is lost, and it takes some time to recover it. In the past year we have had full remuneration from all the breweries which we bought; they have all shown a better trade than the figures at which we bought them, and all show bigger profits. I can include Isleworth in that category. The Isleworth Brewery we bought and did not change the management. It was only a change of ownership, and the trade and the profit have both increased since we bought it.

Then we also had in the year under review the first full year of profits from our improved licensed houses. When you are rebuilding or altering a licensed house, it is only natural that trade falls away and goes somewhere else, and it takes a little time to bring it back again. All our improved public houses which are open show excellent returns of profit, and are all doing a very good business in catering and the provision of food. I think I may say that during the year under review we have really had no drawback at all. All our beers have been very good, and, I am proud to say, also very popular. Our bottled beers show a large increase, practically all sold in our own licensed houses.

Another item of interest in the profit and loss account is that last year we collected taxes and paid beer duty amounting to £3,600,000. I have not added to that the other taxes which fall upon us all, income-tax, rates, and so forth. The sum which we propose to divide among our shareholders is £400,000. That comparison is very interesting.

REBUILDING AND IMPROVEMENTS PROGRAMME.

Passing on from the balance-sheet and profit and loss account, we come to the report. We have a very big programme of rebuilding and general improvements in our licensed properties. You are aware that it has been our policy for several years to do what we can to convert the old-established public houses into proper refreshment houses for the people. We have met with considerable difficulties, and until quite recently the licensing authorities were very reluctant to increase the floor space of a licensed house. They were always prepared to receive plans for improvement, but they wished always to limit those plans to the extent of the old licensed premises, and it was absolutely impossible to add dining-rooms, luncheon-rooms, and tea-rooms to a licensed house when we were absolutely limited as to floor space. We have now contracts running for upwards of £200,000, and we are preparing plans which will come to a very substantial outlay—I think I may reckon upon more than another £200,000, making something over £400,000 which will be spent in the current year. That money is to be provided for, if you are good enough to pass these accounts, by the sum which we are adding to reserve for capital expenditure. In our report we recommend also that £550,000 should be added to reserve, bringing it up to over £800,000, and that enables us, if you wish it, to restore the capital to what it was when the company was first floated. We tell you in the report that we are considering the advisability of capitalising a portion of the reserve. All that reserve and those undivided profits are your property, and it is only right that you should be consulted as to whether or not we should capitalise them.

Sir Richard Garton, G.B.E. (deputy-chairman) seconded the motion.

UNION GOLD STORAGE COMPANY, LIMITED.

GOOD RESULTS AND PROSPECTS.

The annual meeting of the Union Gold Storage Company, Limited, was held on the 14th instant, at Winchester House, London, Mr Roger P. Sing, chairman of the company, presiding.

The Chairman, in moving the adoption of the report and accounts, said: Since our last meeting we have offered 3,220,000 new 6 per cent. £1 preference shares to our shareholders and the public. These have all been taken up, and it is a matter of congratulation, according to my views, that we were able to make this issue on satisfactory terms.

During the year that has now almost elapsed since our last annual meeting, our company has come into some prominence owing to the Government Food Commission Inquiry, at which we were called upon to give evidence. The Commission's Report has been issued, and most of you, no doubt, have read it, and I think you will agree with me that our prestige, of which we are proud, has been enhanced by the result of that inquiry.

The balance of working accounts amounts to £84,069, which, when added to the carry-forward from the previous year, gives

a total of £975,910. This figure is again a record. After provision has been made for depreciation reserve, interest on debenture stock, and specific mortgages, dividends on the 6 per cent., 7 per cent., and 10 per cent. preference shares and directors' fees, there remains a balance of £249,278. This enables us to recommend the usual dividend of 10 per cent. on the ordinary shares, leaving £149,278 to be carried forward to next year, as compared with £127,840 brought into the accounts from the previous year. The usual purchase of debenture stock for cancellation has been made, the actual amount of stock so retired during the year under review being £63,465. The total of the debenture stock redeemed and specific mortgages repaid to date amounts to £1,242,806.

I have now dealt with the year 1924, and you will expect me to say something regarding 1925. As I have told you on previous occasions, I am no better at forecasting the future than other people, but, seeing that we are well advanced in the second half of the year 1925, what I state is based on actual facts and not on a claim to prevision. I, therefore, have pleasure in stating that I believe, should it be my duty and pleasure to place before you the 1925 accounts in a year's time from now, that the statement I shall then have to make will be one as gratifying alike to both the directors and shareholders as the present one is. Our business continues to grow in size and importance.

The report and accounts were adopted.

GOVERNMENT RETURNS, &c.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1925-26. (See Note)	Total Receipts into the Exchequer from	Receipts.	Week Ended Aug. 9, 1925.	Week Ended Aug. 9, 1924.
	£	£	£	£	£
Balances in Exchequer on 1st April:—					
Bank of England...	5,341,778	5,069,613	2,201,000	1,753,000	
Bank of Ireland...	1,215,322	1,562,001	..	..	
	6,557,100	6,631,614	..	..	
REVENUE.					
Customs	102,040,000	35,368,000	35,761,000	2,201,000	1,753,000
Excise	137,220,000	41,084,000	42,510,000	827,000	849,000
Motor Vehicle Duties ..	17,500,000	4,516,000	3,848,000	698,000	625,000
Stamps, &c., Duties	66,500,000	21,510,000	25,510,000	920,000	7,000,000
Land Tax, House Duty & Mineral Rights Duty ..	24,000,000	6,390,000	5,670,000	250,000	30,000
Property & Income Tax ..	1,000,000	150,000	590,000	10,000	..
Super Tax	262,000,000	67,875,000	76,308,000	4,922,000	5,384,000
Excess Profits Duties, &c.	63,300,000	23,840,000	21,670,000	600,000	610,000
Corporation Profits Tax ..	9,000,000	4,500,000	6,280,000	300,000	230,000
Post Office	57,000,000	19,400,000	19,300,000	1,700,000	1,800,000
Crown Lands	900,000	340,000	380,000	..	..
Interest on Sundry Loans	12,600,000	8,254,572	5,704,247	2,227,652	..
Miscellaneous	14,000,000	3,478,698	4,446,820	8,334	248,588
Ordinary Receipts ..	30,000,000	14,422,449	11,553,132	12,400	599
Special Receipts	801,060,000	252,178,719	257,531,199	14,666,386	13,240,187
Revenue	..	258,735,819	264,162,813	..	..
Total Inc. Balance ..	..	..	..	..	..
OTHER RECEIPTS.					
Temporary Advances Repaid:—					
Under the Unemployment Insurance Act, 1921	670,000	5,010,000	..	220,000	..
Money Raised by Creation of Debt:—					
(a) For Capital Expenditure Issues:—					
Under the Telegraph (Money) Act, 1922 and 1924	3,050,000	2,200,000	..	..	..
Under the Housing Act, 1914 ..	3,000	1,000	..	..	..
Under the West Indian Islands (Telegraph) Act, 1924	11,533	..	..	..	..
(b) Under the Unemployment Insurance Act, 1921	1,250,000	..	330,000	..	..
(c) For other Issues:—					
By Treasury Bills	870,575,000	854,008,000	49,626,000	56,799,000	..
By 3½% Conversion Loan	23,079,560	..	..	..	..
By National Savings Certificates ..	13,350,000	10,050,000	650,000	550,000	..
By Treasury Bonds, 1925	..	10	..	..	..
By 4½% Treasury Bonds, 1931-33 ..	..	13,521,620	..	..	..
(d) Ways and Means Advances ..	255,035,000	290,591,500	3,150,000	2,300,000	..
Anglo-Persian Oil Company—					
Dividends on Shares Acquired ..	..	23,109	..	23,109	..
Repayments—					
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921	78,816	522,224	12,508	..	..
Total	1,425,798,738	1,440,090,266	68,434,844	72,132,296	..

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1925-26. (Including Supplementary Grants.)	Total Issues out of the Exchequer to meet Payments from	Issues.	Week Ended Aug. 9, 1925.	Week Ended Aug. 9, 1924.
	£	£	£	£	£
EXPENDITURE.					
National Debt Services—					
Interest, &c.	306,000,000	135,100,563	135,570,743	2,721,337	2,604,092
Sinking Fund	50,000,000	15,340,352	9,675,865	370,000	100,000
Road Fund	16,800,000	3,047,044	2,410,044	..	..
Payments to Local Taxation Accounts, &c. ..	13,329,000	1,789,932	1,876,89	..	..
Payments to Northern Ireland Exchequer ..	4,000,000	1,363,197	1,376,560	..	..
Land Settlement	700,000	114,502	279,205	..	..
Other Consolidated Fund Services	2,000,000	1,133,346	967,812	..	..
Supply Services	418,086,000	130,594,629	128,545,085	6,879,165	5,630,748
Expenditure	810,015,000	288,463,565	280,722,205	9,970,502	8,34,846

	Total Issues out of the Exchequer to meet Payments from		Issues.	
	Apl. 1, 1925, to Aug. 8, 1925.	Apl. 1, 1924, to Aug. 9, 1924.	Week Ended Aug. 8, 1925.	Week Ended Aug. 9, 1924.
OTHER ISSUES.				
Temporary Advances—				
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	36,891	36,891	..	..
Under the Unemployment Insurance Act, 1911.....	1,250,000	..	..	..
Issues to meet Capital Expenditure—				
Under the Telegraph (Money) Act, 1922 and 1924.....	4,050,000	2,320,000	..	..
Under the Housing Act, 1914.....	6,000	4,000	..	..
Under the West Indian Islands (Telegraph) Act, 1924.....	11,533	180,737	..	180,737
Unemployment Insurance Act, 1921—				
Repayment of amounts borrowed.....	670,000	4,790,000	420,000	1,470,000
Redemption of Debt—				
Treasury Bills.....	838,215,000	844,230,000	45,930,000	55,040,000
Principal of National Savings Certificates.....	11,250,000	11,700,000	600,000	700,000
Principal of Exchequer Bonds paid off.....	306,667	..	..	..
Principal of National War Bonds paid off.....	3,639,550	..	..	..
Principal of Treasury Bonds paid off.....	23,645,860	..	..	..
Other Debt under the War Loan Act, 1914 to 1919.....	..	50	..	..
Ways and Means Advances Repaid.....	251,359,000	292,323,500	11,400,000	6,100,000
	1,422,944,666	1,436,237,383	68,320,502	71,825,577
Balance in Exchequer—				
Bank of England.....	2,041,012	2,194,331	36,608	141,719
Bank of Ireland.....	883,660	1,608,552	+ 151,000	+ 165,000
Total.....	2,854,672	3,802,883	+ 114,922	+ 306,719

NOTE.—Budget Estimate as in H.C. No. 84 of 1925.
Treasury, August 10, 1925.

NATIONAL DEBT—(Million £).

	Aug. 1, 1914.	Dec. 31, 1919.	Mar. 31, 1921.	Mar. 31, 1922.	Mar. 31, 1923.	Mar. 31, 1924.	Dec. 31, 1924.	Mar. 31, 1925.	Aug. 8, 1925.
Funded Debt.....	588	315	315	315	314	314	314	314	314
Term Annuities.....	30	20	18	16	14	14	13	13	13
5% Conversion Loan.....	..	..	..	266	684	666	709	732	732
4% Conversion Loan.....	..	..	..	..	..	..	210	210	210
4% War Stock.....	..	63	63	63	63	63	63	63	63
4% War Stock.....	..	13	13	13	13	13	13	13	13
4% and 5% War Stock.....	2,047	1,995	1,953	2,095	2,166	2,017	2,052	2,052	2,052
National War Bonds.....	1,509	1,413	1,201	963	820	813	780	777	777
4% Funding Loan.....	..	409	406	401	399	396	395	395	395
4% Victory Bonds.....	..	360	347	335	325	314	314	350	350
Treasury Bonds.....	..	..	453	411	467	496	482	458	458
Exchequer Bonds.....	20	323	229	185	150	99	32	32	32
National Savings Certs.....	..	287	385	542	354	366	368	370	370
Other Debt.....	..	1,308	1,132	1,087	1,157	1,128	1,132	1,124	1,124
American Loan (Anglo-French).....	15	51	1,121	878	616	588	626	575	608
Treasury Bills.....	1	243	154	147	194	186	220	166	171
Temporary Advances.....	654	8,035	7,574	6,655	7,742	7,641	7,726	7,646	7,682
Other Capital Liabilities.....	57	46	49	78	70	66	68	72	68
Total Liabilities.....	711	8,079	7,623	7,721	7,812	7,707	7,794	7,718	7,750

* Includes debt to American Government.

POSITION OF THE FLOATING DEBT.

Ways and Means Advances	Aug. 9, '24.	Mar. 31, '25.	Aug. 8, '25.	Movement Week ended Aug. 8, '25.
Outstanding—				
Advances by Bank of England	184,423,500	166,585,000	170,221,000	8,250,000
Advances by Public Debt Office	598,220,000	575,610,000	560,985,000	3,755,000
Treasury Bills Outstanding	..	..	..	..
Total Floating Debt	782,643,500	742,195,000	731,206,000	4,495,000

* Includes £93,000, the proceeds of which were not carried to the Exchequer within the period of the account.

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

Date.	Notes and Coins Outstanding.	Investments Reserve Account.	Redemption Account.				Ratio to Notes.	Govt. Securit.	Balance Bank of England.
			Silver Coin.	Gold Coin and Bullion.	Bank of England Notes.				
1922.									
Mar. 29.....	300,351	14,255	5,000	28,500	19,450	15.9	261,479	177	177
June 28.....	295,374	13,338	6,000	28,500	19,650	16.3	254,312	250	250
Sept. 27.....	289,127	12,648	7,000	27,000	21,150	16.6	246,456	189	189
Dec. 27.....	301,337	12,872	7,000	27,000	21,150	15.9	258,922	137	137
1923.									
Mar. 28.....	285,616	12,318	7,000	27,000	22,450	17.3	241,294	190	190
June 27.....	284,503	12,516	7,000	27,000	22,460	17.3	242,446	123	123
Sept. 27.....	282,784	12,401	7,000	27,000	22,450	17.6	238,595	140	140
Dec. 26.....	299,070	12,571	7,000	27,000	22,450	16.5	255,032	159	159
1924.									
Mar. 26.....	281,538	11,908	7,000	27,000	22,450	17.6	236,867	130	130
June 25.....	290,316	12,472	7,000	27,000	22,450	17.0	246,198	140	140
Sept. 24.....	285,592	12,227	7,000	27,000	22,450	17.3	241,185	184	184
Dec. 31.....	296,261	12,612	7,000	27,000	26,950	18.2	248,111	132	132
1925.									
Mar. 25.....	284,256	11,882	7,000	27,000	26,950	18.9	235,076	112	112
June 24.....	292,278	12,265	7,000	..	53,950	18.5	243,474	119	119
July 29.....	301,040	12,576	7,000	..	64,950	18.2	251,294	143	143
Aug. 5.....	305,484	12,682	7,000	..	56,250	18.4	254,803	113	113
Aug. 12.....	301,216	12,700	7,000	..	55,250	18.6	250,496	170	170

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £220,600,000, for 1921 at £217,555,200, for 1922 at £209,988,400, for 1923 at £270,183,800, for 1924 at £248,190,900, and for 1925 at £246,146,400.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £35,000,000 in Treasury Bonds and Treasury Bills were opened on Aug. 14, 1925, and the total amount applied for was £50,515,000. For bills at three months dated Monday to Friday, £99 0s 2d, above in full. Saturday's bills at £99 0s 5d, and above in full. The amounts allotted were as follows:—In bills at 3 months, £32,505,000; in bonds, nil.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.	4% Treasury Bonds. Average Price.
1925.				
June 19.....	40,000,000	49,235,000	4 8 3.55	nil
June 26.....	40,000,000	50,805,000	4 10 5.19	nil
July 3.....	40,000,000	52,085,000	4 10 2.47	nil
July 10.....	35,000,000	51,950,000	4 7 10.46	nil
July 17.....	35,000,000	49,605,000	4 4 6.41	nil
July 24.....	35,000,000	46,050,000	4 3 6.17	nil
July 31.....	35,000,000	44,055,000	4 5 0.44	nil
Aug. 7.....	35,000,000	47,070,000	3 19 11.14	nil
Aug. 14.....	35,000,000	50,515,000	3 18 2.11	nil

Tenders will be received on Aug. 21, 1925, for Treasury Bills and Treasury Bonds to be issued to the maximum amount of £35,000,000. The amount of Treasury Bonds issued will not exceed £3,000,000.

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, August 12, 1925.

ISSUE DEPARTMENT.

	£		£
Notes issued.....	182,184,370	Government debt.....	11,015,100
		Other securities.....	8,734,900
		Gold coin & bullion.....	162,434,370
	182,184,370		182,184,370

BANKING DEPARTMENT.

	£		£
Proprietors' capital.....	14,553,000	Government securities.....	34,218,520
Reserve.....	3,557,324	Other securities.....	71,605,890
Public deposits.....	15,733,119	Notes.....	36,930,960
Other deposits.....	110,729,760	Gold and silver coin.....	1,822,399
Seven-day & other bills.....	4,566		
	144,577,769		144,577,769

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

	Amount, Aug. 12, 1925.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Rest.....	3,557,324	—	19,090
Public deposits.....	15,733,119	+ 4,695,712	+ 2,326,944
Other deposits.....	110,729,760	+ 232,232	+ 1,933,589
Government securities.....	34,218,520	+ 710,000	+ 8,638,947
Reserve.....	3,557,324	+ 3,716,411	+ 3,803,900
Note circulation.....	145,253,410	+ 1,066,215	+ 16,722,467
Coin and bullion.....	162,434,370	+ 243,383	+ 19,219,190
% of reserve to liabilities.....	30.8%	—	28.4%

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Gold in or out of Bank.	Reserve and % of Reserve to Liabilities.	Bank Rate.
1925.							
July 1.....	157,602,608	146,629,485	155,610,626	142,854,891	540,000	30,721,123	10.25
8.....	158,861,736	145,245,750	129,902,699	114,509,035	1,250,000	33,405,986	10.25
15.....	161,537,002	143,149,580	127,823,813	107,631,188	2,703,000	38,168,422	10.25
22.....	163,234,250	143,391,635	126,865,047	104,721,636	1,689,000	39,592,625	10.25
29.....	164,257,807	144,750,795	123,954,104	102,774,350	1,028,000	39,257,012	10.25
Aug. 5.....	164,509,152	146,319,625	121,531,935	101,737,999	238,000	37,930,527	10.25
12.....	164,256,769	145,253,410	126,468,879	105,824,410	240,000	38,753,359	10.25

BANKERS' CLEARING RETURNS (000's omitted.)

Week Ending—	Town.	Metropolitan.	Country.	Total.
1925.				
January 1 to July 29.....	20,92,878	982,071	1,735,501	23,644,450
Aug. 5.....	665,387	31,795	45,661	742,843
12.....	640,583	32,436	61,826	734,845
Total to date 1925.....	22,232,848	1,046,302	1,842,988	25,122,138
Do 1924.....	21,840,055	994,936	1,731,399	24,566,390
Increase or decrease in 1925.....	+ 392,793	+ 51,366	+ 49,589	+ 493,748
%.....	+ 1.7%	+ 5.1%	+ 2.7%	+ 2.0%
Total for year 1924.....	35,038,606	1,594,114	2,900,145	39,532,864
Total for year 1925.....	32,270,373	1,546,565	2,810,654	36,627,592
Increase or decrease in 1924.....	+ 2,768,232	+ 47,549	+ 89,491	+ 2,905,272
%.....	+ 8.5%	+ 3.0%	+ 3.1%	+ 7.9%

MONTHLY STATEMENT OF LONDON CLEARING BANKS.
(000's omitted.)

Average Weekly Balances. July, 1925.	Bank of Liv'rho'l and Martins, Limited.	Barclays Bank, Limited.	Coutts and Co.	Glyn, Mills and Co.	Lloyds Bank, Limited.	Midland Bank, Limited.	National Bank, Limited.	National Provincial Bank, Limited.	West- minster Bank, Limited.	Willi'ms Deacon's Bank, Limited.	Total.
	£	£	£	£	£	£	£	£	£	£	£
ASSETS.											
Coin, bank and currency notes, and balances with the Bank of England ..	6,204	33,598	1,458	2,760	38,851	51,554	3,847	27,812	27,445	3,932	197,461
Balances with and cheques in course of collection on other banks in the United Kingdom	1,732	8,331	650	1,228	7,936	12,343	140	7,336	9,735	1,108	50,539
Items in transit	4,706	22,089	3,293	3,262	21,200	15,845	3,422	16,798	24,954	2,464	118,033
Money at call and short notice	2,538	36,803	1,903	1,917	54,397	48,261	2,742	39,633	40,777	2,272	231,243
Bills discounted	9,583	58,543	4,280	9,248	54,288	31,473	16,456	39,748	48,464	4,604	276,687
Investments	36,856	148,991	7,607	9,744	172,447	197,072	16,676	132,533	125,087	20,717	867,730
Advances to customers and other accounts											
Liabilities of customers for acceptances, endorsements, &c.	4,119	11,480	4	1,549	17,823	28,190	..	8,779	11,206	1,310	84,460
Bank premises account	1,535	5,156	346	695	5,712	6,041	763	4,407	4,172	882	29,709
Investments in affiliated banks	..	7,456	..	..	6,581	6,238	..	2,754	2,992	..	26,021
	67,273	332,447	19,541	30,403	379,235	397,017	44,046	279,800	294,832	37,289	1,881,883
Ratio of cash to current, deposit, and other accounts											
	10-49	11-30	8-12	10-18	11-52	14-97	10-05	11-03	10-33	11-96	11-81
LIABILITIES.											
Capital paid up	2,349	15,592	800	1,060	14,373	12,237	1,500	9,479	9,052	1,875	68,317
Reserve fund	1,700	8,250	800	530	10,000	12,237	1,225	9,479	9,052	1,250	54,523
Current, deposit, and other accounts	59,105	297,124	17,937	27,092	337,039	344,352	38,248	252,063	265,510	32,854	1,671,324
Acceptances, endorsements, &c.	4,119	11,481	4	1,549	17,823	28,191	..	8,779	11,205	1,310	84,461
Notes in circulation	..	..	..	172	..	..	..	3,073	13	..	3,086
Reduction of bank premises account	..	..	..	..	..	..	..	..	..	..	172
	67,273	332,447	19,541	30,403	379,235	397,017	44,046	279,800	294,832	37,289	1,881,883

CURRENT RATES IN NEW YORK.

BURMA CORPORATION.—During July, 30,669 tons of ore were mined, including 2,344 tons of high grade ore; 26,400 tons of ore were milled in the treatment plant, producing 11,075 tons of lead concentrates; 12,054 tons of lead-bearing material, including 2,305 tons of high-grade ore, were smelted in the blast furnaces.

producing 4,337 tons hard lead for treatment in the refinery. Refinery products were 3,704 tons lead, and 385,012 ozs silver. Of silver production, 53,091 ozs were recovered from the treatment of copper matte. Experimental zinc plant produced 1,450 tons zinc concentrates, assaying 13.3 ozs silver, 7.4 per cent. lead, and 44 per cent. zinc. In addition to the above, 743 tons copper matte were produced from the treatment of accumulated smelter by-products, and 3,877 tons copper ore. 100 tons of antimonial lead were also produced. Included in the tonnage of refined lead is 401 tons recovered from the smelting of copper ore.

BROKEN HILL SOUTH.—For the six weeks ended August 8th, 35,950 tons of crude ore and 21,530 tons of de-leaded slime residues were treated, and produced 6,881 tons of lead concentrates, assaying 65 per cent. lead and 26 ozs silver per ton; also 12,462 tons of zinc concentrates, assaying 47 per cent.

NORTH BROKEN HILL, LIMITED.—For the five weeks ended Aug. 1st the production was as follows:—39,950 tons of crude ore were treated, producing 7,030 tons lead concentrates, averaging 63.7 per cent. lead, 29.7 ozs silver per ton, and 7.2 per cent. zinc; also 6,200 tons zinc concentrates, averaging 47.3 per cent. zinc, 6.8 per cent. lead, and 7.7 ozs silver per ton.

SAN FRANCISCO MINES OF MEXICO, LIMITED.—For July: Ore treated, 13,310 tons; lead concentrates produced, 1,427 tons; zinc concentrates produced, 2,392 tons. Estimated net smelter return on lead concentrates \$132,850 (U.S. currency), and on zinc concentrates, \$70,405; total, \$203,255. Operating expenses, \$92,058. Estimated operating profit, \$111,197. Capital expenditure, \$51,578. Office Note.—The above return includes \$10,584, being excess of realisations of products over valuations in respect of previous months.

Reports and Notices.

Mr John Nevile Buchanan, D.S.O., M.C., has been elected a director of the Rio Tinto Company, Limited, to fill a vacancy on the board.

GOVERNMENT STOCKS, &c.

GREEK DEBT.—The Council of Foreign Bondholders issues the following information, compiled from figures published by the International Financial Commission at Athens, with regard to the revenues assigned under the Law of Control for the service of the Greek debt from January 1 to June 30, 1925, compared with those for the same period in 1924:—

	Monopolies, Tobacco, Stamps, Stamped Paper, Naxos Emery.	Piræus Customs.
Gross receipts, June, 1925.....	Drachmæ. 7,352,587.05	Drachmæ. 43,189,728.10
Do do do 1924.....	8,443,756.35	32,447,545.40
Estimated receipts for six months (Law of Control)....	14,450,000.00	5,350,000.00
Actual receipts for 1925 (six months).....	57,334,526.65	254,814,627.70
Actual receipts for 1924 (six months).....	51,380,059.70	(a) 198,249,231.85
Difference between estimated and actual receipts for six months.....	1925 + 42,884,526.65 1924 + 36,930,059.70	+ 249,464,627.70 (b) 192,899,231.85

Note.—Of the surplus over the estimated receipts from monopolies, tobacco, stamps, stamped paper, and Naxos Emery, 49 r-5 per cent. is applied towards increasing the minimum rates of interest and sinking fund on the external gold loans of 1881 to 1893. As regards receipts subject to the system of plus-values, increases in duties and prices are excluded therefrom in the above table. (a) (b) In addition to these amounts, import duties equivalent to £6,098 were paid in gold at the Piræus Customs.

RAILWAYS.

ARGENTINE TRANSANDINE RAILWAY.—Receipts for the week ended August 8, 1925, £2,538, against £2,463 for the corresponding week last year—increase £75. Aggregate receipts from July 1st, £15,130, against £13,373—increase £1,757.

RUBBER, &c.

HANWELLA RUBBER ESTATES.—A circular issued by the secretaries of the Hanwella Rubber Estates, dated July 24th, states that since the annual meeting on April 21st the directors have purchased Koratota Estate for a sum of rather over £19,000. This property consists of approximately 250 acres of eight-year-old rubber, which has not, as yet, been tapped. It is situated on the Hanwella-Colombo cartroad, about five miles from Hanwella proper, and has been extremely well reported on. The directors have arranged to finance the purchase by means of a loan, and they are of opinion that it will make a valuable addition to the company's property. In addition, a further 15 acres of unplanted land have been purchased in the immediate vicinity of the Alupota division, and this is now being opened. The following are the sales made on account of the years 1925 and 1926:—1925—Sales to date, 101,132 lbs. at 25.06d net average; sales contracted for July-December, 67,200 lbs. at 2s 3d, London landed terms; estimated amount to

be exported, 289,500 lbs. 1926—Sales contracted for January-December, 241,920 lbs at 2s, London landed terms; estimated amount to be exported at 90 per cent. of the standard allowance, 400,000 lbs.

TRANSVAAL GOLD OUTPUT STATISTICS.

Name of Mine.	June, 1925.			July, 1925.		
	Ore.	Est. Yield.	Est. Profit.	Ore.	Est. Yield.	Est. Profit.
Aurora W. United (10s shares)...	11,600	b 13,777	1,509	12,500	b 14,215	1,507
Brakpan.....	76,200	126,718	50,100	86,000	137,613	57,758
Central West.....	15,027	14,940	3,820	12,520	14,304	4,074
City Deep.....	92,000	144,362	38,114	92,500	151,799	41,462
Consolidated Main Reef.....	53,400	75,169	7,413	58,000	78,942	10,800
Crown Mines (10s shares).....	217,000	284,981	86,920	229,000	293,965	87,476
Durban Roodepoort Deep.....	34,500	45,972	2,221*	37,650	50,154	713
East Rand Proprietary.....	128,000	b 133,264	263	137,500	140,441	3,284
Ferreira Deep.....	31,200	35,718	5,377	35,700	37,021	5,228
Geduld Proprietary.....	75,000	a 111,620	45,540	79,000	a 117,225	47,652
Geldenhuis Deep.....	56,600	56,794	2,855*	65,500	64,008	3,220
Glyn's Lydenburg.....	4,900	8,530	524	5,400	8,764	998
Government Areas.....	157,000	a 233,127	162,245	169,000	317,892	181,114
Kleinfontein, New.....	60,300	a 49,98	3,150	62,000	a 49,855	1,224
Langlaagte Estate.....	75,000	a 91,151	11,578	79,000	95,088	12,274
Meyer and Charlton.....	14,900	b 31,190	15,078	14,700	b 31,323	15,029
Modderfontein B.....	63,000	99,611	41,148	64,500	102,183	41,080
Modderfontein Deep Levels.....	42,500	a 96,242	63,002	45,100	a 102,021	66,851
Modderfontein East.....	29,400	37,754	4,391	29,000	36,683	4,520*
Modderfontein, New (24 shs.).....	121,000	283,957	161,243	130,000	275,331	166,906
Nourma Mines.....	71,000	a 119,519	48,191	74,000	125,225	51,668
Primrose, New.....	47,500	53,305	1,123	48,800	54,485	2,655*
Randfontein Estates.....	18,800	a 18,052	1,546	20,600	18,591	1,586
Robinson (25 shares).....	182,500	a 210,833	40,151	200,000	211,091	51,668
Robinson Deep.....	9,400	9,743	1,809	10,200	9,722	1,719
Rose Deep.....	69,000	a 98,211	35,936	77,000	99,400	33,523
Simmer and Jack.....	56,000	53,244	9,964	59,000	55,470	10,031
Spring Mines.....	68,500	a 65,093	6,549	73,200	65,844	7,414
Sub-Nigel.....	81,500	119,100	55,415	68,000	127,507	59,449
Transvaal Gold Mining Estates.....	102,000	a 27,812	8,156	10,600	29,109	8,183
Van Ryn.....	16,150	a 23,294	3,264	16,500	23,171	2,220
Van Ryn Deep.....	35,200	b 38,62	10,331	37,000	b 38,905	6,452
Village Deep.....	65,200	a 103,030	49,271	69,800	104,233	50,868
West Rand Consolidated.....	57,000	71,734	8,226	59,200	78,613	7,501
Witwatersrand Deep.....	38,000	b 38,592	4,038	38,600	b 38,778	4,272
Witwatersrand (Knights).....	46,200	73,783	39,941	49,600	76,887	33,082
Witwatersrand (Knights).....	43,000	a 52,633	11,268	44,500	a 44,330	12,074
Woluter.....	45,500	a 44,687	3,866	46,500	44,217	4,088
	30,000	30,915	948	30,700	30,840	1,293

* Loss. a At normal price. b 24 4s 9d per fine oz. c At standard price.

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Commercial Reports.

THE CORN TRADE.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest years 1924-25, 1923-24, 1922-23, 1921-22.

	1924-25.	1923-24.	1922-23.	1921-22.
Estimated sales of home-grown wheat—	Cwts.	Cwts.	Cwts.	Cwts.
1 week to Aug. 8.....	11,301,824	12,718,775	16,900,932	16,076,705
49 weeks to Aug. 8.....	s d 11 10	s d 13 1	s d 11 2	s d 12 5

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1921 to 1924:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1925.	Cwts. 153,960	Cwts. 16,092	Cwts. 23,205	s d 11 11	s d 10 0	s d 10 3
Aug. 1.....	144,253	12,417	16,186	11 10	11 2	10 3
1921.....	212,837	25,421	11,803	16 0	13 9	11 11
1922.....	69,673	6,564	11,474	12 6	10 7	10 9
1923.....	33,301	9,108	5,559	11 2	8 0	9 6
1924.....	25,652	1,524		11 1	12 5	10 3

Mark Lane, Friday Evening.

Further rains over most parts of the countries during the past week have interrupted harvesting operations. The best crop appears to be wheat, but recent rains have caused some discoloration and sprouting in barley and oats. In the aggregate, however, the harvest is likely to result in a very satisfactory yield. The market generally displayed firm features, though slightly irregular at times, in sympathy with fluctuating forward offers. In the floating and forward wheat cargo market holders generally adopted reserved measures in face of higher American advices, but buyers were reluctant to follow the upward movement, and business was on a limited scale. A feature was provided by liberal sales of South Russian wheat to U.K., and Continent August-September shipment at 56s to 56s 3d, and with a good chartering movement in evidence it would appear that comparatively substantial quantities will be forthcoming from this direction during the season. Steamers of choice white Karachi expected to load 17th inst. sold at 59s, West Australian June 16 bill of lading 59s 3d, and a sailer South Australian arrived at 58s 9d. Maize cargoes in fair support, and general tone of the market is firm. Steamers of La Plata afloat sold 43s to 44s 3d as to size and position, July-August 41s 9d to 42s, August-September 41s 3d, September 41s 9d, September 15 41s 7d, all per 480 lbs c.i.f. terms. Wheat firm. No. 1 Northern Manitoba, ex ship, quoted 66s 6d, No. 2 ditto 65s 6d, No. 3 64s 6d, Australian 62s 6d, Rosafé 62½ lbs ex ship to arrive 62s, all per 490 lbs. English new quoted 11s 2d to 11s 8d per 112 lbs, free on rail. Flour steady. London standard grade quoted 50s, patents 52s to 53s, town whites 50s per sack delivered in the Home counties, with 6d to 1s per sack less delivered in London districts. Of imported, Manitoba patents range from 47s 6d to 50s 6d, Minneapolis 47s 6d to 49s, Kansas range from 47s 6d to 50s 6d, Australian 42s 6d to 43s per 280 lbs ex store. Patents 46s to 47s, Australian 42s 6d to 43s per 280 lbs ex store. Maize quieter. Plate ex ship to arrive quoted 45s 6d, ditto landed 48s 3d, white flat African ex ship 43s 6d per 480 lbs. Barley steady. Californian quoted 45s to 52s, Chilian Chevalier 58s to 65s, brewing 52s to 56s according to quality, Australian 57s to 65s ex store per 48 lbs. No. 3 Canadian Western ex ship 38s 6d, Karachi 40s, Morocco 38s, both landed, Tunisian ex ship 36s 6d, landed 27s 9d, No. 2 Canadian feed ex ship 25s 9d, landed 26s 9d, landed 33s 6d, No. 2 Canadian feed ex ship 25s 9d, landed 26s 9d,

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CHEAP-RAPID-RELIABLE-TRANSPORT

Chilian tawny landed 27s 6d, No. 2 white clipped American ex ship to arrive 24s 6d, all per 320 lbs. English new quoted 9s 4d to 10s 4d per 112 lbs, free on rail. Millers' offals firm, with a good demand. Broad bran quoted 8s 6d, middlings 8s 6d, fine ditto 10s, bags included, ex mill, powdered oat husks 6s 3d, feed oatmeal 8s 3d, ground oats 12s 9d per cwt free on rail. Oatmeal maintained. London made flaked 19s, rolled oats 18s, medium, also fine cut, 18s, coarse also medium pinhead 18s ex mill, ordinary Scottish oatmeal 19s 6d, American ditto 17s 6d to 18s per cwt.

AMERICAN WHEAT MARKETS.

Weakness in the early part of the week owing to reports of improved weather conditions in Europe and a generally inactive export demand was accentuated by the publication of official estimates showing much larger figures than were expected. A firmer movement succeeded, largely owing to speculative buying. Recent market quotations are:—

	Aug. 15, 1924.	Jan. 2, 1925.	July 29, 1925.	Aug. 6, 1925.	Aug. 13, 1925.
Winnipeg (No. 1 Manitoba)—Cents per 60 lbs.....	(a) 147½	183	(a) 162½	(c) 146½	(c) 146½
Chicago (No. 2 Winter)—Cents per 60 lbs.....	131½	177	156½	(b) 160	(b) 165½

(a) July delivery. (b) September delivery. (c) October delivery.

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Dividend Interest.	Amount Available for Distribution.	Appropriation.			Corresponding Period Last Year.	
					Dividend.		Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.
					Prefere.	Ordinary.			
					Amount.	Amount.	Rate.		%
Breweries.									
Clarkson's Old (Barnsley).....	June 30	£ 5,971	£ 33,605	£ 39,576	£ 3,900	£ 13,000	20½	£ 15,000	27,019 17½
Dalmeida-Talisker Distilleries ..	June 30	19,202	38,371	57,573	4,075	20,882	25	10,000	41,319 20½
Canals and Docks.									
Humber Graving Dock.....	June 30	..	8,350	8,350	..	6,000	4	2,350	10,000 4
Gas.									
Coatbridge.....	June 30	4,610	9,958	14,568	..	11,008	14½	3,560	9,618 14½
Maidstone.....	June 30	16,433	11,562	27,995	..	11,011	8½	2,487	13,375 8½
Trusts.									
Third Scottish American.....	July 1	35,901	44,026	79,927	..	30,476	9½	13,000	36,451 9½
Other Companies.									
Aberdeen University Press.....	June 30	170	2,210	2,380	919	949	12	..	512 12
Beecham Estates and Pills.....	June 30	..	156,615	156,615	58,750	74,189	10	23,676	..
Owen and Robinson.....	May 31	5,698	5,746	11,444	2,100	2,100	6½	1,000	5,380 6½

† Tax free.

* Half-year.

The Canadian Bureau of Statistics has issued the following official forecasts of this year's harvest of the principal grain crops, based on the condition of the crops at the end of July in the three prairie provinces. Wheat, 21,000,000 acres sown; estimated yield, 350,000,000 bushels, as compared with 235,000,000 bushels last year. Oats, 9,391,000 acres sown; estimated yield, 272,000,000 bushels, as compared with 229,000,000 bushels last year. Barley, 3,492,000 acres sown; estimated yield, 78,000,000 bushels, as compared with 68,000,000 bushels last year. Rye, 731,000 acres sown; estimated yield, 13,000,000 bushels, as compared with 11,500,000 bushels last year. Flax seed, 1,114,000 acres sown; estimated yield, 8,556,000 bushels, as compared with 9,577,000 bushels last year. The following are the forecasts for this year's harvest for the whole of Canada, based on the preliminary estimates of autumn wheat and rye, and the condition of the other crops at the end of July:—Wheat, 375,000,000 bushels; oats, 446,000,000 bushels; barley, 94,000,000 bushels; rye, 15,000,000 bushels; flax seed, 8,666,000 bushels.

IRON, STEEL, AND COAL.

We extract the following from the weekly report issued by the London Iron and Steel Exchange:—The annual holidays are now over in most of the industrial districts, and this week the majority of the iron and steel works have resumed operations. In the pig-iron department a comparatively small amount of business has been transacted, at prices which represent concessions on the figures ruling before the holidays. The demand for pig-iron from all the consuming industries is still restricted. In the semi-finished steel department the comparative lack of interest shown by British consumers has resulted in Continental makers showing some anxiety to effect sales, and business has been reported at cut prices. Quotations vary very considerably, and while some Continental producers are asking the figures in force a week or so ago, others are offering at cheaper rates. The demand for finished steel materials remains poor, but lately the export business has shown signs of reviving, and the volume of inquiry from several overseas markets has expanded.

Our Middlesbrough correspondent writes:—Pig-iron: On account of the approaching race holidays, most of the foundries are postponing taking deliveries. A few small lots of No. 3 Cleveland G.M.B. have been sold, and although 70s per ton is the generally quoted price, it could be shaded for a good order. A good deal of business has been done in hematite, and it is still possible to buy mixed numbers at 75s 6d per ton. Manufactured iron and steel: Rather better business has been reported, chiefly on foreign account. Quotations are unaltered at the following:—Steel ship plates, £8 10s; steel ship angles, £8 5s; iron bars, £11 12s 6d; steel rails, £8 10s. Iron ore: There is still no great demand for foreign ore, and best Bilbao Rubio is quoted nominally at 20s 6d per ton, c.i.f. Tees.

Our Glasgow correspondent writes:—A quiet tone prevails in the iron and steel markets. The accumulated orders over the holidays will be easily overtaken. The shipments last week amounted to 1,111 tons, of which 74 tons went coastwise, and 1,037 tons overseas, an increase of 49 tons as compared with the corresponding week of 1924. Steel works which had extended the holidays over last week have reopened, but business all round is quiet. Shipbuilding requirements having fallen off, there is keen competition for the few export specifications coming on the market. Structural engineers are well supplied with work. Ship plates are now quoted at £8 10s per ton f.o.r. Clyde area, export prices being 10s lower. Bar iron is in poor demand. Makers of black sheets are busy, and have in some instances advanced prices, £11 10s per ton f.o.b. being now generally quoted for close annealed quality 24 gauge. Over 1,000 tons of galvanised corrugated sheets have been placed locally this week for Indian shipment, and makers report full order books for delivery two months ahead.

Our Sheffield correspondent writes:—The resumption of activities is not yet complete, and the uncertainty of coal prices is checking buying in the pig-iron market. A substantial reduction in coal prices would probably be followed by a further drop in pig-iron. The same influence is felt in billets and semi-materials generally. Derbyshire foundry iron is now being quoted as low as 60s f.o.t., and Lincolnshire a trifle less. Basic pig can be bought at the same figure in Lincolnshire. No further reductions have occurred in billets, but prices would be shaded to secure a good order. The rail mills need work. Axle tyre and spring plants continue to book work from British railways, but little is coming in from abroad. A valuable order for locomotives has been placed in this country by an Argentine railway. Good and bad trade is found side by side in Sheffield, the weakness being in crude metals. The highly finished branches continue to be progressive. Russia is buying files, saws, edge tools, and steel, but the quantities are limited by considerations of credit. The file branch is working at nearly 90 per cent. capacity, and is busier than at any time since 1920. Tools generally are selling freely. The cutlery and plate branches are quiet. The patching-up of the coal trade dispute has been followed by a lull in buying, consumers preferring to wait events. There are no settled quotations at the moment.

Our Cardiff correspondent writes:—The sagging tendency of prices has continued. Salesmen were at first able to arrest the

downward movement on the strength of moderate contract bookings, but the few buyers with spot business in hand can now secure concessions of 3d to 6d on quotations for nearly all classes. Business passing is mainly for small parcels, and except for an inquiry from the French Navy, forward demand is negligible. The following are the current approximate quotations:—Best Admiralties, 24s 6d to 25s 6d; seconds, 24s to 24s 6d; best drys, 24s to 24s 6d; Black Veins, 23s 9d to 24s; Western Valleys, 22s 9d to 23s 3d; Eastern Valleys, 22s 6d to 23s; best steam smalls, 14s to 14s 3d; ordinary cargo smalls, 11s 9d to 12s; coking smalls, 14s to 14s 3d; anthracite, best large, 43s to 47s 6d; Red Vein, large, 27s 6d to 31s; machine-made cobbles, 51s 6d to 53s 6d; French nuts, 52s 6d to 55s; stove nuts, 48s to 51s; rubbly culm, 13s to 14s; coke (special qualities), 40s to 45s; patent fuel, 23s to 25s 6d; pitwood, ex-ship, 30s to 32s 6d. The tin-plate market is steadier, but a continued lack of substantial orders restricts business. It is rumoured that an attempt is being made to revive the stabilisation of prices scheme.

CUMBERLAND IRON.

The Cumberland and North Lancashire hematite pig-iron trade remains featureless. The volume of business is smaller because users are taking delivery on a fairly considerable scale of the iron that has been in stock during the past three or four months. These stocks are now being depleted, and it is expected that in the Furness district it will be possible to relight two furnaces next month. There is, however, little evidence of any such improvement in trade as would compel an appreciation of values, and Bessemer mixed numbers at £4 5s c.i.f. Welsh ports, £4 10s at Glasgow, £4 12s 6d at Sheffield, and £4 15s at Birmingham are still being shaded. Low phosphorus iron is in quietly steady request at £4 16s at Glasgow. Ferro is being sold from stocks at £15 10s per ton. There is little doing in the steel trade, but it is hoped to restart the fish-plate mill at Workington next week and the rail mill in September. Rails are £8 10s, sleepers £10 10s 6d, fish-plates £12 10s per ton. The production of native hematite ore is small on account of the decline in the local wants. A few good parcels are going weekly to Scotland. Superior sorts are from 19s to 20s per ton, and ordinary kinds from 15s to 16s per ton. The coal trade is slow. The weekly shipments to Ireland average at present about 9,000 tons per week, and some part of those are on gas contracts account. Scottish and Lancashire competition has adversely affected the Cumberland export trade, and best round at 22s, gas coal at 22s, and house nuts at 21s are all between 4s and 6s per ton higher than those of competitors' figures. Local landsale is dull, with best house at 34s 10d, best steam is 27s 6d, and washed steam 26s 6d. Coke is a smallish make for the local smelters of ordinary iron at 19s to 20s, according to carbon content.

ARCOS LTD.

Sole Purchasing and Selling Agency in Great Britain for the Government of the U.S.S.R.

TURNOVER TO
APRIL 1, 1925, £56,000,000.

Exports from Russia to Great Britain include timber, flax, furs, ores, metals, crude drugs, petroleum products, etc., to a total value of £18,000,000.

The more important items of import to Russia are agricultural machinery, locomotives, tools, motors, scientific apparatus, drugs, clothes, boots, etc., to a total value of £38,000,000.

49, Moorgate, London, E.C.2

Telegrams: "Arcosarcos, Arcosarcos." Cables: Arcosarcos. Codes: A.B.C., 8th & 6th edition. Harrold, Bentley & Zehra.

OVERSEAS TRADE RETURNS.

IMPORTS (Value C.I.F.).

	Month Ended July 31.		Seven Months Ended July 31.	
	1924.	1925.	1924.	1925.
I.—Food, Drink, and Tobacco—				
A. Grain and flour	11,799,753	9,391,950	50,037,384	63,459,092
B. Feeding stuffs for animals	702,381	654,759	4,241,080	5,212,550
C. Meat	9,969,867	10,551,237	62,705,116	72,890,892
D. Animals living, for food	1,758,615	1,163,213	11,121,612	8,162,519
E. Other food and drink, non-durable	14,214,828	15,182,410	93,553,861	103,386,490
F. " " " durable	8,239,939	8,508,737	71,450,062	65,307,023
G. Tobacco	850,787	835,053	8,506,278	7,654,361
Total, Class I	47,516,165	46,287,359	310,615,393	325,981,927
II.—Raw Materials and Articles Mainly Unmanufactured—				
A. Coal	825	718	9,160	11,171
B. Other non-metallic mining and quarry products and the like	592,435	571,356	3,470,579	3,448,202
C. Iron ore and scrap	874,108	369,528	5,530,223	3,251,086
D. Non-ferrous metalliferous ores and scrap	1,181,799	1,692,304	8,760,438	9,772,603
E. Wood and timber	7,022,615	5,566,834	23,735,806	23,263,666
F. Raw cotton and cotton waste	6,480,234	4,504,512	64,001,287	72,541,233
G. Wool, raw and waste, and woolen goods	4,472,171	4,098,244	50,895,549	55,996,274
H. Silk, raw, knubs and noils	105,508	67,475	898,694	1,255,742
I. Other textile materials	716,265	531,289	7,237,796	10,376,813
J. Oil seeds, nuts, oils, fats, resins, and gums	4,932,997	4,204,633	29,597,098	32,579,548
K. Hides and skins, undressed	1,352,377	1,514,177	12,138,791	13,009,746
L. Paper-making materials	2,410,468	1,007,385	5,960,084	5,904,577
M. Rubber	772,886	2,605,718	5,481,948	9,559,957
N. Miscellaneous raw materials and articles mainly unmanufactured	898,643	870,019	5,568,864	6,405,347
Total, Class II	31,693,334	27,604,190	223,786,914	247,375,965
III.—Articles Wholly or Mainly Manufactured—				
A. Coke and manufactured fuel	396	51	4,415	2,581
B. Earthenware, glass, abrasives, &c.	810,959	834,710	4,823,391	5,466,670
C. Iron and steel and manufactures thereof	1,942,681	1,944,632	12,965,657	14,375,896
D. Non-ferrous metals and manufactures thereof	3,370,855	3,428,513	18,450,626	22,799,811
E. Cutlery, hardware, implements, and instruments	521,981	825,454	4,064,629	6,562,919
F. Electrical goods and apparatus	221,747	291,087	1,595,526	2,233,192
G. Machinery	779,454	1,106,139	6,113,774	7,081,930
H. Manufactures of wood and timber	496,877	517,143	2,928,273	3,555,673
I. Cotton yarns and manufactures	829,882	727,152	5,159,401	6,168,093
J. Woollen and worsted yarns and manufactures	1,276,941	1,117,351	8,755,003	8,484,777
K. Silk and silk manufactures	2,408,260	1,017,255	14,465,948	18,051,841
L. Manufactures of other textile materials	1,496,668	1,167,108	9,344,374	12,484,220
M. Apparel	1,700,768	1,302,950	10,525,213	14,014,420
N. Chemicals, drugs, dyes, & colours	1,146,410	1,073,018	8,292,689	8,656,721
O. Oils, fats, and resins, manufactured	4,881,431	3,882,347	23,293,024	22,493,287
P. Leather and manufactures thereof	1,429,973	1,011,635	7,863,207	8,632,851
Q. Paper and cardboard	1,344,167	1,328,171	7,747,339	8,378,402
R. Vehicles (including locomotives, ships, and aircraft)	655,392	599,470	4,987,709	8,736,281
S. Rubber manufactures	490,276	438,567	2,618,032	3,641,649
T. Miscellaneous articles, mainly or wholly manufactured	2,263,104	2,152,667	14,269,608	16,854,741
Total, Class III	28,190,217	24,263,420	168,265,938	198,771,955
IV.—Animals, not for food	282,875	198,709	1,158,856	1,213,540
V.—Parcel post, non-durable articles	414,575	391,171	2,521,274	2,868,039
Total	108,097,166	98,744,849	606,347,375	776,209,426

METALS.

Values of tin declined sharply, due to selling pressure, chiefly for distant positions, combined with lower Eastern advices, but at the lower level buyers became more prominent and a good deal of irregularity was noticeable at times. Standard cash sold at £263 5s to £256 7s 6d and £259, and three months at £266 10s to £261 17s 6d. Sales in the East were reported at £272 15s to £268 10s per ton. Copper also declined in face of liberal selling orders while influenced by lower American cables, though offers were fairly well absorbed. Standard cash changed hands at £63 3s 9d to £62 10s, and three months £64 5s to £64 7s 6d, and £63 11s 3d per ton. Antimony firm. English special brands quoted £75 to £85 as to make and quantity. China crude August-September sold £50, regulus ditto £63 10s per ton. Antimony ore-sulphide August-September 6s 10d per unit. Aluminium nominal. Home and export £118 to £120 per ton. Quicksilver firm. Spot quoted £14 per bottle. Wolfram firm. Spot also August-September quoted 18s 6d per unit. Lead easier, but irregular, with business on a liberal per unit. August sold £37 7s 6d to £36 15s, and £37 12s 6d, September £36 18s 9d to £36 10s, and £37, October £36 10s to £36 and £36 10s, November £36 7s 6d to £35 13s 9d and £36 6s 3d per ton. Spelter in good request, but prices declined on liberal offerings. August sold £36 13s 9d to £36 15s, September £36 7s 6d to £36 13s 3d, October £36 6s 3d to £35 17s 6d and £36 5s, and November £36 5s to £35 16s 3d and £36 3s 9d per ton.

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—Business generally is still more or less stagnant owing to wages dispute. Further efforts are being made to find a solution, and representatives of the employers and employees are conferring in London to-day with the Minister of Labour. In the meantime, there is not sufficient business in tops or yarns to test values. Comparatively small weights of merino and crossbred tops are being taken up by the few isolated spinners who are still working. The most interesting feature is the demand on export account for

EXPORTS OF PRODUCE AND MANUFACTURES OF THE UNITED KINGDOM. (Value F.O.B.)

	Month Ended July 31.		Seven Months Ended July 31.	
	1924.	1925.	1924.	1925.
I.—Food, Drink, and Tobacco—				
A. Grain and flour	574,809	861,842	3,848,892	6,013,488
B. Feeding stuffs for animals	215,269	225,373	1,740,142	2,046,230
C. Meat	94,614	113,418	876,004	921,014
D. Animals living, for food	14,841	8,122	165,015	91,213
E. and F. Other food and drink	3,106,661	2,753,692	19,329,669	18,045,832
G. Tobacco	610,232	667,769	4,003,557	3,914,354
Total, Class I	4,646,416	4,620,216	29,961,279	31,034,151
II.—Raw Materials and Articles Mainly Unmanufactured—				
A. Coal	6,363,621	4,465,092	44,366,613	31,377,428
B. Other non-metallic mining and quarry products and the like	138,828	169,524	2,336,618	1,141,999
C. Iron ore and scrap	40,589	26,076	290,198	278,509
D. Non-ferrous metalliferous ores and scrap	109,596	105,206	750,086	886,775
E. Wood and timber	64,818	65,702	370,982	454,057
F. Raw cotton and cotton waste	105,012	86,872	1,088,313	1,108,577
G. Wool, raw and waste, and woolen goods	558,055	842,701	6,568,208	6,994,930
H. Silk, raw, knubs and noils	3,449	3,433	88,265	48,297
I. Other textile materials	33,511	48,692	260,373	345,376
J. Oil seeds, nuts, oils, fats, resins, and gums	479,302	571,960	3,859,076	3,875,157
K. Hides and skins, undressed	110,068	177,995	1,588,012	1,930,760
L. Paper-making materials	146,795	163,546	1,070,873	1,172,366
M. Rubber	7,353	22,168	68,242	120,767
N. Miscellaneous raw materials and articles mainly unmanufactured	125,190	168,859	2,509,610	2,242,672
Total, Class II	8,286,187	6,917,876	64,111,469	51,837,670
III.—Articles Wholly or Mainly Manufactured—				
A. Coke and manufactured fuel	470,269	265,913	3,720,481	2,097,850
B. Earthenware, glass, abrasives, &c.	1,219,710	1,124,761	7,443,236	7,569,302
C. Iron and steel and manufactures thereof	6,690,764	5,694,987	45,720,714	39,947,347
D. Non-ferrous metals and manufactures thereof	1,300,446	1,261,661	9,368,697	9,161,387
E. Cutlery, hardware, implements, and instruments	763,773	782,670	4,738,732	5,295,579
F. Electrical goods and apparatus	789,322	863,952	5,549,278	7,046,261
G. Machinery	4,175,650	3,910,612	25,485,790	28,287,581
H. Manufactures of wood and timber	255,900	144,660	1,242,526	1,307,634
I. Cotton yarns and manufactures	17,523,245	16,507,965	116,507,942	121,495,594
J. Woollen and worsted yarns and manufactures	7,532,465	5,751,546	39,725,269	36,537,432
K. Silk and silk manufactures	238,525	208,045	1,275,295	1,124,359
L. Manufactures of other textile materials	2,688,410	2,294,421	15,626,689	16,940,163
M. Apparel	2,899,863	2,447,538	16,568,350	16,675,717
N. Chemicals, drugs, dyes, & colours	2,207,457	2,034,635	15,196,770	14,392,735
O. Oils, fats, & resins, manufactured	822,511	894,694	5,324,101	5,829,383
P. Leather and manufactures thereof	580,237	548,143	3,967,732	4,108,332
Q. Paper and cardboard	899,312	846,936	5,227,021	5,612,704
R. Vehicles (including locomotives, ships, and aircraft)	2,755,771	2,440,478	14,194,534	17,513,742
S. Rubber manufactures	590,612	660,668	3,501,181	4,419,374
T. Miscellaneous articles, mainly or wholly manufactured	2,767,317	2,935,170	18,123,149	19,046,433
Total, Class III	57,171,659	51,649,475	358,487,487	364,369,005
IV.—Animals, not for food	266,915	278,248	1,215,121	1,196,935
V.—Parcel Post	912,112	1,360,554	5,972,735	8,947,778
Total	71,283,289	64,826,369	459,748,091	457,485,539

raw material. France has been buying heavily in the primary markets recently, and she is also taking some fair quantities of matchings. The prices paid are well above what can be obtained here for corresponding qualities of tops (allowing, of course, for conversion costs), and it would seem that existing conditions favour the development of the Continental industry. No doubt business could be done on home account if the textile outlook became more settled, but as things are there is a general disinclination on the part of users to do any forward buying. There is also the possibility that if the strike continues much longer there will be a number of cancellations owing to the inability of manufacturers to deliver goods on due dates. In the interests of all concerned, therefore, it is to be hoped that work will soon be resumed throughout the West Riding.

COLONIAL WOOL. (FROM A CORRESPONDENT.)

During recent weeks two meetings have been held in Bradford under the auspices of the British Wool Federation, the chief subject discussed being the New Zealand programme of sales for the next season. Mr. Walter Hill, the biggest individual buying broker in New Zealand, and representing Messrs. James Hill and Sons, probably the largest topmakers in the world, is here from Christchurch. As Bradford buys the bulk of the New Zealand crossbred clip, it has been decided to make representation in favour of lengthening the New Zealand season, and even if the whole of April is put on to the selling season, it will relieve the position very materially. Another important matter concerned the repeated demands which have been made to the New Zealand Selling Brokers' Association for the commencement of sales at Gisborne, in Poverty Bay. Buyers believe there is no justification for such a step, since the wool can be forwarded as before to Napier, or else direct to London. The wisdom of establishing sales at Gisborne, which would mean going there at least three times during the season, must be left to the decision of selling brokers, who no doubt will pay due regard to the buyers.

One very much regrets the continuance of the textile strike in the West Riding. The employers have published a statement offer-

ing an immediate resumption of work; payment of wages at the new rates posted; an impartial Court of Investigation composed of two representatives of neutral operatives and two representatives of neutral employers, sitting under a neutral chairman, and to abide by the findings and recommendation of that Court. The employers have further offered from the date of resumption of work until the completion of the investigation to pay into a fund the differences between the new and the old rates of wages. This would mean that the operatives would be certain to get every penny of back pay to which the agreement resulting from the findings of the Court of Investigation entitled them.

THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—August 7, 1925.

Descriptions.	Official Quotations.									
	G.O.	SGO.	L.M.	SLM.	Md.	SM.	GM.	SGM.	MF.	
American.....	11-70	12-30	13-70	13-05	13-35	13-60	13-85	14-15	14-65	
Brasiliense.....	12-90	12-90	12-90	13-05	13-35	13-60	13-85	14-15	14-65	
Peru.....	12-90	12-90	12-90	13-05	13-35	13-60	13-85	14-15	14-65	
Paraguay.....	12-90	12-90	12-90	13-05	13-35	13-60	13-85	14-15	14-65	
Grande.....	12-90	12-90	12-90	13-05	13-35	13-60	13-85	14-15	14-65	
Ceara.....	12-90	12-90	12-90	13-05	13-35	13-60	13-85	14-15	14-65	
Sao Paulo.....	12-90	12-90	12-90	13-05	13-35	13-60	13-85	14-15	14-65	
Paraguay.....	12-90	12-90	12-90	13-05	13-35	13-60	13-85	14-15	14-65	
Rough.....	12-90	12-90	12-90	13-05	13-35	13-60	13-85	14-15	14-65	
Moderately rough.....	12-90	12-90	12-90	13-05	13-35	13-60	13-85	14-15	14-65	
Smooth.....	12-90	12-90	12-90	13-05	13-35	13-60	13-85	14-15	14-65	
Tanguis.....	12-90	12-90	12-90	13-05	13-35	13-60	13-85	14-15	14-65	
Mitafi.....	12-90	12-90	12-90	13-05	13-35	13-60	13-85	14-15	14-65	
Egyptian.....	12-90	12-90	12-90	13-05	13-35	13-60	13-85	14-15	14-65	
Upper.....	12-90	12-90	12-90	13-05	13-35	13-60	13-85	14-15	14-65	
Sakellaris.....	12-90	12-90	12-90	13-05	13-35	13-60	13-85	14-15	14-65	
Brown.....	12-90	12-90	12-90	13-05	13-35	13-60	13-85	14-15	14-65	
Soudan.....	12-90	12-90	12-90	13-05	13-35	13-60	13-85	14-15	14-65	
West Indian.....	12-90	12-90	12-90	13-05	13-35	13-60	13-85	14-15	14-65	
Do Sea Island.....	12-90	12-90	12-90	13-05	13-35	13-60	13-85	14-15	14-65	
East African.....	12-90	12-90	12-90	13-05	13-35	13-60	13-85	14-15	14-65	
West African.....	12-90	12-90	12-90	13-05	13-35	13-60	13-85	14-15	14-65	
Australian.....	12-90	12-90	12-90	13-05	13-35	13-60	13-85	14-15	14-65	
East Indian.....	12-90	12-90	12-90	13-05	13-35	13-60	13-85	14-15	14-65	
Surat.....	12-90	12-90	12-90	13-05	13-35	13-60	13-85	14-15	14-65	
Broach.....	12-90	12-90	12-90	13-05	13-35	13-60	13-85	14-15	14-65	
Tinnivelly.....	12-90	12-90	12-90	13-05	13-35	13-60	13-85	14-15	14-65	
Amer-Sind/Punjab.....	12-90	12-90	12-90	13-05	13-35	13-60	13-85	14-15	14-65	
*Western.....	12-90	12-90	12-90	13-05	13-35	13-60	13-85	14-15	14-65	
*Northern.....	12-90	12-90	12-90	13-05	13-35	13-60	13-85	14-15	14-65	
Cocoonada.....	12-90	12-90	12-90	13-05	13-35	13-60	13-85	14-15	14-65	
Compta.....	12-90	12-90	12-90	13-05	13-35	13-60	13-85	14-15	14-65	
Comra, No. 1.....	12-90	12-90	12-90	13-05	13-35	13-60	13-85	14-15	14-65	
Comra, No. 2.....	12-90	12-90	12-90	13-05	13-35	13-60	13-85	14-15	14-65	
Khandeish.....	12-90	12-90	12-90	13-05	13-35	13-60	13-85	14-15	14-65	
Bengal.....	12-90	12-90	12-90	13-05	13-35	13-60	13-85	14-15	14-65	
Sind.....	12-90	12-90	12-90	13-05	13-35	13-60	13-85	14-15	14-65	

* Hand-ginned 40 points less.

MANCHESTER, August 13.

Business in the market has been on a rather smaller scale. Inquiry has kept up fairly well, but bearish sentiment with regard to values has been more pronounced. A feature of interest has been the big contracts in yarn and cloth for Russia. In piece-goods for India there has been a reduced turnover, but fair orders have been booked in light cloths. Only scattered transactions have been reported for China. Demand for the Near East remains slow. Some fairly encouraging lines have been put through for the Continent and the United States. Not much has been done in home trade fabrics. Quotations in American and Egyptian yarns have shown some irregularity, and buying has not been important, but the undercurrent of demand continues rather healthier.

(I.) Comparative Statement of the Cotton Trade.

Raw Cotton—Mid. American.....	Price, Aug. 13, 1925.	Previous Weeks in 1925.				
		Price, Aug. 6.	Price, July 29.	Price, July 23.	Price, July 16.	Price, July 9.
Raw Cotton—Mid. American.....	13-12	13-38	13-93	13-48	13-72	13-65
Sakellaris Fully Good Fair.....	30-75	32-20	32-55	32-40	31-30	31-35
Yarns—32's twist.....	20-2	20-2	20-2	20-2	20-2	20-2
— 40's twist.....	20-2	20-2	20-2	20-2	20-2	20-2
— 60's twist (Egyptian).....	36-2	37-2	37-2	37-2	37-2	37-2
32-in. Printers, 116 yds, 16 by 16, 32's and 40's.....	31-9	32-0	32-3	32-0	32-0	32-0
36-in. Shirtings, 75 yds, 19 by 19, 32's and 40's.....	35-9	36-3	36-9	36-6	36-3	36-3
38-in. ditto, 38 yds, 18 by 18, 10 lbs.....	17-10	18-1	18-3	17-10	17-9	17-9
38-in. ditto, 37 yds, 16 by 16, 8 1/2 lbs.....	16-1	16-6	16-9	16-6	16-6	16-6

(II.) Compared with Previous Years.

Raw Cotton—Mid. American.....	Price, Aug. 13, 1925.	Corresponding dates in				
		1924.	1923.	1922.	1921.	1920.
Raw Cotton—Mid. American.....	13-12	17-08	15-43	12-80	8-81	26-70
Sakellaris Fully Good Fair.....	30-75	26-15	16-30	17-75	16-00	68-00
Yarns—32's twist.....	20-2	20-2	20-2	20-2	20-2	20-2
— 40's twist.....	20-2	20-2	20-2	20-2	20-2	20-2
— 60's twist (Egyptian).....	36-2	37-2	37-2	37-2	37-2	37-2
32-in. Printers, 116 yds, 16 by 16, 32's and 40's.....	31-9	32-0	32-3	32-0	32-0	32-0
36-in. Shirtings, 75 yds, 19 by 19, 32's and 40's.....	35-9	36-3	36-9	36-6	36-3	36-3
38-in. ditto, 38 yds, 18 by 18, 10 lbs.....	17-10	18-1	18-3	17-10	17-9	17-9
38-in. ditto, 37 yds, 16 by 16, 8 1/2 lbs.....	16-1	16-6	16-9	16-6	16-6	16-6

VEGETABLE OILS AND OILSEEDS.

Markets generally have had a better tone. Linseed oil is scarce on spot, and has been in good demand at advancing prices, current values being £42 10s for prompt and £42 5s per ton naked ex Hull mill August to December. Crude Egyptian oil to be crushed from the new seed has been in good request. Meanwhile, stocks of old oil are small, crude Egyptian being held for £44 and ordinary refined for £44 10s per ton ex Hull mill. Crude soya oil is rather firmer at £42 15s, and palm kernel oil unchanged at £43 10s. Rape oil is a shade more money, but ground nut and castor oils are quiet and without quotable change. In the oilseed section, linseed is firm and slightly dearer, the strength being due to the rise in wheat and the report that the American linseed crop is not likely to be so good as expected. For Plate to Hull £20 10s has been paid for September-October shipment, and new seed has been done at £19 7s 6d January-February. Calcutta linseed on passage to London has commanded £22 7s 6d, Egyptian cottonseed is firm, and a fair trade has been done at enhanced values. For new black to be shipped at the end of this month £14 has been conceded. Old crop is moving off better, current value being about £13 7s 6d for shipment.

HIDE, LEATHER, AND ALLIED TRADES.

Although the general position of the hide market remains firm, there was a slight weakness at the sales held in Bermuda on Thursday. Best ox hides sold from 6½d to 8½d per lb, showing a drop in three classes of ½d per lb. Cows, bulls, and casualty hides were also a shade weaker, and fell in some cases ½d to ¾d per lb. Calf were steady at 7½d for heavy to 14½d for best lights. The imported hide market is quiet, with Argentine ox quoted at round about 8½d. Dry hides remain fairly firm, but holders' ideas are still rather in advance of buyers' ideas. Cables from New York report the Chicago position as steady, with best heavy packers still selling at 17½ cents.

The sole leather trade remains quiet. A communiqué issued this week by the United Tanners' Federation states that the input of hides in July showed a reduction of approximately 25 per cent. on the input in January last. The Executive Committee have advised members not to relax the reduction in input at the present time, and recommend that a reduction equivalent to one-third of their normal input should be maintained for a further three months. Merchants are criticising the policy, on the ground that if English sole leather is "restricted" there is abundance of leather on the Continent which would probably be promptly sent to this country if the price permitted.

Upper leather is rather quiet, but sampling for winter requirements is going on with prices firm all round.

The boot section is not well employed, and so far orders received for winter goods have not come up to expectations.

OVERSEAS PRODUCE MARKETS.

Mining Lane, Friday, August 14.

SUGAR.—The general tone of the market remained steady, and a moderate amount of business resulted in spot parcels at previous rates. Meantime holders are reserved pending developments as to the extent of German purchases now that white sugar is allowed to be imported. U.K. imported during last month totalled 187,258 tons, against 114,526 same time last year; consumption 178,221, against 158,169. Of British refined, Messrs Tate and Lyle's cubes quoted 34s 9d to 35s 9d; granulated from 30s 4½d to 30s 10½d, as to quality; yellow crystals, 27s 10½d. Dutch granulated, J quality, spot, 29s 6d; August-September, 16s 9d; November-December, 16s, f.o.b. Rotterdam. Czech granulated, August-September, 17s; November-December, 16s, f.o.b. Hamburg. American granulated, spot, 29s 3½d; August-September, 16s 7½d London, and 16s 10½d out-ports. Belgium granulated, prompt, 16s 4½d; November-December, 15s 9d, f.o.b. Antwerp. Polish crystals, ready, 16s, f.o.b. Danzig. White Mauritius, spot, 27s 6d to 28s 6d, as to sample. White Java, spot, 28s 6d to 28s 7½d; July-August, 15s 10½d, c.f. and i. London. White Java, October-December, to India, quoted 15s 7½d; January-September, 12s 1½d, c.f. and i. U.K. White terminal steadier. Fair

THE BANK OF TAIWAN, LIMITED.

(Registered in Japan, 1899.)

Capital Subscribed : - - - - - ¥60,000,000
Capital Paid Up : - - - - - ¥22,500,000
Reserve : - - - - - ¥14,800,000

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

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

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

transactions include August, 15s 8½d; October, 15s 9½d; November, 15s 9d; December, 15s 9d to 15s 9½d; March, 16s to 16s 0½d; May, 16s 2½d to 16s 3d cwt. Java shipments for last month are as follows: Port Said and Suez, 50,636 tons; U.K. and Continent, 53,186; India, 131,871; Singapore, &c., 51,971; Hong-Kong, 19,186; Black Sea, 15,543; Japan, 62,961 tons, making a total of 385,354 tons, against 363,000 in 1924; Cuban stock, 968,300 tons, against 535,500 same time last year.

COFFEE.—Business proceeded very quietly during the week, but prices show no material change, while supplies of fine qualities are limited. In auction bold mountain-grown Jamaica sold 18½s to 19s; East Indian, Shevaroy, bold, sold 13½s; Neilgherry, 13½s 6d; fine Costa Rican peaberry, 18½s 6d. Brazilian kinds for shipment firmer, but quiet.

COCOA.—Only a small amount of business was effected in spot lots on mostly former terms. Accra, F/F grade, October-December, sold 43s 6d to 43s, f.o.b. terms.

TEA.—Indian sales totalled 40,600 packages during the week, of which about 33,000 packages consisted of new season's. All useful liquoring teas met a fair demand at steady prices, but lower kinds were only saleable at a 1d to 1½d per lb decline. Pekoe, sold, 11d to 1s 7½d; broken orange pekoe, 1s 1½d to 2s 5d. 30,000 packages Ceylon mostly cleared, fine flavour teas being in request at a steady range, but undergrades, sold, in buyers' favour. Pekoe, sold, 10½d to 1s 9d; broken ditto, 11½d to 1s 11d; broken orange, 1s 5d to 2s 1d per lb, in

bond. Java and Sumatra auctions totalled 12,000 packages, and which experienced a very irregular market. Apart from useful liquoring qualities being fairly steady, prices otherwise declined 1½d to 2d per lb, while a fair amount was withdrawn from sale.

RICE.—Reserve on the part of Burma shippers was again marked, as steady inquiries in local centres coincide with but scanty arrivals from up country. Two stars, spot, 16s 4½d; August-September, 16s. 1,000 tons No. 3 cleaned Rangoon, September-October, double bags, sold, 16s, c.f. and i. terms to the Levant. Saigon quiet, unaltered. Siam steady. New crop Spanish still in request, with business in September-October, oiled, at 23s 6d, c.f. and i. London. Broken rice firm, but quiet. Beans and peas generally quiet. Japanese peas, September-October, quoted 24s 4½d; October-November, 24s 3d, c.f. and i. London, per cwt.

SPICE.—A quiet and easier tone prevailed for pepper in forward positions. Black Singapore, L.S., October-December, quoted 8½d; Lampong, August-October, sold, 8½d; October-December, 8½d; Muntok, August-October, done, 1s 1d; October-December, 1s 1½d to 1s 1d and 1s 1½d; January-March, 1s 1½d. Tellicherry, spot, 9½d; Aleppy, 9½d per lb. Tellicherry, September-October, 8½d; Aleppy, 8½s per cwt, c.f. and i. Pimento, spot, 4½d per lb; and August-September, 38s; September-October, 36s per cwt, c.f. and i. London. Cloves dull. Zanzibar, spot, 11½d to 11½d; October-December, 11½d per lb. Sago flour again dearer. Sarawak, July-August, sellers, 17s 1½d; August-September, 17s; September-October, 17s, c.f. and i.

COMMERCIAL TIMES—WEEKLY PRICE CURRENT.

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

LONDON, THURSDAY.				DYE STUFFS, &c.—				METALS—B. Copper				SUGAR—per cwt, duty, 11s 8d.								
												per cent. polarisation s d s d								
COCOA—Duty, British grown, 9s 4d, foreign, 14s cwt.				d s d	Galls, China, per cwt				60 0 62 6	Best selected.....				65 10 65 15	B.W.I., muscovado.....				nom	
Trinidad, per cwt				74 0 84 0	Turmeric, Bengal.....				nom	Sheets (strong).....				92 0 0	Crystallised.....				24 6 29 6	
Grenada.....				58 0 70 0	Madras, finger.....				37 6 40 0	Standard Pig per ton				62/10/6	Java, white, June-July 15 10½				0 0	
Ceylon, plantation.....				85 0 110 0	Gambier, block.....				62 6 0 0	Lead Eng. Pig per ton				38/10/0	Soft Foreign.....				37/10/6	
Guayquil.....				74 0 80 0	Cutch, ord. to fair.....				55 0 0 0	Splitter G.O.B.....				36/10/0	Tin—English ingots.....				259/5/0	
Bahia, finest.....				51 0 55 0	DYEWOODS—					Do do bars.....				260/5/0	Standard cash.....				259/5/0	
COFFEE—British grown, 9s 4d, foreign, 14s cwt.				d s d	Brasiliense.....				per ton 18 0	OILS—Fish, per ton—				s d s d						
E. India, fine ord. g.d. mid. 11s				0 140 0	Pozio, Jamaica.....				15 0	Seal, pale.....				40 0 41 0						
Do good to fine.....				12 0 158 0	Cuba.....				20 0	Lined, p. ton net, naked.....				43 10 0						
Costa Rica, ord. to mid. 12s				0 155 0	Logwood, Campeachy.....				9 0	Rape, refined.....				51 12 0						
Good to fine.....				170 0 186 0	Honduras.....				10 10	Crude.....				48 10 0						
Central American, g.d. ord.				115 0 145 0	Jamaica.....				7 15	Cotton-seed, crude.....				41 0 45 0						
Do mid to fine.....				130 0 148 0	Red Sanders.....				12 0	Edible, refined.....				50 0 52 0						
Colombian, ordinary.....				113 0 115 0	Sapang Ceylon.....				15 0	Coconut, crude.....				47 6 0 0						
Do g.d. ord. to low mid. 11s				0 128 0	FLAX—spot—c.i.f.				87 0 88 0	Refined.....				51 0 53 0						
Do mid to fine.....				130 0 148 0	Riga ZK.....				87 0 88 0	Palm.....				42 5 42 15						
CHEMICALS—					Pernau HD.....				nom	Lard, American.....				70 0 78 0						
Acid, citric.....				per lb 1 3½ 0 0	Slanets UJA Medium.....				98 0 100 0	Petroleum-Oil, per 8 lbs.				1/0 0/0						
Nitric.....				0 22 0 4	FRUIT—					Oil Cakes, Lined, Eng.				1/1 0/0						
Oxalic, net.....				0 6 0 6½	Oranges, Murcia & Val. 300				0 0 0 0	La Plata, p. ton Aug.-Sept.				20 10 0						
Tartaric, English.....				1 0½ 0 0	Do				360 0 0 0 0	Bombay, p. ton Aug.-Sept.				23 5 0						
Foreign.....				0 11½ 1 0	Do Cape.....				boxes 16 0 27 0	Calcutta, p. ton Aug.-Sept.				22 10 0						
Cream of Tartar.....					Lemons, Naples.....				cases 0 0 0 0	PORTLAND CEMENT—Best English										
99%-100%.....				per cwt. 78 0 0 0	Do				boxes 10 0 39 0	per ton delivered, London 58/0 63/6										
Alum lump.....				per ton £10/10/0	11/0/0	Do Sicilian.....				boxes 4 3 17 0	Rapid hardening "Ferrocrete," 13/									
Do ground.....				£11/10/0	12/0/0	Do Malaga.....				cases 0 0 0 0	per ton extra.									
Ammonia, carb.....				ton 37 0 39 0		Do do do do do do do do do				cases 0 0 0 0										
Muriate, White.....				ton 25 15 31 15		Grapes, Lisbon.....				boxes 11 0 16 6										
Sulphate.....				£14 0 15 0		Almeria.....				barrels 0 0 0 0										
Arsenic lump.....				per ton 75 0 80 0		Val. Ona.....				7 3 10 6										
Powder.....				per cwt 23 0 0 0		Egyptian Ona.....				bags 0 0 0 0										
Ashes, pot.....				per cwt 65 0 70 0		Apples: Tasmanian.....														
Pearl do.....				nom		Sturmer Pippin.....				0 0 0 0										
Bleach ng powder, per ton				9/0/0 9/10/0		HIDES—Wet salted—														
Borax, gran.....				wt 24 10 0 0		Australian.....				per lb 0 5½ 3 6½										
Do crystals.....				25 0 0 0		West Indian.....				0 4 0 7½										
Do powder.....				26 0 0 0		China.....				0 5½ 3 7½										
Jalapa.....				per lb 4 0 4 3		Lalapa.....				0 5½ 3 7½										
Iodine, dry.....				per oz 1 1 1 1		Oporto.....				0 4 0 7½										
Nitrate of Soda.....				per ton 13/17/6 13/0/0		Dry & Drysalted Cape.....				0 8 0 12½										
Potash—Chlorate, net.....				0 8 0 4½		Madagascar.....				0 6½ 7 12										
Prussiate.....				0 8 0 9		Central American.....				0 7½ 0 12										
Do Foreign.....				0 7½ 0 8		Buffaloes, Singapore.....				0 4 0 12										
Sulphate.....				per ton 12 0 15 0		Penang.....				0 5 0 10½										
Sul-Acetoes.....				per lb 1 10 2 0		En. I.....				0 5 0 14½										
Sul-Amoniac.....				per cwt 50 0 52 6		Market Hides, London—														
Sul-Borac.....				per ton £9/0/0 10/0/0		Best dry, ox & heifer.....				0 8 0 9										
Crystals.....				per ton £9/0/0 10/0/0		Do light do.....				0 6½ 0 6½										
Alkali.....				per ton £10/0 0/0/0		2nd ox, heavy.....				0 6½ 0 6½										
Caustic.....				14/12/6 17/0/0		Do light.....				0 5½ 0 6										
Sugar of lead, white.....				ton 0/0/0 0/0/0		Best cow.....				0 6½ 0 6½										
Foreign white.....				£49 0 50 0		2nd do.....				0 5½ 0 6										
Sulphate Quinine—						Best calf.....				0 10½ 0 14½										
English Brands.....				2 3 0 0		2nd do.....				0 9½ 0 12½										
Foreign do.....				2 2 2 3		INDIA RUBBER—lb														
Sulphate Copper per ton £4 10/0 25/10/0						Para, fine hard spot.....				3 6 0 0										
Zinc, out.....				nom		Plantation sheet.....				3 5½ 0 0										
Sulphur Flour.....				9/0/0 9/10/0		INDIGO—per lb—														
Do Roll.....				8/0/0 8/10/0		Bengal, good red violet to														
Vermillion, Chinese, per lb				4 6 4 9		fine.....				6 6 7 0										
Oil.....				4 6 5 0		Mid. ord. vio. to good.....				6 0 6 6										
English.....				nom		Low to good ord.....				6 0 6 6										
COPIRA—per ton, c.i.f.—				£ s d		Madras, dry, leaf, good.....				3 0 4 0										
Malabar, July-Aug.....				nom		Kuprah, gd. mid. to gd.....				4 0 5 0										
Camellion.....				32 0 0		Low to mid.....				3 0 4 0										
FM Singapore.....				30 10 0		HEMP—per ton—				£ s d										
FMS Straits.....				25 15 0		Italian P.C.....				80 0										
COCHINEAL.....				per lb 2/9 3/6		Manilla, Aug.-Oct., "J".....														
DRUGS.....						Grade.....				43 15										
Aloes, fine E.I.....				per cwt 30 0 15 0		N.Z., high point, fair.....														
Cape, good to fine.....				41 42 6		Aug.-Oct.....				39 0										
Balsam Peru.....				per lb 3 7 6		JUTE.....														
Capivi.....				2 3 2 3		Hemp to ton.....				£ s d										
Camphor.....						Italian P.C.....				80 0										
Japan, refined.....				2 9 2 9½		Manilla, Aug.-Oct., "J".....														
Cassamoms, Ceylon.....				6 0 8 0		Grade.....				43 15										
Cassamoms, China, per lb				4 0 0 0		N.Z., high point, fair.....														
Castor-oil.....				85 0 85 0		Aug.-Oct.....				39 0										
Gum Benjamin.....				5/0/0 10/0/0		JUTE.....														
Olibanum, drops, fair to				good 60 0 105 0		Hemp to ton.....				£ s d										
Ipecacuanha.....				8 6 0 0		Italian P.C.....				80 0										
Jalap.....				2 0 0 0		Manilla, Aug.-Oct., "J".....														
Must. pod, China.....				77 6 80 0		Grade.....				43 15										
Oil, China.....				per lb 8 3 8 6		N.Z., high point, fair.....														
Aniseed.....				3 0 3 1		Aug.-Oct.....				39 0										
Peppermint.....						JUTE.....														
County.....				70 0 75 0		Hemp to ton.....				£ s d										
Rhubarb, China.....				3 3 3 3		Italian P.C.....				80 0										

i., London/Liverpool. Tapioca firm forward, and Singapore flake, September-October, held for 19s 6d to Havre. Penang seed, September-October, London value, 18s 9d per cwt. Desiccated coconut dull.

JUTE in fair request and market steady. Firsts, August, Continent, quoted £42 15s; September, £41 12s 6d; October, £41; November-December, £41 ton. Hessians and twills quietly steady.

HEMP.—Manila qualities in poor support and market weaker, since steadier. J grade, August-October, sellers, £44; K and L, £39 10s; M, £34; G, quoted £49. New Zealand slow. H.P.F., August-October, £39; fair, £35 10s. African sisal, No. 1 Tanganyika, August-October, quoted £45 10s; Kenya, £45 ton.

SHELLAC steady, quiet. T.N., fair quality, spot, 225s to 230s; August, 212s 6d; October, 210s; December, 207s 6d cwt.

COPRA.—A dull and weaker market resulted. F.M.S. Straits, July, to Rotterdam, sold, £30 12s 6d to £30 7s 6d; July-September, quoted £30 6s 3d; October-December, £30 2s 6d. Dutch E.I., July-September, £30 5s; August-October, £30 2s 6d; October-December, £29 18s 9d. Ceylon, August-September, sellers, £32. South Sea F.M.S., £30; ditto smoked, August-September, to Marseilles, sold, £29 17s 6d. Palm kernels dull. July-September, to Liverpool, quoted £22 7s 6d ton.

RUBBER.—Market firmer forward, with fair transactions and slight irregularity in attendance at times. Standard plantation, spot, also August, sold, 3s 5d; September, 3s 1d, 3s 1½d, 3s 1¾d, 3s 3¼d and 3s 3½d; October-December, 2s 7½d, to 2s 9½d and 2s 9¾d; January-March, 2s 4½d to 2s 6½d and 2s 6d; January-December, 2s 2½d to 2s 3½d. To New York, Standard estate sheet, August, sold, 2s 9½d; August-September, 2s 8½d to 2s 9d; October-December, 2s 5½d to 2s 6½d lb, c.f. and i.

FRUIT (Dried).—Market quiet, and prices barely steady. Of currants, Pyrgos quoted 31s to 32s; Amalia, 33s to 35s; Patras, 36s to 38s; Gulph, 38s to 41s; Vostizza, 45s to 50s; Sultanas, Smyrna, good quality, 63s to 68s; finer, 70s to 75s; Cretan, good, 70s to 75s; Australian, 66s to 72s; South African, 70s to 80s. Figs: Naturals, in bags, quoted 27s to 29s. Dates: Spot trade quiet, but forward positions active. First tide Hallowee, 20s 6d; Khadrowie, 17s 6d; Siar, 14s 3d. Raisins: South African, 40s to 50s; Lexias, 44s to 50s. Evaporated fruits quiet. Californian apricots, standard new extra choice, 127s 6d; fancy, 135s; Australian, 120s to 130s; Californian peaches, choice, 62s to 63s; extra choice, 65s to 60s; fancy, 70s. Plums: Oregon, new, size 30/40, quoted 71s to 72s; 40/50, at 52s to 53s; Californian, new, 40/50, 58s to 60s; 50/60, 50s to 51s; 70/80, 44s to 45s. Pears, choice, 90s; extra choice, 102s to 103s. Apple rings, Californian, extra choice, 63s to 64s; Oregon, extra choice, 65s per cwt.

CANNED GOODS.—Sardines continue in quiet support, but full prices are asked for best quality as available supplies are on a limited scale. Portuguese, ½ flats quoted 4s 3d; clubs, 5s; 12 ozs, 7s 6d; 18 ozs, 12s per dozen tins. Salmon firm, but generally quiet. ½ lb, flat reds, labelled, 77s to 78s; tall, 1 lb, 52s to 53s; ½ lb, tall, pink, 26s to 27s. Lobsters firm, with scanty offerings. Halves quoted 165s.

CANNED FRUITS.—There is a steady trade passing at generally late rates, with Californian apricots and loganberries in limited supply. Singapore pines, 48-1½'s quoted 86s 6d to 87s 6d; cubes, 2½'s, 13s to 13s 6d; slices, 24-2's, 12s 6d to 13s 6d; South African are coming to hand freely, and realised steady rates. Californian pears, 15s 6d to 17s; peaches, 12s 3d to 14s; cherries, 13s 6d to 14s; apricots, 10s 10 to 13s 6d; loganberries, 13s 6d to 16s; fruit salad, 1½'s, 12s 6d to 14s; 2½'s, 21s 6d to 22s 6d; Australian pears, 24-2½'s, 16s to 16s 6d; Canadian, 14s to 14s 6d.

MISCELLANEOUS.—Cocoanuts quoted 25s per 100. Coir yarn: Ceylon, £25 to £39; Cochín, £30 to £35. Ceylon bristle £18 to £24; cinnamon leaf oil, 4½d; citronella, Ceylon, 2s; Java, 3s 9d.

OILSEEDS.—Linseed firm, with a moderate business in force. Calcutta to London, August-September, sold, £22 7s 6d; bold Bombay, ditto, £23 2s 6d. Plate to Hull, August-September, sold, £20 10s; September-October, £20 10s; January-February, £19 7s 6d to £19 10s. Rapeseed firm. Toria to Continent, August-September, £22 5s. Cotton-seed firm. Egyptian black, to Hull, August, sold, £13 10s 6d; November-January, £13 2s 6d; white, August, £12 13s 9d; November-January, sold, £12 7s 6d; Bombay, August-September, £9 17s 6d. Castorseed quiet. Bombay, August-September, £22 7s 6d. Gingly seed quiet. Chinese to Continent, July-August, £27 17s 6d; large Bombay ditto, £26 7s 6d. Ground-nuts dull. Coromandel machined, July-August, £25 7s 6d; Nigerian, July-August, £25 10s per ton.

OILS.—Linseed firm. Spot, net, naked, 43s 6d; September-December, 42s 4½d; January-April, 41s 10½d. Rape steady. Crude, spot, 48s 6d; refined, 51s 6d. Castor-oil quiet. First pressure, spot, quoted 56s 6d; second pressure, 54s 6d; and pharmaceutical, 61s 6d per cwt. Hull, with London, 2s per cwt extra. Cotton dearer. Crude Egyptian, spot, 45s; Bombay, 41s; common edible, 50s; deodorised, 52s. China-wood dull. Hankow, spot (barr-1s), 65s; July-August, 65s. Coconut quiet. Ceylon, spot, 47s 6d; August-September, 46s 3d; Cochin, ditto, ordinary packages, 60s. Soya quiet. Oriental, barrels, August-September, 45s; bulk, 42s 3d. Cod steady. English, spot, 34s to 35s. Ground-nuts steady. English, crushed, naked, spot, 49s 6d; deodorised, barrels, 57s 6d. Turpentine irregular. American, spot, 69s 6d; September-December, 69s 9d; January-April, 72s. Rosin firmer. American, grade B/D, 21s 9d; E, 22s 6d; F/G, 22s 9d; W/G, 28s; W/W, 30s 6d per cwt. French FG, nominal; W/W, 27s per cwt. Petroleum quiet. American, standard white, spot, 1s; and water white, 1s 1d per gallon.

TALLOW.—Messrs Colchesters and Woolner write on August 12th as follows: The tallow market was steady during the week, and prices were occasionally 6d dearer to-day. The margin between the different grades has continued to increase, especially between the best and medium sorts. The stock in London on July 31st, as returned by the wharves, amounted to 11,308 packages, showing an increase during the month of 1,111 packages. At auction to-day 993 casks mutton: Fine, 50s; good to fair, 48s 6d to 46s; dull to dark, 43s to 39s; hard, 48s 6d. Australian beef: Fine, 50s; good to fair, 47s 3d to 44s 6d; dull to dark, 42s 6d to 38s; sweet, 50s. Present shipment from Australasia: Good mixed, 46s 6d. Present shipment from South America, 47s 3d. The market letter is unchanged. Town tallow, 42s 6d per cwt. Rough fat per 8 lbs, 4½d; melted stuff, 33s per cwt. Quotations are:—Town, 43s, net cash, naked, ex works. Country: Frail casks, 43s; home melted, shipping casks, net, f.o.b., good coloured, 45s 6d; fair to dull, 43s 6d to 42s 6d. Bone fat: white, none; pale, none; benzine, 40s; melted stuff, 39s f.o.b.

METROPOLITAN CATTLE.—AUGUST 13.									
British Beasts, per stone of 8 lbs to sink the offal. Sheep, per stone.									
Beasts—Devons.....	7	2	7	6	Beasts—Heavy Bulls ..	..	..	..	..
Shorthorns.....	6	8	7	2	Canadian ..	..	..	..	..
Northolts ..	6	8	7	2	Sheep—Downs (clipped) ..	10	0	10	6
Scottish ..	..	..	..	..	Ewes ..	6	6	7	0
Irish ..	..	..	..	..	Crossbred ..	..	..	..	..
Fat Cows ..	..	..	..	..	Scottish ..	..	..	..	..
					Lamb—Downs ..	11	4	12	6

LONDON POTATO MARKETS.—AUGUST 13.									
Per Cwt.									
English Epicures.....	5	0	5	6	Per Cwt.	..	..	..	..
Sharps Express ..	6	0	6	6	Eclipse ..	6	0	6	6
					Puritans ..	5	6	6	0

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A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. CI.

SATURDAY, AUGUST 22, 1925.

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THE MONEY MARKET.

MONEY has been plentiful owing to a considerable reflux of currency from circulation, and the small amounts due to the Bank of England at the beginning of the week were easily repaid. Hopes of a reduction in Bank rate on Thursday ran high until Wednesday afternoon, when the announcement of a considerable sale of gold bars caused them to be generally abandoned for the moment. The

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tendency of the discount market, however, remained weak, and fine bank bills were placed readily at $3\frac{1}{2}$ per cent.

	Aug. 21, 1925.	Aug. 14, 1925.	Aug. 7, 1925.	July 30, 1925.	Previous Rate and Date Changed.
Bank Rate	$4\frac{1}{2}$	$4\frac{1}{2}$	$4\frac{1}{2}$	5	$4\frac{1}{2}$ (Mar. 5, '25)
Banks' Deposit Rate	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	3	2 (Mar. 5, '25)
Discount/Call	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	3	2 (Mar. 5, '25)
Houses' Notices	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$3\frac{1}{2}$	$2\frac{1}{2}$ (Mar. 5, '25)
Market rate (3 months' bills)	$3\frac{1}{2}$	$3\frac{1}{2}$	$3\frac{1}{2}$	$4\frac{1}{2}$	..

The Bank return showed a decrease of £224,000 in the stock of coin and bullion, the amount announced as having been withdrawn on balance being £227,000; on the other hand, the note circulation had declined by £1,070,000, and so there was a net increase of £846,000 in the Reserve, and its proportion to liabilities was .6 higher at 31.2 per cent. There were small decreases in Government and Other securities, and an increase of £802,000 in the Public deposits; the Other deposits had declined by near half-a-million. Currency notes outstanding were reduced this week by £3,943,700 to £297,272,400, which included £1,329,800 for notes called in but not yet cancelled. The fiduciary issue is £239,692,600, or £8,452,800 below the maximum for the year.

NEW YORK MARKETS.

Our New York correspondent cables:—Markets continue buoyant, with sharp gains in high-priced speciality shares off-setting profit-taking in motor and other groups. Railroad issues are coming into favour, and there has been some short covering in oils. The buying of shares of all descriptions for investment is still a feature, and there are no signs yet of higher money rates. The possibility of a reduction in the Federal Reserve rediscount rate is discussed in Wall street, but no change seems likely at this time. The weekly statement shows only a moderate increase in discounts for the System and a similar decline in acceptances and Government security holdings, with the reserve ratio virtually unchanged. A good impression has been made by the Belgian debt settlement, and there is a hopeful attitude in connection with the French debt. The oil industry is believed to be in a sound condition, in spite of the cuts in gasoline prices. Buying of steel is on the increase, though prices are barely steady. Commodity markets are quiet pending further Government crop estimates.

THE STOCK MARKETS.

The Stock Exchange was again anticipating a 4 per cent. Bank rate this week, and prices eased off a little on Thursday when no change was made. Gilt-edged stocks, however, remain a good market, and the foreign market keeps firm. Home rails have been irregular, and little public business is being transacted. American railroads and Brazilian rails have been good, the latter on the improvement in the exchange. The rubber market is fairly quiet, but prices are fairly well maintained. Courtaulds and other textiles have reacted from their recent high levels, but Dunlops have again advanced, and insurance shares are in keen demand. Renewed interest in platinum shares is being shown from the Cape, and diamonds have again improved, but gold shares are neglected.

THE COMMODITY MARKETS.

Though slightly more active conditions have prevailed in a few instances, markets as a whole show little change over the week. Uncertainty as to future prices is a handicap to business in pig-iron, while the demand for steel remains much below normal. Renewed weakness has been apparent in coal prices. The general inquiry for cotton textiles continues encouraging, a feature being the increased demand from China. A moderate turnover has been recorded in wool tops and yarns, though prices have not yet been seriously tested. Wheat is fairly steady, potatoes and fruit in good supply, with business on quiet lines. A steady tone characterises the sugar market. Coffee has been more active, and cocoa steady; the better grades of tea are in good demand, but quota-

tions for the coarser varieties have declined. The rubber market has been somewhat unsettled. Among metals, tin has been less active than last week, but copper and lead are firmer.

FOREIGN EXCHANGES.

There has been slightly more activity on the foreign exchange market during the week. This has centred chiefly on the Allied currencies, and in particular on the Belgian rate. The debt funding negotiations in Washington have been closely followed, and are well reflected in the fluctuations during the past week. On Saturday there was no change from the rate of 107.95 of the 14th, but on Monday, on rumours of a hitch, it fell to 108.80. An improvement to 108.15 on Tuesday was followed by a jump back to 106.90, when agreement was announced on Wednesday. A slight reaction to 107.25 followed yesterday, but the general satisfaction with the important step taken by Belgium led to a further recovery to 106.80 on opening yesterday morning. The weakness apparent at the end of last week in the Paris rate continued over the week-end, and on Monday it stood at 104.50, as against 104 on the 14th. The recovery to 103.85 on Tuesday is believed to have been due to official intervention, and since that day fluctuations have been confined between 103.45 and 103.65, the rate opening at the former figure yesterday. Forward rates in Paris are slightly higher at 50c-55c per month above spot, but in Brussels are steady at par—2c below. Italy followed a similar though less marked movement, rising over the week-end from 134 $\frac{1}{2}$ to 135, and then falling to 134 by Wednesday. After a reaction to 134 $\frac{1}{2}$ on Thursday, it stood at 133 $\frac{1}{2}$ yesterday morning. New York has shown little variation during the week, standing unchanged at 4.85 $\frac{1}{2}$ from 14th till Monday. By Tuesday rumours of a further reduction in the Bank rate were sufficiently strong to lead to a fractional decline to 4.85 $\frac{1}{2}$. This continued to 4.85 $\frac{1}{2}$ on Wednesday, but in the absence of any change in the Bank rate, resulted in an improvement to 4.85 $\frac{1}{2}$ on Thursday, and yesterday's opening rate was unchanged from that figure. Forward rates are 3-32 cent narrower at $\frac{1}{2}$ cent per month below spot. Amsterdam continued to move against us from 12.07 on 14th to 12.05 $\frac{1}{2}$ on 19th, but reacted again slightly to 12.05 $\frac{1}{2}$ by yesterday. The reasons for this movement are somewhat obscure, but are probably accounted for in part, at any rate, by an increase in demand for Dutch East Indian commodities, and by the effect of the fall in the Bank rate on Dutch balances in this country. Switzerland has risen from 25.01 to 25.04, and Madrid, after falling from 33.75 to 33.65 at the end of last week, has reacted again to 33.72. The Scandinavian markets have been rather steadier, Stockholm remaining round 18.07, though Oslo has fallen from 26.35 to 26.00 and Copenhagen from 21.25 to 21.05. Helsingfors is steady at 192 $\frac{1}{2}$. Berlin, Vienna, Budapest, and Prague are unchanged. Warsaw has moved from 27 to 28 $\frac{1}{2}$, but little business has been transacted. In the East the rupee has been steady round 1s 6 $\frac{1}{2}$ d, and is so far unaffected by the announcement of the establishment of the expected Currency Commission. Japan is 1-32d cheaper at 1s 8 $\frac{1}{2}$ d. In the silver market, Chinese and Indian demand raised the price $\frac{1}{8}$ d to 32 $\frac{1}{8}$ d by 17th, but a reaction occurred later. Hongkong improved $\frac{1}{4}$ d to 2s 4 $\frac{1}{2}$ d by Tuesday, but weakened again to 2s 4 $\frac{1}{2}$ d later, and Shanghai followed a similar movement from 3s 2d to 3s 2 $\frac{1}{2}$ d on Tuesday, and later to 3s 2d. In South America, Rio has had a welcome advance from 5 29-32d to 6 $\frac{1}{8}$ d, as the effect of the export of the cotton and sugar crops begins to be felt. Buenos Aires is steady at 45 $\frac{1}{2}$ d, but Monte Video is $\frac{1}{2}$ d stronger at 49 $\frac{1}{2}$ d. Valparaiso has also appreciated from 40.30 to 40.00 pesos.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended August 15th:—

(000's omitted.)			
EXPENDITURE.	£	RECEIPTS.	£
Supply Services	6,770	From Revenue	12,916
Interest, &c., on Debt	756		
Sinking Fund	270		
Increase in Exchange Balances	192		
Decrease in Debt	4,924		
Sundries	4		
	12,916		12,916

The Revenue for the week amounted to £12,916,000, as compared with £12,415,800 in the corresponding week

last year. Customs were higher, at £1,484,000, against £1,190,000, but Excise was lower at £1,535,000, against £2,215,000. Property and Income-tax brought in £4,946,000, as compared with £4,871,000, and Super-tax amounted to £640,000 against £580,000. Ordinary and Special receipts were both higher at £584,800 and £514,100, against £267,800 and £500,000 respectively. The week's operations reduced the National Debt by £4,923,500, and caused the following changes:—

(000's omitted.)			
Treasury Bills	+ 8,765	National Savings Certificates ..	50
Sundries	+ 91	Public Department Advances ..	13,730
	+ 8,856		13,780

The floating debt was reduced by £5,005,000 to £773,201,000.

FINANCIAL YEAR, 1925-1926 (April 1st to August 15th).

£		£	
Total Expenditure ..	296,264,504	Raised by Revenue ..	265,094,713
		Decrease in Balances ..	3,510,896
		Amount borrowed ..	27,658,895
Total	296,264,504	Total	296,264,504

ESTIMATES FOR FINANCIAL YEAR 1925-1926.

£		£	
Expenditure	799,400,000	Revenue	801,060,000
Surplus	£1,660,000.		

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—National Bank of South Africa and Oroville Dredging Company. The chairman of the National Bank of South Africa referred at some length to the proposed fusion with the Colonial and Anglo-Egyptian banks under the control of Barclays Bank, and recommended its adoption.

MONTHLY TRADE SUPPLEMENT.

We publish this week our Monthly Supplement, in which will be found an appreciation of the trade situation at home and abroad, together with statistical information on the foreign trade, price movements, currency, and production of the leading commercial countries of the world. Its contents include a statistical review of the world's coal position.

THE BELGIAN SETTLEMENT AND AFTER.

THE agreement reached in Washington between the American and Belgian Debt Funding Commissions is another step towards the adjustment of the complicated international obligations arising out of the war. Whether these long-term arrangements, lasting in the present instance until 1982, will in fact still be in force in the next generation but one may be open to doubt. But the fact that they are for the time being removed from the sphere of international discussion, that a source of friction is thus eliminated and that the Governments concerned know where they stand and can set about the business of putting their Budgets in order, are immense advantages.

The Belgian-American settlement contains three important concessions which will lighten the burden during the next decade. In the first place, America recognises that the debt incurred by Belgium during the war stands on a different footing from all other war debts. She therefore agrees that it should be repaid free of interest. Secondly, the repayment of this principal is to be extended over 62 years, part of the first six annual instalments being postponed to a date in the future. This cancellation of interest and deferred payment system is, of course, equivalent to a very substantial writing down of the debt. The principal involved is 171.8 million dollars (£34 millions), and the annual payments after the first six years will be 2.9 million dollars (£540,000). There remains the post-war debt, which is now estimated to amount to 246 million dollars, or £49 millions (interest having accumulated at $4\frac{1}{2}$ per cent. until September 15, 1922, when the British Debt Settlement became effective, and at $3\frac{1}{2}$ per cent. since that date). The repayment of

principal will be spread over 62 years, and interest will be charged at $3\frac{1}{2}$ per cent. This rate, however, will not become the effective rate for ten years. In the meanwhile, interest will be charged on a graduated scale, which takes into account Belgium's present difficulties in obtaining foreign exchange by reason of her unfavourable trade balance and the deficiency of income from foreign investments, foreign tourists, and other invisible exports. This reduction of interest is the third important concession. It is mainly in this connection that the United States has attempted to apply the principle of ability to pay. The maximum to be reached under this arrangement at the end of ten years will amount to 9.8 million dollars (£1.98 millions). The total annual payment will therefore ultimately be 12.7 million dollars (£2,540,000).

The net effect of the settlement is that Belgium gets a substantial moratorium for several years, but that in form the United States retains the main features of the British Debt Settlement and, in particular, that of charging $3\frac{1}{2}$ per cent. as the rate of interest for the main period of repayment. But whereas Belgium pays very reduced figures during this early period, Great Britain pays 3 per cent. The steepness of this graduation may be seen from the following:—

	British Settlement. Mln. Dollars.	Belgian Settlement. Mln. Dollars.
1st year	161	3.8
7th year	160.6	7.95
11th year	183.9	12.7

The Belgian payments are likely to be substantially exceeded by her reparation receipts.

It is not unnatural that other debtors should scrutinise this settlement carefully to see what light it may throw on their own fate. The suggestion has often been made by private persons of influence in America that it is reasonable to distinguish various forms of war debt such as that incurred for munitions as contrasted with that raised for other purposes, or the distinction now admitted of pre-armistice and post-armistice debts. But the spokesmen of America have hastened to assure the world that the latter distinction as embodied in the Belgian settlement is not a precedent which can be applied to other debtors. Indeed, it is emphasised that there is no legal obligation on the United States to give specially favourable treatment to the pre-armistice debt of Belgium, but that this action was taken in view of the special moral obligations towards Belgium admitted by President Wilson in Paris. This is a dangerous admission to make for those who can see no difference between an Allied war debt and a commercial debt, but it will doubtless pass muster in the Senate. France and Italy, however, cannot expect that the principle will be admitted, in form, at all events, for them. So far as the present agreement has any bearing on the remaining negotiations, it suggests that America will attempt to insist upon the $3\frac{1}{2}$ per cent. rate of interest at the end of ten years, but that substantial concessions may be made in the rate of interest in the interval. Before we can begin to consider whether France can pay such terms we have first to bear in mind that the United States Government, in fact, though not as yet in form, admits the principle that Great Britain and America should receive equal treatment from France. The debt of Great Britain to the United States amounts to 940 millions sterling, that of France to Great Britain and the United States together to 1,423 millions sterling. On the basis of the British debt settlement France would have to pay at the end of ten years 56 millions sterling a year, of which 31 $\frac{1}{2}$ millions sterling would be due to America and 24 $\frac{1}{2}$ millions sterling to this country. She could do this if and when the Dawes annuities were paid in full, though it means that she would have to bear the cost of reconstructing her own devastated areas and that Britain and the United States would get the payments from Germany. But if, as is much more probable, it ultimately proves possible to get only a portion of the Dawes annuities, then France would pay out a substantial net sum over and above her Reparation receipts. Moreover, any such plan would leave Britain with a net surplus of receipts, from her Allies and from Germany, over her payments to the United States. Great Britain has repeatedly declared that she has no intention of asking for such a surplus. At the same time, Great Britain is not in the mood to see the

United States paid on a more liberal scale than herself. Are we to be pushed by the United States into driving an unreasonably hard bargain with France? The problem is even more difficult in the case of Italy, for if England and America insist on $3\frac{1}{2}$ per cent. from Italy, who is to get no Reparations from Austria, and little from Germany, the result would be a burden which it is quite impossible for Italy to bear. Moreover, Italy has been quick to point out that, whereas the total debt to be settled by Belgium was very small, the debt due by Italy to America and to Great Britain amounts to rather more than the total of Great Britain's debt to America. A settlement on the $3\frac{1}{2}$ per cent. basis would ultimately mean that while Italy gets quite a small sum from Germany, she would have to pay to the United States and to England about as much as Great Britain is paying America to-day. Again, Italy's wealth per head is estimated at less than half that of Belgium, and an important means by which she has hitherto been able to make payments abroad—namely, the remissions of emigrants—has been restricted by the recent immigration policy of the United States.

We see no way out of this difficulty unless the United States is prepared to concede a lower rate of interest to France and Italy than she has conceded to Great Britain. In this connection we would recall that several months ago we published some calculations showing what the annual debt payments would be on various assumptions. Assuming that the Reparation annuities ultimately yield two-thirds of the maximum under the Dawes plan, and (a) that Great Britain is willing to settle with France for a fixed annual sum of $6\frac{1}{2}$ millions sterling (1 per cent. of the nominal debt), plus about $5\frac{3}{4}$ millions sterling (15 per cent. of France's estimated Dawes receipts), varying with the Dawes annuities; (b) that on a similar calculation Italy would pay Great Britain a fixed sum of $2\frac{3}{4}$ millions sterling ($\frac{1}{2}$ per cent. of the total debt), plus $\frac{1}{4}$ million (10 per cent. of Italy's estimated Dawes receipts), on a fluctuating basis; (c) that the United States is prepared to accept a 2 per cent. maximum interest rate from France; and (d) that the United States accepts a $\frac{3}{8}$ per cent. interest rate from Italy, it is possible to work out a practicable balance-sheet as follows:—

ANNUAL RECEIPTS AND PAYMENTS (in Million £), assuming the Dawes Annuities yield £72 millions net a Year.

Receiving Countries.	Payments to be Made by					
	Germany.	Smaller Allies.	Italy.	France.	U.K.	U.S.A.
Smaller Allies	8 $\frac{1}{2}$	7	..	..	..	..
Italy	38 $\frac{1}{2}$	1 $\frac{1}{2}$	..	..	..	..
France	16 $\frac{1}{2}$	1 $\frac{1}{2}$	3 $\frac{1}{2}$	12	..	..
United Kingdom	2	1 $\frac{1}{2}$	2 $\frac{1}{2}$	15 $\frac{1}{2}$	33	..
U.S.A.	72	4 $\frac{1}{2}$	6	27 $\frac{1}{2}$	33 $\frac{1}{2}$	..
Total payments ..	72	4 $\frac{1}{2}$	6	27 $\frac{1}{2}$	33 $\frac{1}{2}$	..
" receipts	..	8 $\frac{1}{2}$	7	39 $\frac{1}{2}$	33	54 $\frac{1}{2}$
Balance of payments (-) or receipts (+) ..	- 72	+ 4 $\frac{1}{2}$	+ 1	+ 12 $\frac{1}{2}$	..	+ 54 $\frac{1}{2}$

* This figure is already exceeded by the present Belgian agreement.
† The British payments at their maximum will exceed this figure.
‡ If the British account is to balance the rates charged to France and Italy must exceed those used in the calculation.

Detailed figures were given in the article referred to (see *Economist*, February 14th, p. 287), which show what the situation would be if the Dawes annuities yielded more or less than these figures. It has constantly been argued in the United States that the Dawes annuities are irrelevant to the calculation; but this, of course, is not a practicable view. America has already recognised that capacity to pay must affect the debt settlements, and the Dawes annuities are undoubtedly a large element in determining that ability to pay.

Whether something like the figures in this table present a practicable basis for settlement will soon be put to the test; for Mr Mellon has announced that the French Commission will shortly arrive in the United States, and so far as the French debt to England is concerned, M. Cailiaux will take up the discussion with Mr Churchill tomorrow. The Anglo-French discussions started with a wide margin between the parties, the British demand starting at £20 millions. It is now said to have fallen to 16, and France has got up to 8 or 9 millions. The Anglo-French figure in the preceding table seems, therefore,

not an unlikely one, provided always that the United States is not going to insist upon the $3\frac{1}{2}$ per cent. basis. If she does so, it will make it harder for Great Britain to conclude a final settlement now on a lower basis.

We have yet to see whether the United States is ready to face a practical solution of the two most difficult cases—namely, those of France and Italy. It is quite evident that a really substantial measure of cancellation such as might have been made in the first year after the war is to-day politically impossible. In our view the arguments for such a course, both in the interests of America as well as that of Europe, are, and will continue to be, overwhelming. But it is no good crying over spilt milk. In the circumstances, it is greatly to the advantage of all concerned to get a settlement that is tolerable for at least the next decade. If America were to succeed in making Italy and France pay $3\frac{1}{2}$ per cent. on their debts, she would receive from her former associates about £90 millions sterling a year for over half-a-century. This represents three-quarters of the maximum of German Reparation payments, and probably more than it will in practice be possible to obtain from Germany. It is not an impossible figure for a country to receive by way of interest from its foreign debtors; but whereas most foreign investments are designed to increase the productive power of the borrowers, those of America in the world war were sunk in an undertaking which impoverished them. In these circumstances, it is perhaps to be expected that America's business instincts will come to the top, and that she will realise that the only way to make these payments possible is to nurse her debtors and foster their productive power. To encourage American citizens to ship their goods and their persons on French, Italian, or British ships, to secure for the debtor countries an increasing share of the expanding American market by low tariffs and a national campaign in favour of foreign goods, and to offer to citizens of her debtor countries a chance to come and sell their labour for dollars at profitable prices to American employers—these are a few among the many ways in which America can hope to make these doubtful debts good, and postpone indefinitely the troublesome question of their further revision.

THE POLITICAL SITUATION IN SOUTH AFRICA.

(BY A SOUTH AFRICAN CORRESPONDENT.)

THE Prince is just about to leave our shores, and the long Parliamentary session which began early in February is rushing along now to a much-desired close. The moment seems suitable for an attempt to review recent events and tendencies, and in particular to attempt some estimate of the possibilities to which the events of the past twelve months seem to point.

The result of such a survey can be regarded as reassuring. Even unfriendly critics have to admit that the Pact has not done so badly. By-elections have shown that its hold upon the electorate is not at all shaken as yet. Whatever scenes may have been enacted behind the closed doors of the Cabinet room, there have been no overt signs of any serious rift between the two sections that compose the governing majority. A Bill has been introduced at the very end of the session to increase the number of Ministers from ten to eleven, and it is an open secret that the additional portfolio is to go to Labour. On this matter there certainly are some indications of trouble. Many of the Nationalists have no enthusiasm either for the proposal itself or for the offer of the place to Labour. That is putting the statement somewhat mildly. Further, the acceptance of office by Labour leaders and the interminable canvassings and ballotings in the Labour Party itself to determine who shall have the third portfolio are not likely to strengthen the bonds between the leaders and the rank and file. The total strength of the party is only 18, as against over 60 Nationalists, and the Nationalists would still have a comfortable majority if the whole Labour Party abstained. Thus the centre of gravity, so far as Labour is concerned, has shifted from Parliament to the Cabinet, and that does not augur well for the Party as such. Its leaders are tied in Cabinet and its rank and file are largely impotent in Parliament.

The situation is one that makes for nervelessness and disintegration in the party sense. Yet Labour still counts in the Cabinet, and there are signs that its presence there may help to bring on a division among the Nationalists. For the Nationalist Party is hardly a more stable combination than is the Pact itself. It came together on an issue which was not likely to be permanent, and was lacking in constructive fertility—that of the constitutional relationship of the Union to the British Commonwealth. The circumstances produced by the Great War and the fact that Nationalists remained in opposition while the Government was taking grave risks and incurring heavy responsibilities in the general cause of the Commonwealth, gave to Nationalism a quite adventitious importance. General discontent came with economic depression and retrenchment, and the chance for the Nationalists arrived. Now they have had a year to face the problems of real Government. Differences of political temper and standpoint within the party which were comfortably concealed in opposition by an all-covering cloak marked "Smuts Must Go!" have now emerged, and two grains of Labour reagent have been dropped into the Cabinet beaker to assist the inevitable process of precipitation. The Pact itself is unstable; no more than an expedient and a makeshift. Its constituent elements may prove to be even more unstable, and the Nationalists almost certainly are so. It is no secret that there are two distinct groups in the Cabinet, that there are Nationalists in each group, and that the Labour Ministers are to be found in only one of them.

Whether there is the same instability to be found in the South African Party is not so certain. That party has already undergone a considerable purge. But even it contains elements which might prove disparate and incapable of fusion if the lines of a new grouping showed themselves strongly on the Government side. One can only say that the immediate future is entirely uncertain, and that a very natural desire to hold on to office may stave off for some time yet the open appearance of the cracks and cleavages which are certainly developing within.

It is possible that what we see happening now is the beginning of the process by way of which the grouping of South African parties may move on to a permanent basis. The immediate heritage of Union was a constitutional issue which had either to destroy Union or itself sink into insignificance. The Great War gave it a longer life than it might have had otherwise, and the coming of the Pact into power deflated the thing and left it moribund and anæmic. Only some bad blunder on the other side, or some new world upheaval, can put fresh life into it.

For no Government can ignore for long the grave permanent issues of South African life in order to occupy itself with academic and largely futile discussions on theories of constitutional right or of Socialist organisation. The pressure of the problems themselves is too insistent and too continuous. Hence the policy of one Government is likely to be more like that of another. But the parties must hold themselves together if they can, and so they have to exaggerate the differences. While your Government is in reality carrying on and developing the policy of its predecessor—the only thing to do very often—you send some of your supporters into the street to make a noise like a Bolshevik, and some into the backveld to dress up like Republicans. Also you talk a good deal about "jobs for the Afrikaner," just to irritate the other side and so make the cleavage look real. Another thing you do is to introduce Bills, like the "Colour Bar" Bill and the Diamond Control Bill, as a sort of skull and cross-bones to make you look fiercely piratical and a devil of a fellow. Yet all the time the persistent pressure of the abiding economic and social facts continues, and will achieve its result in the end. That result can only be the emergence of real Conservative and Radical parties agreed in facing the same complex set of facts, but taking different attitudes towards them. When that line comes to be drawn it will cut across both the Nationalist and the South African parties as they are at present, but Labour will be merged into the Radicals. The time for a real Labour Party in South Africa is not yet. It will be long before those who really do the heavy work of the country will reach the level of party organi-

sation. In the meantime, the title "Labour" does but cover what is no more than a special group of the dominant whites, who, all alike, draw a great part of their sustenance from the patient labour of the coloured masses.

THE DIRECTION OF OVERSEAS TRADE.

THE usual figures showing the geographical distribution of our overseas trade for the first half of the past three years are given in the August trade returns, and from them we have compiled the following tables. The first shows our imports from and exports to the principal European countries for the first six months of the past three years and of 1914:—

JANUARY TO JUNE.
(000's omitted.)

	Imports from				Exports to			
	1914.	1923.	1924.	1925.	1914.	1923.	1924.	1925.
France	23,929	30,044	35,411	40,150	14,364	30,975	24,372	21,092
Netherlands	11,493	21,378	25,348	29,011	8,127	20,321	17,643	18,692
Denmark	12,054	21,677	21,900	23,424	2,995	6,511	6,812	5,581
Spain	6,873	13,013	12,199	12,781	3,686	7,101	6,341	6,650
Germany	39,531	16,930	14,401	21,147	18,890	20,779	22,907	22,456
Switzerland	5,777	10,024	8,885	12,660	2,044	3,467	5,993	4,636
Belgium	11,465	13,255	18,018	14,610	6,507	13,192	11,898	10,682
Sweden	5,909	8,686	9,011	8,901	3,757	6,461	6,868	5,213
Norway	3,573	6,088	4,546	6,804	3,593	4,241	4,164	3,999
Italy	4,527	7,030	8,043	11,564	7,437	10,905	8,671	10,511
Portugal	1,490	2,644	3,001	3,358	1,600	4,566	4,446	4,244
Finland	..	3,496	3,667	4,221	..	1,816	2,241	1,867
Czechoslovakia	..	4,245	7,221	5,971	..	426	687	796
Greece	676	2,017	1,007	837	1,851	1,873	2,660	3,180
Russia	15,282	1,952	4,591	9,148	8,505	1,293	664	2,879
Latvia	..	2,458	2,660	3,061	..	501	772	510
Poland	..	2,628	3,468	2,584	..	1,351	1,560	2,057
Austria	3,803	971	1,137	1,563	2,188	74	168	287
Hungary	..	454	16	171	..	1,573	1,379	1,794
Roumania	1,776	839	1,196	961	1,433	1,622	1,694	1,451
Turkey in Europe	652	696	557	456	..	443	291	291
Estonia	..	530	1,100	860	..	..	..	..
Total	118,808	171,445	187,833	221,272	88,940	140,211	133,869	130,098

The tendency of the excess of imports from these countries to increase continues. The total imports have increased by over £33 millions, as compared with the first half of 1924, of which imports from Germany account for nearly £10 millions. The only exceptions to the general increase are slight declines in imports from Sweden, Poland and Czechoslovakia. On the export side only eight of the 22 countries record an increase, the most prominent of which are Italy, Holland, and Poland. British exports to Germany in the past half-year were exceeded by imports, but as will be seen from a later table, re-exports to Germany amounted to over £16 millions, so that the visible trade balance in trade with Germany is in our favour to the extent of over £14 millions.

In the next table we show trade with the United States and other foreign countries:—

JANUARY TO JUNE.
(000's omitted.)

	Imports from				Exports to			
	1914.	1923.	1924.	1925.	1914.	1923.	1924.	1925.
United States ..	70,447	104,175	113,664	129,510	17,769	31,899	26,291	26,663
Argentina ..	18,004	35,013	37,303	36,149	9,645	14,554	13,231	14,473
China	2,724	6,858	7,776	6,643	890	1,398	1,505	1,456
Brazil	5,183	3,686	3,502	2,663	4,034	5,692	6,155	8,350
Mexico	985	2,946	2,616	3,222	319	1,271	1,057	1,726
Japan	2,047	3,723	3,574	4,135	5,146	12,472	14,431	8,310
Persia	..	3,255	3,919	3,672	..	833	815	1,445
China	1,976	6,055	5,507	6,892	8,345	8,197	10,822	11,191
Peru	1,180	2,632	3,374	3,420	706	1,332	1,499	1,316
Chile	2,996	3,218	6,369	7,760	2,569	3,474	2,477	2,421
Uruguay	1,564	3,050	3,522	2,867	1,127	1,686	1,573	1,615
Colombia	..	830	893	944	..	1,553	1,111	1,913
Turkey in Asia ..	..	1,648	492	687	2,877	466	451	504
Egypt	11,858	16,948	18,680	20,051	4,936	7,722	7,938	8,890
Other Far Countries	11,835	7,807	10,028	10,969	13,744	5,047	6,390	7,576
Total	132,447	200,718	222,054	239,944	72,477	97,477	94,843	95,019

The increase in imports from these countries is almost entirely accounted for by those from the United States, which are nearly £16 millions higher. British exports to the United States increased by only £370,000, but re-exports expanded by £2,600,000. The excess of imports in trade with the United States for the half-year was £881 millions, as against £751 millions in the first half of 1924, and £341 millions in the first six months of 1914. We have imported this year more from China and Japan, but less from most of the South American countries. Exports to Japan and China, on the other hand, have fallen off

substantially, whereas we have sent more to South America.

Our trade with the Dominions is shown in the next table:—

JANUARY to JUNE.
(000's omitted.)

	Imports from				Exports to			
	1914.	1923.	1924.	1925.	1914.	1923.	1924.	1925.
	£	£	£	£	£	£	£	£
Australia.....	21,431	34,234	30,852	42,655	17,711	29,112	28,495	29,871
New Zealand.....	16,068	29,172	31,802	37,428	4,689	9,850	9,060	11,117
India & Ceylon.....	22,615	36,830	40,548	46,375	36,676	47,131	47,144	47,433
Canada.....	9,899	21,240	23,617	27,372	9,580	13,586	13,321	13,662
South Africa.....	7,179	7,732	9,446	12,410	10,830	13,573	15,436	14,885
West Africa.....	3,394	6,494	6,647	7,303	3,931	6,021	4,571	6,374
Straits Settlements.....	7,134	4,426	5,330	6,067	2,612	3,862	4,177	4,722
West Indies.....	1,373	3,341	2,907	3,313	1,233	1,699	1,724	1,876
Irish Free State.....	10,141	22,831	19,303	19,303	6,883	21,050	20,906	20,906
Other Possessions.....	5,536	13,005	14,552	14,090	6,979	13,204	14,795	16,606
	94,629	166,615	188,532	216,328	94,241	144,921	159,773	167,442

Both imports from and exports to the Irish Free State show a decline, but there is now an excess of British exports, and including re-exports there is a favourable balance of some £7 millions. Trade with all the other countries in the table shows an increase with the one exception of exports to South Africa, which have declined by a small amount. In 1914, it will be seen, imports and British exports almost balanced, but there is now a very heavy excess of imports.

The final table gives re-exports:—

JANUARY to JUNE.

Re-exports to	1914.	1922.	1923.	1924.	1925.
	£	£	£	£	£
United States.....	18,210,000	10,376,000	17,576,000	11,792,000	14,409,000
Germany.....	11,396,000	10,226,000	10,389,000	17,972,000	16,237,000
France.....	6,205,000	10,224,000	10,494,000	9,707,000	10,303,000
Belgium.....	4,140,000	5,973,000	4,983,000	5,688,000	5,130,000
Netherlands.....	2,615,000	3,512,000	2,631,000	4,065,000	3,322,000
Australia.....	..	2,695,000	2,004,000	2,715,000	2,383,000
Canada.....	..	1,529,000	1,453,000	1,237,000	1,817,000
Italy.....	507,000	825,000	931,000	985,000	838,000
Sweden.....	452,000	757,000	568,000	467,000	629,000
India and Ceylon.....	..	605,000	668,000	727,000	816,000
South Africa.....	..	556,000	895,000	902,000	565,000
Denmark.....	261,000	377,000	432,000	280,000	367,000
Norway.....	108,000	189,000	153,000	143,000	141,000
Japan.....	4,556,000	186,000	612,000	2,766,000	6,512,000
Russia.....	..	82,000	109,000	109,000	80,000
China.....	..	100,000	1,862,000	5,274,000	5,651,000
Irish Free State.....	10,554,000	6,679,000	7,033,000	7,823,000	6,918,000
Other Countries.....	59,276,000	55,672,000	63,864,000	74,128,000	77,449,000

Apart from the increase in re-exports to the United States, already mentioned, the feature of this table is the large expansion in re-exports to Russia.

ELECTRIC POWER AND COAL CONSUMPTION.

(BY A CORRESPONDENT.)

A FACTOR which has received attention recently in the discussion of electrical development and coal utilisation has been the actual efficiency of the power stations operating in Britain, and opponents of any revolutionary schemes of a super-power nature have asserted that, even under the present régime, technical progress has been rapid enough to justify a policy of *laissez-faire*. There has been no sure method of testing the truth of such assertions, owing to the impossibility of instituting international standards in power-station efficiency. It is exceedingly doubtful whether this can ever be achieved in practice, although theoretically there are few obstacles; conditions of supply and demand are dissimilar in every country, and those conditions are a fundamental factor in determining the efficiency of a modern power station. Without going into technicalities, it may be interesting here to outline some outstanding features of the subject, since some part of the reorganisation for better utilisation of our coal resources rests on the policy of intensive electrical development.

To generate one unit of electricity, under theoretically perfect conditions, 3,412 British thermal units, the heat content of the unit, are required.* This ideal is, of course, unattainable, and a greater number of British

* This refers to the thermic power station, and not to hydro-electric stations.

thermal units than the foregoing must be consumed before the unit of electricity leaves the power station. In the early power stations over 60,000 British thermal units were necessary, equivalent to 17.5 times the theoretical minimum, yielding thus an efficiency, heat to heat, of 5.7 per cent. Technical progress since that time has been directed towards improvement of this efficiency, with the result that a modern steam-power station may consume only 16,000 British thermal units in the generation of one unit of electricity, equivalent to a thermal efficiency of over 21 per cent.

In spite of the fact that several American stations working under test conditions have raised this to 28 per cent. and over, 21 per cent. represents the highest standard achieved at present under ordinary operating conditions. In the future this level will be passed without doubt, and improvements in design and materials may make a figure of 30 per cent. not impossible. The important point to note is that, under the most favourable conditions, the super-power station at its highest, as in the United States, generates electricity at a maximum efficiency of 20-21 per cent.

Several factors combine to reduce the efficiency of the modern steam-power station—inequalities in the calorific value of the coal causing variations in boiler efficiency, changes in the temperature of condenser cooling water, and, above all, inadequate utilisation of the generating plant. The generating plant is operating at its highest capacity, with a minimum steam consumption (or fuel consumption if thermal efficiency is considered) when the load on it remains constant for every hour of the year. A station with a load of 100,000 h.p. constant for 8,760 hours in the year (a load factor of 100 per cent.) is much more economical than a station with a load of 150,000 h.p. at one period and 10,000 h.p. at another. The nearer the percentage load factor is to 100 per cent., the more efficient the power station, and this question of inadequate load factor (28 per cent. in 1923) has been of great significance in the delay to electrical development in Britain. Generating costs increase almost in direct proportion to the decrease in load factor.

Under those circumstances a reasonable standard of thermal efficiency in British power stations would be from 16 per cent. to 18 per cent. at the present moment. Using this as a basis, we can now examine the returns issued recently by the Electricity Commissioners for the year 1924-25.* These stations reached an efficiency of 18 per cent. and over this year—Carville (B) 18.78 per cent., with a maximum load of 55,400 kilowatts, or 68,000 h.p.; Barton, 19.85 per cent., with a maximum load of 48,870 kilowatts; and North Tees, 18 per cent. The last two stations are of recent construction, while we know that two other stations, at Dalmarnock and Grove road, also of recent construction, have also reached the 18 per cent. level. This means that there are six stations at least in Britain which can bear comparison with American super-power stations at the same period—an important fact. Proceeding further, we find three other stations with a thermal efficiency above 17 per cent.—Rotherham, 17.38 per cent., with a maximum load of 21,800 kilowatts; Percival lane, 17.42 per cent., with a maximum demand of 9,100; and Clyde's Mill, 17.27 per cent. In each case the addition of modern plant has raised the efficiency of the station, and reduced generating costs.

Some idea of the progress that has taken place in a number of representative stations during the last three years may be derived from the following table:—

POWER STATION EFFICIENCY IN BRITAIN, 1922-1925.

Station.	Fuel Consumption. (Lbs of Coal per Unit Generated.)			Thermal Efficiency (%).		
	1922-23.	1923-24.	1924-25.	1922-23.	1923-24.	1924-25.
Barton.....	1.74	1.81	1.50	17.80	17.97	19.85
Carville.....	1.73	1.67	1.63	17.15	17.60	18.00
North Tees.....	1.89	1.89	1.82	16.45	17.47	17.53
Dalmarnock.....	1.98	2.04	2.02	16.70	16.85	17.38
Rotherham.....	2.24	2.27	1.95	14.56	14.98	17.27
Clyde's Mill.....	2.08	2.00	1.89	15.00	15.85	16.76
Grove Road.....	1.80	1.77	1.74	15.85	16.25	16.75
Radcliffe.....	1.80	1.77	1.74	15.85	16.25	16.75

* The last six months only. † Includes Port Dundas. ‡ Includes Motherwell and Yoker.

In addition to the eight stations enumerated, the Runcorn station of the Mersey Power Company, with a thermal

* Generation of electricity in Great Britain, 1924-25.

efficiency of 17.42 per cent., should be included in 1924-25, so that we have now nine stations in Britain capable of being compared with the best stations operating abroad. The improvement in thermal efficiency that has taken place in three years is little short of remarkable, especially in stations like Radcliffe and Clyde's Mill, where generating units of 10,000 kilowatts have been responsible for the results obtained. In Barton, Rotherham, and Dalmarnock units of 18,750 kilowatts to 30,000 kilowatts are installed; in North Tees, of 20,000 kilowatts; while in Grove road units of 10,000 kilowatts and 15,000 kilowatts have been in operation since December, 1923. In those eight stations there are examples of generating units of 10,000 kilowatts, 15,000 kilowatts, 18,750 kilowatts, 20,000 kilowatts, 27,500 kilowatts, and 30,000 kilowatts, so that the preference can scarcely be extended to any one size for efficiency. Above 10,000 kilowatts the plant now manufactured in this country is giving good economic results.

The total number of units generated in Britain was 5,456 millions in 1922-23, 6,342 millions in 1923-24, and 7,091 millions in 1924-25 for steam-power stations; including oil and gas producer, waste heat and water-power stations, the totals were 5,739 millions, 6,682 millions, and 7,415 millions respectively, an increase in 1923-24 of 16.14 per cent., and in 1924-25 of 11 per cent. over the previous year. Of these totals, steam-power was responsible for 95.08 per cent., 94.93 per cent., and 95.63 per cent. in the years in question; water-power for 0.55 per cent., 0.66 per cent., and 0.69 per cent.; waste heat for 3.21 per cent., 3.26 per cent., and 2.51 per cent.; the New castle area being responsible for the latter. This shows that steam-power is the only form of power of significance for the generation of electricity in Britain. In thermal efficiency the national improvement has been steady, 2.78 lbs of coal being consumed per unit generated in 1922-23, 2.67 lbs in 1923-24, and 2.53 lbs in 1924-25. Allowing a calorific value of 10,500 British thermal units per lb of coal, the national thermal efficiency in 1924-25 was of the order of 12.8 per cent., compared with 11.7 per cent. in 1922-23, an improvement of some value, although the number of inefficient power stations in the total of 584 is still abnormally high. It is significant that in 1924-25 only 142 stations were responsible for an output of 6,449 million units, or 87 per cent. of the total output of the whole country; 442 generated 966 million units, an average of 2.2 million units per station, compared with over 45 million units in the other stations.

THE OIL SITUATION.

(BY A CORRESPONDENT.)

THE decline in gasoline prices in America, and the two recent cuts of 25 cents each in the price of Pennsylvania crude oil appear to have taken the oil share market by surprise. For the last month or so the optimistic reports cabled from New York of the condition of the oil industry have been somewhat misleading. It is true that favourable signs have not been wanting. In the first place, the total production of crude oil in the United States has declined from 2,347,984 barrels a day at the end of May to 2,132,865 barrels a day at the end of July. What encouraged optimism the more was the proportionately bigger decline in the output of light crude oil, the supply of which forms the basis of refined oil prices. In the middle of January the daily average production of light crude oil was 1,525,220 barrels, and at the end of July 1,389,068 barrels, a decline of 136,152 barrels a day. The following figures, given by the *Oil and Gas Journal*, will bring out the significance of this division of the American crude oil output:—

U.S. DAILY AVERAGE CRUDE OIL PRODUCTION.
(In Barrels.)

End of—	Light Oil.	Total U.S.	End of—	Light Oil.	Total U.S.
Dec., 1924..	1,437,070	1,911,730	April, 1925.	1,417,372	2,157,525
Jan., 1925..	1,459,707	1,927,982	May	1,427,766	2,347,984
February..	1,448,408	1,933,178	June	1,396,174	2,162,139
March	1,426,630	1,951,630	July	1,389,068	2,132,865

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In the second place, simultaneous with this decline in output of light crude oil has gone a record-breaking consumption of gasoline. The latest figures of the U.S. Bureau of Mines are for June. In this month the consumption of gasoline set a new high record of 868,000,000 gallons, an increase of 7 per cent. over consumption in May, while stocks declined by 22,000,000 gallons to 1,695,000,000 gallons, representing 55 days' supply at the current rate of consumption, as compared with 61 days' supply at the end of the previous month. It has also been observed with satisfaction (not in all quarters) that the registrations of motor vehicles in the United States totalled 17,548,377 on July 1st last, an increase of 2,108,407, or 13.7 per cent., over those on July 1, 1924. There is one motor vehicle to every 6.47 persons in the United States to-day. In the third place, until recently there had been substantial advances in oil prices. Before the recent cut of 25 cents, Pennsylvania crude oil had risen from a range of \$3.00-\$3.10 (on December 27th last) to a range of \$3.80-\$3.90 per barrel. Gasoline prices had been advanced to levels above the highest reached in 1924. Only last month the Prairie Oil and Gas Company posted a new range of prices for mid-Continent crude oils, which had the effect of increasing prices from 5 to 33 cents a barrel, while the Standard Oil Company of Indiana advanced the price of gasoline in eleven mid-Continent States.

These were the outward signs of prosperity which have been responsible for the optimism prevalent in the oil industry. To what extent were they misleading? First, the price advances ignored the fact, which is fundamental, that, taking production of crude oil with the imports of all oils as the new supply, and deducting exports and domestic consumption of all oils as the demand, there has been an over-supply each month since March. Stocks of crude oil and refined oils have increased steadily since the end of February, and this increase has only been halted in the last two months. There has been no substantial diminution in total stocks. The end-June stocks of gasoline, 1,695,000,000 gallons, were yet 242,000,000 gallons above those existing at the end of January. The supply of oil in America is still enormous. Secondly, the increase in gasoline consumption merely led to an enormous addition in "cracking" plant at refineries for the greater recovery of gasoline from the crude oil run. This meant that the increase in gasoline demand could be met without increasing proportionately the supply of the raw material. At the end of June American refiners began to realise that they were producing too much gasoline, and prices began to droop. The advance made by the Standard Oil Company of Indiana last month was merely another case where a Standard Oil company has preferred, for domestic reasons, to take action contrary to the economic trend. Finally, the decline in light oil production seems to have blinded the industry to the possibility of another flood of fresh production in the early autumn. Several new pools of light oil have been discovered which promise well—for instance, the Garber, Braman, and Thomas pools in Oklahoma, and the new deep sand in the Smackover field, Arkansas, which may possibly yield a high grade of oil. Hundreds of being drilled down to these new sands, and increase in light oil production at the end of the year was caused by the new output from the In another month the increase in production is considerable. What, then, is the real position of oil in the country, with a

"cracking" facilities at refineries, and with the prospect of more flush production in the fields this autumn, the economic position is none too stable, and reductions in prices are to be expected rather than advances. This prospect was becoming clear about a month ago. The increased earnings reported by a number of American oil companies for the first six months must not be taken as any indication of the prospects of the oil industry for the remainder of the year.

CHARTERED.

TWELVE months ago the issued capital of the British South Africa (Chartered) Company had a market value of £4,818,000, or 11s a share; the same capital is now assessed at £12,702,000, or 29s a share, two-and-a-half times greater. So remarkable a change affords reason for a detailed examination of the company's assets, earning powers, and prospects.

Assets stood in the balance-sheet of September 30, 1924, at a total of £12,469,000, of which £5,063,000 is represented by mineral rights, concessions, and land rights; estates, townships, live stock, movable assets, &c., appear for £1,213,000; debtors, £543,000; cash, £66,000; and stock, bonds and shares, £5,584,000. From these have to be deducted creditors, £240,000, and dividend since paid, £424,000, making a net total book value of £11,800,000. The first-mentioned asset covers ownership of the mineral rights over the whole of Rhodesia, and concessions covering very large mineral rights in the Bechuanaland and Nyasaland Protectorates. The next, that of ranches and estates, comprises 4 million acres in Southern and 2½ million acres in Northern Rhodesia, about 700 thousand acres in the Bechuanaland Protectorate, and 2½ million acres in the Nyasaland Protectorate, making a total of 10,200,000 acres. The entries, "debtors" and "cash," do not call for further description, while the remaining item, "Stocks, bonds, &c.," requires detailing more explicitly, as it produced 95 per cent. of the profit earned last year. Of the total sum, investments in first-class liquid securities amounted to £2,496,535; shares, debentures, and interests, consisting mainly of holdings in Rhodesian and South African enterprises, other than railways, stood at £1,347,706, and the company's holding of Rhodesia Railways Trust at par, £1,740,151—in all £5,584,392. Since September 30th last £1,000,000 of gilt-edged securities have been deposited as security for guarantees given by the company in connection with various Rhodesian railway debentures and note issues, and, although revenue-bearing, these will not be available for any other purpose of the Chartered Company for an indefinite period.

Dividing assets into two categories of real estate and shareholdings, the former appear in the balance-sheet at £6,276,000, which yielded a gross profit last year of £59,000, showing prospects capitalised at a big figure in the meantime. Shareholdings as to £2½ millions invested in first-class securities are generally at the same level of value as a year ago; the balance of £3 millions, mostly in Rhodesian enterprises, fluctuates in value and income, and has improved both in prices and dividend outlook. The major holdings now consist of 1,740,000 Rhodesia Railway Trusts, 1,000,000 10s Wankie Colliery shares, and considerable interests in Victoria Falls Power and Bwana M'Kubwa shares, which we estimate to have appreciated by £700,000 since the last balance-sheet was closed. Adopting the company's valuation of real estate interests, and taking the improvement in shareholdings, assets would appear at £12,500,000 against market capitalisation, at 29s per share, of £12,702,000.

The net profit in 1924 was £415,000, and the dividend of 15 3d per share paid amounted to £424,000. There was, however, a credit of £66,000 and a debit of £21,000 which are non-recurring, so that if there were no change in revenue or expenses the profit for this year would come out at £45,000 less, namely, £370,000, representing on the present capitalisation a return of only 3½ per cent. This is obviously inadequate, and one naturally

inquires how it is to be supplemented. From the ample particulars supplied in the directors' report, added to the lucid exposition of the chairman at the general meeting and some further known facts, the profits of the current year may be approximately gauged with some confidence. An increase in the Rhodesia Railway Trust dividend of 1 per cent. already declared brings an additional £17,500; Wankie Colliery may pay 5 per cent. more, though we gather this is doubtful, but if so it would bring £25,000 increase on the Chartered holding; possibly 1 per cent. or 2 per cent. more may be forthcoming from Victoria Falls Power shares. Little increase can be expected from royalties, and Ranch and Estate interests, which showed £24,000 loss last year, may turn level this year, though, having regard to the fact that the profit and loss account is swollen by taking in from this source an unknown figure for "increase in value," a not over sound method of calculating increment, this particular estimate is perhaps too sanguine. However, granting even results here, a slight increase in royalties and the other mentioned increases, the income for 1925 from all producing elements would be an added £73,000, against £45,000 decrease in non-recurring revenue, making the total profit for 1925 £443,000, equivalent to 3½ per cent. on the present price of the shares.

THE POLISH ZLOTY.

(BY OUR POLISH CORRESPONDENT.)

THE Polish zloty, which since the foundation of the Bank Polski in May of last year was maintained at a stable level, was exposed during the last days of July to a very hard test. The exchange of the zloty declined in London, Vienna, Berlin, and Prague by nearly 10 per cent. This loss has been to a great extent regained. Nevertheless, it is interesting to inquire if this unexpected depreciation is due to speculative movements or to inherent weakness, attributable to an increase of paper notes not covered by gold.

For examining the truth of this allegation it is necessary to describe the structure of the Polish monetary system.

The Polish currency is composed of three different units:—

- (1) The bank notes issued by the Bank Polski.
- (2) Paper notes of one, two, and five zlotys issued by the Treasury.
- (3) Silver, nickel, bronze, and copper coins issued equally by the Treasury.

According to the last return of the Polish Bank of July 20th, the circulation of notes amounted to 408 million zlotys. This is a very low figure, the lowest registered since September 10th. This very small circulation is due to a restrictive credit policy of the bank, which considers a high reserve as a fundamental condition of stability. By this reduction of the circulation the Bank Polski, which since the beginning of this year has been subject to a steady drain of foreign currencies, has maintained a reserve of about 50 per cent. (on July 10th, 50.9 per cent.; on July 20th, 48 per cent.).

In this respect the position of the zloty is very strong, and the bank is able to resist all speculative attacks.

It must be pointed out, however, that this restrictive credit policy of the bank has a disastrous influence on the economic life of the country. According to the most trustworthy estimates which we possess, the circulation of the territories which form actually the Polish Republic amounted before the war to 1,500 to 2,000 million zlotys. Actually, with prices which are 50 per cent. higher, the whole economic machine has to be maintained in motion to-day with less than one-fourth of the pre-war circulation.

As pointed out above, the circulation of bank notes is supplemented by paper notes and by coins issued by the Treasury. The paper notes are to be exchanged against silver coins as soon as the Government will dispose of a sufficient stock. The maximum amount of these paper notes is fixed at 150 million zlotys.

The quantity of subsidiary coins cannot exceed eight

zlotys per head for silver and four zlotys for nickel, copper, and bronze coins.

The circulation of paper notes amounts actually to nearly 80 millions, and of coins to 100 million zlotys.

Since the end of June the Treasury has not increased this subsidiary circulation and the rumours which are current are probably due to the issue of new Treasury notes of five zlotys. These notes, however, are exchanged against smaller notes of one and two zlotys, so that the total amount remains unaltered.

If the issue of bank notes corresponded to the pre-war level (1,500 to 2,000 millions), these subsidiary coins and notes would cause no harm. Per head of population the quantity of subsidiary coins and notes amounts to five zlotys, which is much below the legal limit and the subsidiary circulation in other countries.

In comparison with a circulation of bank notes of 400 millions, these 180 millions are, however, superabundant. The obligation to accept subsidiary coins and notes is limited to 100 zlotys for each payment. As the Bank Polski is not allowed to have more than 5 per cent. of its circulation in this currency, it was obliged to refuse payments above 100 zlotys in subsidiary coins and notes issued by the Treasury. Some difficulties have resulted, and a small agio for bank notes was quoted, private banks also having refused equal payments in subsidiary coins.

These difficulties have been accentuated by the restrictive credit policy of the Polish Bank. The disproportion between the subsidiary circulation and bank notes has become greater during the last weeks, not in consequence of the issue of new Treasury notes, but in consequence of a reduction of the issue of bank notes, which declined from 560 millions in March to 408 millions in July.

The Ministry of Finance cannot completely be freed of the charge of failing to take into account the proportion of these coins and notes in comparison to the total circulation. It may be said, however, that the evils from which Poland is suffering are due not so much to an over-issue of subsidiary coins and notes, but to much too low a circulation of bank notes. To a certain extent the situation may be improved by the increase of the reserve of foreign currencies of the Bank Polski, which is expected as a result of the excellent crops. It is certain, however, that an increase of the issue of bank notes by 100 or by even 200 million zlotys, which may be the result of an improved trade balance, will not enable Poland to return to normal monetary conditions, which necessitate a circulation of not less than 1,500 million zlotys. The attainment of this minimum in the near future without foreign assistance is impossible. The Polish Bank's capital of 100 million zlotys is too small, and the accumulation of a reserve of 600 to 700 million zlotys as a result of a favourable balance of payments could be only the result of a very protracted process.

The originality of Mr Grabski's financial reform consisted in the fact that he realised it without foreign aid. In this respect his achievement surpassed the expectations even of those who believed with him in the internal economic strength of the new Poland. But after the experience of more than one and a-half years, it may be considered as certain that for bringing the reform to a successful end foreign capital is necessary. In this respect a very characteristic symptom is a pamphlet published in English by the vice-president of the Bank Polski, Dr Mlynarski, who in the realisation of Mr Grabski's reform plan took a prominent part. In this pamphlet, entitled "The Genoa Resolutions and the Currency Reform in Poland," Dr Mlynarski, referring to the resolution which entrusted the Bank of England with the task of convoking an international conference of Central Banks, writes:—"The necessity of such a conference becomes more and more urgent, as the stabilisation of the currency situation has made great headway in Europe" (p. 18).

In a pamphlet, published in Polish and devoted to England's return to gold, the same author, drawing attention to the credit arrangement made by the British Government and the Bank of England in the United States, says:—"Our Budget is and will be necessarily high during the coming years. Our currency is based on a shallow foundation in relation to the fluctuations of our balance of indebtedness and of our reserve of gold and foreign currencies. In consequence, we must possess not only a finan-

cial, but also a monetary reserve in foreign currencies. These are the two fundamental postulates. I think that we shall not be able to realise them so long as our reform does not form a part of an international arrangement, and so long as we remain outside of great international problems."

No one, observing the monetary difficulties through which Poland is passing, can deny the correctness of Dr Mlynarski's diagnosis. The situation of Poland closely resembles that of Germany in April of last year, when the economic conditions of the country were studied by the experts of the Dawes Committee. In the report, the monetary situation was characterised as "an unstable equilibrium," which without a great foreign loan could not be put on a more solid and durable basis. The same may be said actually of the Polish zloty. Its stability is maintained by a restrictive credit policy, which makes it impossible for Poland to bring into full motion the economic forces of the country. Such conditions cannot be considered as a permanent foundation of currency stabilisation.

Notes of the Week.

India: The Viceroy's Review.—The address delivered by Lord Reading on Thursday at the opening of the autumn session of the Legislative Assembly at Simla was awaited with keen interest, because it was expected to reflect the result of his visit to London and his conferences with the Secretary of State. But if it failed, as did Lord Birkenhead's speech in the House of Lords in July, to satisfy the expectations of those who looked for indications of a new orientation of policy, it was by no means devoid of importance. For one thing, the Viceroy announced the terms of reference and the composition of the Indian Currency Committee. The terms are as follows:—"To examine and report on the Indian exchange and currency system and practice, to consider whether any modifications are desirable in the interests of India, and to make recommendations." The investigation, which will inevitably be of profound importance to the future of Indian finance and commerce, will be in the hands of a representative body. The chairman is to be Lieutenant-Commander Hilton Young—who passed from a career of financial journalism, begun on the staff of the *Economist*, to the post of Financial Secretary of the Treasury in Mr Lloyd George's post-war Coalition Government, and has also the experience of many international financial conferences and inquiries. Among his colleagues will be Sir Henry Strakosch, a sound and recognised authority on currency problems; Sir Norcot Warren, managing-governor of the Imperial Bank of India; Mr W. E. Preston, chief manager of the Chartered Bank of India, Australia, and China; and Sir Alexander Murray, a prominent Anglo-Indian industrialist. The personnel is completed by the appointment of four Indian members. These are Professor Coyajee, of the Presidency College, Calcutta, one of India's best-known economists; Sir Ragen-dranath Mukerjee, a leading industrialist in Bengal; Sir M. D. Dadabhoi, a cotton manufacturer and member of the Council of State; and Sir P. Thakurdas, who in the Legislative Assembly has been the mouthpiece of Bombay business criticisms of the Finance Department. Altogether this team would appear to satisfy the primary requirement that it possess sufficient prestige to obtain general acceptance for any recommendations and conclusions that it may be able unanimously to reach. On the constitutional question, Lord Reading's address adds little to Lord Birkenhead's pronouncement discussed in our issue of July 11th. But he expressed very emphatic regret that that pronouncement had been so vigorously criticised in India. "The impression on my mind," he said, "is that its importance and value to India have not been sufficiently appreciated. I look upon the Secretary of State's address as a message of sympathetic encouragement to India, at least to those who are desirous of advancing to responsible self-government within the British Empire. It is an emphatic indication that political opinion in England stands firm upon the declarations made in 1917 and 1919 without distinction of political parties." Later in his address Lord Reading referred to Lord Birkenhead's invi-

tation to Indians to "produce a constitution which carries behind it a fair measure of general agreement among the great peoples of India." In this connection he emphasised the point that there is no special sanctity attaching to the year 1929 as the date for re-examining the existing constitution. If favourable circumstances developed, it could be forestalled. The Viceroy's address ended on a personal note, with a reference to the approaching end of his term of office, and it may be that the lack of any suggestion of any new facet of policy may be explained by a natural wish to leave behind no unnecessary embarrassment for his successor.

Developments in China.—The situation in China shows little sign of improvement. Full agreement has indeed now been reached on the Customs conference to be held under the Washington agreement, and the conference is expected to meet in the beginning of October. Such an arrangement had been looked forward to as the most hopeful turn the situation could take, but the outlook may have changed so considerably before October comes that it is doubtful whether the conference, which will no doubt deal with other questions than Customs, will not be too late to arrest the subversive movements now in progress. The optimism the prospect of an actual conference might have inspired has, indeed, been to a large extent neutralised by the action taken by the Chinese Government in declaring the coastal trade in China to be open under certain conditions to the ships of all nations except Japan and Great Britain. That, so far as the ban on British and Japanese ships goes, is a clear breach of treaty, and has been described, with not too much exaggeration, as something not far short of a declaration of war. The question is being energetically taken up by the British Consul-General, and further declarations by Peking are awaited. That is, however, only one of many disquieting signs. The strike at the British Legation in Peking continues, the Government combining assurances of assistance with an attitude of ostentatious indifference. It seems, moreover, that China rejects absolutely the proposal of a new and more formal inquiry into the Shanghai disorders, and has expressed herself on the subject in a Note marked by considerable violence of language and a flat refusal to recognise the findings of any such commission as is proposed. Meanwhile difficulties have been further increased by a postal strike at Shanghai, a fact which has some special significance in view of the fact that the Powers at Washington agreed to abolish their own post-offices in China on the strength of definite pledges that China would assure as safe and punctual a service as had ever existed in the past. Under these circumstances the Western Powers will no doubt continue to place reliance in the Customs conference as an opportunity of getting to close grips with the Peking Government, for the rather unsatisfactory reason that there appears to be nothing else to place reliance in at all. That, however, must depend on what results from the ban on British and Japanese coasters, for unless that is lifted forthwith, a situation much too serious to be left for another six weeks will arise. The object of China is manifestly to test the solidarity of the Powers, and, unfortunately, one or two of them have given her reason to set some hope in the possibility of driving a wedge between them.

The Coal Inquiry.—The terms of reference for the Royal Commission on the coal industry were announced on Thursday. They are as follows:—

To inquire into and report upon the economic position of the coal industry, and the conditions affecting it, and to make any recommendations for the improvement thereof.

The inclusion of the words "and the conditions affecting it" reflects the anxiety of all parties, the Government, the owners, and the miners, that the inquiry should be as comprehensive as possible. The terms were approved by the national delegate conference of the Miners' Federation held in London on Thursday. This conference also discussed and accepted a report on the terms of the truce arranged with the Government, and instructed the committee to take steps to put the miners' case before the Commission. The terms of reference appear to be wide enough to allow the nationalisation issue to be raised. In

spite of hitches in applying the truce terms in one or two localities, these events seem to have cleared the way for the Commission, and to give reason to hope that peace will be preserved in the industry during its deliberations. The collection of a sufficiently strong and authoritative personnel for the Commission will, however, take time, and the investigation is hardly likely to open before next month. The Government adheres to its determination that neither owners nor miners should be directly represented, but that the composition of the inquiring body should be entirely impartial and detached. It is obviously desirable that the inquiry should begin at the earliest possible moment, and we trust that holiday influences will not be allowed to cause any preventable delay.

Our Share in the World's Carrying Trade.—Among the many excellent tables included in the Balfour Committee's "Survey of Overseas Markets" (a summary of the main features of which will be found in our *Monthly Supplement* of July 25th last), mention may be made of the statistics of tonnage and nationality of ships passing through the Suez Canal in the years 1910 to 1913, 1923 and 1924, and through the Panama Canal in 1920, 1923, and 1924. The figures have a special interest since they give, as it were, the results of a yearly census of the shipping employed on many of the most important commercial routes of the world. The tables are shown below:—

THE SHARE OF BRITISH AND OTHER SHIPPING IN THE TRAFFIC THROUGH THE SUEZ AND PANAMA CANALS.

(A) SUEZ CANAL. ("MERCHANT VESSELS AND MAIL STEAMERS.")
TONNAGE.

Nationality.	1910.	1911.	1912.	1913.	Average 1910-1913.	1923.	1924.
British	10,255,048	11,537,440	12,615,914	11,866,360	11,568,291	13,193,457	14,067,405
Danish	96,858	114,411	138,552	171,848	130,417	299,695	344,868
Dutch	849,237	967,602	1,239,477	1,276,597	1,083,223	2,175,234	2,487,352
French	825,054	813,134	794,928	924,805	839,480	1,281,225	1,495,116
German	2,513,290	2,763,624	2,992,618	3,320,519	2,897,513	1,213,601	1,546,872
Italian	201,256	199,645	268,266	256,422	231,397	981,358	1,472,703
Japanese	346,077	348,031	319,626	343,732	339,365	986,283	871,599
Norwegian	46,109	59,812	91,357	93,313	72,648	335,597	367,418
Swedish	78,826	96,783	138,058	122,957	106,156	275,261	270,197
U.S.A.	3,145	1,690	1,690	4,156	2,670	349,221	485,083
Other	1,096,060	1,116,875	1,295,542	1,352,030	1,215,127	211,360	320,111
Total	16,310,955	18,019,451	19,894,028	19,732,739	18,489,293	21,102,406	23,828,654

PERCENTAGE OF TOTAL.

Nationality.	1910.	1911.	1912.	1913.	Average 1910-1913.	1923.	1924.
British	62.9	64.0	63.4	60.1	62.6	61.9	59.0
Danish	0.6	0.6	0.7	0.9	0.7	1.4	1.4
Dutch	5.2	5.4	6.2	6.5	5.9	10.2	10.4
French	5.1	4.5	4.0	4.7	4.5	6.0	6.3
German	15.4	15.4	15.0	16.8	15.7	5.7	6.9
Italian	1.2	1.1	1.4	1.3	1.2	4.6	6.2
Japanese	2.1	1.9	1.6	1.7	1.8	4.6	3.7
Norwegian	0.3	0.3	0.5	0.5	0.4	1.6	1.5
Swedish	0.5	0.6	0.7	0.6	0.6	1.3	1.1
U.S.A.	0.0	0.0	0.0	0.0	0.0	1.4	2.0
Other	6.7	6.2	6.5	6.9	6.6	1.0	1.5
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

(B) PANAMA CANAL. ("COMMERCIAL VESSELS.")
Years Ended June 30th.

Nationality.	Tonnage.			Percentage of Total (Excluding U.S.A.).		
	1920.	1923.	1924.	1920.	1923.	1924.
British	(Panama Canal Tons Net.)					
Chilean	2,760,188	4,892,338	6,097,611	58.1	58.3	58.9
Danish	212,000	201,411	176,472	4.5	4.4	4.7
Dutch	32,221	240,053	245,929	0.7	2.8	2.4
French	152,535	510,970	551,761	3.2	6.1	5.3
German	114,664	252,333	386,640	2.4	3.0	3.7
Italian	52,755	336,149	660,156	1.1	4.0	6.4
Japanese	98,692	117,782	164,448	2.1	1.4	1.6
Norwegian	515,243	753,219	815,468	10.8	9.0	7.9
Peruvian	397,632	597,359	546,633	8.4	7.1	5.3
Spanish	191,689	216,829	189,046	4.0	2.6	1.9
Swedish	106,651	41,201	172,572	2.2	0.5	1.7
Other nations (excluding U.S.A.)	76,825	130,361	161,993	1.6	1.5	1.6
Total (excluding U.S.A.)	4,754,956	8,397,250	10,341,980	100.0	100.0	100.0
U.S.A.	3,791,088	10,208,536	15,806,899	(Percentage of total)	44.4	58.9
Total	8,546,044	18,605,786	26,148,879			60.4

The increase of traffic in late years, as compared with the pre-war period, is a somewhat surprising feature of the Suez Canal returns. Possibly holds have been less well filled than was the case in 1913. The tonnage of British ships passing through the Suez Canal remains, as before the war, equal roughly to that of vessels of all other nations together, and, if exception is made for United States ships, a similar statement applies more or less to the Panama Canal. In both cases the British tonnage is approximately six times as large as that of Great Britain's nearest competitor.

Empire Produce and Home Consumption.—The task set to the Imperial Economic Committee by the Government was officially stated as follows:—"To consider the possibility of improving the methods of preparing for market and marketing within the United Kingdom the food products of the overseas parts of the Empire, with a view to increasing the consumption of such products in the United Kingdom in preference to imports from foreign countries, and to promote the interests both of producers and consumers." It has just produced two Reports, one general and the other on meat. A further Report on fruit will follow. The Committee had also to consider and advise on the expenditure of the sum of £1,000,000 allocated by the British Government for the purpose in hand. We have frequently pointed out in the *Economist* the futility of attempting to make any sudden or substantial diversion of natural trade routes, and the humdrum nature of the Reports suggests a realisation on the part of the committee of the limitations of useful action. The general Report recommends such measures as effective identification in marking of Empire produce, and the appointment of an Executive Commission to supervise the expenditure of the £1,000,000 grant. As to the allocation of this annual grant, the Committee suggest that 65 per cent. should be employed "for the promotion of trade in Empire produce," 15 per cent. for research, and 20 per cent. for certain schemes, including the promotion of fruit-growing in the tropical parts of the Empire and the carriage of pedigree stock from the United Kingdom to the overseas countries of the Empire. The Report on meat urges the reconsideration of the existing legislation concerning imports of cattle into the United Kingdom. But Mr Baldwin, in a statement promising careful consideration to the Reports in general, announces categorically that the cattle-import regulations cannot be reconsidered. The Committee has not yet concluded its work, but its first efforts do not suggest that either home consumer or overseas producer will reap any commensurate benefit from the taking of a rough £3,000 a day from the pocket of the British taxpayer.

Cost of Living.—According to the index number calculation of the Ministry of Labour, no measurable change took place in July in the general level of the cost of living, which remained 73 per cent. above the level of July, 1914. Monthly movements and comparisons with previous years are given in the following table:—

AVERAGE PERCENTAGE INCREASE OVER JULY, 1914.—All items.
(Food, Rent, Clothing, Fuel, and Light, &c.)

1st Day of	1918.	1919.	1920.	1921.	1922.	1923.	1924.	1925.
Jan.....	85.90	120	125	165	92	78	77	80
Feb.....	90	120	130	151	88	77	79	79
March....	90	115	130	141	86	76	78	79
April.....	90.95	110	132	133	82	74	73	75
May.....	95.100	105	141	128	81	70	71	73
June.....	100	105	150	119	80	69	69	72
July.....	100.105	105-110	152	119	84	69	70	73
Aug.....	110	115	155	122	81	71	71	73
Sept.....	110	115	161	120	79	73	72	..
Oct.....	115-120	120	164	110	78	75	76	..
Nov.....	120-125	125	176	103	80	75	80	..
Dec.....	120	125	169	99	80	77	81	..

If allowance is made for the changes in taxation on commodities since July, 1914, the average increase over the pre-war level is stated to be about 2 per cent. less. For food alone the average increase over July, 1914, was at the end of last month 68 per cent., as compared with 67 per cent. a month earlier, the increase evidently being due to seasonal rises in prices of butter, eggs, milk, and

margarine, which, however, were largely offset by a decline in the prices of potatoes, and a slight reduction in bread and flour.

Employment in July.—A substantial decline in unemployment took place in July. This is mainly due to a considerable recovery in the coal industry. In iron and steel, cotton and wool textiles, linen, jute, and other important industries, employment conditions became worse. Among the 11½ million workers covered by the Unemployment Insurance Acts in Great Britain and Northern Ireland, the percentage unemployed, states the *Ministry of Labour Gazette*, was 11.5 on July 27th, as compared with 12.2 on June 22nd, and 9.9 a year ago. The total of registered unemployed fell from 1,368,000 at June 29th to 1,262,000 on July 27th. The improvement shown in July by the trade union unemployment percentage was even greater than that shown by the percentage for all insured workers, as the following table shows:—

TRADE UNION UNEMPLOYMENT PERCENTAGES.

	1913.	1919.	1920.	1921.	1922.	1923.	1924.	1925.
End of—	%	%	%	%	%	%	%	%
January ..	2.2	2.4	2.9	6.9	16.8	13.7	8.9	9.0
February ..	2.0	2.8	1.6	8.5	16.3	13.1	8.1	9.4
March	1.9	2.9	1.1	10.0	16.3	12.3	7.8	9.0
April	1.7	2.8	0.9	17.6*	17.0	11.3	7.5	9.4
May	1.9	2.1	1.1	22.2*	16.4	11.3	7.0	10.1
June	1.9	1.7	1.2	23.1*	15.7	11.1	7.2	12.3
July	1.9	2.0	1.4	16.7	14.6	11.1	7.4	11.2
August	2.0	2.2	1.6	16.3	14.4	11.4	7.9	..
September ..	2.3	1.6	2.2	14.8	14.6	11.3	8.6	..
October	2.2	2.6	5.3*	15.6	14.0	10.9	8.7	..
November...	2.0	2.9	3.7	15.9	14.2	10.5	8.6	..
December...	2.6	3.2	6.0	16.5	14.0	9.7	9.2	..

* Excluding coal miners.

The trade union figures refer chiefly to skilled workers.

Conditions in Northern Ireland.—Our Belfast correspondent writes:—Since the annual July holidays there has been a slight improvement in general conditions in Northern Ireland. There are at the present time three 22,000-ton motor ships under construction at the Harland and Wolff yards, in addition to a large amount of repair work which is in hand. According to the Minister of Labour there are several thousand more men at work in the shipyards than was the case twelve months ago, but even to-day conditions are far from being good. The general engineering industry of the city, and especially that engaged on textile machinery for export, is fairly satisfactorily employed. In the linen industry the outlook is slightly better than a month ago. The high prices of flax, however, tend to keep back business. At the present moment we are between seasons in the raw material market, and the outlook is uncertain. In any case, and from whatever angle the situation is considered, it must be admitted that flax is a short raw material. Before the war, when a plentiful supply of flax was available from Russia, the position was not too bad; but to-day conditions are entirely altered. At the present time even there is a shortage of suitable material for tow yarns, with the result that prices are becoming firmer. If such conditions arise when the industry is only on about half its productive capacity, the outlook if demand broadens and more machinery is placed in commission cannot but be viewed with grave concern. The Irish crop will certainly be less this year than last, and consequently we are driven more and more to depend upon foreign supply. But even here we are faced with a serious problem. In 1913 the imports of raw material totalled 102,453 tons, of which 81,577 tons came from Russia; last year our imports of raw material totalled 49,869 tons. As yet the Baltic and Soviet areas cannot put forward anything like pre-war supplies, and even if they do we are faced with the fact of their economic combine dictating prices. The only solution appears to be a greater supply of home-grown, or Empire-grown flax. So far as the latter is concerned it makes little progress, consequently we are compelled to consider the home position. In 1913 the home supply of raw material was about 13,500 tons; in 1923 about 7,400 tons, whilst in 1918 it reached over 20,000 tons. This year we may have an Irish flax acreage of about 50,000, which is a little

above the average for the years 1921-24, taken as a whole. But compare this with the average for the four years 1917-20, which was 118,500 acres, and it will be at once seen how serious is the position. It is true that attempts are being made to increase the supply of pedigree flax seed, which will in time lead to a much greater yield of fibre per acre, but in the meantime the available supply of raw material is hardly sufficient for the very much reduced demand for linens. Last year our exports of linens were only about half our pre-war exports, and these exports were considerably better than the exports in the three preceding years. If, therefore, exports are to be brought up to the pre-war level, more attention will have to be paid to the provision of an increased supply of raw material. During the past month considerable discussion has taken place on the proposal to apply to the Board of Trade, under the Safeguarding of Industries Act, for the protection of the home market from foreign linen manufacturers. In the first six months of this year the total imports of foreign linen manufactures were valued at £607,004, which included 6,570,235 square yards of piece goods valued at £424,884. The total exports of linen piece goods for the same period totalled 49,506,800 square yards, valued at £4,116,880. These imports of foreign linens are made at prices with which the home manufacturer cannot compete, and come mainly from Belgium and Czecho-Slovakia.

European Wheat Areas.—A correspondent writes:—While the bounty of Nature varies from year to year, the control of man over acres sown is determined and has its own lessons. The agricultural returns of home areas issued on Wednesday, August 12th, complete our knowledge of wheat cultivation in the interesting and well-farmed area of the North-West and North of Europe. The returns are as follows:—

	1925. Acres.	Five Years Average. Acres.
England and Wales	1,499,000	2,014,000
Belgium	375,000	328,000
Holland	130,000	161,000
Denmark	145,000	194,000
Sweden	300,000	357,000
Total	2,449,000	3,054,000

Belgium, profoundly influenced by France, especially in the Walloon districts, has made a great effort to grow wheat for patriotic and non-economic reasons, but the rest of the North-Western group shows an entire uniform tendency, which is not devoid of significance. Turn the figures about as we will, there remains the one interpretation that high farming does not pay so far as wheat, and it is the leading example, is concerned. The man who makes two grains of wheat grow where one grew before is not justified if he does it at an outlay of two and a-quarter times his previous expenditure. The yields of the group as compared with countries where wheat areas are increasing is magnificent. World fertility in wheat dubiously exceeds a thousand lbs to the acre, but Sweden averages 1,650, England and Wales 1,950, Holland 2,150, and Denmark 2,300 lbs. But home-grown wheat tends more and more in these lands to become a rural curiosity of the cottage table, as in England, a miller's ingenious addition to his mixture "to give that nutty flavour." Stockholm, London, Amsterdam, and Copenhagen, to follow the order of these country's yields per acre, get more and more to depend on the weekly arrival of the foreign grain ships. Many of ours come from our own colonies, but the smaller overseas lands of high farming are differently situated, for their colonies produce little or no wheat.

Agricultural Economics.—The increased attention now given to the economics of agriculture is a hopeful sign of the times. Like most progressive movements in agriculture it has been initiated and stimulated from above, and still finds its chief obstacle in the indifference of the average farmer. Shortly before the war the Ministry—then the Board—of Agriculture, realising the importance of the subject, took active steps, which included the extraction of limited funds from a reluctant Treasury, to promote its study, and, *inter alia*, made a grant which

enabled the Agricultural Economics Research Institute at Oxford to be established. The responsibility for the control of the Institute was entrusted to a Committee, which at once proceeded to appoint Mr C. S. Orwin as Director. In a pamphlet recently issued the Director gives an interesting account of the progress of the Institute, which has now a staff of sixteen, and is doing very valuable work. Its most continuous, and in some respects its most directly useful, work has been that of stimulating farmers to keep accounts. The system of cost-accounting, which has now become general among commercial firms, has been persistently advocated by the Institute, which has collected data from a large number of farms to provide material for an economic analysis of the factors of farm management. It is doubtful if the costing system has yet been, or will be, very widely adopted by farmers, as it involves an amount of clerical labour which they are not as a rule prepared either to undertake themselves or to pay for. But undoubtedly the influence of the Institute has tended greatly to extend the practice of keeping farm accounts. Among the other operations of the Institute are a series of surveys of rural industries, a study of the organisation of agricultural marketing, an investigation of the cost of sugar-beet growing, and a scheme of experimental work to determine the best means of maintaining the area of arable land under present economic conditions.

American Cotton Crop.—Our Manchester correspondent writes:—By the American mail to hand this week there has been received the annual report on the cotton crop of the United States for 1924-25, compiled by the well-known authority, Mr H. G. Hester, the secretary of the New Orleans Cotton Exchange. The commercial crop for the season amounted to 14,698,356 bales, an increase on the previous year of 3,407,959 bales. It may be mentioned that the actual growth in 1924-25 was 14,808,000 bales, as compared with 10,985,000 bales in the previous season. The average grade of the past year's crop was middling. Mr Hester says that the year was prosperous for cotton producers. What was lacking in values per pound or bale, as compared with the previous season, was made up in quantity produced, which sold at prices showing no violent fluctuations, but moving off steadily and satisfactorily as the season progressed. Mr Hester adds: "Above all is the crowning fact that the South is resuming her position as the great arbiter of the world's cotton supply. Weather greatly assisted in suppressing the ravages of the boll weevil, but no little credit is due to the individual efforts of the farmers in fighting the pest, and the campaign of education of the past several years has been fraught with results that justify anticipations of future success in combating the evil. It is quite evident our people are not going out of cotton-raising on a large scale, and they are confident of their ability to supply the world's spindles with a sufficiency at living prices that will successfully compete with other sections in producing cotton of a character that may not be obtained in quantity elsewhere. Of the eight and a quarter millions of bales exported during the season (which have not been equalled since 1914-15), Great Britain increased her takings by upwards of 830,000 bales, and we sent to Germany in round figures 1,885,000 bales, against 1,300,000 bales in the previous year. We exported to France and other Continental countries liberal increases, while Japan and China took from us 923,000 bales, against 574,000 bales in the previous year. Of the 14,247,000 bales consumed during the past year, 7,787,000 bales were used by foreign mills. Not before, since 1915-16, has the consumption of American cotton abroad passed the seven-million mark. The average price of middling qualities was 24.27 cents per lb, compared with 31.67 cents in the previous year."

Brazilian Industrial Production.—A correspondent writes:—It is to be regretted that official speeches made of late regarding Brazilian trade and commerce afford but little genuine reflection of the condition of economic affairs. This remains in many respects unsatisfactory, while the financial situation, which dominates the entire position, has not yet derived any advantage from the Government efforts at reform. It is, however, but fair

to point out that the existing industrial depression is due partially to the large amount of unproductive capital that has latterly been invested by both banks and private individuals in manufacturing concerns which have had insufficient time to develop to the point of returning anything substantial in the form of profits. According to figures recently issued by a Government department, the number of industrial concerns established within a period of five years up to the end of 1920 exceeded 13,340, representing a capital equal to 2,240,000,000 milreis; the number of persons employed exceeded 360,000, and the annual output of products were valued at 3,000,000,000 milreis. The majority of the factories are owned individually, but there are a not inconsiderable number owned by partnership firms. Of the first category the majority are the property of Brazilians, and represent an aggregate investment of 279,000,000 milreis; of the second class, a considerable proportion are wholly, or partly, foreign-owned—British, North American, Italian, Portuguese, German, and Spanish—and represent capital of 262,000,000 milreis. The largest share of industrial investments has been taken by corporations, the value being estimated at over 1,128,000,000 milreis. In certain cases, factories have been producing more than public consumption has demanded. This would seem to account for the poor returns yielded; but, on the other hand, there have been a not inconsiderable number of important domestic products which have failed to meet the demands of consumers, such, for example, as building materials, refined sugar, several other foodstuffs, perfumery and soap, jewellery and stamped metal ware. The trade suffering from equal or over-production include tobacco products, matches, boots and shoes, textiles, certain grocery products and wearing apparel, including hats. Of textile establishments there are now in operation over 1,200, and Brazilian manufactures, although showing a tendency to congest the market, have reached a high standard of quality. The finest grades of cotton are now being produced, and its cultivation is offering encouragement to extensions in other suitable districts.

Gambling in Industrials.—A Stock Exchange correspondent writes:—It is a matter for daily surprise in the Stock Exchange that business in a good many popular shares should retain its flexibility and activity, considering the time of year. People all over the country are dealing in Courtaulds, tobacco shares, Zambesias, and the rest, from which it is evident that interest does not flag entirely in stocks and shares when people are away on holiday. The remarkable rises which have occurred have had the undesirable effect of stimulating the activities of the bucket-shop division, some of whom have discovered a better method for fleecing the public than that upon which the bucket-shops of the old brigade were wont to rely. The latter dealt on the tape prices. The man who sent money for the purchase on margin of Courtaulds, say, received a contract, if the shares were quoted on the tape at 6 $\frac{1}{8}$ –6 $\frac{3}{8}$, at 6 $\frac{1}{8}$, which meant, of course, that he had immediately against him the market turn of 2s 6d in favour of the bucket-shop. If the price fell $\frac{1}{8}$ to 6 $\frac{1}{8}$ –6 $\frac{3}{8}$, this was regarded by the bucket-shop as a drop of $\frac{1}{8}$, in that the closing price was considered to be 6 $\frac{1}{8}$, against the 6 $\frac{3}{8}$ which the client paid. On the other hand, if the price rose $\frac{1}{8}$ to 6 $\frac{1}{8}$ –6 $\frac{3}{8}$, the operator was merely square, because a sale would have been effected at 6 $\frac{1}{8}$, the price which he gave. The odds, although apparently level, were about three to one in favour of the bucket-shop, owing to the market-turn shown by the prices sent out on the tape. The modern bucket-shop has gone one better. For the past few months the country has been flooded with circulars begging people to buy Courtaulds, Imperial Tobacco, and other shares that have risen substantially. On the face of it, the bucket-shop can point triumphantly to extraordinarily big profits that might have been made by people who bought popular shares on the advice tendered, and it is unfortunately the case that these baits have proved so attractive as to draw into the net hundreds of people, some of whom might well have been supposed to understand the risks that they run in opening such operations. The bucket-shop of to-day takes, say, Imperial Tobacco at the market price, and invites subscrip-

tions of a shilling, two shillings, or some usually quite small amount per share, which is ostensibly supposed to cover the speculator against a fall of that particular amount, while it leaves him free to take a profit either limited or unlimited in extent. He may be asked to fix some price at which the shares should be sold, and this is, generally, a few shillings above the quotation at which the transaction is opened, though, on the other hand, the amount demanded as margin is always modest. The bucket-shop, taking Imperials at, say, £5 per share and asking 1s per share cover at that figure, claims the right to close the shares directly there is a bargain recorded in any of the Stock Exchange lists at a shilling per share below the price at which the so-called bargain is started. If, that is to say, Imperials mark 99s, the cover is lost. Everyone who watches Stock Exchange prices knows that in all the popular shares, and in many others, there are daily records of bargains being done at exceptional prices. The Stock Exchange official lists print a particular sign to indicate what are special bargains, these being the result, as a rule, of the sale of some oddment of stock or shares at a price that has to allow for the jobber losing the stamp and fee, and taking the shares in his own name. If Imperial Tobacco shares stand at £5, and can be sold, in round numbers, at that price, the sellers of three shares will be content to take 98s, because the buyer will have to allow for 5s 6d stamp-and-fee expenses in dealing with such a scrap. But the bucket-shop, lynx-eyed, seizes upon the mark of 98s—although the price of the shares in level amounts is £5 bid all the time—and a client's money is swept into the till on the ground that the client's cover has run off. This is happening every day. It is, of course, a matter of gambling with the dice heavily loaded against the public. A rising market under this system affords no guarantee that a client will be permitted even a fair prospect of making money, and this particular form of betting—for it is nothing else—is outrageously unfair to people who are induced to enter upon it with a bucket-shop.

African and Eastern Trade Corporation.—The accounts for the year 1924 of the African and Eastern Trade Corporation, Limited, show some improvement on the previous year, the net profit at £471,000 being £29,000 better than for 1923, though substantially below the 1922 figure, as may be seen from the following comparative table:—

	1921.	1922.	1923.	1924.
Net profit	Dr 1,794,736 ..	739,774 ..	442,353 ..	471,049
Brought forward	207,596 ..	41,003 ..	242,394 ..	271,985
	Dr 1,587,200 ..	780,777 ..	684,747 ..	743,034
Depreciat'n, reserve, &c. Dr 1,750,000 ..	200,000 ..	60,000 ..	67,500	
Prof. dividend	121,797 ..	128,322 ..	133,799 ..	134,921
Ord. dividend	..	210,061 ..	218,963 ..	220,743
	..	(8%)	(8%)	(8%)
Carried forward	41,003 ..	242,394 ..	271,985 ..	319,870

The depreciation fund is credited with £25,000, and £30,000 goes to income-tax reserve, while £10,000 is transferred to superannuation fund and £2,500 is written off furniture and fixtures. After repeating the ordinary dividend of 8 per cent., a substantial addition is made to the carry forward. The balance-sheet shows a new bank overdraft of £213,100, while cash has declined by £44,000. Shares in and current accounts with subsidiary companies have increased by over £950,000 to £8,591,800, but sundry debtors have fallen from £439,100 to £194,400. An analysis of the balance-sheet will be found in a later column.

Oroville Dredging.—Our mining correspondent writes:—This group may be regarded as having attained something like a crisis in its career. Of the two dredging subsidiaries, one—the Nechi—was on Thursday last placed in voluntary liquidation, the company's property having been exhausted. The other—the Pato—has still quite a period of work ahead of it. The manager reports that the main untreated area now stands at 272 $\frac{1}{2}$ acres containing 11,131,400 cubic yards, gross value \$2,775,500.

At the 1923-24 rate this quantity would occupy one dredge for about seven years. Then there is a "flat" outside the tested area which may give two or three years' work for one dredge; also an hydraulic area estimated to contain 1,671,800 cubic yards, value \$262,400. The exploitation of the latter has not yet been commenced. Last year the Pato dredge treated the increased quantity of 1,505,300 cubic yards for the improved average of 32.6 cents per cubic yard; owing to heavy repairs the average cost rose from 10.09 cents to 12.64 cents. The Nechi dredge—hired from that company—placed on the lower river flat above referred to, dug 1,364,400 cubic yards for an average of 22.7 cents. Thus the income from gold amounted to £161,250, as against £98,050, the net profits being respectively £67,600 and £58,050; the latest financial period had to bear higher tax and other charges. The company, however, paid only 14s per share in place of double that amount for 1922-23. This apparent anomaly is explained by the circumstance that the directors in 1922-23 drew heavily upon the carry forward, reducing that balance from £171,700 to £89,750. Attention is directed to the fact that at the date of the balance-sheet "an amount of £143,776 was represented by gold on hand, cash, and Government securities." In common fairness it should also have been stated that there were creditors for £87,200. The Oroville's holding of Pato shares constituting its chief source of income, it naturally follows that last year's revenue amounted to only about half that of the preceding period. Moreover, it was cut into by greatly increased requirements for interest and taxation, as well as by a net deficit of £20,900 upon the operation of the Dos Bocas road. The concession for the latter, it may be recalled, was taken over from the Colombian Corporation, which had not the means to carry it through. According to Stock Exchange rumour, the Oroville company has abandoned the operation of the said road. If so, this has been a costly experiment, expenditure on Dos Bocas road, river steamers and barges having run into £197,000. The balance-sheet of the Oroville shows a bank loan increased by £37,000 to £93,000, with the Colombian Corporation figuring as a debtor for £23,100 instead of a creditor for £27,150. It has been understood that the financing of the Colombian Corporation was mainly responsible for the absence of the Oroville from the dividend list since the interim payment of 9d made in December last. Actually the disbursement in question absorbed somewhat more than the year's net profit. At Thursday's meeting the chairman announced that the Colombian Government had been petitioned to take over the Dos Bocas road; he also foreshadowed a scheme for scaling down the capital of the company.

Rhodesian and General Asbestos Corporation.—This mining-industrial undertaking has fully justified the forecast put forward when the last issue of shares was made. For the year ended March 31, 1924, there was a net profit of £73,100, and dividends totalling 15 per cent. were paid. The report just published shows a net surplus of £123,600, and a balance dividend of 12½ per cent. is declared, making a total of 20 per cent. for the year. Asbestos at the mines, in transit and in stock at cost figures in the balance-sheet at £89,700. The directors might very well have given some information as to the nature of the operations carried out last year and the contracts entered into. On the former point they merely say that the position of three mines "continues to be satisfactory." It is rumoured in the Stock Exchange circles, however, that the company has entered into forward contracts covering the next two or three years at prices exceeding those which were realised during the past financial period. If this is correct, the point is one upon which the shareholders certainly are entitled to be informed. No doubt particulars will be given at the meeting, but this is not to be held until October 19th.

A SMOKE ABATEMENT CONFERENCE, arranged by the Smoke Abatement League of Great Britain, is to be held at the Palace Hotel, Buxton, from Friday evening, October 2nd, to Monday morning, October 5th.

Obersea Correspondence.

UNITED STATES.—STOCK MARKETS AND MONETARY OUTLOOK—CROP ESTIMATES—STEEL—AUTOMOBILE PRICE CUTS.

(FROM OUR CORRESPONDENT.)

NEW YORK, August 11.

THE markets retain their firm tone with continued strength in high-priced and high-grade specialties the feature. Stocks like American Can, Mack Trucks, and General Electric, whose companies are in extremely strong cash positions and are making large profits, find little difficulty in continuing their advances, even after crossing two or three hundred. The buying in these stocks is strong and concentrated; nothing like an attempt at distribution seems to be going on. Rich investors are convinced that these particular shares will show handsome profits if put away in strong boxes. Meanwhile the body of the market continues just about to maintain itself, and the professionals around the brokerage houses remain bearish. It must be admitted, however, that the market has yet to show any real inclination to go down.

The reduction in your bank rate, which came as something as a surprise to our financial community, but which is considered a perfectly natural step, served to reinforce optimism on this side of the water. Good judges expressed the opinion that the Bank of England authorities, who have the facilities with which to feel the pulse of the money market here, must have felt pretty sure that our money market would not harden greatly this fall before they decided to cut their discount rate. In addition, it was pointed out that the reduction on your side makes an advance in the Federal Reserve Bank rate more improbable. It is assumed that co-operation still is the watchword in international finance, and that our leaders are as eager for the general re-establishment of the gold standard as ever. Under these circumstances it is inferred that the Federal Reserve Banks will be inclined to help keep an easy money market on this side of the water. Your bank rate cut, in other words, serves to support the contentions of the party that expects money to continue cheap this fall. It still remains to be seen, however, whether the commercial demand for money will increase materially, and, if it does, whether the Reserve banks will attempt and will be able to keep the money market undisturbed while the additional credit is being created. Needless to say, the new turn to the money market situation is encouraging to stock market enthusiasts. They maintain that good business and cheap money are assured.

As for the broader aspects of the cut in your bank rate, it is thought that such a move was inevitable, the only uncertainty being as to the time. The financial measures that were put in force to assist the return to the gold standard have been regarded from the first as temporary. Everything considered, the plan for returning to gold payments is considered to have worked out with remarkable speed and gratifying success. Our good people, incidentally, deprecate the notion that your industrial troubles are due to the gold standard. The claims that have been set up in this connection are considered to be grossly exaggerated.

More crop news now is coming in, but even the latest returns are far from conclusive. The Department of Agriculture estimates the cotton crop on the basis of August 1st condition at 13,588,000 bales. This is 22,000 bales less than were forecast in the estimate of a fortnight ago. However, since August 1st there have been rains in certain areas of the cotton belt which should help the yield somewhat, while trade news has been rather unfavourable. In addition, market followers have come to lack confidence in the Government figures. They remember the huge underestimates made last summer of the crop growing at that time. In any event, cotton sold off on the latest estimate, losing about 50 points a pound and dropping to a price about 2 cents a pound under that reached on the previous estimate.

The grain trade also was disappointed with a new Government estimate of the grain crops. Wheat had had a sharp run up of some 18 cents on bullish private crop

reports. The Government report as of August 1st disclosed a reduction of 13,000,000 bushels in the spring wheat estimate; but this was partially offset by an increase of 12,000,000 bushels in the estimate for winter wheat. The net result was an estimate for the total yield that amounted to 679,000,000 bushels, which is only 1,000,000 bushels less than were called for in the July 1st estimate. Meanwhile, the trade, which had been counting on a reduction in the Canadian estimates, found that the Dominion experts put their figure at 375,000,000 bushels. When it is remembered how badly our Department of Agriculture underestimated the spring wheat crop at this time last year, it is not surprising that the recent speculative boom in wheat prices collapsed. In the first day after the publication of the Government figures the leading futures dropped six cents. No one here believes that wheat prices are likely to be low, as the carry-over and world supply position are thought to be fairly tight. On the other hand, ideas of two dollar wheat have pretty well disappeared. Up to the present the farmers have shown little disposition to market their wheat rapidly, a circumstance that has helped the recent rally. At the same time the attitude of the farmers has had a retarding effect on trade in many of the rural districts. One of the odd features of the situation in the agricultural regions, is the disappointment of country bankers over the farmers' disinclination to borrow. This has resulted in the unusual spectacle, at this time of the year, of a great many country banks keeping large amounts of money in the New York call market.

The Government estimate on corn also calls for a sizeable reduction in yield. The crop is now placed at 2,950,000,000 bushels, as compared with 3,095,000,000 in the July 1st estimate. The present indicated crop is, however, a very large one, and, if realised, will do much to restore prosperity in the middle west. It must be remembered that while the wheat growers have, during the last year or two, been making a good recovery, the corn and livestock raisers have been having a very difficult time. The present indications are that the corn and livestock people are now about to have their innings. If such is the case, prosperity will be much more evenly distributed throughout the farming districts.

The steel industry continues to maintain its steadier tone, and to act as if an autumn revival in its activity is on the cards. The United States Steel Corporation's unfilled orders declined 170,000 tons during July, which was about in line with expectations. The loss during the month compares with one of 339,000 tons during June. The decline that started in March apparently is coming to a close. Buying has shown an improvement, and prices of steel and iron are firmer. The price of steel scrap has been advancing.

Cutting of automobile prices has become general, and it is quite evident that competition is becoming closer. The lower prices are quoted, in most instances, furthermore, on new and improved models. The strong apparently are to become stronger, while more of the weak are likely to be eliminated. The largest reductions have been made on the closed models, a circumstance that is explained by the great increase that has occurred in the proportion of closed cars sold. The increased production has permitted a large reduction in costs of manufacture. Sales and production of automobiles are holding up extremely well.

FRANCE — SOCIALISTS AND THE GOVERNMENT — BRITISH DEBT NEGOTIATIONS — REPARATION PAYMENTS.

(FROM OUR CORRESPONDENT.)

PARIS, August 19.

THE long threatened split between the Socialist party and the Poincaré Government has now become an accomplished fact. The Socialists, at a special national congress yesterday, passed by an overwhelming majority a resolution pledging the party no longer to support the present Ministry, and declaring war to the knife against their friends in power as from the resumption of the session after the summer holidays. Exactly what effect this will have is not yet clear. The Cartel des Gauches, which brought M. Herriot into power in May, 1924, to

replace M. Poincaré, and which apparently emphasised its victory at the various local elections that have taken place since, was smashed beyond repair when M. Poincaré openly defied the Socialist wing a few weeks ago in the Chamber, when he proclaimed a purely Nationalist policy in regard to the Rif War, and challenged the Socialists to upset his Ministry. The Socialists took their defeat on that question badly, and their dissatisfaction was intensified when M. Poincaré again defied them by refusing, through M. Caillaux, to include their capital tax proposals in his Budget. Their declaration of war is the outcome of those defeats. Their object, of course, is to bring back M. Herriot, whom they are assured would be more amenable to their peculiar policy. The return of M. Herriot, indeed, is the only hope at present left to the Socialist party. The latter, although it comprises over one-quarter of the total voting strength of the Chamber, is helpless unless it can detach a sufficiently large number of Socialistic Radicals and Radicals from the Centre bloc, which generally rules France. At the same time, it is sufficiently strong to prove fatal to any Government in the event of any question arising on which the rest of the House is fairly equally divided. The Socialists having apparently completely failed in their effort to bring about the return of a Herriot Cabinet, the next move obviously rests with M. Poincaré.

The possibility of a reshuffling of portfolios in the near future is already spoken of. In that case the modified Poincaré Cabinet would doubtless include one or two members drawn from the groups towards the Right. It is quite possible, at the same time, that, with or without M. Poincaré, a Ministry of Republican Concentration, or coalition of the Centre groups, may develop, and this, in turn, may be followed by what may be described as a mildly Bloc-National Ministry. Anything in the way of a radical change in French foreign or domestic policy, however, remains most unlikely.

M. Caillaux, according to present plans, will leave for London on Sunday, to resume the negotiations begun between the two Governments through their respective experts a few weeks ago for the settlement of the French debt to Great Britain. According to unofficial reports, the British Government suggested when the French experts were last in London that this country should liquidate its debt by instalments of £20,000,000 per annum, which figure is on this side of the Channel considered far too high. The French thesis is that Lord Balfour, Mr Bonar Law, Lord Curzon, and Mr Churchill have all in turn since 1922 successively laid down the doctrine that Great Britain will in no case demand from its European debtors, Germany included, more than she has herself contracted to pay to the United States. On this principle, the French claim, the French war debt to Great Britain, French claim, the French war debt to Great Britain, which amounts nominally to £600,000,000, would be automatically reduced to about £150,000,000. In view of the fact that, when Great Britain receives from the operation of the Dawes plan her 22 per cent. share of the total reparation payments, she will have to pay to the United States, it is argued, not £33,000,000, but sums varying from £25,750,000 in the present year to £20,300,000 in 1928, £11,000,000 in the four following years, and only £16,000,000 per annum from 1933 onwards (when the nominal amount to be paid to America will have been raised to £38,000,000 a year). In these circumstances, the French argument is that this country's payment to Great Britain on debt account ought not to exceed £12,875,000 in 1925, £12,000,000 in 1926 and 1927, £10,150,000 in 1928, £5,500,000 in each of the four following years, and £8,000,000 a year from 1933 onwards. Referring to the settlement of the American debt, M. Caillaux himself informed me a few days ago that he did not consider the American Government could reasonably expect to ask the French to agree to more onerous terms than had been given to "those who were on the other side of the barricade during the war." It is to be expected that this principle will form the basis of the French Minister's thesis during his coming visit to London.

Obviously, the French are basing their whole attitude on the theory that their payments to Great Britain and America will be based largely on whether the Dawes Plan proves as successful as its authors expect it to be. The accounts presented by Mr Parker Gilbert setting forth

the results obtained from the Plan during the first eleven months it has been in operation—that is down to the end of July—disclose that the revenue amounted to 840,315,236 gold marks, out of the total of 1,000,000,000 gold marks which it is stipulated in the Plan the German Government shall pay during its first year's operation. It must not be forgotten, however, that this first eleven months' revenue was derived as to 729,920,422 gold marks from the foreign loan of 800 million gold marks made to Germany to start the Plan going, while a further 200,000,000 gold marks is represented by the interest from the German railway bonds.

The French share of the total payments of 828,352,124 gold marks made during the first eleven months since the Plan came into operation amounted to 360,148,272 gold marks, or between 40 and 45 per cent. of the total yield. Great Britain received 178,140,775 gold marks, Belgium 85,732,770 gold marks, Italy 55,900,653 gold marks, Serbia 26,848,437 gold marks, Rumania 6,805,959 gold marks, Portugal 4,423,929 gold marks, Japan 3,721,409 gold marks, Greece 2,434,073 gold marks, and Poland (in July) 40,179 gold marks. Of the total payments made to the Allies during the eleven months, coal and other combustibles represented 46 per cent. of the whole. The 26 per cent. tax on German exports accounted for another 20 per cent., and the cost of the armies of occupation about 21 per cent. The services of the German loan cost a little over 8 per cent. of the total expenditure, and administration and control represented slightly under 3 per cent.

The 360,148,272 gold marks received by France was made up as follows:—

	Gold Marks.
Deliveries of coal, coke, and lignite	116,397,071
" chemical manures	16,847,554
" dyes and pharmaceutical products	5,107,975
" by-products of coal	159,946
" barges and other river craft	1,379,440
" various materials	13,397,299
Transport of coal, coke, lignite, and residuals	18,671,775
Exploitation of collieries and coke plants	7,662,456
26 per cent. tax on German goods entering France ..	21,692,293
Pay of army of occupation	30,347,822
Requisitions, damages, supplies under Rhineland arrangement	71,724,640
Supplies delivered in the Ruhr	24,760,000

From this it will be seen that, during the 11 months, the French have taken only a little over 13,397,299 gold marks' worth of German manufactured and similar goods (with the exception of some 17 millions of chemical manures and 5 millions of dyes and pharmaceutical products) in the form of payments in kind—or less than one-half of 1 per cent. of the total they have received under the plan. Obviously, in view of Germany's financial situation, this may lead to the breakdown of the whole Plan, unless German trade improves sufficiently during the coming year to enable her to make large payments in cash. The danger has already been foreseen here. The minimum sum for which orders for German goods will be accepted under the machinery of the Dawes Plan for Reparation payments in kind has been reduced to 1,000 gold marks (say 5,000 paper francs), and steps are being taken to encourage *sinistrés*, and particularly the smaller sufferers, to avail themselves of the system of payments in kind. *Sinistrés* who have actually reconstructed are henceforward to have the right to buy all kinds of German goods under the Dawes Plan machinery, which they will be under no obligation to utilise, but which they will be allowed to sell in order to reimburse part of the money advanced for reconstruction purposes. It is doubtful whether this effort will appreciably improve the situation.

On paper, France should receive, under the Dawes Plan, some 1,300 million paper francs from Germany in 1925, 1,800 millions in 1926, about 3,000 millions in 1927, about 4,000 millions in 1928, and in subsequent years still larger sums. The weakness of the scheme lies in the fact that, during these years of the immediate future, these payments will be made almost entirely in kind; while later on, when France will be entitled to about 6,000 million francs a year as her share, she will still have to accept, according to the experts, some three-fifths of the total in the form of merchandise. The most serious feature of the whole situation in this regard is that if any Allied Power fails to absorb its full proportion of pay-

ments in kind, the amount represented by the deficit will remain in the hands of the agent for Reparation payments until it reaches a total of 5,000 millions of gold marks, and will then be handed back to the German Government for the purpose of being used in reduction of German taxation. A movement is already beginning which aims at enforcing the acceptance of German goods on a large scale for the purpose of developing the water-power and transport systems of the country and to carry out other public works which are at present impossible owing to the financial situation. "The Dawes Plan," Senator Henry de Jouvenel insists, "will oblige us, in our own interests, to equip France on modern lines." That way salvation lies, both for the Dawes Plan and for France.

GERMANY.—BANKS AND INDUSTRY—STINNES CRISIS—FINANCE—CREDIT.

(FROM OUR CORRESPONDENT.)

BERLIN, August 18.

THE Stinnes affair in its latest phase of a "liquidity crisis" in the business of Dr Edmund Stinnes has brought up in an acute form the relations between banks and business. Two reversals in these relations have taken place since the war. Originally the banks in great measure dominated industry for the good reason that they had created it, and were themselves created for its creation, deposit banking of the English kind being a later development. Industrial holdings constituted a great part of the banks' assets, and the *Aufsichtsräte* of many great manufacturing concerns were little more than mandatories of the banks. When, as a result of currency depreciation the banks' own capital strength and also their credit operations with depositors' money shrank, industry to a great extent began to dominate the banks. Unlike banking, industry lost none of its substance through the mark collapse; on the contrary, it increased it; and it became very easy for steel and coal kings and finishing manufacturers to acquire large parcels of banking stock, and to put their nominees in turn into the *Aufsichtsräte*. The Stinnes concern entirely captured the important Barmer Bankverein, and in late 1922, by a secret and somewhat sensational deal, acquired a third interest in the Berliner Handels-Gesellschaft, so that it could demand and obtain *Aufsichtsrat* representation. Although as late as June, 1924, Hugo Stinnes, junior, acquired further Barmer Bank shares and increased the Concern's influence, it is in general true that with the stabilisation of November, 1923, the banks began to regain power. Their capital shrinkage ceased, their deposits increased, and simultaneously the industrial magnates, having tied up their acquisitions of majority interests in other industrial companies, began to be short of working capital. The banks charged very high interest for credits, and obtained considerable supervision rights. The first Stinnes crisis, of banking syndicate at first appeared in the light of helper and adviser; but when it became plain that the debts were larger than was believed and the assets less began to act much as receivers in bankruptcy.

The Edmund Stinnes crisis, which became acute only last week, is a phase in the banks' struggle to regain full domination of industry. Dr Edmund Stinnes, Hugo Stinnes' elder son, who until recently was head of the Concern, abandoned his interests and his control immediately before the May crisis, taking with him as his own Motor-Car Company, and some other interests, and retaining a long-term claim for some 6,000,000 marks against the Concern. When the banking syndicate saw that it was doubtful whether the Concern's assets, even with the addition of outside old Stinnes family properties, would cover the debts, they required Edmund Stinnes

to guarantee any deficit. Edmund Stinnes offered only a qualified guarantee. The banks thereupon put into force a credit boycott, with the result that the Motor-Car Company, which is stated to have abundant and profitable orders, could not pay its workmen, and had to appeal for a State loan of 3,000,000 marks, which has not yet been granted. For motives not known, but apparently in order to flout the banks and to withdraw some of his assets from their claims, Edmund Stinnes offered to present half of his shares in the company, some 2,000,000 marks nominal, to his workmen. The Aga Motor-Car Company has now the prospect of being acquired by an American group. The banks to-day issued a declaration that the information given them in May as to the condition of the Concern by its chief was incorrect, that they contest the family agreement by which Edmund Stinnes acquired Concern properties which were liable for the general debts, and that they in particular resent his sale of certain holdings (including the Nordstern Insurance Company) to purchasers abroad. According to one account, the whole affair is primarily a struggle between Edmund Stinnes and Jakob Goldschmidt, of the Darmstaedter Bank, who regard themselves as champions of industry and banking respectively.

Although the Edmund Stinnes affair is relatively small, it has made a great sensation, and has done harm to the Bourse and to business confidence. In regard to the liquidation of the Concern no authoritative statement has been made. But it seems that as against debts now estimated at 180,000,000 marks, the forced sales so far made have realised only 60-70,000,000 marks, although all the most valuable properties, with the exception of the Hugo Stinnes Reederei (Shipping Company), which owns 250,000 tons, have been sacrificed. The sold properties include the Concern's holdings in the Berliner Handelsgesellschaft Bank and Barmer Bank, in the Deutsch-Luxemburg (nucleus of the whole Concern), Gelsenkirchen, Bochum Cast Steel, Siemens und Halske, Stinnes-Riebeck Mining-Oil, Stinnes-Riebeck Oil, the main departments of the Stinnes Trading Company of Hamburg, and stock in the Rhenish-Westphalian Electricity Company. The last-named company—the personal creation of Hugo Stinnes—was a mixed municipal and private-capitalistic undertaking, which supplied power and light to a large industrial area. Dock land at Hamburg and about 10,000 hectares of agricultural and forest land were also sold. Unsold, so far, in addition to the fleet, are the Hamburg Traffic Company, which owns six hotels, the Koholyt (paper and cellulose) Company, and the Norddeutsche Verlagsanstalt, with the financial daily newspapers *Deutsche Allgemeine Zeitung* and *Industrie und Handelszeitung*. Outside the Concern are "family interests" consisting of an iron company, the Matthias Stinnes coal mines, and a coal-trading company with a large river and canal fleet, and an interest in the Mülheim Mining Union. No stock was sold in the open market, and the effect upon the Bourse was indirect. The question yet to be decided is whether the remaining Concern properties, even with the Edmund Stinnes properties and the family properties thrown in, will suffice to cover the rest of the debts. The Concern is, of course, finally dead and buried, though the Electro-Mining Trust—which is an understanding between some of the above-mentioned companies—in which Stinnes was merely a stockholder, remains.

The Treasury report for July shows revenue received 692,672,198 marks, including 150,300,000 marks June pledged revenues refunded by the Commissioner, but not including the July pledged revenues, which totalled 174,400,000 marks. Expenditure was 629,712,215 marks, of which 224,059,557 marks was subventions to States and municipalities. The Reichstag at the last moment reduced the Sales Tax from October 1st from 1½ to 1 per cent. Receipts of professional men and artists are henceforth sales-tax free in so far as they do not exceed 6,000 marks a year. The company-foundation tax has been reduced from 5 to 4 per cent. on capital; from 2½ to 2 per cent. for company fusions. The tax on debenture issues is reduced from 30 pf to 20 pf per 10 marks, on share issues from 50 pf to 40 pf per 10 marks. The Bourse transfers stamp duties have also been again reduced. The stamp duty on bills of exchange has been reduced by half, to 10 pf per 100 marks, for bills for

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longer than three months term to 20 pf. The duty is reduced further by 50 per cent. on bills drawn in Germany on abroad and payable abroad. The income-tax, as finally passed, contains some new features. Where outlay visibly exceeds returned income, and where it exceeds 15,000 marks a year, the taxpayer may be assessed on his outlay. Profits from sales of securities are tax-liable only in case of short sales, or when less than three months has elapsed between purchase and sale on a long sale. Profits from sales of real estate are liable when less than two years has elapsed between purchase and sale.

The money market has much improved. Day money last week fell from 10½-11½ per cent. to 7½-9 per cent. Only part of the short-term money offered could be placed, and yesterday the rate fell to 7 per cent. Money for longer terms remained almost unobtainable, at unchanged rates. The Reichsbank's return for August 7th shows a decline in discounts of 83 millions to 1,706 millions, in advances of 36½ millions, in circulation 57½ millions to 2,472 millions, while deposits increased by 110½ millions to 810 millions. New rules have been issued for conduct of insurance by foreign companies. It is stated that many applications for permits have been received, mainly from Great Britain. In case of fire, liability, and accident insurance, there is required initial security of 500,000 marks, to be increased annually by a variable sum equal to 50 per cent. of the gross premiums from German business; for life insurance the security must be at least 10 per cent. of the premium reserve. Companies must maintain a responsible representative who is a German citizen. Applications by a single company to conduct both fire and life insurance will not be considered. Native insurance business is rapidly increasing, but competition is severe, there being 250 companies where there were only 70 before the war; and fire premiums were until lately charged at rates below the safety limit, although the average risk has increased. An agreement against rate-cutting was come to last year. Policies may still be contracted in gold marks, but as a result of increased confidence in the new currency they are now largely contracted in reichmarks.

INDIA.—TRADE IN JUNE QUARTER—COTTON MILL CRISIS—LIVERPOOL FUTURES CONTRACT—JUTE FORECAST—STEEL PRODUCTION.

(FROM OUR CORRESPONDENT.)

CALCUTTA, July 23.

INDIA'S foreign trade in 1924-25 showed record exports resulting in a balance in favour of India in respect of merchandise exceeding Rs.150 crores, the deficiency in imports of merchandise being offset to an abnormal extent by purchases of bullion of colossal and unprecedented dimensions. The trade returns for the first three months of 1925-26 (March to June) show the same broad tendencies still operative. While the net imports of gold in this period last year totalled Rs.8,76 lakhs, in the last three months they have aggregated Rs.6,84 lakhs, silver purchases meanwhile declining from Rs.6,07 lakhs to Rs.4,79 lakhs. The final result is that in the June quarter India's visible balance of trade in merchandise and treasure was Rs.35,77 lakhs in her favour, as compared with only Rs.16,02 lakhs in the corresponding period of the preceding year. In relation to exchange, the governing factor is the diminishing supply of remittance. Piece goods orders remain inelastic, and bullion imports are lower. Meanwhile, exports remain buoyant, and unless the monsoon defeats present expectations may equal and perhaps exceed the record values recorded in 1924-25. Per contra, it is maintained that piece goods imports correspond to minimum requirements, and can, therefore, reveal only a temporary reduction, while bullion purchases will remain attractive as long as uncertainty persists concerning the permanent ratio of exchange. In face of so many uncertainties, the commercial community learned with some satisfaction that official policy has crystallised to the extent that, as far as Government resources permit, exchange will not be permitted to rise above 1s 6d, and little doubt is now entertained that this pledge can be redeemed. Apart from 23 crores still to be remitted to meet Home expenditure, the Government of India will also, if needed, bring into operation the large resources of the Paper Currency Department, and buy sterling practically without limit. It has been tentatively suggested that an immediate modification of the statutory ratio from 2s to 1s 6d would assist confidence by facilitating conversion of gold into currency, but, for obvious reasons, the Government of India, in view of the impending inquiry, prefer not to take the initiative in this matter, while quite ready to accept a resolution if submitted to and passed through the two Houses of the Central Legislature. But for various reasons there is little reason to anticipate such action being taken.

At the August session of the Legislative Assembly a resolution will be tabled, on behalf of the Indian members, urging State assistance to Indian cotton mills. The abolition of the cotton excise duty, though strongly pressed, will not be conceded until provincial contributions to central revenues have been entirely remitted, a consummation that cannot be relied upon for two years, if then. An export duty on raw cotton, the second proposal embodied in the resolution, is also likely to be negated. The third suggestion, viz., a variation of the import tariff to secure a larger measure of protection for the special classes of cotton goods in which Indian mills are interested, is expected to produce an interesting debate. In India the failure of Japan to ratify the Washington Labour agreement lays Japanese mill competition open to strong criticism, and the recent appeal at Geneva having failed to induce the Japanese Government to honour its signature, there is a strong disposition here to try the effect of a penalising tariff. On the other hand, there are Treaty obligations to take into account, and, as I understand the position, it is the official view that the only fiscal expedient to which Japan could raise no legal objection would be the imposition of a tariff on cotton goods based upon the principle and procedure of Imperial Preference, a form of fiscal and political co-operation with

Great Britain to which Bombay industrialists and politicians hitherto have always professed themselves strongly opposed. It is not for Government to take the initiative; that must come from the Legislature. It is also doubtful whether Japanese competition is as serious a factor as over-production arising from rapid expansion of mill productivity at a time of high prices, when consequently the Indian demand for piece-goods is at a minimum. Short time has been discussed, but on united action in any direction Bombay mill owners can rarely agree, lack of unity being only disguised when there are petitions to be made to Government to raise the tariffs on everything the mill owners sell and to lower it on any articles, such as machinery, &c., they are compelled to import. A 10 per cent. reduction in wages is proposed, but this will help very little. The net result will not probably be, in view of accumulating stocks, and the financial difficulties thereby created, that many mills will be forced to suspend operations, and their stocks will be thrown, with demoralising effect, on the market. The one point in this crisis upon which the Bombay newspapers are apparently in absolute agreement is that many of the cotton mills are grossly mismanaged, and will return to prosperous working only as the sequel to drastic reforms.

As I write, information has arrived of the fixation of the new Liverpool futures contract, which, if it includes India staples, will prove a potent stimulus to the wider production of better cotton in this country. Lancashire, it is true, is only a small user of Indian cottons, Indian mills, Japan, and the Continent being vastly more important. But in 1924, Lancashire spinners' takings of Indian cottons exceeded 250,000 bales, as compared with an average of 97,000 for the previous five years. Of the five to six million bales India produces annually, only about two millions are used in her own mills, and consequently any measure which improves facilities for export is of direct benefit to the grower. Particularly is this the case with Indian long-stapled cottons. Though the exportable margin of such cottons is relatively small, say half to one million bales out of a total export over three million bales, it is of the greatest importance to the grower that he should have as free as possible an access to the world's markets. If Bombay, which, like New Orleans, is mainly a sellers' market, can be more closely linked with Liverpool, which is a buyers' market and the best staple cotton market in the world, the prices for India's best cottons will be stabilised, and their production encouraged.

On the acreage figures issued by the Director of Agriculture, which point to under-estimating, the market is inclined to forecast an out-turn of jute ranging between 90 and 93 lakhs of bales, against nearly 87 lakhs obtained last season. The increase seems small, considering that jute cultivators are officially estimated to have realised over Rs 50 crores against less than half that sum in the preceding season, but the large sowings are partially offset by heavy damage by floods, leading, on many thousands of acres, to jute lands being ploughed up and diverted to other crops. The receipts last season exceeded the official forecast by 5 lakhs of bales, leaving 38½ lakhs available for export, a figure that should be raised this year to 43 to 45. As the forecast fell short of commercial expectation, mills immediately received large orders previously suspended in the hope of a year of cheap jute.

The immediate effect of the Tariff Board inquiry concerning steel production has been to reveal dangerous competition between the State-aided Tata works and the unaided pig-iron companies which rely mainly upon export. The Bengal Iron Co., in consequence of underselling by Tatas, has been forced to dismiss 5,500 employees, not including 34 Europeans. The Tata steel plant is incomplete, with the result of throwing 150,000 tons of pig-iron on the market that would otherwise be absorbed in production of ingots. The capital required for these extensions is not forthcoming, pending the capital reconstruction of the Tata Steel Company admitted to be necessary, but not yet effected. It is suggested here that, in the absence of private capital, the Government of India should find the money by accepting debentures. The Tariff Board's recommendation is awaited, and will be discussed in August by the Legislative Assembly.

ARGENTINA.—THE 1926 BUDGET—EXCHANGE—BUSINESS CONDITIONS.

(FROM OUR CORRESPONDENT.)

BUENOS AIRES, July 27.

WITHIN a week of publication of the Budget Committee's final report on the proposed inclusion of income-tax among the sources of revenue for 1926, the Argentine Government has put the estimates before Congress—and the thirty million dollars paper which the tax on incomes was to have produced is not included in the estimated receipts. Indeed, except for the inclusion of contributions from the profits of the two national banks, one is hard put to it to find any difference in the main items of the proposed Budget of 1926, and that of its last fully discussed predecessor, the Budget of 1923. There is the inevitable increase in expenditure, ordinary charges amounting to \$650,276,875 paper, with supplementary sums for public works obtainable by the issue of internal credit bonds of the nominal value of \$103,000,000 paper. A further \$24,639,473 paper, spent on charitable subsidies, hospitals, asylums, and the like items, is covered by lottery and special taxation outside the general revenues. On the service of the debt, including supplementary credits and the new provision for amortizing the floating debt, a sum of no less than \$180,755,000 will be required, while in the various Ministries the amounts called for have also been increased. In the introductory message the Government admits that expenditure is effectively 37½ million paper over the total recommended by the Budget Committee, but adds that such an increase seemed preferable to running the risk of having the Administration's work handicapped by delay arising out of subsequent supplementary requests for credit. The increase of the sum needed for service of the debt was partly attributable to the fact that in 1926 the service of recently-contracted loans would have to be met, and as for income-tax, though not included in the regular receipts, it would still be kept to the fore, inasmuch as the Government was convinced of the need for radically altering the present defective methods of taxation. This, of course, may mean anything or nothing; and the same statement applies to the 1926 Budget as a whole. With the 1925 Budget still undiscussed, and half the session gone, the 1926 position may appear of little immediate moment. It should, however, be borne in mind that Congress is capable of dealing with the provisions for 1925 in a sitting, and might thereafter tackle the question of income-tax, not as a replacement of existing imposts, but rather in the form of an addition. This is but guesswork, and pessimistic at that; its origin lies in the stress laid by the Committee, who approved the measure, on the advisability of applying the income-tax by compartments; interest, rents, agrarian and pastoral profits, and the profits of joint-stock companies being separately assessed and taxed. And as the Committee point out that all these forms of income need not necessarily be taxed at the outset, the new imposition being gradually increased as the taxpayers become accustomed to paying direct dues, there is reason to fear that in such case the line of least resistance would be taken, and the tax applied to the one section statistically susceptible of control, to wit, the joint-stock companies, and, in all likelihood, to the salaried classes at the same time. Customs receipts and inland revenue are both higher than they were at this period of 1924, the increase being close on 40 million dollars; a favourable condition of affairs, which, taken in conjunction with the recent loans in the United States and the steady absorption of internal obligations by the various pension funds, must be held accountable for the absence of any great stringency in the national administration. Nothing has, however, been done towards settling the many outstanding accounts incurred by the State railways, nor has any plan been devised whereby the floating debt of that department may be consolidated. Yet there is reason to think that this matter will ere long be the subject of much private complaint, the Government being thereby forced to take action.

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AGENTS AND SECRETARIES OF TEA AND RUBBER ESTATES. GENERAL EXPORTERS AND IMPORTERS. 1-4, GREAT TOWER STREET, LONDON, E.C.3.

Again the question of opening the Conversion Office has been raised, this time in the Senate and by a Senator, Dr Alejandro Ruzo, who is closely affiliated with the official Radical party. He has brought forward a measure proposing that the emergency legislation of 1914 be rescinded, and his arguments in favour of free gold movement are unanswerable. He points out that, even under the partial authorisation to ship gold held outside the Conversion Office, no bullion or specie has left the country, but, on the contrary, small parcels have been received from abroad. Indeed, it certainly looks as if there was reason to think that the artificial depreciation of the Argentine dollar which is brought about by the present state of closure is held to be beneficial, in the first instance, to producers of exportable wares, and, secondly, to the local industries now clamouring for additional protection. The power of the latter has grown considerably of recent years, and various articles, ably worded but manifestly inspired, have been published by the Argentine Press, drawing comparisons with the industrial movement in Brazil, and urging the adoption of a similar policy in the treatment of foreign merchandise.

General business continues quiet, but with a healthy undertone, while the financial position as evidenced by the banking statistics at June 30th is decidedly easy. Deposits have risen by some 95 million paper during the past six months, and cash in hand by 173 millions, discounts and advances being but 10 million higher, another argument in favour of removing all restriction from the natural operation of the Conversion Law. There is no speculative position to be noted either in produce or in real estate, and the moment was never more timely for the considered reorganisation of the National debts on a permanent footing. Unfortunately, as has been said in previous correspondence, Congress, collectively considered, refuses to grasp the importance of present action. Political, that is to say party, matters take precedence of practical business, and until something tantamount to the pressure of public opinion, combined with a more reasonable quorum, can be brought to bear, reform in this direction is hopeless to expect. Rates in the local money market are unchanged from last month at 6½ to 7½ per cent. per annum for discount trade lists, but for advances in current account, though nominally 8 per cent., there is a marked readiness on the part of banks to do business with first-class signatures at much lower figures, 6½ to 7 per cent. being fairly general in such cases. Deposit rates vary greatly, but the admittedly first-class institutions are well favoured, and have not found it necessary to raise their figures, which may be taken as being 4 per cent. for three months and 5 per cent. for six months deposits. A feature of the present banking situation is the activity shown by the two local branches of U.S. banks in providing temporary accommodation for official needs, both national and provincial, but more especially for the latter. In the Province of Buenos Aires, engaged as it is in important public works, this activity is particularly noticeable, while the results to the lenders should be highly satisfactory. As far as one can ascertain such operations are inspired from New York, being part and parcel of the policy of financial and commercial penetration which marks American business with Argentina at the present time. Exchange quotations during the past month show little variation.

The local tendency to undue optimism as regards prices for local products was never better illustrated than has been the case this year, and generally speaking one may say that Argentina is not yet fully alive to the fact that the consuming markets are not sufficiently flourishing to leave the price factor out of their account when supplying their needs. The same reasoning applies to hides and to wool, while this year's yield of cotton is far from satisfactory. An authoritative estimate has it that there will be some 48,500 tons obtained from an area of 104,500 hec-

tares, or a little under last year's total of 50,000 tons, obtained from 62,000 hectares. Drought and insect plagues account for the diminution, while the quality is also reported as being inferior. In the local freight market rates at the moment of writing are rising sharply, but it is reasonable to suppose that threat of labour trouble at home largely explains the change.

CZECHOSLOVAKIA.—RELATIONS WITH THE VATICAN.—POLITICS.—BALANCE OF TRADE.—CZECHOSLOVAKIA AND RUSSIA.—EMIGRATION.

(FROM OUR CORRESPONDENT.)

PRAGUE, August 11.

IN a new State, in which racial and religious feelings tend at times to run high, it is natural that the sudden departure of the Papal Nuncio from Prague should have some political as well as religious importance. The relations between the new Republic and the Vatican have not been too happy in the past, though it must be admitted that in the matter of the observance of holidays and saints' days the Czechs have done all in their power to bring about a real understanding with the Pope. The Hussite Celebrations, to which Monsignor Marmiggi took exception on the ground that they were anti-Catholic in character, were really not so much a tribute to Huss as a theologian, but as a national leader and "Awakener." Perhaps this affair has supplied the Czech Socialist party with rather a cheap pretext for posing as the only legitimate heirs of the valiant Hussites; but no one knows better than Dr Benes, who was responsible for the establishment of relations with the Vatican, and is himself a "modern Hussite," that only by compromise can a permanent understanding be obtained. The average Czech is at present much too indifferent to organised religion to want to stir up religious quarrels, and he knows the great devotion of so many Germans and Slovaks to Rome.

The "Petka"—never really out of difficulties—is still engaged in a "*bellum omnium contra omnes*," and most of the political parties are busy looking for money and votes in preparation for an early election. The new Franchise Bill, which aims at reducing the number of political parties, is all for the best. At present there are more than 20 political parties represented in the Czech Parliament, and it is this lack of unity which alone justifies the existence of such an oligarchy as the Petka.

The trade balance for the first six months of the present year, just published by the Statistical Bureau, shows that exports exceeded imports to the amount of 875 million kc, and that there has been an increase in the total trade of the country, as compared with the same period in 1924, of 1,870 million kc. The figures are as follows:—

(Million Kc.)

	January to June—	1925.
	1924.	1925.
Exports.....	7,832	8,920
Imports.....	7,263	8,045
Total	15,095	16,965

In the month of June, 1925, imports exceeded exports to the value of 22 million kc, owing to increased imports of raw cotton.

While the trade between England and Czechoslovakia is well maintained, imports from Germany have increased since 1924 by 552 million kc.

Commercial relations between the Republic and Soviet Russia are annually becoming of greater importance. During the period October 1, 1924-June 30, 1925, the volume of trade transacted by the Russian Trade Mission in Prague was four times that done in the period October, 1923-June 30, 1924. The figures for the latest period are:—Exports to Russia, 215 million kc; imports from Russia, 3 million kc. Czechoslovakia sends machinery, textiles, hops, and sugar in return for foodstuffs.

While the opening of Russia to Western trade means much to England, no people await the return of stable conditions to that country as do the Czechoslovaks. For, though the latest returns of the State Statistical Office show a reduction in the number of emigrants for the first quarter of 1925, this is to be interpreted rather as due to the greater difficulties experienced in being able to get to the United States and Canada than to a falling-off in the

desire to emigrate. Now that North America is almost closed (the quota is closed for many years to come) to them, many Czechoslovaks have their eyes on Russia, and particularly Siberia, where so many of them spent five years of the Great War, where they married, and would return again willingly. Before the war many Czechoslovaks went to Russia as educators and physical culture instructors; with a thorough knowledge of the language and well trained as skilled workers in industry and agriculture, they may yet play a very important part in the reconstruction of that undeveloped country.

ROUMANIA.—CROP SITUATION.—EXPORT TAXES.—EXCHANGE.—OIL.—WAR DEBTS.

(FROM OUR CORRESPONDENT.)

BUCHAREST, August 15.

CROP developments in Roumania during the past month have been entirely favourable. The output of wheat, it is now officially estimated, will not be less than 1,800,000 metric tons, which would leave a surplus for export of about half a million tons. The barley crop, it is expected, will yield about 1,000,000 tons, with rye and oats somewhat less. The sugar crop will probably exceed the country's internal requirements by more than 50,000 tons. Maize, however, will be the big crop this year, and a total yield of four million tons is now being anticipated if the weather remains favourable. A yield of four million tons would leave about two millions available for export—if the country's transport system were capable of moving it.

The Government has reduced the export tax on wheat from the present season's crop to 30,000 lei per 10-ton car-load (from 45,000 lei). The tax on the other principal grains is meanwhile held at 20,000 lei per car-load. Roumanian agriculturists are up in arms against these taxes. Wheat in the interior, they point out, sells for 100,000 lei the car-load, which is approximately the equivalent of the world-market price plus transport costs and the export tax. Why, they ask, should the Roumanian farmer sell wheat for export at 65,000 lei per car-load when the internal price is 100,000 lei? The reply that the difference goes towards meeting the services of the Sterling Consolidation Loan of 1922 does not seem to be appreciated. What has been said of wheat applies equally, of course, to barley and maize, and strong pressure is being brought to bear on the Government to reduce the export taxes so that grain from the present season's harvest can begin to move out.

Presumably in anticipation of the coming outward movement of grain, exchange during the past month has gone from 1,050 to 925 to the pound, the tendency being towards further improvement. It seems to be the consensus of opinion that this buying of lei is in anticipation of grain purchases still to be made, and not for contracts that have already been closed. Shippers report that only very small parcels of grain from the present crop have actually been sold for export. It will be another month yet before wheat and barley are ready for export in sizable amounts, and the maize crop will not be ready until late October. Lei exchange at the moment is in a strong position for "bull" speculation, but as a too rapid rise would interfere with exports, the Government would presumably attempt to check any strong upward movement that might develop. At all events, those who are supposed to be in control of the situation are being warned of the danger of rising exchange at this time.

A crude oil production of 185,622 tons in June brought the total for the first half of 1925 to 1,062,374 tons—a 25 per cent. increase over 1924, and the highest six-monthly figure so far recorded in Roumania. Exports of refined products during the first half of the year (with June estimated at 70,000 tons) reached a total of 360,000 tons, or more than double the 1924 figure. In response to the persistent demands of the oil companies, the Government has recently approved the export of 50,000 tons of fuel oil from stocks now on hand at refineries, the export tax having been fixed at 1,000 lei per car-load. Further to assist the export of residues, the export tax on gas oil has been reduced from 4,000 to 2,000 lei per car-load.

Presumably intending it to be a reply to the debt Note delivered to the Roumanian Government some three

months ago, Foreign Minister Duca verbally informed the American Chargé d'Affaires last week that the Roumanian Government was disposed to send a commission of financial experts to the United States to discuss a preliminary basis for funding the post-war relief debt, now amounting with accrued interest to some \$45 millions. Although no official announcement on the matter has since been given out, it is the understanding here that the United States Government has replied to Minister Duca that the sending of a commission for the purpose of a preliminary discussion does not entirely meet the wishes of the Washington Administration. What is wanted, in other words, is a visit from Government representatives fully empowered to negotiate a funding agreement. Such a commission will probably leave for the United States in the early part of October.

It is also the understanding here that Mr Vintila Bratianu, the Minister of Finance, who is now in France, and will shortly visit London, intends to discuss with the British and French Governments some plan for the so-called "regulation" of inter-Allied debts, in so far as they affect Roumania. What the Finance Minister is apparently turning over in his mind is a scheme whereby Roumania can off-set against her debts to the Allied Powers certain credits to which she considers she is entitled, and so arrive at a net figure that could be used as a starting-point for funding arrangements. A Government Commission is now at work on the preparation of a "Green Book," which, it is said, will set forth in detail Roumania's war liabilities to the Allied Governments and also the credits for which claims have been, or will be, made.

Books and Publications.

UNEMPLOYMENT INSURANCE.*

If they had done nothing more than make the admirably lucid and comprehensive survey of the actual machinery for unemployment insurance as it exists to-day, which occupies the first four or five pages of this pamphlet, the authors would have deserved much gratitude. Thanks in part to the inherent complexity of the subject, and, partly to the extent to which legislation has been modified and amended since the first Act of 1911 was waterlogged by casting on to the fund then established practically the whole of the demobilised wage earners of the country, the widest confusion prevails, even among many of those directly affected, whether as employers or employed, as to the exact provisions governing unemployment insurance. Even the fundamental fact that it is insurance is constantly overlooked, as is shown by the loose use of the word "dole." Much of that confusion is cleared by the simple fact, adduced in this Report, that "during the year ending July, 1924, the contributions paid by employers and workers together equalled the sums paid out in benefit, the State contribution going towards the deficit from previous years."

But the introduction, able as it is, is not the most valuable portion of a document in which the authors of "The Third Winter of Unemployment" and "Is Unemployment Inevitable?" bring up to date the analysis there made, and provide a timely answer to the question so often put, does the "dole" diminish normal incentives to find work? The answer given is no merely theoretic one. The main body of this pamphlet of 68 pages is occupied by a series of reports, undertaken by special investigators into certain representative areas—Birmingham, Bolton, Cardiff, Glasgow, Leeds, Reading and Shoreditch. The investigators tested the work of the Rota Committees in such fashion as to be able to declare that the possibility of fraud is reduced to a minimum. Their Reports should be read, as the details give a more vivid picture than any summary can do. Here, however, more cannot be done than to indicate the main lines of that summary, as given in the pamphlet on pp. 60-68. On the main question, already given, the reply is that, although many employers expressed the view that the

system of unemployed insurance diminished the normal incentive to find work, "actual cases which stood the test of investigation could very rarely be cited." It must not be assumed that, because there are cases of persons who have given up the search for work, they were beginning to prefer doles to employment. "The Glasgow investigation points out that the longer a man remains out of work the more reluctant are employers to engage him.....Yet the evidence which the local investigators have collected shows that the least real hope of a job brings scores of applicants of this type. Their disheartenment must not be confused with unwillingness to work." Men are, of course, anxious to obtain work in an insured trade so as to keep in benefit, and this desire, with the acute housing difficulty limits mobility, but there is ample evidence that skilled engineers, for example, "are seeking and obtaining employment in a great variety of jobs, many of them labouring.....Frequently the change really means the degradation of the skilled craftsman." The evidence of this movement is quite conclusive..... Other evidence shows that the fear of unemployment, especially in trades which cater principally for foreign markets, has led to the suspension of many trade union regulations, and has persuaded the workers, in the words of one informant, to accept humiliations which they would never have dreamt of in normal times."

As to the efficiency of the exchanges, the Report states that, "in the main, benefit is only received by those for whom it was intended, extreme care being taken to prevent malingering and abuse, both in respect of standard and of extended benefit." One modification in the scheme itself is suggested. It concerns young men aged from 18 to the early twenties. There is a "tendency for employers to use juvenile labour (14-17) at low wages. Then, when the young person reaches the age at which the normal wage is 20s and upwards, he is turned off and another school-leaver is engaged. Employers in many cases would like to retain the young worker at a wage little, if at all, above the unemployment benefit, and complaints are frequent that young people try to get dismissed to 'go on the dole.'" To meet this, the Report suggests that "the rate of benefit for young people (18-21) should not jump from 7s 6d to 18s (for males) at the age of 18 as at present, but should advance by stages, the full rate of 18s being payable at the latter age." On the question, Is extended benefit a form of Poor Law relief? the Report states, "In point of fact, the scale of Unemployment Insurance benefit for dependents is at present insufficient to enable the unemployed married man with children to maintain his family in health without falling back on the Poor Law if his unemployment has been of long duration and his savings are exhausted and he has no other resources. The insurance payments are therefore insufficient in such cases to fulfil the ostensible purpose of the Act." Generally speaking, "the application of the word 'dole' to 'standard' benefit is wholly misleading, and even 'extended' benefit is very different from Poor Law Relief."

Enough has perhaps been said to show that this is a pamphlet which every citizen ought to read.

A SILENT REVOLUTION.*

Mr Wood, in one of his first public speeches as Minister of Agriculture, referred to "a silent revolution" in British agriculture. By the agricultural community generally the significance of the phrase has been missed, but the authors of this little book have taken it seriously. Emanating as it does from the sedate precincts of the Agricultural Economics Research Institute at Oxford, this brochure may be regarded as a portent. Accepting the revolution—which, shortly stated, is the break-down of the old land system—as an inevitable fact, the authors ask, "Why should the State stand on one side and content itself with the contemplation of the steady deterioration of its greatest wealth-producing asset?" They then give an excellent summary of the proposals made for the acquisition of the land by the State by a succession of "land reformers," from Thomas Spence to Henry George and Joseph Hyder. They state that in all schemes

* "Unemployment Insurance in Great Britain: a Critical Examination." By the Authors of "The Third Winter of Unemployment" and "Is Unemployment Inevitable?" Macmillan. 1s net.

* "The Tenure of Agricultural Land." By C. S. Orwin and W. R. Peel. Cambridge University Press, 1925. 3s 6d net.

which are not "merely confiscatory in their intent" the outstanding practical difficulty is "the formation of workable proposals for land purchase," and they proceed to suggest a scheme. After eliminating all urban and semi-urban land, they propose that the State should purchase the land on the basis of Schedule A assessment at 2½ years' purchase, payment being made in National land stock bearing interest "at a rate comparable with the yield of other long-dated British Government stocks at the time of its issue." An outline of the administration of the land after its acquisition is sketched, the general idea being the establishment of a new branch of the Ministry of Agriculture and the appointment of a Chief Administrator of lands with county and district officers under him.

In a chapter on the present distribution of land, figures are given showing the extent of agricultural land now owned by the Crown, the Duchies, the Ecclesiastical Commissioners, Universities, and County Councils. The total area thus publicly or semi-publicly owned is nearly 1½ million acres. Statistics are also quoted from the Agricultural Returns showing the increase of agricultural land owned by the occupiers, from 3,329,000 acres in 1910 to 6,574,000 acres in 1924. This chapter opens with the statement, also purporting to be quoted from the official returns, that "the cultivated area of England and Wales extends to 29,739,000 acres, besides which there are 1,085,000 acres of waste." Reference to Part I. of the Agricultural Statistics, 1924, shows the following:—

	Acre.
Total acreage under crops and grass (not including rough grazings)	25,876,797
Rough grazings	4,946,338
	30,823,135

The authority for the figures given by the authors appears therefore to be dubious.

The authors claim to have given dispassionate consideration to a great economic problem "having no necessary connection with the aims and objects of any one of the political parties of the State." They are unable, by the nature of their subject, to avoid altogether any allusion to such aims and objects, but it is evident that they are imperfectly acquainted with the proposals, for example, of the Liberal Party, which were discussed in the *Economist* last November, and have since been expounded in various articles and speeches. It will, consequently, surprise them to learn that, apart from details of finance and administration, their interesting brochure is an able and forcible statement of the case embodied in the Liberal land policy.

CAPITALISM AND AGRICULTURE.*

THE proposal which is put forward in this book is somewhat obscured by a lack of coherency in its presentation, and by the medley of quotations which encompass it. Statistics of widely varying dates, some of them, by the lapse of time, now irrelevant and many of them merely the surmises of ready writers, are mingled with others which are recent and authoritative. Nevertheless, the book is distinctly readable, and will probably be widely read by an indiscriminating public. The author takes some pains to show that since 1909 he has persistently advocated the "taxation to extinction" of "overseas investment profits imported into this country," but that in 1915 he modified his original proposal by restricting the term "overseas" to foreign countries. He gives a number of quotations to demonstrate the "thoroughness of the conversion of Socialists," including himself, "from critics of to upholders of the development of the British Commonwealth." His ultimate aim is to prevent altogether the investment of British capital, except within the Empire, with the object of restricting imports of food from countries such as the Argentine and the United States. It is assumed that the amount of capital seeking investment will not be diminished, but that the amount now invested in foreign countries will be devoted to the

* "British Agriculture Versus Foreign Tributes." By Joseph Burgess. Francis Johnson. 4s.

development of British agriculture. Half the book is devoted to the familiar theory that production from the land of this country can be increased indefinitely, and one of the methods by which this end could be achieved is the settlement on the land of 500,000 persons now "permanently on the dole," and paying each of them, out of the tax on foreign investments, a weekly wage of 50s. It is claimed that the proposal would make the country self-supporting in food supplies, food and wheat being regarded, as is common in such theories, as synonymous. But the development of British agriculture is not the only result anticipated by the author as the result of his proposals. He says: "How long would capitalism last in this country if it failed to find an outlet for its new investments abroad? It is this safety valve that enables capitalism to exist. Weight down the safety valve, and the capitalist system in the country doing it is blown to pieces." This triumphant conclusion appears at the end of the book, and leaves the reader doubting whether, after all, the development of agriculture or the destruction of capitalism is the main purpose of the author.

BOOKS RECEIVED.

- The League of Nations. A Survey (January, 1920-June, 1925).* (Geneva) Information Section, League of Nations. (London) Constable and Co. 1s.
- Official Vital Statistics of England and Wales.* (Geneva) League of Nations, Health Organisation. (London) Constable and Co. 2s 6d net.
- Official Year Book of the Union of South Africa.* No. 7, 1924. (Pretoria) Government Printing and Stationery Office. 5s net.
- World Commerce and Credit.* By Sir George Paish. (London) National Association of Merchants and Manufacturers.
- Die Fackel.* Von Karl Kraus. (Wien) Verlag Die Fackel. 2.10 schilling.
- Income-Tax Simplified.* 18th Edition. By A. Fieldhouse and E. E. Fieldhouse. (Huddersfield) A. Fieldhouse, (London) Simpkin, Marshall and Co., Limited. 1s 6d net.
- The Secretary's Manual.* By T. E. Haydon and Sir Gilbert Garnsey. (London) Jordan and Sons. 7s 6d net.
- Denmark, 1925.* (Copenhagen) Danish Ministry for Foreign Affairs and the Danish Statistical Department.
- Arcos, Limited, June, 1920, to March, 1925.* (London) Russian Review of Foreign Trade and Markets. 1s 6d net.

OFFICIAL PUBLICATIONS RECEIVED.

- The following may be obtained from H.M. Stationery Office, Adastral House, Kingsway, W.C. 2:—
- Report of the Ministry of Labour for the years 1923 and 1924.* Cmd. 2481. 4s 6d net.
- Forty-third Annual Report of the Fishery Board for Scotland, being for the year 1924.* Cmd. 2479. 2s net.
- Income-taxes in the British Dominions.* 1s net.
- Report of the Imperial Economic Committee on Marketing and Preparing of Foodstuffs Produced in the Overseas Parts of the Empire. Second Report—Meat.* Cmd. 2499. 9d net.
- Report of the Fertilisers and Feeding Stuffs Advisory Committee.* Cmd. 2470. 9d net.
- Colonial Reports:—*
- Ashanti. Report for 1923-1924.* No. 1,252. 1s 6d net.
- Cyprus. Report for 1924.* No. 1,253. 1s 9d net.
- Zanzibar Protectorate. Report for 1924.* No. 1,254. 6d net.
- Nyasaland. Report for 1924.* No. 1,257. 6d net.
- Department of Overseas Trade:—*
- Report on the Trade, Industry and Finance of Syria.* May, 1925. 1s net.
- Report on the Economic and Industrial Conditions in the Serb-Croat-Slovene Kingdom.* April, 1925. 1s 6d net.

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STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET, August 26. ACCOUNT, August 27.

Stock Exchange markets professed to look for a reduction to be made to 4 per cent. in the Bank rate this week. When the news came through on Thursday morning, the House was inclined to laugh at its previous hopes, but evidently a feeling of disappointment was felt through a good many markets, for prices eased off, and the tendency was for business to become very quiet. According to Stock Exchange wagers, however, it was not mathematically expected that the Bank rate would fall last Thursday, so it can hardly be said that there was much justification for a set-back in industrials owing to the action of the Bank Court.

The War Loan Conversion 3½ per cent. and other British Government stocks remain a good market. There is persistent talk of a possible new issue of 3½ per cent. Conversion stock in the near future. Meanwhile, investment securities are being steadily absorbed by the public, and everything with a gilt edge can count upon a careful examination of its claims by the investor.

Various French bonds rose on the week, the railway stocks being particularly active on a little Paris-inspired bidding. Middle European bonds also are better, and the foreign market as a whole keeps firm, with Brazilians again rising by reason of the movement in the milreis.

Home Railway stocks underwent a heavy fall on Monday and Wednesday, but recovered a good part of the losses on Tuesday and Thursday. There is little public business being transacted in this department. American railroad shares are better. Argentine railroad shares continue to mount. United of Havana has once more been above 100 and Brazilian railways, with Leopoldinas leading, have strengthened in consequence of the Brazilian exchange.

The rubber share market, while moderately occupied, as compared with its exertions of three or four weeks ago, manages to maintain its prices, with a tolerable degree of firmness. On the other hand, tea shares are weak, in consequence of the disappointing prices secured at the tea auctions. Amongst textiles, Courtaulds receded from their top price of £6 13s 6d, going back to the neighbourhood of 6½. Other textiles have followed in the wake of Courtaulds, though less dramatically.

The iron and steel market is dull by reason of the unsettlement which continues to be felt in regard to labour. Amongst tobacco shares, one feature was a violent rise of 12s in Godfrey Phillips to 72s, after which there followed a reaction. Watney deferred at 314 reacted about 10 points from the top on a little profit taking after the meeting. Other brewery stocks are steady. Insurance shares have advanced; prices of some of the leading issues look very high, but buyers are very eager. The banking market is quiet. Dunlops went ahead on rumours of the profits which the company is making. Hudsons Bays have hardened, and Sudan Plantations enjoyed a brisk rise, due to expectations that the reorganisation plan will soon be published.

The Cape is displaying renewed interest in platinum shares, and prices are better. Gold shares have been stagnating in neglect. Chartered keep good, though Tanganyikas and Zambesias parted with some of their recent resiliency. Diamonds are up again, with Jagersfontein prominently harder on the new agreement in the diamond trade.

Columbian Mining, which changed hands at 10½d a fortnight ago, and at 6s 6d last week, fell back to 3s 9d after Thursday's meeting. Broken Hill and other Barrier shares are good on Australian support. Malayan and other tin shares have been disposed to sag. The mining markets are not affected by talk of possible trouble maturing as a sequel to some of the recent feverish excitement in the industrial market.

The failure of a firm of brokers was announced yesterday.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded	£127,376,142	£ ..	£ ..	£ ..

ISSUES OF THE WEEK—

NATIONAL SAVINGS CERTIFICATES.			
NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED AUG. 15, 1925.			
	£	£	£
April 1, 1925, to Aug. 15, 1925, £950,000	Dr50,000	Dr50,000	

To the Public—				
Rubber and Tropical Trust, Limited, 150,000 Shares of £1, at par	150,000	150,000	37,500	112,500
Central Johore Rubber Estates, 1,350,000 Shares of 2s, at par	135,000	135,000	33,750	101,250
Total offered to the public		285,000	71,250	213,750

To Shareholders—				
Moodies Gold Mining and Exploration, 100,000 Shares of 4s, at par	20,000	20,000	10,000	10,000
Total offered to shareholders		20,000	10,000	10,000

Total offered for subscription to date	Total offered for subscription for whole year
1925	209,326,100
1924	271,393,173
1923	573,875,650
1922	388,978,203
1921	367,549,656
1920	1,036,059,951

Central Johore Rubber Estates, Limited.—Authorised share capital £150,000, in 2s shares. This is an issue of 1,350,000 shares at par. The company has been formed to acquire three rubber plantations in Johore, having a total area of 6,101 acres, of which 1,177 acres are fully matured. The total purchase price is £102,600, and is equal to £45 per planted acre.

Rubber and Tropical Trust, Limited.—Capital £500,000 in shares of £1 each. This is an issue of 250,000 shares, of which 100,000 have been subscribed for, and the remaining 150,000 are now offered for public subscription at par. It is stated in the prospectus that the issue has been guaranteed without cash commission, in consideration of an option to subscribe for 125,000 shares at par. The company has been formed to undertake the usual business of a trust, and chiefly to interest itself in rubber and tropical produce generally. Preliminary expenses are estimated at £8,000.

ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Price Last Week.	Latest Price.	Rise or Fall.		Price Last Week.	Latest Price.	Rise or Fall.
War 5½%, 1925-28	86½	86½	+	Aust. 6%, 1931-41	102	103	+
War 4½%, 1925-45	85½	85½	+	India 3½% Stock	68	68	+
Loans 5½%, 1929-47	101½	101½	+	Do 7½% 1926-31	105½	105½	+
Loans 4½%, 1929-42	101½	101½	+	Do 6½% 1932	101½	101½	+
Funding Loan 4%	89½	89½	+	Do 4½%	90½	90½	+
Victory Bonds 4%	92½	92½	+	N.S.W. 5½%, 1922-32	101	102	+
Conversion Loan 3½%	78½	78½	+	N. Zealand 3½% 1940	84	84	+
Consols 4½%	56½	56½	+	Nigeria 6% 1949-79	112	113	+
Irish Land Stock 2½%	58½	58½	+	U. of S.A. 6% 1930-40	104	105	+
Local Loans 3%	86	86	+	Victoria 5½% 1924-34	101	101	+
				W. Aust. 6% 1930-40	102	102	+

British Railways.

Great Western, Ord.	87½x	87½x	+	Southern, Ord. "A" ..	38½	37½	-
London & North-Eastern ..	59½x	58½x	-	Do Ord. "B" ..	75	75	+
6½% Pref. Ord.	20½	20½	+	Do Pref. Ord.	76½	75½	-
Do Def. Ord.	20½	20½	+	Do Def. Ord.	40½	40½	+
London, Mid. and	77½x	77½x	+	Underground Electric ..	2½	2½	+
Scottish, Ord.	68½x	68½x	+	Do "A" (1d) ..	78	78	+
Metropolitan	44½	44½	+	Do "B" (1d) ..	98½	98½	+
Metropolitan District	44½	44½	+	Do "C" (1d) ..	98½	98½	+

Colonial and Foreign Railways.

Antofagasta Cons.	87½	89	+	Grand Trunk Pacific, 4% Debs.	34½	34½	+
B.A. and Pacific	84½	84	-	Leopoldina	30½	31½	+
B.A. 6½ Southern	91½	91	-	Mexican Railway	5½	5½	+
Buenos Ayres West.	78½	77½	-	Do 1st Pref.	21	21	+
Canadian Pacific	147	149	+	San Paulo	164	166	+
Central Argentine	76½	77	+	United Havana	99½	100	+
Cordoba Cen., Ord. Stk.	16½	16	-				

Foreign Government Securities.

Argentine 5%, 1888-7	100	100	+	Greek 5%, 1884	53	53	+
Austrian 6% Guar.	95½	96	+	Do 7%, 1924	91	91½	+
Belgian 3%	73	73	+	Hungarian 7½%, 1924	96½	96½	+
Brazil 5%, 1914	76	77	+	Japanese 4% 1910	61	61	+
China 4½%, 1896	87	87	+	Do 6% 1924	88	87½	-
Do 7½%	104	104	+	Mexican Cons. 1899	33	33	+
Chinese 5%, 1912	64	62	-	Peruvian Corp. Pref.	32½	32½	+
Egyptian 4%	82½	83	+	P.L.M. 6%	82½	82½	+
French 5%	154	161½	+	Portuguese (New)	27	27	+
Do 4%	123	134	+	Russian 5% 1886	4	4	+
German 3% Loan	83	83	+	Spain 4%	64	64	+
Do 7%, 1924	100	100½	+	Seine (Depts.) 7%	98	98	+
				Siam 7%	107	108	+

Banks.

Barclays B (£1, f.p.d.) ..	24½	24½	+	Nat. Bank of S. Africa 8½ ..	8½	8½	+
Chartered Bk of India ..	20½	20	-	National Provincial, (£20, with 4 paid) ..	11½	11½	+
Lloyds (£5 with £1 paid) ..	3½	3½	+	Standard of S. Africa (£20, with 4 paid) ..	11	11	+
Midland (£12, with £2 paid) ..	8½	8½	+	Westminster Bank (£20, with 4 paid) ..	18½	18½	+
Nat. Bank of Egypt (£10) ..	33	33½	+				

being able to announce that the directors had been successful in concluding a provisional agreement for an amalgamation with a group of very powerful banking interests. Other parties to this agreement, which would be subject to ratification by the shareholders in extraordinary general meeting, were Barclays Bank, Limited, the Colonial Bank, and the Anglo-Egyptian Bank, Limited.

THE AMALGAMATION.

Continuing, Mr Leisk said: Briefly, the scheme is that the Colonial Bank should be reincorporated by Act of Parliament, with an increase of registered capital to ten millions and extended powers; that the Colonial Bank should acquire the business of the National Bank and the Anglo-Egyptian Bank by means of an exchange of shares of the reincorporated bank for the entire interests of the shareholders in the National and Anglo-Egyptian Banks; that the reincorporated bank should become responsible for the discharge of all the responsibilities of the National Bank towards its staff; that the present directors of the National Bank should form a local South African Board of the enlarged concern, with representation of certain of their number on the parent Board; that of the registered capital of ten millions there should be issued meantime 1,793,000 8 per cent. cumulative preference shares of £1 each, fully paid; 2,682,500 "A" shares of £1 each, fully paid, and 500,000 "B" shares of £5 each, £1 paid; that the "A" and "B" capital should participate equally in the profits according to the amount paid up on each; that the preference and "A" shares should all be used in the acquisition of the businesses of the National Bank and the Anglo-Egyptian Bank, as well as for the exchange of shares of the reincorporated bank for the former issued capital of the Colonial Bank; that all the 500,000 "B" shares of £5 each (£1 paid) should be subscribed for and taken up by Barclays Bank at a premium which will enable the combined institution, after making certain adjustments and adding to the internal reserves, to fix the published reserve fund in the initial stage at £1,000,000, Barclays Bank thus assuming a callable liability for a further £2,000,000 of capital; that the "B" shares should possess a voting power that would give Barclays Bank the controlling interest in the reincorporated bank; that the shareholders of the National Bank should receive, for each National Bank £7 share, two 8 per cent. cumulative preference shares of £1 each, and five "A" shares of £1 each in the reincorporated bank, both denominations of shares ranking for dividend as from July 1, 1925.

In view of the proposed developments mentioned above, the Colonial Bank will change its name to Barclays Bank, Dominion, Colonial and Overseas, and Mr F. C. Goodenough, chairman of Barclays Bank, Limited, will assume also chairmanship of the new bank.

ADOPTION RECOMMENDED.

After giving some particulars as regards the standing of the other parties to the provisional agreement, the Chairman concluded by saying: The whole matter naturally has given your directors food for a great deal of thought. In the result they are perfectly satisfied that the scheme is one that they can recommend to shareholders with the utmost confidence. In place of having to wait for a year at least, probably for more than a year, for a dividend on their present shareholdings, our shareholders will be entitled as from July 1, 1925, to a dividend at the rate of 8 per cent. per annum on two-sevenths of their holding and to a dividend of such amount as the amalgamated profits may permit on the remaining five-sevenths of their holding.

What the rate of such dividend will be I am not prepared to express an opinion to-day, but, having regard to the established position of the Colonial and Anglo-Egyptian Banks, and to our own improving prospects as a profit-earning machine, and having regard, too, to the expansion in our business that may confidently be expected to flow from the powerful backing that we should gain by entering the proposed merger, I have no manner of doubt that the shareholders will have no cause to regret it if, as I expect, they affirm the provisional agreement at the forthcoming extraordinary general meeting. Apart from our own personal interest in the scheme, I venture to think that South Africa as a whole will receive with satisfaction the news that banking in this country is to receive such an impetus as is involved in this project.

Your directors, too, are pleased to think that the bank will now have an opportunity of playing a much more prominent part than has hitherto been practicable in forwarding the interests of South Africa. I think, too, that the fact of Barclays Bank, Limited, being prepared to take a substantial share interest in the new bank, and being willing to assume an additional liability of two millions of the uncalled capital, is an eloquent testimony to the confidence of that powerful bank in the future of South Africa, and to its belief that the time is ripe to introduce fresh capital for the purpose of aiding in the development of our great natural resources.

OROVILLE DREDGING COMPANY, LIMITED.

REORGANISATION OF CAPITAL FORESHADOWED.

The ordinary general meeting of the Orville Dredging Company, Limited, was held yesterday at River Plate House, London, Mr Frederick W. Baker (the chairman) presiding.

The Chairman, in moving the adoption of the report and accounts, said that the company has received by way of dividend on its holding in the Pato Mines (Colombia), Limited, £62,700, and the total profit was £69,458, the available balance being £163,488. After deducting the dividend paid in December, 1923, of 9d per share, they had £136,651 to carry forward.

There was total loss on the road and transport services of £24,487, and, contrary to expectation, instead of finding themselves with a profit-earning road and river transportation service, they found themselves burdened with interests which showed large operating losses, while their financial position had been weakened by the capital outlays to finance the two enterprises. A petition had been lodged with the Colombian Government with a view to the latter taking over and maintaining the road, and negotiations were under way for the disposal of their river steamer and barges.

The board felt that in due course proposals should be submitted to the shareholders for the writing down of the capital. No reduction in the number of shares would be suggested, but a reduction in the nominal value of the shares. They hoped to make recommendations within the next few months. The object they had in view was the resumption of dividends immediately they had discharged their liabilities, and to attain that a reduction of capital was imperative.

The accounts of the Pato Company showed a profit of £67,639. The dredging area of the Nechi Company had been exhausted, and it had been decided to wind up that company. With regard to the Colombian Corporation, the future of the property would turn entirely on how developments in depth worked out. Drill-hole results below the fifth level gave ground for reasonable optimism. They did not despair of the future of that corporation, but the position was one which required the most careful watching. The latest report indicated that the manager was now at least covering all treatment charges.

The board regretted the unsatisfactory statement which he had to make to the meeting. He thought he was correct in saying



The Anglo-South American Bank Limited.

Head Office:
117 Old Broad Street, London, E.C.2

Authorised Capital	£10,000,000
Reserve Fund	£4,000,000
Issued Capital	£3,734,660
Paid-up Capital	£4,367,330

The Bank, in addition to 6 Branches in

SPAIN

has with its

AFFILIATED INSTITUTIONS

THE BRITISH BANK OF SOUTH AMERICA, Ltd., and

THE COMMERCIAL BANK OF SPANISH AMERICA, Ltd.

53 offices in the principal countries of

LATIN AMERICA

Auxiliaries Abroad:

ANGLO SOUTH AMERICAN TRUST CO.
(Incorporated under the laws of the State of New York),
NEW YORK.

BANQUE ANGLO-SUD AMERICAINE, SOC. ANON.,
PARIS.

Northern District Office: 67, Market Street, BRADFORD.
Lancashire Branch: 19, Spring Gardens, MANCHESTER.

that that was the first occasion on which he had had to give an unfavourable account of their affairs. Success had attended their efforts over a number of years.

After some discussion the report and accounts were adopted.

GOVERNMENT RETURNS, &c.

NATIONAL DEBT—(Million £).

	Aug. 1, 1914.	Dec. 31, 1914.	Mar. 31, 1915.	Mar. 31, 1916.	Mar. 31, 1917.	Mar. 31, 1918.	Mar. 31, 1919.	Mar. 31, 1920.	Mar. 31, 1921.	Mar. 31, 1922.	Mar. 31, 1923.	Mar. 31, 1924.	Mar. 31, 1925.	Aug. 15, 1925.
Funded Debt	588	315	315	315	314	314	314	314	314	314	314	314	314	314
Term Annuities	30	30	30	30	30	30	30	30	30	30	30	30	30	30
4½% Conversion Loan	..	..	..	..	..	..	..	..	..	..	..	..	..	..
4½% War Stock	..	..	..	..	..	..	..	..	..	..	..	..	..	..
4½% War Bonds	..	..	..	..	..	..	..	..	..	..	..	..	..	..
4½% War Stock	..	..	..	..	..	..	..	..	..	..	..	..	..	..
National War Bonds	..	..	..	..	..	..	..	..	..	..	..	..	..	..
4½% Funding Loan	..	..	..	..	..	..	..	..	..	..	..	..	..	..
4½% Victory Bonds	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Treasury Bonds	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Exchequer Bonds	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Other Debt	..	..	..	..	..	..	..	..	..	..	..	..	..	..
American Loan (Anglo-French)	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Treasury Bills	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Temporary Advances	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Other Capital Liabilities	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Total Liabilities	711	8,079	7,623	7,721	7,812	7,707	7,794	7,718	7,745	7,745	7,745	7,745	7,745	7,745

* Includes debt to American Government.

POSITION OF THE FLOATING DEBT.

	Aug. 16, '24.	Mar. 31, '25.	Aug. 15, '25.	Week ended Aug. 15, '25.
Ways and Means Advances	181,873,500	166,585,000	156,491,000	13,730,000
Advances by Bank of England	..	..	..	..
Advances by Public Deposits	..	..	..	..
Treasury Bills Outstanding	596,165,000	575,610,000	616,710,000	8,725,000
Total Floating Debt	778,038,500	742,195,000	773,201,000	5,005,000

* Includes £93,000, the proceeds of which were not carried to the Exchequer within the period of the account.

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

Date.	Notes and Certificates Outstanding.	Investments in Foreign Accounts.	Redemption Account.					
			Silver Coin.	Gold Coin and Bullion.	Bank of England Notes.	Ratio to Notes.	Government Securities.	Balance at Bank of England.
Mar. 29, 1922.	300,351	14,255	5,000	28,500	19,450	15.9	261,479	177
June 28, 1922.	295,374	13,338	5,000	28,500	19,650	16.3	254,312	250
Sept. 27, 1922.	289,127	12,648	7,000	27,000	21,150	16.6	246,456	169
Dec. 27, 1922.	301,337	12,872	7,000	27,000	21,150	15.9	258,922	137
Mar. 28, 1923.	285,616	12,318	7,000	27,000	22,450	17.3	241,294	190
June 27, 1923.	286,503	12,451	7,000	27,000	22,450	17.3	242,446	123
Sept. 27, 1923.	282,784	12,401	7,000	27,000	22,450	17.5	238,596	140
Dec. 26, 1923.	299,070	12,571	7,000	27,000	22,450	16.5	256,038	159
Mar. 26, 1924.	281,538	11,908	7,000	27,000	22,450	17.6	236,867	130
June 25, 1924.	290,316	12,472	7,000	27,000	22,450	17.0	246,198	140
Sept. 24, 1924.	285,592	12,227	7,000	27,000	22,450	17.3	241,185	184
Dec. 31, 1924.	296,261	12,812	7,000	27,000	26,950	18.2	248,111	133
Mar. 25, 1925.	284,256	11,882	7,000	27,000	26,950	18.9	235,076	112
June 24, 1925.	292,272	12,265	7,000	..	53,950	18.5	243,474	113
Aug. 5, 1925.	305,484	12,682	7,000	..	56,250	18.4	254,803	113
Aug. 12, 1925.	301,216	12,700	7,000	..	51,250	18.6	250,496	170
Aug. 19, 1925.	297,272	12,527	7,000	..	56,250	18.9	246,370	179

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £320,600,000, for 1921 at £317,555,200, for 1922 at £309,588,400, for 1923 at £270,183,800, for 1924 at £248,190,900, and for 1925 at £248,145,400.

KANSALLIS - OSAKE - PANKKI

(National Joint Stock Bank).

Established 1889.

Head Office: Helsinki (Helsingfors), FINLAND.

134 BRANCHES at all important business centres in Finland.

Capital	...	Fmk. 150,000,000
Reserve Fund and Profits	...	" 115,000,000
Deposits, etc.	...	" 1,704,000,000
(31/12/24)	...	" 1,704,000,000

All descriptions of banking business transacted.

Telegraphic Address: KANSALLISPANKKI.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1925-26. (See Note)	Total Receipts into the Exchequer from Aug. 15, 1925, to Aug. 16, 1924.	Receipts. Week Ended Aug. 15, 1925.	Week Ended Aug. 16, 1924.
Balance in Exchequer on 1st April:—				
Bank of England	5,341,778	5,069,613	..	..
Bank of Ireland	1,215,322	1,562,001	..	..
REVENUE.				
Customs	102,040,000	36,852,400	36,951,000	1,484,000
Excise	137,230,000	42,619,000	44,725,000	1,535,000
Motor Vehicle Duties	17,500,000	4,638,000	3,980,000	122,000
Stamp Duties	24,000,000	6,962,000	5,860,000	930,000
Land Tax, &c.	1,000,000	150,000	600,000	10,000
Land Tax, &c. Duty	262,000,000	74,221,000	81,179,000	4,946,000
Property & Income Tax	63,300,000	23,880,000	22,250,000	640,000
Super Tax	4,000,000	4,000,000	6,590,000	190,000
Excess Profits Duties, &c.	9,000,000	20,800,000	20,550,000	1,400,000
Corporation Profits Tax	57,000,000	340,000	..	..
Post Office	900,000	..	..	..
Crown Lands	..	..	..	..
Interest on Sundry Loans	12,600,000	8,254,572	5,704,247	..
Miscellaneous Receipts	14,000,000	4,063,542	4,714,627	584,844
Special Receipts	30,000,000	14,936,595	12,053,131	514,150
Revenue	801,060,000	265,094,713	269,947,005	12,915,994
Total Inc. Balance	..	271,667,813	276,578,619	..
OTHER RECEIPTS.				
Temporary Advances Repaid:—				
Under the Unemployment Insurance Acts, 1921	1,170,000	5,680,000	500,000	670,000
Money Raised by Creation of Debt:—				
(a) For Capital Expenditure Issues:—				
Under the Telegraph (Money) Acts, 1922 and 1924	3,050,000	2,800,000	..	..
Under the Housing Act, 1914	3,000	1,000	..	..
Under the West Indian Islands (Telegraph) Act, 1924	11,533	..	..	..
Under the Unemployment Insurance Acts, 1921	1,250,000	..	..	..
(b) For other issues:—				
By Treasury Bills	918,045,000	898,687,000	47,510,000	44,679,000
By 5½% Conversion Loan	23,079,560	10,550,000	550,000	500,000
By National Savings Certificates	13,900,000	..	..	..
By Exchequer and National War Bonds	15	..	5	..
By Treasury Bonds, 1925	10	13,521,620	..	..
By 4% Treasury Bonds, 1931-33	..	..	..	..
(d) Ways and Means Advances	255,755,000	291,841,500	780,000	1,250,000
Anglo-Persian Oil Company—Dividends on Shares Acquired	..	23,109	..	..
Repayments:—				
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921	78,816	522,224	..	..
Total	1,467,994,747	1,499,605,072	61,196,009	59,514,806

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1925-26. (including Supplementary Grants.)	Total Issues out of the Exchequer to meet Payments from Aug. 15, 1925, to Aug. 16, 1924.	Issues. Week Ended Aug. 15, 1925.	Week Ended Aug. 16, 1924.
EXPENDITURE.				
National Debt Services—				
Interest, &c.	305,000,000	135,856,476	136,063,896	755,913
Sinking Fund	50,000,000	15,610,352	10,175,865	270,000
Road Fund	16,900,000	3,027,044	3,247,044	837,000
Payments to Local Taxation Authorities, &c.	13,329,000	1,789,932	2,126,891	250,000
Payments to Northern Ireland Exchequer	4,000,000	1,363,197	1,376,560	..
Land Settlement	700,000	117,172	279,205	2,670
Other Consolidated Fund Services	2,000,000	1,135,202	967,812	1,856
Supply Services	418,086,000	137,365,129	134,045,085	6,770,500
Expenditure	810,015,000	296,264,504	288,282,358	7,800,939
OTHER ISSUES.				
Temporary Advances—				
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	36,891	36,891	..	..
Under the Unemployment Insurance Acts, 1921	1,250,000	..	..	..
Issues to Meet Capital Expenditure—				
Under the Telegraph (Money) Acts, 1922 and 1924	4,450,000	3,100,000	400,000	7

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £35,000,000 in Treasury Bonds and Treasury Bills were opened on Aug. 21, 1925, and the total amount applied for was £61,575,000. For bills at three months dated Monday to Friday, £99 0s 11d, about 13 per cent., above in full. Saturday's bills at £99 1s 2d, and above in full. The amounts allotted were as follows:—In bills at 3 months, £35,000,000; in bonds, nil.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.	4% Treasury Bonds. Average Price.
June 26, 1925.	40,000,000	60,805,000	£ s d 4 10 5-19	£ s d nil
July 3, 1925.	40,000,000	52,085,000	4 10 2-47	nil
July 10, 1925.	35,000,000	51,950,000	4 7 10-46	nil
July 17, 1925.	35,000,000	49,605,000	4 4 6-41	nil
July 24, 1925.	35,000,000	46,090,000	4 3 6-17	nil
July 31, 1925.	35,000,000	44,055,000	4 5 0-44	nil
Aug. 7, 1925.	35,000,000	47,070,000	3 19 11-14	nil
Aug. 14, 1925.	35,000,000	50,515,000	3 18 2-11	nil
Aug. 21, 1925.	35,000,000	61,575,000	3 15 2-91	nil

Tenders will be received on Aug. 28, 1925, for Treasury Bills and Treasury Bonds to be issued to the maximum amount of £40,000,000. The amount of Treasury Bonds issued will not exceed £4,000,000.

ESTABLISHED OVER ONE HUNDRED YEARS.

SCOTTISH UNION & NATIONAL INSURANCE COMPANY.

ASSETS £13,000,000.

FIRE. LIFE. ACCIDENT. MARINE

Edinburgh: 35, St. Andrew Square.

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

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, August 19, 1925.

ISSUE DEPARTMENT.

Notes issued	£	Government debt	£
181,951,535		11,015,100	
		Other securities	8,734,900
		Gold coin & bullion	1,622,015,535

BANKING DEPARTMENT.

Proprietors' capital	£	Government securities	£
14,553,000		33,989,105	
Reserve	3,584,277	Other securities	71,323,241
Public deposits*	16,534,829	Notes	37,767,660
Other deposits	110,236,320	Gold and silver coin	1,831,170
Seven-day & other bills	2,750		

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

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Gold in or out of Bank.	Reserve and % of Reserve to Liabilities.
1925.	£	£	£	£	£	%
July 8	158,861,736	145,205,750	129,907,699	114,509,035	1,250,000 in	33,405,986 25 1/2
July 15	161,567,002	143,148,580	127,825,813	107,691,188	2,703,000 in	38,168,422 25 1/2
July 22	163,234,260	143,391,535	126,865,047	104,721,626	1,689,000 in	39,592,625 31 1/2
July 29	164,257,807	144,756,795	123,254,104	102,774,350	1,028,000 in	39,257,012 31 1/2
Aug. 5	164,500,122	146,519,625	121,531,935	101,737,999	248,000 in	37,930,527 31 1/2
Aug. 12	164,350,769	146,253,410	126,482,878	105,824,410	240,000 out	38,753,559 31 1/2
Aug. 19	164,032,705	144,183,875	126,771,149	105,312,346	227,000 out	39,598,830 31 1/2

BANKERS' CLEARING RETURNS (000's omitted).

Week Ending—	Town.	Metropolitan.	Country.	Total.
1925.	£	£	£	£
January 1 to August 5, 1925.	21,592,265	1,013,866	1,781,162	24,387,293
Aug. 12, 1925.	640,583	32,436	61,826	734,845
Aug. 19, 1925.	637,009	31,227	56,144	724,380
Total to date 1925.	22,869,857	1,077,529	1,899,132	25,846,518
Do 1924.	22,464,795	1,024,413	1,849,595	25,338,803
Increase or decrease in 1925.	+ 405,062	+ 51,116	+ 49,537	+ 507,785
	+ 1 1/2 %	+ 5 1/2 %	+ 2 1/2 %	+ 2 0 %
Total for year 1924	35,038,605	1,594,114	2,900,145	39,532,864
Total for year 1923	32,270,373	1,546,565	2,810,664	36,627,502
Increase or decrease in 1924	+ 2,768,232	+ 47,549	+ 89,481	+ 2,905,272
	+ 8 1/2 %	+ 3 0 %	+ 3 1 %	+ 7 9 %

PROVINCIAL CLEARING RETURNS.

Number of Working Days	Month of July.		Aggregate Weekly Totals to Aug. 15.	
	1924.	1925.	1924.	1925.
BIRMINGHAM	27	27	£	£
BRISTOL	11,319,000	12,023,000	76,766,100	82,752,100
DUBLIN	5,671,000	5,532,000	37,650,000	38,002,000
HULL	4,732,000	4,565,000	180,041,800	170,351,600
LEEDS	4,660,000	4,083,000	33,425,900	34,396,100
LIVERPOOL	3,846,000	3,973,000	25,914,600	33,829,100
MANCHESTER	41,199,000	39,658,000	265,182,000	256,583,300
NEWCASTLE-ON-TYNE	67,703,000	66,757,000	498,137,600	522,239,700
NOTTINGHAM	7,889,000	6,689,000	66,208,800	54,169,400
SHEFFIELD	3,091,000	3,077,000	20,408,300	22,033,300
Total	155,241,000	151,891,000	1,154,000,000	1,140,000,000

OVERSEAS BANK RETURNS.

NOTE.—The latest return of the Bank of Estonia appeared in the *Economist* of June 27; Lithuania and Bulgaria in July 23; Denmark and Greece in Aug. 8; Poland and Hungary in Aug. 18.

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

Resources.	Aug. 14, 1925.	Aug. 7, 1925.	July 31, 1925.	July 24, 1925.
Total gold reserves	2,777,610	2,777,610	2,791,080	2,791,080
Total bills discounted	538,160	543,840	468,360	442,520
Bills bought open in market	211,660	211,970	210,480	224,520
Total U.S. Government securities	328,580	331,490	330,160	335,300
Total earning assets	1,090,770	1,101,660	1,021,340	1,014,700
Total resources	4,782,690	4,741,120	4,679,810	4,739,490
LIABILITIES.				
Federal Reserve notes in actual circulation	1,617,680	1,605,560	1,588,400	1,605,210
Deposits—Member bank—reserve account	2,179,670	2,211,750	2,152,870	2,160,750
Total deposits	2,236,240	2,265,970	2,200,580	2,199,720
Capital paid in and surplus	333,650	333,510	333,540	333,550
Total liabilities	4,782,690	4,741,120	4,679,810	4,739,490
Ratio of total reserves to deposit and Federal Reserve note liabilities combined	75.5%	75.3%	77.3%	77.1%

NEW YORK FEDERAL RESERVE BANK.—In \$'s (000's omitted).

Resources.	Aug. 14, 1925.	Aug. 7, 1925.	July 31, 1925.	July 24, 1925.
Total bills discounted	373,260	180,670	110,630	120,890
Bills bought in open market	32,260	31,580	30,960	33,910
Total U.S. Government securities	58,070	61,250	59,680	65,760
Total earning assets	266,420	276,330	204,110	224,110
Total resources	827,270	852,180	821,920	828,210
LIABILITIES.				
Federal Reserve notes in actual circulation	1,617,680	1,605,560	1,588,400	1,605,210
Deposits—Member bank—reserve account	2,179,670	2,211,750	2,152,870	2,160,750
Total deposits	2,236,240	2,265,970	2,200,580	2,199,720
Capital paid in and surplus	333,650	333,510	333,540	333,550
Total liabilities	4,782,690	4,741,120	4,679,810	4,739,490
Ratio of total reserves to deposit and Federal Reserve note liabilities combined	80.0%	79.5%	85.5%	83.5%

STATEMENT OF CANADIAN BANKS.—In \$'s (000's omitted).

Assets.	May 31, 1925.	Apr. 30, 1925.	Mar. 31, 1925.	Feb. 28, 1925.	May 31, 1924.
Cash and bank balances	383,256	407,733	398,306	391,335	396,353
Bank balances abroad	61,621	64,356	80,830	81,167	56,947
Call and short loans	321,971	348,748	315,711	329,602	301,555
Securities	574,599	564,107	569,034	569,857	495,332
Loans in Canada	1,014,423	1,001,181	1,008,077	994,954	1,095,775
Loans abroad	220,433	210,774	223,091	222,305	173,447
Other assets	152,446	156,419	157,199	155,391	143,869
LIABILITIES.					
Note circulation	162,045	150,761	157,888	157,932	169,347
Deposits—Government	1,732,603	1,777,186	1,757,677	1,743,705	1,684,126
Public in Canada	81,363	70,658	61,105	67,364	130,542
Foreign	1,732,603	1,777,186	1,757,677	1,743,705	1,684,126
Bank balances—Canadian	9,036	12,643	13,145	10,444	9,835
Foreign	44,755	39,172	35,930	38,694	30,163
Bills payable, &c.	67,396	72,016	71,299	72,837	58,409
Capital and rest.	242,356	242,356	242,356	242,356	246,784
Other liabilities	4,213	3,023	2,632	4,424	3,655

SOUTH AFRICAN RESERVE BANK.—In £'s (000's omitted).

Assets.	July 25, 1925.	July 18, 1925.	July 11, 1925.	July 4, 1925.	June 27, 1925.	July 26, 1924.
Gold coin and bullion	7,127	4,999	5,030	4,254	3,244	549
Gold certificates	3,494	7,141	7,753	7,822	8,822	10,223
Subsidiary coin	50	50	50	50	50	50
Bills discounted	5,418	4,460	3,906	4,741	4,414	3,926
Loans & advances to Govt.	527	524	524	524	524	223
Investments	1,000	1,000	1,000	1,000	1,000	1,000
Reserve	258	258	258	258	258	153
Notes in circulation	9,520	9,583	9,918	10,280	10,284	10,283
Bankers' deposits	5,523	5,435	5,788	4,965	5,025	5,760
Ratio of cash reserves to liabilities to public	69.5%	75.7%	80.1%	76.2%	77.3%	65.7%

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

Assets.	July 18, 1925.	July 11, 1925.	July 4, 1925.	June 27, 1925.	June 20, 1925.	Position May 31, 1924.
Cash and bullion	1,128,501	1,127,850	1,126,405	1,113,515	1,113,515	221,320
Discounts	171,684	196,736	253,161	294,651	243,978	41,740
Advances	121,476	121,606	121,663	147,714	276,791	70,540
LIABILITIES.						
Notes in circulation	1,179,210	1,202,758	1,291,168	1,448,635	1,168,991	362,270
Govt. deposits	607,649	604,068	613,339	613,339	937,339	87,340
Other deposits	100,103	101,167	80,644	105,619	83,338	11,440

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

Assets.	Aug. 20, 1925.	Aug. 13, 1925.	Aug. 6, 1925.	Aug. 21, 1924.	Position May 31, 1924.
Gold coin and bullion	5,546,977	5,546,977	5,546,977	5,543,762	3,730,625
Of which held abroad	1,864,321	1,864,321	1,864,321	1,864,321	1,864,321
Silver coin and bullion	311,857	311,857	311,857	311,857	311,857
Advances and discounts	6,131,738	6,131,738	6,131,738	6,131,738	6,131,738
LIABILITIES.					
Notes in circulation	44,785,450	44,785,450	44,785,450	44,785,450	44,785,450
Government deposits	7,571	14,469	12,016	40,250,926	5,811,875
Private deposits	2,351,723	2,384,619	2,603,888	1,916,790	184,950

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

Assets.	July 21, 1925.	July 17, 1925.	July 10, 1925.	June 26, 1925.	July 25, 1924.
Total securities	13,61.50	13,64.48	14,01.03	13,95.32	14,45.41
Loans	16,64.47	17,65.45	18,31.26	18,76.71	19,01.51
Cash credits	27,73.50	27,83.09	28,52.99	30,53.49	30,51.66
Inland bills	4,56.25	5,26.33	5,43.58	6,12.23	6,21.13
Foreign bills	31.57	32.15	30.75	18.12	25.52
Dead stock	2,74.58	2,74.22	2,75.59	2,72.72	2,80.27
Bal. with other banks	11.13	18.97	29.97	35.57	33.01
Cash	44,94.04	40,87.39	36,93.57	34,48.64	33,98.18
LIABILITIES.					
Capital paid up	5,62.50	5,62.50	5,62.50	5,62.50	5,62.50
Reserve	4,77.50	4,77.50	4,77.50	4,67.50	4,67.50
Total deposits	99,90.39	97,58.21	95,42.70	95,85.81	96,23.70
The above includes					
Deposits in London	1,257	1,302	1,328	1,392	1,404
Advances in London	1,193	1,194	1,192	1,192	1,185
Cash, &c., at other					
Banks in London	76	127	149	264	217

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

Assets.	Aug. 12, 1925.	Aug. 6, 1925.	July 30, 1925.	July 23, 1925.	Aug. 12, 1924.	Position May 28, 1924.
Coin and silver	384.32	384.539	384.536	384.542	352.783	322.

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

Assets.	Aug. 14, 1925.	Aug. 8, 1925.	Aug. 1, 1925.	July 24, 1925.	Aug. 16, 1925.	Position May 30, 1924.
Gold.....	2,536,628	2,536,621	2,536,620	2,536,616	2,534,613	521,775
Silver.....	654,405	655,128	655,554	655,266	655,602	728,600
Loans & discounts.....	2,331,533	2,354,204	2,372,341	2,346,888	2,172,893	800,725
Spanish 4% stock.....	344,475	344,475	344,475	344,475	344,475	344,475
Treasury bills.....	153,000	150,000	150,000	150,000	150,000	150,000
LIABILITIES.						
Circulation.....	4,332,782	4,339,916	4,286,371	4,276,783	4,422,380	901,550
Deposits.....	992,458	980,728	980,654	1,003,140	898,455	477,500

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

Assets.	July 29, 1925.	July 22, 1925.	July 15, 1925.	July 8, 1925.	July 30, 1924.
Coin and bullion ..	9,937	9,835	9,944	9,963	9,554
Of which gold ..	8,577	8,577	8,577	8,577	8,577
Balances abroad ..	196,356	203,620	211,421	204,184	140,393
Discounts ..	198,617	194,305	198,472	198,140	176,281
Government loans.....	1,512,754	1,520,119	1,528,264	1,520,852	1,447,997
LIABILITIES.					
Notes in circulation ..	1,617,785	1,624,290	1,636,171	1,641,593	1,625,806
Deposits ..	64,373	63,756	70,312	57,792	34,840

NATIONAL BANK OF EGYPT.—In £ (000's omitted).

Assets.	June 30, 1925.	May 31, 1925.	Apr. 30, 1925.	Mar. 31, 1925.	June 30, 1924.	Position May 31, 1924.
Gold ..	3,381	3,374	3,376	3,372	3,362	1,571
Govt. securities ..	56,826	59,064	60,747	61,233	47,901	2,084
LIABILITIES.						
Notes in circulatn.	33,877	35,377	38,181	39,341	28,055	2,400
Govt. deposits ..	21,994	22,113	21,338	22,161	14,996	2,315
Other deposits ..	14,925	15,090	15,373	16,390	14,133	2,600

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

LONDON RATES.

	Aug. 14, 1925.	Aug. 15, 1925.	Aug. 16, 1925.	Aug. 17, 1925.	Aug. 18, 1925.	Aug. 19, 1925.	Aug. 20, 1925.	Aug. 21, 1925.
Bank rate (changed from 5% August 6, 1925) ..	4½	4½	4½	4½	4½	4½	4½	4½
Market rates of discount ..	4½	4½	4½	4½	4½	4½	4½	4½
60 days' bankers' drafts ..	4½	4½	4½	4½	4½	4½	4½	4½
3 months' do ..	4½	4½	4½	4½	4½	4½	4½	4½
4 months' do ..	4½	4½	4½	4½	4½	4½	4½	4½
6 months' do ..	4½	4½	4½	4½	4½	4½	4½	4½
Discount (Treasury Bills) —								
2 months ..	3½	3½	3½	3½	3½	3½	3½	3½
3 months ..	3½	3½	3½	3½	3½	3½	3½	3½
6 months ..	3½	3½	3½	3½	3½	3½	3½	3½
Loans—Day to day ..	3½	3½	3½	3½	3½	3½	3½	3½
Short ..	3½	3½	3½	3½	3½	3½	3½	3½
Deposits—allowances: Banks ..	2½	2½	2½	2½	2½	2½	2½	2½
Discount houses: call ..	2½	2½	2½	2½	2½	2½	2½	2½
At notice ..	2½	2½	2½	2½	2½	2½	2½	2½

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

Comparison with previous weeks:—

		Bank Bills.			Trade Bills.		
		3 Months.	4 Months.	6 Months.	3 Months.	4 Months.	6 Months.
1925.		%	%	%	%	%	%
July 30	3½	4½	4½	4½	5	5½	5½
Aug. 7	3½	4½	4½	4½	5	5	5½
14	3½	4	4	4½	5	5	5½
21	3½	3½	3½	4½	4½	4½	5

RATES OF EXCHANGE.

London on	Usance	Par.	Aug. 22, 1924.	Aug. 14, 1925.	Aug. 21, 1925.
Paris ..	francs to £1	T.T.	25-22½	83-10-15	104-05-10
Berlin ..	marks to £1	T.T.	20-43	183-19-10	20-39-42
Vienna ..	schillings to £1	T.T.	34-58½	318-323-000	34-51-56
Prague ..	krone to £1	T.T.	24-02	1493-1501	34-45-55
Warsaw ..	zloty to £1	T.T.	25-22½	23-40-60	1638-163½
Reval ..	rubles to £1	T.T.	25-22½	1900	28-27
Riga ..	rubles to £1	T.T.	25-22½	1900	1810-1850
Kovno ..	rubles to £1	T.T.	25-22½	1900	1810-1850
Bukarest ..	lei to £1	T.T.	48-65	23-24-49	25-04-29
Budapest ..	kr. to £1	T.T.	25-22½	975-985	49-20-49-30
Constantinople ..	piastres to £1	T.T.	24-02	340-350-000	945-950
Sofia ..	leva to £1	T.T.	110	835-845	270-273
Belgrade ..	dinars to £1	T.T.	25-22½	615-625	660-680
Amsterdam ..	florins to £1	T.T.	25-22½	360-370	270-273
Brussels ..	francs to £1	T.T.	12-107	11-54½-60	12-05½-053
Oslo ..	krone to £1	T.T.	18-159	89½-90½	106-85-90
Stockholm ..	kronor to £1	T.T.	18-159	16-91-94	25-80-85
Copenhagen ..	kroner to £1	T.T.	18-159	27-75-80	18-06½-07½
Helsingfors ..	F. marks to £1	T.T.	25-22½	179½-180	192½-192½
Greece ..	drachmas to £1	T.T.	25-22½	252-257	313-318
Italy ..	lire to £1	T.T.	25-22½	101½-1	133½-133½
Switzerland ..	francs to £1	T.T.	25-22½	23-99-24-02	25-01-03
Madrid ..	pesetas to £1	T.T.	25-22½	33-71-74	33-66-69
Lisbon ..	pence to escu.	T.T.	53½	97½-98½	2½-2½
Alexandria ..	pence to £1	Cable	4-85½	4-50½-1	4-85½-1
New York ..	dollars to £1	Cable	4-85½	4-50½-1	4-85½-1
Montreal ..	dollars to £1	Cable	4-85½	4-50½-1	4-85½-1
Buenos Aires ..	pence to peso	T.T.	47-62½	41½-1	45½-45½
Rio de Janeiro ..	pence to mils.	90 days	16	5½	6-6½
Montevideo ..	pence to peso	T.T.	51	42-42½	49½-50
Valparaiso ..	pence to £1	90 days	13-33	44-40	44-40
Lima ..	Eng. to Per. £1	90 days	par	8½ prem.	24½ prem.
Calcutta ..	ster. to rupee	T.T.	10 to 1	1s 5½d-3d	1s 6½d-3d
Bombay ..	ster. to rupee	T.T.	10 to 1	1s 5½d-3d	1s 6½d-3d
Madras ..	ster. to rupee	T.T.	10 to 1	1s 5½d-3d	1s 6½d-3d
Hong Kong ..	ster. to dollar	T.T.	2½ 4½d-4½d	2½ 4½d-4½d	2½ 4½d-4½d
Shanghai ..	ster. to dollar	T.T.	2½ 4½d-4½d	2½ 4½d-4½d	2½ 4½d-4½d
Singapore ..	ster. to dollar	T.T.	2½ 4½d-4½d	2½ 4½d-4½d	2½ 4½d-4½d
Yokohama ..	ster. to yen	T.T.	24-58½	1s 9½d-10d	1s 8½d-3d
Manila ..	ster. to peso	T.T.	24-06½	12s 2½d	12s 0½d
Mexico ..	pence to doles.	T.T.	26d-30d	24½d-24½d	24½d-24½d

(b) Represents krone to £1, at a par value of 24-02 to £1. † 1 schilling=10,000 paper crowns.

OVERSEAS BANK RATES.

Changed.	%	Changed.	%
Amsterdam ..	Jan. 14, 1925 .. 8½	Oslo ..	May 9, 1925 .. 6
Athens ..	Feb. 5, 1925 .. 8½	Paris ..	July 9, 1925 .. 6
Belgrade ..	Feb. 26, 1925 .. 9	Prague ..	Mar. 25, 1925 .. 7
Berlin ..	Jan. 22, 1923 .. 5½	Riga ..	Feb. 16, 1924 .. 8
Brussels ..	Sept. 4, 1920 .. 6	Rome ..	June 18, 1925 .. 7
Bucharest ..	May 28, 1925 .. 9	Sofia ..	July 23, 1925 .. 6
Budapest ..	July 2, 1925 .. 4	Stockholm ..	July 23, 1925 .. 6
Copenhagen ..	Jan. 17, 1924 .. 7	Swiss Bank ..	July 14, 1923 .. 4
Danish ..	Mar. 6, 1925 .. 9	Tokio ..	April 15, 1925 .. 7-3
Helsingfors ..	Aug. 14, 1925 .. 8	Vienna ..	July 23, 1925 .. 10
Lisbon ..	Sept. 14, 1923 .. 8	Warsaw ..	(See note below)

The Bank Rate of the South African Reserve Bank is 5½% for first-class commercial bills (90 days), and 6% for agricultural bills (of not more than six months).
Warsaw (Poland).—From August 12, 1925, discount rate, gold francs, 12%; loans on collateral security, gold francs, 14%.
We are informed that the head office of the De Javasche Bank at Batavia, as from October 20th, has increased its discount rate for bills from 3½ per cent. to 4½ per cent.

MOSCOW QUOTATIONS FOR CHERVONETZ.

According to advices received in London, the following are the Moscow quotations for chervonetz:—

£1,000 sterling equals 943 chervonetz.

£1,000 = 1942 1942

CURRENT RATES IN NEW YORK.

The Irving Bank—Columbia Trust Company cable the following money and exchange rates in New York:—

	Aug. 21, 1924.	July 23, 1925.	July 30, 1925.	Aug. 6, 1925.	Aug. 13, 1925.	Aug. 20, 1925.
Call money ..	2 .. 4½	4 .. 4½	4 .. 4½	4 .. 4½	4 .. 4½	4 .. 4½
Time money (90 days' mixed coll) ..	2 .. 4½	4 .. 4½	4 .. 4½	4 .. 4½	4 .. 4½	4 .. 4½
Bank acceptances:—						
Members—eligible, 90 days ..	2½ .. 3½	3½ .. 3½	3½ .. 3½	3½ .. 3½	3½ .. 3½	3½ .. 3½
Non-memb.—eligible, 90 days ..	2½ .. 3½	3½ .. 3½	3½ .. 3½	3½ .. 3½	3½ .. 3½	3½ .. 3½
Ineligible, 90 days ..	2½ .. 3½	3½ .. 3½	3½ .. 3½	3½ .. 3½	3½ .. 3½	3½ .. 3½
Commercial accept., 90 days ..	3 .. 4	4 .. 4	4 .. 4	4 .. 4	4 .. 4	4 .. 4

Rates of Exchange.	Par Level.	Aug. 21, 1924.	Aug. 21, 1925.	Aug. 13, 1925.	Aug. 20, 1925.
New York on—					
London—					
60 days ..	4-8866	4-8112	4-8575	4-8575	4-8575
Cable ..	4-8866	4-8112	4-8575	4-8575	4-8575
Cheques ..	4-8866	4-8112	4-8575	4-8575	4-8575
Paris ..	Cents for 1 franc	19-30	4-8575	4-8575	4-8575
Brussels ..	Cents for 1 franc	19-30	4-8575	4-8575	4-8575
Switzerland ..	Cents for 1 franc	19-30	4-8575	4-8575	4-8575
Italy ..	Cents for 1 lire	19-30	4-8575	4-8575	4-8575
Berlin ..	Cents for 1 mark	23-81	4-8575	4-8575	4-8575
Vienna ..	Cents for 1 schilling	14-07	4-8575	4-8575	4-8575
Madrid ..	Cents for 1 peseta	19-30	4-8575	4-8575	4-8575
Amsterdam ..	Cents for 1 guilder	40-195	4-8575	4-8575	4-8575
Copenhagen ..	Cents for 1 kroner	26-80	4-8575	4-8575	4-8575
Oslo ..	Cents for 1 kroner	26-80	4-8575	4-8575	4-8575
Stockholm ..	Cents for 1 kroner	26-80	4-8575	4-8575	4-8575
Athens ..	Cents for 1 drachma	19-30	4-8575	4-8575	4-8575
Montreal ..	Can. Cents for \$1	100	99-93	99-93	99-93
San Francisco ..	Cents for \$1	49-85	41-12	41-12	41-12
Hong Kong ..	Cents for 1 Hong Kong	51-875	56-90	57-30	58-00
Yokohama ..	Cents for 1 Yen	51-875	56-90	57-30	58-00
Calcutta ..	Cents for 1 Rupee	32-44	36-65	36-62	36-63
Buenos Aires ..	Gold pesos for \$100	103-65	130-00	109-30	109-40
Rio de Janeiro ..	Cents for 1 milreis	32-42	9-95	11-75	12-00
Valparaiso ..	Cents for 1 peso	20-60	10-15	11-75	12-10

GOLD MOVEMENTS.

The following table shows arrivals and withdrawals of gold during last week:—

1925.	ARRIVALS.	1925.	WITHDRAWALS.
Aug. 15 ..	bars bought 410,000	Aug. 15 ..	bars sold 33,000
" 17 ..	" " " " "	" 17 ..	Straits Settlements 45,000
" 18 ..	" " " " "	" 18 ..	India 52,000
" 19 ..	" " " " "	" 19 ..	bars sold 7,000
" 20 ..	" " " " "	" 20 ..	bars sold 45,000
" 21 ..	" " " " "	" 21 ..	bars sold 45,000
Total ..	410,000	Total ..	656,000
		Net efflux, £246,000.	

CENTRAL AMERICAN EXCHANGE RATES.

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

Country.	Par Value	Usance.	1925.	Rate.
Ecuador ..	Sucres to £	10-00	Sight London	Aug. 15 21-75
Venezuela ..	Bolivares to £	25-25	" "	Aug. 13 25-25
Colombia (Bogota) ..	Pesos to £20.	100	" "	Aug. 18 99-00
Nicaragua ..	Corobas to £	4-8655	" "	June 30 4-80
San Salvador ..	Colonos to £	9-73	" "	Aug. 15 9-90
Guatemala ..	Pesos to £	90-23	" "	Aug. 8 292
Costa Rica ..	Colonos to £	10-45	" "	May 25 17½
Bolivia ..	Pence to Boliviano	19-20	" "	" "

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

	London on Australia and New Zealand.				Australia and New Zealand on London.			
	Buying.		Selling.		Buying.		Selling.	
	Aus- tralia.	New Zeal'nd	Aus- tralia.	New Zeal'nd	Aus- tralia.	New Zeal'nd	Aus- tralia.	New Zeal'nd
T.T.	99½	99	100½	100½	99½	99	100	100½
Dem'd and 30 days ..	99½	99½	99½	100	99½	99	99½	99½
60 days ..	99½	99½	..	..	99½	99½	99½	99½
90 days ..	99½	99½	..	..	99½	99½	99½	99½
	97½	97½	..	..	97½	97½	..	98

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates:—

	Union of South Africa.		Union of South Africa.	
	From close of Mail, June 5, 1925.		From June 4, 1925.	
	London on South Africa.		South Africa on London.	
	Buying.	Selling.	Buying.	Selling.
T.T.		1 1/2 % dis.	1 1/2 % prem.	3 1/2 % prem.
Demand	1 1/2 % dis.	1 1/2 % "	1 1/2 % dis.	3 1/2 % "
30 days	2 1/2 % "	1 1/2 % "	1 1/2 % "	1 1/2 % "
60 days	2 1/2 % "	1 1/2 % "	1 1/2 % "	1 1/2 % "
90 days	2 1/2 % "	1 1/2 % "	1 1/2 % "	1 1/2 % "
120 days	2 1/2 % "	1 1/2 % "	2 1/2 % "	.. "

Reports and Notices.

The Board of Trade announce that they have appointed Mr J. F. Ronca, O.B.E., to be Director of Gas Administration as from September 1, 1925, in succession to Mr H. C. Honey, O.B.E., who is retiring from that post after 42 years' service in the Board of Trade.

British North Borneo (Chartered) Company, Sablas North Borneo Rubber, Limited, North Borneo State Rubber, Limited, Membakut Rubber, Limited, Langkon North Borneo Rubber, Limited, are vacating their premises at 37 Threadneedle street on the 19th instant, after which date their address will be 17 St. Helen's place E.C. 3.

The Royal Trust Company (Montreal) announce that Mr Norman J. Dawes and Mr Walter M. Stewart have been appointed directors of the company.

BANKS.

IMPERIAL BANK OF INDIA.—The report for the half-year ended June 30th shows net profits of Rs. 69,39,700, as against Rs. 78,81,700 for the first half of 1924. The dividend is maintained at the rate of 16 per cent. per annum, free of tax, Rs. 10,00,000 is transferred to reserve and Rs. 5,00,000 to pension funds, leaving Rs. 21,97,900 to be carried forward, against Rs. 12,58,200 brought in. The report states that nine new branches were opened during the half-year, leaving 15 to be opened before January 27, 1926, in accordance with the undertaking to the Government to open 400 new branches in five years.

MISCELLANEOUS.

AMALGAMATED PRESS, LIMITED.—Profit for the year ended June 30th last amounted to £541,544, as against £505,403, and after transferring £50,000 to reserve fund, and £10,000 to pensions and allowances fund, the ordinary dividend of 15 per cent. is repeated. The report states that revenue from advertisements during the year was the largest in the history of the business. The balance-sheet shows cash at £701,900, and investments of £1,302,600, while the property item, including goodwill, stands at £2,067,500.

CALICO PRINTERS' ASSOCIATION, LIMITED.—It is announced (subject to audit) that, after providing for maintenance, depreciation, repairs, renewals, and upkeep, and £128,000 for debenture interest, the accounts for the year ended June 30, 1925, show a net profit of £532,597. To this is to be added the sum of £167,708, being the realised profit on the sale of the French works, together with the accumulated balances against loss on exchange released by this transaction, which, with £218,614 brought forward from last year, makes the total to the credit of the profit and loss account £918,919. Out of this sum an interim dividend for the half-year ended December 31, 1924, amounting to £75,402, has already been paid on the preference shares, leaving £843,517, and at their meeting on August 17th the directors resolved to recommend to the shareholders that £150,000 be placed to the credit of the reserve account, and £100,000 to the credit of the employees' benefit fund, and that a dividend be declared on the preference shares for the half-year ended June 30th last at the rate of 5 per cent. per annum (less income-tax), and on the ordinary shares for the year ended June 30th a dividend at the rate of 10 per cent. per annum (less income-tax), and a bonus out of the surplus on the French transaction of 5 per cent. (less income-tax), leaving the sum of £216,503 to be carried forward.

FRAS. HINDE AND HARDY, LIMITED.—The accounts for the year ended June 30, 1925, show a net profit of £41,863, after providing for interest, taxation, and depreciation. To this amount is added £13,818, balance brought forward at June 30, 1924, making a total of £55,681. After paying preference dividend, the sum available is £42,880. Directors recommend dividend of 10 per cent. on ordinary shares, and the balance appropriated as follows:—£12,750 to special reserve (being profits accrued prior to incorporation), £8,517 written off preliminary expenses, £5,000 to reserve, £6,847 carried forward. Results are satisfactory, showing substantial increase on previous figures; £45,500 for year to June 30, 1925, comparing with £31,000, the three years' average mentioned in prospectus. Owing to increasing demands for company's productions, additional capital will be required for new buildings and plant, and the directors seek powers to increase authorised capital to £400,000.

W. H. CHAPLIN AND CO., LIMITED.—The directors' report states that the balance of profit for the year ended March 31, 1925, is £50,006 15s 9d, which, with the carry forward from last year's account, makes a total of £72,088 6s 8d. Of this sum £15,000 was absorbed by interim dividends for the first six months, viz., on the 5 per cent. preference shares paid on October 1, 1924, of £2,500, and on the ordinary shares at the rate of 10 per cent. per annum paid on April 1, 1925, of £12,500, leaving a balance of £57,088 6s 8d now to be disposed of. This sum the directors recommend shall be appropriated as follows:—£2,500 in payment of the remaining half-year's dividend (and income-tax) on the 5 per cent. preference shares (already paid April 1, 1925); £12,500 in payment of the remaining half-year's dividend (and income-tax) on the ordinary shares at 10 per cent. per annum; £12,044 10s for managing director's remuneration, directors' fees, and staff bonus fund; leaving £30,044 16s 8d to be carried forward to next year's account, subject to liability for adjustment of corporation profits tax, income-tax, and excess profits duty.

MINING OUTPUT STATISTICS FOR JULY, 1925.

	Tons Crushed.		Gold Recovered.			Value.	Profit.
	Mill.	Cyanide Works.	Mill.	Cyanide Works.	Total.		
Gold.	Tons.	Tons	Ozs.	Ozs.	Ozs.	£	£
Falcon	211,377	short	tons blister	tons copper,	containing 2,059		
Hobonuu	20,600	(June)	..	ozs gold ; 4,400	ozs silver.	..	..
Oriental Consolidated	5,900	..	..	..	66	..	\$45,881
Ouro Preto					1,615	6,850	
	Output.	Other Notes in Return.					
Tin.	Tons.						
Kingsdown and Tincroft ..	..	Concentrates valued at £4,485; crude arsenic £315.					
Naraguta	45	..					
Copper	410	(Matte), est. contain 51 tons copper, 90 ozs gold.					
New Guinea							
Coal.	Chinese Engineering	57,102	Sold during week ended August 15th.				
Witbank	71,595	..					
Lead.							
Fremantle Trading	259	Lead concentrates shipped to Antwerp, est. contain 184 tons lead.					

Commercial Reports.

THE COGN TRADE

Mark Lane, Friday Evening.

Weather conditions during the past week have been mostly favourable for harvesting, and the outlook points to a general improvement, with an average yield. Very quiet conditions prevailed in the market, prices being irregular, with an easier tendency both for bread and feeding stuffs following weaker forward offers. In the floating and forward cargo section, buyers continue to adopt an attitude of reserve. Holders, however, were by no means pressing, though rates disclosed slight irregularity and weakness. Steamers of Australian afloat sold 58s 3d, ditto due 58s, Rosafé 62½ lbs on passage 60s 6d, early August 58s 6d, and Baril 62½ lbs August 8th bill of lading 57s 7½d, with No. 1 Northern Manitoba August 62s 6d. Of maize, Plate steamer October 16th-November changed hands at 40s 7½d, all per 480 lbs at c.i.f. terms. Wheat firm but irregular. No. 1 Northern Manitoba ex ship quoted 67s 6d, No. 2 ditto 66s 6d, No. 3 65s 6d, Australian 62s 6d, Rosafé 62½ lbs ex ship to arrive 61s 6d, all per 496 lbs. English new quoted 11s 2d-11s 8d per 112 lbs, free on rail. Flour quietly steady. London standard grade quoted 50s, patents 52s-53s, town whites 50s per deliveries in London districts. Of imported, Manitoba patents range from 47s 6d-50s 6d, Minneapolis 47s 6d-49s 6d, Kansas patents 46s-47s, Australian 43s-45s 6d, per 280 lbs ex store. Maize dull. Plate ex ship to arrive quoted 44s 9d, ditto landed 47s 6d, fornia new ex ship 43s per 480 lbs. Barley slow. California new ex ship quoted 45s-52s, Chilean Chevalier landed 58s-65s, brewing 52s-54s, according to quality, Australian 57s-63s ex store per 448 lbs. No. 3 Canadian Western ex ship 37s 6d, Karachi 40s, Morocco 37s 6d, both landed, Tunisian ex ship 36s 6d per 400 lbs. English new 11s 10d-16s 3d, the latter for malting quality per 112 lbs. Oats quiet but steady. Plate ex ship quoted 26s 6d, landed 27s 9d, No. 2 Canadian Western ex ship to arrive 29s 9d, landed 33s 6d, No. 2 Canadian feed ex ship 25s 6d, landed 26s 9d, Chilean Tawny landed 27s 6d, No. 2 white clipped American ex ship to arrive 24s 6d, all per 320 lbs. English new for middlings, with a steady demand. Broad bran quoted 8s, oat husks 6s 3d, feed oatmeal 8s 9d, ground oats 13s 3d per cwt free on rail. Oatmeal easier. London-made flaked 18s 6d, rolled oats 17s 6d, medium, also fine cut, 17s 6d, coarse, also medium pin-head, 17s 6d ex mill, ordinary Scottish oatmeal 19s, American ditto 17s 6d-18s per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest years 1924-25, 1923-24, 1922-23, 1921-22.

	1924-1925.	1923-1924.	1922-1923.	1921-1922.
Estimated sales of home-grown wheat—				
1 week to Aug. 15.....	Cwts. 177,179	Cwts. 25,245	Cwts. 67,932	Cwts. 63,291
50 weeks to Aug. 15.....	11,438,983	12,741,020	16,968,864	17,139,996
Average price of English wheat per cwt.....	11 9	12 11	9 3	12 3

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks and for the corresponding week in each of the years from '92 to '94:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1925.						
Aug. 8	Cwts. 144,253	Cwts. 12,417	Cwts. 18,186	11 10	11 2	10 3
15	137,159	18,033	2,707	11 9	12 1	10 1
1921	368,376	40,146	60,366	15 7	15 9	11 6
1922	63,291	7,368	15,798	12 3	12 10	11 6
1923	67,932	9,524	43,629	9 8	8	8 7
1924	25,245	3,222	12,556	12 11	13 2	9 7

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Debenture Interest.	Amount Available for Distribution.	Appropriation.			Corresponding Period Last Year.	
					Dividend.		Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.
					Prefce.	Ordinary.			
		£	£	£	Amount.	Amount.	Rate.	£	%
Financial, Land, &c.									
Mid-European Corporation	July 31	..	36,722	36,722	..	30,000	..	£ 6,722	..
Gas.									
Barnet District Gas and Water ..	June 30*	23,796	18,952	42,748	..	16,696	..	2,500	20,998
Leatherhead	June 30	2,450	2,458	4,908	..	3,758	6	1,150	4,613
Rossendale Union	June 30*	780	5,162	5,942	..	4,450	..	588	5,245
Iron, Coal, and Steel.									
Walter Scott	June 30	4,286	Dr 29,985	Dr 25,699	..	..	..	Dr 25,699	6,722
Nitrate.									
San Patricio	Dec. 31	7,525	5,299	12,824	..	..	..	12,824	4,443
Textiles.									
Illingworth, Morris, and Co.	May 31	21,234	Dr 122,916	Dr 101,082	28,345	..	..	Dr 122,916	32,393
Tootal Broadhurst Lee	June 30	54,452	132,622	187,074	15,625	64,944	10	50,000	130,724
Waterworks.									
East Worcestershire	June 30*	4,545	3,506	8,051	429	2,307	4	500	4,813
Luton	June 30*	9,575	3,836	13,411	..	3,474	4	9,937	3,210
Other Companies.									
African Eastern Trade Corporation	Dec. 31	271,985	471,048	743,033	134,921	220,742	8	67,500	319,870
Amalgamated Dental (g)	Dec. 31	13,758	158,062	171,820	30,801	86,768	8	40,000	14,251
Amalgamated Press	June 30	400,285	481,543	881,828	38,780	407,657	15	..	435,391
Charles Roberts	June 30	11,420	64,417	75,837	..	21,940	10+	30,000	23,897
Frederick Braby	June 30	41,644	65,286	106,930	10,150	49,332	15	5,000	42,448
Goodlass, Wall, and Co., Limited	June 30	13,400	35,703	49,103	13,177	17,570	10	2,000	16,356
W. H. Chaplin and Co.	Mar. 31	22,981	37,963	60,944	5,000	25,000	10	..	30,944
Wilson Bros. Bobbin Co.	July 15	3,725	28,303	32,028	..	22,800	8	5,000	4,228
United Indigo and Chemical	June 30	11,262	19,826	31,088	11,250	6,562	7½	..	15,276
Brightside Foundry	June 30	452	5,568	6,020	2,250	3,000	3+	..	770
Wolsley Sheep Shearing Machine	Dec. 31	10,412	7,623	18,035	..	5,000	5	..	13,035

* Half-yearly.

† Tax free.

(g) Formerly Claudius Ash, Sons, and Co., Limited.

AMERICAN WHEAT MARKETS.

The wheat markets have lost ground to some extent after a short period of firmness in the middle of the week. The decline in prices, which is not very considerable, can be set down chiefly to reports of fairly satisfactory harvest conditions in most parts of the wheat belt, with the possibility of smaller European requirements owing to increased home crops this year. Recent market quotations are:—

	Aug. 22, 1924.	Jan. 2, 1925.	Aug. 6, 1925.	Aug. 13, 1925.	Aug. 20, 1925.
Winnipeg (No. 1 Manitoba)—Cents per 60 lbs	137	183	(a) 146½	(a) 146½	(a) 144½
Chicago (No. 2 Winter)—Cents per 60 lbs	131½	177	(b) 160	(b) 165½	(b) 159½

(a) October delivery. (b) September delivery.

The Canadian Government estimates the value of the Canadian harvest this year, on the prices quoted for October delivery, of the five principal grain crops as follows:—Wheat, \$544,000,000; oats, \$223,000,000; barley, \$76,000,000; rye, \$15,000,000; flax-seed, \$20,000,000. It is estimated that the increased value over last year of the five principal grains will be \$264,000,000. The total estimated value of this year's harvest of field crops is \$1,318,000,000, which exceeds last year's actual returns by \$398,000,000.

IRON, STEEL, AND COAL.

We have extracted the following from the weekly report of the London Iron and Steel Exchange:—Although business has been quiet this week, a somewhat better tone is noticeable. It is anticipated that at the end of the present month, or early in September, buying of a more important character will develop. In the pig-iron department prices are easy, and fresh competition is being experienced from Continental manufacturers, some rather large purchases of Continental foundry iron having been reported from Scotland. The inquiry for semi-finished material has been more active, but the actual amount of business transacted has not been large. The demand for finished materials, although it has shown some revival from the dullness experienced at the beginning of August, is still poor. The has been a certain amount of activity in the home market, but the export demand has been confined to small parcels, the one exception to this being a fair business in sheets, principally for the Far East.

Our Middlesbrough correspondent writes:—Pig-iron: Owing to the local holidays, the usual weekly market was not held, and very little business is passing. To-day No. 3 Cleveland G.M.B. is no more than 60s 6d per ton, and for a good order this could be shaded. Owing to the liquidation of hematite stocks, the price is steadier, and East Coast mixed numbers are still quoted 75s 6d per ton. Manufactured iron and steel: Most of the steel works are closed this week, and prices weak, but unchanged. Steel ship plates, £8 10s; steel ship angles, £8 5s; iron bars, £11 12s 6d; steel rails, £8 10s. Iron ore: There is still no general buying

movement in foreign ore, and best Bilbao Rubio is nominally quoted 20s per ton c.i.f. Tees.

Our Sheffield correspondent writes:—Producers of pig-iron and crude steels are still awaiting the long-expected buying movement. To some extent the uncertainty of price movements is holding buyers off the market. The cheaper steels are suffering most of all, but sales of high-grade steels, in which foreign competition scarcely counts, are also on a meagre scale. Extreme quietude prevails in the wire and cold rolled strip departments, but enquiries are rather more numerous than of late. Makers of railway rolling stock steel could handle much more work than is coming forward, and the plants are less active than a month ago, owing to reduced specifications by the British railways. Merchants dealing in alloys of special steel report unfavourably of the state of their order books. Good business is being done in files, hand-saws, and edge tools, the overseas demand being on a large scale. In the cutlery and plate branches there is no considerable amount of trade outside special contracts for ship and hotel furnishing, restaurants, and coupon gifts. Turnover generally has dropped off, and profits are low. Coke is rather firmer, as the excess of output over consumption is less considerable. The coal market is still out of joint, and the trade is quieter than ever. Merchants are endeavouring to increase the price of house coal.

Our Glasgow correspondent writes as follows:—Producers of pig-iron are finding increasing difficulty in effecting sales, owing to the low prices at which Continental material is offered. Exports are diminishing, and there are very few enquiries from overseas. Consumers of foundry iron in Scotland are buying from hand to mouth on a falling market. The finished iron and steel position is unaltered. Plate makers have officially reduced the price of boiler plates to £11 10s per ton, the former price having been £12 10s. A steady trade is passing with structural engineers, but plates are in small request. Shipyards are getting through with the work on hand, and, as few new orders are coming forward, the outlook is far from satisfactory. The only contract reported this week was for a passenger and cargo steamer for the Glasgow Campbelltown service. The successful contractors are Messrs R. Duncan and Co., of Port Glasgow, for the hull, and Messrs D. Rowan and Co., of Glasgow, who will supply the engines. Bar iron is in poor demand, and the output is small. Re-rollers and black sheet makers are fairly busy. Thin sheets for export to the Far-East are keeping some of the local works fully employed. Galvanised and corrugated sheets retain their place as the best and only busy market in the finished steel trade. Demand is steady, both for home and export, and prices are firm at £16 5s per ton f.o.b. for 24 G. Prices of Scotch coal have been further reduced, but demand is poor, owing chiefly to consumers having taken in good stocks in anticipation of a stoppage. Exports are slightly better than in recent weeks.

Our Cardiff correspondent writes:—Renewed weakness has been apparent in coal prices during the past week. Orders have been scarce, with concessions of 3d to 9d offered freely to prompt shippers. Forward business is at a standstill, and supplies of tonnage at the docks, although poor, are more than sufficient to cover the meagre enquiry. The following are the current approximate quotations:—Best Admiralties 24s 6d to 25s 6d; seconds, 23s to 24s; best drys, 23s 6d to 24s 6d; Black Veins, 22s 9d to 23s 3d;

CANNED MEATS.—Corned beef in slow demand, and prices un-

tered, but a good inquiry continues for Danish lunch tongues at full rates.

MISCELLANEOUS.—Cocoanuts quoted 25s per 100. Coir yarn: Ceylon, £25 to £30; English, £30 to £50. Ceylon bristle £18 to £24; cinnamon leaf oil, 44d; citronella, Ceylon, 2s 1d; Java, 3s 9d.

OILSEEDS.—Linseed quiet and easier. Calcutta to London, August-September, sold, £21 17s 6d; bold Bombay, ditto, £22 17s 6d. Plate to Hull, August-September, sold, £19 17s 6d; September-October, £20; January-February, £19 2s 6d. Rapeseed firm. Toria to Continent, August-September, £22 7s 6d. Cotton-seed easier. Egyptian black, to Hull, new August, £13 12s 6d; November-January, £12 12s 6d; white, August, £12 10s; November-January, sold, £11 17s 6d; Bombay, August-September, £9 12s. Castor-seed quiet. Bombay, August-September, £22 10s. Gingelly seed quiet. Chinese to Continent, August-September, £27 17s 6d; large Bombay ditto, £26 7s 6d. Ground-nuts ull. Coromandel machined, August-September, £25 12s 6d; Nigerian, uly-August, £25 2s 6d per ton.

OILS.—Linseed easier. Spot, net, naked, 41s 6d; September-December, 40s 7½d; January-April, 40s 4½d. Rape firmer. Crude, spot, 49s; refined, 52s. Castor-oil quiet. First pressure, spot, noted 56s 6d; second pressure, 54s 6d; and pharmaceutical, 61s 6d per cwt. Hull, with London, 2s per cwt extra. Cotton firm. Crude gyptian, spot, 45s; Bombay, 41s 3d; common edible, 50s; deo-oxidised, 52s. China-wood dull. Hankow, spot (barrils), 65s 6d; August-September, 65s 6d. Coconut quiet. Ceylon, spot, 47s 6d;

August-September, 46s 3d; Cochin, ditto, ordinary packages, 60s. Soya quiet. Oriental, barrels, August-September, 45s; bulk, 42s. Cod steady. English, spot, 34s to 35s. Ground-nuts firm. English, crushed, naked, spot, 50s; deodorised, barrels, 57s 6d. Turpentine dealer. American, spot, 69s 3d; September-December, 70s 3d; January-April, 72s 3d. Rosin firmer. American, grade B/D, 22s 9d; E, 23s; F/G, 23s 6d; W.G., 28s; WW, 31s per cwt. French FG, nominal; WW, 27s per cwt. Petroleum quiet. American, standard white, spot, 1s; and water white, 1s 1d per gallon.

METROPOLITAN CATTLE.—AUGUST 20.

British Beasts, per stone of 8 lbs to sink the offal. Sheep, per stone.			
	s	d	q
Beasts—Devons.....	7	4	7 3
Shorthorns.....	6	10	7 4
Norfolks.....	7	2	7 6
Scottish.....	..	..	..
Irish.....	..	..	..
Fat Cows.....	..	..	..
Beasts—Heavy Bulls ..	..	..	..
Canadian.....	..	..	..
Sheep—Downs (clipped) 10	2	10	8
Ewes.....	6	8	7 2
Crossbred.....	..	..	..
Scottish.....	..	..	..
Lamb—Downs.....	11	6	12 4

LONDON POTATO MARKETS.—AUGUST 20.

Per Cwt.			
	s	d	q
Lincoln—King Edwards	7	0	8 0
Sharps Express	5	0	6 0
Eclipse	5	0	6 0
Blackland—King Edwards	6	0	7 0

COMMERCIAL TIMES—WEEKLY PRICE CURRENT.

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

LONDON, FRIDAY.			
	s	d	q
JOCOA—Duty, British grown, 9s 4d, foreign, 14s cwt	6	0	84 0
Trinidad	75	0	84 0
Prinada	60	0	70 0
Ceylon, plantation	90	0	110 0
Guayaquil	70	0	80 0
Bahia, finest	51	0	55 0
COFFEE—British grown, 9s 4d, foreign, 14s cwt	6	0	84 0
E. India, fine ord. g.d. mid. 115	0	140	0
Do good to fine	150	0	158 0
Costa Rica, ord. to mid. 120	0	155	0
Good to fine	170	0	196 0
Central American, g.d. ord.	115	0	138 0
Do mid to fine	140	0	150 0
Colombian, ordinary	113	0	115 0
Do g.d. ord. to low mid. 118	0	128	0
Do mid to fine	130	0	148 0
HERMICALS—			
Acid, citric	1	34	0 0
Nitric	0	24	0 4
Oxalic, net	0	6	0 6½
Tartaric, English	1	0	6 0
Foreign	0	11½	1 0
Creosote	78	0	0 0
Alum lump	10/10/0	11/0/0	
Do ground	11/10/0	12/0/0	
Ammonia, carb.	37	0	39 0
Muriate, White	25	15	31 15
Sulphate	14	0	15 0
Arsenic, lump	15	0	15 0
Powder	21	0	22 0
Salts, pot	65	0	70 0
Pearl dc	9/0/0	9/10/0	
Bleach, grn powder, per ton	24	10	0 0
Borax, gran.	25	0	0 0
Do crystals	25	0	0 0
Do powder	25	0	0 0
Jalomet	4	0	4 3
Iodine, dry	1	0	1 1
Nitrate of soda	12/17/6	13/0/0	
Potash—Chlorate, net	0	44	0 44
Prussiate	0	8	0 9
Do Foreign	0	7½	0 8
Sulphate	12	0	15 0
Sal-Ammoniac	10	2	10 2
Soda Bicarb.	29/0/0	10/10/0	
Crystals	5/0/0	5/5/0	
Alkali	6/15/0	0/0/0	
Caustic	14/12/6	17/0/0	
Sugar of lead, white	10/0/0	0/0/0	
Foreign white	249	0	50 0
Sulphate Quinine—			
English Brands	2	3	0 0
Foreign do	2	2	2 3
Sulphate Copper per ton	24/10/0	25/10/0	
Zinc, ext.	9/0/0	9/10/0	
Sulphur Flour	8/0/0	8/10/0	
Do Roll	8/0/0	8/10/0	
Vermillion, Chinese, per lb	4	6	4 9
English	4	6	5 0
Oil Peppermint, E.G.H.	..	..	..
COPRA—per ton, c.i.f. —	£	s	d
Malabar, Aug.-Sept.	..	..	..
Ceylon	31	15	0
FMS Singapore	30	5	0
FM Straits	29	15	0
COCHINEAL	2/9	3/6	
DRUGS—			
Aloes, fine E.L.	130	0	150 0
Cape, good to fine	41	0	42 6
Balsam Peru	7	3	7 6
Capivi	2	0	2 3
Camphor	2	9	2 9½
Japan, refined	6	0	8 0
Cardamoms, Ceylon, per lb	4	0	0 0
Cantharides, China, per lb	4	0	0 0
Castor-oil	85	0	95 0
Gum Benjamin Sum., cwt	5/0/0	10/0/0	
Olibanum, drops, fair to good	60	0	105 0
Ipecacuanha	8	6	0 0
Jalap.	2	0	0 0
Mask pod, China	75	0	77 6
Oil, Cassia	3	8	3 6
Aniseed	3	0	3 1
Peppermint, Wayne County	70	0	75 0
Rhubarb, China, fr to tn	3	0	3 3

DYE STUFFS, &c.—			
	s	d	q
Galls, China	60	0	62 6
Turmeric, Bengal	..	..	..
Madras, finger	37	6	40 0
Gambier, block	62	6	0 0
Cutch, ord. to fair	55	0	0 0
DYEWOODS—			
Brassil	18	0	18 0
Eucalyptus, Jamaica	15	0	15 0
Cuba	20	0	20 0
Lima Wood	10	10	10 10
Logwood, Campeachy	7	15	7 15
Honduras	12	0	12 0
Jamaica	15	0	15 0
Red Sanders	12	0	12 0
Sapang Ceylon	15	0	15 0
FLAX—spot, c.i.f. —	£	s	d
Egyptian	87	0	88 0
Perman H.D.	..	..	..
Slanets UJA Medium	98	0	100 0
FRUIT—			
Oranges, Murcia & Val. 300	0	0	0 0
Do	360	0	0 0
Do Cape	15	0	25 0
Lemons, Naples	0	0	0 0
Do	10	0	38 0
Do Sicilian	5	9	18 6
Do	0	0	0 0
Do Malaga	0	0	0 0
Grapes, Lisbon	11	0	16 0
Almeria	0	0	0 0
Val. Ona	7	0	9 6
Egyptian Ona	0	0	0 0
Apples: Tasmanian	0	0	0 0
Sturmer Pippin	0	0	0 0
HIDES—Wet salted—			
Australian	0	54	0 64
West Indian	0	4	0 7½
Cape	0	6	0 7½
Lisbon	0	52	0 7½
Porto	0	4	0 7½
Dry & Dry salted Cape	0	8	0 12½
Madagascar	0	6½	0 7½
Central American	0	7½	0 12
Buffaloes, Singapore	0	5	0 12½
Penang	0	5	0 12½
E. I.	0	5	0 14½
Market Hides, London—			
Best hvy. ox & heifer	0	8	0 9
Do light do	0	6½	0 6½
2nd ox, heavy	0	6½	0 8½
Do light	0	5½	0 6½
Best cow	0	6½	0 6½
2nd do	0	5½	0 6
Best calf	0	10½	0 14½
2nd do	0	9½	0 12½
INDIA RUBBER—lb—			
Para, fine hard spot	3	2	0 0
Plantation sheet	3	5	0 0
INDIGO—per lb—			
Bengal, good red violet to fine	6	6	7 0
Mid. ord. vio. to good	6	6	0 6
Low to good ord.	5	0	6 0
Madras, dry leaf, good	1	0	3 0
Do low to ord.	1	0	3 0
Kurpah, gd. mid. to gd.	4	0	6 0
Low to mid.	3	0	4 0
HEMP—per ton—			
Italian P.C.	80	0	80 0
Manilla, Aug.-Oct. "J"	43	0	43 0
N.Z., high point, fair, July-Aug.	38	10	38 10
JUTE—			
Native first marks, Aug. 44/10/0			
LEATHER—per lb—			
Sole Bends 6/9 lb	1	3	1 10
Do do 10/12	1	3	1 10
Do do 12/14	1	4½	2 8
Do do 14/16	1	5	2 8
Do do 17 lb and up	1	6	2 8
Bark Tanned Sole	2	6	3 0
Shoulders fm DB Hides	0	9	0 11
Do Eng. or WS do	0	10½	1 8
Bellies from DB do	0	10½	1 8
Do Eng. or WS do	0	8½	1 8
Dressing Hides	1	8	2 2
Ro. Eng. Calif. 20/30 lb.	1	8	5 6
Anst. Sides	1	0	1 3

METALS—B. Copper			
	s	d	q
Best selected	66	10	67 15
Sheets (strong)	53	0	0 0
Standard	63/5/0	63/7/6	
Lead Eng. Pig per ton	40/0/0	0/0/0	
Soft Foreign	39/0/0	37/15/0	
Spelter G.O.B.	37/2/6	36/11/3	
Do—English ingots	257/15/0	258/0/0	
Do do bars	258/15/0	259/0/0	
Standard cash	257/15/0	257/17/6	
OILS—Fish, per ton—			
Seal, pale	40	0	41 0
Linseed, p. ton net, naked	41	10	0 0
Rape, refined	50	0	50 0
Crude	52	0	0 0
Cotton-seed, crude	49	0	0 0
Edible, refined	50	0	50 0
Coconut, crude	47	6	0 0
Refined	51	0	53 0
Palm	42	0	42 10
Petroleum—Oil, per 8 lbs. 1/0	0/0		
Water-White	1/1	0/0	
Oil Cakes, Linseed, Eng. 13/7/6	213/12/6		
Oil Seeds—Linseed—			
La Plata, p. ton Aug.-Sept. 19	17 6		
Bombay, p. ton Aug.-Sept. 22	17 6		
Calcutta, p. ton Aug.-Sept. 21	17 6		
PORTLAND CEMENT—Best English			
per ton delivered, London 58/0	63/6		
Rapid hardening "Ferrocrete," 12/			
per ton extra	13/		
PROVISIONS—			
Butter—per cwt.—			
Do factory	196	3	200 0
Australian	182	0	165 0
Argentine	172	0	196 0
Dutch	176	0	188 0
New Zealand	190	0	215 0
Danish	212	0	214 9
Bacon, smgd.—Irish	140	0	148 0
Danish	136	0	140 0
Canadian	132	0	136 0
American	110	0	120 0
Hams—Irish	120	0	124 0
Canadian	120	0	124 0
American	120	0	124 0
Lard—Irish bladders	120	0	130 0
American boxes	56	10	9 0
Pork—per 8 lbs	6	4	7 0
Beef—Frozen	2	6	5 2
Do	8	0	8 8
Chicken—per cwt.—			
New Zealand	105	0	108 0
Eng. Cheddars	104	0	108 0
Cheshire	116	0	130 0
Dutch	116	0	130 0
Eggs, per 120—English	82	0	119 0
Irish	19	0	20 0
Irish	17	0	18 0
FLLOUR—280 lbs—			
Eng. straight ex mil.	48	0	0 0
RICE—per cwt. c.i.f. —			
Rangoon, No. 2	16	0	0 0
Broken 1a	13	0	0 0
ROBIN—per ton—			
American	22/15/0	31/0/0	
French	21/10/0	27/0/0	
SAGO—Pearl, per cwt.	30	0	0 0
SHELLAC—per cwt.—			
Orange, first marks	300	0	325 0
Second, fair to fine	250	0	295 0
TN Orange	220	0	225 0
Garnet, Lasc. AG	225	0	230 0
Buton—Pure	255	0	260 0
Blocky (TN)	210	0	215 0
SILK—per lb—			
China—Blue Elephant	18	0	0 0
Canton	28	0	30 0
Tussah	10	0	12 0
Re reeled	0	0	0 0
Japan	0	0	0 0
Italian—Raw, fr. Milan	28	0	30 0
SHELLS—M.-o.-P., per cwt.—			
Manila, bold	26/0/0	10/0/0	
Macao	7/13/6	12/0/0	
Sydney	5/0/0	11/12/6	
W. Australian	7/0/0	12/12/6	
Bombay	2/0/0	8/5/0	

SUGAR—per cwt, duty, 11s 8d.			
per cent. polarisation	s	d	q
B.W.I., unsucrovado	24	6	9
Crystallised	24	6	9
Java, white .. June-July	16	0	0
REFINED—London—			
Yellow Crystals	28	13	0
Cubes	35	0	36
Crushed	33	0	0
Granulated	30	7	13
Crystals, No. 3	32	6	0
Castor	32	9	34
Pieces	23	9	29
SPICES—Pepper, lb—			
Muntok, fair White	1	1½	0
Black Singapore	0	9	0
White Siam	1	1½	0
Pimento	0	4½	0
Cinnamon—1st sort	1	9	0
Do 2nd	1	8	0
Do 3rd	1	7	0
Cassia Lignea	1	0	0
Gloves—Zanzibar	0	11	0
Penang	2	2	1
Madagascars	1	3	1
Ginger—per cwt—			
Cochin, small rough	105	0	0
Do wormy	0	0	0
Japan	95	0	0
Jamaica, ord. to good	80	0	0
Mace	90	0	120
Nutmegs, 65's	3	4	6
110's and 80's	2	0	0
Chillies—per cwt	36	6	97
TALLOW—per cwt.			
Good mutton	49	0	0
Beef	47	3	0
TAPIOCA—per lb—			
E. I. Flake, fair, spot	0	2½	0
Medium Pearl	22	6	28
Seed	18	0	28
TEA—duty 3½d, British, foreign, 4d per lb—			
Indian and Ceylon—		s	d
Pekoe	0	11½	4
Broken Pekoe	0	10½	1 94
Orange Pekoe	1	2	2
Broken Orange	0	11	2
Pekoe Souchong	0	10½	1 4
TIMBER—ex. yd—			
Swedish u/s 3 x 8, Pt. Std.	£	s	d
Do 2½ x 7	20	0	0
Do 2 x 4	20	0	0
Can'dn Spruce, Dis.	17	10	0
Pine	17	10	0
Cat'hpine	32	0	0
Rio Deals	32	0	0
Honras Mahg. logs, c.ft.	0	11	6
African	0	6	6
American Oak Boards	0	6	0
Do Ash	0	6	0
English Oak Planks	0	6	0
Do Ash	0	6	6
TOBACCO—			
Duty 8/2—10/4 per lb, Empire growths, 6/1½ per lb.			
Virginia leaf	s	d	s
Common to fine	1	3	2 3
Strips	2	0	2
Kentucky leaf—			
Common to fine	1	0	1 6
Strips	1	3	1 9
China	0	9	2 6
Borneo and Sumatra	1	0	7 0
Nyasaland	0	6	2 6
Celebes	1	6	4 6
Havana	0	10	1 0
Greek	0	6	3 0
East Indian	0	10	1 0
Cigars, duty 15/7 per lb.	0	6	3
Cigarettes, duty 12s 7d per lb.	2	0	0
TURPENTINE, p. cwt. .. 69 3 0 0			
WOL—per lb—			
English, Southdown, washed ..	25		
Lincoln hog	15½		
Queensland, red, super embg. ..	53		
N.S.W. greasy, super embg. ..	53		

causes scepticism as to the benefit, in the shape of abundant cash, that will actually be experienced. Discount rates were a shade firmer, continued gold exports damping hopes of an early reduction in the Bank rate, while higher rates in New York and a slight adverse movement in the dollar exchange revived expectations of dearer money there this autumn. Three months' bank bills, however, were still placed easily at $3\frac{1}{8}$ per cent., but the Treasury bills were allotted at a slightly higher level.

	Aug. 28, 1925.	Aug. 21, 1925.	Aug. 14, 1925.	Aug. 7, 1925.	Previous Rate and Date Changed.
Bank Rate	$4\frac{1}{4}$	$4\frac{1}{4}$	$4\frac{1}{4}$	$4\frac{1}{4}$	5 (Aug. 6, '25)
Banks' Deposit Rate	$2\frac{1}{4}$	$2\frac{1}{4}$	$2\frac{1}{4}$	$2\frac{1}{4}$	3 (Aug. 6, '25)
Discount/Call	$2\frac{1}{4}$	$2\frac{1}{4}$	$2\frac{1}{4}$	$2\frac{1}{4}$	3 (Aug. 6, '25)
Houses (Notice	$2\frac{1}{4}$	$2\frac{1}{4}$	$2\frac{1}{4}$	$2\frac{1}{4}$	3 (Aug. 6, '25)
Market rate (3 months' bills)	$3\frac{1}{8}$	$3\frac{1}{8}$	$3\frac{1}{8}$	$3\frac{1}{8}$	4

The Bank return showed a decrease of £838,000 in the stock of coin and bullion, £833,000 on balance having been announced as withdrawn for export; the note circulation expanded by £83,000, and the Reserve was thus £921,000 lower, and its proportion to liabilities declined .6 per cent. to 30.6 per cent. An increase of £1,425,000 in Government securities was balanced by a decrease of £1,209,000 in Other; Public deposits expanded by $5\frac{1}{2}$ millions, and Other deposits were thus six millions lower. There was a reduction of £2,186,300 in Currency Notes this week, making total outstanding £295,086,100, which includes £1,329,400 for notes called in but not yet cancelled. The fiduciary issue is £237,506,700, or £10,638,700 below the maximum.

NEW YORK MARKETS.

Our New York correspondent cables:—The advance in the share market continues, but with greater irregularity. Railway securities are being supported on splendid earning statements for July and record traffic in the present month. Money is somewhat firmer, and this is tending to check speculative enthusiasm. Call money is $\frac{1}{2}$ per cent. higher at $4\frac{1}{2}$ per cent., and acceptance rates have moved up $\frac{1}{8}$ per cent., but funds are still plentiful. This week's Federal Reserve statement reflects preparation for the end-of-the-month requirements. Discounts are \$20 millions higher, and other earning assets have risen by \$15 millions. The reserve ratio for the whole system is 75 per cent., and for New York 79.8 per cent. The market for oil shares has been unsettled by further cuts in gasoline prices. Cotton quotations are slightly easier on the publication of the Government crop estimate of 13,990,000 bales.

THE STOCK MARKETS.

The general volume of business, as in the earlier weeks of this month, has continued to be well above the normal August level. The abandonment of Bank rate hopes, and the somewhat firmer tone of the money market, led to a slightly easier tone in the gilt-edged market. The market for foreign bonds is good. Brazilian and Chilean have risen substantially, and French have been well supported on the strength of M. Caillaux's conversations with Mr Churchill. Home rails were a little better, while Argentine Rails were good on dividend prospects, and Brazilian Rails followed the lead of Brazil Government bonds. Good rubber shares continued to be steadily absorbed, but tea shares sagged, and the oil market was very dull. Shipping stocks have felt the effect of the strike threat. Feverish gambling in Courtaulds was followed by a severe shake-out. Tobacco shares reacted and recovered. Rhodesias attracted much attention, and Chartered, rising above 30 shillings, provided a feature of the week.

THE COMMODITY MARKETS.

Business remains quiet in most markets. Demand for pig-iron is confined to immediate requirements, and few steelworks have much work in hand, apart from makers of steel sheets and constructional material. The coal market is very depressed, Cardiff prices being now from 2s 6d to 3s a ton less than a month ago. An easier tendency in raw cotton rates has rendered buyers in Manchester less willing to operate, but Lancashire spinners as a whole continue steadily to improve their position. Work has been resumed throughout the woollen textile factories of the West Riding, but no large increase of business is reported up to the present. The wheat markets are quiet, in sympathy with conditions in American centres. Sugar remains steady, with spot business confined largely to British refined varieties. Demand for both coffee and tea is centred on the better qualities, common grades remaining weak. The rubber market has again been unsettled, with a fair amount of business passing at times. Among metals, tin pursues a downward course, copper has declined further, and lead, though better supported, remains irregular.

FOREIGN EXCHANGES.

In the foreign exchange market, business has shown more activity, and in especial the Paris rate, in sympathy with the debt negotiations, has fluctuated rather more widely than in the immediate past. From a closing rate of 103.45 on the 21st it improved at one time on Monday down to 103, but reacted to as high as 103.80 on Tuesday, and reached 104.20 on Wednesday, recovering again to 103.85 at the close. On Thursday it was down again for a time to 103, but yesterday morning, at 103.42 $\frac{1}{2}$, was much the same as a week ago, and the market after this week's excitement seems more inclined again to reserve judgment. Brussels, after last week's recovery, depreciated again slightly and stood at 107.37 $\frac{1}{2}$, as compared with 106.95 a week ago. Forward rates in Paris have widened from 50.55 centimes to 75.80 centimes per month above spot; on Brussels they are again unchanged at par—2 centimes below. After being rather stronger in the earlier part of the week the dollar has shown some tendency to sag, and at \$4.85 17-32 yesterday morning compared unfavourably with the quotation of \$4.85 $\frac{1}{4}$ a week ago. A stronger demand for forward is also shown by the narrowing of the rate from $\frac{1}{2}$ cent per month below spot to 1-32 cent below to parity. The movement is not unexpected, in view of the season, and of the London Bank rate policy. Of other European currencies the most decided movement has again been in Oslo and Copenhagen, where, in spite of a further reduction in bank rates, anticipations of a return to parity have brought a further fall in rates from 25.80 to 24.47 in Oslo and from 20.80 to 19.58 in Copenhagen. Stockholm, in the meantime, has moved in favour of this country from 18.06 $\frac{1}{2}$ to 18.09. The lira also shows a sharp recovery from 133 $\frac{1}{2}$ to 129 $\frac{1}{2}$ on a more optimistic view of the political outlook. Amsterdam, after a slight rise, has gone down again to 12.05 $\frac{1}{2}$, as compared with 12.05 $\frac{1}{4}$ a week ago. Switzerland stands at 25.06, as compared with 25.04 $\frac{1}{2}$ a week ago. Berlin, at 20.40, has moved slightly against us, as has also Vienna. Warsaw at 28 shows a slight improvement, and the recent fears of a collapse would seem now to be disappearing again. Prague and Belgrade are steady, Bucharest has depreciated a little. In the East the rupee stands at 1s 6 5-32d, or 1-32d dearer than last week, but the yen has moved from 1s 8 15-64d to 1s 8 3-32d. With indications of better demands from China and the satisfactory monsoon in India, the silver market, although still quiet, has been firm, with indications of strength in the near future. Hong Kong has moved up from 2s 4 $\frac{1}{4}$ d to 2s 4 $\frac{1}{2}$ d, but Shanghai has dropped from 3s 2 $\frac{1}{2}$ d to 3s 2 $\frac{1}{4}$ d. In South America Rio has continued to improve from 6 1-64d to 6 $\frac{1}{4}$ d, and discussion is already in progress for the right level for stabilisation. Buenos Ayres at 45 $\frac{1}{2}$ d is 5-32d lower, and Monte Video has fallen from 49 $\frac{1}{2}$ d to 49 $\frac{1}{4}$ d. Valparaiso is unchanged at 40 pesos.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended August 22nd:—

(000's omitted.)		Receipts.	
EXPENDITURE.	£	From Revenue	£
Supply Services	8,850	Decrease in Exchequer Balances	330
Interest, &c., on Debt	435		
Sinking Fund	490		
Decrease in Debt	4,791		
Road Fund	1,010		
Sundries	1,320		
	16,806		16,806

Revenue amounted to £16,469,900, against £18,437,300 in the corresponding period of last year. Customs yielded £2,135,000, against £2,809,000. Excise produced £7,221,000, against £6,668,000. Estate, &c., duties amounted to £1,080,000, against £2,030,000. Property and Income-tax yielded £3,792,000, against £3,569,000. Super-tax yielded £500,000, against £460,000. Special receipts yielded £52,800, against £521,400. The week's operations reduced the National Debt by £4,791,000, and caused the following changes:—

(000's omitted.)		Public Department Advances..	
Treasury Bills	£		£
National Savings Certificates ..	100		12,200
	7,409		12,200

The floating debt was reduced by £4,890,000 to £768,311,000.

FINANCIAL YEAR, 1925-1926 (April 1st to August 22nd).

£		£	
Total Expenditure..	308,279,581	Raised by Revenue..	281,564,630
		Decrease in Balances	3,847,056
		Amount borrowed ..	22,867,895
Total	308,279,581	Total	308,279,581
ESTIMATES for FINANCIAL YEAR 1925-1926.			
Expenditure	799,400,000	Revenue	801,060,000
Surplus	£1,660,000.		

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—Amalgamated Press, Illingworth, Morris and Co., Amalgamated Dental, and W. H. Chaplin.

ECONOMIST INTELLIGENCE BRANCH.

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

THE REPLY TO GERMANY.

The two main events of the week—namely, the Churchill-Caillaux conversations and the publication of the French reply to Germany—both denote progress in the sphere of international settlement. If in the case of the approach towards a Pact the progress is slow, we must content ourselves with remembering that slow and sure progress is infinitely better than the dash that fails. The best feature about the Allied Note to Germany is that it marks the end of written and the beginning of oral discussions. That decision having once been reached, no time is being lost in establishing the necessary contacts, for the legal advisers of the British, French, Belgian, and German Foreign Offices are to begin mapping out plans of procedure next week before the three former go to Geneva for the League Assembly. The fact is emphasised, and no doubt with justice, that nothing more than ways-and-means and legal technicalities will be brought under discussion at these preliminary conversations. At the same time, the personal position of Sir Cecil Hurst, M. Fromageot, M. Henri Rolin, and Dr Gaus happens to be such in relation to their respective Foreign Offices (though M. Rolin is not actually an official of the Belgian Government) that any agreement they may reach, and any direction they may give to future discussions, will represent a good deal more than merely an individual accord.

As to the actual Note handed by the French Ambassador to Dr. Stresemann on Monday, it might very well have been presented a good deal earlier than it was. It is now well over six months since the first German proposals were put forward, and for the leisurely rate of progress achieved since then the Allied Powers have been almost wholly responsible. There was, of course, no occasion for precipitate action. That might very well have wrecked the negotiations altogether. But one unfortunate result of the delay is that there now appears to be no prospect of an application by Germany for membership of the League of Nations during the coming Assembly. If the Allies had acted more in accord with their repeated declarations as to the imperative necessity of Germany's entry into the League, they would have robbed her of what are now very plausible reasons against applying at this eleventh hour. Even as things are, a bold policy might well be the soundest for the German Government itself. If even yet it decided to enter the League here and now, Dr. Luther and Dr. Stresemann would be in a position in three weeks or less to turn round and confound their domestic opponents by pointing to the spectacle of a German representative sitting at the League Council table on terms of absolute equality with the delegates of Great Britain and France and other States. Such a bold throw, however, is not in the German manner, and it is not to be reckoned among reasonably likely contingencies.

German objections to entering the League without reservations, indeed, are in no way diminished by the reply now sent by the Allies to the arguments in the German Government's Note of July 20th. Whether the objections themselves—they whittle down to criticism of the obligations that would be laid on Germany to take part in the possible imposition of sanctions by the League—have any real substance is a matter of opinion, but the Allies have clearly more than a merely technical justification for their contention that the question, if it is to be discussed at all, must be discussed by the League itself, not by two or three individual members of the League. It was the Council which replied to Germany on this point last March (and it is worth recalling that one of the most cogent arguments against special treatment for Germany was framed in a communication at an earlier date than that by the Swedish Government), but even the Council could take no final resolution on such a point. Only the Assembly can decide on the admission or otherwise of new States to the League, and its opinion cannot well be tested till Germany's actual application is before it. On every ground, therefore, the Allies are well advised to confine themselves, as they have done, to urging Germany to lay aside her misgivings and place a normal and unconditional application before the Assembly.

That is one of the three points to which the Allied communication professes to limit itself. The other two concern the inviolability of the Peace Treaties and the nature and implications of the proposed new treaties of guarantee. What the Allies have said about the Peace Treaties is what they might have been expected to say. It carries matters no further, but neither does it leave Germany any ground for complaint. There was never any real reason for taking exception to the view expressed in the last German Note that the Pact, if concluded, might have the effect of creating an atmosphere in which the whole question of occupation of German territory and other kindred matters would look different. It might, and it might not. If the Germans choose to predict that it would, their venture in vaticination hurts nobody. On the other hand, the Allies are perfectly justified in pointing out once more that the Peace Treaties constitute to-day the basis of the public law of Europe, and that any new agreements at present contemplated must take the existing treaties as starting-point. One passage in the Allied Note makes it clear that its authors have by no means forgotten Article XIX. of the Covenant, and to go beyond Article XIX. at the present moment is quite certainly not practical politics.

In many ways the most important part of the Allied reply is that dealing with the difficult question of the proposed guarantees. Their basis is to be a series of arbitration treaties to be concluded between Germany and her neighbours East and West. But what is the nature of

those treaties to be? It was inevitable that a difference of opinion should arise about that, Germany having in the last twelve months shown a marked preference for a type of treaty which submits all justiciable questions to compulsory arbitration, but provides in the case of non-justiciable disputes, that they shall be dealt with by a conciliation board whose recommendations neither disputant need accept. France, on the other hand, as well as Italy, Switzerland, Czechoslovakia, Poland, and other States, has been contracting treaties which provide for the peaceful settlement of all disputes, leaving no room for war between the contracting parties at all. Germany's first Note suggested that she contemplated in this case the more comprehensive type of treaty. Her second Note, however, made it clear that she did not, and it is not surprising that the Allies should now make it equally clear that they do. In the case of Germany and her neighbours, arbitration treaties that left loopholes for war would be of relatively small value, and it is interesting to observe that the British Government, which remains resolutely opposed to the principles of the Geneva Protocol, and even to so modest an approach towards a more comprehensive arbitration system as is represented by acceptance of the universal jurisdiction of the Permanent Court of International Justice, is completely at one with France in insisting that the treaties to be concluded between Germany and her neighbours shall cover every class of dispute.

From Germany's point of view the least satisfactory part of the Allied communication is the reply to the perfectly intelligible German objections to France's proposal to constitute herself guarantor of the contemplated treaties with Poland and Czechoslovakia. The new Note marks a distinct advance on its predecessors, in that it reveals a real appreciation of Germany's point of view. Its Allied authors are at pains to disclaim any idea of an "autocratic" or "unilateral" decision by the guarantor as to whether conditions have arisen which call his guarantee into play, and it is frankly admitted that the whole question needs further study. It certainly does, as everyone familiar with the discussions on the Treaty of Mutual Assistance and the Geneva Protocol knows well. What both Great Britain and France apparently want is to go as far as they can towards making the League Council the arbiter as to whether a *casus foederis* under an arbitration has arisen, but there remains the genuine difficulty of a case of sudden aggression in the face of which the interests of one party might be seriously prejudiced either by lack of promptitude on the part of the Council, or by failure to reach unanimity. In none of the Geneva discussions of the past three years has this difficulty been satisfactorily solved, and a great deal more thought must be given to it yet.

But if the Allied Note changes the actual situation relatively little, its chief value, as has been said, being that it marks the transition to oral negotiations, its temper is good, and so far as there is movement, it is movement in the right direction. The first indications are that the Note has made a good impression in Germany. On the whole, it should, for it is a hopeful prelude to conversations that show a reasonable promise of yielding tangible results.

PROTECTION AND WORLD TRADE.

THE possibility of a settlement of the Inter-allied debt problem, and that the United States may shortly find itself in the position of being the only recipient of the sums which Germany is to pay under the Dawes scheme, is once more reviving interest in America in the problem of how these debts are to be paid. The fact revealed by the recent report of the Balfour Committee that the United States is by far the most highly protectionist of the great industrial countries—with an average tariff on British goods of 32 per cent., compared with 19 per cent. before the war—lends special point to these discussions. In the current number of the *Chase Economic Bulletin*, the problem is discussed by Dr Anderson, who takes occasion to point out some home truths about the effects of tariffs.

His dissertation starts with this illuminating statement, which we commend to the attention of our tariff re-

formers. "A protective tariff is effective only to the extent that it reduces supplies in the domestic market." He then proceeds to explain that "a protective tariff can build up an industry which would not otherwise be developed in a country because the country's aptitudes in other lines are greater. It does this, however, only at the expense of other industries, by drawing labour and supplies away from them, or by imposing burdens on them." Dr Anderson then goes on to develop this thesis by explaining the character of the industries which the United States is not naturally adapted to develop, but has stimulated artificially by means of her high protection. His view is, however, that the group of industries dependent upon the tariff, though important, are a minority of American industries which in the main rely upon their high efficiency, high quality labour supply, and the abundance of natural resources and of capital. The removal of the tariff would not destroy the hot-house industries, but would greatly reduce their size. Dr Anderson proceeds to point out in orthodox fashion that "the rest of our industries are injured by the tariff in one or both of two ways—(1) because their costs are raised to the extent that they have to make use in the processes of production of commodities which are higher priced because of the tariffs on them, or on their component parts, and (2) because in many cases the rest of our industries are dependent in a greater or less degree upon foreign markets, and their foreign markets are injured by the reduced ability of their foreign customers to sell goods in the United States and get dollars with which to buy the goods they wish to export." Instances of this are agriculture, whose costs are raised and whose foreign markets are reduced; export industries such as the Ford works; and occupations working exclusively for the domestic market, which are injured by high costs. We have not space to follow Dr Anderson through his lengthy list of industries, which are in one way or another damaged by the tariff. It includes most of the big industries of America. Lastly, says Dr Anderson, "everybody is hurt by the tariff as a consumer." Everybody pays more than would be necessary if there were no tariff. This extra payment "constitutes the subsidy which the country supplies to certain industries to enable them to bid away labour and capital from other industries which could use the labour and capital better if there were no tariffs."

After this unimpeachable *exposé*, however, Dr Anderson somewhat shirks the logical conclusion by observing that his analysis is not a demand for Free Trade, but an argument for moderate tariffs. The argument, he says, is consistent with the view that in early periods the tariff has had the useful result of stimulating industries and bringing them into existence earlier than would otherwise have been the case, and in giving a greater diversification of industry than America would otherwise have had. "Recognition may also be given to political and military arguments on behalf of tariffs in certain key industries needed for self-sufficiency in time of war." But above all it would, in his view, be unwise to disturb abruptly the existing situation. He is, however, anxious that America should recognise that it is paying the price, and should give great weight to the new world situation which requires that America must become on balance an importing nation. In Dr Anderson's view, if this day is constantly postponed by an excessive tariff, and American exports financed by American capital, "we may continue, despite our existing tariff policy, to have a large volume of exports for a long time with an appalling credit congestion when the day of reckoning finally comes."

America, however, can perhaps afford the luxury of a tariff with comparatively little damage to herself. Europe cannot. The volume of production in the old world is still well below normal, and shows very little resilience and power of expansion. One of the conditions necessary for trade recovery is rapidly being created by the fixing of the major currencies of Europe in relation to one another. The recent depression of the Polish zloty has raised a doubt as to whether these stabilisation plans are as secure as has been assumed. But there are special reasons to account for this Polish failure, and we do not think it need be taken as indicating a fundamental weakness in the laboriously constructed network of

rehabilitated currencies. Monetary stability, however, is not sufficient in itself to lift the level of production. We cannot expect to enjoy a general recovery so long as the nations impoverished by the war pursue the impracticable ideal of self-sufficiency. There are signs that the nations are slowly realising that the restoration of freer interchange constitutes the second great step in European recovery. This problem, so far as it affects Central Europe, where tariffs have run to excess, is likely to come under discussion at the forthcoming meeting of the League of Nations. An even more important aspect of it is the policy of Germany, which has just passed through the Reichstag a new tariff bill. We have had occasion recently to point out that the effect of rising prices has been to make the existing German tariff a relatively low one. We have not yet had an opportunity of examining in detail the new duties; but they will probably raise the average level of the tariff to something like the pre-war level, possibly even higher. Leading features of the new Bill are (a) that the new duties are provisional only, pending the final readjustment of the 1902 tariff, which it is expected will be completed by 1927; (b) the food duties, which were swept away by the war, are restored in the form of moderate agricultural protection; this has been most strenuously opposed by the urban population, but it has been impossible to resist the argument that if industrial protection is to be increased the counter-claim of agriculture cannot be ignored; (c) the present tariff imposes maximum duties, with wide powers to the administration to reduce them in return for tariff concessions. In other words, the present tariff is in form largely a bargaining weapon. But its opponents are convinced that its real intention is to retain the new maximum duties.

The expectation that countries may have to bargain for concessions from Germany has already had the effect of inducing Poland to impose a ludicrously high tariff in order to have something to give away, and if other countries follow suit it will justify the German opponents of the present bill in saying that it will inevitably raise additional barriers to Germany's own export industries. It would be deplorable if, at a moment when organised efforts to set Europe on its legs seem to be nearing success, the whole situation should be thrown back into the melting pot by an outbreak of economic war. While it is improbable that the new German tariff will do more than restore the pre-war situation, it is nevertheless a retrograde step. As soon as Germany comes into the League of Nations the time will be fully ripe for an international conference, the first object of which should be a tariff armistice to prevent the present situation degenerating into a series of minor tariff wars; and, secondly, to see if by general discussion it may not be possible to assist the economic recovery of Europe by allowing the specialisation of industry to follow its normal course.

The world is in two minds about Protection. Nationalist instincts, the pressure of interested parties, and the desire to ward off competition, and seek economic shelter, are as strong as ever. But the painful experience of recent years has shown that the nation, like the individual, which tries to be Jack-of-all-trades, impoverishes itself; that to ruin one's customers means ruin to oneself; that, on the other hand, international trade enriches both parties concerned, and that no nation in Europe can hope to lift itself into an assured state of material prosperity unless the standard of well-being of the whole Continent is raised. If and when these lessons have been learned, and taken to heart, we may be confident that the Protectionist tide will begin to ebb.

THE FRENCH DEBT.

THE Anglo-French negotiations have this week reached a point at which a settlement of France's debt to England is within sight. After three days of vigorous discussion Mr Churchill proposed, with the approval of the Cabinet, that we should accept an annuity of 12½ millions sterling a year for 62 years, and M. Caillaux has gone home to lay the suggestion before his colleagues. This offer constitutes a substantial writing

down of the British debt, and it is made only on the assumption that America is prepared to settle on a similar basis. It would clearly contribute little towards the settlement of Europe for Great Britain to make this sacrifice if the only effect is that France is asked to pay more to the United States. The agreement, therefore, can only be signed, sealed, and delivered when France's negotiations in Washington are concluded. Moreover, there are some outstanding details in the Anglo-French agreement, which are of considerable importance. In the first place, it is intended that the annuities should be modified in the first few years while France's Budgetary position is strengthened. The annuities lost in this way will be added to future payments. The case for this partial moratorium is largely that France is already committed to pay during the next few years substantial sums in connection with her commercial debts. (The amount of these payments is fully set out in a later column by our Paris correspondent.) In the second place, France still desires that part of this annuity should be contingent upon her receipts from the Dawes plan; public opinion in France still firmly holds to the doctrine that the total demand which England and America make upon her should not exceed her receipts from Germany. If America settles on a similar basis to the English offer France will be covered if the Dawes annuities yield from 50 to 60 per cent. of their maximum. The risk she runs, therefore, is not a very serious one. As Great Britain has agreed to pay the United States in any case, it is not unreasonable that France should be asked to run this risk unless America is prepared to make her settlements contingent on German payments.

A more serious consideration is, however, the fact that the present proposal is for 62 years. No one knows how long the Dawes annuities will last. The Dawes Committee left the question indeterminate, and it will remain so until the final total of Germany's debt is fixed. Clearly if the Dawes annuities are to cease in, say, 30 years, the Allies would be left with a heavy burden for a generation. That, however, is a problem that may perhaps be safely left to the future. A third point is the French suggestion that the annuities should be subject to modification if the French exchange is in danger. This is not likely to happen. Apart from the fact that France may be covered by her Dawes receipts, she is in a strong position to make payments abroad. Her trade balance is already affording a surplus available for investment abroad. Her main difficulty, unlike that of Germany, is therefore not a question of "transfer," but a budgetary problem. Moreover, as Lord Bradbury has pertinently observed, it is reasonable to make payments contingent upon the state of the exchanges if a country's creditors have some control over internal monetary and budget policy. It is a very different matter for payments to be dependent upon the exchange situation in the case of a country where no such supervision is practicable. Our readers will remember that as long ago as last February we suggested that 12 millions sterling was a sum on which a practicable agreement might be reached provided America will fall into line on a similar basis. In our view, France can well afford to accept the British offer without conditions.

Lord Bradbury, in commenting upon the settlement, suggests that it is very desirable for this annuity to be converted into an obligation of the French Government to private individuals by raising a French loan in England, with the proceeds of which the annuity of £12½ millions would be redeemed. There is very much to be said for this course. It is, however, desirable on one condition only, namely, that the whole of the debts, including that of Germany to the Allies, are similarly converted into private obligations. Debts between governments are capable of being modified by negotiation if political conditions change. The time will be ripe for commercialising the debts, and finally taking the whole question of international war payments out of politics when we know how much the Dawes annuities will yield, and whether transfers under that scheme are practicable. Almost before M. Caillaux has reached Paris the cables are busy with disturbed American com-

ments. The New York Press appears to regard the London conversations as a plot between two cunning politicians to embarrass Washington. Such a view has no substance. All that has been attempted is a tentative agreement, conditional upon America taking a similar view, based on the simultaneous regard for Britain's proper claim and France's capacity to pay; and French capacity to pay is a factor which Washington will presumably find it as necessary as London to take into account.

THE DISPUTE IN THE WOOLLEN TRADE.

(BY A CORRESPONDENT.)

THE recent dispute in the wool textile industry and the forthcoming inquiry has drawn attention to the condition of one of our staple industries. During the war no industry was under more complete Government control than the wool textile trade, whose output was primarily needed for the clothing of the British and Allied forces. After the war, when the Wool Control Board was abolished, the industry entered upon a period of extraordinary prosperity. It will be remembered that during the régime of the Profiteering Act Department various branches of the industry were the subject of investigation by Sub-Committees set up by the Central Profiteering Committee. The Reports showed that in certain branches of the trade substantial profits were being made. This, in the circumstances, was natural enough. After the boom, however, the wool textile trades had their bad time.

It is doubtful, however, whether they have suffered as acutely as the cotton industry, and they certainly have not passed through such a period of unrelieved gloom as, say, the tin, iron, and steel trades, or the engineering industry. They have, nevertheless had their own peculiar difficulties. Whereas the bulk of the looms in the cotton trade work for export, the majority of the production of the wool textile trades is for the home market. Probably about two-thirds of the total output of the industry is consumed at home, though the proportion is rather less as regards the various worsted products. In consequence, therefore, any serious restriction of home consumption must have a serious adverse effect on the woollen trades. It is generally admitted in the West Riding of Yorkshire that curtailment of purchasing power, as a result of both wage reductions and unemployment, is one of the chief reasons for the present plight of the industry, more especially as clothing is a necessary on which economy is possible. Attenuated dresses and the use of knitted fabrics have also helped to restrict the consumption of the West Riding products. Moreover, clothing prices rule much higher than the general level of retail prices, and tend, therefore, to a restriction of purchase. The latest Ministry of Labour figure puts the rise in the cost of living at 73 per cent. over July, 1914, whilst the "prices of men's suits and overcoats, underclothing and hosiery, textile materials and boots" appear to be from 125 to 130 per cent. higher than before the war.

As regards the export of woollen and worsted yarns and fabrics, there has been since the war, except in the worsted goods, a steady increase up to the end of last year. A change in the method of calculating exports renders comparisons between pre-war and post-war exports difficult. But it appears that the quantity of woollen tissues exported was last year and the previous year about the pre-war level. The export of worsted yarns was in 1924 about 90 per cent. of the export in 1913, whilst the export of worsted tissues was barely three-quarters of what it was in the year before the war. This year, however, on all three classes of exports, shows a decrease on the first months of last year, due principally to a fall in the trade with the Far East. It may be noted that the decline in the export of worsted tissues is not a post-war phenomenon, as the export was declining in the years before the war.

The restriction of exports is due to a variety of reasons, of which the chief are the impoverishment of foreign customers, high prices of British products, and collapsed exchanges abroad. Very considerable emphasis has been placed on French competition, both in the home market and abroad, because of the advantageous position France enjoys, so far as exports are concerned, because of a depreciating exchange, and the disparity between her internal price level and external prices. There is clearly an obvious advantage in this respect; but all but an insignificant fraction of her raw wool is imported from abroad, and for this she has to pay world prices. Whilst, therefore, her exchange has been a subsidy on exports of manufactured goods, it is a handicap on the imports of raw materials, which latter offsets to some extent her advantages under the former head.

There is, however, no doubt about the expansion of the French wool textile trades, though the real position is obscured by the cession of the textile centres of Alsace-Lorraine to France, the trade of which now swells the French total. It is not, however, the exchange position which is solely responsible for the growing activity of the French wool textile industry, nor, indeed, the lower wages of the French operatives. A more significant, and more permanent, factor is the re-equipment of the industry. Four-fifths of its machinery lay in the direct path of the German invasion during the war. "During the war," we are told, "France was deprived of nearly all its working mills." Since the war the industry has been largely reconstructed. The wool textile centres developed during the war—Vienne, Lyons, Castres, Mazamet, &c.—have been further expanded; the older centres have been re-established. "The net result appears to be that the French woollen industry, which lost in the war through destruction or removal 50 per cent. of its carded wool spindles, over 60 per cent. of its combed wool spindles, and about the same percentage of its looms, has refitted its formerly existing or its newly-built and greater-scale factories with the most modern machinery, has received the accession of over half-a-million spindles and 7,000 looms from Alsace, has seen the uprising of new factories in erstwhile non-woollen centres, has increased its range of production, and accordingly emerges as a greater force and contains greater potentialities in 1924 than in 1914."†

Apart from French competition, however, there is the growing home production of wool textile fabrics of countries which hitherto were unimportant. Italy, for example, is manufacturing more. Japan is an increasing consumer of wool, though the quality of her products is as yet inferior. Australia has ambitions to become a woollen manufacturing, as well as a wool-producing, area. Further, it must be said, the British producer has had, particularly since the war, to surmount a rising wall of tariffs.

As regards its foreign trade, however, the wool textile industry is in no worse case than other British industries endeavouring to cultivate impoverished markets and facing the competition of new rivals. For these difficulties there are no real solutions apart from general international reconstruction, with all its implications, and increased efficiency in British industry.

This raises a point which the West Riding must face. The wool textile industry is one of our most complex trades. In some respects, perhaps, it does not lend itself to unification to the same extent as the cotton industry. But the variety of organisation with the woollen and worsted trades seems to indicate that the industry is searching for a more effective grouping of its various branches and processes. The industry is still, in general, a small-scale industry. This is not the occasion to enter upon a description of its organisation. It is sufficient to point out that it is only in the preliminary process of combining and the later stages of dyeing and finishing that large-scale production has established itself, though there are a few large-scale businesses in the intermediate processes. It is, of course, unwise to dogmatise, but it is clear that in view of the economic outlook the wool textile industry cannot avoid a serious consideration of its whole organisation, not because it has failed in the past, but because it

* "Economic Conditions in France, 1924." Department of Overseas Trade.
† *Ibid.*

may not prove adequate to meet the needs and requirements of the future.

Moreover, few of our industries have that respect for research which is essential under modern conditions. The wool textile industry has its Research Association, which has fully justified itself, but which has not, as yet, won that support from the industry to which it is entitled, though with the renewal of Government help, which it has obtained for a further period, it will, it may be hoped, become a powerful ally to the whole industry.

A further difficulty which menaces the industry is the supply of raw material. There was reason for perturbation before the war; there is far greater reason to-day. So far as can be ascertained, the world's output of wool is to-day appreciably less than it was before the war. This is largely a problem for the British Empire, which is the largest producer. The number of sheep in Australia is less than in pre-war days, whilst there has been a slight fall in the New Zealand flocks. Our own supplies have fallen, as have those of both South and North America. But for the large stock of Australian wool which fell into the hands of the British Australian Wool Realisation Association after the war, the situation would have been desperate. This stock, however, is now exhausted, and a shortage appears to be imminent.

Unfortunately, there has been no concerted policy to deal with this situation. There is no wool textile equivalent of the Empire Cotton Growing Corporation. There is an opportunity in this direction for the development of Empire trade, as, apart from the extension of the present Commonwealth sources of supply, there are other parts of the Empire which might develop wool production.

The wool textile industry has since the war been handicapped by the high prices of raw wool. This year, however, has witnessed an appreciable fall in price, which, whilst it should be of some assistance to the industry, cannot be regarded as a return to lower basis, as with a strengthening demand and no immediate prospect of an appreciable increase in supplies, prices may again rise.

Whilst it may be true that the post-war story of some of our industries is more tragic, the situation in which one of our oldest industries finds itself to-day illustrates the real difficulties with which British industry and commerce are faced, and from which they can escape only by persistent effort, foresight, and statesmanship.

WAGES IN AGRICULTURE.

As a result of the agreements arrived at in recent months by the Agricultural Wages Committees, and confirmed by Orders of the Agricultural Wages Board, a new level of wages has been established in the agricultural industry in England and Wales which appears likely to be maintained for some considerable time. It is opportune, therefore, to review the position and to examine briefly the stages by which the present level of wages has been reached.

The minimum weekly rates now in force for ordinary labourers range from 29s in Norfolk and 29s 2d in Berkshire and Suffolk to 37s 6d in North Lancashire and Glamorgan and 42s in East Lancashire, the weighted average being about 31s 6d a week. In only three areas are the rates below 30s, and in five above 35s. In nearly half the areas the rates are 30s or 31s a week. These minimum rates are subject to deductions of specified amounts in cases where allowances in kind are granted, and for purposes of comparison with rates before 1918, when rates of a similar nature were first fixed, it is necessary to use, for the earlier years, statistics as to cash wages, plus the value of allowances. On this basis the average rate of 31s 6d compares with one of 18s in 1914, thus showing a rise of 75 per cent. The increase in the weekly rates has not shown much diversity between one district and another, being usually 13s to 16s a week; but there has been a much wider dispersion in the increases expressed as percentages on the pre-war rates. In the following table a selection of the rates in 1914 and at the

ALL BRANCHES OF
INTERNATIONAL BANKING

**BANKERS TRUST
COMPANY**

HEAD OFFICE, NEW YORK
16 WALL STREET

LONDON PARIS
26 Old Broad Street 3 & 5 Place Vendome

present time is given for a few of the more important areas:—

	1914.	1925.	Increase	
	s d	s d	Per Week.	Per Cent
Berkshire	15 3	29 2	13 11	91
Cambridgeshire	15 1	30 0	14 11	99
Cheshire	19 10	35 0	15 2	77
Derbyshire	21 4	36 0	14 8	69
Dorsetshire	14 7	30 0	15 5	106
Herefordshire	17 2	31 0	13 10	81
Kent	18 0	32 6	14 6	81
Norfolk	14 4	29 0	14 8	102
Salop	16 5	31 6	15 1	92
Wiltshire	15 0	30 0	15 0	100
Yorkshire (North Riding) ..	19 9	33 0	13 3	67

Briefly, the figures show that the pre-war position in the wages scale of the various countries has been generally maintained, and that as the money amount of increase has been more or less uniform, the percentage increase has been smaller in the higher-paid areas than in those where the lower rates prevail.

The material available for the purpose of tracing the course of wages since 1914 is, unfortunately, not of a homogeneous nature, but it is possible to derive from it certain general indications. By the summer of 1917 the pre-war average rate of 18s had been raised to about 26s 3d a week. In the following year a minimum of 30s became payable under the Corn Production Act. Between May, 1919, and September, 1921, the minimum rates fixed by the Agricultural Wages Board were as follows:—

	Range of Rates.	Average Rate.	Increase Over 1914.
	s d	s d	%
May, 1919	36 6 to 42 6	37 9	110
April, 1920	42 0 to 46 6	43 0	139
August, 1920	46 0 to 52 0	46 9	160
September, 1921 ..	42 0 to 47 0	42 6	135

With the repeal of the Act and the setting up of the voluntary conciliation committees wages fell rapidly. By June, 1922, the average had fallen to 32s a week, or 78 per cent. above the pre-war level, and by December in the same year to 28s, an increase of only 55 per cent. The actual range of rates at the latter date was 25s to 35s a week. This marked the bottom of the depression, however, and wages remained practically stationary till the Act of 1924 came into operation. The Committees appointed under this Act quickly got to work, and, as indicated above, have now fixed rates which show an average rise of about 3s 6d a week over those previously prevailing. It will be observed that at their highest point, from August, 1920, to September, 1921, agricultural wages showed an increase over the pre-war level not markedly below the average increase in the cost of living. During the greater part of the subsequent three years, however, a distinctly low level was reached, from which recovery has only been made in the last few months. A further feature of the wage history since 1914 has been the fact that when the rates were at their highest the margin between the lowest and the highest paid districts was at a minimum. In 1914 the rates ranged from 13s to 21s a week, a difference of 8s. In 1919 to 1921 the difference fluctuated at various dates from 4s 6d to 6s. By the end of 1922 it had increased to 10s (25s to 35s), and to-day it is 13s.

In making wage comparisons over a series of years it is necessary to refer to the changes which have occurred in the length of the working week. In 1914 the hours varied considerably, and although no comprehensive details are available on the subject, it is probable that they were generally 60 per week or more. At the present time the statutory minimum rates for ordinary labourers are payable in respect of a week of 50 to 54 hours in nearly all areas in summer and 48 to 54 hours in winter. For work in excess of these hours overtime rates are payable.

In most of the counties the Wage Committees have specified the amount which may be deducted from the minimum rates in respect of cottages provided by the employer, or of board and lodging. In a few districts also values have been assigned to other allowances, such as milk and potatoes. The deduction for board and lodging for adults ranges from 14s to 17s a week, being usually 15s, and that for a cottage from 2s to 4s, usually 3s a week. A strict comparison between these amounts and the pre-war value of allowances is not practicable, but before 1914 the weekly estimated value of all allowances granted to men provided with food, or board and lodging was about 8s a week for the country as a whole.

In conclusion, it is of interest to compare the course of wages in agriculture with those of unskilled workers in certain other industries. This is done in the following table:—

End of Year.	Agriculture. (Average).		Railway Porters (Rural).		Engineering (Average).		Shipbuilding (Average).		Iron and Steel (N. of England).	
	s	d	s	d	s	d	s	d	s	d
1914.....	18	0	18	0	22	10	22	10	23	0
1917.....	26	3	39	0	44	10	44	10	45	0
1918.....	30	0	51	0	54	6	54	6	59	0
1919.....	37	9	51	0	64	0	64	0	64	6
1920.....	46	9	65	0	70	6	70	6	71	6
1921.....	36	9	57	0	59	0	59	0	47	0
1922.....	28	0	47	0	40	2	39	0	32	9
1923.....	28	0	45	0	40	2	38	5	33	6
1924.....	28	6	45	0	40	2	38	5	41	2
1925 (Aug.)..	31	6	46	0	40	2	38	5	41	2

It will be seen that in the years 1917 to 1920 agricultural wages failed to maintain their position in the wages scale relative to those of the other classes of unskilled workers specified. In 1914 the agricultural labourer received about 80 per cent. of the wages paid to labourers in the engineering, shipbuilding, and iron and steel trades. In 1920 he received only about 65 per cent. The decline in wages in 1921 and 1922 was more marked in the metal trades than in agriculture, however, and the relative position of the farm worker improved. In fact, at the end of 1921 certain of the agricultural rates exceeded those paid to some iron and steel works labourers. At the present time the relationship is almost identical with that of 1914. The comparison of agricultural wages with those of rural railway porters, who are frequently of a similar type to the farm worker, and live under identical conditions, is of considerable significance.

CHARTERED.—II.

WE dealt last week with the latest balance-sheet and income prospects for the current year. The deductions arrived at indicated a yield incommensurate with the price ruling, and consideration is now given to how far, within the reasonably near future, returns to shareholders are likely to increase. Sources of revenue may be classified under three headings—investments, mineral royalties, and land.

Investments represent the largest aggregate item in the balance-sheet, and their composition has already been referred to. The principal holding is 87 per cent. of the issued capital of the Rhodesia Railways Trust. By an interlocking of ordinary share capitals and guarantees in respect of bond issues of the companies forming the whole Rhodesian railway system, the British South Africa Company is virtually residuary owner of all assets and profits after preferential capital and interest are provided for,

and this is embodied in their trust holding. Profits from this source brought £86,000, or 5 per cent. in 1923-4, and £104,000, or 6 per cent. for the present year. Expansion in gross and net traffics continues, and profits should be higher again next year. After that period the position will probably undergo a change, due to two causes. The first arises from the fact that one-third of the total traffic last year was derived from the great Union Minière mine, operating in the Belgian Congo, which, on completion of the Benguela railway, will naturally divert its traffic over that line, saving several hundred miles of land journey and a much longer ocean distance, while the newly equipped Bwana M'Kubwa mine will require, like the Union Minière, lessened import of plant, and avail itself of this route for shipment out and in of its production and requirements. The second and somewhat indefinite factor is the necessity of large railway extensions foreshadowed by the chairman of the "Chartered" Company at the last meeting, involving fresh capital expenditure, and time for development of new traffic. Different influences considered, it seems as though not more than 7 per cent. annually may be looked for from this holding for considerable years to come, which would give £120,000 annual income. The only other important investment which on known prospects may bring any large added profit is the Wankie Colliery holding. Unique as being the only important coal producer in Rhodesia, and possessing inexhaustible supplies which are increasingly in demand, this company's dividend in a few years might conceivably rise to 30 per cent. per annum. This figure would bring a yearly revenue of around £150,000 gross to the Chartered Company. The company also holds one-third of the vendors' shares, against commuted royalties, in Bwana M'Kubwa, at present a lively medium for speculation. On a favourable computation dividends will not give the Chartered Company more than £20,000 to £30,000 a year. Other fluctuating income from investments, using due optimism, might rise by £30,000 yearly. Therefore, by 1927 onwards gross annual return under this heading may total something like £460,000.

Discussing next Mineral Rights, these may be regarded as the biggest gambling potentiality in the company's assets, but only because of the great territory over which they are owned. Nothing is at present known to indicate any early material growth of income from this quarter, and the cautious investor might wisely examine with care the intangible, optimistic reports at present circulating in regard to Rhodesian mining generally. The only two new mineral propositions which may contribute in any magnitude to value of output within the next few years are the Bwana M'Kubwa and Rhodesian Brokenhill mines. The former may pay a moderate maiden dividend next year, and the latter is not likely to resume distributions for at least three years. Up to the present the sum invested by the public in Rhodesian mining ventures has given a wholly inadequate return in dividends, although to the end of last year £74,138,917 represented the total mineral output in 35 years, apex of production being reached in 1916. Royalties, &c., in 1924 brought £110,000 to the British South Africa Company on a production of £4½ millions, and until this is considerably added to, revenue from this asset cannot be much increased.

Land rights covering over 10 million acres will perhaps in years to come prove the most valuable of all assets. Infusion of new mercantile activities by accession to the board of gentlemen associated with important commercial interests implying bigger agricultural development ought in time to yield material results to shareholders, but pioneer work is only now passing to a problematical profit-earning stage, and the chairman at the annual meeting pronounced against undue expectations in regard, for instance, to cotton growing by warning shareholders of the need for experiment and patience. The funds which the company has invested in various forms of husbandry are not sufficient, meanwhile, to add any great sum to revenue.

Looking broadly at the land position, two main essentials are still required, first, largely developed branches, as feeders for the trunk line of railway already established, and next a constant and important flow of immigrants. In the interval it is difficult to see from what

sources a net revenue amounting to anything like £1,300,000 annually is forthcoming, which would be the sum required to pay 10 per cent. on present capitalisation.

Notes of the Week.

Working of the Coal Subsidy.—The first month of the operation of the coal subsidy, writes our Cardiff correspondent, has been marked by a serious decline in the market f.o.b. prices of South Wales coals. The prices of these coals had been steadily falling up to the middle of July. The pace of the recession was slow—as a matter of fact, slower than that at the other coal-exporting centres of the country. In July the average f.o.b. price of all the coal exported from South Wales was 23s 4d, compared with 23s 11d in January, a decrease of 7d per ton, compared with a decrease of 1s 6d per ton over the same period in the average f.o.b. price of all the coal exported from the United Kingdom. There was one good reason for this relatively steadier course of South Wales prices. The loss on production in the South Wales coalfield has been greater than that in any of the other coalfields, and on this account colliery companies have been more reluctant to make concessions to consumers. In the last fortnight of July, when the menace of a national stoppage was hanging over the industry, prices hardened, and they closed on an average from 1s to 2s per ton above the price level at the end of June. How sharp has been the fall during the past month is shown in the following table comparing the prices of representative coals on July 28th and August 28th:—

	July 28th.	August 28th.
Best Admiralty large....	27/- to 27/6	24/- to 25/-
Second large	26/- to 26/6	23/- to 24/-
Best dry large	26/- to 27/-	23/6 to 24/-
Black vein large	26/- to 26/6	22/9 to 23/-
Western valley large	25/9 to 26/3	22/3 to 22/6
Eastern valley large	25/- to 25/6	22/- to 22/3
Best small steams	16/6 to 17/-	12/6 to 13/6

The decreases, it will be seen, range from 2s 6d per ton in the better classes of large steam coals to 3s 6d per ton in the case of the Monmouthshire large coals. Under the Government settlement the South Wales coalowners are paying for the month of August a general wage rate of 17.95 per cent. on the standard rates. The difference of 24.27 per cent. between that rate and the minimum rate of 42.22 per cent. is met out of the subsidy, and it is estimated that the contribution of the State to the wages bill is equivalent to from 2s to 2s 6d per ton. The average fall in the price of coal, measured by current market quotations, and not by the average pit-head price realised by the colliery owners for all the coal sold by them during the month is, therefore, actually greater than the reduced labour cost now borne by the coalowners. In other words, on current market rates the whole of the benefit of the subsidy has been remitted to the consumer, principally foreign. Attention may be drawn to one or two considerations that are suggested by these price movements. One is that the 13 per cent. of the divisible proceeds conceded to the owners under the Government settlement has been largely, if not wholly, fictitious. It is probable that the next ascertainment will show that the proceeds were almost entirely absorbed by the 17.95 per cent. general wage rate of the standard which the owners have to pay, and by costs of production other than wages. Another is that the drain on the subsidy from South Wales during September will be greater than it was in August. There has been a considerable decrease in the volume of trade as well as in prices. Proceeds have, therefore, declined, and costs of production other than wages have increased relatively to the output. The gap between the minimum wages which must be paid and the wage the owners can pay after the deduction of 13 per cent. of the divisible balance will be very much widened, but the Treasury must fill the whole of that gap, and its contribution for September may quite possibly be equivalent to over 3s per ton on the total quantity of coal raised. The position in the other coal-exporting coalfields is very much the same.

Swarajists and the Assembly.—The election of Mr. V. J. Patel to succeed Sir Frederick Whyte as president of the Legislative Assembly in India (by 58 votes against 56 given for the Madras Independent, Mr. Rangachariar), was a victory for Swaraj over its political opponents. The speech by which Mr. Patel signalled his accession to office was a victory for public spirit and common sense over Swaraj. The mere acceptance of the office of Speaker by a leading Swarajist was in itself a complete abandonment of the policy of non-co-operation, and as if that were not sufficiently obvious, Mr. Patel, in an altogether admirable declaration, said he had from that moment ceased to belong to any party, and asked his political associates to pass a resolution absolving him from all the obligations of a Swarajist. The Swarajists, he observed, had been described as destructive critics; their duty was now to show that they knew how to construct. For himself he was entirely ready to co-operate with the official benches. The declaration, as was not surprising, met with a warm response from every quarter of the Assembly, and the *Times* correspondent goes so far as to describe the sitting at which the declaration was made as the most extraordinary ever held. Welcome as so striking and unexpected a manifestation is, not too much must yet be built on hopes of a new measure of co-operation by the Swarajists, for almost the first division taken after the new President had assumed office resulted in the adoption of a Swarajist resolution condemning the *personnel* of the Currency Commission, whose appointment was announced by the Viceroy in his speech at the opening of the Assembly ten days ago. There is no ground whatever for such criticism of a thoroughly competent and impartial body of men, though no harm might be done by the appointment of one or two more Indian members, so that it could not be said that the British members were designedly in a majority.

The Canton Boycott.—Apart from its aspect as a deliberate act of hostility, the embargo on British and Japanese shipping proclaimed by the Canton Government has caused more serious apprehension in this country than is warranted by the circumstances. It can hardly worsen the present trade paralysis of Hong Kong, and if made really effective, a somewhat doubtful contingency, it would cause as much harm to Chinese interests as to those against which it is directed. Hong Kong and Canton are complementary to one another, for while the British Colony is a clearing house at which steamers from all parts of the globe load and discharge, Canton is the principal distributing centre for South China, and the collecting point for much of the produce of the interior, silk being the most valuable commodity in that category. Through neglect of port development opportunities, Canton has no facilities for the reception of large ocean-going vessels and its shipping is confined to native junks and coasting steamers. The bulk of China's coasting trade is in British hands, and there are few regular steamers excluded from the ban. Of Canton's imports, a certain proportion of coal and rice is received direct, but the balance is largely drawn from Hong Kong, whence it is transported by junk or river steamer, which return with silk and native produce for transshipment abroad. The river steamers play an important part in the commerce of Hong Kong, serving the various ports of the Canton River delta. Statistics for 1924 show a total tonnage for river steamers, i.e., arrivals and departures at Hong Kong, amounting to 7,365,000 tons, of which 6,524,000 were British. Some idea of the dislocation of trade which would ensue were the Canton embargo on British and Japanese shipping to be strictly enforced, or become general, may be gleaned from the following figures, which have reached us from a Chinese source:—

SHIPPING IN CHINESE WATERS, 1920-1924.
(Thousand Tons.)

Flag.	1920.	1921.	1922.	1923.	1924.
British	40,316	42,326	47,698	51,965	55,716
Japanese	28,192	31,739	32,961	33,289	34,760
Chinese	27,653	31,791	32,858	32,434	33,388
All other nations	8,106	8,764	10,614	13,617	17,569
Total	104,267	114,620	124,131	131,305	141,433

In 1924, British and Japanese tonnage was no less than 64 per cent of the whole, Chinese 24 per cent., while shipping of all other nations accounted for only 12 per cent. It is obvious that if the Canton Executive succeeds in obstructing this service, the millions inhabiting South China will be the greatest sufferers, and will be thrown back to the state which prevailed before China was opened to foreign trade. Such a result seems hardly in accordance with the highly-coloured visions of national prosperity which is to ensue when the foreigners, or rather the British, are cast out, but the tyrants in control of Canton are blinded by their passion for the destruction of British trade, and cannot foresee the outcome of their scheming. From recent Hong Kong mail advices, one gathers that the Chinese traders there are patiently waiting for the troubles to pass away. There is no evidence of anti-foreign feeling amongst those whose livelihood depends upon trade, and if it had not been for the highly-organised campaign of intimidation there would have been no cessation of business previous to the boycott decreed by Canton. Meanwhile, however, the situation in Hong Kong goes from bad to worse, and the future of the colony is imperilled. Whether relief will come before it is too late remains to be seen, but if the near future sees a return to normal the losses sustained by all commercial concerns will greatly hamper trade development, for which there is ample scope in the provinces of South China.

Agricultural Acreage in England and Wales.—We have extracted the following from the Ministry of Agriculture's annual return of the acreage under crops and grass on June 4th last on holdings above one acre in extent in England and Wales:—

	1924. Acres.	1925. Acres.
Total acreage under all crops and grass	25,877,000	25,755,000
*Rough grazings	4,946,000	5,028,000
Arable land	10,929,000	10,680,000
Permanent grass—		
For hay	4,501,000	4,312,000
Not for hay	10,447,000	10,763,000
Total	14,948,000	15,075,000
Wheat	1,545,000	1,499,000
Barley	1,314,000	1,319,000
Oats	2,038,000	1,867,000
Mixed corn	134,500	124,400
Rye	58,600	50,300
Beans	241,700	190,800
Peas	171,200	131,000
Potatoes	452,200	493,200
Turnips and swedes	832,500	806,400
Mangold	389,700	359,000
Sugar beet	22,400	54,700
Hops	25,900	26,200
Small fruit	73,500	68,400
Oorchards	239,500	238,000
For hay	1,752,000	1,722,000
Not for hay	796,000	852,000
Total	2,548,000	2,574,000
Bare fallow	355,600	462,800

* Mountain heath, moor, down, and other rough land used for grazing.

The area of arable land shows a further decline this year, and is about 3 per cent. less than in 1914. Practically every county shares in this year's decline. In spite of the unfavourable weather for sowing last autumn the acreage of wheat is only 46,000 acres less than in 1924. The barley area is little changed; the north-eastern counties have increased areas, but in others reductions are fairly general. Every county has less land under oats than last year, and the total area is the lowest since 1888. Beans cover the smallest area ever recorded and peas the smallest since 1917. Less land has been cut for hay, both seeds and meadow hay showing reductions. The large increase in bare fallow is not unexpected, as heavy land worked very unkindly after the wet winter.

Cotton Crop Estimates.—Late on Monday afternoon the Agricultural Department of the United States Government published further statistics regarding the cotton crop in America. Private authorities estimated that a growth of around 14,200,000 bales would be forecasted. The

actual report, however, gave a condition of 62.0 per cent., indicating a yield of 13,990,000 bales, as compared with 13,566,000 bales a fortnight earlier. If linters are added present indications point to a crop in the neighbourhood of 14,800,000 to 15,000,000 bales. The Census Bureau also reported that the amount of cotton ginned from the crop of the current season to August 15th was 578,000 bales, against 159,000 bales in the last report. These ginning figures, however, express nothing useful, and merely indicate the earliness of the crop. The condition report was received in Liverpool with placid indifference, and prices have since slightly eased. From Manchester's point of view, however, the report was quite satisfactory, inasmuch as it points to the probability of a big crop being grown, sufficient, at any rate, to satisfy the requirements of world spinners without causing any big upward movement in quotations. The Egyptian Government has this week stated that the area under cotton cultivation is estimated at 1,924,000 feddans, as compared with 1,787,000 feddans a year ago. Of the total cultivated this year, 1,128,000 feddans are planted with Sakellaridis, as against 827,000 feddans last season.

Stock Exchange Contango Charges.—No little feeling, writes our Stock Exchange correspondent, has been aroused at the last two Stock Exchange settlements, including that which finished on Thursday this week, at the extremely onerous contango-rate levied upon bulls of Courtaulds shares. In some cases the contango was as high as 7½d per share, which, at the making-up price of 6½, works out to an annual charge of about 15 per cent. on the money employed. The people who bought Courtaulds, and who, for one reason or another, did not wish to pay for the shares, are loud in their protests against what they describe as an iniquitous charge made for the accommodation they require. As this kind of complaint arises periodically in respect of shares in which a bull account is created, and which the buyers desire to carry over at the Stock Exchange settlement, it may be useful to examine the grounds of the objection, taking this rate upon Courtaulds as a text. At the outset it will be obvious that even a contango of 15 per cent. per annum is temporarily cheaper than the payment of the 1 per cent. transfer stamp duty. Upon 100 Courtaulds at 6½ the stamp on the transfer deed amounts to £6 10s; the company charges 2s 6d fee, and the interest on the money should also be taken into account. Leaving the last-named out of the calculation, however, the stamp and fee of £6 12s 6d upon 100 shares is equal to 1s 4d per share—twice the contango of 7½d per share. It is conceded, of course, that the stamp and fee charge occurs but once, and that the carrying-over of Courtaulds for two Stock Exchange settlements is equivalent to payment of the full stamp and fee. After the two settlements the contango charge is extra to the burdensome transfer duty. At this point it becomes necessary to observe that we are dealing with an abnormal contango rate created by the conditions of an extensive bull account. The buyers, who are also the plaintiffs, have the matter in their own hands. Their purchases of Courtaulds are made, in the vast majority of cases, without any stipulation that the seller shall take in the shares, if required by the purchasers so to do. The buying of any shares does not entitle the purchaser to demand, as a matter of right, that the shares shall be contangoed. Some firms, amongst whom are numbered tangoes. They maintain, whether rightly or narrow-Exchange and for the public. If a buyer says, when giving an order, that he may require the shares to be carried over, then it is for the broker or the jobber he may approach to undertake or to refuse to deal upon such terms. But most clients buy shares without notifying their intention to carry over, and the tacit understanding is that the bargain shall be duly completed either by sale of the shares before the contango day or by payment for them. The client is presumed to have the money or access to facilities for its provision such as is obtainable through a loan from his bank. A jobber who sells shares, if he has bought them from somebody else and has to pay for them, can finance his commitments

up to a point, but manifestly there must come a position at which he is obliged to stop. His bank will afford him all the facilities which the high credit of a trusted customer can command. Yet, to carry the case to extreme lengths, a jobber might be asked to contango an aggregate of, say, a million Courtaulds, upon which, at 6, a bank margin of only 10 per cent. cover would require £600,000 that he would have to provide. The client is not compelled to carry over his purchase unless it suits him to do so. He can sell, pay for, or borrow money with which to take up his purchase, and, having this option, he is hardly justified in charging with usury, the lender of carry-over facilities. Nevertheless, the same condition of affairs arises in every market where a busy and spirited rise in some popular stock has attracted public buying. Courtaulds happen to furnish a topical illustration, and if this presentment of the case suffices to illuminate previous misunderstandings on the point, its recollection upon future occasions may serve to remove the sense of grievance that sometimes creeps into a client's mind.

South Africa's Trade.—A correspondent writes:—For various reasons—the principal being some alterations by the Statistical Department in the method of presenting the figures—there has been very great delay this year in the publication of the monthly Blue-books showing the Union's imports and exports. So far only those for the months of January and February are available. During these two months the total value of the imports was £10,638,746, as compared with £10,034,695 for the corresponding months of 1924. The total value of the exports was £9,896,203, as against £14,436,024 for the same months of last year. The large difference in the value of the exports is partly accounted for by the fact that the export of gold in the two months of this year was only £3,108,746, as compared with £7,045,091 for the same months in 1924. On the other hand, diamonds shipped this year were valued at £1,405,462, against £984,163 for 1924. The reason that the export of gold has been so much less in 1925 than in 1924 is not because less has been produced, but because so much of it has been taken by the local banks and the Pretoria Mint. At the same time, owing to the premium on gold having disappeared when sterling reached parity with gold, the value of the production for the first half of 1925 is about 1½ millions less than for the first half of 1924. For the first six months of this year there are available the monthly Customs returns, which, while they do not include some items, yet give a close approximation to the real position. According to the Customs returns, the imports for the first six months of 1925 amount to £32,491,279, as compared with £31,371,836 for the same period of 1924. The exports for the six months were £33,795,098, as compared with £37,575,689 in 1924. But the exports of gold have continued to be less than during last year, for the reasons given above. If gold and diamonds are deducted, it appears that there has been a trifling increase in value of South African produce exported this year as against 1924, the respective figures being £13,960,698 and £13,786,265. But against this small credit of less than £200,000 has to be put the reduced value of the gold produced in the first half of 1925, which is approximately 1½ millions. At present the Reserve Bank is shipping gold to England, and probably all, or practically all, the 1925 production will be shipped away as in past years. It may be taken, therefore, that had all the gold been shipped as produced the value would have been nearly 1½ millions less than for the first half-year of 1924, and that the trade position up to June 30, 1925, is therefore approximately as follows:—Imports have increased by about £1,120,000, as compared with 1924, and exports have decreased by over one million. The trade balance was only barely favourable to South Africa last year, and when the amounts due overseas for interest on loans, dividends, freights, &c., are included, it is evident that for this year, so far as it has gone, the position is not nearly as good. The export of the maize crop is now commencing, and as there are 10,000,000 bags available for shipment this will put about an extra four millions on the value of the exports in the second half of the year, but if the slump in wool prices continues the loss in that direction will more

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than wipe the maize gain out. For January and February the value of the wool exported was £1,629,307 less than for the same months in 1924.

Swiss Industry and Tariffs.—A Geneva correspondent writes:—Swiss foreign trade returns for the first half-year are satisfactory when figures only are taken into account. During the first six months of 1925 the value of imports reached £49,095,667, as against £47,260,562 during the corresponding period of 1924; and exports totalled £22,595,923, compared with £19,572,658 in 1924. While the rise in imports is normal, the increase in exports is accidental, and only results from the big purchases made by Great Britain in Switzerland before the enforcing of the McKenna Duties. During the above period, imports from France totalled £9,629,044; from Germany £8,915,962, from Italy £5,251,476, from the U.S.A. £4,821,040, and from Great Britain £4,345,386. While Great Britain comes out fifth among the countries exporting to Switzerland, she comes out first as regards takings from Switzerland, with a total of £11,713,042—that is, over one half of Swiss exports—followed by Germany £7,149,435, France £3,601,231, U.S.A. £3,297,265, and Italy £2,017,810. While the monthly average of British purchases in Switzerland was £1,140,000 for the period January-April, it rose to £2,509,342 in May and £3,436,997 in June, and the surplus of British purchases during the first half-year reached £3,066,338, which nearly corresponds to the rise of £3,023,265 in Swiss exports when compared with 1924. If there had not been that surplus of British purchases, Swiss exports would have been lower than last year. This abnormal increase in exports resulted in the curious and unprecedented instance of the trade balance being in favour of Switzerland in June, when exports were by £640,000 superior to imports. As it was easy to foretell, there was an important drop in July exports, which reached £6,124,000—£12,000 less than in July, 1924, and £2,076,000 less than in June last, and Britain's share in these exports was only £826,000, or £614,000 less than the average for the first six months. It is very likely that the drop in exports will continue in August unless Swiss exporters succeed in securing new markets for their goods in order to replace the British market, which was so far the best for Swiss products, in particular for watches, silk, lace and embroideries. As for imports, they were normal in July, with a total of £8,222,000, compared with £8,400,000 in July, 1924. This shows that the crisis of Swiss exports, mentioned in a previous article, is not a fiction but a reality. It is further proved by an increase in unemployment and in emigration, and by the fact that the embroidery industry has asked the Federal Government for a subsidy so as to enable it to carry on and to prevent the dismissal of hundreds of workers. As previously stated, the remedy for the difficult situation of the Swiss export trade would be a reduction of Customs duties, which would finally result in a decrease in the cost of living, in the price of raw materials, and in production cost. Bureaucracy is the only powerful obstacle to that reduction. The most important trade associations of Switzerland—among which the Union of Exporting Industries, the Swiss Union of Commerce and Industry, the Swiss Art and Craft Union, the Employers' Union, backed by public opinion and the greater part of the Press, earnestly requested the Federal Government to lower the Customs duties so as

to ease the situation of trade and commerce and of the consumers, but the Government refused. Swiss industrialists are very much concerned, and one of them recently said to me: "If the Government persists in its refusal, Swiss industries will be compelled either to emigrate or to close down, and this will mean ruin for the country. It is impossible to compete with other countries when retail prices, in Switzerland, are 168-170 per cent. higher than pre-war figures, and when production costs in industry are 30 per cent. greater than they ought to be. This is the unquestionable result of the over-protectionist policy followed by the Government since the end of the war." Swiss industrialists are therefore very pessimistic, the outlook for trade and industry is very black at the present moment, and the responsibility for the present crisis rests with the Government which, in matters of interior economic policy and administration, is ruled by the high officials of the Federal Bureaux. But the high cost of living in Switzerland is a result not only of the direct effect of high Customs duties, but also of the fact that there are important concerns—one ought even to say trusts—which are purchasing goods and foodstuffs from the producers and selling them to the consumer after making an excessive profit.

Finland and Timber Prices.—A correspondent writes:—

The statistics of Finnish foreign trade for the first half of the present year show that Great Britain during that period ceased to occupy its former position as the second largest exporter, after Germany, of goods to Finland, and that our place was taken by the United States of America. Finnish import statistics for January-June, compared with those for the corresponding months in 1924, show a decline of 2.3 per cent. in imports (c.i.f. value) from Great Britain, while imports from Germany and the United States rose respectively by 4.4 per cent. and 2.7 per cent. Finnish exports (f.o.b. value) to Russia amounted during the first half of 1925 to 9.1 per cent. of all Finnish exports, as against 6.3 per cent. during the corresponding period of 1924. In spite of low prices, the Finnish timber market continued active during July; sales of timber aggregated by the end of that month 680,000 stds.—a figure that was not reached before the middle of August in 1924; of this output England is credited with 310,000 stds. Sales were effected during July at prices that exclude the likelihood of a rise in price during the autumn, or possibly in the present year. Many exporters are of opinion that bottom prices have not yet been reached, though 7-inch battens were sold (f.o.b.) during July as low as £12 10s, or even £12. In the Finnish view the situation of Finland in regard to timber is similar to that of Great Britain in regard to coal, that is to say, the prices obtainable for timber in the world's markets are at present below the costs of production. At the prices prevailing about the middle of July it was estimated that the loss to the producer amounted in East Finland to 100-200 marks per standard. In Finland generally timber prices have fallen by 25 per cent. to 30 per cent. since the beginning of the present year. The cause of the decline in prices cannot in one sense be attributed to over-production. The whole European production has, in fact, decreased. The Russian production of timber (including timber exported from Latvian and Lithuanian ports) does not amount to more than 50 per cent. of Russia's exports of timber before the war. Swedish exports of timber have in recent years fallen below former levels. But, on the other hand, demand has declined to an even greater extent; there is, therefore, over-production in the economic sense. And there is nothing to indicate that the present situation is merely of a transient nature. Existing wages are already so low that there can be no question of reducing them further. Improvements in methods of production are conceivable, but for this capital and time would be required. There remains to consider the policy of restricting output. For this policy to be effective, it is pointed out, it is essential that it should be generally adopted by producers in all the principal timber-producing countries. In one quarter the interesting suggestion is made that producers should combine to restrict output as a temporary measure of

relief, and in future to take such measures as may be necessary in order to adjust the supply to the demand on the model of the British control of the rubber industry.

Trade Conditions in Esthonia.—A commendable feature of the report by the Consul-General at Reval, Mr Montgomery Grove, issued by the Department of Overseas Trade (1925, price 1s) is the admirable and brief historical and geographical summary which precedes it. Occupying no more than a single page, it gives, in this small compass, all the information that the general reader or trader needs to have to enable him to grasp intelligently the general conditions of the very peculiar little country with which he may have to deal. 1923 was a disastrous year for Esthonia. "There was no summer, but constant rain went on till snow began and winter set in." In a 90 per cent. agricultural, peasant community the result was starvation; "everyone was applying to the Bank of Esthonia for loans, and the Government had to make loans of State money to the Bank." The exchange fell away deplorably. Not until the Agrarian Government was replaced in April, 1924, by a democratic one, with a Finance Minister of unusual courage and resource, did things begin to mend. He proceeded, with a strong hand, to balance the Budget, to cut down the expenses of the State and the number of State employees, to raise the Customs duties and fix the exchange of the Esthonian mark by establishing the rate of 1 gold krone or thaler to 100 Esthonian marks. The result of the increases in the Customs tariff was a heavy drop in imports; "not," says Mr Grove, "an unmixed evil, as importation had taken place on an excessive scale," and, in particular, there were large stocks of some goods (e.g., German textiles) accumulated in the hope of their re-exportation into Russia, a hope which has not matured. Germany, of course, is geographically in a strong position; further, German firms make easier arrangements about credits. "The question of credits is always a sore point. Complaints have been made that British merchants are inclined to tighten credit, and are suggesting that, before sending out goods, they would like to see the Esthonian firms opening deposit accounts in London banks. It should be remembered that it is very difficult for Esthonian firms, few of whom are wealthy, to keep deposit accounts in London banks, where the interest is low, while the local rate for short loans is exceptionally high. If the Esthonian firm is a sound one, bank guarantees can be obtained." One of the most interesting developments in Esthonia is that of the oil shale industry. "Factory after factory in Esthonia is passing from wood or coal to oil shale, and now the Esthonian railway system is taking the same step." The result will be a huge drop in coal imports. British goods are popular in the country and "unless their trade competitors' prices are much lower the preference is for British goods."

Scrapped Shipping Tonnage.—According to statistics published by Lloyd's Register of Shipping, the gross reduction in the mercantile marine of the world in 1924 through total losses, breaking up, &c., amounted to 1,016 ships of 1,857,679 tons, excluding all ships of less than 100 tons. Of this total, 777 ships of 1,614,662 tons were steamers and motorships, and 239 of 243,017 tons were sailing ships. These figures, compared with those for 1923, show an increase of 157,792 tons as regards steamers and motorships, but a decrease of 16,892 tons for sailing ships—the net increase for 1924 being 140,900 tons. This total increase is not due to actual casualties—the figures and motorships—but to the large amount of tonnage broken up during 1924, viz., 1,326,134 tons. This tonnage exceeds the similar figures for 1923 by 185,927 tons, and owned in Great Britain and Ireland, which were broken up, dismantled, &c., during 1924, amounts to 261,575 tons. The number and tonnage of ships of all nationalities

lost, broken up, &c., during the last ten years are given as follows:—

Year.	Steamers and Motorships.		Sailing Ships.	
	No.	Tons (Gross).	No.	Tons (Net).
1915	992	1,893,718	316	223,398
1916	1,284	2,271,401	511	284,224
1917	2,605	6,607,261	748	520,206
1918	1,294	3,332,791	325	159,919
1919	425	524,172	241	112,658
1920	370	518,595	215	*138,959
1921	344	536,537	215	*137,720
1922	511	743,886	205	*143,646
1923	709	1,456,870	259	*259,909
1924	777	1,614,662	239	*243,017

* Gross.

WAR LOSSES included in the above TABLE.

Year.	Steamers and Motorships.		Sailing Ships.	
	No.	Tons (Gross).	No.	Tons (Net).
1915	659	1,380,657	67	57,516
1916	942	2,189,079	245	139,609
1917	2,211	5,957,913	523	392,449
1918	911	2,674,428	141	69,744

Strandings and kindred casualties which are comprised under the term "wrecked" are the most prolific cause of disaster. To such casualties are attributable 50 per cent. of the losses of steamers and motorships, and 50 per cent. of sailing ships. Cases of abandoned, foundered, and missing ships are, no doubt, frequently more or less similar in the circumstances of loss; and, if these be taken collectively, they comprehend 27 per cent. of steamers and motorships, and 36 per cent. of the sailing ships removed from the mercantile marine during 1924, owing to casualty. A large proportion of the tonnage annually removed from the merchant fleets of the world comes to what may be called a natural end, being broken up, dismantled, condemned, &c., for reasons not known to be consequent upon casualty or stress of weather. During 1924, the ships so broken up, condemned, &c., amounted to no less than 72.73 per cent. of the tonnage of the steamers and motorships, and 62.45 per cent. of the sailing ships included in the tables under review. Excluding the five war years 1914-18, the average percentage of loss of steamers and motorships belonging to Great Britain and Ireland during the remaining eighteen years amounts to less than 1 per cent. per annum of the tonnage owned. The percentage for the year 1924 is 0.57.

Rothamsted.—The Rothamsted Experimental Station was established in 1843 by the late Sir John Lawes, and for nearly 60 years was equipped and maintained by him. Apart from the provision of the necessary land and laboratory, it cost him about £2,400 per annum. In 1889 he provided for the future maintenance of the station by an endowment of £100,000, and after his death, in 1900, the Goldsmith's Company gave a further endowment of £10,000. Up to 1911—that is, for a period of 68 years—this work of the greatest national, and, indeed, cosmopolitan, importance and value was carried on without any assistance from the State. In that year the first Government grant was given, and the rapid development of State-aid is indicated by the fact that for the year 1924-25 the annual grant was £26,480, in addition to a grant of £21,135 for new buildings. A report, recently issued, for the years 1923-24, shows the wide scope of the work, and, incidentally, the extent to which science has now been harnessed to the service of agricultural progress. Comprehensive as the scope appears to be, it nevertheless covers only one branch of agricultural research, although it is the most fundamental. The soil and the plant are the subjects of investigation at Rothamsted. These are the primary factors of food production, but all those problems which arise in connection with the conversion of crops into meat and milk are dealt with at other institutions. This admirably-compiled report

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demonstrates not only the complexity of what is popularly regarded as a simple undertaking, viz, the cultivation of the soil, but also the immense amount of skilled zeal which is now devoted to the improvement of farming. But the interested reader cannot fail to regret that so much valuable information should be so little known to those whom it most concerns. Knowledge grows, at Rothamsted and other research stations, but wisdom lingers, on the farm.

Industrial Alcohol in the U.S.A.—A correspondent

writes:—At the thirty-first annual convention of the American Manufacturers of Toilet Articles lately held in New York, the most important business was that of the legislation committee, which has had a full programme during the past year, especially in connection with industrial alcohol. Strong action was taken against the Cramton Bill brought forward by the Anti-Saloon League, and aiming, like the previous Ernst-Wood Bill, at the drastic restriction of the industrial use of alcohol, amounting almost to prohibition. The Bill has been defeated for the present, but it is realised that it will probably be revived in the new Congress, and that the utmost vigilance will be required to deal with the attempted legislation of "petty politicians, fanatics, and dishonest individuals." These terms were used in a series of resolutions adopted by the Convention in vigorous protest against excessive legislation by "propagandists of so-called uplift organisations and professional lobbyists, who, wholly ignorant of the problems that confront the users of alcohol, seek only their own glorification, and do not stop to count the cost to industry." It is pointed out that alcohol is no longer a beverage, and therefore has no status as such, and there is no justification whatever for almost prohibitively taxing a product which is as important to the chemical industry as sulphuric acid. Excessive taxation of industrial alcohol to a considerable extent defeats its own ends, for it only extends the field of operations of the bootlegger, and gives him greater encouragement and greater profit. There are several unprincipled manufacturers who will get their alcohol from bootleg sources more cheaply than through legitimate channels; so that, notwithstanding all the talk in the U.S.A. about business ethics, fraud and corruption abound, as they are sure to do under excessively puritanical legislation. The Convention therefore registered a vigorous protest against such legislation, and is co-operating with other associations of manufacturers using alcohol as raw material in resisting unfair restriction. Under the present scale of duties, pure non-beverage alcohol is taxed at the rate of \$2.20 per proof gallon, or \$4.18 per wine gallon, equivalent to an *ad valorem* duty of no less than 1,000 per cent. Half of this tax was imposed in October, 1917, as an emergency war measure, on the understanding that it would be repealed when the emergency ended. In view of this fact, and of the further considerations that the alcohol is non-potable, and that the present tax is a gross discrimination against manufacturers, it is hoped that the Treasury will include this particular tax among the war taxes which will be considered by Congress next December with a view to complete repeal. A strong resolution to this effect has been unanimously adopted, and copies have been sent to the various Government officials concerned.

South Africa's Mineral Output.—Our Johannesburg correspondent writes:—The issue of the June statements of the Mines Department and of the Chamber of Mines enables the output and profit figures for the first six months of this year to be presented, with the comparative figures for the corresponding period of 1924:—

MINERAL PRODUCTION, TRANSVAAL.		First Six Months, 1924.	First Six Months, 1925.
Gold	fine ozs	4,703,798	4,783,449
Value	£	19,980,467	20,318,802
		*22,365,734	
Silver	fine ozs	641,796	610,903
Value	£	96,265	86,882
Osmiridium	ozs	1,352	2,564
Value	£	36,320	68,195
Diamonds	carats	1,215,416	1,193,829
Value	£	3,926,066	3,950,095
Coal	tons	6,084,419	6,460,990
Value	£	1,858,746	1,948,047
Copper	£	217,916	276,636
Tin	£	148,206	138,172
Miscellaneous	£	129,946	132,904
Total value	£	26,393,932	26,919,733
		*28,779,199	

* Including increase due to premium.

The results of the Rand Gold Mines may be tabulated as follows:—

	First Six Months, 1924.	First Six Months, 1925.
Tons, milled	13,886,336	14,070,044
Declared yield	4,579,880	4,659,856
Dwts	6,525	6,557
Working revenue	£ 21,136,529	£ 19,703,071
" costs	£ 13,766,414	£ 13,529,000
" profit	£ 7,370,115	£ 6,174,071
Dividends	£ 4,610,111	£ 4,137,388

In spite of an increase in tons milled, there was a very substantial reduction in working profit, the elimination of the gold premium being, of course, the dominant factor.

New Jagersfontein.—Our mining correspondent writes: The report of this important diamond-producer for the year ended March 31st last makes a somewhat mixed showing. On the one hand, "diamond account" figures at £609,200 in place of £502,600, and the working surplus at £290,500 as compared with £253,100. No increase was, however, made in the rate of dividend, the final of 15 per cent. again bringing the total up to 27½ per cent. Hence an expanded balance remains to go forward of £103,600, whereof £11,350 is represented by stones unsold. Despite certain difficulties in working, and shortage of native labour, an increased quantity of ground was treated; but the yield—145,000 carats—did not show a corresponding advance, due to forced loading from poor areas in the mine and an increase of reef. For the current year, however, the prospects are hopeful. During the period the power station should be completed, also the additional washing gear; and fresh levels will become available for exploitation. The idea is entertained in usually well-informed quarters that, in view of the prospect of enhanced prices for the stones as from the beginning of 1926, owing to the reconstitution of the Diamond Syndicate, the directors of producing companies may adopt a liberal policy in fixing the distributions for the second half of this year.

Colombian Mining.—Few concerns of the kind have had a more extraordinary history than this. Its shares have been up to £4 and down to 1s 6d. The capital of the company has been reduced and increased. Statements have been put forward as to the existence of mineral deposits of exceptional richness; but those deposits have failed to become transmuted into dividends. Early in August the shares stood at about their lowest level. Then a sudden demand came along, and in a few days the price trebled. The only explanation available was a rumour that certain American oil interests desired to acquire a portion of the company's property. On the evening of August 12th a circular was issued stating that the Colombian Government had taken over two of the company's concessions, and that a valuation of £2,641,800 had been placed upon them. The following morning the price of the preference shares was at first

further advanced, but quickly relapsed, in the main as a result of profit-taking by operators favoured with prior information. Much scepticism was evinced as to whether the Colombian Government could, or would, pay anything like the amount of compensation indicated. At the meeting the chairman expressed his belief both in the willingness and the ability of the Government to pay, but intimated that some time might elapse before a settlement was arrived at, and he could not say definitely what shape it would be likely to take. On Tuesday evening last a communication was issued on behalf of the Colombian Government stating that the inventory in question included private and national property, and that in any case the amount the Government might have to pay would be greatly inferior to that suggested in the report of the company. On this the shares had a fresh slump, from which they quickly recovered. On Wednesday evening the board of the company issued to the Press a letter contesting several of the points in the Government statement. Altogether, a pretty kettle of fish.

We regret to have to record the sudden death, from pneumonia, of Mr C. P. Fitzgerald, who for several years had been a regular contributor to the *Economist*.

Oversea Correspondence.

UNITED STATES.—STOCK MARKET POSITION — MONETARY CONSIDERATIONS — COMMODITY PRICES.

(FROM OUR CORRESPONDENT.)

NEW YORK, August 18.

THE stock market continues to absorb interest, and to furnish fresh surprises for its watchers. On each minor reaction much more is heard of the great height to which the market has risen. The professionals continue bearish. Critics point to the great volume of bank credit that has been diverted to the market, and infer that the autumn trade revival will draw money away from the market, and precipitate a severe reaction. Yet the market continues to advance. Up to the present the reactions have been relatively insignificant affairs; they have been followed by fresh demonstrations of strength in high-priced shares. The latter advances have been accompanied during the last few days by a rather good rise in railroad shares.

Several factors seem to be responsible for the market's ability to rise in the face of so much scepticism. For one thing, business prospects continue favourable. Purchasing power is high, and an industrial pick-up seems to be developing. Meanwhile, the much-discussed rise in money rates has failed to develop. During the past week, in fact, the tone of the money market has become slightly easier. Stock Exchange money has been obtainable officially at 4 per cent. Outside the Exchange, call money is reported to have been available at as low a figure as 3½ per cent. There is now more of a disposition to believe in an easy money market throughout the fall. Another reason for the continued rise in securities is the very large supply of investment funds. It must be remembered that the United States is now a creditor instead of a debtor country. Whereas before the war the country faced a shortage of capital, that was overcome by borrowing abroad, it now has a surplus, and is able to lend abroad. Our capital fund is now replenishing itself; the re-investment demand is growing. With this strong flow of investment money coming into the markets, the supply of new capital issues recently has diminished. With this falling off in new issues has come a recovery in the bond market, which now seems to have ended its mid-year slump.

Still another explanation of the continued rise in the

stock market may be found in the claims of those who maintain that many of the so-called "high-priced" stocks really are cheap. American Can common, for example, is now selling for about 240. This compares with a low level for the year of 158. Yet the American Can enthusiasts point out that the company has been showing earnings of \$20 a share, and claim that the company really has been earning much more. They say that American Can is earning more than National Biscuit was just before the shares of that company were split seven for one. The new Biscuit shares were placed on a \$3 dividend basis, although the company never had shown earnings sufficient to pay that much before the split-up was made. Yet, National Biscuit has found it easy to maintain the \$3 dividend, and the shares now sell around \$75. The American Can adherents maintain that a similar split-up is coming in their stock. No one can deny the plausibility of their case. Similar claims are set up in the case of such stocks as General Electric. The general argument is that many of our strong industrial companies have been writing off enormous sums, and concealing earnings in this fashion; but that the subjects for write-offs are about exhausted, and that the real earnings soon will have to be shown. When that time arrives the stocks, it is argued, will be split up into shares of lower market value.

Just why the money market has failed to harden is a subject for considerable reflection. It is premature, perhaps, to say that money will not harden this fall. After all, relaxation during the first half of August is quite the usual thing. Since the Federal Reserve system went into operation, rates normally have reached a seasonal low about two-thirds of the way through August. Nevertheless, with the markets active, and with industry picking up, most observers expected a firmer tendency. Now that it has failed to appear, they are giving weight to such factors as the reduction in your Bank rate, the small demand for funds in the agricultural districts, and the extraordinarily strong cash positions of our leading industrial concerns. The General Motors Corporation, for example, has over \$140,000,000 in cash, and is a lender rather than a borrower of money. The Ford cash position also is understood to be the strongest in history. Meanwhile, country bankers report a surplus of loanable funds. In one Kansas community of 12,000 population four banks were reported to have \$1,000,000 which they wished to lend to the farmers, but which they were forced to place in bonds and short-term paper. While some tightening in the money market still is anticipated in most circles, additional credence is being given to the possibility of an undisturbed money market during the fall.

Confirmation of the firmer trend of commodity prices is furnished by the Bureau of Labour Statistics' index for July. The average level of wholesale prices, as represented by this index, was 1.6 per cent. higher than during June, the index standing 59 per cent. above the average for 1913. The advance was due largely, however, to higher prices for certain farm products and foodstuffs. Three groups were higher, three were lower, and three were unchanged. Industrial groups were little better than steady. Meanwhile, reductions in the prices of oil and automobiles have continued. Another cut has been made in the price of Pennsylvania crude, and one grade of Gulf crude has been lowered. There are still rumours of a reduction in mid-continent crude, but none has taken place as yet. The trouble with the oil situation, pretty plainly, is unexpectedly large production. Californian oil, also, is a disturbing factor. Production there has increased again, and the Standard Oil company is said to be bringing large amounts through the Panama Canal once more. An official statement by the Standard of New Jersey explained its reductions in gasoline as being due to the necessity of meeting a situation in which companies that found themselves with more oil than they could handle were cutting prices.

As for the automobile industry, the price cutting, which has become general, plainly is going to work hardships on the weaker companies. The stronger organisations, however, seem in good condition to profit by the cuts, as they have lowered their production costs, particularly on closed models, and seem likely to secure an increased volume of sales.

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FRANCE.—THE CAILLAUX-CHURCHILL CONVERSATIONS—DEBTS POLITICAL AND COMMERCIAL —JULY TRADE—COMMODITY PRICES.

(FROM OUR CORRESPONDENT.)

PARIS, July 26.

IN well-informed quarters here the conversations which are at present going on in London between the British and the French Finance Ministers are regarded as merely preliminary to the definite settlement of the debt problem, the final solution of which must depend primarily on Washington. There is a general tendency here to recognise that Great Britain, after all, is anxious only to recoup from her European creditors a total that will be equivalent to the amount she has to find to satisfy the American Government; and it is equally realised that this attitude is very different from that of the Washington Government, whose policy towards the Powers with which it was associated during the common war is now felt to be merely that of a creditor who is determined to extract as much as possible from his former partner. That *perfidie Albion* should be prepared to forgo her legal claims, provided the United States Government will act in a similarly generous spirit, has impressed the French mind as nothing has done since Great Britain entered the Great War on the side of this country, and augurs well for the future of the recently rewelded Entente Cordiale.

The settlement of the French debts to Great Britain and the United States Government being a two-sided matter, it may be well to set forth the bald figures of the situation as nearly as they can be stated. In July, 1924, according to the "Inventaire" prepared by M. Clementel, the then French Finance Minister, the capital of the "political" debt owing to the American Government was as follows:—

Amount advanced	\$ 2,997,477,800
Less paid off	64,212,568
Balance due	2,933,265,231

To this must be added the amount due for interest, which, without being capitalised and calculated at the agreed rate of 5 per cent., represented on November 15, 1923, a sum of \$650,051,228, which, added to the balance already mentioned, would bring the grand total owing to \$3,583,316,459. The capital of the debt owing by France to Great Britain amounted at the end of 1920 to £449,030,286, less annulations amounting to £3,811,900, leaving a total capital balance due of £445,218,386. To this must be added interest charges, which M. Clementel estimated last year at £174,181,514, making a grand total of £619,402,900. The addition of interest which has accrued since the date of M. Clementel's inventory will, of course, substantially increase both the British and the American totals.

One of M. Caillaux's principal difficulties in the settlement of the "political" debt owing to Great Britain and America lies in the fact that alongside it lies a "commercial" debt of (originally) £60,000,000, which was advanced by the Bank of England to the Bank of France, and another of £6,000,000, which was the amount it was agreed in March, 1923, France should pay for the British war material and other stocks left in France, this sum to represent both capital and interest. France also owes Great Britain a further sum of £2,226,000 for "divers other war stocks," which it has been arranged shall be

paid during the present year. The "commercial" debt due by this country to the United States amounted on July 31, 1924, to 3,156,463,000 gold francs (or, say, \$631,000,000). Of this amount, 2,110,026,000 gold francs represents the price at which the American Government ceded to France the stocks of war supplies left in this country at the end of the war, and which France paid for in its own Government bonds. The balance of this debt is in respect of various loans since 1920. There are also other "commercial" debts owing to Japan, Canada, Holland, the Argentine, Uruguay, and Egypt, which amounted in July, 1924, to within a shade of 480½ million francs.

According to agreements that are now undergoing execution, the whole of these "commercial" debts, with the exception of a balance of \$163,015,850 that would be still owing to the United States, should be paid off by the end of 1930. The difficulty in which M. Caillaux finds himself in estimating the amount France can pay towards the extinction of her "political" debts to England and the United States during the six years 1925-1930, is based upon the fact that his country has already arranged to meet her "commercial" debt (with the exception of the balance to America already referred to) by the following annual instalments:—

	1925.	1926.	1927.	1928.	1929.	1930.
U.S.A.	14,500,000	8,500,000	4,000,000	4,000,000	404,000,000	11,341,145
Great Britain ..	8,976,069	8,250,000	9,000,000	10,250,000	16,000,000	5,600,000
Holland	..	..	30,000,000	..	25,000,000	..
Argentine	..	19,425,795	..	..	..	..
Uruguay, gold pesos	3,000,000	3,000,000	3,000,000	3,000,000	..	..
Canada	..	230,000	..	..	..	..
Egypt	1,000,000	1,000,000	..	..	..	..

On the face of it, there seems to be little probability of M. Caillaux making any kind of offer that can be satisfactory to his British and American colleagues unless some radical modification can be made in the agreements that have already been entered into for the liquidation of the various commercial debts. Little hope can be expected from the operation of the Dawes plan, if the pessimistic reports from London to the effect that Mr Churchill and his advisers are already discounting the estimated revenue from it by 50 per cent. Therefore some kind of moratorium appears to be inevitable.

The foreign trade returns for July disclose very slight variations in either exports or imports on the month, as will be seen from the following comparative figures:—

	July, 1924.	June, 1925.	July, 1925.
	Francs.	Francs.	Francs.
Total exports ..	3,005,581,000	3,506,534,000	3,484,373,000
„ imports ..	3,066,133,000	2,991,243,000	3,033,549,000

Compared with the figures for July last year, imports show a drop of 32½ million francs, due chiefly to a drop of 152 millions in foodstuffs of foreign origin, which was not compensated for by an increase in the purchases of foreign manufactured goods to the extent of 20½ millions, and of raw materials to the extent of an additional 99 millions. Exports show an increase, as compared with July, 1924, of 479 millions (due to an increase in the sale abroad of French manufactured goods and raw materials). The month resulted in a surplus of exports to the value of 450,826,000 francs, as compared with an adverse balance in July, 1924, of 60½ millions. The comparative figures for the first seven months of 1924 and 1925 are as follows:—

	First Seven Months of		Difference in 1925.
	1924.	1925.	
Imports—	Francs.	Francs.	Francs.
Foodstuffs	4,947,845,000	4,254,344,000	— 693,501,000
Raw materials	15,053,812,000	14,610,419,000	— 443,393,000
Manufactured goods ..	2,918,000,000	3,005,309,000	+ 87,309,000
Totals	22,919,657,000	21,870,072,000	— 1,049,585,000
Exports—	Francs.	Francs.	Francs.
Foodstuffs	2,272,033,000	1,933,066,000	— 338,967,000
Raw materials	6,325,141,000	6,826,875,000	+ 501,734,000
Manufactured goods ..	14,558,879,000	15,189,216,000	+ 630,337,000
Postal parcels	1,088,778,000	1,159,601,000	+ 70,823,000
Totals	24,244,831,000	25,108,758,000	+ 863,927,000

The figures disclose a falling off in imports of about 4½ per cent., as compared with the first seven months of 1924, and an increase of about 3½ per cent. in exports.

The increase in exports of manufactured goods was equivalent to 4.3 per cent., and of raw materials to nearly 8 per cent. The seven months' figures disclose a favourable trade balance of 3,238,686,000 francs, as against 1,325,174,000 francs in the corresponding period of 1924.

The index figure of wholesale prices at the end of July, which has now been issued by the Statistique Générale, is returned as 569 (calculated on the base of 100 as representing the same 45 commodities in July, 1914), representing a rise of 15 points on the month, and of 38, as compared with the figure for May. The detailed figures are as follows:—

	Articles.	July.	June.	May.
General index figure.....	45	569	554	531
Foodstuffs—				
General figure	20	497	486	470
Vegetable foods	8	514	529	503
Animal foods	8	480	448	447
Sugar, coffee, cacao	4	498	477	446
Raw materials—				
General figure	25	632	614	584
Minerals and metals	7	562	550	510
Textiles	6	758	739	705
Various other categories.....	12	597	577	557

An analysis of the figures reveals strikingly the influence of the exchange value of the franc on current prices. The index figure for retail prices in Paris (which comprises 13 articles of prime necessity, and of which only petroleum is of foreign origin), is returned as 421, as against 422 in June, 418 in May last, and 360 in July, 1925, a difference of 61 points on the year.

CANADA.—CROP PROSPECTS—WESTERN WHEAT HARVEST BEGUN—FEDERAL REVENUES—THE RAILWAY SITUATION—THE POLITICAL SITUATION—LIBERAL DEFEAT IN NEW BRUNSWICK—PRICES—BUSINESS CONDITIONS—GRAIN SMUGGLING—GOLD REFINING AT OTTAWA DEMANDED—ALIEN ENEMY PROPERTY.
(FROM OUR CORRESPONDENT.)

August 15.

THE wheat harvest has now commenced in earnest in Western Canada, and except in some backward northerly districts the binders are everywhere busy. In a substantial area of southern Saskatchewan and southern Alberta the July drought wrought damage which is irreparable, but elsewhere a combination of cool weather and generous showers during the first half of August has materially improved the situation by helping the grain to fill well and retarding rust development. Rust has appeared in many districts of Manitoba and Saskatchewan, but reports indicate that it has done little harm, and is not likely to spread much before the grain is safely cut. Estimates of the volume of the Western wheat crop still vary, but a general average of the forecasts would place it in the neighbourhood of 350 million bushels. The oat crop is much better than last year's, and while rye is only fair, barley is very good. The hay crop in many areas of the West has been exceptionally heavy, and generally speaking pastures have been abundant. The local markets have recently been flooded with cattle coming fat off the grass, and prices, which were not too satisfactory before, have been declining. In Eastern Canada the grain harvest is practically completed, and while the yield has been variable, the average farmer is prepared to reckon 1925 a good season.

The improvement shown in the Federal revenues during the first quarter of the year was not maintained in July, for the increase from \$28,872,111 to \$29,147,742 is trivial, about 3 million dollars, the comparative figures being \$138,807,253 and \$141,739,416. On the other hand, however, the ordinary expenditure in July rose by about 2 million dollars, and the decrease for the four-month period is spread demand for drastic economies in administrative expenditure. On July 31 the figure for the total net debt of Canada stood at \$2,375,249,305, which is a decrease of some 16 million dollars from the figure at the corresponding date of 1924.

The railway situation still presents a baffling problem,

and although Sir Henry Thornton, by rigid economies, has on the Canadian National system been able to offset a decline of 9 million dollars in gross receipts by a cut of 10 million dollars in operating expenses, and to claim a betterment of about a million dollars in net earnings for the first half of 1925, there is no prospect of any serious diminution of the annual deficit and the drain involved upon the Treasury. It is understood, however, that the King Government, taking the Report of the recent Senatorial Committee as a base of operations, are conducting a thorough exploration of the problem, and contemplate producing for the general election a new railway policy, which may aim at some sort of merger between the C.N.R. and the C.P.R., and even making it the chief basis of their appeal for a renewal of confidence. At least a recent speech of Mr Cardin, the Minister of Marine, indicated that the Ministry hoped to make the railway problem the chief issue, and the *Montreal Gazette*, which is credited with voicing the opinions of the C.P.R. directorate, has been insistently demanding that Mr Meighen and the Conservative party make preparations to meet such a move on the part of the Government by evolving a solution of their own. The political difficulties of producing any railway policy before a general election are obvious, for a plan which would be calculated to arouse the enthusiasm of the C.P.R. and their allies would be certain to arouse fierce antagonism, not merely in the prairie provinces, but also in Ontario, where the principle of public ownership has a very strong following, especially in the ranks of the Conservative party. Sir H. Thornton recently announced that a thorough financial survey of the Canadian National system is being at present undertaken, partly with a view to the promotion of economy and partly to ascertain what, if any, action should be taken towards writing off capitalisation.

The King Government will certainly need some effective political war-cries when they go to the country, for the provincial elections in New Brunswick, held on August 10th, provide further evidence of an ominous recession in the fortunes of the Liberal party. Their substantial majority in the Legislature was wiped out, and the Conservatives now hold 35 out of the 48 seats. The chief issues of the election were the extravagance of the old Government, and especially a contract for the development by the State of extensive water powers at Grand Falls on the St John River. The defeated Government had already signed contracts for most of the work, and there is some speculation whether the incoming Premier, Mr J. B. M. Baxter, who has migrated from the federal to the provincial arena, will cancel them. The sharp defeat in the New Brunswick contest has naturally strengthened the hands of the section of the Liberal party which is urging a postponement of the Federal election till 1926, but the shrewder minds of the party realise that with the tide of public sentiment clearly running against the Liberal party, postponement, which would involve the charge of clinging to office in contempt of public opinion, might result next year in a ruinous debacle, and in the end the election will probably take place early in November. At any rate, all parties are continuing their preparations, and the Conservative leader is making a series of campaign speeches in the West.

The index number of the Dominion Bureau of Statistics, weighted according to the commercial importance of 236 commodities, is virtually stationary, the figure for July being 158.4, as compared with 158.8 for June; 40 quotations were higher, 37 lower, and 159 unchanged. The chief decline was in vegetables and their products, and the chief increase in hogs, butter, cheese and eggs. Retail trade in the cities is still suffering from the usual holiday dullness, but wholesalers report that country storekeepers are purchasing on a more lavish scale than in previous years. Every year regions like British Columbia and the shores of the St Lawrence attract an increasing number of American tourists, and their presence provides a great variety of employment for the native residents as well as a market for farm produce and ample business for local storekeepers. The stock markets have also been experiencing holiday dullness, but the stock of the Montreal Power Company, which has gathered many minor companies to its bosom, is continuing a spectacular rise which began about a year ago.

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As the result of the 42 per cent. bushel duty existing on Canadian grain, the American authorities are confronted with another smuggling problem. In the present state of the grain markets it pays Canadian farmers living near the border to run their grain across it for sale in the United States, and for this purpose motor cars as well as trucks and wagons are being freely used, the trips generally being made at night. Accordingly five new patrolmen, equipped with fast motors and armed with rifles have been placed on the 125-mile stretch of the northern border of Minnesota, and seven men are being added to the North Dakota stretch. If the Canadian millers succeed in their present agitation for an export tax on wheat, the Canadian Government will be compelled to duplicate this border patrol, and even then there will be no guarantee that grain smuggling will cease.

The Ontario Mining Association, acting on behalf of the producers of gold in Ontario, and with the backing of the Toronto Board of Trade and other bodies, is taking up with the Federal Government the question of refining gold at Ottawa. At present the Canadian dollar is at a small premium in New York, and if this premium were to rise to half a cent., it would entail a loss of about \$250,000 on the year's gold output for the Canadian producers of gold who to-day send most of their ore to Philadelphia for refining purposes. During the war the Government placed an embargo upon gold export and refined in Ottawa, paying under heavy pressure in New York funds for the gold refined. Some time ago they refused to continue refining, and permitted mines to export gold to the United States under licence. Indeed, this policy was favoured by the mineowners, for as long as the Canadian dollar was at a discount they found it profitable to ship to New York. The Royal Mint at Ottawa has an excellent equipment for refining work, and the Finance Department points out in a public statement that producers are still at liberty to send any quantity of gold to it. But the producers apparently want the Government to pay them the value of their gold in Ottawa and bear the expense of shipping it to the New York market for sale, and this the Finance Minister declines to do, pointing out that the arrangement would enure solely to the benefit of the gold producers and would entail very heavy expenses on the Government.

The King Government is considering the problem of the disposition of alien enemy property which they are holding. The total amount realised through the sequestration of German property in Canada was about 18 million dollars, and from this sum 6 million dollars has been paid out in satisfaction of claims for war indemnities; a shipping company of St. John got \$1,350,000, and the Massey-Harris Company, an implement firm, were allocated \$1,500,000. There remains in the hands of the Secretary of State about 12 million dollars, and it is not improbable that the Government will follow the example of the United States and give full release in all cases where the seized property of individuals did not exceed 1,000 dollars in value.

POLAND.—CROPS—TRADE BALANCE—COAL EXPORTS—FINANCES—CIRCULATION—BANK RATE.

(FROM OUR CORRESPONDENT.)

WARSAW, August 14.

ACCORDING to the estimates of the Bureau of Statistics this year's crops gave the following results:—Wheat, 13,986,000 metric centals; rye, 60,710,000; barley, 13,773,000; oats, 28,695,000. In comparison with the previous year there is a very marked increase, which amounts for wheat to 58.1 per cent., for rye to 66.1 per cent., for barley to 14 per cent., for oats to 2 per cent. The average pre-war level has been nearly reached by wheat (83.1 per cent.) and by barley (91.9 per cent.), and surpassed by rye (107.3 per cent.) and by oats (102.1). It is expected that Poland will be able to send abroad great quantities of cereals. The surplus available for export is estimated at 6,000,000 metric centals for rye, 1,200,000 for barley, and 550,000 for oats, altogether 770,000 tons, of a value of more than 200 million zlotys.

These excellent crops will exercise a beneficial influence on Poland's trade balance, which since the beginning of this year has been showing a steady and marked excess of imports. During the first six months of the year the imports amounted to 1,047 million zlotys, the exports to 630 millions, so that the excess of imports amounted to 417 millions. The efforts of the Government, which is trying to correct the trade balance by an increase of import duties, did not give the expected results, as may be seen from the figures below:—

	(Million Zlotys.)			
	Imports.	Exports.	Excess	
January.....	172.7	107.6	65.1	
February.....	151.1	103.0	48.1	
March.....	190.1	120.4	69.7	
April.....	182.7	89.6	93.1	
May.....	185.6	105.9	79.7	
June.....	169.4	103.6	65.8	

The excess of imports in May and June was not smaller than during the first three months of the year, though the new import duties and prohibitions were already in force. As the imports of cereals and flour during these six months surpassed 150 million zlotys, and as the exports of these products were unimportant, it may be assumed as certain that during the second half-year the Polish trade balance will assume a much less unfavourable aspect. The view of the Government that it will again become favourable must, however, be received with a critical eye.

Since July the export of Polish coal to Germany, which during the first half-year amounted to 474,000 tons monthly, has ceased completely. The Polish coal industry has been deprived of its most important foreign market. Coal exports to other foreign countries did not exceed 308,000 tons monthly. Efforts are made to give to Poland's coal export another outlet which would make it independent of the German market. A newly-formed syndicate (Sindicato Italio-Polacco Carbone) is organising the export of Polish coal to Italy. The coal is sent to Danzig, and from there by ship to Italy. As much as 30,000 tons are to be delivered monthly to the Italian railways. The first shipments have been already sent from Danzig on Italian ships to Senoa.

During the first half-year the revenues of the Government amounted to 990.0 million zlotys, the expenditure to 952.5 millions. The revenues were distributed as follows (million zlotys):—Ordinary revenues, 788.0; extraordinary revenues, 202.9. The most important item among the extraordinary revenues was the profit from the issue of silver coins and paper notes. Nearly 150 million zlotys were obtained from this source. This enabled the Government to balance revenue and expenditure, but the results of such a policy are detrimental to the monetary system, which is suffering from a disproportion between banknotes and coins and notes issued by the Treasury. This is shown by the following table:—

	(Million Zlotys.)			
	Bank Notes.	Treasury Coins.	Polish Marks.	Total Circulation.
July 31, 1934....	394.3	8.4	109.1	19.0
Dec. 31, 1924....	550.9	34.3	88.7	1.8
March 31, 1925...	563.2	86.3	103.7	1.7
June 30, 1925...	503.2	136.1	107.9	..
July 10, 1925...	467.5	135.9	112.3	..
July 20, 1925...	440.8	133.6	112.0	..

On July 20th the circulation of coins and notes issued by the Treasury amounted to 245.6 millions, as compared with 440.8 million banknotes. This amounts to more than 55 per cent., a certainly abnormal proportion. The circulation of Treasury notes has since July of last year been subject only to small variations. But since the beginning of the year there has been an increase of nearly 100 million zlotys in the issue of coins. Since the end of June the circulation of coins has been stationary.

The month of July did not bring the expected improvement in the state of the Polish Bank. The reserve of foreign currencies increased during the first decade by 3 millions, but during the second there was a drain of 23 millions, and during the third of 9 million zlotys. The amount of foreign currencies held by the bank decreased between the end of March to the end of July from 259 to 91 millions. This steady drain of its reserve has obliged the bank to apply a restrictive credit policy. The selling of foreign bills by the bank is also subject to different restrictions. The Polish Bank, which has obtained in New York a six months' loan of 6 million dollars at 7½ per cent., has raised its rate from 10 per cent. to 12 per cent.

NORWAY.—PULP AND PAPER DISPUTE SETTLED—EXCHANGE—TRADE BALANCE—SPITZBERGEN—BANK DEPOSITS—UNEMPLOYMENT.

(FROM OUR CORRESPONDENT.)

OSLO, August 19.

THE labour conflict in the pulp and paper industry so long looming on the horizon has been ended, both sides having in the main acquiesced in the *status quo*. A consequence of the peace is a fresh drop in the exchange to 26.20 kr to-day. How to deal with the vexatious question of the exchanges constantly forms the chief topic of discussion in commercial circles and in the papers. Many of those who partake in the discussions advocate a stabilisation at some suitable level and point of time, whereas others are for bringing the krone back again to pre-war parity—but slowly—and the major part of the community presumably side with the latter.

Just about three months ago the bank rate was reduced by ½ per cent. to 6 per cent. There is now quite a strong demand for a further reduction, and as the position in the money market is quite easy, it may be that the Bank of Norway will find it opportune to comply with this wish. A quite appreciable increase in price has taken place in the staple export article of wood pulp. One might have ascribed this to the fact that a stoppage of the mills was probable. Though this notion may have been to some extent influencing prices, the rise certainly is founded on two other solid facts, namely, that the unsold stocks are comparatively small, a large proportion of the output in 1926 having even been already sold, and that the world markets, and especially the American market, exhibit an insatiable need of wood pulp and chemical pulps, which the increased output both of Canada and Scandinavia together find it difficult to supply.

August 14, 1925, will be likely to remain an important date in the history of Norway, the large territory of Svalbard—i.e., Spitzbergen and several surrounding islands—having on that day, by the common consent of the world at large, become an integral part of Norway. The event was celebrated in a solemn manner at Svalbard and in Norway at large. The territory added to this country is 80,000 square kilometres, and though as yet only in the initial stage of development, and containing hardly 2,000 people, it is believed that a good future is in store for the country, which is rich in coal and other valuable products.

The trade balance for the second quarter of 1925 shows a considerable improvement on that of last year. The total imports, according to the statement of Det Statistiske Centralbureau, were this year 354 million kr and last year 384 million kr. Exports were 252 million kr and 208 million kr respectively. The excess of imports over exports consequently was this year about 102 million kr against about 176 million kr last year, or an improvement of 74 million kr.

Statistics have been published regarding the position of the private banks for the first half-year of 1925. Deposits, which in January were 2,081.6 million kr, fell to 2,020.4 million kr at June. The reduction appears to have taken place mainly during the first quarter; the last two months show little change. Loans were at January 2,119.1 million kr, and at June 2,110.9 million kr, or only about 9 million kr down. There is, unfortunately, some increase in unemployment. On August 10th the total was 9,231 persons, as compared with 8,786 on July 10th. In August, 1924, it was 5,350.

JUGOSLAVIA.—HARVEST PROSPECTS—LOWERED INTEREST RATES AND EXPORT DUTIES—BUDGET SURPLUS—TARIFF INCREASES.

(FROM OUR CORRESPONDENT.)

BELGRADE, August 11.

ALTHOUGH reports are not yet complete, it is certain that this year's harvest will exceed even the abundant yield of 1924, as the area of cultivation is larger and the quality of corn better. Wheat alone was somewhat damaged by rains in July, but plums, which failed entirely last year, are very plentiful. The surplus of maize for export is estimated at 80,000 trucks, and that of plums at 4,000. The total export capacity for the 1925-26 season is calculated at 12,000 millions, as against 10,000 million dinars in 1924-25. Of this amount, 1,200 represents wheat and 750 millions eggs.

It is owing to such prospects that Viennese banks, anticipating a heavy export season, started buying dinars in advance in June, and sent them down from a sterling rate of 290 to 270. Italian traders have also hastened to buy dinars, especially because of the continual fall in the lira. This large influx of money from abroad has had a beneficial influence in bringing down the rate of interest. Thus, while at the beginning of the year the interest rate was still about 18-22 per cent., the banks began to offer in July at 18 per cent. and below, and reduced the interest on deposits by ½ per cent. This explains the transfer of many investments to Government stock, which consequently rose considerably.

Besides the lowered interest rate, a reduction of some of the freight charges, notably on timber, and of most of the export duties, has done much to remove the danger of the threatened deadlock in Yugoslav export. Export duties have been decreased from 1.30 to 1 gold dinar per 100 kgs. on wheat, from 0.80 to 0.50 on maize, rye, and oats, from 2 to 1 on beans, by 50 per cent. on cattle, horses, and wood, while hay has been freed altogether. A further stimulus to export has been supplied by the fall of internal prices—the first serious fall since the war. Thus the index, which was highest in December, 1924—viz., 2,112—registered in April, 1925, 2,004; in May, 1,933; in June, 1,842; and in July, 1,785—i.e., a fall of over 11 per cent., which roughly corresponds to the improvement of the dinar since December, when it quoted about 300.

In addition to this economic advancement, the solution of the political friction between the Serbs and Croats by the formation of a coalition cabinet of the Pashitch Radicals and the Raditch party, has helped not a little towards a definite feeling of economic stability and optimism in the agrarian and business world. It is certainly remarkable that, while doubting its permanency, the Opposition has approved of the new coalition as very beneficial to the country. The state of the Government finances has also given confidence. The budgetary year 1924-25 has realised receipts of 11,190 millions, and expenditure of 10,599 million dinars, as against an estimated balanced budget of 10,405 millions, thus giving a surplus of 611 million dinars. Direct taxation alone yielded 1,519 million dinars, where the estimate was 1,369. Parliament has voted four more "twelfths" of the 1925-26 Budget, making a total of eight, the total estimate for the year being 11,910 million dinars.

The actual export figures for the first six months of 1925 are:—

	Tons.	Gold Dinars.
Export—January-June, 1924..	1,584,939	288,788,070
" " 1925..	2,146,337	379,699,845

giving an increase of 35 per cent. in tonnage and 31 per cent. in gold value.

While export trade is satisfactory, import trade has been stagnating since the publication of the new import Customs tariff, which is protectionist in character. Some of the more important increases are:—Coffee, 50-80; tea, 100-120; oil, 40-50; benzine, 10-13; rice, 10-16; soap, 30-60; lemons, 10-20; and artificial dyes from 10-20. The tariff for textiles is also much stiffer, varying according to kind, while that on motor cars has been raised from 6 per cent. to 30 per cent. of their value. The lowering of the Customs *agio* from 12 to 11, and then to 10, together with the improvement of the dinar, has since done somewhat to ease the situation, but it is hoped that much more will be achieved by the revision of many of the charges demanded by the merchants.

TURKEY.—FOREIGN AID—SMYRNA DRIED FRUIT—COTTON—BANKING—AIDIN RAILWAY.

(FROM OUR CORRESPONDENT.)

SMYRNA, August 15.

THE political situation at present is fairly steady, which means that Turkey is having an opportunity to devote itself to internal rehabilitation and economic reform. The execution of forty Kurdish chieftains and insurgents last June closed the chapter of that rebellion. The next important question to face the Government is the decision about Mosul; Turkey is insistent as to its claims and rights to the province, and will likely cause as much embarrassment as possible in the event of a verdict unfavourable to Turkey.

Foreign business interests are active at Angora, and concession hunters are numerous. The Government so far is making encouraging promises and offers, but in reality is making business difficult by stupid methods and dilly-dallying, with neither satisfying terms nor sufficient security. The tendency toward protectionism is dying away slowly, but not nearly rapidly enough for the country's interests. Turkey is still unwilling to admit outside assistance or capital, and discourages the import of foreign goods which might affect native industry adversely. The exchange has been steadily declining over a long period, on account of the annual budgetary deficits and the country's unfavourable trade balance every year. Temporary recoveries, as at the present moment, are not very reassuring when a general retrograde trend is evident.

The criticisms levelled earlier in the summer against the Smyrna dried fruit industry did not succeed in diverting to Empire sources the British import business in dried fruits, chiefly for the reason that the seasonal difference of Australian and New Zealand production is too great to adapt it to English needs. The agitation caused by Dr Haden Guest's exposures of Smyrna packing methods will, however, have served a good purpose in stimulating a more careful attitude and better sanitary precautions in the packing houses. It is suggested that the American practice be adopted of having a regular Consular officer specially appointed to inspect and supervise the packing, and to certify all fruit exported to Great Britain as being properly packed. The Department of Overseas Trade has caused an inquiry to be made on the subject.

Turkish cotton production and methods continue to improve. Realising the careless classification and irregularity hitherto existent, the Government is making every effort to make reforms, and to ensure shipment of cotton in a regular and proper manner. The Liverpool Cotton Association is taking an interest in these reforms.

The Banca Commerciale Italiana, the Banca Commerciale Triestina, and several other Italian companies have recently founded a new company for the purpose of trading in cotton, wool, flax, and hemp, and other products of Turkish origin. Branches of the new company will be opened at all the chief trading centres in Turkey, and business, especially exportation, will doubtless be considerably stimulated by this company. Several other new business firms and banks have lately been established, including a Russian Soviet bank, and the National Industrial and Commercial Bank of Turkey, in Constantinople.

An agreement between the Government and the Imperial

Ottoman Bank extends for another ten years the position held by the bank, which thus remains the official financial institution of the Turkish Government.

The Imperial Ottoman Railway from Smyrna to Aidin showed in its last report for the half-year to December 31, 1924, an increase of 12½ per cent. in gross receipts over the corresponding second half-year of 1923, and expenses show a decrease of 5 per cent. The increase in receipts was the result chiefly of a higher tonnage of general goods traffic, which increased nearly 16 per cent. This shows a further recovery of production in the interior, as well as an increasing resort to railway transportation in place of the traditional camel caravans. Railway building in Turkey progresses steadily, and is constantly opening up and tapping new regions and connecting important centres. Most of the building is being carried on by Turkish engineers and native labour, and is mostly financed by the Turkish Treasury, making it a completely Turkish undertaking.

Books and Publications.

BRAZIL'S FIRST CENTURY.*

It was, perhaps, unfortunate that the year of the Brazilian centenary should have proved one of the worst in the country's economic records, when the public credit most needed strengthening, trade had fallen to a low level, and urgent demands were being made for the consolidation of the unwieldy floating debt. The completion of 100 years of independent statehood, coupled with Brazil's entrance into the World War on the side of the Allied Powers, afforded a favourable opportunity for reviewing the actual position of the country extending over a full century of activity. Among other native and foreign writers who availed themselves of this opportune moment, the American author, Mr Herman G. James, has produced a substantial volume, extremely well printed, and covering nearly 600 pages of interesting matter. Its title, "Brazil After a Century of Independence," might, however, have been better altered to, say, "Brazil During a Century of Independence," since the volume before us contains neither figure, fact, nor comment concerning any economic event in Brazil subsequent to 1922. None the less, it contains a great deal of information gathered from admirably translated or skilfully adapted matter already available in Portuguese, and supplied by the Government in preparation for the centenary. Mr James is an American, and throughout his volume, where any personal impressions or conclusions are to be found, they are mostly presented from an American point of view.

All who wish well to Brazil and its people would have liked to have seen the centennial solemnised under conditions more satisfactory from the point of view of the country's national finances. But the financial cloud in which the largest of the South American Republics has been shrouded of late has not entirely lifted. In view of the source, however, from which the author has drawn the greater part of his information, this fact has been treated leniently, and, as a record of history, is little to be depended upon.

The book is divided into 16 chapters, four of which are devoted to early history, and the remainder to subjects such as governmental system, natural resources, population, agriculture, industries, foreign commerce, and transportation. It is to be regretted that so little individual attention should have been given to the latter subject, the description of the railways of the country occupying little more than 16 pages. Considering that the State's railways, although no doubt insufficient for so vast a country, number no fewer than 50, this allotment of space cannot be regarded as generous or helpful. Moreover, we look in vain for any mention of such important systems as the Great Western (of Brazil) or the Leopoldina, both British-owned, while a few words only are devoted to the equally important Government-owned Central Railway. Nevertheless, during the years covered by Mr James's volume the history of these Brazilian railways went through

several striking phases which, at least, should have been recorded.

Upon more than one page of his book the author recommends Brazil as a favourable country for foreign investment, as no doubt it is. The best local investments, however, are unknown in this country, and find no mention in Mr James's volume. The local stock exchanges (Rio de Janeiro, Sao Paulo, Santos, &c.) deal daily in hundreds of different securities which pay their shareholders regular quarterly, half-annual, or annual dividends at rates ranging between 10 and 25 per cent. per annum. There is, however, the other side of the question upon which the author remains equally silent. British investors have lent substantial sums to Brazil, and have experienced temporary suspension of solemnly-contracted obligations, not all of which have yet been regulated. There are still five Brazilian loans—provincial and municipal—figuring on the Defaulters' List, coupons being in arrear and principal outstanding.

The long-sustained efforts of the Great Western (of Brazil) Railway to maintain a mere existence against the hostile policy of successive administrations are not referred to, any more than are its lines described; the years of endeavour made by the Leopoldina Railway to obtain the tariff concessions, indispensable to its continuance, are ignored. While, yet again, the misfortunes attending the Port-Alegre-New Hamburg (Brazilian) Railway Company, whose hopeless task of extracting compensation from the Rio Grande do Sul Government, constituting an important chapter in Brazilian economic history, find no mention, nor yet the case of the Rio de Janeiro Harbour and Docks Company, which fell well within the period covered by Mr James's book, extending, in fact, over 12 years.

Moreover, while President of the Board of Trade, Mr Stanley Baldwin, in reply to an interrogation put by Sir John Norton Griffiths in the House of Commons, publicly deplored the act of the Brazilian Government "in granting substantial favours to 16 American and eight Belgian products against the interests of British merchants," while the threatened application of other discriminating and destructive tariffs against British imports was only averted by strong diplomatic action. Such happenings as these should find place in any history that purports to be an authoritative account of a country's economic progress.

AGRICULTURAL DEBT IN THE PUNJAB.

This book presents in a vivid narration of the remarkable material development of the Punjab during seventy years of British rule; the work teems with facts and figures, and Mr M. L. Darling writes with authority on every aspect of rural economy*. The author describes the Punjab peasant with sympathy and knowledge, and shows insight into the psychology of the sturdy races which did so much for the Empire during the Great War.† The Punjab is agriculturally the most prosperous province in India, and it is probably also the most indebted, but debt reflects prosperity rather than the reverse. Debt and credit have gone hand in hand, and this is the author's central theme. Under Sikh rule the State took all the spare produce and nothing was left on which the cultivator could borrow. The British Government "converted collective into individual ownership of land, plus the right to alienate it at pleasure. By so doing an unconditional gift of a valuable estate was made to every peasant proprietor in the Punjab, and his credit was raised from the former limit of the surplus of an occasional good crop to the market value of the proprietary right conferred." It is not surprising that the moneylender was most accommodated, and that an improvident and illiterate peasantry exploited their new opportunities to the full. The drastic remedy, and led to the passing of the famous alienation Act of 1900, which forbade permanent alienation to non-agriculturists. This was followed by an Act to encourage and regulate the practice of economic

* "The Punjab Peasant in Prosperity and Debt." By M. L. Darling. I.C.S., with foreword by Sir Edward Maclagan. (London) Oxford University Press. 1925. H. Milford. Pp. 298. 14s net.

† Nearly half-a-million Punjabis (from a total population of 21 millions) served, most of them abroad.

co-operation by means of co-operative credit societies, "the most useful and the most hopeful means of dealing with the problems of agricultural credit." The Punjab Government has devoted much care and attention to this Department, and Mr Darling has an excellent description of its manifold activities.

Agriculture is the only important industry in the Punjab, and the peasant proprietor is everywhere predominant; he is the steel frame of the rural structure. The climate is dry with extremes of heat and cold. Rainfall is precarious, but twenty thousand miles of canals and distributaries, all made within the last sixty years, have secured one-third of the province from famine. Man is safe though cattle may suffer severely. The soil on the whole is fertile, and produces two harvests a year; wheat is abundant, and there is a big surplus in the canal colonies. The village community is still largely self-governing and self-sufficient. Eight acres appears to be the size of the average cultivated holding. The problem of debt is mainly that of the small proprietor. The fact of wide-spread indebtedness is patent, but there is a dearth of exact information in spite of many inquiries. The question is obscured by political prejudice, while the interplay of economic causes is hampered and complicated by caste, custom, religion, superstition, ignorance and oriental fatalism. There are many tribes, which belong to no less than three great religions—Hindu, Mohammedan, and Sikh. Our author finds that more than 80 per cent. of the proprietors are in debt. Much of the debt is unproductive, and probably half of it is unsecured. The cultivator's chief extravagance is his love of ostentation and litigation. Marriage now absorbs a full year's income, as there is a shortage of women, and brides are costing more and more. Mr Darling calculates that liabilities are equal to about three years of net income. Still, in any Western country a debt of £50 millions would be considered very small for a population of 21 million inhabitants. The standard of living has much advanced in recent years. Since 1868 population has expanded by 22 per cent., and cultivation by 50 per cent. The value of land per acre has increased from Rs.10 (in 1866) to Rs.198. Prices of agricultural produce have risen over 50 per cent. in the last ten years. But debt has doubled in thirty years, an increase which coincides with a period of unexampled prosperity and development. Outside India similar influences have been at work. The great increase in peasant indebtedness in Europe during the latter half of the nineteenth century was due *inter alia* to a rise in the value of land.

Mr Darling concludes on a note of chastened optimism. Unearned prosperity is illusory. In a country where marriage is a religious duty and is consummated at an early age, material blessings are soon neutralised by an increase of population. The author advocates reasonable and intelligent co-operation, education, and self-control.

BOOKS RECEIVED.

- The Evolution of Provincial Finance in British India.* By B. R. Ambedkar. (London) P. S. King and Son, Limited. 15s net.
- Report of the Controller of the Currency.* 1924-25. (Calcutta) Government of India Central Publication Branch. 2s 3d.
- L'Avenir du Travail. Bulletin de L'Association Internationale pour la Protection légale des Travailleurs.* (Paris) Librairie Berger-Levrault. 6f.
- Annuaire Statistique de la France. Quarantième Volume.* 1924. (Paris) Imprimerie Nationale.
- Complete Practical Income-Tax.* By A. G. McBain. (London) Gee and Co. 7s 6d net.
- Western Australia—Statistical Register for 1924-25. Part IV. Interchange.* (Perth) W. Simpson.
- Der Rhein-Mainische Stadtekrantz mit seiner Zentrale Frankfurt-am-Main.* (Frankfurt) Hellerdruck, A.G.
- The 100 Best Investments (August).* (London) British, Foreign and Colonial Corporation. 1s net.
- Why Food is Dear.* By the Rt. Hon. Christopher Addison. (London) Labour Party, 33 Ecclesfield square. 2d net.
- Sweated Imports and International Labour Standards.* (London) Labour Party. 2d.

Coal Under Capitalism. By Tom Myers. (London) Trades Union Congress and the Labour Party. 1d.

The Round Table. September, 1925. (London) Macmillan and Co. 5s net.

Contains articles on the Gold Standard, the Security Pact, China, and "British Industry and the Future."

International Labour Review, August, 1925. (London) George Allen and Unwin, Limited. 2s 6d net.

The Refugee Settlement in Greece. By P. Freme. (London) Eyre and Spottiswoode, Limited. 3d.

Aperçu de la Démographie des Divers Pays du Monde. L'Office Permanent de l'Institut International de Statistique. (La Haye) W. P. Van Stockum et Fils.

OFFICIAL PUBLICATIONS RECEIVED.

The following may be obtained from H.M. Stationery Office, Adastral House, Kingsway, W.C. 2:—

East India: Accounts and Estimates. 1925-26. *Explanatory Memorandum by the Under-Secretary of State for India.* Cmd. 2498. 9d net.

The Criminal Code of the Russian Socialist Federative Soviet Republic. 9d net.

Fourth (Interim) Report of Proceedings from June, 1924, to June, 1925. Unemployment Grants (Viscount St David's Committee. 9d net.

Colonial Reports:—

Federated Malay States. 1924. 1s 6d net.

Turks and Caicos Islands. 1924. No. 1258. 6d net.

Minutes of Evidence taken before the Departmental Committee appointed by the Board of Trade to Consider and Report what Amendments are desirable in the Companies Acts, 1908 to 1917, Seventeenth, Eighteenth, and Nineteenth Days. 1s 3d, 2s, and 2s respectively.

Accounts Relating to the Trade and Commerce of Certain Foreign Countries and British Countries Overseas. 1925. 7s 6d net.

Eleventh Annual Report of the General Board of Control for Scotland for year 1924. Cmd. 2487. 2s net.

Statistics as to the Operation and Administration of the Laws relating to the Sale of Intoxicating Liquor in England and Wales. 1924. Cmd. 2496. 3s 6d net.

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West End Foreign Branch 1, Pall Mall East, S.W.1.
Liverpool Foreign Branch 45, Castle Street, Liverpool.
Manchester Foreign Branch 94, Portland Street, Manchester.
Bradford Foreign Branch 13, Market Street, Bradford.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET, September 9. ACCOUNT, September 10.

No expectations were entertained this week by the Stock Exchange of a reduction in the Bank rate. The tendency of the money market has been a shade harder, and, in consequence, the buying of gilt-edged stocks suffered something of a pause. Various scrip stocks weakened a trifle and Conversion 3½ per cent., now quoted ex dividend, is a trifle lower on the week, allowing for the deduction from the price of £1 8s per cent. net interest payable on October 1st.

The foreign market is good. Most of the Brazilian bonds have risen, thanks to the improvement in the milreis and to the rise in the price of rubber. A dozen Chilean prices have been marked up one or two points apiece. French Government bonds strengthened substantially by reason of the result of the visit of M. Caillaux to London. Mexicans advanced on rumours of recognition. What are called the Reconstruction Loans of Middle Europe have hung fire, but Foreigners as a whole present a very firm front, and the bonds are being bought fairly extensively by the speculative investor. Argentines are harder for the sentimental reason that the visit of the Prince of Wales has attracted attention to these securities. Chinese issues are being picked up by the bolder purchasers,

* "Brazil After a Century of Independence." The Macmillan Company. 17s.

VENEZUELAN OIL CONCESSIONS, LIMITED, announce that Well R.31 at La Rosa was brought in on August 19th from the second oilsand at a depth of 2,059 feet. The initial production was unsteady at the rate of about 350 tons per day through a 1½-inch flow-plug with 150 lbs pressure.

COMPANY MEETINGS, &c.

THE AMALGAMATED PRESS (1922), LIMITED.

SATISFACTORY RESULTS OF YEAR'S BUSINESS.

RECORD ADVERTISING REVENUE.

SUCCESS OF OLD AND NEW PUBLICATIONS.

The ordinary general meeting of the Amalgamated Press (1922), Limited, was held, on the 27th instant, at the Memorial Hall, Farringdon street, London, E.C.

Sir George A. Sutton, Bart. (chairman of the company), presided.

The notice convening the meeting and the auditors' report were read by Mr J. R. Sumpter (joint secretary).

The Chairman said:—Gentlemen, although we are met here to-day at a time of acutest industrial depression, the report which I have the pleasure to present to you shows so little reflection of the prevailing troubles that you will, I am sure, consider it highly satisfactory.

The profits, as you will have seen from the balance-sheet which has been placed before you, amount to £541,199 5s.

INVESTMENTS.

Before I proceed to comment very briefly upon the year's activities, I would mention an item in the balance-sheet which perhaps calls for some explanation. It is that of investments, the total of which has been considerably increased since last year.

The ideal form of investment for a company such as ours is one which produces revenue, and at the same time insures the business against shortage of the essential supplies which are so regularly required, and in continuance of this policy we have during the year increased our holdings in the Anglo-Newfoundland Development Company, Limited, and the Imperial Paper Mills, Limited, by the purchase of further preference shares of these two companies, thus strengthening our position with regard to the supply both of mechanical pulp and manufactured paper.

We have also increased our holding of Five per Cent. War Loan by the purchase of a further £50,000 of the stock at a price slightly below par.

As it is common knowledge—and I have made it my first remark—I need not accentuate the fact that the past year, in the matter of trade depression and abnormal unemployment, has been one of the worst ever known. Indeed, for a state of things at all comparable with the industrial plight of the present time, it would probably be necessary to go back to the period immediately subsequent to the Napoleonic wars.

NEW PUBLICATIONS.

For this reason the working year just completed has not been a favourable one for the starting of new periodicals and magazines, yet during that year—in addition to remodelling and bringing up to date with marked success some of our existing papers—we have launched three new fortnightly publications, on the lines which have won so much approval from subscribers in every part of the world. These are:—

Harmsworth's Home Doctor,
The Harmsworth Children's Music Portfolio, and
The Harmsworth's Business Encyclopædia,
and in *The Children's Pictorial* we have issued an illustrated weekly companion paper to *The Children's Newspaper*.

But I am especially pleased to be able to tell you that your older-established papers have done well. *Answers*, in particular, has maintained its position as the predominant popular periodical, while *Home Chat*, *Woman's Weekly*, and *Woman's World* all, I am glad to say, show gratifying increases of circulation over the previous year.

RECORD ADVERTISING REVENUE.

Then again you will, I know, be pleased to hear that, despite the long-continued trade depression, the revenue from advertisements during the past year was the largest in the history of the company. Last year's record total has been exceeded by a generous margin—a very noteworthy achievement indeed.

The continuous growth of advertisement revenue is the best evidence you could wish of the ever-growing popularity of your magazines and periodicals among advertisers and advertising agents. So great, indeed, has been the demand for space in three of them, *Answers*, *Home Chat*, and *Woman's Weekly*, that we have had to make certain increases in the advertisement rates. The net sales of each of these three papers are, of course, very much larger to-day than when the original rates were fixed, and I have no

hesitation in saying that they will continue to prove themselves increasingly excellent and profitable media.

Other periodicals of yours have also beaten all their previous advertisement revenue records, but these I need not specify. Taken together, the publications of the Amalgamated Press constitute a self-contained national publicity machine unrivalled in the world. They offer to every advertiser (but especially to advertisers appealing to women) facilities and opportunities for profitable business on the widest scale. Every year, I might almost say every month, sees an addition to the number of advertisers who recognise and avail themselves of the advantages offered by your great groups of media.

INCREASING COSTS.

Now, I would not have you suppose that in a time of national trade depression your directors have found any golden road to prosperity unknown to others. It might be thought we were treading it with these increases of revenue in view, but I must point out that against this increased advertising revenue we have the continual increase in costs of production in all departments. There has been little alleviation of the crushing taxation from which all businesses are suffering.

PULP MILL, PAPER MILL, INK FACTORY ASSETS.

As I pointed out last year, this company does not derive its entire profits from the sale of periodicals and magazines. The Imperial Paper Mills, in which we hold the controlling interest, is now the second largest paper mill in the country, and, in addition, owns a controlling interest in timber limits in Canada. Further, your share interest in the largest printing ink works in the country, and your vast printing and publishing factories, place us in the fortunate position of being a great self-contained organisation.

THE FUTURE.

In conclusion, I wish I could offer you a hopeful forecast of the industrial future, but at present there are, unfortunately, few signs of any lifting of the clouds of trade depression and unemployment. When the trade revival comes, however, as assuredly it must, this company—by reason of its great resources and its financial strength—will be able to take full advantage of any opportunities that present themselves. A business such as ours is quickly sensitive of benefit in times of prosperity. More than that it would be unwise to say as to the future, but I would add that at the moment the indications for next year, so far as they affect our activities, are not unfavourable.

I now have to move: "That the report of the directors produced, together with the annexed statement of the company's accounts at June 30, 1925, be received, approved, and adopted, and that a final dividend for the year of 2s a share, less income-tax at 4s 3d in the £, be now declared on the ordinary shares." I will ask the vice-chairman, Mr Linforth, to second the resolution.

Mr Arthur E. Linforth (vice-chairman): I beg to second the resolution.

There being no questions or comments, the resolution was put to the meeting and carried unanimously.

Mr C. B. Rawlings then proposed the reappointment of the auditors, Messrs Turquand, Youngs, and Co., and Messrs E. Layton Bennett, Sons, and Co.

Mr Charles Steele seconded the resolution, which was unanimously agreed to.

VOTE OF THANKS TO CHAIRMAN, DIRECTORS, AND STAFF.

Mr Wm. Haley: Mr Chairman, I have no question to ask, but I should like to offer you, sir, the warmest congratulations of all present on the wonderful report you have produced under most difficult commercial conditions. We, as shareholders, have every reason to be gratified with the excellent results produced. The figures speak for themselves. Now, such results could only be produced by the closest co-operation of all departments and by harmonious working for the common good of the company, and we, as shareholders, would be very lacking in common gratitude if we did not express our hearty and sincere thanks to those responsible. A remark was passed years ago in my hearing that "there are directors and directors." The inference of that remark is obvious, but I can assure you, with a fairly close association of 30 years with this company, that you need have no misgivings as to the directing powers of our present board. Through our esteemed

chairman, Sir George Sutton, and the no less esteemed right-hand colleague, Mr Arthur Linforth, and their colleagues all the elements of energy, enterprise, and enthusiasm are radiated through the many branches of this wonderful business. The outlook, as you have said, Mr Chairman, cannot be analysed, but we, as shareholders, may rest assured that the affairs of this company are in the hands of most capable men, and in thanking you we offer you our fullest confidence, and we can safely anticipate continued success. I have pleasure in moving that the best thanks of this meeting be given to the chairman, the directors, and the staff.

Mr E. S. Baring Gould seconded the vote, which was unanimously accorded.

The Chairman: I am much obliged to you for the kind words with which you have proposed this resolution. I can only say, as I have said in previous years, that we will continue to do our best, and I hope the trade position for the current year will give us some encouragement. Gentlemen, I thank you, and that concludes the business of the meeting.

ILLINGWORTH, MORRIS, AND COMPANY, LIMITED.

DIFFICULT TRADING CONDITIONS.

The fifth ordinary general meeting of Illingworth, Morris, and Co., Limited, was held, on the 26th instant, at the Cannon street Hotel, London.

Sir Arthur H. Marshall, K.B.E. (the chairman), in moving the adoption of the report and accounts, said:—I regret that the report and balance-sheet show a very heavy loss on the year's working. The hope expressed at the last annual meeting of a better year has not been realised. But, taking the figures as they stand, the actual trading loss is certainly, though serious, not one that is out of proportion to those experienced by other manufacturers engaged in similar business. Towards the end of 1924 there was a slight improvement, but this was followed by a further fall in wool prices and a period of unprecedented bad trade. Taking worsted tissues alone, on a completed seven months ended July 31, 1925, our national exports show a decline of practically 4,000,000 square yards, or about 12 per cent., as compared with the corresponding period in 1924. A general trade depression has, of course, also affected the purchasing power of the home community. There, in a few words, is the explanation of the losses recorded in this balance-sheet.

STRICTEST ECONOMY.

In face of this general situation it was necessary to go most carefully into the possibility of organising the business of the company on the basis of the strictest economy. The London offices of the company have been transferred to Bradford, which is the natural centre of all our manufacturing and trading, and affords our managing director, Mr. Turner, an opportunity for the closest supervision. With added responsibilities which he and his technical colleagues have undertaken for the present, expenses have been reduced, and that without any loss of efficiency. It has been a very difficult period of trade, and upon the managing director the heaviest responsibilities have devolved, and these he has shouldered with characteristic courage. His work and the directing force of his skill and energy have kept down the actual trading losses.

I cannot emphasise too strongly the fact that, after most careful observation and personal investigation, I am convinced that, if production costs at each of the company's mills are such that, if and when full time working becomes possible, our results will be very different from a profit-making point of view. If we can reach stability of prices in raw material it is probable that a demand for yarn will increase, and I do confidently assert that, when trade improves, the company's works are likely to be among the first to benefit, as the quality of our production is known to every manufacturer. I move the adoption of the report and balance-sheet, and call on the managing director to second the motion.

MANAGING DIRECTOR'S STATEMENT.

Mr F. W. Turner (managing director):—As Sir Arthur has already stated, at the time of our last annual meeting trade appeared to have taken a turn for the better, but, unfortunately, this was not continued. There was, first, the disturbing influence of a General Election; and then early in the present year a fall in wool values set in, and by the end of May we had experienced a drop of approximately 40 per cent. This naturally had a most adverse effect upon the trading returns of our subsidiaries, and also on the values of the various stocks held. These were properly depreciated at stocktaking, and since then values have been steadier. Taking this tremendous fall into account, I wish to say that, in comparison with the results of firms of a similar size, we have every reason to congratulate ourselves upon the smallness of our trading losses. At the same time, it must be borne in mind that, until we can run all our factories full time, the present-day costs of pro-

£700,000 IN A YEAR

This amount represents the
MOTOR CLAIMS PAID
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duction are so heavy that profit-making will continue to be a difficult matter.

As regards the factories, they are all now very well equipped, and if and when trade does revive we are in a splendid position to take advantage of any such revival. The reconstruction of Zetland Mills has enabled us to install about 20 per cent. more spinning machinery than they formerly held, because of the transference of the dyeing department to our central dyeworks. These mills now are among the best in the district, and are fitted throughout in the best possible manner.

I wish to take this opportunity of thanking all my colleagues at the various branches for the loyal support they have given me during the last 12 months, without which we could not have accomplished what we have done.

The motion was carried after some discussion.

THE AMALGAMATED DENTAL COMPANY, LIMITED.

BENEFITS OF THE FUSION.

The annual general meeting of the Amalgamated Dental Company, Limited (formerly Claudius Ash, Sons, and Co., Limited, and De Trey and Co., Limited), was held, on the 27th instant, at the Cannon street Hotel, London.

Mr E. Russell Polden (chairman of the company) presided, and in moving the adoption of the report and accounts, having referred with regret to the death of Mr W. H. Ash, dealing with the accounts, said that the board felt that they could adopt no other course than the prudent one of placing £40,000 to reserve, which was the only avenue at the present time for providing the necessary resources for expansion of business. This policy might be a disappointment to holders of deferred ordinary shares, but he would say in the case of either a De Trey or a Claudius Ash ordinary shareholder who still retained a full holding under the amalgamation scheme, that the dividend return was somewhat better than in respect of 1923.

The Chairman continued: The fusion of our two businesses naturally causes an amount of overlapping and redundant energies; these difficulties are gradually being straightened out, with the result, the directors believe, of a definite saving of superfluous exertions in certain directions and greater concentration in other ways where there is definite scope for development.

Our company with its subsidiary and associated companies and sole agencies is now the greatest dental sales organisation in the world, and can supply the dentist with everything that is necessary to enable him to satisfy the requirements of the most exacting of his clients. The teeth, equipment, instruments, and other articles we manufacture and sell are of the best quality, and our prices are based so as to give us a reasonable profit, and compare favourably with the prices charged by other firms catering for the dental profession.

Although the movement is slow and the horizon still far from clear, I think, in comparing the position with this time last year, that we may say that on the whole the outlook in Europe appears to be somewhat brighter and that serious efforts are being made to adjust political differences.

Our organisation is being concentrated and strengthened throughout the world, our policy being to leave no stone unturned for the further expansion of the business, and I can safely say that when we take into consideration all our subsidiary and associated companies, that our efforts know no rest, that is to say, that night never

intervenes for a moment to completely check our activities throughout the world.

Mr Percy C. M. Ash (a managing director) seconded the motion, which was carried unanimously.

W. H. CHAPLIN AND COMPANY, LIMITED. SATISFACTORY RESULTS DESPITE DIFFICULTIES.

The twenty-eighth ordinary general meeting of W. H. Chaplin and Co., Limited, was held, on the 26th instant, at Winchester House, London, Mr Percy F. Chaplin presiding.

The Chairman, in moving the adoption of the report and accounts, said: Having regard to the general depression which still unfortunately continues both in this country and elsewhere, your directors think that the results should be considered satisfactory. The profit for the year amounts to £50,006 15s 9d. Dividends have already been paid on the preference shares at the rate of 5 per cent. and an interim dividend at the rate of 10 per cent. has been paid on the ordinary shares. From the balance of profit remaining the directors recommend that a final dividend be paid on the ordinary shares at the rate of 10 per cent. per annum, making in all 10 per cent. for the year. This, with other appropriations in accordance with the articles, leaves a balance of £30,943 16s 8d to be carried forward to next year's accounts, subject to liability for adjustment of excess profits duty and corporation profits tax, which has not yet been agreed. During the year under review our trade has been suffering, with others, from the general scarcity of money. The present very high spirit duty is rapidly making itself felt, accentuated by the decreased spending power of the public. So much is this the case that the actual home consumption is considerably less than half the consumption of six years ago.

We have referred in our report to the acquisition of new and enlarged premises in the Minorities. We have been in occupation of a part of these premises for some months, having transferred our bonded warehouse to that site, and the new bond is working very efficiently and showing the company considerable saving. At the end of this week we hope to move from Mark lane to the same address, where we are just completing new and more commodious offices, which, we hope, will enable us to work with increased efficiency. Our Scottish branch has entered its fourth year of trading, and shows increasing turnover and again improved results for the year. The company's brands "Concord" port and

"Bowen's Old Invalid" port have continued to enjoy their established popularity, and the sales of "Long John" whisky show a very satisfactory increase over the sales of the previous year.

Our tobacco department continues to expand and show satisfactory results. The company's stock has been well maintained, and is valued on a conservative basis.

Mr George McKechnie seconded the resolution, which was carried unanimously.

GOVERNMENT RETURNS, &c.

NATIONAL DEBT—(Million £).

	Aug. 1, 1914.	Dec. 31, 1919.	Mar. 31, 1921.	Mar. 31, 1922.	Mar. 31, 1923.	Mar. 31, 1924.	Dec. 31, 1924.	Mar. 31, 1925.	Aug. 22, 1925.
Funded Debt	588	315	315	315	314	314	314	314	314
Term Annuities	30	20	18	16	14	14	13	13	13
3% Conversion Loan	..	..	..	265	684	666	709	732	732
4% Conversion Loan	..	..	..	..	..	..	..	..	..
3% War Stock	..	63	63	63	63	63	210	210	210
4% War Stock	..	13	13	13	13	13	63	63	63
4% and 5% War Stock	..	..	..	..	..	..	..	..	..
National War Bonds	2,047	1,995	1,953	2,095	2,166	2,017	2,052	2,052	2,052
4% Funding Loan	1,509	1,413	1,201	953	820	813	780	777	777
4% Victory Bonds	..	409	406	401	399	396	395	395	395
Treasury Bonds	..	360	347	335	325	314	310	300	300
Exchequer Bonds	..	..	..	..	..	..	..	..	..
National Savings Certs.	30	323	289	453	411	487	482	458	458
Other Debt	..	267	285	342	354	369	32	32	32
American Loan (Anglo-French)	1,306	1,132	1,087	1,157	1,128	1,132	1,124	1,124	1,124
Treasury Bills	15	51	1,121	878	616	588	575	624	624
Temporary Advances	1	243	154	147	194	186	166	145	145
Other Capital Liabilities	654	8,033	7,574	7,655	7,742	7,641	7,726	7,646	7,672
Total Liabilities	711	8,079	7,623	7,721	7,812	7,707	7,794	7,718	7,740

* Includes debt to American Government.

Ways and Means Advances	Aug. 23, '24.	Mar. 31, '25.	Aug. 22, '25.	Aug. 22, '25.
Outstanding—				
Advances by Bank of England	176,773,500	166,585,000	144,201,000	122,000,000
Advances by Public Deptms.	592,080,000	575,610,000	564,020,000	7,310,000
Treasury Bills Outstanding	..	..	..	..
Total Floating Debt	768,853,500	742,195,000	708,221,000	4,890,000

* Includes £54,000, the proceeds of which were not carried to the Exchequer within the period of the account.

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

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Redemption Account.					Balance at Bank of England.
			Silver Coin.	Gold and Bullion.	Bank of England Notes.	Ratio to Notes.	Government Securities.	
Mar. 29, 1922.	300,351	14,255	5,000	28,500	19,450	15.9	261,479	177
June 28, 1922.	295,374	13,338	6,000	28,500	19,650	16.3	254,312	250
Sept. 27, 1922.	289,127	12,648	7,000	27,000	21,150	16.6	246,546	169
Dec. 27, 1922.	301,337	12,872	7,000	27,000	21,150	15.9	258,922	137
Mar. 28, 1923.	285,616	12,318	7,000	27,000	22,450	17.3	241,294	190
June 27, 1923.	286,503	12,516	7,000	27,000	22,450	17.3	242,446	123
Sept. 27, 1923.	282,784	12,401	7,000	27,000	22,450	17.3	238,595	140
Dec. 26, 1923.	299,070	12,571	7,000	27,000	22,450	16.5	265,032	158
Mar. 26, 1924.	281,538	11,908	7,000	27,000	22,450	17.6	236,867	130
June 25, 1924.	290,316	12,472	7,000	27,000	22,450	17.0	246,196	140
Sept. 24, 1924.	285,592	12,227	7,000	27,000	22,450	17.3	241,185	184
Dec. 31, 1924.	296,261	12,812	7,000	27,000	26,950	18.2	248,111	132
Mar. 25, 1925.	284,256	11,882	7,000	27,000	26,950	18.9	235,076	112
June 24, 1925.	292,278	12,265	7,000	..	53,550	18.5	243,474	119
Aug. 12, 1925.	301,216	12,700	7,000	..	56,250	18.6	250,496	170
19, 1925.	297,272	12,527	7,000	..	5,350	18.9	243,370	179
26, 1925.	295,086	12,398	7,000	..	56,250	19.1	244,096	138

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £220,600,000, for 1921 at £317,555,200, for 1922 at £309,988,400, for 1923 at £270,183,800, for 1924 at £248,190,500, and for 1925 at £248,145,400.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £40,000,000 in Treasury Bonds and Treasury Bills were opened on Aug. 28, 1925, and the total amount applied for was £59,830,000. For bills at three months dated Monday to Saturday, £99 0s 10d, about 14 per cent., above in full.—In bills at 3 months, £40,000,000; in bonds, nil.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.	4% Treasury Bonds. Average Price.
June 26, 1925.	40,000,000	60,805,000	4 10 5.19	..
July 3, 1925.	40,000,000	52,085,000	4 10 2.47	..
July 10, 1925.	35,000,000	51,950,000	4 7 10.46	..
July 17, 1925.	35,000,000	49,600,000	4 4 6.41	..
July 24, 1925.	35,000,000	46,090,000	4 3 6.17	..
July 31, 1925.	35,000,000	44,055,000	4 5 0.44	..
Aug. 7, 1925.	35,000,000	49,070,000	3 19 11.14	..
Aug. 14, 1925.	35,000,000	50,515,000	3 18 2.11	..
Aug. 21, 1925.	35,000,000	61,575,000	3 15 2.91	..
Aug. 28, 1925.	40,000,000	59,830,000	3 16 3.65	..

Tenders will be received on Sept. 4, 1925, for Treasury Bills and Treasury Bonds to be issued to the maximum amount of £40,000,000. The amount of Treasury Bonds issued will not exceed £4,000,000.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1925-26. (See Note)	Total Receipts into the Exchequer from	RECEIPTS.	Week Ended Aug. 22, 1925.	Week Ended Aug. 23, 1924.
		Apr. 1, 1925, to Aug. 22, 1925.	Apr. 1, 1924, to Aug. 23, 1924.		
Balances in Exchequer on 1st April:—	£	£	£	£	£
Bank of England	..	5,341,778	5,069,613	..	..
Bank of Ireland	..	1,215,322	1,562,001	..	..
..	..	6,557,100	6,631,614	..	..
REVENUE.					
Customs	102,040,000	38,987,000	39,760,000	2,135,000	2,809,000
Excise	137,220,000	49,840,000	51,393,000	7,221,000	6,668,000
Motor Vehicle Duties	17,500,000	4,638,000	3,980,000	..	..
Estate, &c., Duties	66,500,000	23,520,000	26,440,000	1,080,000	2,030,000
Stamps	24,000,000	7,070,000	6,180,000	110,000	320,000
Land Tax, House Duty & Mineral Rights Duty	1,000,000	160,000	600,000	10,000	..
Property & Income Tax	262,000,000	78,013,000	84,748,000	3,792,000	3,569,000
Super-Tax	63,300,000	22,710,000	22,710,000	500,000	460,000
Excess Profits Duties, &c.	4,000,000	5,110,000	6,940,000	170,000	350,000
Corporation Profits Tax	9,000,000	21,900,000	21,800,000	1,100,000	1,250,000
Post Office	57,000,000	430,000	440,000	90,000	60,000
Crown Lands	900,000	..	..	..	..
Interest on Sundry Loans	12,600,000	8,254,572	5,703,415	..	5,168
Miscellaneous	..	..	..	..	..
Ordinary Receipts	14,000,000	4,272,671	5,109,332	209,199	394,705
Special Receipts	30,000,000	14,989,387	12,574,531	52,788	521,400
Revenue	801,060,000	281,564,630	282,534,278	16,469,917	18,437,273
Total inc. Balance	..	288,121,730	295,015,892	..	..
OTHER RECEIPTS.					
Temporary Advances Repaid:—					
Under the Unemployment Insurance Acts, 1921	..	1,170,000	5,680,000	..	..
Money Raised by Creation of Debt:—					
(a) For Capital Expenditure Issues:—					
Under the Telegraph (Money) Acts, 1922 and 1924	..	3,050,000	2,200,000	..	..
Under the Housing Act, 1914	..	3,000	1,000	..	..
Under the West Indian Islands (Telegraph) Act, 1924	..	11,533	..	..	..
(b) Under the Unemployment Insurance Acts, 1921	..	1,250,000	..	..	..
(c) For other issues:—					
By Treasury Bills	..	963,229,000	934,424,000	45,184,000	35,737,000
By 3% Conversion Loan	..	23,079,560	..	..	..
By National Savings Certificates	..	14,550,000	11,000,000	650,000	450,000
By Exchequer and National War Bonds	..	15	..	..	..
By Treasury Bonds, 1925	..	10	..	..	..
By 4% Treasury Bonds, 1931-33	..	..	13,521,620	..	..
(d) Ways and Means Advances	..	255,755,000	291,841,500	..	..
Anglo-Persian Oil Company—					
Dividends on Shares Acquired	..	..	23,109	..	..
Repayments—					
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921	..	78,816	522,224	..	..
Total	..	1,550,298,664	1,554,229,345	62,303,917	54,624,273

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1925-26. (including Supplementary Grants.)	Total Issues out of the Exchequer to meet Payments from	ISSUES.	Week Ended Aug. 22, 1925.	Week Ended Aug. 23, 1924.
		Apr. 1, 1925, to Aug. 22, 1925.	Apr. 1, 1924, to Aug. 23, 1924.		
EXPENDITURE.					
National Debt Services—					
Interest, &c.	305,000,000	136,291,220	136,418,913	434,744	355,017
Sinking Fund	50,000,000	16,010,213	11,438,865	399,861	1,263,000
Road Fund	16,900,000	4,037,044	3,247,044	1,010,000	..
Payments to Local Taxation Accounts, &c.	13,329,000	2,689,906	2,126,891	899,974	..
Payments to Northern Ireland Exchequer ..	4,000,000	1,781,353	1,994,832	418,156	618,272
Land Settlement	700,000	119,514	288,553	2,342	9,348
Other Consolidated Fund Services	2,000,000	1,135,202	967,812	..	..
Supply Services	418,086,000	146,215,129	141,795,085	8,850,000	7,750,000
Expenditure	810,015,000	308,279,581	298,277,995	12,015,077	9,935,637
OTHER ISSUES.					
Temporary Advances—					
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	..	36,891	36,891	..	..
Under the Unemployment Insurance Acts, 1921	..	1,250,000	..	..	..
Issues to Meet Capital Expenditure—					
Under the Telegraph (Money) Acts 1922 and 1924	..	4,450,000	3,100,000	..	..
Under the Housing Act, 1914	..	6,000	4,000	..	..
Under the West Indian Islands (Telegraph) Act, 1924	..	20,071	230,627	..	..
Unemployment Insurance Acts, 1921	..	670,000	4,790,000	..	..
Repayment of amounts borrowed	..	914,835,000	930,720,000	37,875,000	39,800,000
Redemption of Debt—					
Treasury Bills	..	12,400,000	12,900,000	550,000	600,000
Principal of National Savings Certificates	..	306,667	..	..	..
Principal of Exchequer Bonds paid off	..	3,639,550	..	..	..
Principal of National War Bonds paid off	..	23,645,860	..	..	..
Principal of Treasury Bonds paid off	..	..	50	..	..
Other Debt under the War Loan Acts, 1914 to 1919	..	..	..	..	..
Ways and Means Advances Repaid	..	..	..	..	..
Anglo-Persian Oil Company—					
Issues to the National Debt Commissioners	..	..	..	..	..
Total	1,517,588,620	1,551,305,179	1,554,229,345	62,640,077	55,495,637

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

	June 30, 1925.	June 15, 1925.	May 30, 1925.	May 15, 1925.	June 30, 1924.
ASSETS.					
Gold and balances abroad	2,366,951	2,328,071	2,341,340	2,408,411	2,697,667
Government loans and securities	3,793,734	3,806,310	3,807,963	3,807,973	3,987,189
Discounts and loans	3,876,992	3,183 871	3,148,422	3,104,688	1,860,731
LIABILITIES.					
Notes in circulation	5,811,699	5,652,054	5,097,948	5,102,685	4,542,260
Government deposits.	592,193	594,683	596,781	646,217	757,011
Private sight deposits.	1,999,226	1,938,079	1,914,126	1,958,794	1,872,250
Private deposits at fixed rates	1,028,114	1,030,613	1,037,571	1,040,616	1,070,916

	Aug. 21, 1925.	Aug. 22, 1925.	Aug. 24, 1925.	Aug. 25, 1925.	Aug. 26, 1925.	Aug. 27, 1925.	Aug. 28, 1925.
Bank rate (changed from 5% August 6, 1925)	4½ %	4½ %	4½ %	4½ %	4½ %	4½ %	4½ %
Market rates of discount—							
60 days' bankers' drafts	5¾	5¾	5¾	5¾	5¾	5¾	5¾
3 months' do	5¼	5¼	5¼	5¼	5¼	5¼	5¼
4 months' do	5¼	5¼	5¼	5¼	5¼	5¼	5¼
6 months' do	4¾	4¾	4¾	4¾	4¾	4¾	4¾
Discount (Treasury Bills)—							
2 months	3½	3½	3½	3½	3½	3½	3½
3 months	5½	5½	5½	5½	5½	5½	5½
6 months	5½	5½	5½	5½	5½	5½	5½
Loans—Day to day	3½	3½	3½	3½	3½	3½	3½
Short	3½	3½	3½	3½	3½	3½	3½
Deposit allowances : Banks	2½	2½	2½	2½	2½	2½	2½
Discount houses at call	2½	2½	2½	2½	2½	2½	2½
At notice	2½	2½	2½	2½	2½	2½	2½

: Additional to those offered by tender in the preceding week.											
Comparison with previous weeks :—											
		Short Loans.	Bank Bills.				Trade Bills.				
			3 Months.		4 Months.	6 Months.	3 Months.	4 Months.	6 Months.		
Aug.	1925.	%	%	%	%	%	%	%	%	%	%
	17.....	3 1/2	4 1/2	4 1/2	4 3/4	4 3/4	5	5	5 1/2	5 1/2	5 1/2
	14.....	4	4	4 1/2	4 1/2	4 1/2	5	5	5 1/2	5 1/2	5 1/2
	21.....	3 3/4	3 3/4	3 3/4	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
	28.....	3 3/4	3 3/4	3 3/4	4 1/2	4	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
	21.....	3 1/2	3 1/2	3 1/2	4 1/2	4	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
	28.....	3 1/2	3 1/2	3 1/2	4 1/2	4	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2

MOSCOW QUOTATIONS FOR CHERVONETZ.

According to advices received in London, the following are the Moscow quotations for chervonetz:—

£1,000 sterling equals	942½	chervonetz.
\$1,000 " "	1942	"

and INDUSTRIAL

F U.S.S.R.
MBANK"

-	-	-	Roubles	40,000,000
-	-	-		6,836,000
-	-	-		194,638,000

OFFICE :
(Stock Exchange) Place Nr. 2/7
PARTS OF THE U.S.S.R.

“PROMBANK”

HEAD OFFICE:

82 BRANCHES IN ALL PARTS OF THE U.S.S.R.

ALL BANKING OPERATIONS EXECUTED, TRANSFERS TO
ALL PARTS OF EUROPE, AMERICA AND OTHER COUNTRIES.

OVERSEAS BANK RATES.

Changed.	%	Changed.	%
Amsterdam	Jan. 14, 1925 ..	4	53
Athens	Feb. 5, 1925 ..	84	6
Belgrade	Feb. 26, 1925 ..	6	7
Berlin	Jan. 22, 1925 ..	54	8
Brussels	Sept. 4, 1920 ..	9	7
Bucharest	May 28, 1925 ..	9	7
Calcutta	July 2, 1925 ..	4	6
Copenhagen	Aug. 24, 1925 ..	6	7
Danzig	Mar. 6, 1925 ..	9	7
Helsingfors	Aug. 14, 1925 ..	8	7
Lisbon	Sept. 12, 1923 ..	9	7
New York Fed. Reserve ..	Feb. 26, 1925 ..	34	6
Madrid	Mar. 23, 1925 ..	5	6

The Bank Rate of the South African Reserve Bank is 5½% for first-class commercial bills (90 days), and 6% for agricultural bills (of not more than six months).

Warsaw (Poland).—From August 12, 1925, discount rate, gold francs, 12%; loans on collateral security, gold francs, 14%.

We are informed that the head office of the De Javasche Bank at Batavia, as from October 20th, has increased its discount rate for bills from 3½ per cent. to 4½ per cent.

RATES OF EXCHANGE.

London on	Usance	Par.	Aug. 29, 1924.	Aug. 21, 1925.	Aug. 28, 1925.
Paris	francs to £1	T.T.	25-224	89-37-42	103-40-45
Berlin	marks to £1	T.T.	20-43	183-19 blms.	20-39-42
Vienna	schillings to £1	T.T.	34-584	317/322,000	34-43-48
Prague	krone to £1	T.T.	24-02	1494-150	1634-1637
Warsaw	zloty to £1	T.T.	25-224	23-30-50	284
Regal	Estimaks. to £1	T.T.	2000	1810-1850	1810-1850
Riga	lats to £1	T.T.	25-224	23-12-39	25-04-25-29
Kovno	lits to £1	T.T.	48-66	49-20-40-30	49-25-35
Bukarest	lei to £1	T.T.	25-224	910-920	945-950
Budapest	kr. to £1	T.T.	24-02	340/350,000	345/347,000
Constantinople	lira to £1	T.T.	110	835-840	835-845
Sofia	leva to £1	T.T.	25-224	610-620	660-680
Belgrade	dinars to £1	T.T.	25-224	350-360	270-273
Amsterdam	florin to £1	T.T.	12-107	11-594-60	12-053-6
Brussels	francs to £1	T.T.	25-224	89-20-30	107-45-50
Oso	kroner to £1	T.T.	18-159	32-42-47	24-78-83
Stockholm	kronor to £1	T.T.	18-159	16-84-87	18-084-094
Copenhagen	kroner to £1	T.T.	18-159	27-27-32	19-87-92
Helsingfors	F. marks to £1	T.T.	25-224	1784-179	1924-1924
Greece	drachmas to £1	T.T.	25-224	245-248	313-318
Italy	lire to £1	T.T.	25-224	1014-1014	1294-1294
Switzerland	francs to £1	T.T.	25-224	23-23-26	25-04-07
Madrid	pesetas to £1	T.T.	25-224	33-74-77	33-78-81
Lisbon	escudos to £1	T.T.	534-2	14-18-18	24-2
Alexandria	piastres to £1	Sight	974	974-974	974-974
New York	dollars to £1	Cable	4-864	4-49-494	4-854-854
Montreal	dollars to £1	Cable	4-864	4-484-494	4-854-854
Buenos Aires	pesos to £1	T.T.	47-624	414-42	454-454
Rio de Janeiro	pesos to £1	T.T.	51	514-514	514-514
Montevideo	pesos to £1	T.T.	51	514-514	514-514
Valparaiso	pesos to £1	T.T.	13-33	44-10	44-10
Lima	Eng. to Per. £1	90 days	par	73% prem.	21% prem.
Calcutta	ster. to rupee	T.T.	10 to	1s 5d 5d	1s 6d 5d
Bombay	ster. to rupee	T.T.	10 to	1s 5d 5d	1s 6d 5d
Madras	ster. to rupee	T.T.	10 to	1s 5d 5d	1s 6d 5d
Hong Kong	ster. to dollar	T.T.	2s 4d 4d	2s 4d 4d	2s 4d 4d
Shanghai	ster. to dollar	T.T.	2s 4d 4d	2s 4d 4d	2s 4d 4d
Singapore	ster. to dollar	T.T.	2s 4d 4d	2s 4d 4d	2s 4d 4d
Yokohama	ster. to yen	T.T.	24-584	1s 9d 10d	1s 8d 4d
Manila	ster. to peso	T.T.	24-066	1s 2d 10d	1s 2d 10d
Mexico	pesos to £1	T.T.	25-224	244-244	244-244

† Rate for previous day. (b) Represents krone to £1, at a par value of 24-02 to £1. † 1 schilling=10,000 paper crowns.

CURRENT RATES IN NEW YORK.

The Irving Bank—Columbia Trust Company cable the following money and exchange rates in New York:—

Aug. 28, 1924.	1925.	Aug. 6, 1925.	Aug. 13, 1925.	Aug. 20, 1925.	Aug. 27, 1925.
Call money	2 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Time money (90 days) mixed coll.	2 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Bank acceptances	2 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Members—eligible, 90 days ..	2 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Non-mem.—eligible, 90 days ..	2 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Intelligible, 90 days	2 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Commercial accept., 90 days ..	2 1/2	4 1/2	4 1/2	4 1/2	4 1/2

Country.	Par Value	Usance.	1925.	Rate.
Ecuador	Suores to £	1000	Sight London	Aug. 22 21-05
Venezuela	Bolivares to £	25-25	"	Aug. 26 25-30
Colombia (Bogota)	Pesos to £20.	100	"	Aug. 24 29-25
Nicaragua	Colonos to £	4-865	"	June 30 4-80
San Salvador	Pesos to £	90-43	"	Aug. 22 9-90
Guatemala	Colonos to £	10-45	"	May 28 18-92
Costa Rica	Pesos to £	19-20	"	July 25 174

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

Country.	Par Value	Usance.	1925.	Rate.
Ecuador	Suores to £	1000	Sight London	Aug. 22 21-05
Venezuela	Bolivares to £	25-25	"	Aug. 26 25-30
Colombia (Bogota)	Pesos to £20.	100	"	Aug. 24 29-25
Nicaragua	Colonos to £	4-865	"	June 30 4-80
San Salvador	Pesos to £	90-43	"	Aug. 22 9-90
Guatemala	Colonos to £	10-45	"	May 28 18-92
Costa Rica	Pesos to £	19-20	"	July 25 174

GOLD MOVEMENTS.

The following table shows arrivals and withdrawals of gold during last week:—

1925.	ARRIVALS.	£	1925.	WITHDRAWALS.	£
Aug. 22	.....	nil	Aug. 22	.....	nil
" 23	.....	nil	" 24	bars sold	7,000
" 24	.....	nil	" 24	Singapore	10,000
" 25	.....	nil	" 25	bars sold	258,000
" 26	.....	nil	" 26	bars sold	468,000
" 27	.....	nil	" 26	Straits Setts.	18,000
" 28	.....	nil	" 26	Java	17,000
			" 26	India	55,000
			" 27	bars sold	250,000
			" 27	Switzerland	5,000
			" 28	bars sold	13,000
			" 28	bars sold	13,000
Total	.....	nil	Total	.....	1,101,000
	Net efflux	£1,101,000			

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates:—

	Union of South Africa.		Union of South Africa.	
	From close of Mail, June 5, 1925.		From June 4, 1925.	
	London on South Africa.		South Africa on London.	
	Buying.	Selling.	Buying.	Selling.
T.T.	1 1/2 % dis.	1 1/2 % dis.	1 1/2 % prem. dis.	2 % prem.
Demand	1 1/2 % " "	1 1/2 % " "	1 1/2 % " "	2 % " "
30 days	2 1/2 % " "	2 1/2 % " "	1 1/2 % " "	1 1/2 % " "
60 days	2 1/2 % " "	2 1/2 % " "	1 1/2 % " "	1 1/2 % " "
90 days	3 1/2 % " "	3 1/2 % " "	1 1/2 % " "	1 1/2 % " "
120 days	3 1/2 % " "	1 1/2 % " "	2 1/2 % " "	1 1/2 % " "

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.								
	London on Australia and New Zealand.				Australia and New Zealand on London.			
	Buying.		Selling.		Buying.		Selling.	
	Aus- tra- lia.	New Zeal'nd	Aus- tra- lia.	New Zeal'nd	Aus- tra- lia.	New Zeal'nd	Aus- tra- lia.	New Zeal'nd
T.T.	99½	99	100½	100½	99½	99	100	100½
Demand	98½	98½	99½	100	99½	99	99½	99½
30 days	98½	98½	99½	100	98½	98½	99½	99½
60 days	98½	97½	99½	100	98½	98	98½	99
90 days	97½	97½	99½	100	97½	97½	98½	98

BULLION.

IMPORTS AND EXPORTS OF GOLD.

Week ended August 26, 1925.

Week ended August 26, 1929.

Imported into Great Britain and Northern Ireland.		Exported from Great Britain and Northern Ireland.	
From—	£	To—	£
United States of America ..	4,081	Norway	138
British South Africa	40,040	Germany	23,840
		Netherlands	122,043
		Belgium	6,800
		France	4,262
		Switzerland	29,977
		Austria	1,365
		Czechoslovakia	1,364
		Egypt	9,390
		Java	10,000
		British India	127,575
		Straits Settlements	74,050
		Ceylon	10,000
		Other countries	773
Total declared value of imports	44,121	Total declared value of exports	44,121

Messrs Samuel Montagu and Co. write on August 26th as follows:—

GOLD.

The following movements of gold to and from the Bank of England have been announced since our last letter:—

Aug. 20	Received.	Withdrawn.
" 21	nil	nil
" 22	nil	nil
" 23	nil	17,000
" 24	nil	258,000
" 25	nil	558,000
" 26	nil	558,000

Of the above withdrawals, £100,000 was in the form of sovereigns, the destinations of which were given as follows:—£55,000 to India, £18,000 to Straits Settlements, £17,000 to Java, and £10,000 to Singapore. During the week under review £833,000 on balance has been withdrawn from the Bank. The net influx since the resumption of an effective gold standard is now £7,351,000. The prohibition on the exportation of gold coin, gold bullion, and fine gold bars from Canada, except under licences issued by the Minister of Finance, has been further continued from July 1, 1925, to July 1, 1926, by proclamation of the Governor-General. The following figures last—Imports of private merchandise, 17,74; exports of private merchandise (including re-exports), 28,26; net imports of gold, 2,56; net imports of silver, 1,99; net imports of currency notes, 3. The total visible balance of trade in merchandise and treasure was Rs. 6,09 lacs in favour of India. The balance of Government transfers of funds was Rs. 2,54 lacs against India.

SILVER.

There has been a quiet and steady market during the week; owing to stronger advices from China the undertone is fairly good. At present no wide movements in prices seem likely, though, as the year progresses, the satisfactory monsoon in India ought to create a healthy demand from the Indian bazaars. America has again been a reluctant seller, and the Continent has not figured importantly either as a buyer or a seller. Owing to a change from silver to nickel coins, Norway is disposing of a quantity of small silver pieces equivalent to about 3,000,000 fine ounces, which may eventually be sold in this market. No fresh Indian currency returns have come to hand. The stocks in Shanghai, on the 22nd inst., consisted of about 58,300,000 ozs in sycee, 50,000,000 dollars, and 4,100 silver bars as compared with about 58,800,000 ozs in sycee, 49,000,000 dollars, and 3,580 silver bars on the 15th inst.

GOLD AND SILVER PRICES.

1925.	Gold Per Ounce.	Silver—Per Ounce.	Date.	Silver.
		Cash.	Forward.	Cash.
Aug. 22....	84 11 1/2	32 1/2	32 1/2	58 1/2
24....	84 11 1/2	32 1/2	32 1/2	59
25....	84 11 1/2	32 1/2	32 1/2	59
26....	84 11 1/2	32 1/2	32 1/2	59
27....	84 11 1/2	32 1/2	32 1/2	59
28....	84 11 1/2	32 1/2	32 1/2	59

NOTICES.

Barclays Bank, Limited, announce that they have opened new sub-branches at the corner of Meavy lane, Yelverton, South Devon, under the management of Mr S. N. Cloke (also manager of Plymouth branch); at 13 Auckland road, Cockerton (Darlington), under the management of Mr. James Knox (manager of High row, Darlington branch); and at Dunchurch, under the management of Mr E. H. Thomas (also manager of Rugby branch).

The National Bank of South Africa, Limited, has recently opened the following branches:—Burghersdorp, Cape Province; Moorreesburg, Cape Province; Gatooma, Southern Rhodesia; and they have also established agencies at Magut, Natal; Matubatuba, Natal; Rosendal, Orange Free State; Bwana M'Kubwa, Rhodesia; Charl Celliers, Transvaal.

MONTHLY TRAFFIC RETURNS.

AMERICAN RAILROAD GROSS AND NET RECEIPTS.

This table is extracted from the Commercial and Financial Chronicle of New York.

Date.	Miles of Road.		Gross Earnings.		Net Earnings.	
	1923.	1924.	1924.	Increase or Decrease.	1924.	Increase or Decrease.
June	235,691	236,001	464,759,956	+ 75,442,339	101,527,990	+ 22,846,602
July	235,477	235,145	480,704,944	+ 53,517,158	112,626,666	+ 9,601,754
Aug.	235,445	235,172	507,406,011	+ 55,952,018	134,669,714	+ 2,148,281
Sept.	235,640	235,178	539,853,860	+ 5,116,223	165,049,184	+ 30,137,287
Oct.	235,625	235,189	571,405,30	+ 15,135,757	402,654,709	+ 41,345,593
Nov.	235,122	235,196	504,583,062	+ 26,135,505	131,435,105	+ 6,350,391
Dec.	235,122	235,196	504,583,062	+ 11,308,918	380,337,665	+ 6,689,812
Jan.	235,496	236,149	483,195,642	+ 15,866,417	101,022,458	+ 17,341,704
Feb.	236,031	236,642	454,009,669	+ 24,441,938	99,460,389	+ 4,981,506
Mar.	236,048	236,559	485,498,143	+ 18,864,833	109,230,086	+ 5,447,665
April	236,664	236,045	472,591,665	+ 1,696,103	102,661,475	+ 5,339,790
May	236,098	236,663	487,664,385	+ 11,114,594	112,859,524	+ 16,805,030
June	236,357	236,357	506,002,036	+ 41,227,707	130,837,324	+ 29,350,006

OVERSEAS RECEIPTS.

Name.	Period.	Ending	Present Mileage.	Receipts for Month.	Total Receipts.
				1924-25.	1924-25.

INDIAN.	Rs.	Rs.	Rs.	Rs.
Southern Punjab	1 mth	April 30	842	8,61,273 — 72,752

CANADIAN.	Gross	Net	Gross	Net
Canadian National	7 mths July 31	Gross \$20,370,614 + 383,944	125,914,357	- 8,934,871

BRAZILIAN.	Gross	Net	Gross	Net
State of Bahia	2 mths June 30	52	£3,961 + 961	6,122 + 698

CHILE AND PERU.	Gross	Net	Gross	Net
Feruvian Corp.	1 mth July 31	1,066	81,645,300 + 270,900	..

URUGUAYAN.	Gross	Net	Gross	Net
Midland Uruguay	1 mth July 31	319	14,043 + 213	..

OTHER OVERSEAS.	Gross	Net	Gross	Net
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† Tax free.

* Combined revenue.

We extract the following from the weekly report of the London Iron and Steel Exchange:—The situation has remained practically unaltered during the past week, and there are strong anticipations of a revival in business in iron and steel in September. There has

METALS.

Tin values pursued a downward course, despite comparatively steady advices from the East, the tone being influenced by liberal selling orders which were somewhat reservedly met. Movements consequently were attended by slight irregularity. Standard cash sold at £257 2s 6d to £253 7s 6d, three months £260 15s, £259 5s, £260, and £256 5s. Sales in the East were reported at £265 15s, £265, 265 10s, and £264. Copper also marked a steady decline, in face of selling pressure and lower American advices, though offerings were fairly well absorbed. Standard cash sold £63 2s 6d to £62 10s, three months fluctuating between £64 2s 6d to £63 2s 6d. Lead irregular, while accorded good support. Good soft foreign pig September sold £38 8s 9d to £39 5s and £38 8s 9d, October £37 15s to £38 2s 6d and £37 12s 6d, November £37 2s 6d to £37 12s 6d and £36 16s 3d, December £36 17s 6d to £37 3s 9d and £36 17s 6d. Spelter slightly irregular and on balance the turn easier, but dealings were on a fairly liberal scale. September sold £36 16s 3d to £36 13s 9d, October £36 13s 9d to £36 10s, November £36 12s 6d to £36 6s 3d, December £36 8s 9d to £36 3s 9d per ton. Antimony firm. English specials quoted £75 to £85 as to make and quantity, foreign refined £64 10s to £65 10s per ton ex warehouse. Aluminum: English quoted at £120 to £125 ton. Quicksilver quiet. Spot quoted £13 15s per bottle. Wolfram firm. Spot 18s 6d to 10s per unit.

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—The market presents a more normal appearance to-day, work having now been resumed throughout the West Riding. On the whole, more interest is displayed in wool than in its products, the strange thing being that the raw material can be sold at remunerative prices, whereas both yarns and tops are pence per lb below to-day's replacement values. The explanation of this anomaly is to be found in the demand from America and the Continent. It is known that France is buying heavily in Australia—indeed, French buyers appear to be setting the pace in the primary markets—and American and Japanese support is also freely given. There is not much quotable change in topmakers' quotations for spot delivery, but most firms are more difficult to deal with for forward delivery. Wool values are being so well maintained that most sellers of tops are now either wanting more money for future delivery or extended dates. Spinners have recently booked a fair amount of new business, but prices generally are anything but satisfactory. Perhaps the most hopeful feature is the renewed interest in worsted fabrics, some substantial orders having been booked recently in both plains and fancies.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

A three days' series of sales has been held at Brisbane this week. The quantity catalogued was 34,000 bales, and should include a fair quantity of new clip. It will be most interesting to have details of the prices realised. We suggest that when the selling brokers cable the results it will be a good thing to mention half a dozen clips and the highest price made. From the price catalogues to hand this mail, the values ruling on July 15th appear to have been reasonable. The whole of the Katandra clip, which was new wool, was withdrawn, only 23d being bid for the top line of combing, buyers clearly thinking of wool in very different terms from those of the last four months of 1924.

According to all the reports received, the Queensland clip will be lower in quality this season, the sheep having been on fat pasture during the whole of the year, which always encourages the growth of a somewhat stronger staple. The Queensland clip this season should be larger than ever. It is to be hoped that Queensland pastoralists will not put themselves out of the way to produce large bodied sheep growing wool of no more than 64's quality. They have made a name for the production of good 70's fleece, and will make a mistake if they follow the same policy as South Australia, West Australia, and the Riverina and produce big, shaggy wools, for these will not sell anything like as well as good 70's fleece during the coming season.

Last week-end a cable issued from the Prime Minister's department in Melbourne stated that the forthcoming clip in Australia was expected to reach 2,300,000 bales. This will be a record clip. Our chief concern is not so much the quantity of wool in sight as the ability of the trade to absorb it. The manufacturing industry in this country is in anything but a satisfactory condition. Bradford importing topmakers are still struggling with last season's dear purchases, and until these have been cleared further buying cannot be expected to show any real freedom. Surprise has been frequently expressed at Bradford's buying so little in Australia since the resumption of the sales, but this is entirely due to the serious losses incurred. Prices will have to be very reasonable to tempt buyers, or manufacturing conditions will have to show a very great improvement.

THE COTTON TRADE.

MANCHESTER, August 27.

A bearish sentiment continues in the Manchester market. The undercurrent of inquiry has been encouraging, but buyers display no inclination to operate on a free scale, owing to nervousness as to whether prices will be maintained. This attitude has been borne out by the easier tendency in raw cotton rates since the beginning of the week. Manufacturers of cloth generally have reported rather a slower demand than recently. There has been less business offering for India, and only unimportant sales have taken place, chiefly in light cloths and fancies. Most of the offers in grey staples have been roughly 5 per cent. out. Improved advices have continued to be received from China, and considering the chaotic state of affairs prevailing in that country, the turnover can be labelled as good. Spinners are gradually improving their position, and very few sales are taking place which show a loss.

(I.) Comparative Statement of the Cotton Trade.

	Price, Aug. 27, 1925.	Previous Weeks in 1925.				
		Price, Aug. 20.	Price, Aug. 13.	Price, Aug. 6.	Price, July 29.	Price, July 23.
Raw Cotton—Mid. American	12-69	13-11	13-12	13-38	13-93	13-48
—Sakellaridis Fully Good Fair	28-40	29-55	30-75	32-20	32-55	32-40
—Egyptian	20-4	20-3	20-3	20-3	20-3	20-3
Yarns—32's twist	20-3	20-3	20-3	20-3	20-3	20-3
—40's twist	35	36	36	37	37	37
—60's twist (Egyptian)	35	36	36	37	37	37
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	31	31	31	32	32	32
36-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	35	35	35	36	36	36
38-in. ditto, 38 yds, 18 by 16, 10 lbs	17	17	17	18	18	17
38-in. ditto, 37 yds, 16 by 15, 8 lbs	15	15	15	16	16	15

(II.) Compared with Previous Years.

	Price, Aug. 27, 1925.	Corresponding dates in				
		1924.	1923.	1922.	1921.	1920.
Raw Cotton—Mid. American	12-69	15-40	15-30	13-76	10-76	22-60
—Sakellaridis Fully Good Fair	28-40	25-15	16-65	18-00	18-00	67-00
—Egyptian	20-4	21	21	20-3	18	51
Yarns—32's twist	20-3	25-1	21	19-3	16-3	45-3
—40's twist	35	35-3	29	28-3	31	90
—60's twist (Egyptian)	35	35-3	29	28-3	31	90
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	31	34	30	32	31	78
36-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	35	38	34	32	30	76
38-in. ditto, 38 yds, 18 by 16, 10 lbs	17	20	18	18	18	45
38-in. ditto, 37 yds, 16 by 15, 8 lbs	15	18	16	17	17	37

LIVERPOOL OFFICIAL QUOTATIONS—August 21, 1925.

Descriptions.	Official Quotations.									
	G.O.	SGO.	L.M.	S.L.M.	Md.	S.M.	G.M.	SGM.	M.F.	
American	11-42	12-02	12-42	12-77	13-07	13-32	13-57	13-87	14-37	
Brazilian—										
Pernam, Macao, &c.	12-42									
Parahyba, Rio	12-42									
Grande	12-17									
Ceara, do	12-17									
Sao Paulo	12-17									
Peruvian	M.F.	Fair.	Gd. Fr.	Good.						
Upper	16-00		17-50	19-00						
Moderately rough	12-92	13-67	14-67	15-17						
Smooth	13-87	14-17	16-67	18-17						
Tangulu	20-00		21-50	23-00						
Mitah	Fair.	Gd. Fr.	F.G.F.	Good.						
Egyptian	16-30	17-30	18-30	19-50						
Sakellaridis	19-95	25-95	29-75	33-00						
Brown	16-90	17-90	20-10	22-50						
Soudan										
Mid. M.F.										
West Indian	12-00	13-00	14-50	16-25						
Do Sea Island	L.M.	S.L.M.	Mid.	S.M.						
East African	12-17	12-42	12-77	13-17						
West African										
Australian	G.F.	F.G.F.	Gd.	F. Good.						
East Indian	11-70	12-10	12-10	12-10						
Surtee	11-25	11-65	12-05	12-05						
Broach	11-05	11-05	11-45	11-85						
Tinnivelly	11-50	11-50	11-30	11-30						
Amer-Sind/Punjab	11-15	11-15	11-55	11-55						
Western	11-00	11-00	11-40	11-40						
Coomada	11-00	11-00	11-40	11-40						
Comptah	11-00	11-00	11-40	11-40						
Oomra, No. 1	11-00	11-00	11-40	11-40						
Oomra, No. 2	11-00	11-00	11-40	11-40						
Khandeish	11-00	11-00	11-40	11-40						
Bengal	11-00	11-00	11-40	11-40						
Sind	11-00	11-00	11-40	11-40						

* Hand-ginned 30 points less.

VEGETABLE OILS AND OILSEEDS.

Markets generally have been quiet during the week. Linseed oil has continued to fall in sympathy with seed, until £40 has now been touched for spot and September-December delivery. The premium on spot oil has about disappeared. A fair trade with consumers has been done at the lower levels. Cotton oils are active, and are not so firmly held, current values being £43 per ton, naked, ex Hull mill, for crude Egyptian, and £43 10s for ordinary refined. Soya and palm kernel oils are in poor demand, and are somewhat cheaper to buy. Ground nut oil is unchanged, and rape oil 10s per ton dearer.

In the oilseed section, the feature has been a further decline in Plate linseed. For seed to Hull, £19 7s 6d has been accepted for August-September, and £19 10s for September-October, while for Calcutta to London, August-September, £21 10s has been paid. New crop Plate has been dealt in at £19, January-February shipment. Egyptian cottonseed is easier and lower, new crop black now offering at £13 for September and October loading, and £12 10s November-January. The Continent has been a fair buyer of soya beans, £14 5s being the value in near positions.

HIDE, LEATHER, AND ALLIED TRADES.

The hide market remains fairly steady, with a few fractional advances and declines. Best ox sold at Thursday's auctions in Bermondsey from 6½d to 8½d per lb, and seconds from 5½d to 8½d. Best cows at 6½d to 6½d showed a decline of ½d on last prices. Calfskins were a shade weaker, best heavy selling from 7d-9½d, and light at 13½d, declines of ½d to ½d being noted. The S.A. tanned ox now selling at 8½d, and Uruguay held for 8½d, with no of Lagos hides have been made on a basis of 10½d and 12d. The American position is steady, with best heavy packers still selling at 17½ cents. Although there is a slightly better demand for sole but medium and heavy wet-salted are hanging fire. Stocks of lights The upper leather section seems fairly lively, and tanners have advanced prices on some selections by 2d or more per foot. Patent is a good seller, followed by light willow calf, whilst box calf and box sides have been going out in fair-sized quantities. The boot

trade remains quiet. There is a slight improvement in centres specialising on stout artisans' footwear.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, August 28.

SUGAR.—Market steady, but at the same time generally quiet, with business on spot mainly confined to British refined sugars. Consumption is maintained at a high level in Germany, figures for last July being 172,169 tons, against 114,453 same month last year. Of British refined, Messrs Tate and Lyle's cubes quoted 35s to 36s; crushed, 33s; granulated, fine and coarse, 31s 1½d; No. 1, 30s 10½d; No. 2, also London and T.L.S., 30s 7½d; ditto, month forward, 30s 6d; yellow crystals, spot, 28s 1½d; caster, finest, 34s 10½d; A, 34s 4½d; B, 32s 9d. Crystallized West India sells slowly at 24s 6d to 29s 6d, as to quality. Good muscovado Barbadoes, 25s. Czecho granulated, November-December, 16s 1½d, f.o.b., Hamburg. Dutch granulated, J, spot, 29s 9d; September, 16s 9d; November-December, 16s 1½d, f.o.b., Rotterdam. American granulated, spot, 29s 3d; August-September, London, 16s 7½d; outports, 16s 10½d, c.f. and i. terms. American cables report further business on Russian account, with inquiries from Germany circulating. White Java, spot, 28s 9d; afloat, steamer "Theseus," sold, 16s, c.f. and i., London. Hamburg houses are still willing to pay up to 16s 4½d, c.f. and i. for near at hand, parcels with offers still extremely scarce. White Java, c. and f., Calcutta, October-December, quoted 15s 7½d; and January-March, 15s 10½d. Consumption in Germany for last month, 172,169 tons, against 114,453 same time last year. White terminal steady, and moderate transactions include December, 15s 9d; March, 16s; May, 16s 2½d. Cuban, basis 96 per cent., August-September, 12s 3d, c.f. and i.

COFFEE.—The market maintains a steady tone with fair inquiries for all the better liquoring grades which are reservedly offered. Lower qualities, however, experienced a quiet sale. East India mid colour sold 139s; Kenya, ditto, 127s to 128s; Costa Rica, common bold, 139s to 144s; good greyish-h, 135s; mid greenish, 159s; Nicaragua, good peaberry, 154s; Vera Paz, fair to good, bold 137s 6d to 161s per cwt.

COCOA.—Spot market remained quiet at former level of prices. For shipment, Trinidad, August-September sellers, 73s; Bahia, ditto, 49s 6d; St. Thome, 53s; Guayaquil Epoca, 69s; and Caraquez 66s c.f. and i. Accra F/F grade, October-December, also December-February, 42s 6d f.o.b. terms.

TEA.—Indian offerings at public sales were on a much larger scale than last week, and comprised 54,78 packages. With a better selection available, and quality generally showing improvement, proceedings were marked by more animation than for some time past. All the best liquoring grades were accorded strong support at firm to occasionally dearer rates, while low medium and common teas, although slightly irregular, disclosed weaker features. Pekoe, sold, at 1s 0½d to 1s 4½d; broken orange pekoe, 1s 9d up to 3s 0½d. 28,000 packages of Ceylon were submitted, and good competition prevailed for finest broken and best leaf grades at full to dearer rates, while quality frequently showed a further improvement. Plain medium and common sorts, especially broken, however, were in less request, and values tended in buyers' favour. Pekoe, sold, 1½d to 2s 2d; and broken orange pekoe, 1s 2½d to 2s 5½d per lb. The market for China remained without new feature, business being comparatively quiet for common kinds. New season's Keemun, sold, from 1s 10d to 2s 6d, with a small demand for fine up to 3s 3d per lb in bond. Java and Sumatra sales totalled 6,272 packages. A steady tone governed proceedings, competition being good and well distributed. Pekoe, sold, 10½d to 1s 1½d; broken, ditto, 7½d to 1s 6½d; pekoe souchong, 10d to 1s; orange, 1s 3d to 1s 6½d; broken orange, 8½d to 1s 7½d per lb in bond.

RICE.—Quiet but steady, and there is no new development in the general situation. Two stars, spot, 16s 6d; afloat, 16s; August-September, 16s 1½d, c.f. and i., London, S.Q.; single bags, for shipment, 13s 10½d, f.o.b. terms. No. 1 garden Siam, September-October, 17s 6d. No. 3, Spanish, September-October, 22s 6d; oiled, 23s, c.f. and i., London. Beans and peas meet a quiet reception. Japanese peas, spot, 25s 9d; September-October, 24s per cwt, c.f. and i., London.

SPICE.—Business in pepper proceeded on quiet lines, and prices in forward positions disclosed weakness. Fair black Singapore, on spot, quoted 9d; October-December, L.S., 8½d; Lampong, spot, 8½d; August-October, buyers, 8d; October-December, 8½d; Muntok, spot, 1s 1½d; August-October, 1s 0½d; October-December, 1s 1d per lb. Cloves dull. Fair Zanzibar, spot, 1½d; October-December, sold, 10½d per lb, c.f. and i. Tapioca unaltered on spot. Singapore flake, September-October, to Havre, quoted 18s 9d; October-November, 19s 3d. Penang seed nominal. Sago flour steadier. Sarawak, August-September, sold, 16s 7½d, now quoted 16s 9d; October-December, buyers, 16s 6d. Desiccated coconut, spot, halves, 41s; afloat, 39s 6d; September-October, 39s 9d, c.f. and i. Pimento nominal on spot. August-September, steamer, from second hands, quoted 42s 6d; September-October, 41s per cwt, c.f. and i., London. Shippers have practically withdrawn. Ginger quietly steady.

JUTE.—A steady inquiry was met with a fair reserve, and stability ensued. Firsts, August, Continent, sold, £45; September quoted £43 5s; ditto to Dunkirk, sold, £43 10s; November-December, usual £41 15s; Lightnings, August, quoted £43 5s; Hearts, August-September, £39 15s per ton. Market quiet for both Hessians and twills, but sellers required full prices.

HEMP.—Man la again sparingly offered, and, with a fair demand, a firmer tone resulted. J grade, October-December, sold, £44 5s, £44 10s; K and L, £39 10s; M quoted £34 10s; K, also L, July-September, changed hands at £38 10s. New Zealand largely nominal. African sisal, No. 1 Tanganyika, August-October, £45 10s; Kenya, £45 per ton.

SHELLAC.—Market steady, quiet. Fair T.N., spot, 220s to 225s; October, 210s; December, 205s per cwt.

DATES.—Market steady for shipment, with business in first-tide Hallowee, 19s 6d; second, 19s. Siam, first, 14s; second, 13s 3d cwt, landed terms, London.

COPRA opened steadily and improved, but closed quietly. F.M.S. Straits, July-September, also August-October, to Rotterdam, sold, £29 17s 6d to £30 2s 6d and £30; October-December, £29 13s 9d, £29 18s 9d, and £29 17s 6d. Ceylon, August-September, Hamburg, done £31 7s 6d. South Sea F.M.S., August-September, quoted £29 7s 6d; ditto, smoked, to Marseilles, £29 5s. F.M., Straits, ditto, £29 15s. Palm kernels, July-September, to Liverpool, quoted £21 12s 6d; October-December, £21 10s 10d.

RUBBER.—Market again slightly unsettled at times, with a fair amount of business in force. Plantation standard, spot, and August, sold, 3s 4½d to 3s 5d; September, 3s 4½d to 3s 4½d; October, 3s 0½d to 3s 0½d; October-December, 2s 10½d, 2s 11d, 2s 10½d, 2s 10½d; January-March, 2s 7½d to 2s 7½d; January-December, 2s 4½d lb. Wild quietly steady.

FRUIT (Dried).—Currants in fair demand, and market steady. Pyrgos quoted 30s to 31s; Amalia, 33s to 35s; Patras, 36s to 38s; Gulph, 38s to 41s; Vostizza, 46s to 50s. Sultanias steady. Australian, 65s to 72s; South African, 70s to 80s. Figs quiet. Naturals, in bags, quoted 27s to 29s. Dates spot demand quiet, but forward positions continue in request. First tide Hallowee, 19s 6d; Khadrowie, 17s 3d; Siam, 14s. Raisins: South African, 40s to 50s; Lexias, 42s to 44s 6d. Evaporated fruits in moderate demand. Californian apricots, standard new extra choice, 127s 6d; fancy, 135s; Australian, 120s to 130s; Californian peaches, choice, 62s to 63s; extra choice, 65s to 65s; fancy, 70s. Plums: Oregon, new, size 30/40, quoted 71s to 72s; 40/50, at 52s to 53s; Californian, new, 40/50, 58s to 60s; 50/60, 50s to 51s; 70/80, 45s to 46s. Pears, choice Californian, 90s; extra choice, 102s to 103s. Apple rings, Californian, extra choice, 63s to 64s; Oregon, extra choice, 65s per cwt.

CANNED GOODS.—Sardines dull of sale and rates barely steady Portuguese, ½ flats quoted 4s 3d; clubs, 5s; 12 ozs, 7s 6d; 18 ozs, 12s per dozen tins. Salmon very firm, and red tails sparingly offered. ½ lb, flat reds, labelled, 77s to 78s; tall, 1 lb, 54s 6d to 56s; ½ lb, tall, pink, 25s to 27s. Lobsters meet with good support at full rates. Halves quoted 16s, and quarters up to 100s.

CANNED FRUITS.—In steady request and apricots tend dearer on scanty offerings. Singapore pines quiet. 48-1½'s quoted 86s 6d to 87s 6d; cubes, 2½'s, 13s to 13s 6d; slices, 24-2's, 12s 6d to 13s 6d. South African are moving off quietly on former terms. Californian pears, 15s 6d to 17s; peaches, 12s 3d to 14s; cherries, 13s 6d to 14s; apricots, 10s 0 13s 6d; loganberries, 14s to 16s 6d. Fruit salad, 1½'s, 12s 6d to 14s; 2½'s, 21s 6d to 22s 6d; Australian pears, 24-2½'s, 16s to 16s 6d; Canadian, 14s to 14s 6d.

CANNED MEATS.—Corned beef moves off quietly, but a good demand continues for Danish lunch tongues at steady rates. A few

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ments of New Zealand ox tongues have arrived and show excellent quality while offered at attractive prices.

ISCELLANEOUS.—Cocoanuts quoted 25s per 100. Coir yarn: 100, £25 to £30; Cochin, £30 to £50. Ceylon bristle £17 to £25; cinnamon leaf oil, 44d; citronella, Ceylon, 2s 1d; Java, 3s 9d. **LEEDS.**—Lined quiet and easier. Calcutta to London, August-September, sold, £21 10s; bold Bombay, ditto, £22 15s. Plate to 11, August-September, sold, £19 10s; September-October, £19 10s; January-February, £19 10s 3d. Rapeseed quiet. Toria to Continent, August-September, £22 5s. Cotton-seed easier. Egyptian black, to 11, new August, £13 5s; November-January, £12 10s; white, new October, £12 10s; November-January, sold, £11 17s 6d; Bombay, August-September, £9 10s. Castor-seed steady. Bombay, August-September, £22 12s 6d. Gingly seed quiet. Chinese to Continent, August-September, £27 17s 6d; large Bombay ditto, £26 12s 6d. Ground-nuts dull. Comorandell machined, August-September, £25 10s; German, August-September, £25 7s 6d per ton. **ILS.**—Lined easier. Spot, net, naked, 41s; September-October, 40s 14d; January-April, 40s. Rape firm. Crude, t, 49s 6d; refined, 52s 6d. Castor-oil quiet. First pressure, spot, 56s 6d; second pressure, 54s 6d; and pharmaceutical, 61s 6d cwt. Hull, with London, 2s per cwt extra. Cotton easier. Crude Egyptian, spot, 44s 6d; Bombay, 41s; common edible, 50s; deoiled, 52s. China-wood dull. Hankow, spot (barr ls), 65s 6d; August-September, 65s 6d. Coconut quiet. Ceylon, spot, 47s 6d;

August-September, 45s 9d; Cochin, ditto, ordinary packages, 59s 9d. Soya quiet. Oriental, barrels, August-September, 44s 6d; bulk, 41s 3d. Cod steady. English, spot, 34s to 35s. Ground-nuts firm. English, crushed, naked, spot, 50s; deodorised, barrels, 57s 6d. Turpentine firmer. American, spot, 71s 6d; September-December, 72s 6d; January-April, 74s 9d. Rosin firmer. American, grade B/D, 24s; E, 24s 6d; F/G, 25s; W/G, 29s; W/W, 31s 6d per cwt. French FG, nominal; W/W, 27s per cwt. Petroleum quiet. American, standard white, spot, 1s; and water white, 1s 1d per gallon.

METROPOLITAN CATTLE.—AUGUST 27.

British Beasts, per stone of 8 lbs to sink the offal. Sheep, per stone.			
Beasts—Devons.....	s	d	s
Short-horns.....	7	4	7
Norfolk.....	7	2	7
Scottish.....	..	..	..
Irish.....	..	..	..
Fat Cows.....	..	..	..
Beasts—Heavy Bulls.....			
Canadian.....	..	..	..
Sheep—Downs (clipped).....	10	2	10
Ewes.....	6	8	7
Crabbed.....	..	..	..
Scottish.....	..	..	..
Lamb—Downs.....	11	6	12

LONDON POTATO MARKETS.—AUGUST 27.

Per Cwt.			
Lincoln—King Edwards.....	s	d	s
Sharps Express.....	7	0	8
Eclipse.....	5	0	6
Blackland—King Edwards.....	6	0	7

COMMERCIAL TIMES—WEEKLY PRICE CURRENT.

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

LONDON, FRIDAY.			
COCA—Duty, British grown, 9s 4d, foreign, 14s cwt.	s	d	s
Childs, 60 cwt.	75	0	84
Childs, 70 cwt.	60	0	70
Childs, 80 cwt.	90	0	110
Childs, 90 cwt.	70	0	80
Childs, 100 cwt.	54	0	55
Childs, 110 cwt.	140	0	140
Childs, 120 cwt.	150	0	150
Childs, 130 cwt.	155	0	155
Childs, 140 cwt.	159	0	159
Childs, 150 cwt.	138	0	138
Childs, 160 cwt.	150	0	150
Childs, 170 cwt.	115	0	115
Childs, 180 cwt.	118	0	118
Childs, 190 cwt.	130	0	130
Childs, 200 cwt.	148	0	148
Childs, 210 cwt.	140	0	140
Childs, 220 cwt.	150	0	150
Childs, 230 cwt.	115	0	115
Childs, 240 cwt.	118	0	118
Childs, 250 cwt.	130	0	130
Childs, 260 cwt.	148	0	148
Childs, 270 cwt.	140	0	140
Childs, 280 cwt.	150	0	150
Childs, 290 cwt.	115	0	115
Childs, 300 cwt.	118	0	118
Childs, 310 cwt.	130	0	130
Childs, 320 cwt.	148	0	148
Childs, 330 cwt.	140	0	140
Childs, 340 cwt.	150	0	150
Childs, 350 cwt.	115	0	115
Childs, 360 cwt.	118	0	118
Childs, 370 cwt.	130	0	130
Childs, 380 cwt.	148	0	148
Childs, 390 cwt.	140	0	140
Childs, 400 cwt.	150	0	150
Childs, 410 cwt.	115	0	115
Childs, 420 cwt.	118	0	118
Childs, 430 cwt.	130	0	130
Childs, 440 cwt.	148	0	148
Childs, 450 cwt.	140	0	140
Childs, 460 cwt.	150	0	150
Childs, 470 cwt.	115	0	115
Childs, 480 cwt.	118	0	118
Childs, 490 cwt.	130	0	130
Childs, 500 cwt.	148	0	148
Childs, 510 cwt.	140	0	140
Childs, 520 cwt.	150	0	150
Childs, 530 cwt.	115	0	115
Childs, 540 cwt.	118	0	118
Childs, 550 cwt.	130	0	130
Childs, 560 cwt.	148	0	148
Childs, 570 cwt.	140	0	140
Childs, 580 cwt.	150	0	150
Childs, 590 cwt.	115	0	115
Childs, 600 cwt.	118	0	118
Childs, 610 cwt.	130	0	130
Childs, 620 cwt.	148	0	148
Childs, 630 cwt.	140	0	140
Childs, 640 cwt.	150	0	150
Childs, 650 cwt.	115	0	115
Childs, 660 cwt.	118	0	118
Childs, 670 cwt.	130	0	130
Childs, 680 cwt.	148	0	148
Childs, 690 cwt.	140	0	140
Childs, 700 cwt.	150	0	150
Childs, 710 cwt.	115	0	115
Childs, 720 cwt.	118	0	118
Childs, 730 cwt.	130	0	130
Childs, 740 cwt.	148	0	148
Childs, 750 cwt.	140	0	140
Childs, 760 cwt.	150	0	150
Childs, 770 cwt.	115	0	115
Childs, 780 cwt.	118	0	118
Childs, 790 cwt.	130	0	130
Childs, 800 cwt.	148	0	148
Childs, 810 cwt.	140	0	140
Childs, 820 cwt.	150	0	150
Childs, 830 cwt.	115	0	115
Childs, 840 cwt.	118	0	118
Childs, 850 cwt.	130	0	130
Childs, 860 cwt.	148	0	148
Childs, 870 cwt.	140	0	140
Childs, 880 cwt.	150	0	150
Childs, 890 cwt.	115	0	115
Childs, 900 cwt.	118	0	118
Childs, 910 cwt.	130	0	130
Childs, 920 cwt.	148	0	148
Childs, 930 cwt.	140	0	140
Childs, 940 cwt.	150	0	150
Childs, 950 cwt.	115	0	115
Childs, 960 cwt.	118	0	118
Childs, 970 cwt.	130	0	130
Childs, 980 cwt.	148	0	148
Childs, 990 cwt.	140	0	140
Childs, 1000 cwt.	150	0	150

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WEEKLY COMMERCIAL TIMES,

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THE MONEY MARKET.

MONEY was in strong demand on Monday, as usual on the last day of a month, but Tuesday brought the beginning of the disbursement of about 29 millions by the Government on account of interest payments and debt redemption. Credit thus became very plentiful, though the banks maintained 3½ per cent. as the rate for weekly fixtures, and large offers of October Treasury bills at 3½ per cent. were suspected to be semi-officially designed to absorb the surplus. At the same time gold continued to go out, and

the dollar exchange continued to go down. These considerations kept the discount market steady, but fine bank bills were still taken at $3\frac{1}{2}$ per cent., and efforts to get a better rate on the weekly batch of Treasury bills had very partial success.

	Sept. 4, 1925.	Aug. 28, 1925.	Aug. 21, 1925.	Aug. 14, 1925.	Previous Rate and Date Changed.
Bank Rate	4 $\frac{1}{2}$	4 $\frac{1}{2}$	4 $\frac{1}{2}$	4 $\frac{1}{2}$	5 (Aug. 6, '25)
Banks' Deposit Rate	2 $\frac{1}{2}$	2 $\frac{1}{2}$	2 $\frac{1}{2}$	2 $\frac{1}{2}$	3 (Aug. 6, '25)
Discount Call	2 $\frac{1}{2}$	2 $\frac{1}{2}$	2 $\frac{1}{2}$	2 $\frac{1}{2}$	3 (Aug. 6, '25)
Houses' Notice	2 $\frac{1}{2}$	2 $\frac{1}{2}$	2 $\frac{1}{2}$	2 $\frac{1}{2}$	3 $\frac{1}{2}$ (Aug. 6, '25)
Market rate (3 months' bills)	3 $\frac{1}{2}$	3 $\frac{1}{2}$	3 $\frac{1}{2}$	3 $\frac{1}{2}$	4 ..

The Bank return showed a reduction of £663,000 in the stock of coin and bullion, £656,000 having been announced as withdrawn for export. The note circulation had expanded by £711,000, and the Reserve was thus £1,374,000 lower, with a decline of 1.8 per cent. to 28.8 per cent. in its proportion to liabilities. The heavy Government disbursements were reflected in an increase of $4\frac{1}{2}$ millions in Government securities, and a decrease of nine millions in Public Deposits. Other deposits were $12\frac{1}{2}$ millions higher. There was a small increase in Other securities, and £99,000 had been added to the Rest, in preparation for the half-yearly dividend. Currency notes for the week were increased by £709,500 to 295,795,700, which includes £1,328,700 for notes called in, but not yet cancelled. The fiduciary issue is £238,217,000, or £9,928,400 below the maximum for the year.

NEW YORK MARKETS.

Our New York correspondent cables:—A pronounced reaction in the share market is the feature of an otherwise quiet week. The selling began in securities in which an excessive speculative account had been built up, and then became more general. Towards the end of the week a rally took place. Little attention is being paid to the anthracite strike, as coal reserves are ample. There is, however, some anxiety lest the trouble should spread to the bituminous coalfields. A moderate improvement in business continues. Railway traffics have touched new high records, but there are no signs of inflationary tendencies. *Dun's* commodity price index number shows a drop of 1.2 per cent. to 161.9. *Bradstreet's* index figure is also down by 1.1 per cent. to \$14.0878. These declines are due to a fall in grain and farm products owing to seasonal marketing. Metals show a slight rise. Call money rates are easier, but acceptance rates have risen by $\frac{1}{4}$ per cent. in anticipation of a pressure of cotton and grain bills. Bankers are not expecting tight money conditions. The Federal Reserve system reports a slight decline in discounts and in Government securities, and further purchases of acceptances. The reserve ratio is 74.8 per cent., as against 75 per cent. last week.

THE STOCK MARKETS.

Although there have been elements of uncertainty tending towards a waiting attitude, capital continues, in the absence of new issues, to flow freely into the stock exchange markets. The gilt-edged section, especially War Loan, benefited from the re-investment of money released by Tuesday's repayment of National War bonds. A strong demand also developed for Victory bonds. In the foreign market Mexican descriptions rose several points on the announcement of British recognition, and speculators were busy with mid-European loans. Home Rails, after an early slight advance, reacted because of the shipping strike. American and Mexican rails improved, but Argentines sagged, and other foreign rails were inclined to ease off. Rubber shares enjoyed renewed activity, and in the oil share market Mexican Eagles were a bright spot. Kaffirs have been good as a whole, while Rhodesian favourites recovered well after a spell of profit-taking.

THE COMMODITY MARKETS.

Conditions in the chief markets are generally unchanged. Iron and steel has not yet shown much animation after the holidays, and the works are short of orders, but a slightly more hopeful feeling is, nevertheless, gaining ground. The coal markets remain depressed, price concessions having

failed to stimulate demand. In the textile trades, buyers of cotton yarns and cloth are still acting with caution, but the situation as a whole is fairly healthy, and spinners of American yarn in particular have improved their position. A slightly better feeling obtains in the wool markets, where important transactions have been put through, or are in prospect. The wheat markets have been dull this week. A moderate trade is being done in potatoes, and the demand for fruit remains steady, with ample supplies on offer. Sugar prices have fallen slightly. Coffee is in moderate demand at steady rates, while good liquoring teas have sold freely, the commoner grades are more than ever difficult of sale. Rubber remains irregular. In the metal markets copper has been firmer, and tin has recovered somewhat after a weak opening. Lead still shows considerable irregularity, though a fair turnover has been recorded this week.

FOREIGN EXCHANGES.

In the foreign exchange market dealings in the dollar have been more active than of late, with rates moving steadily against London. From a closing price of \$4.85 $\frac{1}{2}$ on the 29th, the quotation has moved down quietly to \$4.84 $\frac{1}{8}$ yesterday morning, not very far from the present-day gold point. There was some tendency at the end of last week to ascribe the movement to the sentimental reaction in America against the French debt proposals, but the real cause would appear to be the relative movement of money rates in the two centres, and a steady pressure of commercial demand. Forward quotations have now closed in to about 1-32 cent either side of parity. Business in Continental currencies has, on the whole, been quiet. The distinguishing feature has been the further recovery in the lira, which from 129 $\frac{1}{2}$ on the 29th has moved down to 121 $\frac{3}{8}$ yesterday. This movement would seem to have been assisted by active intervention and by new regulations prohibiting overdrafts, &c., on foreign accounts. At the same time, the rapid widening of the forward rates would suggest that the recovery is not yet accepted with complete confidence. In the Norwegian rate there has been a further recovery from 24.74 $\frac{1}{2}$ down to 22.95, while Copenhagen has also moved down from 19.87 $\frac{1}{2}$ to 19.25. It would seem, however, that speculative buying of these currencies is now slowing down. The Paris rate has been featureless, having kept closely to sterling, although yesterday morning the franc showed a slightly weaker tendency at 103.47 $\frac{1}{2}$, as compared with 103.40 a week ago. Brussels, however, for reasons not yet clear, has again shown a sharp depreciation from 107.45 to 109.05. Forward rates in Paris have narrowed slightly to 67-70 centimes per month above spot; in Brussels they are much the same at parity to 3 centimes above. Madrid has depreciated somewhat again, from 33.79 to 33.96 $\frac{1}{2}$. Of the gold currencies Amsterdam, Berlin, &c., have moved against us with the dollar; Stockholm shows little change; while Switzerland has actually gone in our favour, from 25.05 $\frac{1}{2}$ to 25.09. In Eastern Europe, Bucharest, in spite of good harvest prospects, has depreciated, but the Polish zloty would seem to be steady, after the recent sharp movements, at an unofficial rate of somewhere round 27 $\frac{1}{2}$, after being lower for a time on the announcement of a credit to the Bank Polski from the Federal Reserve Bank of New York. In the East, the rupee is practically unchanged at 1s 6 5-32d, while the yen, after weakening further, has now also recovered to last week's figure of 1s 8 1-32d. The recent weakness would seem to have been due to heavy import purchases, but prospects of an excellent rice crop and good silk sales give assurance against any considerable depreciation. In the silver market the persistently strong Chinese demand has sent prices up further, until a rate has been reached higher than at any time since the end of last year. There has been some Continental selling, but this has been easily absorbed. India has now come into the market as a seller, and the price is weakening again somewhat. Hongkong stands at 2s 5d, as compared with 2s 5 $\frac{1}{2}$ d; Shanghai at 3s 2 $\frac{1}{2}$ d, as compared with 3s 3d. In South America, Rio has moved up again from 6 $\frac{1}{2}$ d to 6 21-32d, while Buenos Aires is also stronger at 45 $\frac{1}{2}$ d, as compared with 45d, and Monte Video at 49 $\frac{1}{2}$ d, as compared with 49 $\frac{1}{8}$ d. Valparaiso also has appreciated from 40 to 39.70 pesos.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended August 29th:—

EXPENDITURE.	(000's omitted.)	RECEIPTS.	£
Supply Services	8,211	From Revenue	11,530
Interest, &c., on Debt	1,062	Increase in Debt	675
Sinking Fund	1,848		
Road Fund	970		
Sundries	40		
Increase in Exchequer Balances	124		
	12,255		12,255

The Revenue for the week amounted to £11,579,900, as compared with £10,576,900 in the corresponding week last year. Customs were higher at £2,125,000, against £1,699,000, but Excise was slightly lower at £927,000, against £973,000. Property and Income-tax brought in £3,468,000, as compared with £4,258,000, while Super-tax amounted to £380,000, against £290,000. Ordinary receipts were lower at £249,900, against £296,900, and Special receipts were nil, as compared with £500,000. The week's operations increased the National Debt by £675,000, and caused the following changes:—

	(000's omitted.)	£
Treasury Bills	+ 1,365	
Public Department Advances	+ 50	
	+ 1,415	
Sundries		740
		740

The floating debt was increased by £1,380,000 to £769,691,000.

FINANCIAL YEAR, 1925-1926 (April 1st to August 29th).

	£		£
Total Expenditure ..	320,410,961	Raised by Revenue ..	293,144,566
		Decrease in Balances ..	3,723,500
		Amount borrowed ..	23,542,895
Total	320,410,961	Total	320,410,961

ESTIMATES FOR FINANCIAL YEAR 1925-1926.

	£		£
Expenditure	799,400,000	Revenue	801,060,000
Surplus			£1,660,000.

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—Australian Bank of Commerce, Mid-European Corporation, African and Eastern Trade Corporation, and Klabang Rubber Company. At the meeting of the Australian Bank of Commerce the chairman said that since they met last year the exchange position had become most difficult, and special measures were needed to ensure the marketing overseas of their primary products. The reintroduction of the Gold Exchange Standard had now brought about normal rates, and the difficulties that had been experienced since the war were at an end for the time being. At the meeting of the mid-European Corporation, the chairman reviewed conditions in Germany and Austria. At the meeting of the African and Eastern Trade Corporation, the chairman gave figures relating to the growing revenue and export trade of Nigeria.

ECONOMIST INTELLIGENCE BRANCH.

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

THE SHIPPING DISPUTE AND THE TRADE UNION CONGRESS.

HAVING occasion to refer, as a birthday exercise, to the first issue of the *Economist*, published just 82 years ago this week, we were rewarded for our piety by deriving therefrom a salutary reminder that many of our present difficulties, which look so new and so formidable, are by no means peculiar to this generation, but have been faced and survived by those who have gone before. Two instances will suffice. "Never," we read in the *Economist* of September 2, 1843, "was the hosiery trade of Nottingham in so depressed and forlorn a state as at the present time.....The hands are, many of them, stinted to earn about 3s a week, and how they subsist

is to us a mystery; at the same time, the masters, having the rents of large houses to pay, and doing but little, find themselves sinking in their affairs." This complaint, quoted from a Nottingham paper of that time, has about it the familiar ring of a recent controversy. Even more apposite, in view of to-day's affairs, is the 82-year-old headline: "Turn-out of Seamen at Liverpool." That strike was doubtless a trivial affair, but the coincidence may serve to remind us of the extent to which current troubles are, *mutatis mutandis*, but a repetition of history.

This fact does not, however, detract from the importance of the present seamen's strike which began spasmodically some weeks ago, and has this week blazed up into full prominence. Its importance is both substantial and many-sided. If the disturbance becomes extensive or protracted, the resultant check upon the already unsatisfactory level of overseas trade will be felt severely in many lines of business both at home and in other countries, especially South Africa and Australia, where refusals to sail have been more important than in this country. It is, further, the clearest possible instance of the unofficial and unrecognised strike, and of the repudiation by a section of the rank and file of an agreement signed by trade-union officials with the authority of a delegate conference behind them. It is, in fact, the type of occurrence which strikes a blow at the root of the system of collective bargaining. Of even greater importance, perhaps, is the political aspect, not merely in Australia, where Mr Bruce's resort to deportation machinery has aroused an electoral issue fraught with imponderable consequences, but in Great Britain, where the occasion has been seized upon by the leaders of the Minority Movement as an opportunity for advancing a stage further their offensive against official trade unionism. This phase of the trouble is of the more significance because it throws the limelight upon the efforts which the Minority Movement is expected to put forth at the Trade Union Congress, which opens at Scarborough on Monday.

Since it is the contention of the strike leaders that the rank and file were insufficiently consulted before the present wage reduction was agreed upon, it is necessary to look into the history of the negotiations. In May of last year the officials of the National Sailors' and Firemen's Union obtained from the shipowners an immediate advance of 10s per month, a further advance of 10s per month to follow three months later, and in return promised that if a reaction in the trade took place they would be willing to reconsider the position. In July last the owners pointed out that the improvement in the shipping trade had not taken place, and asked the union leaders to carry out their promise and reconsider the wage position. A conference of delegates representing all the ports in the United Kingdom was called, and a compromise with the owners approved, by which the advance of £1, made last year, was to be removed as from August 1st. This is the wage reduction which is the cause of the present trouble. A report on the matter was afterwards submitted to the Executive Council of the union, and at the annual general meeting, which followed, a resolution was unanimously passed declaring the revised agreement to be in the best interests of the seamen. Those are the facts as stated by Mr Have-lock Wilson, the president of the union, and, so far as we are aware, they have not been seriously challenged. Conditions in the shipping industry are so difficult that the owners had little difficulty in persuading the trade union leaders that a withdrawal of last year's wage advance was a necessity; they, in their turn, obtained the approval of the members of their union through the normal channels. Unless the strikers can show that this account of the matter, as given by Mr Wilson, is incorrect, they cannot justify themselves on the ground that their leaders acted improperly or unconstitutionally. Even weaker still is the position of the strikers in Sydney and Cape Town. The articles for the round voyage

which they signed contained a retrospective clause providing that any alteration in wage rates that came into force before the completion of the voyage should apply immediately and automatically.

Seamen, naturally, do not appreciate a reduction in their wages, any more than other sections of the community; and a certain amount of unrest is in their case peculiarly easy to understand. By the nature of their calling they are scattered over the face of the globe, absent for long periods, out of touch with the facts of the industry and with the negotiations of union leaders or employers. To discover on landing at a far-off foreign port that wage rates have suddenly been reduced by £1 per month is doubtless conducive to a frame of mind ready to accept the extravagant statements and incitements of agitators. Nevertheless, we are assured that, in spite of temptation, the vast majority of British seamen have remained loyal to the agreement signed by their accredited representatives. The strike efforts of the disloyal minority were, so far as this country is concerned, developing into a complete failure, until the strike agitators received reinforcement from the Amalgamated Marine Workers' Union—the bitter rival of Mr Wilson's union—with Mr Shinwell, the ex-Minister of Mines, as leader. At the moment a certain amount of delay and confusion persists at certain British ports; but the authorities hold to their view that the strike will collapse, just as a similar effort collapsed in 1921, and the general appearance of affairs favours this view. The dramatic sailing of the *Majestic* and other big liners, the failure of the attempt to stop the Channel services, and the disclosure of the existence of large numbers of willing substitutes, has given the strikers serious food for thought.

This new ebullition of activity on the part of that section of Labour, which is out to discredit official trade unionism, lends, as we have said, peculiar interest and importance to next week's Trade Union Congress, for the debates and the voting will reveal the strength or weakness of the Minority Movement. There will no doubt be many skirmishes, but the real battle will, as Mr Frank Hodges pointed out in an article in last Sunday's *Observer*, be joined over the question whether the Labour movement is to continue on present lines or whether the grand cleavage is to be made between industrial trade unionism and political labour. Mr Hodges, who argues strongly against such a severance, is anxious about the strength of the forces which aim at its achievement. "The keen observer," he writes, "cannot fail to detect a tendency on the trade union side to be less enthusiastic than was the case a few years ago to co-operate with the Political Labour Party in the active pursuit of industrial objectives. Such a tendency is to be deplored, but it exists and grows." The growth of this movement, which Mr Hodges describes as "the beginnings of a difference which almost imperceptibly is dividing the Labour movement into two camps," he frankly ascribes in part to the attitude of the MacDonald Government towards organised industrial labour. "There was an aloofness, a frigidity, an irritation, sometimes a disdain displayed by 10 Downing street to 33 Eccleston square." The movement was stimulated by the fact that it was a purely industrial trade union sub-committee which, at the time of the recent coal crisis, negotiated with Ministers. Mr Hodges, then, puts the great issue of next week's Congress as follows:—"Will the industrial movement march on to complete independence and isolation, as in America? Or will it be big enough to benefit by the experiences of the last year to break down the half-erected barriers built up by the accidental circumstance of an immature Labour Government, which, by its very composition, failed to secure a complete understanding between industrial and political Labour? Will the circumstances, on the other hand, be exploited by the very vocal, but very few, Communists and members of the Minority Movement to proclaim that this is a perfect example of the utter futility of the Parliamentary method, and a concrete proof of the superiority of the industrial method and the doctrine of force? Let the General Council be on its guard, for the attempt will be made." The proceedings at Scarborough will therefore be anxiously scanned for the bearing that they may have on the political as well as the industrial future.

THE SIXTH LEAGUE ASSEMBLY.

THE League of Nations Assembly, which opens on Monday, is apparently to be notable for the presence of M. Painlevé, and the absence of Mr Baldwin. There is no special reason why the British Prime Minister should attend the Assembly except that his French colleague intends to do so, a fact which will rather emphasise Mr Baldwin's combined proximity (he is on holiday at Aix-les-Bains, almost within hail, at it were, of Geneva), and abstention. M. Painlevé has explained to an interviewer that the reason he is going to Geneva is to demonstrate his sympathy with the League, as his predecessor, M. Herriot, did before him. Mr Baldwin's sympathies are not in doubt, and so far as the actual business of the Assembly is concerned, Mr Chamberlain and Lord Cecil form a combination that needs no strengthening.

This year, even more than in past years, the prospects of the three weeks or more of the Assembly session are singularly difficult to forecast. So far as the actual agenda goes the only item of outstanding importance is the Geneva Protocol, and regarding that nothing more than a series of eloquent funeral orations is likely to be uttered, though one or more of the Assembly's *enfants terribles* may quite well take the opportunity of addressing to the British delegation polite criticisms calculated to throw Mr Chamberlain on the defensive. It will be hard, for example, for so ardent a supporter of the Protocol as M. Paul Boncour, completely to restrain his emotions at the fate that seems to be befalling his handiwork, though so far as the official French attitude is concerned, M. Briand is understood to have assured Mr Chamberlain that no attempt will be made to create complications by endeavours to galvanise the corpse into new life.

But in some form or other the Protocol will be discussed, and it is hard to see how delegates can talk Protocol without talking Pact. Theoretically the Pact in no way concerns the Assembly, though if the ultimate text is anything like what the British and French draftsmen contemplate, it will directly concern the Council at more than one point, and anything that affects any organ of the League can with propriety be discussed by the Assembly. But discussion will certainly be deprecated by the principal negotiators, and delegates generally are likely to show the discretion that the present delicate stage of the conversations with Germany dictates. There are, however, to be unofficial German observers at Geneva, and it is safe to predict that other interest.

The corridors, indeed, look like being the most important part of the Assembly this year, for the Pact is only one of three or four outstanding questions which will no doubt be regarded as half-forbidden topics so far as the floor of the Assembly goes. One is China, another is Morocco, another is Syria. To keep Syria off the floor will hardly be date for that area, but anything that happens there is a matter not merely of legitimate but of imperative concern to the League. Iraq stands in a rather different category, but if the Assembly wants to discuss Iraq, over which to prevent it. As regards China, the contention of most of the European Powers is likely to be that any action can best be taken under the Washington agreement, to which China was a consenting party, and by itself should think it a sound diplomatic move to raise the whole question of the extra-territoriality treaties under the much-discussed Article XIX. of the Covenant (as to the right of the Assembly to recommend the reconsideration of treaties no longer applicable, or a source of possible strife) a debate of marked interest and importance might result.

All along the line, indeed, it is the uncertainties of the situation that give the Assembly of 1925 its interest. The League, of course, has its routine business to deal with every year, and it is not always recognised how varied and important that business is. There will, for example, be the different European reconstruction schemes, in

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Austria, in Hungary, and in Greece, to consider, and in spite of the difficulties, both political and economic, through which Austria has been passing, the League has good reason to be satisfied with the results of its intervention in all three fields. There will be a crop of little problems connected with Poland, in relation to Germany, to Lithuania, and to Danzig, to pass in review. The Polish Foreign Minister will bring to Geneva the latest impressions of the situation in America, where he has been lecturing at Williamstown, and incidentally talking behind closed doors with various members of the Administration. Poland, moreover, is openly aspiring for a seat on the League Council, and the hope of election may be counted on to accentuate those conciliatory tendencies which Count Skrzynski has consistently exhibited at Geneva in the last twelve months. The formation of an anti-Nationalist coalition at Danzig has given the Poles a great opportunity in one difficult corner, and if at the same time the League can by discreet pressure do something to ease the friction, which still impedes the Memel settlement, holds up the timber trade on the Niemen, and keeps relations between Poland and Lithuania virtually on a war basis, a good deal may be done both for trade and for political stability in Eastern Europe.

The main strength of the Sixth Assembly will be the quality of its delegates. Whether the number of foreign Ministers present will equal the high total reached last year is still uncertain, but the fact that Great Britain and France, Holland and Belgium, the three Little Entente States, Sweden and Poland are all to be represented by the Ministers actually directing their foreign policy is enough in itself to save the Assembly from the danger of losing sight of practicalities, while Signor Mussolini's sardonic gesture in including in the Italian delegation one of the most voluble and unrestrained opponents of the League of Nations is more calculated to produce a convert than to produce a disturbance.

If, therefore, the unexpected fails to happen, what is in store is a fairly quiet Assembly devoted largely to a survey of the work carried on in the name of the League, not merely by the Council, but by the expert commissions to whom so much of the League's activities is now delegated in different fields. There may be the usual mild discontents over the allocation of contributions towards the League's severely limited expenses. There may be the usual industrious but comparatively innocuous lobbying over the election of the non-permanent members of the Council. And there may, on the other hand, be the unlooked-for introduction of matter considerably more momentous as the result either of an application by Germany for membership of the League or of the concentration of discussion on those principles of arbitration which, after being rejected by a British Cabinet which condemned the Geneva Protocol, are being given a new actuality by British concurrence in the terms of the recent French Note to Germany. It would be neither surprising nor improper if the Assembly, taking note of the arbitration treaties which are springing up spontaneously between various pairs of States all over Europe, and

being contemplated by many more, should think it useful to attempt to reach agreement on the essential provisions any such treaties, whatever their special adaptation to particular needs, ought to embody. The predictions of a dull Assembly, in short, may be well founded. On the other hand, there is plenty of time for them to be falsified yet.

CUSTOMS DUTIES IN ENGLAND AND ABROAD.

AMONG the unfortunate but inevitable results of Great Britain's futile and uncertain tariff policy since the war is the widespread belief on the Continent of Europe that Great Britain has become, or is well on the way to becoming, a Protectionist country. Our coal policy in 1920, the old Safeguarding of Industries Act, and more recently, the ostentatious re-imposition of the McKenna duties, and the interested publicity given to certain applications under the new "Safeguarding" rules, are certainly calculated to produce an unduly unfavourable impression in the minds of foreign observers, unacquainted with the real strength of the national feeling in England against anything remotely resembling a protective system. Our European critics are apt to point out, also, that a scale of customs duties which produced nearly £100,000,000 last year, and nearly £120,000,000 in 1923-24, must be regarded as a serious obstacle from the foreign exporter's point of view. Indeed, this figure is higher in proportion to the total value of British imports than the ratio of customs receipts to total trade in most protected countries. To assume, however, that this large revenue is a barrier to trade, overlooks the fact that it is derived almost entirely from duties on such commodities as wine, beer, sugar, tea, coffee, tobacco, which are either not produced in Great Britain at all, or are subject to counter-vailing excise duties. The latter are, in fact, the more productive from the Exchequer point of view, Excise receipts having exceeded Customs by £35,000,000 last year, and £28,000,000 in 1923-24. In the earlier period the McKenna duties, which were operative for the whole year, produced £2,591,000, or 2.6 per cent. of the total Customs receipts, while the "key industry" and "depreciated currency" duties—frankly Protectionist in design—brought in the magnificent sum of £631,000, or 0.5 per cent. of the whole. Mr Churchill estimated in his Budget statement this year that his proposed changes would affect Customs receipts by no more than £7,040,000 in a full year (of which the new silk duties were to be responsible for £5,500,000). On this evidence Great Britain stands acquitted of being a Protectionist country at present. That Customs and Excise duties were estimated to provide £239,260,000 (35 per cent. of the total tax revenue), this year, reflects the commendable stoicism of the British taxpayer under his heavy burden rather than a national drift towards protective measures.

Further proof—if any were needed—is afforded by a White Paper published this week by the Board of Trade*. In this document are set out details of our trade with ten of the most important foreign countries, showing the value of goods imported into Great Britain "free of duty" and "subject to duty" respectively, and, *per contra*, similar particulars as regards British exports entering foreign markets. Particulars in the first case are as follows:—

VALUES of the IMPORTS of MERCHANDISE into GREAT BRITAIN and NORTHERN IRELAND from the COUNTRIES NAMED in the YEAR 1924:—

Country Whence Consigned.	Total Imports of Merchandise into Great Britain and Northern Ireland.			Per Cent. of Total Subject to Duty.
	Free of Duty.	Subject to Duty.	Total.	
United States.....	£ 215,543,000	£ 26,448,000	£ 241,991,000	10.9
Germany.....	33,838,000	3,059,000	36,897,000	8.4
France.....	60,544,000	5,938,000	66,532,000	8.9
Austria.....	2,339,000	171,000	2,510,000	6.8
Russia.....	19,955,000	39,000	19,994,000	0.2
Italy.....	17,429,000	808,000	18,237,000	4.4
Spain.....	18,386,000	1,318,000	19,704,000	6.7
China (a).....	12,115,000	1,650,000	13,765,000	12.0
Japan (b).....	7,365,000	87,000	7,452,000	1.2
Argentine Republic.....	79,097,000	3,000	79,100,000	.004

(a) Excludes Hong Kong, Macao, and territories leased to foreign Powers. (b) Includes Formosa, and Japanese leased territories in China.

To the Board of Trade figures we have added a column showing the proportion of "Taxed" to "Untaxed" imports, and have given total figures for the 10 countries, which accounted for some 40 per cent. of our total import trade last year. "Taxed" imports varied between 12 per cent. of the whole in the case of China, and roughly 11 per cent. in that of the United States, and negligible proportions as regards Russian and Argentine goods. The ratio would, of course, be minute if we counted only those duties which are protective, *i.e.*, are not balanced by an equivalent internal excise.

When we consider the reverse of the picture, a very different result is shown. The following table indicates the treatment meted out to British exports by the countries enumerated:—

IMPORTS of MERCHANDISE from GREAT BRITAIN and NORTHERN IRELAND into the COUNTRIES NAMED for the LATEST YEAR AVAILABLE.

		Imports of Merchandise from Great Britain and Ireland.			
Countries.	Year.	Free of Duty.	Subject to Duty.	Total.	% of Total Subject to Duty.
		£	£	£	£
United States (c)...	1923	30,728,000	57,611,000	88,339,000	65.2
Germany	1924	23,361,000	21,484,000	44,845,000	47.9
France	1923	19,137,000	49,223,000	68,360,000	72.3
Austria	1924	1,432,000	1,676,000	3,108,000	54.1
Russia (d)	1924-5	576,000	5,438,000	6,014,000	90.4
(Six months only).	(Oct. 1924-Mar. 1925).				
Italy	1924	13,648,000	7,800,000	21,448,000	36.2
Spain	1924	..	6,534,000	6,534,000	100.0
(Six months only).	(Jan.-June				
China (e)	1923	35,000	20,909,000	20,944,000	99.7
Japan (f)	1921	1,572,000	21,389,000	22,961,000	93.0
Argentine Repub.	1923	9,981,000	25,505,000	35,486,000	71.9

(c) Includes Continental United States, Alaska, Porto Rico, and Hawaii. (d) The particulars relate to imports over the European, Black Sea, and Caucasian frontiers. (e) Direct trade with the United Kingdom as recorded by the Chinese Maritime Customs. (f) The particulars relate to imports into Japan Proper and Karafuto (Saghalien).

We have again added a percentage column. The figures give no indication of the amount of duty paid in each case, which one would need to know in making a true comparison. The Board of Trade points out, furthermore, that (1) the particulars in the above statements are exclusive of bullion and specie. (2) It has

not been possible, in certain cases, to distinguish dutiable goods imported free of duty under the régime of temporary importation. (3) The imports into some of these countries, officially recorded as from the United Kingdom, include merchandise consigned from Great Britain and Ireland both of British origin and originating elsewhere; there is reason to suppose that, owing to the nature of the goods, the dutiable proportions of the imports consigned from the United Kingdom but originating elsewhere were generally lower than in the case of imports of British origin. When all allowances have been made, however, the figures show quite conclusively that our present customs system has a much more restricted scope than that of most overseas countries, and the fears of our friends abroad that a fiscal revolution has occurred in England are greatly exaggerated. It remains for Mr Baldwin and his colleagues to set these fears entirely at rest by seeing that no further "gestures" are made which, while too small to influence the general trade situation in Great Britain, are big enough to destroy our influence in the direction of freer trade among the countries of Europe.

SOME AFTER-EFFECTS OF INFLATION.

(BY OUR BERLIN CORRESPONDENT.)

WHILE recent European experience suggests that the stabilisation or replacement of badly depreciated currencies is a relatively simple problem, it shows that the consequences of depreciation are not so easily removed. One observed phenomenon, the deflation crisis, tends to disappear automatically through readjustment of prices. A more difficult post-depreciation problem is the revolution in the distribution of property; the difficulty, that is, of bringing about a partial counter-revolution in the interest of investors and creditors. This problem will have to be faced sooner or later by every country whose currency has depreciated so much that there is no hope of a return to pre-war value; by all Europe, that is, with exception of Great Britain and some neutral countries. Naturally, the question does not become acute as long as depreciation is under way, but currency reform inevitably brings it up. Such is the experience of Germany, Poland, Danzig, and Lithuania. In Austria, though there have been initiatives in the Nationalrat, the Government has so far refused valorisation, and the Courts have held to the legal fiction that "a crown is a crown." Czechoslovakia, Finland, and some other countries with *de facto*, but not formally, stabilised currencies have done nothing. The problem will certainly become acute in Latin Europe as soon as currency reform takes the probable shape of franc and lira devaluation.

A valuable lesson may be learnt from Germany's attempt to valorise, and the lesson may fairly be summed up in the advice "Don't." The main point to be dealt with here is valorisation of private debts. Valorisation of public debts is a simple problem, the solution of which is determined by State financial exigencies. Valorisation of private debts is contentious, complicated, disappointing to both creditor and debtor interests, unfair in its effort to restore fairness, injurious to public confidence, and fruitful of litigation. In principle, no distinction exists between valorisation of public claims and private claims, both of which have been depreciated by currency collapse. In both cases the losses are caused by the same State Act, in both cases the proportion of loss is the same, and in both cases the ultimate gainers are private individuals, the gainer in the case of State debts being the taxpayer. The German Government, however, from the first discriminated on lines of practicability. Complete restoration of the Federal Debt alone would have cost £3,500,000,000; the 25 per cent. valorisation rate ultimately conceded to private creditors would, if applied to the Republic, have cost about £900,000,000, and would

have cost the States and Municipalities further large sums. For this reason the first valorisation enactment, the Third Taxation Decree of February 14, 1924, while conceding 15 per cent. of the original gold value of secured private debts, conceded nothing to public bondholders beyond an admission that interest and principal payments might be resumed after Reparations are fully paid.

The later law of July 16, 1925, gave to a preferred minority class of "old" holders (those who acquired before July 1, 1920) a considerable dote, while treating later acquirers (that is, holders of 50 milliards out of 70 milliards outstanding of Federal Debt) no better than the February, 1924, measure. Claimants for private debts were treated much more liberally. Unlike the State, ran the argument, private debtors can afford to pay; the securing properties have already recovered a great part of their pre-war value, and will recover it wholly. Therefore, mortgagees and debenture-holders are given (with certain qualifications) 25 per cent. of the original gold values of their claims. The lost 75 per cent. is no clear gain to the debtors. Part of it is taken for public purposes in form of a tax. So summarised, this valorisation of private debts seems simple, and certainly not oppressive to the debtor class. It has, however, satisfied nobody.

After successive Cabinets had declared that there would be no valorisation whatever (abandoning this standpoint first in 1923), valorisation was officially taken up on the ground that it was "necessary in order to stop a social conflict." After the Reichsgericht in November, 1923, repudiated the legal fiction that "a mark is a mark" (*i.e.*, that a mark worth a shilling and a mark worth the one-billionth of a shilling are equally good for payment of debts), a furious controversy arose. The creditor and investor class, being the aggrieved party, got the upper hand. But the law of July, 1925, has not settled the social conflict. The well-organised creditor class denounces the law as unconstitutional (as it probably is), demands a referendum, threatens to fight in the courts, and—the appetite comes in eating—is less thankful for the 25 per cent. valorisation of 1925 than for the 15 per cent. valorisation of 1924. A second trouble is that attempts to bring about an equitable counter-revolution in the distribution of property threaten new expropriation and ruin. Without ruining many creditors, summary valorisation, whether by 15 or 25 or 50 per cent., cannot be consistently enforced. Nearly every debtor-and-creditor case is individual; some citizens could pay more; some, owing to depreciation of their property (city houses sell at around one-fifth of pre-war prices), cannot pay as much; some debtors have incurred new debts; others, while gaining from the extinction of their debts, lost by the depreciation to nothing of their claims upon non-securing debtors or upon the State. It was, therefore, at first suggested that instead of summary or "schematic" valorisation, the essence of which is a uniform percentage, there should be "individual" valorisation; that is, that the relations between all creditors and all debtors should be inquired into by a court, which should consider also the degree of prosperity of both parties, and should attempt to restore something like pre-war conditions. This proposal was rejected; it would have meant hundreds of thousands of minute inquiries, would have delayed the final settlement for years, and would have afforded rich opportunities for concealment, fraud, and perjury. Therefore, "schematic" valorisation was adopted. But as "schematic" valorisation, if rigidly enforced, would plainly have produced a crop of ruin and bankruptcy, the lawmakers hedged. While retaining the uniform percentage valorisation, they allowed individual debtors to plead "privation" (*Härte*), to prove that they could not take on again the valorised debt without hardship or ruin, that they had themselves suffered losses by the depreciation, that the creditor is well off even without the revival of his claim, and so on. Naturally, proofs will have to be given. The debtor who can prove "privation" will either escape the whole debt or the 25 per cent. will be reduced. This will be done after inquiry by a Valorisation Board (in general the *Amtsgericht* court will function). This compromise contains all the inconveniences of both "schematic"

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and "individual" valorisation. The complexity of property relations will allow tens of thousands, probably hundreds of thousands, of claims for exemption; and it is likely that the settlement of all cases will not be achieved for many years.

The law violates many legal principles, and deals a serious blow to confidence. In spite of the expansion of the original Bill to enormous length, many probable contingencies have not been provided for. Contracts which have been valid for more than three years are annulled, and the records of the real estate registers, which have hitherto had categorical validity in the matters of titles and charges, are summarily repudiated. During the depreciation years many mortgages were paid off in paper marks, with the consent of the mortgagees, and were duly erased from the registers. Sometimes the mortgagee accepted as solatium a sum over and above his legal claim (which was only for the nominal amount in paper marks). The law revives such mortgages in so far as they were paid off after June 15, 1922, and orders their re-entry in the registers to the standard 25 per cent. The estate owner may have in the meantime contracted new mortgage loans and entered them in the register as first mortgages. Where this happened after a stated date the law gives the revived mortgages precedence, and the new creditor, who lent in good faith and according to then valid law, is threatened with loss. Ground stated for this breach of faith is that the new lender "ought to have known" that the extinguished mortgages would be revived, though the Government itself did not know until the last minute in what form the law would pass. Similar in principle is the situation where real estate has changed hands. Buyers of estates or houses after the Decree of February, 1924, usually took over the newly valorised 15 per cent. mortgage debts. The new law imposes upon them the extra 10 per cent., which was never their own debt, and they and their estate are liable. Again the ground given is that, although in February, 1924, the 15 per cent. valorisation was officially proclaimed to be final, and though that was the whole debt shown by the estate registers, the purchaser ought to have foreseen that the amount would be increased. Even where (in the case of paid-off mortgages) a new buyer purchased land which the register showed to be entirely free of charges, he may in certain cases have put on his shoulders an enormous revived debt of which he had probably never heard when he bought. In the majority of such cases, however, the seller of the property is liable; but here also great difficulties arise, because for city real estate sold during the inflation the seller usually received only a fraction of the revived mortgage which he must now shoulder.

The capital of mortgages and debentures cannot be claimed until January 1, 1932; meantime, the mortgagee receives only interest. The capital of all mortgages falls due on that day, and the total is 25 per cent. of an estimated 44,000,000,000 marks. The law-makers have not arranged for payment of this money. Voluntary prolongation by the mortgagees is unlikely because the mortgages will bear at most 5 per cent. interest, which is likely to be much below the interest rate (at present around 15 per cent.) five years hence. Hence, if the law is not amended, and if no credit is provided, the beginning of 1932 would see a financial crash. Various suggestions have been made for gradual mobilisation or conversion of the mortgage claims during the six years, but nothing has so far been done.

THE LACE TRADE.

OUR trade in lace has recently been made one of the victims of Protectionist experiments, revived after having been abandoned 75 years ago in the light of the bitter experience gained during centuries of Protection. The fact that no case was made out (even on the lines of Mr Baldwin's own requirements) by the committee which examined the industry does not appear to have weighed with those who imposed the duty. Indeed, the whole inquiry turned out to have been a solemn farce, for it soon became clear that there were enough fanatical Protectionists in the Government's ranks to compel the imposition of a duty, whatever the result of the committee's deliberations might be.

On the products of the lace industry, however, only the makers of clothing depend, and these were not sufficiently numerous to make their opposition effective. It is a powerful object-lesson of the way in which Protectionist wire-pulling operates, to the detriment of other industries and of the vast body of consumers among the general public.

Let us see what has been the history of this trade which it has been deemed necessary to "protect" after 75 years of flourishing development under Free Trade. The record can be traced back to the 'seventies of last century, and this is what it shows:—

BRITAIN'S OVERSEAS TRADE IN LACE OF ALL KINDS.
(In Thousand £'s.)

5-Year Averages.	Imports.	Re-exports.	Net Imports.	British Exports.
1874-78.....	511	..	..	..
1879-83.....	538	..	..	..
1884-88.....	1,020	84	936	..
1889-93.....	981	132	849	2,238
1894-98.....	1,277	356	921	2,239
1899-1903.....	2,031	814	1,217	2,941
1904-08.....	3,427	1,768	1,659	4,187
1909-13.....	2,868	1,545	1,323	4,224
1914-18.....	914	660	254	3,774
1919-23.....	1,270	1,135	135	4,335
1924 (single year).....	2,267	1,756	511	2,574

N.B.—Imports cover lace of cotton, silk, silk mixtures, and "other materials," but lace of "other materials" is not included in exports.

It will be seen that in all the pre-war years British exports made steady progress in every lustrum. Not so the net imports—goods received and retained here for sale to home consumers. These dropped considerably in the five years immediately preceding the war. The fall in net imports amounted to £336,000 at the same time that British exports rose £37,000, so that the position of our home producers was £373,000 better in each of the five years to 1913.

Now let us note how the pre-war figures compare with those of the single year 1924. Exports have fallen since 1909-13 by about 40 per cent., and net imports have dropped more heavily still—by about 62 per cent. The cause of this severe decline in both sections is well known to everyone acquainted with the trade. Fashion unfortunately decreed that lace curtains should give place to "casement" curtains, and from the verdict of Fashion there is no appeal. Moreover, not only was lace largely banished from our windows, but it was displaced along with garments which it had always been lavishly used to decorate. Vast were the quantities which used to be consumed in the beautifying of white under-garments. Those garments are now things of the past, and in their stead we have prosaic vestments of tweed—more useful and sensible, no doubt, but not lending themselves to lace embellishments.

It is for these and other similar reasons that the demand for lace has declined enormously. As for the demand that still remains, our manufacturers appear to supply as large a share of it as they ever did. For the five years to 1913, net imports at £1,323,000 represented 31 per cent. of the British exports. For last year net imports at £511,000 represented only 19 per cent. of the British exports. The slump in imports had been relatively much greater than the slump in exports.

Let us now enquire where the exports go to. Foreign nations have always been better customers to us for these goods than the British Dominions and colonies, but there are features of interest in both sections of the trade:—

DESTINATIONS OF EXPORTS OF BRITISH LACE AND ARTICLES THEREOF
(In Thousand £'s.)

5-Year Averages.	To Foreign Countries.			To British Possessions.		
	Cotton.	Silk & Silk Mixtures.	Total.	Cotton.	Silk & Silk Mixtures.	Total.
1894-98 ..	1,636	124	1,760	454	25	479
1899-03 ..	2,125	91	2,216	705	19	724
1904-08 ..	3,252	80	3,332	832	22	854
1909-13 ..	3,279	79	3,358	855	13	868
1914-18 ..	2,620	152	2,772	986	16	1,002
1919-23 ..	3,182	87	3,269	1,010	55	1,065

During the first 20 years covered by the table, purchases by foreigners grew by £1,598,000, while those by Imperial customers overseas grew by £389,000 only. Of course, the war hit foreign business much more than colonial. Indeed, the colonial trade continued to progress in the war years (1914-18). Since the war, however, foreign business has made a gratifying recovery, and if we compare the beginning and the end of the 30-year period we find that foreign custom has improved by £1,599,000, and Imperial custom by £586,000. On the other hand, the remarkable steadiness of the colonial increase is very encouraging. It would doubtless continue if Dame Fashion were to relent, and command the return of lace curtains to our windows.

When we consider what has been demonstrated above—that our factory-owners are doing a better share of what business there is now than they did of the business in pre-war days, and that they have been doing three times as much with foreign countries as with British Possessions—we shall not wonder that some of the witnesses at the lace inquiry felt impelled to discover, by hook or by crook, some further aggravation of their alleged grievance.

There were dark hints as to enormous quantities of lace coming in through the parcel post. Doubtless, presents of Maltese and other foreign lace are thus sent into the country; and doubtless, also, many presents of home-made lace are thus sent out. The two probably about balance each other, and, in any case, the search for such trivial allegations bespeaks a poverty of argument which is significant.

Other witnesses surmised that much lace came in classed as embroidery, though why such smugglers' tactics should be adopted is difficult to understand, seeing that there were at that time no taxes on either of these classes of articles. Also, it would argue rather lax performance of duty on the part of our Customs officials to suppose that they failed to discover any such alleged misclassification.

However, we will humour these hard-pushed pleaders for Protection, and help them by including all the embroidery among the imports, comparing the net imports of lace and embroidery with the exports of British lace only. In doing so, we would mention that there has been no such serious fall in the demand for embroidery as in that for lace. Beautiful embroidery always has been and always will be popular, though the duties now imposed may be expected to prevent many of the poorer classes from enjoying its possession in the future as much as in the past.

Here, then, is the comparison:—

NET IMPORTS OF LACE AND OF EMBROIDERY COMPARED WITH BRITISH EXPORTS OF LACE ONLY.
(In Thousand £'s.)

5-Year Averages.	Net Imports.			British Exports.
	Lace.	Em- broidery.	Total.	
1894-8 ..	921	706	1,627	2,239
1899-03.....	1,217	988	2,205	2,941
1904-08.....	1,659	1,698	3,357	4,187
1909-13.....	1,323	2,411	3,734	4,224
1914-18.....	254	2,184	2,438	3,774
1919-23.....	135	2,903	3,038	4,335
1924 (single year).....	511	2,037	2,548	2,574

As we have said, there has been no great decline in the call for embroidery. Moreover, British firms and workers have never shone in that line, and the exports of British embroidery are virtually negligible, and have been left out. Nevertheless, it will be seen by a glance over the table that for all the 31 years exports of British lace have been larger than the net imports of lace and of embroidery combined!

BUILDING SOCIETIES—I.

THERE is little information available as to the origin of building societies. The oldest building society, as far as patient research shows, appears to be the Greenwich Union Society. This was founded in 1809. Membership was limited to 50, and the shares were to number not more than 200, of a value of £210 each. Members paid two guineas per share per month for each share they held until the full £210 had been paid up. As often as the society had £100 in hand lots were drawn for an advance. A share was reckoned to be equal to a "dwelling house of the best materials, to be completed in a workmanlike manner," and from the time the house should be finished the member owning it paid the society 5 per cent. per annum on the £210 share until the termination of the society by each member having paid £210 on each share held by him.

In 1836 the first Building Societies Act was passed, which conferred on building societies the same privileges as those given to friendly societies. In 1874 the Incorporating Act was passed, under which further advantages were extended. In the event of a winding-up, for instance, the liability of members was limited to the arrears due from them, or the amount actually due under a mortgage, while it was also provided that societies should have the right of incorporation. In 1876 total assets of societies amounted to only 21 millions, and for many years after 1880 it remained comparatively stationary in the neighbourhood of £50 millions. Then, in 1892, came the "Liberator" failure, followed by the Birkbeck disaster, which combined to put the clock of progress back very considerably. Public confidence in building societies, in fact, was badly shaken. A certain amount of reassurance, however, followed the passing of the Building Societies Act of 1894, which rendered it imperative for all incorporated societies to make returns of individual mortgages for amounts exceeding £5,000, of properties which had been taken possession of by the societies for more than twelve months through default of mortgagors, and mortgages more than twelve months in arrears of repayment subscriptions.

It is interesting to attempt to trace the reasons for the general tendency in the past to treat building societies with indifference. That they served a useful purpose no one could deny. The banks did not wish for their business; indeed, in some directions they might have welcomed them, for long-term loans at fixed interest for stated periods could not have interested the banks. Perhaps some suspicion was engendered by the political activities of a number of the most ardent workers connected with the societies in their early years, while in latter years the Liberator smashes and the Birkbeck troubles brought them into the limelight and created unfavourable impressions. These two concerns, of course, were not building societies as we know them to-day, but, none the less, they were instances of abuse of the basic principles. One critic has reminded us that the Liberator and Birkbeck crashes were no worse than has happened to so-called banks in this country. Moreover, the effect of the Act of 1894, which was the direct result of the two failures referred to, has been all to the good.

It has been suggested that the competition for deposits has not been welcomed by the banks, especially as, it is contended in some quarters, the societies have the advantage of paying interest on deposits free of income-tax. That interest on building societies' deposits was free of tax is, however, disputed. A prominent building society official points out that in the ordinary course of business building societies are liable to pay income-tax on their profits in the same way as any banking institution. In the normal course of doing this they would have to allow

income-tax from all the mortgage interest received from borrowers, and recoup this by deducting tax from the interest credited to shareholders and depositors. But as a very great percentage of their members are even to-day not liable to pay income-tax, an arrangement was made with the Inland Revenue Department that if the societies would pay on an agreed percentage of the interest credited to shareholders and depositors, the Inland Revenue would exempt all borrowers from tax on their mortgage interest, and all investors and depositors from tax on their interest. "I think it will be therefore clear," continues our correspondent, "that it is simply a bookkeeping arrangement with the Inland Revenue, and I believe all building society managers are convinced that if the Inland Revenue had to collect this from individuals it would not come to as much as the societies are paying direct to-day, in addition to which they are saving themselves the trouble of thousands of claims for the refund of tax which would have been deducted from the interest. You will see, therefore, that we have not the advantage of paying interest on deposits free of tax."

Building societies emerged from the chaos of post-war reconstruction with reputations considerably enhanced. The Government quickly realised that they filled a much-needed void in our economic machinery; but, unfortunately, the public were inclined to hold aloof, partly from ignorance of their methods, and partly from a suspicion that these societies were not sound in principle. The historian may perhaps one day find some connection between the view of the public in this direction and the failure in this country to establish co-operative credit societies. It is to be hoped that vulgar prejudices which existed have been by now completely dissipated.

The assistance to be given by local authorities to building societies is laid down under Section 5 (1) (b) of the Housing, &c., Act, 1923, which states that a local authority may "undertake to guarantee the repayment to a society incorporated under the Building Societies Acts, 1874 to 1894, or the Industrial and Provident Societies Acts, 1893 to 1913, of any advances made by the society to any of its members for the purpose of enabling them to build houses or acquire houses the construction of which was commenced after the 25th day of April, 1923." And in Section 5 (2) (a) it is enacted that "the advance with interest thereon shall be secured by mortgage, and the advance shall not exceed 90 per cent. of the value of the interest of the mortgagor in the property; and the mortgage deed may provide for repayment being made either by instalments of principal or by an annuity of principal and interest combined, so, however, that in the event of any of the conditions subject to which the advance is made not being complied with, the balance for the time being unpaid shall become repayable on demand from the local authority."

In commenting upon this belated piece of legislative work, Mr Walter Harvey, at the annual meeting of the Building Societies Association at Hastings in June last said, "The building society movement is not merely local. Had a Government guarantee been available instead of a permissive power of guarantee by local authorities, a national scheme would readily have been devised under which building societies could have employed their funds freely. As things are, local authorities, in their anxiety to avoid financial risk, attempt to shift their responsibilities by offers of arrangements under conditions which are frequently quite unreasonable. We can sympathise in a refusal to take chances of increase in local rates, but it is not the business of building societies to take over municipal responsibilities. Our heads rather than our hearts must lead us where the people's savings are concerned. There are signs at the moment of the power of guarantee by local authorities becoming a menace to the position of building societies rather than a help and a safeguard. I have often thought that a guarantee by the Treasury similar to that given under the Trade Facilities Act should be substituted for the local authorities' guarantee, and I suggest that the Executive should examine the question. I believe that with a Treasury guarantee behind generous valuation, the subsidy system could be dropped, or, at any rate, substantially modified. Just as many houses would, I am confident, be built, and a large saving to the country be effected."

OUR INDEX NUMBER.

THE substantial advance recorded by our Index Number of wholesale commodity prices in July was not repeated in August, our latest figure showing a very modest rise of 4 points in the total, namely, from 4446 to 4450. This figure compares with 4550 at the end of April of this year, and with 4855 at the end of December, 1924. The small August change was the net result of a number of important and contradictory movements, the features being a rise in each of the food groups, and a notable decline in textiles, while the other two groups also show rather lower totals. The table appended shows the latest position of the five groups, and of the total in comparison with preceding months:—

Date.	Cereals and Meat.	Other Food Products (Tea, Sugar, &c.).	Textiles.	Minerals.	Miscellaneous (Rubber, Tin, &c.).	Total.	%
Basic (avg. 1901-5) ..	500	500	500	400	500	2200	100.0
End July, 1914	879	852	616½	464½	853	2568	116.6
" Dec., 1915	897	446	731	711½	848½	3634	165.1
" Dec., 1917	1286½	686	1684½	839½	1348½	6845	268.2
" Nov., 1918	1289	782½	1848½	903	1389½	6212	282.6
" Mar., 1920	1508	914	2974½	1246	1709½	8352	379.6
" Dec., 1920	1544	805	1284	1216	1275	5924	269.3
" Dec., 1921	921½	636	1106	762	931½	4357	198.0
" Dec., 1922	861	706	1184½	705	807½	4264	193.8
" Dec., 1923	853	815½	1382½	774	755	4580	208.2
" Mar., 1924	897½	843½	1313½	805	780½	4640	210.9
" June, "	914	736½	1347	764	769½	4531	205.9
" Sept., "	1003	777½	1395½	762½	790½	4729	214.9
" Dec., "	992	789½	1452	815½	806	4855	220.7
" Jan., 1925	1020	763	1404	782½	798½	4768	216.7
" Feb., "	1001	769	1436½	780	785½	4772	216.9
" Mar., "	959	746	1434	760½	780½	4680	212.7
" Apr., "	944	724½	1362	743	776½	4550	206.8
" May, "	956	706	1261½	745	789½	4458	203.6
" June, "	885½	704½	1234	736	791	4351	197.8
" July, "	908	698	1274½	756	809½	4416	202.1
" Aug., "	952	718½	1235½	748	796	4450	202.3

In the first group barley recorded an important rise, while imported wheat and pork also contributed to the higher group aggregate. In the second, the August rise is due to the upward movements of tea and butter. Among textiles, silk, flax, and English wool all rose, but the effect of this movement was greatly outweighed by the decline in raw cotton (both American and Egyptian), and in cotton cloth and cotton yarn. In the mineral group the chief movement is the fall of roughly half a crown per ton in steam coal, which was discussed in last week's *Economist*. Pig-iron and tin quotations also declined, but the lead market made a recovery. In the miscellaneous section a recession in rubber prices from the high end-of-July level is the chief point of interest. The next table shows the changes in the Index Number for each commodity in comparison with that for the end of July, the figure 50 in each case representing the average level during the basic period 1901-5:—

	Index Number.	Inc. or Dec.		Index Number.	Inc. or Dec.		Index Number.	Inc. or Dec.
Wheat—For...	111½	+ 6½	Cotton, A	115½	- 11	Copper	61½	+ ½
English	90½	+ 2	Cotton, B	195	- 28½	Minerals	748	- 8
Barley	94	+ 2	Yarn	121	- 5	Baltic timber	100	..
Barley	106	+ 25½	Cloth	122	+ 7	Amer. timber	80	..
Oats	79½	- 3	Wool, Eng.	128	+ 7½	Leather	61½	+ ½
Potatoes	125	+ 5½	Do. Ausk.	120½	+ 6	Petroleum	100	..
Flax	83	+ 3	Silk	100	+ 2	Oil	78	+ 1
Beef	92	+ 1	Hemp	144	- 3	Oilseed	86½	+ ½
Mutton	97½	+ 6½	Jute	144	..	Tallow	76	..
Pork	97½	+ 6½	Textiles	1,235½	- 39	Indigo	85½	- 15½
Cereals & meat ..	952	+ 44	Pig-iron	74	- 2½	Crystals	38½	- 15½
Tea	166½	+ 13½	Steel rails	71	..	Rubber	796	- 13½
Coffee	137	..	Iron bars	89½	..	Miscellaneous	796	- 13½
Sugar, cane	96½	..	Coal, steam	120	- 12	Total	4,450	+ 4
Sugar, beet	103	..	House coal	82½	- 3			
Butter	99	+ 7	Lead	161	+ 12			
Tobacco	116½	..	Tin	98½	- 3			
Other foods	718½	+ 20½						

These August movements bring the increase in the total index number for the end of July, 1914, to 73.5 per cent., from 73.3 per cent. at the close of the previous month. How

the various groups contribute to the general rise over the pre-war figure may be seen from the next table:—

End of—	Cereals & Meat.	Other Food.	Textiles.	Minerals.	Miscellaneous.	Total.
July, 1914	100	100	100	100	100	100.0
Dec., 1918	226	222	293	186	241	237.5
Mar., 1920	261	260	484	269	309	325.6
Dec., 1920	233	229	209	261	230	230.9
Dec., 1921	159	180	180	164	168	169.6
Sept., 1922	151	194	181	150	148	163.3
Dec., 1922	149	200	193	152	146	166.2
Dec., 1923	148	231	225	167	136	178.6
June, 1924	158	210	219	164	139	176.6
Dec., 1924	171	224	235	175	146	189.3
Jan., 1925	176	217	228	168	144	185.9
Feb., "	173	219	233	168	142	186.0
Mar., "	166	212	232	164	141	182.5
Apr., "	163	206	221	160	140	177.4
May, "	165	201	205	160	143	173.8
June, "	153	200	200	159	143	169.6
July, "	157	158	207	163	146	173.3
Aug., "	164	204	200	161	144	173.5

At this date last year the increase over the pre-war level was 80.4 per cent., cereals and meat standing at 162, other food at 211, textiles at 225, minerals at 168, and miscellaneous at 140.

Notes of the Week.

Coal Commission Appointed.—Five weeks after the announcement of a Royal Commission on the coal industry the names of the Commissioners have been published. It is to consist of four members. The chairman is Sir Herbert Samuel, until recently High Commissioner of Palestine, a former Home Secretary, an ex-President of the Royal Statistical Society, and a keen student of financial problems. With him will be Sir William Beveridge, now director of the London School of Economics, who combines with his high reputation as an economist a wide experience in administration. The other two members are General Sir Herbert Lawrence, now a managing partner of Glyn, Mills, Currie, and Co., and the holder of the chairmanships or directorships of several banking and railway companies, and Mr Kenneth Lee, a prominent figure in the Lancashire cotton industry. The members will have with them four assessors. These are Mr William Brace, formerly President of the South Wales Miners' Federation, and from 1915 to 1918 Under-Secretary of the Home Department in the Coalition Government; Dr Walcott Gibson, a geological expert; Major Hudspeth, a divisional inspector of mines, largely concerned with safety questions; and Dr C. H. Lander, the head of the fuel research department at Greenwich. The small size of the Commission should facilitate speedy working—an essential point in this inquiry. It is understood that Sir Herbert Samuel is abroad at the moment, but we hope that there will be no unavoidable delay in getting to work, and that all parties to the mining trouble will to the best of their ability assist the Commissioners in their arduous task.

The Admiralty and Economy.—In the course of the debate in the House of Commons in the middle of July on the building of new cruisers, several speakers alluded to the economies which the Admiralty might effect by closing several dockyards. Commander Hilton Young, in particular, declared that "it was notorious in all naval circles that the dockyards of Chatham, Sheerness, and Pembroke were wholly unnecessary and excessive for the requirements of the Navy." The emphasis laid on this subject during the debate seems to have borne fruit, for the Admiralty announced on Thursday that two dockyards, those at Rosyth and Pembroke, are to be reduced as soon as possible to "a care and maintenance basis." There is a slight hint in the official statement that other dockyards may be added to the list. The statement says: "The closing of any other yard is not necessary at present, but the question will receive further consideration when all the inquiries now in progress have been completed and the effect of all changes bearing on the amount of dockyard work in subsequent years can be estimated."

The pursuit of economy in this and in all other feasible directions is the more urgently required, since the burden of the new coal subsidy bids fair to go far beyond original estimates of cost.

Changes in the National Debt.—A return issued this week by the Treasury* sets out the changes which have taken place in the National Debt during the last 25 years. The most interesting figures are, of course, those relating to post-war years, which are as follows (figures for 1913-4 being given for comparison's sake):—

DEAD WEIGHT DEBT of the UNITED KINGDOM.
(000,000 Omitted.)

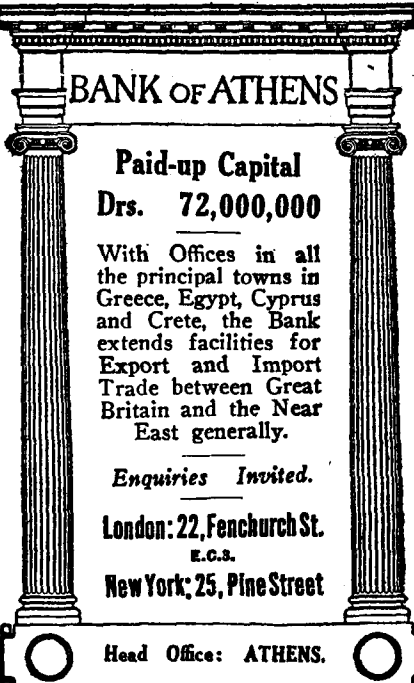
Beginning of Financial Year.	Amount of Dead Weight.			Provision for Interest and Man-agement.	Budgetary Provision for Repay-ment.	Budget Surpluses Applied to Debt Reduction.
	Internal.	Ex-ternal.	Total.			
1913-14..	£ 656.5	£ ..	£ 656.5	£ 16.9	£ 7.6	£ 0.2*
1918-19..	4,823.2	1,048.7	5,871.9	268.0	2.0	..
1919-20..	6,070.1	1,364.9	7,435.0	326.6	5.4	..
1920-21..	6,553.0	1,278.7	7,831.7	328.3	21.3	230.6
1921-22..	6,423.8	1,161.6	7,585.4	307.3	25.0	45.7
1922-23..	6,587.6	1,088.7	7,676.3	299.3	24.7	101.5
1923-24..	6,616.7	1,155.7	7,772.4	307.3	40.0	48.3
1924-25..	6,554.8	1,125.8	7,680.6	312.2	45.0	3.7
1925-26..	6,524.8	1,121.6	7,646.4	..	..	..

* Old Sinking Fund. † From 1920-21 onwards this column includes Funding Loan and Victory Bonds tendered for Death Duties, and held by National Debt Commissioners.

Including "Other capital liabilities," the total national debt on April 1, 1925, was £7,714 millions, as compared with £7,481 millions on April 1, 1919, and £711 millions in 1913. The above table, as it stands, may give a misleading idea of recent reductions in our debt burden. Almost every figure has some qualification attached to it. The dead-weight total of £7,646 millions includes £48½ millions of Funding Loan and Victory Bonds tendered for Death Duties and not yet paid off. Our internal obligations have been affected by recent conversions of 5 per cent. and other stocks into 3½ Conversion Loan, which have reduced the burden while increasing the nominal amount outstanding. The apparent increase in external debt in 1923, again, was due to the capitalisation of arrears of interest on our debt to the United States. A better idea of the national effort can be obtained from the last two columns of the table, which show that in the last five years we have devoted to debt reduction £156 millions by budgetary provision and another £430 millions from annual budget surpluses. External debt, the least desirable of all forms, has been reduced at an average rate of £40 millions per annum. These results are highly creditable to all concerned, and it will be the more regrettable, therefore, should the present financial year witness a reversal of recent tendencies.

The World's Wheat Supply.—The current issue of the Ministry of Agriculture's "Market Report" contains a review of the world's probable wheat position in 1925-26, based on the most recently available estimates. The broad feature, it is stated, is the relative abundance of the European and Canadian crops, and the shortage in the United States' production. The position is thus practically the reverse of that which obtained last year. Leaving Argentina and Australia out of account for the present, since their crops are only just growing, it seems fairly certain that the total harvest of the world will be somewhat larger than last year. If, however, to the production of the year we add the stocks remaining over from the previous harvest, then the margin is diminished, for the carry-over on August 1, 1924, from the generally abundant harvest of 1923 was large, whereas now the stocks remaining on hand from the 1924 harvest are small. Nevertheless, provided there be no startling failure in the Southern Hemisphere, the total available will probably prove slightly larger than last season, and should permit of a practically normal carry-over next August. The apparent difference in total supply between the two seasons is accordingly too

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small to warrant any forecast of a material change in the level of wheat prices during the next few months. As regards the chief sources of Great Britain's supplies, the United States has a total harvest of 364 million cwt, which only slightly exceeds those of the lean years 1915 and 1916, and will contribute but a small proportion of our imports. The latest estimate from Canada (200 million cwt) is about half-way between the bumper crop of 1923 (254 millions) and the bad crop of last year (140 millions). The Dominion should, therefore, spare more than last year, though not enough to cover the United States' deficiency. In Argentina and Australia the crop has only recently been sown, but is well spoken of. India is likely to export less than last year. The Danubian States have much better harvests, though how much they can spare is a speculative matter, while Russian wheat has already been offered on the British market. As regards importing countries, the official forecast on August 1st was for a crop, in England and Wales, of nearly 25½ million cwt, or 1½ millions less than in 1924. It seems likely, therefore, that our requirements will be very similar to or slightly greater than last year, when we imported some 124 million cwt (August 1, 1924, to July 31, 1925). A good crop is expected in France, and her import requirements should be much less than in 1924-25. The Italian crop is officially considered very good, totalling about 120 million cwt, or 30 per cent. above last year. Present indications seem to suggest that Germany's importation of wheat may not be much more than half to two-thirds of last year's. Poland has a very good harvest, and should be fully self-supporting, and Spain should also require a minimum of imports. Altogether Europe should import appreciably less wheat this year than last.

Conditions in the Irish Free State.—Our Dublin correspondent writes:—Prospects generally are improving in the Free State. The weather—a very important factor in a predominantly agricultural community—has been uniformly good since Whitsuntide, and the harvest is in progress under satisfactory conditions. Hay, though not a heavy crop, was so quickly made and saved as to be of excellent quality; potatoes, a very important item, are abundant, and of good quality; grain crops, average or more, and roots somewhat light owing to dry weather. The presence of money in the country will be welcome to retail and wholesale traders, as well as to the banks. The country had been drained of money by prolonged depression from a succession of bad seasons, and from industrial and other stagnation following on political troubles. This was reflected in the trade figures for the first six months of 1925, which showed an adverse trade

balance on visible trading approximately equal to that of last year. There was, however, a substantial falling off of both exports and imports, due almost entirely to diminished livestock exports and a corresponding lack of demand for imports. Sheep and cattle had fallen off owing to over-selling last year, and to losses from bad weather and resultant disease last winter—also from money shortage preventing the smaller farmers from raising stock, and from raising and feeding pigs. But the healing virtues of good harvest prospects, with other causes, have caused many signs of revival and of hope. The Dublin Horse Show this month with record entries and enormous crowds was the most successful of this century—even allowing for Royal visits—and the quality of the exhibits, not merely amongst the livestock, but of industries implicated in the pursuit of agricultural success was of a high level. The figures of the national revenue are well maintained on the whole. There has been a certain falling off under Customs and Excise, as might be expected from the diminished exports and imports, and also from the Finance Minister's remissions of indirect taxation, and there have been moderate increases under most of the other headings. The discussions, following upon the coal crisis and its settlement, about the resumption by Britain of the gold standard have not escaped notice. Apart from socialists and the idealists, who think that whatever is new must be true, serious students, having watched the change and its timing with grave interest, have welcomed its success. If, however, they feel that wisdom is justified of her children, and are inclined to congratulate the British financial authorities, it must be admitted that they have felt Irish interests to be involved in the matter. Rough estimates here place Irish investments in Great Britain at somewhere about two hundred millions. If the proposals for a devaluation of the pound and its stabilisation at a lower level, which have been so lightly propounded, had been adopted, this substantial nest egg of Irish savings would have been subjected to an automatic shrinkage. This would have been a blow which, in present circumstances, would have hit the people of the Free State very hard. And there is no other convenient channel for the re-investment of these savings elsewhere. There are few, if any, suitable openings for it as yet in the Free State, and apart from the lack of ready-made and suitable openings, the question of confidence is involved. The sad plight of the railway shareholders and the depressed conditions in the liquor trade, from the breweries (apart from Guinness) and the distilleries to the retail traders, is not without its effect in this direction. It would be idle to deny that there is a widespread feeling that the Government is somewhat arbitrary and inconsiderate in its handling of the problems affecting these enterprises, and that capital is safer where more conventional methods of administration and legislation are the rule. The report of the Boundary Commission is expected shortly, and there is renewed talk of conferences, with a view to a possible agreement, embracing wider issues.

Conditions in Shanghai.—A vivid impression of the difficulties under which trade is at present being carried on in China is furnished by a letter sent to a large British concern by their representative in mid-July last. The writer states that retail dealers appear quite friendly and willing to order supplies of goods as required, but wholesale dealers find trade very difficult, as they are unable to re-export British cargo. The only steamers running are Chinese boats, and before any goods are allowed to be put on board the original Customs declaration has to be produced, showing the initial port of shipment. Cargo is thereupon held up if shipped from England, but allowed to pass if from Continental ports or America. A merchant who attempted to ship a case of British goods had his property seized on the wharf, and was compelled to pay \$60 to the local students on pain of confiscation. In some cases, goods are being forwarded to the out-ports by parcel post, since not only is transport by river steamer impossible, but, the railway station being situated in a Chinese suburb of Shanghai, and the coolies afraid to handle British goods, rail transit is equally out of the question. Hostility towards British institutions extends, even to advertisement posters. Al-

though no boards were pulled down in Shanghai during the riots of June, in some cases sheets were torn off, while in other districts one single British concern had 104 of its boards destroyed. On the whole, however, the writer is convinced that matters are now less serious than might have been expected, and conditions would rapidly approach normality were the shipping dispute settled.

Empire Cotton Marketing.—Our Manchester correspondent writes:—A development of considerable importance to all interested in the growth and marketing of cotton grown in the British Empire, was the commencement of trading in the new form of futures contract known as "The Empire and Miscellaneous Delivery Contract." Trading under this contract was inaugurated on the Liverpool Cotton Exchange, on Tuesday of this week, in the presence of a large gathering of members, and the brisk business which followed promised well for the success of the innovation. The new contract is confidently expected to be of great assistance in encouraging cotton growing in the colonies and dominions. Owing to the large number of growths of cotton which can be delivered against sales of this contract, there was much difference of opinion amongst members as to its value in relation to American cotton, and the quoted price ranged at about $\frac{1}{2}$ a pound under American. Time alone can show its true relative value, but it is of immense protective importance to bankers, who finance shipments, and to all those who grow and deal in Empire cotton.

Cotton Manufacturers and Selling at a Loss.—For some time past, writes our Manchester correspondent, many manufacturers of Lancashire cotton cloths have been unable to sell their production on a profitable basis, owing to the slackness in trade. The falling off in business has been felt most keenly by makers of shirtings, which are largely exported to India and China. Ground has undoubtedly been lost, and some makers have been compelled to sell grey shirtings at what can only be described as ridiculously low prices. Other concerns have closed down. This policy has been going on for some time, but during the past week the members of the Blackburn Manufacturers' Association held a meeting, and the members present pledged themselves to refuse to sell at a loss in the future. Similar meetings to the one held in Blackburn have already been held, or are being held, in other districts, so that the movement to insist on better prices being paid is not confined to Blackburn. Of course, it is not considered possible for any organised scheme of curtailment of production to be put into force, for the conditions prevailing in the different weaving sheds vary a great deal. It is understood that a meeting of the Cotton Spinners and Manufacturers' Association, which includes all the district associations, will be held in Manchester within the next day or two for the purpose of considering the state of trade in the manufacturing branch of the industry.

The Ministry of Labour's First Report.—Although the office of Ministry of Labour, and the transference to this new State department of the powers and duties of the Board of Trade, under the Conciliation Act of 1896, the Labour Exchanges Act of 1909, the Trade Boards Act of the same year, the National Insurance Acts (Unemployment) of 1911 and 1916, took place at the end of 1916, and the very beginning of 1917, no report covering its activities has been issued, previous to the one published the other day. With all the advantages of a first survey, this Report (Cmd. 2481, price 4s 6d) is a very interesting document. It covers the years 1923 and 1924, and is to be followed, in future years, by annual surveys, similar to those issued by the Ministry of Health, and other great departments. The Report itself is interesting; the appendices contain a mass of statistics of great value, which it is exceedingly convenient to have thus collected in orderly shape. They cover the administration of Unemployment Insurance, and of Trade Boards; changes of rates of wages and cost of living; the material concerning industrial disputes and membership of Trade Unions, it is true, is mostly available in the columns of the Ministry's monthly *Labour Gazette*, but it is more compactly pre-

sented here. This advantage of compactness and lucidity of presentation is a special and general merit of the Report as a whole. It is a quite unusually readable document. The matter in it is, of course, largely familiar, but the exceedingly informative surveys of industrial disputes, and of the courts of inquiry held, notably in 1924, under the Labour Government, whose year is comprised within the Report, deserve a word of particular notice. Among points of minor interest that are dealt with, a word of mention is deserved by the practical failure of the effort to find employment for British workmen in France. Early in 1923 an agreement was reached with the French Government, under which the French Ministry of Labour undertook to obtain particulars of vacancies in France for British workmen. Up to the end of 1924, however, only 144 men had obtained employment in this way, in addition to 132 gardeners and 4 stenographers placed during 1923-4 with the Imperial War Graves Commission. Another point is the non-payment by employers of contributions under the Unemployment Insurance Acts. "Continued trade depression resulted in a large number of cases, in which small employers failed to stamp the books promptly, with the result that arrears of contributions rapidly accumulated beyond the capacity of the employer to pay. These cases range from the type where there has been serious and inexcusable negligence on the part of the employer to the type which may be regarded merely as late stamping." In 1924 criminal convictions were secured in 939 cases. "One particularly regrettable but persistent source of non-compliance is found to be due to the embezzlement of insurance stamps money by cashiers and clerks. Non-stamping, due to this cause, has been discovered in firms of the highest standing, and has amounted to sums exceeding £1,000."

The Stock Exchange Saturday.—With the end of the holiday season, writes a Stock Exchange correspondent, the Stock Exchange settles down to work for seven or eight months, calculating, as it always does, to earn the greater part of its income between September and the succeeding April. There is a good deal of business doing in most of the markets. So long as trade throughout the country continues to be languid, so long will the Stock Exchange markets enjoy the position of being attractions for capital. The question is already raised as to whether it would not be a good thing for the community at large if the Stock Exchange were to be re-opened on Saturdays. The House, it will be remembered, was closed completely for five months after the outbreak of war, from August, 1914, to January, 1915. When business was resumed within the walls of the House, Saturday remained for a year or two as one of the working days of the week. As the necessity for national service became intensified, it was thought that, business being quiet, it would be wise policy to close the Stock Exchange altogether on Saturdays, in order to give members an opportunity for doing more national work, and, also, of obtaining a chance of getting a little rest at a time when few people were able to afford either the time or the money for holidays. When the banks decided to close on Saturdays at twelve o'clock instead of remaining open until one, it grew evident that this would in itself place a heavy bar against the door of mechanical details connected with Stock Exchange work. At the end of the war the younger men returned to the markets, found in many cases that there was not enough business for everybody, and began to agitate for re-opening of the House on Saturdays as a possible means for increasing the volume of trade. The question has again, as just mentioned, come to the fore in connection with the latter seven months of the Stock Exchange year that have now started. The Stock Exchange is as willing as any of its critics can be, to consider the question from the standpoint of national aspects. Members undoubtedly find it pleasant to be able to count upon having every Saturday off. The sentimental view need not, however, be taken into account. The point is whether re-opening of the House on Saturdays would be to the general advantage, in facilitating the public's dealing in stocks and shares. There is a good deal to be urged in favour of the proposal. Mechanically speaking, so long as the banks close

at noon, would be so considerable as in itself to render an extension of banking hours almost inevitable if the House were to begin business again on Saturdays. It is understood, however, that the Guild of Bank Clerks opposes the extension of hours for its members, and, if the banks are to give an additional hour on Saturdays, it would be needful to enlist the support of the fairly powerful body which the Guild now is. There might be difficulty, too, with the Printers' Union in obtaining consent for the Stock Exchange Official Lists to be printed on Saturday mornings under such rush conditions as would certainly prevail if the Lists were to be of any value as a record of prices on the half-day. In one sense, the public start more fairly, so far as price variations go, on Monday morning than they would do if the House were to be opened on Saturday. The week-end gives time for consideration, for digestion of expert as well as personal opinions, and so lessens the likelihood of there being hasty and ill-considered action as the immediate result of any startling piece of news. If the New York Stock Exchange were to become once more an active factor in London business, this might force the hands of those who maintain that the public and the Stock Exchange are well served by the present condition of affairs, but until something of this kind does arise to point a real need for opening on Saturdays, it is not surprising that the Stock Exchange Committee should adhere to the present practice of closing the House from Friday night until the following Monday morning.

Tanganyikas.—A correspondent writes: These shares, with those of the junior ally, Zambesia Exploring, have figure prominently amongst market movements during the past few months, Tanganyikas rising from 22s 6d to double that price, though they are now slightly easier. Many thousands of shares have changed hands each account, and this activity has made them one of the bellwethers of the Rhodesian market, rendering the company's progress a subject of more than usual interest, while a first dividend declared in July, after many years of travail, has further whetted expectancy regarding the future. The following examination of the position is based on official data. The company's main holdings at present number four, namely, £200,000 Treasury bonds; the Union Minière shares, comprising 182,441 shares, entitled to ordinary dividends; 30,175 privileged shares of 500f, and 60,000 obligations of 100f; £3,862,400 in shares and securities of the Benguela Railway; and £500,000 in the Rhodesia Katanga Junction Railway. The Union Minière holding is, of course, much the most important, and from it the Tanganyika Company received £138,000 for 1923, and about £250,000 for 1924. Last year the Union Minière produced 85,500 tons of copper, and will probably produce 100,000 tons this year, the output rising gradually until in 1931 it is anticipated that a total of 200,000 tons will be reached, that being the goal aimed at by a programme of works extension requiring some £6,000,000 of money, and six years to complete. The current cost of production is round £54 per ton—a figure which will not be materially reduced until the new plant and the Benguela railway are operating, the former in full development by 1931, and the latter in 1928. Assuming a gradual increase of output each year at the rate of about 20,000 tons, an approximate estimate of profits may be arrived at. Thus for the current year on unchanged costs and the present price of copper, 100,000 tons would yield a return of £1 15s a share, less Belgian tax, to the Minière shareholders, and in progression for 1926 and 1927 the figures would be £2 4s and £2 12s 6d per share. A larger rate of profit ought then to accrue because of reduced costs, and in 1931 on 200,000 tons production, and a possible decrease in costs of, say, £7 per ton, the profit would equal £3,800,000 gross. From this interest and general charges of £300,000 have to be deducted, and one-fourth of profit, in addition, which belongs after 1927 to the privileged shares. This would give a balance of £2,600,000, equivalent to £5 a share, less Belgian taxes, or £4 10s net. Additional incomes from other sources, such as radium and cobalt, will be obtained, and are difficult to assess at present, but it seems reasonable to assume they will not be great enough very materially to increase

the dividend on a capital so large as that of the Minière company. On the above figures the Tanganyika Company's various Minière holdings would bring in a revenue of £850,000. The Rhodesia Katanga Junction railway may have succeeded in wiping out its debit balance by then, and bring in a small return, but the Benguela Railway has so large a deficit to make good that any income from this quarter appears improbable for a long time. Calculating, therefore, on a revenue in 1931 of £850,000, the Tanganyika Company could pay a dividend of 15 per cent. on its present capital. The price being now over 100 per cent. premium, this prospect seems fully discounted well in advance. The supply of labour in the Congo is an urgent problem, but we have preferred to leave this outside present consideration.

Colonial Mutual Life Assurance Society.—The full report and accounts of this society have reached this country from Melbourne. They include a valuation statement for 1924, which shows that, taking the liabilities of the ordinary department on a $3\frac{1}{2}$ per cent. basis with the British offices tables, there was a net surplus for the year of £252,759 on funds of £6,653,975. The total surplus, including the amount brought forward, was £305,511. The reversionary bonus allowed to participating policy-holders in the ordinary department ranged from £2 to £6 per £100 assured, and the balance carried forward was £23,720. In the industrial department, the total surplus was £55,498 on funds of £1,003,139, and the reversionary bonuses allotted ranged from £1 to £2 per cent. on sums assured according to duration of policies. The new policies issued during last year in the ordinary department numbered 10,008, assuring £3,443,336, and the funds increased by £403,984. The net rate of interest yielded by these funds was £5 4s 1d per cent. The claims by death amounted to about 63 per cent. of the amount expected by the tables used. In connection with its industrial branch the society maintains a nursing and welfare service with a staff of 17 trained nurses. More than 9,000 sick policy-holders were visited last year. At the annual meeting held in Melbourne it was stated that this service had been the means of saving the lives of many children. The application of welfare work to industrial life assurance has the double merit of being of value to policy-holders and of benefit to the society.

Obersee Correspondence.

UNITED STATES.—MARKET BUOYANCY—INVESTMENT VALUES AND OUTLOOK—RAILWAY POSITION—STEEL—OIL—COTTON CROP.

(FROM OUR CORRESPONDENT.)

NEW YORK, August 25.

BUOYANCY in the markets continues during what is normally a quiet season of the year, and causes no little discussion as to the real basis of present values. Many conservative critics do not hesitate to take the position that stock prices are extravagantly high, and that excessive speculative manipulation is responsible for the present condition. The critics point to the sharp advances in high-priced issues, and assume that they are the result of pool operations and reckless public participation. Even the critics admit that business prospects are good, and that money is likely to remain reasonably cheap. Their complaint is that present security prices discount all the improvement that is in sight, and more. According to this view, our stock market is working into a precarious position.

While financiers and business men are somewhat impressed with these arguments, and generally declare that prices are "high," the critical thesis is by no means accepted at its face value. While somewhat sceptical over present values, most financiers are not in any particular hurry to liquidate their holdings. The rub comes when individual issues are considered. This stock is retained because it has achieved an investment position. Another is kept because of excellent prospects in the

particular business. Yields on many good issues still are fairly liberal, and a great deal of investment buying is being deferred in the hopes of a sizable reaction. The bulls explain the sharp advances in high-priced issues on the basis of extraordinarily strong cash positions and the prospects of "split-ups" or increased cash distributions. They claim that the critics fail to take account of the fact that we, as a creditor instead of a debtor nation, must be prepared to accept lower yields than before the war. They say that much is blamed on pool operations that really is due to small floating supplies of stocks. They maintain that higher prices will prevail after the whole of Europe has been put back on a gold basis.

Whichever party is right, and the argument is a very pretty one, the much-discussed hardening of money rates has amounted to very little so far. The acceptance rate moved up an eighth to-day to $3\frac{1}{8}$ bid for 30 days, and $3\frac{1}{4}$ bid for 60 days, and call money on the Stock-Exchange now is fluctuating between $\frac{1}{4}$ and $\frac{1}{2}$ per cent. Time money, however, remains conspicuously steady, with 60 and 90-day accommodation commanding $\frac{1}{4}$ and $\frac{3}{8}$. As to the immediate future, banking opinion is somewhat divided. In some quarters it is maintained that the normal autumn pick-up in business will have the normal tightening effect. In others it is held that the firming will amount to very little. Advocates of the latter view point to the extreme liquidity of the positions of the large industrial companies, and to the absence of inflationary tendencies. They say that the revival in business will be moderate, and that the buying will continue to be for short periods in advance. While mere precedent may not be a very valuable guide in the present situation, it is worth noting that the tabulations of the Federal Reserve Bank show that the maximum of summer ease in the money market comes at just about this time, and is followed by a hardening tendency that sets in during the last week of August and runs through the first half of September. After then rates usually hold fairly steady until the latter part of October, when a seasonal rise running through early November sets in.

One of the points that the critics are willing to concede is that strength in railroad shares is justified. Incidentally, the recent movement in these shares, while moderate, has been upward. The fact of the matter is that the railroads are moving a very large traffic, and are earning well. Loadings have run above a million cars in each of the last four weeks. The volume of traffic is running nearly as high as during the record-breaking months of 1923, and is exceeding that at this season in any other year. Meanwhile, it may be noted that the June earnings turned out even better than had been anticipated. The Class I. roads were able to show net earnings of \$91,716,862, as against \$65,806,740 in June, 1924. The percentage earned during last June on the Inter-State Commerce Commission's valuations was 5.45 per cent. This obviously comes very close to the "fair return" of $5\frac{1}{2}$ per cent. set up as a standard by the Commission. That the good earnings will continue is suggested by the first few of the July reports. These exceed the corresponding showings in July a year ago, when the Class I. roads earned \$74,027,600. Meanwhile, it may be noted that the railroads are in excellent condition both physically and financially. They should be able to handle a huge autumn traffic with dispatch. The condition of the railroads' equipment is so satisfactory that new buying in this direction continues to be scanty, and the equipment companies are running at a low rate. Part of the indisposition to buy may be accounted for, however, by hopes of still lower prices for cars and locomotives. As steel prices are displaying a firmer tone, the railroads may abandon their present attitude. They are in a position to buy freely if such should be their wish.

As for the steel industry, the betterment that was expected has set in. It is, however, a mild one. Buying is somewhat better, and operations at the mills are slightly higher. The industry as a whole is now working at about 72 per cent. of capacity, as compared with a low record of about 65 per cent. touched in July. Shrewd observers expect the improvement to be continued through the rest of the year, and believe that the decline in unfilled orders has about ended. These observers are not convinced, however, that

the improvement will be sharp enough to result in ordering for extended periods ahead. Consequently they expect prices to be firm, but not to advance materially. This branch of industry probably will experience, therefore, good business, but moderate profits and no boom.

Further cuts have been made in oil and automobile prices. The cuts in motor vehicles have become general, and in some instances have been accompanied by the offering of new and improved models. Here again the strong and the efficient are making excellent profits, despite the more intensive competition. The lower prices have stimulated sales, and those of the General Motors Corporation were, during August, greatly in excess of those for August of last year. The greater popularity of the closed models has been a very helpful influence, increasing the sales and helping to reduce production costs on these types. As for oil, the production of gasoline has proved too high even for the extraordinarily good consumption. "Bootlegging" of gasoline reappeared, and the larger companies reduced their prices to correspond to those quoted by the bootleggers. Friends of the industry find the silver lining in the prospect that lower prices will curb gasoline production. While the lower prices are reducing profits, the latter are by no means extinguished.

Forecasting of a 13,990,000 bale cotton crop by the Department of Agriculture brought a small reaction in cotton prices. The official estimate was not greatly different from the anticipations of the trade and private investigators, and the heavier tone in the market following the report is ascribed largely to hedge selling in connection with actual marketing of the crop in the South. While weather conditions have been more favourable during the past week, the boll weevil pest, also, has become more active. As a rule crop estimates made in August must undergo substantial revision in the light of autumn ginning reports. Last year this revision was sharply upward. In the trade the belief is widespread that, with the large carry-over from the previous crop year, a sufficient quantity of the staple will be available this year to satisfy the demand of the mills at reasonable prices.

FRANCE.—THE DEBT PROBLEM—GOVERNMENT'S POSITION IN THE CHAMBER—1926 BUDGET PROSPECT.

(FROM OUR CORRESPONDENT.)

PARIS, September 2.

M. CAILLAUX, in spite of the Geneva meeting of the League of Nations, still occupies the centre of the stage, and is likely to do so for some time to come. His negotiations in London are still regarded as having resulted in a personal triumph, particularly when judged by the effect they have had on American opinion, as shown by the irritable criticism of a substantial section of the United States Press. It is universally recognised here that America now more than ever holds the key to whatever settlement of the Inter-Allied Debt question can be arranged, and that the French and British Finance Ministers have placed the United States in a delicate ethical position. Whether this implied compliment to them is deserved, or whether the present position has been arrived at merely by the force of circumstances, remains to be proved; but, in any case, M. Caillaux's personal standing as a financier has undoubtedly been substantially improved since he left on his London visit.

The French delegation to the United States, the names of whose proposed members have already been published, is a strong one, but there is still a significant hesitation in official quarters to state definitely whether M. Caillaux will accompany it as its leader. This hesitation, in view of the present curious attacks on him in the United States, is easily explained; but it is generally regarded as unthinkable that the Minister who has so ably handled his country's financial fortunes since his return to office should not act as the nation's spokesman in the coming critical negotiations in Washington. On the result of these negotiations will depend the burden of taxation in Great Britain and France, and also to a great extent the economic situation of both countries, for the next 60 years. It is a remarkable tribute to M. Caillaux's personal genius that his fellow-countrymen of all parties freely

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recognise that he is by far the most suitable of contemporary French statesmen to be selected to head the Washington deputation. It is also significant that, in all the confusing and obscure intrigues that are now in progress here between the various political parties as the result of the collapse of the Cartel des Gauches, not a single voice has been raised—except, of course, among the Socialist party—to the effect that M. Caillaux should be eliminated in the event of any reshuffling of Ministerial portfolios.

This question of the composition of the future majority in the Chamber is now becoming acute, and will become still more so between now and the reassembly of Parliament in the second half of October. M. Léon Bérard, who was a member of M. Poincaré's Cabinet, has given notice of an interpellation of the Government, which will be nothing less than a demand that M. Painlevé shall state plainly on what groups of the Chamber he intends to rely for his majority in the future. The present Chamber, it is recognised, was elected by a majority of the electorate, who wished to bring to an end the deadlock in international relations which was brought about by the occupation of the Ruhr. That having been accomplished by the combined efforts of the Herriot Government here and the Macdonald Government in England, and these having been replaced by the present Baldwin and Painlevé Cabinets, an entirely different situation has been brought about in both countries, and particularly here, where the great national questions of financial reform and Morocco, which are obviously of much greater importance than mere party questions, have now assumed pressing urgency.

The Socialists having made the best of a bad job by repudiating an alliance in which their assistance is no longer required, the Nationalists, by the voice of M. Bérard, have intimated—in a manner that is perfectly natural in French political life, although such a situation would be impossible in England—their willingness to take their place. "Is there a majority in the present Chamber," M. Bérard asked a day or two ago,

"suitable to deal with current events, and with the difficulties arising from them?" M. Bérard and a large number of his fellow Nationalists believe there is, and they are prepared to assist in furnishing M. Painlevé's Government with it. "All we ask of the Government," M. Bérard says, "is to work with it on a programme of national interest, in a declared, regular, and legitimate union, in accordance with strict Parliamentary tradition." Nothing could be plainer than M. Bérard's statement, and nothing augurs more clearly for a return to the pre-war practice of a Government, however much the individual members of the Cabinet might be changed, solidly based on a broad majority formed by the whole of the Centre parties.

The forthcoming Radical party congress at Nice will probably settle, for all practical purposes, the problem of the future majority. Much undoubtedly depends on the decision which must be taken in the near future as to whether the present bastard form of the proportional electoral system shall not be abolished, and a speedy return made to the old system of *scrutin d'arrondissement*, which would bring about the disappearance, with the *scrutin de liste*, of the system of party political fighting alliances which at the last General Elections directly gave birth to the now defunct Cartel des Gauches. The so-called proportional system once out of the way—and its speedy disappearance may be regarded as certain—the Radical party will return to its old and true rôle as a centraliser of the other Republican parties, and would be able to group around it once more the votes of the moderate groups headed by MM. Georges Leygues, Maginot and Darine, linked up with the Loucheur, Herriot, and Painlevé groups. French policy would be once more stabilised, as before the war, and French relations with Great Britain would be definitely placed on an even keel.

Whether M. Painlevé would remain at the head of the Government in such circumstances is an open question. The Premier's personal authority has undoubtedly been substantially strengthened since he changed places with M. Herriot six months ago, and his expectation of life as head of the Government has probably correspondingly increased. The continuance of M. Briand and M. Caillaux at their present posts may be considered as most probable, but changes in regard to other portfolios would be certain. The probable departure of M. Steeg, who is expected to replace Marshal Lyautey as Resident-General in Morocco in the near future, would cause an important vacancy, which would undoubtedly be filled from one of the groups which is now expected to help form the new majority. All this would be in favour of a continuance of the present international policy of France, and could only be welcomed from the British side of the Channel.

M. Caillaux is expected to hand to the Finance Commission of the Chamber the draft of his Budget for 1926 on Thursday next. On the revenue side, the estimates will be those which the Finance Minister laid before the Commission last June. The estimated expenditure then provided for will now include, it is announced, an additional 3,000 million francs, as compared with those of 1925, owing to the incorporation in the forthcoming Budget of the hitherto (for some years past) autonomous budget of the Post Office, telegraph, and telephone department, of the Caisse des Pensions (almost the last surviving factor of the now abolished "Budget of Recoverable Expenditure"), and the interest charges of the new conversion loan now being issued. The Budget Bill for 1926, it is reported, will consist of only 80 articles, as compared with about 400 in its predecessor, so that its consideration by the Commission should not occupy more than a month at the outside. By the beginning of November, therefore, the Bill should be ready for discussion by the House, in which case M. Caillaux may be depended on to secure its passage before the beginning of the coming financial year, on January 1st. We have it on the authority of M. Lamoureux, the Rapporteur-Général of the Finance Commission, that that body expects also to have to consider the agreements "which it is hoped will by that time have been arrived at" with Great Britain and the United States in regard to the inter-allied debts.

This view will naturally be regarded as unduly optimistic by the large section of opinion here, which insists that M.

Caillaux's recent visit to London can only be looked upon as merely a preliminary sounding of the British Government, and that anything like a definite agreement is still far from being in sight. Obviously, until there is some modification of the Dawes Plan, which calls upon this country to accept such an extraordinarily large proportion of its share of German reparation payments in kind, the present desire to fix in definite figures France's annual instalments to her creditors can only be regarded as more or less academical. A solution would appear to lie in the suggestion that has been made that French industrial interests should be brought to see that it would be beneficial to both countries if a substantial proportion of German payments in kind could be made in plant, equipment and labour on French public works, of a class that would not be undertaken unless paid for out of Reparation payments.

HOLLAND.—MEASURES AGAINST UNEMPLOYMENT —METAL INDUSTRY—FOREIGN INTERESTS AND FOREIGN TRADE IN THE DUTCH INDIES.

(FROM OUR CORRESPONDENT.)

AMSTERDAM, August 21.

For the time when Parliament will open again preparations are being made on all sides to bring certain conditions of importance into the centre of interest. Especially is this the case as regards to unemployment. The Netherlands Federation of Trade Unions—the largest organisation of workmen in this country, which maintains a close contact with the political Social Democratic party—presented a petition to the Government, in which the condition of unemployment at the present moment was gone into in elaborate detail, as well as the means to bring about an improvement. According to data supplied by the Department of Unemployment Insurance, the number of unemployed registered at the labour exchanges at various periods of late years were as follows:—

	1922.	1923.	1924.	1925.
January	76,123	107,417	108,056	79,300
April	74,326	91,975	70,824	62,730
July	62,581	77,691	53,024	50,740
October	70,514	80,593	56,450	..
December	90,701	93,625	71,500	..

It is expected that industry, although now in a better condition, will not be able to absorb the surplus labour within a reasonable time. It is therefore recommended that the Government should undertake public works, but only of that sort which would ensure an extension of opportunities of employment for the future. Thus attention is directed not only to building roads, &c.—in which the extra employment is ended as soon as the work itself is finished—but building canals, canalising rivers, speeding up the reclamation work of the Zuiderzee (Southern Sea), opening up new mines and waste land, &c. In addition, it is proposed to establish an independent bureau under the direction of a manager, to work in close contact with the Government. This bureau should then take in hand principally the organisation of transferring labour from one section of the country to the other, where needed, and take charge of the work to be executed. It is to be expected that these plans will be submitted for the consideration of the next Parliament.

The association of employers in the metal industry have sent a letter to the trade unions in this craft, in which they claim that the workmen should not object to overtime, permission for which has been legally obtained. The purpose of this is to provide that the permission obtained from the Government should not be made abortive by the opposition of the workmen, as has previously happened. No unanimous reply was obtained from the various trade unions. Some division is noticeable. The majority claim the right to object to any overtime, even when the Government grants permission therefor; still many acknowledge, at the same time, that take place in consultation with the trade unions concerned. It is not yet known whether the differences of opinion will lead to a conflict on fundamental principles.

As to other matters, there is still an attitude of waiting. Parliament will reopen on the third Tuesday in September, and then the various financial and economic questions will again be brought forward. In the meantime, the annual

report for 1924 of the Javasche Bank—the bank of issue for the Dutch East Indies—has furnished some interesting information. It appears therefrom that of late years the new investments of capital in the Netherlands Indies have moved in the direction of an increase of foreign, not Dutch, capital. This is the case principally along the east coast of Sumatra. If we leave out of consideration tobacco-planting in this area—which is largely in the hands of Dutch enterprises—the conclusion is arrived at that production is in Dutch hands to the extent of 38.1 per cent., and as to 61.9 per cent. in the hands of foreigners, of which latter the majority are English.

In the foreign trade of the Dutch East Indies very important changes have taken place in the last few years. If the figures for the imports into the Netherlands Indies for the years 1913 and 1923 are compared, it is seen that the share of the Netherlands in the total imports has been reduced from 33.3 per cent. to 20.9 per cent., which, however, still gives her first place; England has dropped back from 17.5 per cent. to 15 per cent., being forced back from second to third place. On the other hand, the imports from Germany have increased from 6.6 per cent. to 7.9 per cent. The United States has increased from 2.1 per cent. to 6.3 per cent. The greatest increase was recorded by Japan. In 1913 this country took in the eleventh place by an import value of F.6.8 millions, or 1.6 per cent. of the total; in 1923 it imported into the Dutch East Indies F.49.7 millions, or 8 per cent. of the total, and thereby reached fourth place. The exact figures for 1924 are not yet known, but as far as can be judged at present, an increase in Japanese influence in the foreign trade of the Dutch East Indies will be noticeable for that year also.

In connection with exports great differences are also to be noticed. If the years 1913 and 1923 are again taken as a basis of comparison, it is seen that exports to Holland have decreased from 28.1 per cent. to 14.9 per cent., those to Germany from 2.3 per cent. to 1.6 per cent. Against this the exports to Great Britain have increased from 3.9 per cent. to 8.4 per cent., to the United States from 2.1 per cent. to 9.8 per cent., to Japan from 5.8 per cent. to 8 per cent. The Indies Government has no intention to interfere in any way with the natural course of events, so that the Mother Country, as well as foreign countries, can compete on exactly the same conditions for a place in the foreign trade, as well as for establishing their interests in the Dutch East Indies.

AUSTRALIA.—CONVERSION LOAN — COMMON- WEALTH AND STATE BORROWING — PUBLIC REVENUE—PAPEE AND PROTECTION.

(FROM OUR CORRESPONDENT.)

MELBOURNE, July 23.

The Commonwealth Government is now offering a 5½ per cent. Conversion Loan of £67,000,000, at par, to provide for 4½ per cent. War Loans maturing on December 15th next. The first four War Loans issued in Australia amounted to £80,216,790, all repayable on December 15, 1925; but in the Conversion Loan subscribers may obtain 1931, 1936, or 1941 maturity, and assuming that the subscriptions are well distributed, the amount falling due at one time will be less onerous than on the present occasion. The original total of the four issues has been reduced to between 65 and 66 millions by sinking fund and other repurchases; but while the new loan offers a better return to investors than other existing Commonwealth securities, the present state of the market is largely artificial, owing to the active application of sinking fund and other official moneys since last January in preparation for the conversion. The terms of issue leave no accrued interest to be deducted from the issue price of par, while the interest will be subject to Federal income-tax, in contrast with the original 4½ per cents., issued free of income tax. This change leaves much uncertainty as to the probable amount of conversions by large individual holders, subject to high rates of tax. Out of the total of

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67 millions, the banks have agreed to underwrite 60 millions.

In addition to the local Conversion Loan of 67 millions, the Commonwealth Government has just raised 5 millions in London and 15 millions sterling in New York. Of the 20 millions thus obtained, the Treasurer states that 6½ millions will be paid to the States immediately for their developmental programmes, and he further states that the successful flotation of these loans will give such command over funds as to inspire the utmost confidence in the success of the local Conversion Loan. As to the reason for going to America at all, the Treasurer states that the market in London was not capable immediately of absorbing all the flotations offered, and the inevitable result was that borrowing by other bodies had to be delayed.

Although little definite information as to the requirements of the Australian States has been published, money has been wanted somewhat urgently to enable them to maintain expenditure on public works, which in recent years has been on a large scale, with a rapid growth of public debts and in the annual interest bill. This has been accompanied by a rapid growth in town population, out of proportion to the development of the country, and these tendencies are beginning to be viewed with some disquietude. Government expenditure of loan money is a little less heavy than a year or two ago, but no substantial change would be possible without considerable effects being felt in employment and in those branches of trade which are stimulated by active Government spending. But although the 1924-25 season was an excellent one for the country, with large production and high prices for wool and wheat, the state of employment in the towns is worse than a year ago, and in some cases the Governments are making it plain that immigration is not wanted except for the country, where new population would not come into competition with town dwellers.

The revenue returns of the Commonwealth and six States for the year ended June 30th show a total (after allowing for duplications) of a little over 158 millions sterling, or an increase of about 8 millions as compared with the previous year. Of this increase railway receipts (gross) account for about 3½ millions, and taxation for over 4 millions. The total taxation collected by the Commonwealth and States was £74,909,000. The Customs revenue alone was about £26½ millions, against £25,177,882 for 1923-24, and £22,597,306 for 1922-23, these figures being much in excess of earlier records. The high Customs revenue is partly due to the stimulus given to imports by external borrowings, and but for this reason the total revenue would be insufficient for expenditure. Actually the Commonwealth accounts alone show a surplus of revenue over expenditure for the year of £1,984,325, which with the balance brought forward makes an accumulated credit balance of £4,575,458. Hopes are entertained of a reduction in taxation, but this can only be effected by relying upon Customs revenue being maintained at a high level.

A request has been made to the Commonwealth Government for an adequate protective duty to enable the manufacture of paper to be started on a large scale. The application has been opposed by all the leading newspapers, including those which advocate high protection.

UNION OF SOUTH AFRICA.—AN AMBITIOUS RAILWAY PROGRAMME — INDUSTRIALISM AND OVER-TAXATION — HALF-YEAR'S MINERAL PRODUCTION.

(FROM OUR CORRESPONDENT.)

JOHANNESBURG, August 5.

THE Railways and Harbours Board has promulgated a distinctly ambitious programme of railway construction, totalling 961 miles, at an estimated cost (excluding rolling stock) of rather over four and a-half millions, which, if the experiences of the grain elevators and the Natal Railway electrification are repeated, is likely to be substantially exceeded in practice. It is claimed that in most cases revenue is more than sufficient to cover ordinary working expenditure, but not the whole of the interest charges on the capital cost of construction.

Few of the lines open up any new mining districts, and the majority are in most sparsely populated localities. For instance, on two projected lines nearly 200 miles in length, there are only 11,300 white people. It is contended that their needs would be far more cheaply met by the construction of decent roads and motor transport, once or twice a week, at a fraction of the capital and operating cost. On railways which are to a great extent unnecessary luxuries, it is proposed to spend £800,000 more than the initial capital estimate of the Roads and Bridges Committee for the improvement of the 5,200 miles of proposed national main roads, and the maintenance thereof at £29,600 in the second year to £296,000 in the eleventh. This capital estimate is "£3,700,000 during a period of ten years," with redemption spread over 20 years. Besides this, there would be £8,550,000 in respect of the scheme of provincial roads. To institute another comparison, the projected cost of the railways is more than double the amount spent ex loan funds by the three northern provinces of the Union on roads and bridges. It has been demonstrated in America that the establishment of truck services on public highways is cheaper and superior to branch railways. But whichever way we look at the matter, South Africa must have roads; the necessity of having both roads and branch railways is by no means clear.

Two of the most important papers read at the recent Economic Conference held in Johannesburg were those of Mr S. W. Jagger, M.L.A. (Minister of Railways in the Smuts Administration) on taxation, and of Prof. H. E. S. Freemantle, who has just resigned from the Board of Trade and Industries, on the "Effects of Tariffs on the Cost of Living." Mr Jagger's thesis was thus expressed: "Taking into account the stage at which the development of the country has arrived, its annual income, and the distribution of this income among the various grades of society, the burden of taxation is too heavy, and does, in fact, constitute a real check to our economic advancement." Taxable capacity, he declared, depended upon the capital wealth of a country of whatever kind, created or existing, in a form to produce more wealth.

Assuming for a moment that the surplus of aggregate incomes over aggregate subsistence provided the taxable fund of a country, it was evident that a country young in development, as yet poor in capital resources, would require to be guided by a national policy which tended to promote the reinvestment of as much of that surplus as possible into capital forms capable of augmenting the flow of economic goods, and of increasing the available surplus for future years.

Taxation up to a certain point was an incentive, tending to increase zeal and energy. Beyond that point, when taxation encroached to an ever-increasing extent on savings for future development, there came a stage when the effect involved in those responsible for making the effort was disproportionately large, as compared with the reward and prospects afforded, and from that stage the effort would tend to slacken, the surplus to diminish, and ultimately to disappear.

It would be better to leave the calculation of total national income to trained economists, who could devote their whole time to the subject. Later, periodical determination could be left to the Census Department. In England, Sir Josiah Stamp had arrived at results which were substantially the same.

Assuming that ten per cent. represents the proportion of the national dividend absorbed by taxation, then, in order to pay that amount in 1924, our total income would have to amount to £220,000,000, in order to provide £22,000,000 in taxation.

The boom years gave a fictitious impression of rapid progress, just as the depressed period that followed gave the reverse. These are peaks on the irregular chart of economic life which must be ignored in taking the long view. Progress is slow in agriculture and industry, in merchandising and in mining. The conclusion that these considerations force into prominence is that at the present time over one-tenth of our national income is being withdrawn from those channels in which it could be put to productive use. The amount thus withdrawn is far too high. It shows in recent years a constant tendency to increase and to encroach to an increasing extent upon the fund from which progress must be financed. It constitutes a real check to economic advancement. There exists no encouragement to the people to produce more, when they are not assured of the full fruits of their labour.

The people should be encouraged to produce more, to keep down cost of production, to live economically so as to save as much as possible in order to re-invest savings in productive uses, laying foundations for future cumulative progress. Taxation must be restricted in amount, and money left in the pockets of the people. The tendency to increase the functions and cost of governing so marked in recent years must be strenuously combated, and increasing vigilance exercised in the objects of Government expenditure. From these necessarily brief extracts it will be seen that Mr Jagger, the effective if not the titular leader of the opposition, for General Smuts has taken a less prominent part, is in agreement with such authorities as Mr Alex. Aiken and Prof. R. A. Lehfeldt, who also have examined this and cognate questions.

Prof. Freemantle claimed that protection in relation to explosives and beef had had no effect upon costs, and the same might be said of anti-dumping legislation.

The ultimate effect of the new tariffs on South Africa would depend on their careful administration. The Government lacked a sense of human ideal behind its finance, and did not give the impression of determination, direction, grip and conviction. Careful and well-informed administration was of the utmost importance. It was proposed to have a new Minister. If they could have a Minister who would devote himself to industries, one who had mastered the industrial situation, and one who recognised the importance of careful administration, it would be all right. If, on the other hand, they were going to have interference on the part of Parliament and the Government with the course of economic events—and it constituted grave interference—he thought that the hopeful possibilities contained in the policy agreed to by Parliament might result in grave disappointment.

Prof. Clay, of Manchester University, said that while it would be extremely interesting to have comparative figures for the cost of living in different countries, insisted that they must refer to some definite class of each community. Prof. Plant pointed out the inconsistency of preventing the native from competing with the white man by colour bar regulations and the Minimum Wage Bill, and making him earn more to pay for certain articles, e.g., the specific duty on blankets. Prof. McMillan said the plunge into protection was due to one overwhelming motive—the alarm of the white population over the poor white problem.

Taking a desperate leap, without going deep into the causes of that problem, those in authority decided to have industries. But unless industries were going to stop the manufacture of poor whites, they would not get much further. Half of the native population had to be provided for, and here they had the tariff which was heaping a disability on the natives. The result would be still further to reduce their power to buy.

Prof. Freemantle did not think the S.A. tariff would have any appreciable effect on the cost of living, and none on the cost of producing gold. Let them compare this country's tariff with that of the United States of America, and it would be seen how grotesque was the remark that they had plunged into protection. It was eventually agreed to form an Economic Society of South Africa, Prof. Freemantle, who presided, urging that all schools of thought should be represented. A committee was appointed to consider the draft constitution.

Books and Publications.

WORKERS' EDUCATION.

BOTH in this country and in the United States an active controversy goes on, within the Labour movement, as to the character of the education that it may provide, or assist to provide, for its members. The essence of this controversy is the question whether education should be as nearly as possible a pure, uncoloured thing, an effort to do no more than free or discipline the mind; or whether it should aim at forming and moulding the mind, so that it is equipped for political and industrial struggle. It must always be remembered that the discussion refers, in general, mainly to adult or after-school education; concerns itself, therefore, with a limited opportunity. Granted that you can only give people very little, what is the most useful thing you can give? It is so the question must be stated if it is to be looked at fairly. Miss Margaret Hodgen, in her interesting survey*, undoubtedly inclines to what is here called the "Plebs" or "C.L.C." (Central Labour College) type, as against the W.E.A. (Workers' Educational Association), type—perhaps mainly because, not quite accurately, she sees the one as a purely proletarian effort, the other as "a modern expression of the humanitarian tradition of England," an "effort of the governing classes through the Universities to raise the intellectual level of labour." While she is undoubtedly right in seeing the W.E.A. and its kindred as accepting a fundamentally spiritual and evolutionary view of social forces and social development, and the C.L.C. and its kindred as taking a Marxian, materialistic standpoint, the actual antagonism between them is, perhaps, a little over-stressed; at the moment, active steps are being taken to secure a programme of common, or, at worst, joint action, by the Unions. She does remark, quite correctly, that "whatever may be said in favour of one side of the controversy or the other is not of great importance. The future of workers' education belongs to the unions, and the unions are beginning to realise it."

In the United States, although the essential lines of controversy are similar, the course of actual development has been different, mainly because of the peculiar attitude, in this as in other matters, of the American Federation of Labour, which, until 1918, took only a half-hearted interest in the topic. In 1922 it accepted representation on the executive committee of the Workers' Educational Bureau, and, as a result, "all Socialist, Secessionist, and University enterprises over which the Federation could not exercise financial control were excluded from active membership and participation in management." These secessionist groups have, until lately, been ephemeral in character; on the other hand, the Rand School of Social Science, the analogue of Ruskin College, is solidly founded. Up to the present, indeed, so Miss Hodgen records, "only one Trade Unionist of national prominence has seemed to realise the importance of a definite social goal as a basis for workers' education, i.e., J. H. Maurer, President of the Pennsylvania State Federation of Labour, who said, in 1921: "In my mind, it would be most unfortunate if the workers were suddenly to find themselves in possession of industry and government.....Understanding the limitations of the workers as I do, I do not feel satisfied that unless a certain number of us.....are properly prepared, we.....will make just as big a mess out of things as the present managers are guilty of doing."

* "Workers' Education in England and the United States." Kegan Paul. 12s 6d.

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* "Reminders for Company Secretaries." By Herbert W. Jordan. Twelfth Edition. (London) Jordan and Sons, Limited. 1s net.

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present is no exception to the rule. Its 44 pages contain a résumé of the whole duty of a company secretary, and the alphabetical grouping of the topics dealt with should facilitate reference by all concerned with the thousand and one details which fall to the lot of a company officer.

BOOKS RECEIVED.

An Introduction to Statistical Methods. By Horace Secrist. (London) Macmillan and Co. 16s net.

The Uses of Bank Funds. By Waldo F. Mitchell. (London) Cambridge University Press. (Chicago) University of Chicago Press. \$2.00.

The New Pensions Scheme Explained. By W. E. Wilkinson. (London) Simpkin, Marshall, Hamilton, Kent and Co. 1s net.

International Institute of Agriculture: International Crop Report and Agricultural Statistics. (Rome) August, 1925.

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The London School of Economics and Political Science; Calendar for 31st Session, 1925-26. (London) Houghton street, Aldwych, W.C. 2.

A complete guide to the school's activities. Terms begin October 5, 1925, January 11 and April 26, 1926, respectively.

Mathieson's Traffic Tables, August, 1925. (London) F. C. Mathieson and Sons, 16 Copthall avenue, E.C. 2. 1s net.

Soviet Russia. An Investigation by British Women Trade Unionists—April to July, 1925. (London) W. P. Coates. 1s net.

The Mauritius Almanac and Commercial Handbook for 1925-26. (Port Louis.) Rs. 10.

Hullo Australians!!! By Seymour Hicks. (London) George Duckworth and Co. 5s net.

The Nineteenth Century. September, 1925. (London) Constable and Co. 3s net.

The Labour Magazine, September, 1925. (London) Trades Union Congress and Labour Party. 6d net.

Bulletin of the British Library of Political and Economic Science, No. 31. August, 1925. (London) Houghton street, Aldwych, W.C. 2. 6d.

In addition to usual lists of recent additions, &c., contains a bibliography of Indian economics.

OFFICIAL PUBLICATIONS RECEIVED.

The following may be obtained from H.M. Stationery Office, Adastral House, Kingsway, W.C. 2:—

List of Treaties, &c., between Great Britain and China (1842-1922), including International Treaties, and Treaties between Great Britain and Foreign Powers Relating to China. Cmd. 2502. 2s.

Report by H.B.M. Government on the Administration under Mandate of British Cameroons for the Year 1924. 2s 9d.

Statement showing Rate and Other Moneys Expended and Received during Financial Year ended March 31, 1923, by Board of Guardians, &c. (Part I., Annual Local Taxation Returns, England and Wales, 1922-23.) 2s 6d.

Finance Accounts of the United Kingdom, 1924-25. 2s. *Departmental Committee to Consider and Report what Amendments are Desirable in the Companies Acts, 1908 to 1917.—Minutes of Evidence: Twentieth and Twenty-first Days; Twenty-second Day.* 3s and 2s respectively.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET,
September 9.ACCOUNT,
September 10.

Stock Exchange markets during the past week have adopted a waiting attitude. There are a good many elements of uncertainty in the financial situation; the possibility of a fall in the Bank rate, for instance, the apprehension of fresh labour troubles illustrated by the seamen's strike, the platinum chances that have brightened during the past few days in the Transvaal, the temperate hopefulness engendered by the announcement that Great Britain has decided at last to record recognition to Mexico. Capital continues to flow freely into the Stock Exchange markets; in the gilt-edged department, the principal feature of strength this week is shown by Victory Bonds, where the price advanced sharply upon a sudden demand for the stock. The War Loan has been good, upon re-investment in the stock of some of the money released by re-payment of National War Bonds on Tuesday.

The foreign market remains tolerably active. Mexican Government bonds, City of Mexico, Mexican Utility and Railway stocks rose from 1 to 6 points, upon the announcement of recognition, and though the full extent of the rise was not held, the various issues are substantially better on balance. New York is still a buyer of Brazilians, speculation is taking Chinese bonds. Prices of both are distinctly higher on the week. More favour is accorded to French Government descriptions, and the Mid-European loans attract a good deal of speculative investment. Two or three new loans are rumoured as likely to make their appearance in this section before long.

The home railway market rises an eighth and falls three-eighths. Holders are becoming very tired of the incessant shrinkage in values of their stocks. When prices rally, they fail to hold the recovery, and the effect of an improvement seems to be to encourage selling of more stock. The trouble in the shipping trade, which led to slight dullness amongst shipping shares, brought to bear a greater influence upon Home railway prices.

American rails are better, and Grand Trunk Pacifics, after a fall, regained the loss. Mexican Rails, both sterling and dollar stocks, shared in the revival already noted. Argentine Railways have dwindled, because of disappointment in connection with the movements in exchange. Brazilians and other foreign railway issues are inclined to give way, though the prior-charge stocks of these companies are strong in sympathy with the firmness shown by the gilt-edged market.

Rubber shares developed a fresh outburst of activity. It is evident that next week's settlement will be once more an exceedingly heavy one. Prices are better, and the demand has run indiscriminately upon shares of the best £1 denomination. Tea shares, on the other hand, after a fairly general rally, turned sellers towards the end of the week. Mexican Eagles provided a bright spot in the oil market, which otherwise has been undistinguished by any particular movement. Courtaulds, weighed down by the heavy bull account which exists, have moved within narrow limits, Bradford Dyers advanced briskly, and the rest of the textile list remained fairly firm. Associated Portland Cements, Dunlops, and Tobacco shares fell back after their recent bouts of energy. Grouts, amongst the artificial silk shares, stand out with a sharp rise. Other industrial shares that have appreciated are Melso, Hinde and Hardy, and some of the motor companies' issues. The electric supply list maintains its ground, and gas stocks are scarcely mentioned. The nitrate market is neglected. Iron, coal and steel shares are dull, on the Government decision to close some of the naval yards. In the brewery market, the strength of Watney deferred and of Huggins shares stands out prominently. Hudson's Bays have provided a good spot in the land section, while Sudan Plantations, after their jump, reacted upon a few profit-taking sales.

The Kaffir market has been largely at the mercy of the temper of Paris, and this, on the whole, remained good during the greater part of the week. Diamond shares in particular were favoured by the French, De Beers and others being readily taken. Some of the gold-producing shares are better, on Paris support assisted by a little Cape demand for Johannesburg favourites, of which West Rand Consols are for the moment the principal. The Transvaal Government has thrown open the platinum area to prospecting, and this imposed a check upon the strength which had developed earlier in some of the platinum companies' shares. Chartered, Tanganyikas and Zambesias, after a general fall on sales by people who were able to take quite good profits at the prices which had been reached, found little difficulty in recovering. The Colombian Mining excitement has fizzled out. Malavan and other tin shares are disposed to be dull by reason of the drop in the price of the metal. A little buying of Canadian silver shares came into evidence. The Barrier group is suffering from neglect, and other mining sections present no features of particular interest.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded.....	£ 128,231,827	£ ..	£ ..	£ ..
ISSUES OF THE WEEK—				

NATIONAL SAVINGS CERTIFICATES.				
NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED AUG. 29, 1925.				
April 1, 1925, to Aug. 29, 1925, £1,050,000	£	£	£	£
To the Public—				
Borneo Rubber Estates, 800,000 Shares of 2s. at par	80,000	80,000	20,000	60,000
Total offered to the public ..	80,000	80,000	20,000	60,000
To Shareholders—				
Kota Tinggi (Johore) Rubber, 150,000 Shares of 2s each, at 3s 6d per Share	15,000	26,250	26,250	..
Sigiting (Negri Sembilan) Rubber, 150,000 Shares of 2s each, at 3s per Share	15,000	22,500	22,500	..
Total offered to shareholders ..	48,750	48,750	..	..
Total offered for subscription to date ..	128,750	128,750	20,000	60,000
Total offered for subscription for whole year—				
1925.....	128,360,577	1924.....	209,326,100	
1924.....	130,822,151	1923.....	271,393,173	
1923.....	202,230,317	1922.....	273,675,650	
1922.....	508,248,328	1921.....	388,978,203	
1921.....	155,306,480	1920.....	367,549,656	
1920.....	277,523,984	1919.....	1,036,069,951	

Borneo Rubber Estates, Limited.—Authorized capital £1,000,000 in 2s shares. Issue of 800,000 shares at par. The company has been formed to acquire rubber estates in Dutch West Borneo, having a total area of 4,514 acres, of which 800 acres are in bearing and 206 acres should, it is reported, "reach the tapping stage in another two to three years." The output for the year ended June 30th last was 255,038 lbs, and the profit is given at £10,560. The purchase price is £60,000, payable in cash, and the call at par, until June 30, 1927, of 200,000 2s shares. The issue has been underwritten for a commission of 4 per cent. and an overriding commission of 1 per cent.

ACTIVE SECURITIES.

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

British and Colonial Government Securities.				
	Price Week.	Latest Price.	Rise or Fall.	
War 4½% 1925-28	96½	96½	..	
Loans 4½% 1925-28	96½	96½	..	
Loans 4½% 1925-28	96½	96½	..	
Loans 4½% 1925-28	96½	96½	..	
Loans 4½% 1925-28	96½	96½	..	
Loans 4½% 1925-28	96½	96½	..	
Loans 4½% 1925-28	96½	96½	..	
Loans 4½% 1925-28	96½	96½	..	
Loans 4½% 1925-28	96½	96½	..	
Loans 4½% 1925-28	96½	96½	..	

British Railways.				
	Price Week.	Latest Price.	Rise or Fall.	
Great Western, Ord.	87½	86½	..	1½
London & North-Eastern ..	58½	57½	..	1½
Do Pref. Ord.	58½	57½	..	1½
Do Def. Ord.	20½	20	..	1½
London, Mid., and ..	78	76½	..	1½
Scottish, Ord.	68½	67½	..	1½
Metropolitan, Ord.	44½	43½	..	1½
Metropolitan District ..	44½	43½	..	1½

Colonial and Foreign Railways.				
	Price Week.	Latest Price.	Rise or Fall.	
Antofagasta Cons.	89½	90	..	1½
B.A. and Pacific	84½	83½	..	1½
S.A. Gt. Southern	91½	89½	..	1½
Buenos Ayres West.	77½	74½	..	1½
Canadian Pacific	147½	146½	..	1½
Central Argentine	77½	75½	..	1½
Cordoba Cen. Ord. Stk. 16 ..	152	151	..	1½

American Railroads.				
	Price Week.	Latest Price.	Rise or Fall.	
Chesapeake & Ohio	108	107½	..	1½
Erie	34	32½	..	1½
Do 4½% 1st Pref.	44	41½	..	1½

Foreign Government Securities.				
	Price Week.	Latest Price.	Rise or Fall.	
Argentine 5% 1888-7-103 ..	100	100	..	1½
Austrian 6% Guar. 92½ ..	93	93	..	1½
Belgian 3%	73	73	..	1½
Brazil 5% Fund. 1914 78 ..	78	78	..	1½
Chilian 4½% 1886	89	88	..	1½
Do 7½%	104	105½	..	1½
Chinese 5% 1913	63	65	..	1½
Egyptian 4%	84	84	..	1½
French 5%	154	154	..	1½
Do 4%	154	154	..	1½
German 3% Loan	101½	101½	..	1½
Do 7% 1924	101½	101½	..	1½

Banks.				
	Price Week.	Latest Price.	Rise or Fall.	
Barclays & C. (Ld.)	23	23	..	1½
Chartered Bk of India	19½	20	..	1½
Lloyds (Ld.) with £1 paid ..	34	34	..	1½
Midland (Ld.) with £2 paid ..	88	88	..	1½
Nat. Bank of Egypt	33½	33½	..	1½
Nat. Bank of India	33½	33½	..	1½

HARRISONS & CROSFIELD, LTD.

EASTERN AND GENERAL MERCHANTS.

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

WITH BRANCHES THROUGHOUT THE EAST.

AND ASSOCIATED IN AUSTRALASIA WITH

HARRISONS RAMSAY PROPRIETARY, LTD.

BRAZILIAN (b).

Gt. West. of Brazil.	35 weeks	Aug. 29	1,011	11,800	5,100	454,400	161,500
Leopoldina	35 weeks	29	1,856	43,177	9,054	1,034,329	26,755
San Paulo	35 weeks	30	1,534	53,975	15,536	1,422,777	172,501

CHILEAN.

Antofagasta	35 weeks	Aug. 30	838	46,060	5,925	1,442,555	131,085
Nitrato (6-monthly)	34 weeks	31	368	45,620	7,211	630,435	12,008

CUBAN.

Havana Central	9 weeks	Aug. 29	29	1,414	1,104	103,008	1,732
United of Havana	9 weeks	29	1,250	53,860	12,920	493,884	107,399

URUGUAYAN.

Central Uruguay	9 weeks	Aug. 29	273	21,057	3	191,928	990
C. Urug. (East. Ex.)	9 weeks	29	311	4,232	597	110,108	7,623
C. Urug. (North. Ex.)	9 weeks	29	185	2,763	710	33,218	4,141
C. Urug. (West. Ex.)	9 weeks	29	211	2,220	423	18,771	2,202

OTHER OVERSEAS.

Alcoy and Gandia	35 weeks	Aug. 29	373	19,500	3,000	913,500	90,000
Egyptian Delta	19 weeks	20	600	3,102	817	110,108	5,895
Gt. Southern of Spain	34 weeks	22	104	99,890	6,74	3,660,058	10,085
Mexican Railway	8 weeks	31	439	\$345,400	46,000	2,235,700	103,400
New Cape Central	31 weeks	July 31	205	2,133	123	85,512	885
Paraguay Central	9 weeks	Aug. 29	274	5,950	2,570	50,340	11,890
Salvador	9 weeks	29	100	3,168	81	24,389	862

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

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week.		Total Receipts.	
				1925.	+ or -	1925.	+ or -
Anglo-Argentine.....	34weeks	Aug. 26	329	\$86,674	+ 1,182	2,955,538	+ 1,362
Buenos Aires La- ciore Tramways.....	9weeks	30	12	\$1,035	..	113,937	+ 3,264
Burnley Corporation ..	1week	29	12	\$2,144	..	40	..
Calcutta Tramways ..	1week	29	354	\$126,602	+ 40	..	..
Chatham & District ..	34weeks	13	15	\$1,685	+ 53	47,312	+ 1,356
Egyptian Markets ..	34weeks	27	..	\$1,728	+ 87	72,318	+ 1,811
Glasgow Corporation ..	13weeks	29	106	\$43,554	- 694	570,297	+ 14,960
Isle of Thanet Trams ..	34weeks	26	..	\$5,056	+ 512	88,816	+ 10,002
Liverpool Corpora- tion Tramways	22weeks	29	124	\$25,933	+ 1,391	581,745	+ 38,362
L.O.C. Tramways	22weeks	Sept. 2	164	\$79,485	..	1,731,980	..
Mairas Elec. (2 wks) ..	34weeks	Aug. 31	..	\$5,634	+ 2,353	777,194	+ 41,167
Pernambuco Trams ..	35weeks	30	..	\$5,139	+ 1,302	157,742	+ 5,406
Singapore Trams	30weeks	29	..	\$14,042	..	443,696	+ 12,316

* Combined revenue.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per annum, except where marked % or stated in Cash.			Dividend for Whole Year.	Pre- Year.	
	Interim div.	Final div.	Method of Payment.			
Banks.						
Bank of Australasia	5/ p.a.*	(bonus)	1/6 p.s.	Tax free	%	%
Bank of Victoria	4½%	..	..	..	9	9
Commercial of Sydney	..	..	..	..	10	10
Dominion Bank	12	..	Quarterly	..	..	..
Guaranty Trust of New York	3%	Sept. 30	Quarterly	..	..	..
National of India	20*	Sept. 16	Tax free	..	..	..
Queensland National	24½%	..	..	..	10	12½
Insurance.						
British and European	5%*	Oct. 1	Less tax	..	..	..
British General	15%	Oct. 1	..	..	..	..
Sea	1/3 p.a.*	Sept. 15	Less tax	..	..	..
Mining.						
Balaghat	3 p.s.*	Sept. 23	Less tax	..	..	..
Nundydroog	6 p.s.*	Sept. 30	Less tax at 20½	..	..	..
Rubber.						
Dangar	10%	Sept. 28	..	..	25	22½
Kalidjereok	15%†	..	..	..	..	..
Kombuk (F.M.S.)	5%†	..	..	..	..	..
Kinta Kelas	7½%†	..	..	..	12½	10
Lower Perak	5%*	..	Less tax	..	..	..
Wattle Ceylon	5%*	Sept. 17	Less tax	..	..	..
Padang Jawa	1 p.s.†	..	Less tax at 4½	2/ p.s.	12 p.s.	12 p.s.
Seaport (Selangor)	10%*	..	Less tax	..	12½	4
Sigiting	..	..	..	..	..	..
Other Companies.						
Alford Gas	2½%*	..	..	..	..	..
Asbestos Corporation of Canada ..	14%	Oct. 15	..	..	6	..
Bank Holdings	..	..	Less tax	..	..	..
Barry, Gatlere, and Shepherd	5%*	..	Less tax	..	..	..
Blyth, Greene, and Jourdain	10*	Sept. 1	Less tax	..	..	..
British Tobacco (Australia)	3%	Sept. 30	..	..	..	..
Clarke, Chapman, and Co.	2½%*	Sept. 16	Less tax	..	..	..
Dominion Tar and Chemical	5%*	Sept. 16	Less tax	..	..	..
D. Napier and Son	5%*	..	Less tax	..	..	..
East Hull Gas	5%*	Sept. 1	Less tax	..	..	..
Ellis, Wardle, and Co.	..	..	..	..	12½	12½
Imperial Continental Gas Assoc. ..	5%*	Nov. 16	Less tax	..	..	..
Imperial Tobacco of Canada	14%	Sept. 28	..	..	..	..
J. Brockhouse	1/ p.s.†	..	Tax free	7½	7½	7½
J. Mandelberg	5%*	..	Less tax	..	..	..
John Barker	10*	Oct. 5	..	..	5	10
Leigh Mullis	..	..	..	..	2/ p.s.	2 p.s.
John Hetherington and Sons	..	..	Tax free	..	..	..
Leigh Mullis	..	..	Less tax	..	..	..
Lincoln Waggon	5%*	..	Less tax	..	..	..
London and Thames Haven Oil	5%*	Oct. 5	Tax free	..	10	..
Maclay and Co.	..	..	..	..	8	..
New Monokton Collieries	3½%†	..	Tax free	..	..	..
Oxford Electric	5	Sept. 14	Less tax	..	18	17
Second Alliance Trust	18†	..	..	..	12½	12½
Smedley's Hydro	6½%†	..	..	..	..	..
Waldorf Hotel	10*	Oct. 1	..	..	..	..
Wardle and Davenport	11%†	..	1/ p.s. Tax free	..	..	..
Western Manions	4	Sept. 10	Less tax	..	..	..
William Whiteley	10*	Oct. 1	Less tax	..	3	3
Woking District Gas	..	..	..	..	..	..
W. of Scotland American Invest ..	5%*	..	Less tax	..	..	..

COMPANY MEETINGS, &c.

THE MID-EUROPEAN CORPORATION,
LIMITED.POSITION AND PROSPECTS ON THE CONTINENT.
INITIAL RESULTS—TRADE OUTLOOK.

The first annual general meeting of the Mid-European Corporation, Limited, was held, on the 2nd inst., at Winchester House, Old Broad street, London, E.C.

Mr Harold Bendixson presided.

The secretary (Mr Reginald J. Godfrey, A.C.I.S.) having read the notice convening the meeting and the report of the auditors,

The Chairman said: Gentlemen,—I have to begin by apologising, on behalf of Mr Hambro (chairman of the corporation), for his unavoidable absence from our meeting to-day. In consequence thereof he has requested me to take the chair, and I will read the speech which he had intended to address to you. It is as follows:—

MR H. C. HAMBRØ'S SPEECH.

Gentlemen,—The report and accounts have doubtless already received your consideration and, with your permission, I will take them as read.

Your corporation was formed in June, 1924, to take advantage of the very favourable opportunities for investment arising out of the process of reconstruction on the Continent. We have, in consequence, become interested in the principal Mid-European countries, and I propose to refer briefly to the present-day conditions and prospects of each.

SITUATION IN GERMANY.

Germany, at the present time, is suffering from a reaction following a period of excessive optimism. Once the recommendations of the Dawes Commission had been adopted and the German Loan had been successfully floated, it was assumed too readily in Germany that the troubles of the country were at an end. This opinion was reflected in the rapid advance of the prices of securities on the Berlin Bourse, which for many months had been standing at a lower level than the prospects of the undertakings warranted. Prices appreciated in some cases by as much as 50 per cent. The rise, however, was too rapid, and later it became recognised that Germany, in common with the rest of the world, had still many difficulties to contend with before anything approaching normal conditions could be restored.

Public opinion also received a shock when the developments in connection with the affairs of the Stinnes Combine became known, and the rather exaggerated optimism gave place to a more exaggerated pessimism, which ignored the power of the German banks to protect the nation's important industries. The present position is that the prices on the Berlin Bourse of the more important German industrial shares have fallen once again to the level at which they stood about a year ago, and very recently some have fallen even below that level. This state of affairs could not exist but for the acute shortage of capital and dear money rates, which constitute Germany's principal problem. I am glad to say that there are now some signs of improvement. America has invested considerable sums in Germany during the past 12 months, and the purchase of large blocks of German shares by foreign groups has tended to ease the situation. We believe that Germany has now passed through her worst period of crisis, and that there is ground for hope that her position, from now on, will steadily improve.

PROSPECTS IN AUSTRIA.

Conditions in Austria are in many respects similar to those I have referred to in Germany. The country has now, with the assistance of the League of Nations, rectified her Budget, and thus accomplished the first step in her reconstruction. The trade balance remains unfavourable, but so soon as Austria is able to negotiate reciprocal agreements with her neighbours on the question of tariffs the adverse balance should tend to diminish or disappear entirely. Austria has some important industries which hold a secure position in the export markets. They, too, are hampered by shortage of working capital. During the inflation period the very natural tendency was for cash, as soon as it was received, to be turned into buildings and plant or assets of that nature, having a definite gold value, and which would not become valueless with the process of inflation. The result is that most of these industries have the most up-to-date factories and equipment, but have not sufficient working capital for their profitable operation.

The improvement shown by certain important undertakings

which have been provided (through us or others) with outside financial support has been notable. The position on the Vienna Bourse corresponds closely with that in Berlin, and industrial securities in particular are greatly under-valued. Improvement may be expected when the gold balance-sheets, which by law must be established this year, have been published. On the whole, we look forward to the future in Austria with hopefulness, and feel that the prospects of those industries which have an established export trade are good.

POSITION IN HUNGARY.

I will refer very briefly to the position of Hungary. The chief industry of this country, as you are aware, is agriculture, and in years of good harvest there is always a considerable surplus for export. For the year 1925 the harvest indications are exceptionally good. Hungary also has been assisted to straighten her finances by means of a foreign loan, and is now considered to be progressing favourably.

THE ACCOUNTS.

Turning to our accounts, you will see that at July 31, 1925, our paid-up capital amounted to £750,025, though, as stated in the directors' report, the average paid-up capital for the period, taking into consideration the dates of calls, was only £512,500. The authorised capital of £1,000,000 is now fully paid up, a final call of £2 10s per share having been payable on August 5th. The bank overdrafts, amounting to £127,519 15s, have, of course, been paid off out of the proceeds of this call. The investments, loans participations, and options, taken at cost, amounted to £923,272 11s, and the preponderating proportion of this item consisted of secured loans to important industrial undertakings, the value of which, of course, is not affected by market fluctuations. The profit and loss account, showing a balance of £47,623 18s 1d, is self-explanatory. The other items in the accounts call for no comment, but an opportunity will presently be given for questions relating to them.

PARTICIPATION IN EUROPEAN FINANCE.

Apart from the small number of foreign Government loans which have been publicly offered in London on short-term credits of a banking character, English participation in European finance has up to the present time been confined to the operations of the few companies specially formed for this purpose. There has been no general participation of the British public, nor can there be so long as the present restrictions are maintained. When the situation here is such that there is no longer any need for this policy, your corporation should be able, with the aid of its valuable connections in London and on the Continent, to be the means of distributing sound European investment securities, thereby developing its functions and benefiting from sources of revenue which are not at present available.

For the present, all we can do is to invest our funds, and in doing so care has been taken by your directors that the secured loans shall be the means of participating in any improvement of the general situation which should come with more normal conditions on the Continent.

I now have pleasure in formally moving "That the directors' report and accounts for the period from June 3, 1924, to July 31, 1925, submitted to this meeting, be and they are hereby adopted."

Major Julian Day, M.C., seconded the resolution, which, after the Chairman had replied to a few questions, was unanimously adopted.

THE DIVIDEND.

Mr Percy C. Crump, O.B.E., moved "That the dividend of 6s per share, less income-tax, recommended by the directors be and is hereby declared."

Mr Edward De Stein seconded the motion, which was carried unanimously.

Major Norman Holden moved "That Messrs H. Bendixson and P. C. Crump, the directors retiring under the provisions of Clause 87 of the corporation's Articles of Association, and Messrs H. C. Hambro and Julian Day, the directors retiring by rotation, be and they are hereby re-elected directors of the corporation."

The resolution was seconded by Mr Edward De Stein and unanimously adopted.

The auditors, Messrs George A. Touche and Co., having been reappointed, the proceedings terminated.

THE AUSTRALIAN BANK OF COMMERCE, LIMITED.

GENERAL AND SATISFACTORY PROGRESS.

RESERVE FUND DOUBLED.

OFFER TO INSCRIBED DEPOSITORS.

The annual general meeting of the shareholders of the Australian Bank of Commerce, Limited, was held, on Tuesday, July 28, 1925, at the Banking House, King and George streets, Sydney, Mr H. R. Lysaght, O.B.E. (acting chairman of directors), presiding.

In moving the adoption of the report and balance-sheet, the Chairman said:—

Gentlemen,—It is owing to the absence of our chairman (Sir Mark Sheldon) in London that I am taking the chair to-day.

IMPORTANT FEATURES.

The balance-sheet this year discloses several features of special importance.

Inscribed deposits are reduced from £1,245,000 to £244,000—a decrease of just over £1,000,000—while capital account is increased from £1,200,000 to £1,840,000, and the reserve fund from £370,000 to £740,000, this fund having thus been exactly doubled since last year.

The increase in the reserve fund is made up of the following transfers:—

	£	s	d
Out of the profits of the year	50,123	17	0
From surplus on inscribed deposits converted into shares	319,434	15	0
From surplus realised on 1,128 shares issued	441	8	0
Total	£370,000	0	0

GENEROUS OFFER TO INSCRIBED DEPOSITORS.

I do not think it necessary, at this stage, to refer at length to the offer made to the inscribed depositors to convert their deposits into shares on the basis of two shares, fully paid up, for each £3 of inscribed deposit. It was availed of, as has been announced in the Press, by more than 3,000 individual holders, representing over £958,000. The offer has been favourably commented on by both the Press and the public in this country and in Great Britain, and one of the results has been the increase in the reserve fund, as stated, by £319,000.

The fact that the bank has done more than it was obliged to do in improving the position of the inscribed depositors has no doubt added to its standing generally, and your directors are satisfied that their action has been as much to the benefit of shareholders as of inscribed depositors. This is shown by the enhanced price of the shares in the market.

Sir Mark Sheldon's presence in London was of material assistance in carrying the scheme through there, as he was able to attend all the meetings of depositors.

BALANCE-SHEET FIGURES.

Referring to the balance-sheet generally, it will be noted that liabilities to the public, consisting of customers' deposits, bills in circulation, &c., which on June 30, 1924, were £11,592,000, are now £12,443,000—an increase of over £850,000. This increase indicates a general and very satisfactory growth and development during the year.

On the assets side, cash and other items of a specially liquid character now total £5,823,000, as compared with £4,694,000 a year ago, and are equal to 9s 4d in the £ on our outside liabilities—a position indicating the strength of the bank's finances.

Advances at £9,138,000 and bank premises £434,000 show moderate reductions of £228,000 and £4,000 respectively.

The totals of the balance-sheet now for the first time exceed £15,000,000, the figure being £15,395,000—an increase of £896,000.

PROFITS AND DIVIDEND.

After provision of an increased amount for taxation, the profits amount to £180,000, as compared with £143,000 last year, and, after transfer of £50,123 to reserve fund, and £10,000 in reduction of bank premises account, permit a final half-yearly dividend at the rate of 8 per cent. per annum.

The dividend mentioned leaves £5,041 18s 7d out of the year's profits to increase the amount to be carried forward, raising the latter to £54,559 17s 10d. Thus the year has been one of satisfactory progress generally.

It is a matter of interest to the shareholders to note that, during the past seven years the rate of dividend has been gradually and steadily increased from 3 to 8 per cent.

GOOD SEASON AND FAVOURABLE PROSPECTS.

The season generally has been good, and prospects are favourable in most parts of Australia.

After a period of extremely high prices, the market for wool has

shown a halting tendency, and a considerable reduction in values has followed. The price now being obtained for fine wools, however, is still favourable as compared with many past years, and it is hoped that the present range of values will at any rate be maintained.

A good market has ruled during the season for wheat, and this, with the large crop secured, has benefited growers very considerably.

There has been a slight improvement in the cattle market, but there is still much to be desired in this direction.

An abundant sugar crop has been harvested, both in the northern districts of New South Wales and in Queensland, the quantity of sugar produced being not only sufficient for local requirements, but leaving a large surplus for export. The "preference" arrangements which have recently been reintroduced in England have been of material benefit to Australia in enabling this surplus to be disposed of at a considerably higher price than would otherwise have been the case.

DIFFICULT EXCHANGE POSITION.

Since we last met the exchange position became most difficult, and special measures were needed to ensure the marketing overseas of our primary products. The reintroduction of the gold exchange standard, however, has now brought about normal rates, and the difficulties that have been experienced since the war are at an end for the time being.

A NOTE OF WARNING.

We would like again to raise a note of warning in connection with the borrowing of both Federal and State authorities. These debts to-day are in the vicinity of £1,000,000,000 (one thousand million pounds), and to this must be added the very large borrowings of other public bodies. The interest on these debts is becoming a burden which the community can, with difficulty, bear. If the population were increasing in the same ratio the position would not be so serious, but this is not so, the debt per head every year being higher than in the previous year.

In conclusion, I may say that your directors look forward with every confidence to the future of the bank.

The motion was seconded by Dr Geo. J. Sly, and carried unanimously.

Mr H. R. Lysaght, O.B.E., and Sir Mark Sheldon, K.B.E.,



The Anglo-South American Bank Limited.

Head Office:
117 Old Broad Street, London, E.C.2

Authorised Capital	£10,000,000
Reserve Fund	£4,000,000
Issued Capital	£8,734,660
Paid-up Capital	£4,367,330

The Bank, in addition to 6 Branches in

SPAIN

has with its

AFFILIATED INSTITUTIONS

THE BRITISH BANK OF SOUTH AMERICA, Ltd., and

THE COMMERCIAL BANK OF SPANISH AMERICA, Ltd.

53 offices in the principal countries of

LATIN AMERICA

Auxiliaries Abroad:

ANGLO SOUTH AMERICAN TRUST CO.
(Incorporated under the laws of the State of New York)
NEW YORK.

BANQUE ANGLO-SUD AMERICAINE, SOC. ANON.
PARIS.

Northern District Office: 63, Market Street, BRADFORD.
Lancashire Branch: 19, Spring Gardens, MANCHESTER.

SECURITY FIRST
ROYAL
INSURANCE COMPANY, LIMITED
HEAD OFFICES: LIVERPOOL AND LONDON

were re-elected directors, and Messrs William H. Perry, F.C.P.A., and William Craig, F.C.P.A., were appointed auditors.

A hearty vote of thanks to the directors, general manager, and staff was moved by Mr H. A. Brigg, and carried with acclamation.

The chairman declared the dividend is now payable.

KLABANG RUBBER COMPANY, LIMITED.
ACQUISITION OF NEW PROPERTIES.

At an extraordinary general meeting of the Klabang Rubber Company, Limited, held, on the 3rd instant, at the registered office of the company, 49-51 Eastcheap, London, E.C., the following resolution was unanimously passed:—"That the capital of the company be increased from £100,000 to £200,000 by the creation of 100,000 shares of £1 each."

In reply to a vote of thanks for presiding over the meeting, the chairman, Sir John Barlow, Bart., made the following statement:—

I am very pleased to be able to tell you, now that the capital of the company has been increased, that the board will acquire the Sweet Kamiri and Cheng Phye Pin Estates. We shall take them over on October 1st. A letter will be posted to all shareholders this evening giving details of these properties, but I should like to take this opportunity of saying that, in addition to Mr Dakeyne's, we have seen another and, in some ways, a more favourable report on these properties. Our reasons for acquiring them are briefly as follows:—

1. The capital value per acre of the company's property will be reduced.
2. The new areas are similar to Klabang, which we know to be very high-yielding rubber land.
3. They are already substantial revenue producers.
4. They contain a large proportion of young rubber which Klabang needs, because it has no further land for extension.

The purchase price is \$805,650, or £92,992 10s, and £1,200 paid to Mr Macrory, who was the option holder.

The company is to pay to Messrs Thomas Barlow and Brother £200 and out-of-pocket expenses, and to allot to them 5,000 shares at 30s per share, the price at which the remaining 60,000 shares which we now propose to issue are being offered to the shareholders.

In conclusion, I would like to add that your board are well satisfied with the present outlook of the industry, and have pleasure in recommending this investment.

AFRICAN AND EASTERN TRADE CORPORATION, LIMITED.
THIRTY-SEVENTH ANNUAL GENERAL MEETING.
IMPROVED RESULTS.

The annual ordinary general meeting of the African and Eastern Trade Corporation, Limited, was held, in the Banqueting Hall of the Exchange Station Hotel, Liverpool, on Friday, the 28th ultimo, Mr J. H. Batty (the chairman of directors) presiding.

The Chairman referred to the great loss the nation, and West Africa in particular, had sustained by the death of Lord Leverhulme. He also referred to the recent death of Sir George Goldie. The past year, Mr Batty said, had been one of unprecedented events in West Africa, notably the visit of H.R.H. the Prince of Wales, which had done an enormous amount of good in cementing the goodwill and confidence of West Africans in the Mother Country. The good result of the visit will remain throughout this generation. During the year West Africa had suffered many losses in personnel—the transference of Sir Hugh Clifford from Nigeria to Ceylon, Sir Donald Cameron to the Governorship of Tanganyika, Mr W. F. Gowers to the Governorship of Uganda, and the retirement, through ill-health, of Sir Harry Moorhouse.

WEST AFRICAN TRADE.

Referring to the general trade of West Africa, Mr Batty said: The revenue of Nigeria for 1924 exceeded £6,700,000, being

£12,000 above the previous record in the boom year of 1920. The total value of trade amounted to £27,640,740, an increase of over £4,000,000 on the previous year. The exports from that colony also show a marked improvement, and easily exceed previous figures. There were 78,000 tons of ground nuts shipped last year, being 21,000 tons above the previous record year of 1918, and 56,000 tons higher than in 1923; 16,000 bales of cotton, as against 11,000 bales in 1923; 37,000 tons of cocoa, as against 32,000 tons in 1923; 127,000 tons of palm oil, as against 99,000 tons in 1923; and 262,000 tons of palm kernels, as against 223,000 tons in 1923.

There have been indications lately that the market for Shea nuts has been broadening, and if this should prove to be the case it will doubtless encourage the natives to give further attention to this produce, of which there are almost unlimited quantities available throughout Northern Nigeria and the Northern territories of the Gold Coast.

FAVOURABLE MARKET PRICES.

During the past year the market prices of West African produce have remained steady and at a comparatively high level. The increased quantity produced and the prices ruling have put larger sums of money into circulation, which has had a beneficial effect on trade. Provided we have no industrial strikes and conditions in England gradually improve, with affairs on the Continent steadily returning to normal, prices should remain somewhere near the present level, and so encourage the natives to increase production and further stimulate trade.

As regards oil concessions, the boring operations have been stopped, as there have been no indications encouraging enough to continue drilling.

They would be interested to hear that the company was now running a monthly steamship service to and from West Africa. A new steamer, the "Nigerian," had just been launched on the Clyde this month, and was expected to commence her maiden voyage in October. This vessel had been specially built for the trade and fitted with the latest appliances.

THE YEAR'S RESULTS.

The trading results for the year, after making provision for all bad and doubtful debts, depreciation on stocks, and maintenance of all plant and properties at home and abroad, amounted to £471,048 11s 4d, an increase of £28,695 14s 3d on last year. When addressing them a year ago he mentioned that the improvement indicated in 1923 had been maintained in 1924, and to some extent this is reflected in the account before them. The increase shown was really larger than appeared on the surface, as in both 1922 and 1923 accounts the results included substantial amounts from E.P.D. adjustment, whereas this year there had been no contribution from this source. The indications up to the present foreshadowed that the profits for the ensuing year should show a further improvement, provided conditions—industrial and political—remain normal for the remainder of the year.

In conclusion, the Chairman moved the adoption of the accounts and report. This was seconded by the vice-chairman, Mr R. B. Miller, and unanimously adopted.

THE DIVIDEND.

A final dividend on the ordinary shares of 4 per cent., less tax, was declared, making, with 4 per cent. interim already paid, a total dividend for the year of 8 per cent.

The retiring directors, Messrs T. Rowland Hughes, H. C. Hutchinson, J. Pickering Jones, and M. H. McNeill, were unanimously re-elected, and the appointment of Mr Oliver V. G. Hoare

KANSALLIS - OSAKE - PANKKI
(National Joint Stock Bank).
Established 1889.

Head Office: Helsinki (Helsingfors), FINLAND.
134 BRANCHES at all important business centres in Finland.

Capital ... Fmk. 150,000,000
Reserve Fund and Profits ... " 115,000,000
Deposits, etc. (31/12/24) ... " 1,704,000,000

All descriptions of banking business transacted.
Telegraphic Address: KANSALLISPANKKI.

as a director in the place of the late Mr E. A. Beazley was confirmed.

A sum of £4,000 was voted as directors' fees.

The auditors, Messrs Harwood Banner and Son, were reappointed.

A telegram of congratulation was sent to Sir Graeme Thomson, the newly-appointed Governor of Nigeria, and to Sir Hugh Clifford one of appreciation of his long services to West Africa.

GOVERNMENT RETURNS, &c.

NATIONAL DEBT—(Million £).

	Aug. 1, 1924.	Dec. 31, 1924.	Mar. 31, 1925.	Mar. 31, 1925.	Mar. 31, 1925.	Mar. 31, 1925.	Dec. 31, 1924.	Mar. 31, 1925.	Aug. 29, 1925.
Funded Debt	588	515	515	515	514	514	514	514	514
Term Annuities	30	30	18	16	14	14	13	13	13
4% Conversion Loan	..	..	266	684	666	666	709	732	732
4% Conversion Loan	..	..	..	..	..	..	210	210	210
4% War Stock	..	63	63	63	63	63	63	63	63
4% War Stock	..	13	13	13	13	13	13	13	13
4% and 5% War Stock	2,047	1,995	1,953	2,095	2,166	2,017	2,052	2,052	2,052
National War Bonds	1,413	1,201	953	820	813	778	778	778	778
4% Funding Loan	1,509	1,408	401	399	396	396	396	396	396
4% Victory Bonds	..	360	347	335	325	314	314	314	314
Treasury Bonds	..	..	453	411	457	496	499	475	475
Exchequer Bonds	20	323	289	185	150	150	69	15	15
National Savings Certs.	..	267	285	442	354	354	354	358	370
Other Debt*	..	1,306	1,137	1,087	1,157	1,128	1,132	1,124	1,124
American Loan (Anglo-French)	..	..	51	1,121	878	616	588	526	576
Treasury Bills	15	1,107	154	147	194	186	220	167	146
Temporary Advances	..	1	243	..	..	..	..	..	..
Other Capital Liabilities	654	8,033	7,574	7,574	7,742	7,641	7,728	7,646	7,673
Total Liabilities	711	8,079	7,623	7,721	7,817	7,707	7,794	7,718	7,741

* Includes debt to American Government.

† Revised from Finance Accounts, 1924-25.

POSITION OF THE FLOATING DEBT.

	Aug. 30, '24.	Mar. 31, '25.	Aug. 29, '25.	Week ended Aug. 29, '25.
Ways and Means Advances Outstanding	..	..	..	..
Advances by Bank of England	177,773,500	166,585,000	144,341,000	50,000
Advances by Public Debt Office	590,810,000	575,610,000	625,550,000	1,330,000
Treasury Bills Outstanding	..	..	..	..
Total Floating Debt	768,583,500	742,195,000	769,891,000	1,380,000

* Includes £19,000, the proceeds of which were not carried to the Exchequer within the period of the account.

PUBLIC INCOME AND EXPENDITURE.
RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1925-26. (See Note)	Total Receipts into the Exchequer from Apr. 1, 1925, to Aug. 29, 1925.	Total Receipts into the Exchequer from Apr. 1, 1924, to Aug. 30, 1924.	RECEIPTS. — Week Ended Aug. 29, 1925.	RECEIPTS. — Week Ended Aug. 30, 1924.
Balances in Exchequer on 1st April:—	£	£	£	£	£
Bank of England	5,341,778	5,069,613	..	..	..
Bank of Ireland	1,215,322	1,562,001	..	..	..
REVENUE	6,557,100	6,631,614	..	..	..
Customs	102,040,000	41,112,000	41,459,000	2,125,000	1,609,000
Excise	137,230,000	50,767,000	52,366,000	927,000	973,000
Motor Vehicle Duties	17,500,000	4,638,000	3,980,000	..	..
Stamp, &c., Duties	65,500,000	25,900,000	27,430,000	2,380,000	990,000
Stamp	24,000,000	7,910,000	6,720,000	840,000	540,000
Land Tax, House Duty & Mineral Rights Duty	1,000,000	165,000	610,000	..	10,000
Property & Income Tax	262,000,000	81,481,000	89,006,000	3,468,000	4,258,000
Super-Tax	63,300,000	24,760,000	23,000,000	380,000	290,000
Excess Profits Duties, &c.	4,000,000	5,320,000	7,160,000	210,000	220,000
Corporation Profits Tax	9,000,000	22,900,000	22,600,000	1,000,000	800,000
Post Office	67,000,000	430,000	440,000	..	..
Crown Lands	900,000	..	..	..	..
Interest on Sundry Loans	12,600,000	8,254,574	5,709,415	..	..
Miscellaneous	14,000,000	4,522,607	5,406,238	249,936	295,906
Ordinary Receipts	30,000,000	14,989,387	13,074,631	..	500,000
Special Receipts	..	293,144,566	398,961,184	11,579,936	10,576,906
Revenue	801,060,000	299,701,666	305,592,798	..	..
OTHER RECEIPTS	..	..	..	..	..
Temporary Advances Repaid:—	..	..	..	..	..
Under the Unemployment Insurance Acts, 1921	..	1,170,000	5,750,000	..	70,000
Money Raised by Creation of Debt:—	..	..	..	..	..
(a) For Capital Expenditure Issues:—	..	..	..	..	..
Under the Telegraph (Money) Act, 1924 and 1924	..	3,050,000	2,300,000	..	..
Under the Housing Act, 1914	..	..	1,000	..	..
Under the West Indian Islands (Telegraph) Act, 1924	..	11,533	..	..	..
(b) Under the Unemployment Insurance Acts, 1921	..	1,250,000	..	..	..
(c) For other Issues:—	..	..	..	..	..
By Treasury Bills	..	1,009,034,000	976,909,000	45,835,000	42,485,000
By 3% Conversion Loan	..	15,100,000	11,450,000	550,000	450,000
By National Savings Certificates	..	..	..	..	..
By Exchequer and National War Bonds	..	15	..	..	..
By Treasury Bonds, 1925	..	10	13,521,620	..	..
By 4% Treasury Bonds, 1931-33	..	..	..	..	..
(d) Ways and Means Advances	..	259,555,000	293,841,500	3,800,000	2,000,000
Anglo-Persian Oil Company—Dividends on Shares Acquired	..	..	23,109	..	..
Repayments:—	..	..	..	..	..
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921	..	78,816	522,224	..	..
Total	..	1,612,063,600	1,609,811,251	61,764,936	55,581,906

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1925-26. (i) Including Supplementary Grants.	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1925, to Aug. 29, 1925.	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1924, to Aug. 30, 1924.	Issues. — Week Ended Aug. 29, 1925.	Issues. — Week Ended Aug. 30, 1924.
EXPENDITURE	£	£	£	£	£
National Debt Services:—	..	..	..	..	..
Interest, &c.	305,000,000	137,353,614	137,652,621	1,052,394	1,233,708
Sinking Fund	50,000,000	17,858,088	11,938,865	1,847,975	500,000
Road Fund	16,900,000	4,037,041	..	..	..
Payments to Local Taxation Accounts, &c.	13,329,000	3,650,070	3,205,891	970,164	1,080,000
Payments to Northern Ireland Exchequer ..	4,000,000	1,801,352	1,994,832	18,999	8,989
Land Settlement	700,000	119,514	297,542	..	..
Other Consolidated Fund Services	2,000,000	1,156,611	1,004,795	21,409	36,983
Supply Services	418,086,000	154,425,668	143,99,248	8,205,539	7,295,163
Expenditure	810,015,000	320,410,961	308,433,838	12,131,380	10,558,843
OTHER ISSUES	..	..	..	..	..
Temporary Advances:—	..	..	..	..	..
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	..	36,891	36,891	..	..
Under the Unemployment Insurance Acts, 1921	..	1,390,000	..	140,000	..
Issues to Meet Capital Expenditure:—	..	..	..	..	..
Under the Telegraph (Money) Act, 1924 and 1924	..	5,050,000	3,700,000	600,000	600,000
Under the Housing Act, 1914	..	6,000	4,000	..	..
Under the West Indian Islands (Telegraph) Act, 1924	..	20,071	260,719	..	30,092
Unemployment Insurance Acts, 1921 ..	..	670,000	4,790,000	..	..
Repayment of amounts borrowed ..	..	..	..	..	..
Redemption of Debt:—	..	..	..	..	..
Treasury Bills	..	959,305,000	574,435,000	44,470,000	43,715,000
Principal of National Savings Certificates	..	12,950,000	13,500,000	550,000	600,000
Principal of Exchequer Bonds paid off ..	..	306,567	..	..	..
Principal of National War Bonds paid off ..	..	3,639,550	..	..	..
Principal of Treasury Bonds paid off ..	..	23,645,800	..	..	..
Other Debt under the War Loan Act, 1914 to 1919	..	..	50	..	..
Ways and Means Advances Repaid ..	..	281,799,000	302,223,500	3,750,000	1,000,000
Anglo-Persian Oil Company—Issued to the National Debt Commissioners	..	..	23,109	..	..
Balances in Exchequer:—	..	..	..	..	..
Bank of England	..	1,609,230,000	1,607,407,107	61,641,380	56,100,935
Bank of Ireland	..	2,047,095	2,002,864	33,556	130,029
Bank of Ireland	..	785,505	401,290	90,000	389,000
Total	..	2,835,600	2,401,144	123,556	519,023

NOTE.—Budget Estimate as in H.C. No. 84 of 1925.

Treasury, August 31, 1925.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £40,000,000 in Treasury Bonds and Treasury Bills were opened on Sept. 4, 1925, and the total amount applied for was £56,955,000. For bills at three months dated Monday to Saturday, £99 0s 11d, about 86 per cent., above in full.—In bills at 3 months, £40,000,000; in bonds, nil.

Date.	Amount Offered.</
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The OCEAN ACCIDENT and GUARANTEE CORPORATION, Limited.

ASSETS £28,501,591
CLAIMS PAID £27,361,771

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

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

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, September 2, 1925.

ISSUE DEPARTMENT.

Notes issued	180,468,230	Government debt	11,015,100
		Other securities	8,734,900
		Gold coin & bullion ..	160,718,230
	180,468,230		180,468,230

BANKING DEPARTMENT.

Proprietors' capital ..	14,553,000	Government securities	39,646,556
Reserve	3,715,264	Other securities	70,767,495
Public deposits	12,664,797	Notes	35,489,695
Other deposits	116,780,530	Gold and silver coin ..	1,813,288
Seven-day & other bills	3,443		
	147,717,034		147,717,034

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

	Amount, Sept. 2, 1925.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Rest	£ 3,715,264	+ 99,387	+ 6,629
Public deposits	12,664,797	+ 9,148,165	+ 2,268,925
Other deposits	116,780,530	+ 12,664,797	+ 1,881,847
Government securities ..	39,646,556	+ 4,232,523	+ 4,011,887
Other securities	70,767,495	+ 63,419	+ 1,487,597
Reserve	3,715,264	+ 1,374,567	+ 19,253,130
Note circulation	14,978,535	+ 711,165	+ 34,128,27
Coin and bullion	162,531,518	+ 662,704	+ 11%
% of reserve to liabilities	28%	—	2%

Date.	Coin and Bullion.	Circulation (excluding Bank Post).	Deposits.	Securities in Banking Department.	Gold in or out of Bank.	Reserve and % of Reserve to Liabilities.
1925.						
July 22	163,234,200	143,391,635	126,365,014	104,724,526	1,665,000 in	39,592,625 5.8%
29	164,257,407	144,760,795	127,954,104	107,774,350	1,028,000 in	39,257,012 5.1%
Aug. 5	164,570,159	146,319,625	128,533,935	107,774,350	248,000 out	39,257,012 5.1%
12	164,256,769	145,253,410	126,482,877	105,824,410	240,000 out	39,598,839 5.3%
19	164,032,705	144,837,871	126,771,149	105,312,346	227,000 out	39,598,839 5.3%
26	163,194,222	144,266,870	126,031,032	105,528,109	8,000 out	39,598,839 5.3%
Sept. 2	162,531,518	144,778,535	129,445,327	104,051,566	6,000 out	37,302,383 28%

BANKERS' CLEARING RETURNS (000's omitted).

Week Ending—	Town.	Metropolitan.	Country.	Total.
1925.				
January 1 to August 19	22,869,857	1,077,529	1,699,132	25,846,518
Aug. 23	27,160	27,559	48,542	64,321
Sept. 2	703,924	27,599	47,055	778,578
Total to date 1925	24,140,941	1,134,667	1,994,799	27,269,337
Do 1924	23,723,277	1,079,298	1,916,563	26,749,138
Increase or decrease in 1925 ..	+ 417,664	+ 55,369	+ 48,166	+ 519,199
%	1.7%	4.9%	2.4%	1.9%
Total for year 1924	35,038,605	1,594,114	2,900,145	39,532,864
Total for year 1925	32,470,373	1,546,565	2,810,654	36,827,592
Increase or decrease in 1924 ..	+ 2,568,232	+ 47,549	+ 89,491	+ 2,695,272
%	8.5%	3.0%	3.1%	7.4%

PROVINCIAL CLEARING RETURNS.

	Month of August.	Aggregate Weekly Totals to Aug. 29.
	1924.	1925.
Number of Working Days	25	25
BIRMINGHAM	9,117,000	9,762,000
BRISTOL	4,666,000	4,902,000
DUBLIN	3,917,000	3,864,100
HULL	4,305,000	3,996,000
LEEDS	3,964,000	3,695,000
LIVERPOOL	2,469,000	2,739,000
MANCHESTER	37,727,000	34,360,000
NEWCASTLE	60,495,000	62,277,000
NEWCASTLE-ON-TYNE	32,470,373	32,470,373
NOTTINGHAM	2,314,000	2,314,000
Sheffield	4,133,000	4,389,000
Total	137,152,000	135,252,000

SCOTTISH UNION & NATIONAL INSURANCE COMPANY.

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

OVERSEAS BANK RETURNS.

NOTE.—The latest return of the Bank of Fethonia appeared in the *Economist* of June 27; Bulgaria in July 23; Denmark in Aug. 8; Canada, Danzig, and Egypt in Aug. 2; Netherlands, Reichsbank, and Lithuania in Aug. 29.

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

RESOURCES.	Aug. 28, 1925.	Aug. 21, 1925.	Aug. 14, 1925.	Aug. 7, 1925.
Total gold reserves	2,762,150	2,775,210	2,777,810	2,778,010
Total bills discounted	579,680	559,480	538,180	543,810
Bills bought open in market ..	201,520	195,310	211,650	211,910
Total U.S. Government securities ..	332,250	323,260	328,590	331,450
Total earning assets	1,126,290	1,090,000	1,090,770	1,101,650
Total resources	4,727,950	4,794,240	4,782,690	4,741,120
LIABILITIES.	Aug. 28, 1925.	Aug. 21, 1925.	Aug. 14, 1925.	Aug. 7, 1925.
Federal Reserve notes in actual circulation	1,615,890	1,616,190	1,617,680	1,605,560
Deposits — Member bank — reserve account	2,183,490	2,183,670	2,179,670	2,211,750
Total deposits	2,236,540	2,237,190	2,236,240	2,265,970
Capital paid in and surplus	331,160	334,150	333,650	333,510
Total liabilities	4,747,960	4,794,240	4,782,690	4,741,120
Ratio of total reserves to deposits and Federal Reserve note liabilities combined ..	75.0%	75.4%	75.5%	75.3%

NEW YORK FEDERAL RESERVE BANK.—In \$'s (000's omitted).

RESOURCES.	Aug. 28, 1925.	Aug. 21, 1925.	Aug. 14, 1925.	Aug. 7, 1925.
Total bills discounted	192,830	164,320	173,260	180,670
Total bills bought in open market ..	21,030	17,000	32,260	31,280
Total U.S. Government securities ..	60,230	53,240	53,260	61,250
Total earning assets	276,930	238,180	266,420	276,630
Deposits — Member bank — res. acc't ..	327,540	633,730	827,270	852,180
Ratio of total res. to dep. and Federal Res. note liabilities combined ..	79.8%	82.6%	80.0%	79.5%

SOUTH AFRICAN RESERVE BANK.—In £'s (000's omitted).

ASSETS.	Aug. 8, 1925.	Aug. 1, 1925.	July 25, 1925.	July 18, 1925.	July 11, 1925.	Aug. 9, 1924.
Gold coin and bullion	2,776	3,284	3,494	4,399	6,030	549
Gold certificates	6,635	6,883	7,127	7,141	7,753	10,223
Subsidiary coin	50	50	50	50	50	50
Bills discounted	6,247	5,886	5,418	4,460	3,906	4,109
Loans & advances to Govt.	525	529	527	524	524	223
LIABILITIES.	Aug. 8, 1925.	Aug. 1, 1925.	July 25, 1925.	July 18, 1925.	July 11, 1925.	Aug. 9, 1924.
Capital	1,000	1,000	1,000	1,000	1,000	1,000
Reserve	258	258	258	258	258	153
Notes in circulation	9,654	9,861	9,520	9,583	9,918	10,434
Bankers' deposits	5,319	5,286	5,523	5,435	5,768	4,790
Ratio of cash reserves to liabilities to public ..	61.9%	66.1%	69.5%	75.7%	80.1%	69.1%

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

ASSETS.	Aug. 7, 1925.	July 31, 1925.	July 24, 1925.	July 17, 1925.	July 10, 1925.	Aug. 8, 1924.
Total securities	13,182.00	13,263.43	13,615.50	13,644.48	14,013.03	17,013.13
Loans	15,511.01	15,799.97	16,644.47	17,655.45	18,312.26	18,777.47
Cash credits	27,720.00	27,492.27	27,735.00	27,839.09	28,529.99	41,212.08
Inland bills	4,490.01	4,640.07	4,562.25	4,321.15	5,435.58	4,582.25
Foreign bills	26,622.00	26,135.00	26,135.00	26,135.00	26,135.00	26,135.00
Dead stock	2,746.68	2,746.68	2,746.68	2,746.68	2,746.68	2,746.68
Balance with other banks	10,654.00	10,654.00	10,654.00	10,654.00	10,654.00	10,654.00
Cash	44,377.07	46,857.78	44,944.04	40,873.39	36,931.57	28,316.60
LIABILITIES.	Aug. 7, 1925.	July 31, 1925.	July 24, 1925.	July 17, 1925.	July 10, 1925.	Aug. 8, 1924.
Capital paid up	5,625.50	5,625.50	5,625.50	5,625.50	5,625.50	5,625.50
Reserve	4,775.00	4,775.00	4,775.00	4,775.00	4,775.00	4,775.00
Total deposits	97,499.03	90,563.33	99,919.19	97,582.21	95,427.70	1,037,715.54
The above includes deposits in Ld'n A/c's in Ld'n A/c's, &c., at other Banks in London ..	1,213	1,229	1,257	1,302	1,328	1,277
	1,164	1,138	1,193	1,194	1,192	1,467
	68	124	76	127	149	918

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

ASSETS.	Aug. 1, 1925.	July 5, 1925.	July 18, 1925.	July 31, 1925.	Aug. 8, 1924.
Cash and bullion	1,128,946	1,128,946	1,128,946	1,128,946	1,128,946
Discounts	242,422	125,016	171,684	196,736	304,421
Advances	129,024	125,764	121,476	121,476	302,751
LIABILITIES.	Aug. 1, 1925.	July 5, 1925.	July 18, 1925.	July 31, 1925.	Aug. 8, 1924.
Notes	1,268,835	1,197,323	1,179,210	1,202,759	1,235,442
Govt. deposits	606,832	599,382	607,449	647,557	937,836
Other deposits	76,665	90,87	101,103	101,167	76,136

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

ASSETS.	Sept. 3, 1925.	Aug. 27, 1925.	Aug. 20, 1925.	Sept. 4, 1925.	Position May 28, 1924.
Gold coin and bullion	5,447,035	5,444,998	5,446,977	5,444,998	5,444,998
Of which held abroad	1,864,391	1,864,391	1,864,391	1,864,391	1,864,391
Silver coin and bullion	310,641	310,641	310,641	310,641	310,641
Discounts and advances	7,217,782	5,101,616	6,131,738	6,131,738	6,131,738
Advances to the State	28,800,000	2,750,000	28,800,000	28,800,000	28,800,000
LIABILITIES.	Sept. 3, 1925.	Aug. 27, 1925.	Aug. 20, 1925.	Sept. 4, 1925.	Position May 28, 1924.
Notes	45,445,019	44,701,670	44,785,450	40,319,150	5,811,875
Government deposits	11,873	42,049	7,571	15,680	183,700
Private deposits	2,570,064	387,139	2,311,783	1,907,119	844,950

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

ASSETS.	Aug. 27, 1925.	Aug. 20, 1925.	Aug. 12, 1925.	Aug. 5, 1925.	Aug. 28, 1924.	Position May 28, 1924.
Coin (gold & silver and bullion)	385,202	384,956	384,32	384,539	353,821	322,650
Securities	1,335,763	1,316,572	1,358,204	1,420,562	1,306,107	897,600
LIABILITIES.	Aug. 27, 1925.	Aug. 20, 1925.	Aug. 12, 1925.	Aug. 5, 1925.	Aug. 28, 1924.	Position May 28, 1924.
Notes in circulation	7,615,534	7,595,669	7,668,366	7,674,874	7,640,931	934,160
Current accounts	227,534	184,959	144,609	224,780	313,046	112,125

BANK OF JAYA.—In florins (000's omitted).

ASSETS.	Aug. 29, 1925.	Aug. 22, 1925.	Aug. 15, 1925.	Aug. 8, 1925.	Aug. 30, 1924.	Position May 30, 1924.
Gold	177,000	177,500	177,250	178,750	151,531	22,971
Silver	162,070	155,850	155,790	159,790	147,049	77,567
Discounts, advances, and other investments	315,000	315,500	319,000	316,500	262,828	109,499
Notes in circulation	50,500	52,500	44,500	57,500	99,981	11,850
Deposits and bills payable						

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

SWISS NATIONAL BANK						
ASSETS.	Aug. 31, 1925	Aug. 22, 1925.	Aug. 15, 1925.	Aug. 7, 1925.	Aug. 30, 1924.	Position May 31, 191
Gold.....	510,532	52,203	52,405	521,268	505,194	171,175
Silver.....	88,590	89,426	89,231	88,995	94,069	18,350
Assets & advances	290,758	291,491	291,637	290,138	298,144	105,000
Liabilities.....						
Notes in circulation	819,056	767,783	780,975	801,297	868,909	275,925
Deposits.....	131,472	186,753	186,345	157,536	85,681	33,750

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

Assets.	Aug. 10, 1925.	July 31, 1925.	July 20, 1925.	July 10, 1925.	Aug. 10, 1924.	Position May 31, 1914
Total cash	1,521,542	1,532,780	1,548,490	1,708,348	1,545,177	1,221,875
Inland bills	4,691,430	4,671,813	4,450,495	4,518,144	3,289,791	418,400
Advances to the Treasury	5,378,475	5,378,525	5,378,555	5,378,655	5,633,860	nil
Other advances	3,114,297	3,248,560	3,092,902	3,098,075	1,521,657	79,175
Securities	367,190	367,187	367,385	367,485	406,762	805,700
LIABILITIES.						
Note circulation	15,345,012	15,261,259	14,899,818	15,147,414	13,357,057	1,556,929
Deposit & drafts	1,485,962	1,733,824	1,627,224	1,629,356	1,831,442	193,975

LONDON RATES.

	Aug. 28, 1925.	Aug. 29, 1925.	Aug. 31, 1925.	Sept. 1, 1925.	Sept. 2, 1925.	Sept. 3, 1925.	Sept. 4, 1925.
Bank rate (changed from 5% August 6, 1925)	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Market rates of discount—							
60 days' bankers' drafts	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
3 months' do	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4
6 months' do	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4
Discount (Treasury Bills)—							
2 months	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
3 months	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
6 months	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Loans—Day to day	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Short	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Deposits—allowances: Banks	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Discount houses at call	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
At notice	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2

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

Comparison with previous weeks:—

	Short Loans.	Bank Bills.			Trade Bills.		
		3 Months.	4 Months.	6 Months.	3 Months.	4 Months.	6 Months.
1925.	%	%	%	%	%	%	%
Aug. 12.....	3 1/2	3 1/2	3 1/2	4 1/2	4 1/2	5 1/2	5 1/2
21.....	3 1/2	3 1/2	3 1/2	4 1/2	4 1/2	5 1/2	5 1/2
28.....	3 1/2	3 1/2	3 1/2	4 1/2	4 1/2	5 1/2	5 1/2
Sept. 4.....	3 1/2	3 1/2	3 1/2	4 1/2	4 1/2	5 1/2	5 1/2

OVERSEAS BANK RATES.

Changed.	%	Changed.	%
Amsterdam	Jan. 14, 1925	Oslo	Aug. 24, 1925
Athens	Feb. 5, 1925	Paris	July 3, 1925
Belgrade	Feb. 26, 1925	Prague	Mar. 25, 1925
Berlin	Jan. 22, 1923	Riga	Feb. 16, 1924
Brussels	Jan. 22, 1923	Rome	June 18, 1925
Budapest	May 28, 1925	Sofia	July 23, 1925
Calcutta	July 2, 1925	Stockholm	July 23, 1925
Copenhagen	Aug. 24, 1925	Swiss Bank	July 23, 1925
Danzig	Mar. 6, 1925	Tokyo	July 14, 1923
Helsingfors	Aug. 14, 1925	Vienna	Sept. 4, 1925
Lisbon	Sept. 12, 1923	Warsaw	(See note below)
New York Federal Reserve	Feb. 26, 1925		
Madrid	Mar. 23, 1923		

The Bank rate of the South African Reserve Bank is 5 1/2% for first-class commercial bills (90 days), and 6% for agricultural bills (of not more than six months).

Warsaw (Poland).—From August 12, 1925, discount rate, gold francs, 12%; loans on collateral security gold francs, 14%.

We are informed that the head office of the De Javasche Bank at Batavia as from October 20th, has increased its discount rate for bills from 3 1/2 per cent. to 4 1/2 per cent.

RATES OF EXCHANGE.

London on	Usance	Par.	Sept. 5, 1925.	Aug. 23, 1925.	Sept. 4, 1925.
Paris	francs to £1	T.T.	25.22 1/2	84.37-40	103.40-45
Berlin	marks to £1	T.T.	20.43	184-19 bins.	20.38 41
Vienna	schillings to £1	T.T.	34.58 1/2	114/319,000b	34.43 48
Prague	crowns to £1	T.T.	24.02	148 1/2	16 1/2-164
Warsaw	zlotys to £1	T.T.	25.22 1/2	23.75-45	16 1/2-164
Regal	Estimka to £1	T.T.	25.22 1/2	1825-1900	1810-1850
Riga	lats to £1	T.T.	25.22 1/2	21.97-23.22	25.01 05
Kovno	lats to £1	T.T.	48.66	25.04-25.29	49.22-32
Bukarest	lei to £1	T.T.	25.22 1/2	815-855	980-985
Budapest	kr. to £1	T.T.	24.02	340/350,000	34-347,000
Constantinople	piastres to £1	T.T.	110	815-825	810-830
Sofia	leva to £1	T.T.	25.22 1/2	610-620	660-680
Belgrade	dinara to £1	T.T.	25.22 1/2	335-345	268-273
Amsterdam	florin to £1	T.T.	12.107	11.584-593	12.044-014
Brussels	francs to £1	T.T.	25.22 1/2	89.35-45	107.45-50
Oslo	kroner to £1	T.T.	18.159	32.40-45	22.85-95
Stockholm	kronor to £1	T.T.	18.159	16.75-78	18.08-09
Copenhagen	kroner to £1	T.T.	18.159	26.75-80	19.87-92
Helsingfors	F. mark to £1	T.T.	25.22 1/2	1.73-1772	19.87-92
Greece	drachmas to £1	T.T.	25.22 1/2	245-250	323-328
Italy	lire to £1	T.T.	25.22 1/2	101 1/2-102	121 1/2-121 1/2
Switzerland	francs to £1	T.T.	25.22 1/2	23.67-70	25.04-07
Madrid	pesetas to £1	T.T.	25.22 1/2	33.79-82	33.78 81
Lisbon	pence to escu.	T.T.	53 1/2	11-18	2 1/2-2 1/2
Alexandria	piastres to £1	Sight	97 1/2	97 1/2	97 1/2
New York	dollars to £1	Cable	4.86 1/2	4.85-45	4.84 1/2
Montreal	dollars to £1	Cable	4.86 1/2	4.85-45	4.84 1/2
Buenos Aires	pence to peso	T.T.	47.62 1/2	42 1/2-42 1/2	45.45 1/2
Rio de Janeiro	pence to milr.	30 days	15	5 1/2	6 1/2-6 1/2
Montevideo	pence to peso	T.T.	15	44.44 1/2	44.44 1/2
Valparaiso	pence to £1	30 days	13.53	45-20	40-30
Lima	pence to soles	30 days	10 to	8 1/2 prem	21 1/2 prem.
Calcutta	ster. to rupee	T.T.	1s 5d	1s 5d	1s 5d
Bombay	ster. to rupee	T.T.	1s 5d	1s 5d	1s 5d
Madras	ster. to rupee	T.T.	1s 5d	1s 5d	1s 5d
Hong Kong	ster. to dollar	T.T.	2s 4d	2s 4d	2s 4d
Shanghai	ster. to tael	T.T.	2s 4d	2s 4d	2s 4d
Singapore	ster. to dollar	T.T.	2s 4d	2s 4d	2s 4d
Yokohama	ster. to yen	T.T.	2s 4d	2s 4d	2s 4d
Manila	ster. to peso	T.T.	2s 4d	2s 4d	2s 4d
Mexico	pence to dolr.	T.T.	2s 4d	2s 4d	2s 4d

† Rate for previous day. (b) Represents krona to £1, at a par value of 24.02 to £1. † 1 schilling=10,000 paper crowns.

MOSCOW QUOTATIONS FOR CHERVONETZ.

According to advices received in London, the following are the Moscow quotations for chervonetz:—

£1,000 sterling equals 942 chervonetz.
\$1,000 " " 194 1/2 "

CURRENT RATES IN NEW YORK.

The Irving Bank—Columbia Trust Company cable the following money and exchange rates in New York:—

	Sept. 4, 1924.	Aug. 6, 1925.	Aug. 13, 1925.	Aug. 20, 1925.	Aug. 27, 1925.	Sept. 3, 1925.
Call money	%	%	%	%	%	%
Time money (90 days' mixed coll)	3	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Bank acceptances—						
Members—eligible, 90 days	2 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Non-mem.—eligible, 90 days	2 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Ineligible, 90 days	2 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Commercial accept., 90 days	3 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2

Rates of Exchange.	Par Level.	Sept. 4, 1924.	Aug. 20, 1925.	Aug. 27, 1925.	Sept. 3, 1925.
London—					
60 days		4.8666	4.4249	4.81	4.7087
Cable		4.4611	4.8575	4.8562	4.8493
Cheques		4.4611	4.8575	4.8562	4.8493
Paris—cheques	Dollars for £1	19.30	4.4611	4.8575	4.8562
Brussels	Cents for 1 franc	19.30	4.4611	4.8575	4.8562
Switzerland	Cents for 1 franc	19.30	4.4611	4.8575	4.8562
Italy	Cents for 1 lire	19.30	4.4611	4.8575	4.8562
Berlin	Cents for 1 mark	23.81	0.0141	23.80	23.803
Vienna	Cts. for Austrn. shlg.	14.07	13.189	14.00	14.00
Madrid	Cents for 1 peseta	19.30	16.579	23.04	24.55
Amsterdam	Cents for 1 guilder	40.135	38.459	40.29	40.26
Copenhagen	Cents for 1 kroner	26.80	16.579	18.63	19.72
Oslo	Cents for 1 drachma	19.30	1.7919	15.425	15.1
Stockholm	Can. Cents for \$1	100	100.00	15.425	15.1
Athens	Cents for 1 yen	49.85	41.12	78.75 pm	78.75 pm
Yokohama	Cents for H. Kong	53.40	58.00	40.75	40.52
Hong Kong	Cents for 1 shing. tael	54.90	58.00	58.875	60
Shanghai	Cents for 1 rupee	33.34	36.63	36.78	36.73
Calcutta	Gu. 3 pence for \$100	103.65	126.50	109.26	109.50
Buenos Aires	Cents for 1 milreis	32.42	9.85	12.25	12.70
Rio de Janeiro	Cents for 1 peso	30.60	10.125	12.10	12.125
Valparaiso					

GOLD MOVEMENTS.

The following table shows arrivals and withdrawals of gold during this week:—

ARRIVALS.		£	WITHDRAWALS.		£
Aug. 23	.....	nil	Aug. 29	 bars sold	7,000
" 31	.....	nil	" 31	 bars sold	28,000
Sept. 1	.....	nil	"	Singapore sovs.	34,000
" 2	.....	nil	Sept. 1	 bars sold	nil
" 3	.....	nil	" 2	 India sovs.	3,000
" 4	.....	nil	" 3	 bars sold	310,000
			" 4	Brazil sovs.	25,000
				 bars sold	5,000
					542,000
Total	.....	nil	Total	.....	960,000
			Net withdrawals, £960,000.		

	Output.	Other Notes in Return.
Tin.	Tons.	
Chenderiang	19	Est. value, £2,800.
Deebook	20	..
Filani	33	..
Edris	163	Est. value, £2,508; est. cost, £1,201.
Ipo	58	..
Jantar Nigeria	35	..
Kamunting	101	Est. value, £15,005.
Keti	33	Value at £5.017; costs, £1,371.
Kinta	26	Est. value, £1,140; est. cost, £2,753.
Lahat	92	Value, £14,511; costs, £7,335.
Malayan	47	..
Rahman Hydraulic	44	Est. value, £6,884; est. cost, £1,840.
South Perak	44	..
Coal.		
Blackhill Colliery	22,667	..
Coalbrook Colliery	13,495	..
Dundee	34,007	..
Tweenfontein	66,345	..
Wankie	36,629	Sold; 15,067 tons coke sold.
Lead.		
Rhodesian Broken Hill	554	..
Miscellaneous.		
New Vaal River	..	868 carats, valued at £7,255.

BROKEN HILL PROPRIETARY BLOCK 14 COMPANY, LIMITED.—During the four weeks ended July 18, 3,545 tons of ore were treated at the mill of the Broken Hill Proprietary Company, and produced 659 tons of lead concentrates and 607 tons of zinc concentrates.

OIL OUTPUTS.

APEX (TRINIDAD) OILFIELDS, LIMITED.—The results for the month of August are as follows:—Production of oil, 10,150 tons; deliveries, 10,950 tons.

BRITISH CONTROLLED OILFIELDS, LIMITED.—By cable for the week ending August 26, 1925:—Production, 48,883 barrels; shipments, 9,082 tons.

LOBITOS OILFIELDS, LIMITED.—The production for August is cabled as 18,642 tons.

STAEVA ROMANA (BRITISH), LIMITED.—Production for the month of August amounted to 26,380 tons.

UNITED BRITISH OILFIELDS OF TRINIDAD, LIMITED.—Combined production for the week ending Wednesday, August 26, 1925, amounted to 901 tons.

VENEZUELAN OIL CONCESSIONS, LIMITED.—Production for the week ended August 29, 1925: La Rosa, 9,300 metric tons (previous week ended August 22nd, 10,578 metric tons); Maracaibo district, 2,907 metric tons (previous week ended August 22nd, 2,970 metric tons).

Reports and Notices.

Mr T. D. Cooper has, owing to ill-health, resigned his position as managing director of Val de Travers Asphalt Paving Co., Limited, but retains his seat on the board. Mr Arthur Findlay has been appointed general manager and Mr C. M. Robertson assistant manager.

Baring Bros. and Co., Limited, notify that the transfer books of the Commercial Cable Company sterling 4 per cent. 500-year debenture stock will be closed from the 21st to the 30th inst., both days inclusive, for the preparation of the warrants for interest due October 1, 1925.

Sir Frederick Williams-Taylor, general manager of the Bank of Montreal, is returning to Canada in the "Empress of France," sailing to-day.

Commander Oliver Locker-Lampson, D.S.O., C.M.G., M.P., has been elected to a seat on the board of E. W. Tarry and Co., Limited, in the room of the late Viscount Knollys.

Mr Louis Oppenheimer has joined the board of the Consolidated African Selection Trust, Limited.

It is announced that Captain James Gillies, C.B.E., has been appointed general manager of the Canadian Pacific Steamships, with office in London, in succession to the late Sir Thomas Fisher.

GOVERNMENT STOCKS, &c.

GERMAN GOVERNMENT 47 PER CENT. GUARANTEED STERLING BONDS.—The Bank of England give notice that Bonds will be ready for delivery in exchange for fully-paid scrip certificates on and after Friday, September 11, 1925. The scrip certificates should be lodged at the Loans Office, 5 and 6 Lombard street, E.C., and must be left at least three clear days for examination prior to the issue of the bonds.

REPUBLIC OF NICARAGUA GOLD BONDS, 1909.—With reference to the above bonds, the Council of Foreign Bondholders have received advices from the bankers in New York notifying the payment of the August, 1925, instalment of the debt service in accordance with the arrangement of May 25, 1912.

BANKS.

AUSTRALIAN BANK OF COMMERCE.—At the meeting of the Australian Bank of Commerce, held on July 28th last, the chairman, Mr H. R. Lysaght, O.B.E., referred to the offer made to the inscribed depositors to convert their deposits into shares on the basis of two shares, fully paid up, for each £3 of "inscribed deposit." He said that it was availed of by more than 3,000 individual holders, representing over £958,000. The offer had been favourably received, and one of the results had been the increase of the reserve fund by £319,000. The fact that the bank had gone beyond its obligations had, no doubt, added to its standing generally, and the directors were satisfied that their action had been as much to the benefit of shareholders as to inscribed depositors. This is shown by the enhanced price of the shares in the market. Sir Mark Sheldon's presence in London was of material assistance in carrying the scheme through.

BANK OF NEW ZEALAND.—The report for year ended June 30, 1925 shows a net profit of £819,286 after payment of interest on guaranteed stock. This compares with a net profit of £735,832 in preceding year. The ordinary dividend amounted to 13½ per cent., absorbing £400,000. The sum of £250,000 is transferred to reserve fund, making total reserve fund of £2,575,000. The sum of £513,299 is carried forward, against £506,514 brought in. Total assets amount to £47,557,730. With regard to liabilities, deposits amount to £30,079,283. Notes in circulation stand at £4,168,844.

BANK OF VICTORIA.—The report for year ended June 30, 1925, reveals a net profit of £189,797, against £193,739 in preceding year. The ordinary dividend is maintained at 9 per cent. for the year. The sum of £50,000 is put to reserve, making reserve fund £800,000. The sum of £38,934 is carried forward, against £35,157 brought in. The total assets of the bank amount to £15,351,786.

COMMERCIAL BANKING COMPANY OF SYDNEY.—The report for year ended June 30, 1925, reveals a net profit of £480,261, against £451,567 for preceding year. The ordinary dividend is maintained at 10 per cent., absorbing £349,920. The sum of £130,000 is put to reserve fund and £90,227 is carried forward. Total assets of the bank amount to £45,217,645.

COMMERCIAL BANK OF THE NEAR EAST, LIMITED.—The directors have declared an interim dividend at the rate of 6 per cent. per annum, less income-tax in respect of the half-year ended June 20th last on all shares issued on or before that date. Dividend warrants will be posted on September 10, 1925, to shareholders on the register. Coupon No. 4 of the share warrants to bearer should be presented at the bank for payment of the dividends on them. The directors have decided not to issue half-yearly balance-sheets, but to only issue an annual balance-sheet in accordance with the Companies Acts each year as soon as possible after the ending of the financial year. The directors are satisfied with the progress the bank is making, and are shortly opening a new branch in Alexandria, Egypt.

MISCELLANEOUS.

AUSTIN MOTOR COMPANY.—We have received the following statement:—At a meeting of the board of directors of the Austin Motor Company, Limited, held in London on Wednesday, September 2nd, a resolution was passed approving a provisional agreement to be entered into by Sir Herbert Austin, the chairman of the Austin Motor Company, Limited, with Messrs Morgan, Grenfell, and Co., acting on behalf of the General Motors Corporation. At the same time, the scheme of arrangement for giving effect to the agreement and reorganising the present capital board, and will be forwarded to the shareholders as soon as the mission of the court has been obtained to call the necessary meetings of the shareholders to obtain their approval. Steps are being taken to place the proposals before the shareholders in the course of the next few days. They are, therefore, asked to reserve their judgment until they receive the same from the directors. Shareholders are reminded that nothing definite can be done without their and the court's approval.

BRITISH GLUES AND CHEMICALS.—The directors' report and balance-sheet for the year ending May 31, 1925, shows an improvement in the net profit from £6,203 last year to £42,540 (subject only to taxation) for the year just ended. Adding to this the balance brought in last year of £8,762 and deducting provision for taxation for the past year, amounting to £2,532, there is a sum available of £48,770. Out of this it is proposed to pay the dividend on the 8 per cent. cumulative preference shares for the half-year ending April 1, 1922, which will absorb £15,312, leaving £33,457 to be carried forward. On the balance-sheet stock-in-trade amounts to £212,863, last year £222,474; debtors and debit balances £124,273, last year £137,125; cash at bankers and in hand £20,906, last year £1,842; while on the debit side sundry creditors, including taxation, figure at £61,512, and an addition to depreciation reserve of £30,436 brings this item up to £160,643. A bank loan of £26,975 has been eliminated.

CANADIAN COLLIERIES (DUNSMUIR), LIMITED.—Production and sales of coal for the quarter ended June 30, 1925:—Production, 123,631; decrease over corresponding period last year, 24,959 tons. Commercial tons, 106,037; decrease, 17,941 tons. Sales, 103,661 tons; decrease, 18,559. Aggregate from July 1, 1924, to June 30, 1925: production, 377,771; commercial tons, 389,919; decrease, 45,173.

PALMERS SHIPBUILDING AND IRON.—The debit balance on the accounts for the period from July 1, 1923, to December 31, 1924, amounts to £38,716, to which must be added interest on contributions for the period (1½ years), £110,063; the annual may be regarded in the nature of a provision for depreciation balance on the properties and plant, £31,842; leaving a debit of £180,621. To this there must be added the debit balance brought forward from June 30, 1923, viz., £75,218; which makes the total debit balance shown on the balance-sheet at December 31, 1924, £255,839 to be carried forward. The report adds that the shipbuilding, engineering, and iron and steel trades, and the from the effects of these conditions. Orders have recently been obtained which will keep the shipyards and engine works partially employed, and negotiations for further work are proceeding. The iron and steel works are being kept in as efficient a condition as possible with a view to recommencing operations as soon as a revival in trade warrants this being done. In view of the curtailment of operations, as a result of the serious trade depression,

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Debenture Interest.	Amount Available for Distribution.	Appropriation.			Corresponding Period Last Year.	
					Dividend.		Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.
					Prefere.	Ordinary.			
					Amount.	Amount.	Rate.		
Banks.		£	£	£	£	£	%	£	%
Bank of New Zealand	Mar. 31	506,514	819,286	1,325,800	162,500	400,000	13½	250,000	513,300
Bank of Victoria	June 30	35,157	189,797	224,954	37,508	95,512	9	53,000	38,934
Commercial Banking Co. of Sydney	June 30	89,866	480,261	570,147	..	349,920	10	130,000	90,227
Gas.									
Woking District	June 30	3,025	2,310	5,335	1,252	1,046	6	..	3037
Iron, Coal and Steel.									
Palmer's Shipbuilding and Iron	Dec. 31	Dr 75,218	Dr 180,621	Dr 255,839	..	..	..	Dr 255,839	..
Motor and Cycle.									
Singer and Co.	July 31	49,675	91,021	140,696	..	35,255	22½	75,000	30,441
Rubber, &c.									
Kalidjereok	Mar. 31	5,255	22,319	27,574	..	18,594	25	1,707	7,273
Padang Jawa	Mar. 31	4,650	6,002	10,652	..	3,250	8½	..	4,402
Other Companies.									
Bank Holdings	June 30	342	5,978	6,320	..	4,070	6	..	2,250
British Glue and Chemicals	May 31	8,763	40,007	48,770	15,312	..	..	33,458	6,293

* Half-yearly.

(v) Eighteen months.

the directors have with regret been compelled to reduce the staff in all departments.

SINGEN AND CO.—The net profit for year ended July 31, 1925, is £91,021. This compares with £70,445 for preceding year, and £37,269 for year ended July 31, 1923. Ordinary shareholders received 12½ per cent. for year ended July 31, 1923, which was increased to 20 per cent. for year ended July 31, 1924, and further increased to 22½ per cent. for the year just terminated. Apart from this distribution, the company is setting aside £13,000 to reserve for income-tax, also £2,000 as an amortisation fund for leasehold properties. The sum of £5,000 is set aside as an employees' old age fund, while £55,000 is put to general reserve fund, making reserve fund £85,000. It is, however, recommended that £66,676 of the general reserve be capitalised and distributed among the members as bonus shares, which will permit each member who holds three shares being entitled to one bonus share. The sum of £30,441 is carried forward. Total assets are £690,281, of which £122,049 is in cash.

THE STANDARD BANK OF SOUTH AFRICA, LIMITED

Bankers to the Government of the Union of South Africa; to the Imperial Government in South Africa; and to the Governments of Northern and Southern Rhodesia, Natal, and the Transvaal, and Tanganyika Territory.

AUTHORISED CAPITAL ...	£10,000,000
SUBSCRIBED CAPITAL ...	£8,916,660
PAID-UP CAPITAL ...	£2,229,165
RESERVE FUND ...	£2,893,335
UNCALLED CAPITAL ...	£6,687,495
	£11,809,995

Board of Directors.
 William Rolerson Arbuthnot, Esq., J.P.
 Sir David M. Barbour, K.C.S.I., K.C.M.G.
 Edward Clifton Brown, Esq., J.P.
 Stanley Christopherson, Esq., J.P.
 Robert E. Dickinson, Esq., J.P.
 James Fairbairn Finlay, Esq., C.S.I.
 Solomon B. Joel, Esq., J.P.
 Horace Peel, Esq., J.P.
 Rt. Hon. the Earl of Selborne, K.O.
 William Smart, Esq., J.P.
 Rt. Hon. Lord Sydenham, G.C.S.I., G.C.M.G., G.C.I.E., G.B.E.

Senior General Manager in South Africa—J. P. Gibson.
 Joint General Managers in South Africa—John Jeffrey, James S. Shiel.
 Assist. Gen. Managers in South Africa—G. F. Le Sueur, W. K. Robertson.
 London Manager—Bertram Lowndes. Secretary—Herbert G. Hoey.

Head Office: 10, CLEMENTS LANE, LOMBARD ST., LONDON, E.C.4
and 77, King William Street, E.C.2.
London Wall Branch: 63, London Wall, E.C.2.
West End Branch: 9, Northumberland Avenue, W.C.2.
 (Opposite the Royal Colonial Institute).
 NEW YORK AGENCY: 67, WALL STREET.

HAMBURG AGENCY:
 Bank of British West Africa, Ltd., 49-53, SCHAUBURGSTRASSE.
Over 320 Branches, Sub-Branches and Agencies in SOUTH AND EAST AFRICA.

BANKING BUSINESS TRANSACTED IN ALL PARTS OF THE WORLD.
EXECUTORSHIPS AND TRUSTEESHIPS UNDERTAKEN.
INCOME TAX.—Claims for recovery of Income Tax undertaken.
 Every facility afforded for the Development of Trade with all parts of South and East Africa, the United States of America and the Continent of Europe.
DOCUMENTARY CREDITS ARRANGED. ENQUIRIES INVITED.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

The harvest in the United Kingdom is finishing up fairly well, despite the many checks encountered by adverse weather conditions, and yields generally are favourable. The general course of trade proved very dull. Buyers generally refrain from operating with any degree of confidence owing to declining forward values. In the floating and forward cargo market business was more or less at a standstill owing to liberal offerings of Russian wheat and other European varieties at competitive prices, which imparted a weaker tone to the market, consequently offerings of North American and Plate descriptions were pressed for sale at lower rates. Shipments continue light, also quantities on passage, but with domestic crops now available, there is little or no inquiry by Continental consumers for imported grain. A steamer of Baril 62½ lbs. shortly due sold at 58s 6d to Antwerp. Of maize, Plate cargoes, August-September changed hands at 37s 9d, ditto due 38s 9d, and No. 6 yellow African afloat 37s 6d bulk and 38s bags, all per 480 lbs c.i.f. terms. Wheat remains quiet. No. 1 Northern Manitoba ex-ship quoted 67s 6d, No. 2 ditto 66s 6d, No. 3 65s 6d, Australian 62s 6d, Rosaf 63½ lbs ex-ship to arrive 61s 6d, all per 496 lbs. English new quoted 11s 4d-11s 8d per 112 lbs free on rail. Flour quiet at late rates, London standard grade quoted 49s, patents 51s-52s, town whites 49s per sack delivered in the Home Counties, with 6d to 1s per sack less for deliveries in London districts. Imported reservedly offered. Manitoba patents range from 48s 6d-51s 6d, Minneapolis 48s 6d-50s 6d, Kansas patents 48s-48s 6d, Australian 44s-44s 6d per 280 lbs ex-store. Maize again easier. Plate ex-ship to arrive quoted 41s, ditto landed 43s 6d, white flat African ex-ship 40s per 480 lbs. Barley dull and weaker. Californian new ex-ship quoted 41s-50s, Chilean Chevalier landed 58s-70s, brewing 52s-54s according to quality, Australian 57s-61s ex-store per 448 lbs. American malting ex-ship September 31s 3d, No. 3 Canadian: Western ex-ship September 32s 9d, No. 4 ditto 31s 9d, Morocco 36s 6d landed, Russian ex-ship 36s per 400 lbs. English new quoted 11s 10d-18s 9d, the latter for making quality per 112 lbs. Oats quietly steady. Plate landed 27s 6d, No. 2 Canadian Western ex-ship to arrive 29s 6d, landed 32s 6d, No. 2 Canadian feed ex-ship 25s 3d, landed 26s 6d, Chilean Tawny landed 27s 6d, No. 2 white clipped American ex-ship to arrive 23s 6d, landed 25s, all per 320 lbs. English: new quoted 9s-10s per 112 lbs free on rail. Millers' offers maintained. London-make flaked 18s 6d, rolled oats 17s 6d, medium also fine cut 17s 6d, coarse also medium pinhead 17s 6d ex-ship, ordinary Scottish oatmeal 19s, American ditto 17s 6d-18s per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest years 1924-25, 1923-24, 1922-23, 1921-22.

	1924-1925.	1923-1924.	1922-1923.	1921-1922.
Estimated sales of home-grown wheat—	Cwts.	Cwts.	Cwts.	Cwts.
1 week to Aug. 29	249,432	53,769	269,899	163,228
52 weeks to Aug. 29	11,835,628	12,821,842	17,454,836	16,379,454
Average price of English wheat per cwt.	s d	s d	s d	s d
	11 7	12 2	9 1	10 1½

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1921 to 1924:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1925.	Cwts.	Cwts.	Cwts.	s d	s d	s d
Aug. 22	147,213	33,859	35,458	11 9	13 10	9 11
29	249,432	74,987	62,660	11 7	14 6	9 8
1921	440,049	137,121	65,489	14 7	16 10	11 6
1922	163,230	15,989	45,193	10 1	10 4	9 2
1923	209,899	34,036	54,182	9 1	9 6	8 8
1924	53,769	103,947	48,506	12 2	14 8	9 1

AMERICAN WHEAT MARKETS.

Winnipeg has been weaker in the last few days, very little opposition being put up against organised selling pressure. With favourable weather for the harvest a satisfactory, though not a "bumper," Canadian crop is assured. The United States contribution to world's wheat exports will, however, be much less this year than last, and Chicago prices are much steadier than those of Winnipeg. Recent quotations:—

	Sept. 5, 1925.	Jan. 2, 1925.	Aug. 20, 1925.	Aug. 27, 1925.	Sept. 3, 1925.
Winnipeg (No. 1 Manitoba)—Cents per 60 lbs	135½	183	(a) 144½	(a) 142½	(a) 135½
Chicago (No. 2 Winter)—Cents per 60 lbs	125½	177	(b) 159½	(b) 156½	(b) 154½

(a) October delivery.

(b) September delivery.

INTERNATIONAL INSTITUTE OF AGRICULTURE REPORT.

The August "Bulletin" of the International Institute of Agriculture, Rome, states that on the basis of data already available the total wheat production of countries north of the equator, so far as ascertained, comes out at 3.4 per cent. more than in 1924, but is 10.9 per cent. below the exceptionally heavy yield of 1923. The following table represents a group of countries which last year produced over 70 per cent. of the world's wheat, though Russia, France, Germany, Yugoslavia, and Czechoslovakia are notable absentees:—

	1922.	1923.	1924.	1925.
Europe (17 countries).....	363.5	441.6	334.4	428.6
Canada and United States..	760.4	763.0	680.8	632.3
Asia (4 countries).....	243.2	244.1	238.3	223.8
North Africa (4 countries)..	41.7	64.2	51.1	63.9
Total (27 countries)....	1,408.8	1,512.9	1,304.6	1,348.6

IRON, STEEL, AND COAL.

We extract the following from the weekly report issued by the London Iron and Steel Exchange:—With the close of August the market anticipates a gradual improvement in trade. At the moment conditions are poor, and, although the demand is slightly better than for some time past, the competition for any orders passing is exceptionally keen. French, German, and Belgian steel makers fight amongst each other for any orders that come into the market, and prices are severely cut to secure attractive business. The pig-iron market remains quiet, and there has been an increase in the offerings of Continental iron in the home markets. Rather more interest is being shown in semi-finished material, and in this department Continental competition is particularly active. The demand for finished steel continues poor, but the recent increase in inquiry is regarded as promising an expansion of trade in the autumn.

Our Middlesbrough correspondent's report, dated September 3rd, is as follows:—Pig-iron: The market this week did not show the animation looked for after the holidays. Autumn requirements have still to be covered, but buyers are working only on a "hand-to-mouth" basis. The price of Cleveland No. 3 G.M.B. has dropped 6d since Tuesday, and is now no more than 68s 6d per ton. Business is very quiet also in hematite, and prices are easy. Mixed numbers East Coast hematite is still quoted at 75s 6d per ton, but 75s would be accepted. Manufactured iron and steel: Works are still badly off for orders. The following remain approximate quotations:—Steel ship plates, £8; steel ship angles, £7 15s; iron bars, £11 12s; steel rails, £8 10s. Iron ore: There is no marked change in the situation. Consumers are holding off, except as regards odd cargoes for special requirements. Best Bilbao Rubio is still quoted 20s per ton c.i.f. Tees.

Our Sheffield correspondent writes:—There is less work in hand, and fewer inquiries for pig-iron billets and steel and iron bars and sections. Hopes of a substantial improvement before the end of the year are, however, entertained. About one-fourth of the capacity of the open-hearth steel plants is occupied. In the manufactured sections work from the British railways for axles, tyres, and springs for rolling stock and general stores has been cut down lately. The building of private owners' wagons is almost at a standstill. Foundry pig-iron can be bought at 68s at furnaces, and even less would be accepted for a firm order for basic pig. Locally made basic soft billets have come down to £7 5s. In the manufactured steel branches the work on hand is substantial, and probably exceeds the pre-war level. Sales of the best tool steels, however, are almost confined to the home market. The export demand is brisk for a variety of hand tools. The position of cutlery and plate is slightly better, and there are some signs of buying for the Christmas season trade. The coal trade is no better on the whole, but a fair tonnage is going to the iron and steel works and factories. The Continental demand is stagnant. Best South Yorkshire hards are quoted at 18s 6d f.o.b.

Our Glasgow correspondent writes:—The position is practically unchanged. Demand for pig-iron is of small extent, and prices are quoted at former low levels, No. 3 G.M.B. being 79s per ton.

A considerable quantity of French and Belgian pig is being imported by Falkirk foundries at prices which are unacceptable to local firms. The shipments of Scotch pig-iron from the Clyde last week totalled 462 tons, of which 422 tons were for foreign destination. For the corresponding week of last year the figures were 461 and 370 tons respectively. There is nothing fresh to report in regard to finished material. Some fair specifications are expected as a result of two or three recent contracts for ships secured by Clyde yards and the locomotives placed with the North British Loco. Co., Limited. The contract for the new Kelvin Hall, Glasgow, which is to be a steel-framed structure costing £162,000, has been secured by Sir William Arrol and Co., Dalmarnock Iron Works, Glasgow. Malleable iron-makers are only partially employed, orders being very difficult to procure. Re-rollers are better placed for light sections. Sheet-makers continue well booked, with inquiry brisk and prices keeping firm. Galvanised corrugated sheets are in steady demand for home consumption, and several very large inquiries are on the market for export. Prices are steady at £16 5s to £16 10s for 24-gauge.

Our Cardiff correspondent writes:—Conditions on the Cardiff coal market continue very depressed. Prices have shown further weakness, but at their lower range they are not stimulating demand, and work at the collieries has again been irregular. The American anthracite coal strike may, if prolonged, react on South Wales anthracite coal, which is already being shipped in small quantities to Canada and the States, but so far the dispute in Pennsylvania has had no effect either on demand or on prices. The South Wales audit for the three months ending July increases slightly the percentage on the general wage rate payable by the coalowners under the subsidy scheme. In August the general wage-rate for which the owners were responsible was 17.96, but in September it will be 19.01 per cent. The difference between the latter percentage and the minimum rate of 42.22 per cent. on the standard rates which the miners are paid will be met by the Government, and it is estimated that the total subsidy for the two months will amount to about £800,000. The following are the current approximate quotations:—Best Admiralties, 24s to 25s; seconds, 23s to 24s; best dries, 23s 6d to 24s; black veins, 22s 3d to 22s 9d; Western Valleys, 22s to 22s 3d; Eastern Valleys, 21s 6d to 22s; best bunker smalls, 11s 9d to 12s 3d; ordinary cargo smalls, 10s to 11s; coking smalls, 12s to 12s 3d; anthracite best large, 45s to 47s 6d; red vein large, 30s to 32s 6d; machine-made cobbles, 52s 6d to 55s; French nuts, 55s to 57s 6d; stove nuts, 52s 6d to 55s; rubble culm, 14s to 14s 6d; coke (special qualities), 40s to 42s 6d; patent fuel, 22s 6d to 24s 6d; pitwood, ex ship, 25s 6d to 26s. The situation in the iron and steel trade is unchanged. Tinplate prices are being maintained, and the volume of the export trade continues better than in July.

CUMBERLAND IRON.

(BY OUR CORRESPONDENT.)

While business is as quiet as ever, there has been heavier delivery of stocks bought in the early summer. The position is unchanged, however, with five furnaces of the United Steel Company in blast at Workington, one at Cleator Moor, one shortly at Millom, and indications of a revival of buying in one of the best months of the year are lacking. Much depends upon what takes place in the autumn in the steel trade. There are, it is known, orders that must be executed before the end of the year. Prices are unchanged, ton at Sheffield, £4 12s 6d at Glasgow, and £4 10s per Low phosphorus iron is £4 16s at Glasgow, and ferro-manganese, which is a dull market, is £15 10s per ton. In the steel trade the only department working is the fish-plate mill at Workington. Business is slight, but prices are maintained, with rails £8 10s, and ordinary kinds 15s to 16s per ton. The coal trade is still in a poor way. There is a shrinkage in local requirements, and the Irish market can absorb little more than 9,000 tons per week. Best round for shipment is 22s per ton, gas coal 22s per ton, house nuts 21s per ton, all f.o.b. Best house is 34s 10d at pit. Best steam is 27s 6d and washed steam 26s 6d. Coke is in firm demand by local smelters of ordinary iron at 19s to 20s per ton according to carbon content.

ZADRUŽNA GOSPODARSKA BANKA D.D.

(The Co-operative Economic Bank & Savings Co., Ltd.), at LJUBLJANA (Yugoslavia).

Head Office - - - - - LJUBLJANA.

BRANCHES: Bled, Celje, Djakovo, Maribor, Novisad, Sarajevo, Sombor, Split, Sibenik. Foreign Correspondents for Yugoslavia of The American Express Company, New York, and agencies: National Bank of South Africa, Pretoria; Commercial Bank of Australia, Melbourne, and branches.

Remittances to and from Yugoslavia. Bills collected. Banking and Exchange Business of every description transacted.

METALS.

Tin values pursued a downward course until the middle of the week on liberal selling orders combined with lower Eastern advices, but later reacted on buyers showing more desire to operate, though movements were attended by considerable irregularity. Standard cash sold £252-£250 and £255 15s, three months £256 10s-£253 and £258 10s. Sales in the East were reported at £261 5s-£261 15s and £260. Copper.—Similar conditions prevailed in this market, while liberal offerings were fairly well absorbed at irregular prices. Standard cash sold £61 17s 6d-£61 11s 3d and £62 11s 3d, three months £62 17s 6d, £62 10s, and £63 10s. Lead market very irregular, but a good turnover resulted. Good soft foreign pig, September, sold £38 2s 6d-£38 15s and £37 10s-£38 5s, October £37 5s-£37 17s 6d and £36 15s-£37 5s, November £36 15s-£37 10s and £36 12s 6d, December at £36 10s and £36 5s. Spelter generally firmer, with dealings on fair scale. September sold £36 10s-£36 15s, October £36 5s-£36 13s 9d, November £36-£36 8s 9d, December £35 17s 6d, £36, £35 18s 9d, and £36 3s 9d ton. Antimony quiet. English special brands quoted £75 to £80 as to make and quantity, foreign refined £64 10s-£65 10s per ton ex warehouse. Aluminium quiet. English quoted £118 to £120, home and export, per ton. Tin plates steady. I.C. coke quoted 19s 3d to 19s 6d per box forward, f.o.b. Swansea. Quicksilver quiet. Spot quoted £13 15s per bottle. Wolfram firm. Spot 18s 6d to 19s per unit.

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—The market this week has shown no important change, but a better feeling obtains, largely due to firm overseas cables and the measure of business done in wool and matchings on export account. The most surprising feature is the weight of wool France is buying, and although heavy losses are having to be faced on direct import wools, Bradford firms are meeting the market and selling freely. Further important transactions have been put through during the week, chiefly in merinos, also medium and fine crossbred matchings. Merino topmakers are taking firmer line, declaring that notwithstanding prices are still reasonable, they can purchase wool in no market to bring in tops at to-day's selling price, and cheap lots are no longer obtainable. South African cables indicate a very strong call for 70's combing. The list of wools to be catalogued at the forthcoming London sales has surprised a good many, but we think merchants and selling brokers are acting wisely to try and get rid of existing stocks. Reports from America are not so good as recently, and, apparently, some "bearing" tactics are being attempted in the hope of influencing Colonial selling centres.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

It is understood that a meeting of wool importers and selling brokers took place last Tuesday, when the programme was arranged for the London sales, which begin on the 15th instant. As we write, no official announcement has been made regarding the actual quantity of wool to be catalogued, but it is generally understood that a four weeks' programme has been arranged, and most owners see the wisdom of selling their stocks if they possibly can. There is not the slightest reason for withholding wool in the hope of higher values, because there will have to be a radical change in the climatic conditions of Australia and in manufacturing conditions throughout Europe if there is to be any improvement on to-day's values. The repetition of prices current in Australia from last September to December could only result in the postponement of the much longed-for recovery in manufacturing conditions. The continued use of substitutes would be encouraged, and sooner or later wool would again slump. It has been clear for months that not until wool values come down to a basis sufficiently low to inspire the confidence of all buyers will the industry get going again. The miscalculation of the situation cost importers very dearly, and the sooner losses are written off and a fresh start made the better.

The approximate quantity available for sale in London at the forthcoming series is slightly over 220,000 bales. Over one-half is crossbreds, and there will be no shortage of that description. France is expected to be by far the best buyer. So far as the home trade is concerned, there will be more sellers than buyers. There are firms in the West Riding who will gladly sell at the best price they can to release capital for the forthcoming Australasian season. The Sydney market for good average top-making classes is a little weaker this week, but the demand for wool remains satisfactory. Trade in the West Riding shows signs of a little improvement. Consumption is better, and given a further improvement in this direction, raw material values may yet come out better than the present position indicates.

THE COTTON TRADE.

MANCHESTER, September 3.

Owing to the steady decline in American cotton prices buyers of yarn and cloth have continued to adopt a policy of caution. Some buying, however, has been forced out owing to customers

not being able to prolong their "short" policy. The general position in the market, however, is fairly healthy, and the opinion is held that a period of steady raw cotton prices would soon cause buyers to operate on a much freer scale. Cloth demand has been backing up for some weeks past, and during the last day or two there has been a larger inquiry in the market, especially for India and China, and some fair sales have taken place in a wide range of fabrics. As a result of the extended stoppages in Oldham under the short-time scheme many spinners of American yarns have improved their position, but it is yet very difficult to sell at prices which do not show a loss. Sales, however, during the last two or three weeks have been larger than the production, and consequently stocks in first hands are decreasing. With regard to Egyptian yarns, some firms have booked fairly large orders in medium to coarse counts, but the demand is still far from satisfactory in the finer varieties.

(I.) Comparative Statement of the Cotton Trade.

	Price, Aug. 27, 1925.	Previous Weeks in 1925.				
		Price, Aug. 20.	Price, Aug. 13.	Price, Aug. 6.	Price, July 29.	Price, July 23.
Raw Cotton—Mid. American.....per lb	12-69	13-11	13-12	13-38	13-93	13-48
— Sakellaridis Fully Good Fair Egyptian.....per lb	28-40	29-55	30-75	32-20	32-55	32-40
Yarns—32's twist.....per lb	20	20½	20½	20½	20½	20½
— 40's twist.....per lb	20½	20½	20½	21	21	21
— 60's twist (Egyptian).....per lb	35	36	36½	37	37	37
32-in. Printers, 116 yds, 16 by 16, 32's and 50's.....	51 3	51 9	51 9	52 0	52 3	52 0
36-in. Shirtings, 75 yds, 19 by 19, 32's and 40's.....	35 3	35 9	35 9	36 3	36 9	36 6
38-in. ditto, 36 yds, 18 by 18, 10 lbs.....	17 9	17 10½	17 10½	18 1½	18 3	17 10
39-in. ditto, 37½ yds, 16 by 15, 8½ lbs.....	15 10½	16 6	16 6	16 6	16 6	16 6

(II.) Compared with Previous Years.

	Price, Aug. 27, 1925.	Corresponding dates in				
		1924.	1923.	1922.	1921.	1920.
Raw Cotton—Mid. American.....per lb	12-69	15-40	15-30	13-76	10-76	22-60
— Sakellaridis Fully Good Fair Egyptian.....per lb	28-40	25-15	16-65	18-00	18-00	67-00
Yarns—32's twist.....per lb	20	21½	21	20½	18	51
— 40's twist.....per lb	20½	25½	21	19½	16½	46½
— 60's twist (Egyptian).....per lb	35	35½	29	28½	31	30
32-in. Printers, 116 yds, 16 by 16, 32's and 50's.....	51 3	54 6	50 6	32 6	31 0	78 6
36-in. Shirtings, 75 yds, 19 by 19, 32's and 40's.....	35 3	38 9	34 0	32 6	30 6	76 0
38-in. ditto, 36 yds, 18 by 18, 10 lbs.....	17 9	20 3	18 3	18 3	18 0	46 6
39-in. ditto, 37½ yds, 16 by 15, 8½ lbs.....	15 10½	18 9	16 6	17 0	17 0	37 9

LIVERPOOL OFFICIAL QUOTATIONS—August 28, 1925.

Descriptions.	Official Quotations.									
American.....	G.O. SGO. L.M. n11-05 n11-65 12-05	SLM. Md. SM. 12-35 12-60 12-75	G.M. SGM. MF. 12-95 13-20 n13-70							
Braslian—Pernam, Macao, & Parahyba, Rio Grande.....	12-15 12-15 12-15	12-15 12-15 12-15	12-15 12-15 12-15							
Ceara, &c.....	11-90 11-90 11-90	12-40 12-40 12-40	12-40 12-40 12-40							
Sao Paulo.....	11-90 11-90 11-90	12-40 12-40 12-40	12-40 12-40 12-40							
Peruvian.....	M.F. Fair. Gd. Fr. n20-00	Good. n22-00	Good. n22-00							
Rough.....	16-00 16-00 16-00	17-50 17-50 17-50	17-50 17-50 17-50							
Moderately rough.....	12-65 12-65 12-65	14-40 14-40 14-40	14-40 14-40 14-40							
Smooth.....	13-40 13-40 13-40	16-40 16-40 16-40	16-40 16-40 16-40							
Tanguis.....	19-50 19-50 19-50	21-00 21-00 21-00	21-00 21-00 21-00							
Mitaff.....	Fair. Gd. Fr. F.G.F. Good. Fine. Ex. Fine.	16-10 17-10 17-90 18-75 19-60 20-70	17-90 18-75 19-60 20-70 21-50 22-15							
Egyptian—Upper.....	16-10 17-10 17-90	18-75 19-60 20-70	21-50 22-15 22-75							
Sakellaridis.....	20-50 21-00 21-25	22-45 23-10 23-90	24-65 25-30 26-00							
Brown.....	n16-25 n17-25 n19-35	n19-35 n21-50 n22-75	n22-75 n24-15 n24-15							
Soudan.....	Mid. M.F. Fair. Gd. Fr. Good. Fine. Ex. Fine.	13-25 13-25 13-25 14-25 15-00 15-50	15-00 15-50 16-00 16-50 17-40 17-40							
West Indian.....	 33-00 35-00 37-00 39-00	35-00 37-00 39-00 41-00	41-00 43-00 45-00 47-00							
Do Sea Island.....	11-90 12-90 14-40 15-40 16-15 16-90	14-40 15-40 16-15 16-90 17-40 17-40	16-90 17-40 17-40 17-40 17-40 17-40							
East African.....	L.M. S.L.M. Mid. S.M. G.M. S.G.M. (American Sec'd.)	12-15 12-15 12-15 12-15 12-15 12-15	12-15 12-15 12-15 12-15 12-15 12-15							
West African.....	11-90 12-15 12-50 12-75 12-90	12-75 12-90 12-90 12-90 12-90 12-90	12-90 12-90 12-90 12-90 12-90 12-90							
Australian.....	G.F. F.G.F. Gd. F. Good. Fine. S'fine. Choice. S'Ch.	11-35 11-35 11-35 11-35 11-35 11-35	11-35 11-35 11-35 11-35 11-35 11-35							
East Indian.....	 n10-10 n10-50 n10-90	n10-90 n11-30 n11-70	n11-70 n12-10 n12-50							
Surree.....	 n10-10 n10-50 n10-90	n10-90 n11-30 n11-70	n11-70 n12-10 n12-50							
Brosch.....	 n10-10 n10-50 n10-90	n10-90 n11-30 n11-70	n11-70 n12-10 n12-50							
Tinnivelly.....	 n10-10 n10-50 n10-90	n10-90 n11-30 n11-70	n11-70 n12-10 n12-50							
Amer-Sind/Punjab.....	 n10-10 n10-50 n10-90	n10-90 n11-30 n11-70	n11-70 n12-10 n12-50							
*Western.....	 n10-10 n10-50 n10-90	n10-90 n11-30 n11-70	n11-70 n12-10 n12-50							
*Northern.....	 n10-10 n10-50 n10-90	n10-90 n11-30 n11-70	n11-70 n12-10 n12-50							
Cocoonada.....	(Fair, n10-25) .. ..	.. ..	.. ..							
Comptah.....	n10-65 n10-65 n10-65	n10-65 n10-65 n10-65	n10-65 n10-65 n10-65							
Omra, No. 1.....	n9-25 n9-65 n10-05	10-45 10-85 11-25	11-25 n11-65 n12-05							

THE TIMBER TRADE.

(FROM OUR OWN CORRESPONDENT.)

According to the leading organ of the Swedish timber trade the total sales of deals, battens, and boards to the end of August from Sweden and Finland amounted to about 725,000 Petrograd standards each. In previous years such large sales would have been considered good trading, but it seems that this year attention has been centred more on the making of sales rather than of profits. This largely accounts for the weak state of the market, both for spot and f.o.b. business, and the heavy financial losses occasioned in North European shipping centres.

One cannot expect very large trade in August, and with unemployment on the increase, and depression reigning in the main industries, the position of the heavily laden wood market is not rosy. If it were not for the building trade, general repair work, and the steady consumption by the railway companies, the position would be almost intolerable. It is surprising, however, that large quantities of timber of one kind and another should be going into consumption week by week, and any improvement in general trade would immediately tend to strengthen the market.

The largest consumers of timber to-day are the builders of houses and larger erections. For this work battens and scantlings are being continually called for, and, although deal sizes are not so much in demand as in previous years, stocks of these are moving slowly for use as wood paving blocks or for railway requirements. The European export market can be summed up in the phrase "beggar my neighbour," in which the shippers of Finland, Sweden, and Russia have been very active participants. Fortunately the Continental consuming countries are coming more freely into the buying market. Imports of sawn and planed wood have been larger this year, but the returns for July were lighter. Canadian spruce has been arriving more freely, and seems to be competing more successfully on the Lancashire coast with the European whitewood productions, which is commendable considering the poor prices obtained for the latter.

Although the call for American pitch-pine timber is not good in London stocks are lighter, but the demand is better in the North. Forward business, however, is difficult at shippers' quotations, especially as the shipbuilding industry is so quiet. Teak logs, planks, and conversions are very firm in value.

In the furniture wood section of the trade the position of United States lumber has for long been aggravated by the dull demand from the furniture and cabinet trades, and the excessive imports. The imports of pitwood have shown decided decreases this season, especially from France. Timber for the Welsh collieries rose on account of lack of available supplies, but the market is now getting back to average values.

CHEMICALS AND FERTILISERS.

The chemical market, on the whole, shows further weakness. Lump alum cheaper at £9 to £9 5s in casks, and in small call. Cornish white powdered arsenic reduced to £18 f.o.r. mines, but no business offering. Barium chloride, 98-100 per cent., lower at £9s 5s on spot, and cheaper forward. An easier and quiet market for citric acid at 1s 3½d to 1s 3½d, less 5 per cent. Carbolic acid crystals much dearer and active at 4½d in bulk. Epsom salts steady, but lower at £4 5s to £4 10s in bags on spot. Formaldehyde stronger at £39 for 40 per cent., with better business. Glauber salts dearer at £3 10s to £3 15s in single bags. Lead acetate, white, well maintained at £43 10s. Chlorate of potash easier at 3½d; yellow prussiate firmer, with more activity at 7½d on spot. Red lead still dearer at £42 10s c.i.f. London. Sal ammoniac again cheaper at £34 for dog-tooth crystals. Acetate of soda easier at £18 5s. Sodium sulphide, 60-62 per cent., solid, lower at £11 15s, with little business. Tartaric acid unsteady at 1½d. Zinc oxide rather cheaper at £44 f.o.r. for white seal. Fertilisers show more movement, and ammonium sulphate is firmer at £12 7s delivered; export, £11 15s f.o.b., single bags. Nitrate of soda unaltered at £12 7s 6d. Superphosphate, 30 per cent., featureless at £3. Basic slag active and firm at £2 15s for 30 per cent. Potash salts dearer on the month.

VEGETABLE OILS AND OILSEEDS.

Markets generally continue quiet, with only a moderate amount of business passing. Linseed oil has further declined in value in sympathy with seed. Raw oil is, however, steady around £39 15s per ton, naked ex Hull mill, spot and delivery to December. Cotton oils continue dull and depressed, crude Egyptian having fallen to £42, while ordinary refined is steady at £43 per ton. Crude soya oil is rather better at £42 10s. Palm kernel oil is quiet at the same figure. English castor oil (first pressure) has been reduced to £55 10s (barrels included). In the oilseed section linseed has been irregular, Plate afloat and to October having been dealt in at £19 5s to £19 7s 6d, which is current value. As low as £18 15s has been accepted for new crop, January-February loading. Egyptian cottonseed is easier, black offering freely at £12 10s for October or November-January loading.

HIDE, LEATHER, AND ALLIED TRADES.

The hide market remains steady. Best ox hides sold at Thursday's sales in Bermondsey at 6½d to 8½d per lb, and seconds from 6d to 8½d, alterations being unimportant. Best cows made from 6½d to 8½d, seconds 5½d to 5½d. Calf were steady at 7d for heavies, to 15½d for light in best selections. Lambs sold from 3s 3d to 10s, and pelts from 6s 8d to 9s each. Business in South American fregorifics remains quiet, with buyers holding off for reductions. The United States are reported to be buyers of Argentine ox at about 8½d, and 8½d has been paid by the Continent for Uruguay Sansinena. The Chicago position is still cabled as steady, with best heavy packers selling at 17½ cents. The trade in sole leather shows some improvement, although reports vary. Prices are fairly firm, but tanners in some cases seem disposed to shade them to effect clearances of heavy bends. Shoe manufacturers still follow the policy of hand-to-mouth buying, their orders being for small and immediate deliveries of light-weight dry hide bends from 14d to 20d per lb. Repairers are, however, accounting for a good business in heavier weights, and will pay from 2s 6d to 3s for suitable stuff. In uppers leathers the chief sales are for patent and willow calf. Snake and lizard skins are also being freely worked up into women's fancy shoes. The boot trade remains slow, many buyers holding over orders for the forthcoming Shoe and Leather Fair in October.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, September 4.

SUGAR.—The market for actual sugar remained dull, and with adequate supplies available, prices ruled easier for most descriptions. British cubes, crushed and yellow crystals, were reduced by 6d, and other descriptions 3d per cwt, at which a fair business transpired. Messrs Tate and Lyle's cubes quoted 34s 6d to 35s 6d; crushed, 32s 6d; coffee crystals, 35s 3d; nibs, 35s 3d; granulated stove, 33s 1½d; fine, also coarse grain, 30s 10½d; No. 1, 30s 7½d; No. 2, also London and T.L., 30s 4½d; month forward, 30s 3d; mineral water white, spot, 30s 9d; icing bags, 37s 3d; drums, 36s; pulverised, 33s 3d. Castor, finest, 34s 7½d; A, 34s 1½d; B, 32s 6d; and yellow crystals, 27s 7½d. Imported quiet and easier, both spot and forward. American granulated, spot, quoted 29s; white Java, 28s 6d; white Mauritius, 27s 3d to 27s 9d; Dutch "J" granulated, 29s 7½d; Czecho granulated, November-December, 15s 9d; Dutch "J" ditto, 15s 10½d; American granulated, August-September, London, 16s 6d; ditto exports, 16s 8½d, c.f. and i. White Java, afloat, London, 15s 9d, c.f. and i. Raw refining kinds quiet, and Cuban, basis 96 per cent., September, quoted 11s 10½d, c.f. and i., U.K. India remains quiet and featureless, with sellers of Java, October-December, at 15s 4½d; January-March, 15s 9d. Hungarian crystals, double bags, November-December, 15s 9d, c. and f., Calcutta. White terminal easier but active, at lower levels. October sold, 15s 4½d to 15s 3d; November, 15s 3d; December, 15s 4½d to 15s 3½d and 15s 4½d; October-December, 15s 3d; March, 15s 6d to 15s 8½d; and May, 15s 8½d to 15s 9½d.

COFFEE.—Spot market generally steady, and there is a fair inquiry, while the finer liquoring sorts are reservedly offered. East Indian, low middling, sold, 118s 6d; Kenya, bold common to good, 128s to 139s; bold Cherry, 108s 6d; Uganda, fair bold, 120s; Colombian, fine colony, 153s; Costa Rica, ditto, 173s 6d; Vera Paz, mid greyish, 140s to 142s; and Maragogite ditto, 188s per cwt. Brazilian varieties for shipment firm, but quiet.

COCOA.—There was a limited business passing in spot parcels, and the general position remained unaltered. For shipment, Trinidad, September-October, sellers, 74s; Bahia, 47s 6d; St. Thome, 52s; Guayaquil Epoca, 72s; and Caraquez, 69s, c.f. and i. Accra, for shipment, rather irregular, with business in F.F. quality, October-December, also December-February, at 42s to 41s 6d and 42s, f.o.b. English, 15s 3½d per lb.

TEA.—The market for common descriptions has gone from bad to worse owing to excessive supplies, Indian being 1d to 1½d, and Ceylon 1d to 2d per lb lower on the week. Well-made leaf grades of both varieties sold freely while assisted by export inquiries, and prices obtained amply repay care in manufacture in this class of tea. There is a good demand for Ceylon kinds possessing quality and flavour, and

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full rates were paid for finest orange broken pekoes. Of Indian, Darjeelings this season have been somewhat disappointing, but the finest Assam invoices realised satisfactory prices, finest broken orange pekoes realising up to 4s 6½d per lb. Imports of tea into London during August amounted to 37,951,741 lbs, against 40,096,626 lbs at corresponding period last year; deliveries, 37,249,562 lbs, against 35,941,057 lbs; and stock, 150,784,657 lbs, against 111,172,217 lbs at same time last year. Of China, common descriptions continue more or less neglected, but there is a fair business passing in finest new season's kinckuts and souchongs at from 3s per lb in bond. Public sales during the week were made up of 44,872 packages Indian, 2,382 Ceylon, and 5,536 Java and Sumatra. Java sales were accorded better support, even common grades selling more freely, while prices displayed a firmer tendency.

RICE.—Market quiet and rather featureless, though Eastern shippers required steady rates. Rangoon, two stars, spot, London, quoted 16s 3d to 16s 6d; afloat, steamer, 15s 9d; August-September, 16s, c.f. and i. Broken kinds quiet. Pests dull. Japanese, spot, quoted 25s 3d; September-October, 23s 9d; October-November, 23s 9d, c.f. Rangoon beans, hand picked, for shipment, September-October, sellers, 15s. Madagascari butter beans, spot, 35s 6d to 37s 6d, as to quality; September shipment, 34s 9d per cwt, c.f.

SPICE.—Pepper firmer, and forward positions in better demand. Black Singapore, L.S., October-December, quoted 9d; Lampung, August-October, sold 8½d; white Muntok, August-October, done

1s 1½d; October-December, 1s 1½d to 1s 1½d. Cloves firm. Zanzibar, spot, quoted 11d; October-December, buyers, 1s 2d per lb. Tapioca dull, and tendency weaker. Singapore flake, to Havre, September-October, sellers, 18s 6d; Penang seed, ditto, to London, 17s. Sago flour dull, and August-September, to U.K., quoted 16s 7½d; October-November, 16s 4½d. Pimento slow. September-October, quoted 38s 6d; October-November, 37s 6d. Desiccated cocoanut firmer. Halves, spot, quoted 14s 6d; September-October, 40s 6d per cwt, c.i.f. Ginger quietly steady.

JUTE firm, and sellers reserved, with fair inquiries. Firsts to Continent, August, sold, £45 10s; September, £43 15s; October quoted, £43 15s; October-November, also November-December, £42 per ton. Hessians and twills quiet, but steady, for near positions.

HEMP.—Manila remained quiet. J grade, October-December, sold, £43 15s; K, buyers, £39 10s; L, sellers, £40; and M, £34 10s per ton. New Zealand quiet, unaltered, also African sisal.

SHELLAC remains quiet. Fair T.N., spot, quoted 220s; October, 207s 6d; December, 202s 6d cwt.

COPRA quietly steady. F.M.S. Straits, to Rotterdam, August-October, sellers, £30 8s 9d; October-December, £30 5s. Dutch E.I., August-October, £30 5s; October-December, £30. Ceylon, August-September, £31 12s 6d. South Sea F.M.S., £29 17s 6d; Marches, mixed, excluding Padang, August-September, £29 15s; F.M.S. Straits, ditto, £30 2s 6d. Palm kernels, to Liverpool, July-September, sellers, £21 15s; October-December, £21 15s ton.

COMMERCIAL TIMES—WEEKLY PRICE CURRENT.

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

LONDON, FRIDAY.				METALS—B. Copper				SUGAR—per cwt, duty, 11s 8d.			
COCAOA—Duty, British grown, 9s 4d, foreign, 14s cwt				Best selected				per cent. polarisation			
Trinidad				Sheets (strong)				B.W.I. muscovado			
Grenada				Standard				Crystallised			
Ceylon, plantation				Lead Eng. Pig per ton				Java, white			
Guayaquil				Soft Foreign				REFINED—London—			
Bahia, finest				Spelter G.O.B.				Yellow Crystals			
COFFEE—British grown, 9s 4d, foreign, 14s cwt				Tin—English ingots				Cubes			
E. India, fine ord. gd. mid. 115				Do do bars				Crushed			
Do good to fine				Standard cash				Granulated			
Costa Rica, ord. to mid. 120				OILS—Fish, per ton—				Crystals, No. 3			
Good to fine				Seal, pale				Castor			
Central American, gd. ord.				Lined, p. ton net, naked				Pieces			
Mid to fine				Rape, refined				SPICES—Pepper, lb—			
Colombian, ordinary				Crude				Muntok, fair White			
Do good to low mid. 118				Cotton-seed, crude				Black Singapore			
Do mid to fine				Edible, refined				White Siam			
CHEMICALS—				Coconut, crude				Pimento			
Acid, citric				Refined				Cinnamon—1st sort			
Nitric				Palm				Do 2nd			
Oxalic, net				Lard, American				Do 3rd			
Tartaric, English				Petroleum—Oil, per 8 lbs.				Cassia Lignea			
Foreign				Water-White				Cloves—Zanzibar			
Cream of Tartar				Oil Cakes, Lined, Eng.				Penang			
99½-100% per cwt.				per ton				Madagascari			
Alum lump per ton				Oil Siam				Ginger—per cwt—			
Do ground				La Plata, p. ton Aug-Sept.				Cochin, small rough			
Ammonia, carb. ton				Bombay, p. ton Aug-Sept.				Do wormy			
Muriate, White ton				Calcutta, p. ton Aug-Sept.				Japan			
Sulphate				PORTLAND CEMENT—Best English				Jamaica, ord. to good			
Arsenic, lump per ton				per ton delivered, London 58/0 63/6				Mace			
Powder per cwt				Rapid hardening "Ferrocete," 13/				Nutmegs, 65s			
Ashes, pot per cwt				per ton extra.				110s and 80s			
Pearl ac per cwt				PROVISIONS—				Chillies—per cwt			
Bleaching powder, per ton				Butter—per cwt—				TALLOW—per cwt.			
Borax, gran. cwt				Irish creamy				Good mutton			
Do crystals				Do factory				Beef			
Do powder				Australian				TAPIOCA—per lb—			
Calomel per lb				Argentine				E. I. Flake, fair, spot			
Iodine, dry per oz				Dutch				Medium Pearl			
Nitrate of Soda per ton				New Zealand				Seed			
Potash—Chlorate, net.				Danish				TEA—duty 3½d, British,			
Prussiate				Bacon, smgd.—Irish				foreign, 4d per lb—			
Do Foreign				Danish				Indian and Ceylon—			
Sulphate per ton				American				Pekoe			
Sal-Acetone per lb				Hams—Irish				Broken Pekoe			
Soda Bicarb. per cwt				Canadian				Orange Pekoe			
Crystals per ton				American				Broken Orange			
Alkali per ton				Lard—Irish bladders				Pekoe Souchong			
Sugar of lead, white ton				American boxes . 56 lbs				TIMBER—ex. yd—			
Foreign white				Pork—per 8 lbs				Swedish u/s 3 x 8, Pt. Std.			
Sulphate Quinine—				Best frozen . . . 8 lbs				Do			
English Brands				Sootch				Do 2½ x 7			
Foreign do				Cheese—cwt—Canadian.				Do 2 x 4			
Sulphate Copper per ton				New Zealand				Can. Spruce, Dls.			
Zinc, out				Eng. Cheddars				Pitchpine			
Sulphur Flour				Cheshire				Rio Deals			
Do Roll				Dutch				Teak			
Vermilion, Chinese, per lb				Eggs, per 120—English				Honduras Mahg. logs, cft.			
English				Irish				African			
Oil Peppermint, E.G.H.				FLOUR—280 lbs—				American Oak Boards			
COPRA—per ton, c.i.f.				Eng. straights ex mil.				Do Ash			
Malabar, Aug-Sept.				RICE—per cwt, c.i.f.—				English Oak Planks			
Ceylon				Bangkok No. 2				Do Ash			
FMS Singapore				Exon 15				TOBACCO—			
FM Straits				ROBIN—per ton—				Duty 8/2-10/4 per lb. Emptre			
COCHINEAL per lb				American				growths, 6½ per lb.			
DRUGS—				French				Virginia leaf—			
Aloes, fine E.I. per cwt 30				SAGO—Pearl, per cwt.				Common to fine			
Cape, good to fine				SHELLAC—per cwt—				Strips			
Balsam Peru per lb				Orange, first marks.				Kentucky leaf—			
Capivi				Second, fair to fine				Common to fine			
Campor				Exon 15				Strips			
Japan, refined				Rosin—per ton—				China			
Cardamoms, Ceylon				American				Borneo and Sumatra			
Cantharides, China, per lb				French				Nyassaland			
Castor oil cwt 85				SAGO—Pearl, per cwt.				Seedling			
Gum Benjamin Sum. cwt				Manilla, bold.				Havana			
Olibanum, drops, fair to				Orange, first marks.				Greek			
good				Second, fair to fine				East Indian			
Ipecacuanha				Exon 15				Cigars, duty 15/7 per lb.			
Jalap.				Rosin—per ton—				Cigarettes, duty 12s 7d per lb.			
Musk pod, China				American				TURPENTINE, p. cwt. 74 s 0 0			
Oil, Cassia				SHELLAC—M.-O.-P., per cwt—				WOOL—per lb—			
Aniseed				Manilla, bold.				English, Southdown, washed			
Peppermint, Wayne				Macassar				Lincoln			
County				Sydney				Queensland, scd. super ombg.			
				W. Australian				N.S.W. greasy, super			
				Bombay				N.Z., grv. half-bred, 50-56			
								" Crossbred 40-44			

ESSENTIALS.—Citronelle oil, Ceylon, spot, 2s 1d; shipment, 1s 11d; Java, spot, 3s 7d; Star aniseed, spot, 3s 3d; Cinnamon leaf oil, spot, 4d; shipment, 3d; Cassia, spot, 8s 6d per lb.

RUBBER irregular, while rather easier, though a fair business transpired. Plantation standard sheet, spot, sold, 3s 5d to 3s 4d; September, 3s 4d to 3s 4d; October, 3s 2d to 3s 1d; January-March, 2s 9d to 2s 9d, and 2s 8d; January-December, 2s 5d per lb. Wild sorts dull. To New York, ribbed smoked sheet, afloat, sold, 3s 3d; September, 3s 2d; October-December, 3s; January-June, 2s 7d; January-December, 2s 5d to 2s 5d, and July-December, 2s 3d, c.i.f. terms.

FRUIT (Dried).—Currants steady, with a moderate demand. Pyrgos quoted 30s to 31s; Amalia, 32s to 33s; Patras, 36s to 38s; Gulph, 36s to 38s; Vostizza, 44s to 50s. Sultanias steady. Australian, 68s to 86s; South African, 70s to 80s. Figs quiet. Naturals, in bags, quoted 27s to 29s. Dates spot demand quiet, but forward positions steady. First tide Hallowee, 19s 6d; second, 19s; Siam first, 14s; second, 13s 3d, landed terms. Raisins: South African, 40s to 42s; Lexias, 40s to 45s. Evaporated fruits in moderate request. Californian apricots, standard new extra choice, 120s; fancy, 130s; Australian, 120s to 130s; Californian peaches, choice, 62s to 63s; extra choice, 65s to 68s; fancy, 70s. Plums: Oregon, new, size 30/40, quoted 71s to 72s; 40/50, at 52s to 53s; Californian, new, 40/50, 58s to 60s; 50/60, 51s to 52s; 70/80, 45s 6d to 46s 6d. Pears, choice Californian, 90s; extra choice, 102s to 103s. Apple rings, Californian, extra choice, 67s 6d to 75s; Canadian, 62s 6d per cwt.

CANNED GOODS.—Sardines generally quiet. Portuguese, 1/2 flats quoted 4s 3d; clubs, 5s; 12 ozs, 7s 6d; 18 ozs, 12s per dozen tins. Salmon tends firmer on limited offerings. 1/2 lb, flat reds, labelled, 77s to 78s; tall, 1 lb, 54s 6d to 56s; 1/2 lb, tall, pink, 27s to 28s. Lobsters meet with good support at firm rates. Halves quoted 16s, and quarters up to 100s.

CANNED FRUITS in steady demand and market firm, especially for apricots. Singapore pines quiet. 48-1 1/2's quoted 86s 6d to 87s 6d; cubes, 2 1/2's, 13s to 13s 6d; slices, 24-2 1/2's, 12s 6d to 13s 6d. South African are moving off quietly on former terms. Californian pears, 13s 6d to 17s; peaches, 12s 3d to 14s; cherries, 13s 6d to 14s; apricots, 10s to 13s 6d; loganberries, 14s to 16s 6d fruit salad, 1 1/2's, 12s 6d to 14s; 2 1/2's, 21s 6d to 22s 6d; Australian pears, 24-2 1/2's, 16s to 16s 6d; Canadian, 14s to 14s 6d.

CANNED MEATS.—Corned beef in demand at previous rates, but a good demand continues for Danish lunch tongues.

CONDENSED MILK.—Prices remain firm, both for full-cream sweetened and machine-skimmed, with a hardening tendency.

HONEY.—New season's New Zealand continues in demand, but other descriptions move off quietly.

MISCELLANEOUS.—Cocoanuts quoted 25s per 100. Coir yarn: Ceylon, £25 to £39; Cochin, £30 to £50. Ceylon bristle £17 to £23; cinnamon leaf oil, 4d; citronella, Ceylon, 2s 1d; Java, 3s 7d.

OILSEEDS.—Linseed opened easier, but steadier since, on a revival of buying interest. Calcutta to London, September-October, quoted £21 10s; bold Bombay, ditto, £22 15s. Plate to Hull, August-September, sold, £19 7s 6d; September-October, £19 10s; January-February, £18 7s 6d to £19. Rapeseed quiet. Toria to Continent, September-October, £22 2s 6d. Cotton-seed in steady demand. Egyptian black, to Hull, new October, sold, £12 12s 6d; November-January, £12 10s; white, new October, £12 2s 6d; November-

January, sold, £11 17s 6d to £11 15s; Bombay, September-October, £9 6s 3d; and new, December-January, £9 10s. Castorseed quiet. Bombay, September-October, £22 12s 6d. Gingly seed quiet. Chinese to Continent, August-September, £28 2s 6d; large Bombay ditto, £26 10s. Ground-nuts dull. Coromandel machined, September-October, £25 10s; Nigerian, August-September, £25 5s per ton.

OILS.—Linseed irregular. Spot, net, naked, 40s 6d; September-December, 39s 9d; January-April, 39s 7 1/2d. Rape dull. Crude, spot, 49s 6d; refined, 52s 6d. Castor-oil quiet. First pressure, spot, quoted 55s 6d; second pressure, 53s 6d; and pharmaceutical, 60s 6d per cwt. Hull, with London, 2s per cwt extra. Cotton easier. Crude Egyptian, spot, 43s 6d; Bombay, 40s; common edible, 49s; deodorised, 51s. China-wood dull. Hankow, spot (barr ls), 65s; August-September, 65s. Ccoconut steady. Ceylon, spot, 47s 6d; September-October, 45s 9d; Cochin, ditto, ordinary packages, 99s 9d. Soya quiet. Oriental, barrels, August-September, 44s 6d; bulk, 41s 3d. Cod steady. English, spot, 34s to 35s. Ground-nuts quiet. English, crushed, naked, spot, 50s; deodorised, barrels, 57s 6d. Turpentine active and firmer. American, spot, 74s 6d; October-December, 75s 6d; January-April, 78s. Rosin firmer, and pale grades sparingly offered. American, grade B/D, 26. 6d; E, 27s; F/G, 27s 6d; WG, 30s; WW, 32s 6d per cwt. French FG, nominal; WW, 28s 6d per cwt. Petroleum quiet. American, standard white, spot, 1s; and water white, 1s 1d per gallon.

TALLOW.—Messrs Colchesters and Woolner write on September 2nd as follows: The tallow market was steady during the week, and prices showed an average advance of 6d to-day. The most noticeable improvement was in the demand for inferior kinds. The stock in London on August 31st, as returned by the wharves, amounted to 12,200 packages, showing an increase during the month of 892 packages. At auction to-day 965 casks tallow were offered, and 699 were sold. Quotations are:—Australian mutton: Fine, 51s; good to fair, 50s 6d to 48s; dull to dark, 44s 3d to 41s 9d; hard, 51s. Australian beef: Fine, 50s 6d; good to fair, 47s 6d to 45s 6d; dull to dark, 43s to 39s 6d; sweet, 50s 6d. Present shipment from Australasia: Good to mixed, 46s 6d. Present shipment from South America: Good to mixed, 46s 6d. The market letter is dearer. Tallow, 1s; stuff, 6d. Town tallow, 43s 6d per cwt. Rough fat, per 8 lbs, 5d; melted stuff, 33s 6d per cwt. Quotations are:—Town, 43s, net cash, naked, ex works. Country: Frail casks, 43s; home melted, shipping casks, net, f.o.b., good coloured, 46s 6d; fair to dull, 43s 6d to 42s 6d. Bone fat: white, none; pale, none; benzine, 40s; melted stuff, 39s, f.o.b.

METROPOLITAN CATTLE.—SEPT. 3.

British Beasts, per stone of 8 lbs to sink the offal. Sheep, per stone.			
Beasts—Devons.....	7 2	7 6	
Shorthorns.....	6 10	7 2	
Norfolks.....	7 0	7 4	
Scottish.....	6 10	7 0	
Irish.....			
Fat Cows.....			

LONDON POTATO MARKETS.—SEPT. 3.

Per Cwt.			
Lincoln—King Edwards	7 0	8 0	
Sharps Express.....	5 0	5 6	
Beasts—Heavy Bulls ..	8 d	8 d	
Canadian.....	6 10	7 2	
Sheep—Downs (oilseed)	9 4	10 0	
Ewes.....	6 0	6 8	
Crossbred.....			
Scottish.....			
Lamb—Downs.....	11 4	12 0	

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"That Income Tax be deducted from the above distributions at the rate of 2s. in the £ (including relief in respect of Dominion Tax)."

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THE MONEY MARKET.

Money was wanted in the early part of the week, owing to withdrawals for balance-sheet purposes, and then became much more plentiful. Discount rates followed the course of money, being stiffer and then slipping back, in spite of the lower New York exchange and the continued withdrawals of gold. The three months' rate was up to 3 1/2 per cent. at one time, but was back to 3 1/8 per cent. yesterday.

	Sept. 11, 1925.	Sept. 4, 1925.	Aug. 28, 1925.	Aug. 21, 1925.	Previous Rate and Date Changed.
Bank Rate	4½	4½	4½	4½	5 (Aug. 6, '25)
Banks' Deposit Rate	2½	2½	2½	2½	3 (Aug. 6, '25)
Discount (Call)	2½	2½	2½	2½	3 (Aug. 6, '25)
Houses' Notice	2½	2½	2½	2½	3½ (Aug. 6, '25)
Market rate (3 months' bills) ..	3½	3½	3½	3½	..

The Bank return showed a decrease of £1,154,000 in the coin and bullion, £1,159,000 having been announced as withdrawn for export. Notes had been returned from circulation to the extent of £783,000, and the Reserve was £371,000 lower, with its proportion to liabilities .2 lower at 28.6 per cent. A decrease of £1,736,000 in Government securities was almost balanced by an increase of £1,664,000 in Other. Public deposits expanded by £568,000, and Other deposits were a million lower. Currency notes for the week were reduced by £393,600 to £295,402,100, which includes £1,328,000 for notes called in but not yet cancelled. The fiduciary issue is £237,824,000, or £10,321,400 below the maximum for the year.

The monthly return of average weekly balances of the London Clearing banks for August shows a decline in deposits of £21½ millions, and a slight increase in acceptances and capital and reserves. The following table compares the aggregate figures of the nine English banks:—

	June, 1924.	Dec., 1924.	Mar., 1925.	June, 1925.	July, 1925.	Aug., 1925.
Capital and reserves	119.2	119.4	119.6	119.6	120.1	120.7
Acceptances	85.3	109.9	113.9	113.9	92.9	85.0
Deposits (incl. undiv. profits, &c.) ..	1,651.9	1,656.1	1,605.0	1,624.5	1,633.2	1,611.5
Total liabilities	1,856.4	1,885.4	1,838.5	1,834.3	1,837.8	1,817.2
Coin, notes, balance at bank, and cheques in course of collection ..	249.1	259.7	237.1	253.9	244.0	240.1
Money at call	108.1	112.8	108.0	113.0	114.6	117.4
Investments	349.3	338.8	329.2	329.2	286.3	282.6
Discounts	245.0	234.4	202.3	205.6	228.5	213.6
Loans and advances	791.7	811.2	840.8	850.5	851.0	839.9
Cover for accept., premises, &c.	113.2	138.5	142.1	118.8	113.4	114.5
Total assets	1,856.4	1,885.4	1,838.5	1,834.3	1,837.8	1,817.2

Loans and advances declined by £12 millions, and discounts by about £5 millions. In August of last year discounts were lower by £25 millions, and deposits declined by £26 millions.

NEW YORK MARKETS.

Our New York correspondent cables:—Securities are again buoyant, with motor shares leading the way, partly because of excellent sales and reports of earnings, and partly on account of covering purchases by "bears." Record railway car loadings are evidence of active trade and of a recovery in production from the summer setback. A slightly firmer tone in money rates persists, but the best authorities expect credit to remain plentiful. The Federal Reserve system reports an increase on the week of \$62,000,000 in discounts, the major part of the increase being in New York. The reserve ratio for the whole system is down to 73.4 per cent., while the New York reserve ratio is 75.1 per cent. Funds are passing into the interior to finance crop movements, and preparations are already being made for the next income-tax payment date. Latest Government estimates indicate a gain of 21 million bushels over the previous estimate of the wheat crop, but a decrease of 65 million bushels in the maize crop estimate. The wheat crop is now placed at 700 million bushels, and the maize crop at 2,885 millions.

THE STOCK MARKETS.

In response to a hardening in the tone of the money market and the waning of hopes of a Bank rate reduction, the gilt-edged market has been easier this week, a general decline of small dimensions taking place among British Government stocks and newly-issued scrip. The foreign bond market continued to attract attention. Speculators are buying Brazilians, and mid-European stocks are receiving attention reflected from the discussions at Geneva. Home Rails relapsed again as a result of speeches at the Trade Union Congress. Among foreign rails the dwindling of Argentines and a jump in Leopoldinas have been the features. Rubber shares remained firm; tea shares were weak, and the oil share

market provided no excitement. Courtaulds and other artificial silk shares still attract great attention. Tobacco and wireless shares made a recovery. Insurance shares fell back in sympathy with the gilt-edged decline. In the mining sections the land group has been the most lively, while West Africans made a better showing.

THE COMMODITY MARKETS.

Markets as a whole have been rather more active this week. Pig-iron makers report a slight improvement in sales, but manufacturers of iron and steel are experiencing keen foreign competition, with resulting price instability. Weather conditions have provoked greater demand for coal for domestic purposes, but the export market remains quiet, except in the anthracite section. A fair business has been done in cotton textiles, and merchants appear to be in greater need of fresh supplies.

Although the woollen markets have been less active in anticipation of the coming London auctions, the textile trade in the West Riding retains the more favourable features which have been in evidence since the termination of the wages dispute. The wheat market is quiet, with English wheat in fair supply. Sugar is in moderate demand, coffee steady, and tea has been bought more freely. Rubber is firm after an easy opening. In the metal markets, tin opened strongly but developed weakness later; copper followed a similar course, and lead remains irregular.

FOREIGN EXCHANGES.

In the foreign exchange market there has been considerable activity in dollar dealings, the rate showing a further tendency to weaken on dearer money in New York. From \$4.84½ on the 4th the quotation has moved down to \$4.84 21-32 yesterday morning, which is uncomfortably near the present gold point, while forward dollars stand at about 1½ cent per month above spot. The Paris rate has been fairly steady, moving between the limits of 103.55 and 102.85, standing yesterday morning at 103.47½, as compared with 103.42½ a week ago. Brussels, which for the greater part of the week was steady at about 108.85, took a sudden leap up yesterday morning on sales from Brussels to 110.52½, but later reacted to about 109. In Paris, forward rates have narrowed again to 50-53 centimes per month above spot; in Brussels they stand 2 centimes either side of spot. The lira, which in the first part of the week continued its recent rapid improvement from 121½ down to as low as one time on the 8th as 112½, has reacted again to 118½. Forward rates, however, continue to suggest some suspicion at the rapidity of this rise in value. On the news of Spanish success in Morocco, considerable demand was shown for pesetas, especially from New York, and they moved down on Thursday to as low as 33.57, and at yesterday's figure of 33.73½ compare favourably with last week's quotation of 34.03½. For the first part of the week the improvement in Norwegian and Danish currency continued down to 21.50 and 19.15 respectively, but on official warnings against speculation there has been some reaction to 22.58 and 19.75, as compared with 22.72½ and 19.20 a week ago. Among the stable exchanges, Stockholm has moved ½ point in our favour to 18.09, and Amsterdam has also risen from 12.04½ to 12.05½, and Switzerland from 25.09 to 25.10½. Berlin, however, at 20.36 has gone one point against us. In the other minor currencies no movement of importance is to be noted beyond a further depreciation in Athens and a steady official recommendation has been made for the stabilisation of the Finnish mark at the present dollar rate of 39.70, which would mean a gold parity for sterling of rather under 193½, the present quotation being 192½. In the East the rupee is slightly dearer at 1s 6 13-64d, as compared with 1s 6 11-64d, and the yen, after a short reaction, stands at 1s 8 1-8d, as compared with 1s 8 7-64d. Under the pressure of continued Chinese and Indian demand silver prices continued to rise in the early part of the week, until profit-taking brought a slight reaction, but the general outlook remains firm. Hong Kong is 2s 5d, as compared with 2s 6d, Shanghai 3s 2½d, as compared with 3s 3½d. In South America, Rio has continued to improve quietly from 6½d to 6 23-32d, and Buenos Aires

is also slightly dearer at 45½d, as compared with 45 7-32d. Monte Video, however, has moved from 49½d to 49½d, and Valparaiso has remained steady at 39.70 pesos.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended September 5th:—

(000's omitted.)		RECEIPTS.	
EXPENDITURE.	£	From Revenue	£
Supply Services	7,076	Increase in Debt	12,928
Interest, &c., on Debt	15,103		9,073
Sinking Fund	1,463		
Sundries	300		
Increase in Exchequer Balances ..	59		
	22,001		22,001

The Revenue for the week amounted to £12,927,900, as compared with £10,875,200 in the corresponding week last year. Customs were lower at £1,798,000, against £2,234,000, but Excise was slightly higher at £949,000, against £938,000. Property and Income-tax brought in £3,785,000, as compared with £4,558,000, and Super-tax amounted to £740,000, against £320,000. Ordinary Receipts stood at £113,800, as compared with nil last year, while Special Receipts, at £2,900,000, showed an increase of £2,400,000. The week's operations increased the National Debt by £9,073,000, and caused the following changes:—

(000's omitted.)		RECEIPTS.	
National Saving Certificates ..	£ 50	Treasury Bills	£ 314
Public Department Advances ..	+ 13,800	National War Bonds	4,155
		Sundries	408
	+ 13,850		— 4,877

The floating debt was increased by £13,625,000 to £783,316,000.

FINANCIAL YEAR, 1925-1926 (April 1st to Sept. 5th).

£		£	
Total Expenditure ..	342,353,212	Raised by Revenue ..	306,072,480
		Decrease in Balances ..	3,664,849
		Amount borrowed ..	32,615,883
Total	342,353,212	Total	342,353,212

ESTIMATES FOR FINANCIAL YEAR 1925-1926.

£		£	
Expenditure	799,400,000	Revenue	801,060,000
Surplus	£1,660,000.		

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—Bank of New Zealand and the Anglo-Ecuadorian Oilfields. At the Bank of New Zealand meeting both the chairman, Sir George Elliot, and Mr William Watson dealt with the general outlook in New Zealand, laying particular stress on the unsatisfactory nature of the trade balance and the urgent need for economy.

ECONOMIST INTELLIGENCE BRANCH.

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

THE ROLE OF GENEVA.

DULL though the League of Nations Assembly was expected to be, it looks like having its hands full enough with what may be described as matters of good secondary importance. Mosul, of course, falls strictly within the purview of the Council, but whatever the Council is handling in September interests Assembly delegates unofficially almost as much as it concerns Council members formally. And since the Mosul decision is at present being considered by three out of the ten members of the Council, the other seven may be said to stand for the moment in regard to it in very much the same position as the mass of Assembly delegates.

But, apart from Mosul, there are such questions as Austria—which the Assembly will certainly discuss, though it may be for the Council actually to decide—Slavery, and Armenia. The Slavery Protocol unexpectedly laid before the Sixth Commission of the

Assembly at the very outset of its work is an event of real moment in its own particular sphere. Slavery, which most benevolent citizens of this country suppose to have been stamped out altogether throughout the world; needs, in point of fact, a great deal of stern suppression still. The British Government's attitude on the subject has given ground for some criticism in the past owing to the reluctance of the Foreign Office to disclose damning reports it was known to have in its possession on the record of certain sovereign States in the matter of slave raiding. Whether Lord Cecil was sent to Geneva with a new convention in his pocket as a kind of *amende honorable* for past omissions, or whether this is felt to be a new and hopeful method of tightening up loose screws, does not matter very much. If the Protocol the British Delegation is sponsoring goes through, a considerable step towards the more effective suppression of all traffic in human beings will have been taken, though rather more could be done towards the regulation of forced labour than the Protocol in its present form attempts.

As for the Nansen proposals for the settlement of Armenian refugees in Erivan, and on a smaller scale in Syria, they provoke a variety of reflections, humanitarian, political, and financial. The humanitarian aspect of the project is a good deal the simplest. If the Armenians can be effectively helped, all the Allies, at any rate, are under a moral obligation to help them. Politically, too, the obstacles seem to be inconsiderable, for the existing Erivan Republic is quite ready to accommodate 15,000 immigrants, who would, no doubt, greatly add to the productive capacity of the territory. But whether £900,000 is a reasonable expenditure for the settlement of the 15,000; whether there is a fair chance of getting such a loan raised; and whether if it were raised the Armenians could support the annual interest and redemption charges, are questions to which the League's financial advisers will need to give some thought.

But such undertakings as these fall under the head of the League's marginal activities. What the world is asking, and what the discussions at Geneva have so far not disclosed, is whether the Assembly this year is to avoid discreetly or to face frankly the still dominant problem of European security. There are many reasons why it should take the former course. The Protocol, to which so much thought and endeavour was directed a year ago is, to put it in the most optimistic form, laid by in cold storage. The conversations between the Allies and Germany cover too nearly the same ground for the Allies to welcome, or the Assembly be tempted to offer, any intervention from Geneva. If, moreover, Germany is really on the point of entering the League, there is obviously much to be said for adjourning discussions in which she will, no doubt, desire, as she is clearly entitled, to make her voice heard. On the other hand, time is passing. Statesmen who come to the Assembly year by year are not happy to think that nothing concrete is emerging from Geneva. Dangers remain present which constructive effort by the League of Nations might conjure.

All those diverse considerations were no doubt present to M. Painlevé's mind when he delivered his opening speech in the Assembly Hall on Monday. The French Prime Minister's path was beset with not inconsiderable difficulties, and he avoided them with a good deal of skill. Owing his position as temporary President of the Assembly to the chance of its being France's turn to take the chair at the Council, he could not use the opportunity to push any national views. On the other hand, the Geneva Protocol was on the Assembly agenda, and he could not let it pass without reference. Nor did he. "Il a trop protocolisé," a Frenchman who had seen the speech in advance is said to have remarked. But, on the whole, no harm was done by any excessive emphasising of the merits of a document to which the French were known to attach much importance. On the contrary, a close reading of M. Painlevé's speech shows it to have been in reality a recognition of the fact that the aims of the Protocol must be achieved for the moment, if they are to be achieved at all, by some other method. It was very nearly an admission that the British way of seizing on the

immediate danger and finding means of averting it was, at any rate, good enough to be tried. That, at least, would seem to be what was meant by the declaration that, "on the other hand, you may follow the analytical method, which is slower and much less ambitious, but can be more readily adapted to the present situation. That is to say, you may only consider the application of the principles of the Protocol to partial agreements.....The provisions and procedure I have in mind would only apply to States desirous of finally settling the problem of security among themselves. As regards the general obligations of members of the League there would be no change. Nothing would be added or removed."

That hint as to the direction of further advance corresponds with the needs of the situation. The need for security is still acute. Individually, nations are seeking to protect themselves by direct agreements of different types. There are, as M. Painlevé pointed out, treaties like those on which the Little Entente is based, linking States which, as beneficiaries by the war, have common interests. There is the very different, and in some ways more hopeful, type projected between Britain, France, Germany, and other Powers for the security of States ranking among the vanquished as well as among the victors. Simultaneously, there are being negotiated numerous treaties of arbitration between States which apprehend no immediate danger, but desire to banish the prospect of war from their horizon. Here, again, there are two fairly definite classes of arbitration treaty, one of which, like the Geneva Protocol, purports to provide for the peaceful settlement of all disputes arising; the other, like the Covenant, leaving the door still half-open for war in non-legal cases. Some countries—Sweden, for example—have contracted treaties of both types.

What that means is that there is going forward in Europe a process highly beneficial, with which the League can never lightly interfere, but from whose results, on the other hand, the League should not be divorced. The partial agreements of which M. Painlevé spoke with approval are well enough as stepping-stones. They may be all that is possible at the present moment. But sooner or later they must be co-ordinated and universalised, and linked permanently up with Geneva. Just how that is to happen no one yet quite sees. How one single outstanding agreement—that contemplated between British, Germany, and France—is to be linked up with Geneva is as yet undecided. But the sixth Assembly is at least conscious already of the problem. Countries like Sweden and Japan have clear-cut ideas regarding certain aspects of it. Merely to discuss arbitration in all its bearings might seem inconclusive and disappointing, but there is a good deal to be said for the view that that is the best course the Assembly could take this September. If one concrete step is needed, the case for the general ratification of the Optional Clause of the Statutes of the Permanent Court of International Justice is stronger than ever.

LABOUR'S TWO VOICES.

THE big issues, to which we referred last week, have not been substantially affected by the proceedings of the Trade Union Congress at Scarborough. Ineffective skirmishes have taken place, but the battle royal is postponed. The Conference showed itself clearly against the grand cleavage between trade unionism and political Labour. Even the President, who in other matters veered towards the left, advocated the "full co-operation of the industrial movement with the political party," but, on the other hand, the margin by which the proposal to establish one comprehensive union—a move which would have been a giant-stride along the road to separation—was defeated was not impressively large. It is perhaps a fair summary of the week's proceedings to say that while the leaders of the left wing can point to no practical achievement, they have succeeded in directing the tone of the proceedings to a degree which may give them some satisfaction. But, on the whole, it is hardly easier to-day than it was a week ago to gauge the strength of the forces of division, or to

prophecy how speedily the fissure between the advocates of political and of industrial action respectively may develop into an unbridgeable gulf.

It was perhaps due to the personality of the President of the Congress, Mr Swale, that the proceedings were so freely bespattered with fiery sentiment. For in his Presidential address he struck the note of uncompromising battle with capitalism. With that general attitude no complaint can be made, for the Labour movement is essentially and avowedly Socialist and anti-capitalist. But his method of handling his theme stamped him as definitely of the intransigent type. Employers generally he styles as "our opponents," and in a comprehensive phrase announces in the name of all trade unions under all conditions, and in all circumstances, that "no more concessions can be made." Were we to take seriously that statement, and the cheers with which it was greeted, it would mean that all industrial negotiation is for the future useless; that wherever unions made a demand, it must be granted in full, or a strike would be proclaimed; that trade unionism will take no hand in the work of promoting industrial efficiency, and will make no contribution towards providing the conditions under which trade and industry may recover; and finally, that trade unionism repudiates all concern for the national, as distinct from its own, interests. Fortunately, however, we need not take such words too literally. One must allow first of all for the mental effect on a somewhat obscure person of a brief appearance in the fierce light that beats upon the chair. In his brief strut upon the stage he must use brave words, and raise his cheer from the firebrand element. When we remember all this we may be grateful that the phraseology of Mr Swales was not more flamboyant, and we may read an even greater importance into his emphatic repudiation of a split between trade unionism and political labour.

Nor, in judging the Scarborough debates, must four other facts be forgotten. First, that the flush of victory for trade unionism in the recent coal crisis has not yet died away, and was bound to colour the proceedings. Secondly, that it was the first congress since the fall of the Labour Government, and, therefore, the first full-dress opportunity for the ventilation of left-wing discontent with the attitude of Labour Ministers when in office. Thirdly, that times are bad, and unemployment and discontent deplorably widespread. Finally, and most important, perhaps, of all, that the passing somewhat revolutionary resolutions of an academic nature has been a regular annual amusement indulged in by successive congresses. These facts serve to assuage the alarm that might otherwise be felt at the passage, by a substantial majority, after several indiscreet speeches, of a resolution calling upon the unions to "struggle for the overthrow of capitalism," and to "force the capitalists to relinquish their grip on industry." There can be no doubt that many sane and responsible delegates, whose views are poles apart from those, let us say, of Mr Cook or Mr Shinwell, supported this resolution merely as a pious and a pity that this innocuous reason for support was not more vigorously explained, as a counterblast to the values were adopted as a criterion, serious anxiety might long arise from the instruction given to the Council, after a in their power towards securing world-wide unity of the national federation of trade unions." But the manner in which this resolution was passed was farcical. No discussion was permitted. In spite of Mr Thomas's attempt to speak, the chairman put the resolution the moment the seconder had sat down. There was no voting, and the resolution was declared to be carried by acclamation. This is an amazing instance of the rushing of a democratic assembly to recording an opinion for which no chance of done, we see no new cause for alarm in the Scarborough papers, find this view difficult to accept, we would remind of the reporter, and are apt to obtain a larger share of

the printed column than they are really entitled to occupy.

Although Scarborough has not visibly changed the position, the Congress provided continual reminders of dissension and division within the Trade Union ranks. Mr Shinwell was there inveighing against his rival seamen's leader, Mr Havelock Wilson, who, by the way, has been proclaiming this week in a speech in Canada the essential identity of interest between employers and employed. Then we had the less conspicuous, but more amusing instance, put before the Congress by a delegate, of the two plumbers' unions, one of which claimed the hot-water taps and the other the cold-water taps as their province, with the result that a dispute costing a local authority £400 a week broke out. These are but straws which show how the wind of dissension blows between competing unions in the same industry. Far deeper and more fundamental are the differences—the old, old differences—of view between the unskilled and the skilled and craft unions. Jealousy and rivalry re-inforce sound judgment in placing obstacles in the way not only of the formation of one big union, but of the lesser but still very formidable plan of a combine of five or six.

To a foreigner in our midst the present position must be perplexing in the extreme. How can the ranks of leadership contain at one and the same time men who revile everything about the present social system from the throne down to the small capitalist and an ex-Premier who divides his holiday between Scarborough and Royal Balmoral; men who belaud Moscow methods as the pattern for England, and those who preach almost unimpeachable economic orthodoxy? The foreigner will give it up in bewilderment. To the indigenous student of English life it is a familiar anomaly. But the discord between the two voices of Labour is becoming harsher, for the voice that proceeds from the smaller body is at the moment disproportionately loud. But we see no reason to change our conviction that, should a serious national crisis arise, it would be drowned by the voice that expresses the real views of the vast majority of the workers of this country, trade unionists and non-unionists alike. The underlying commonsense of the nation is not, we firmly believe, sensibly affected by the intensive outpouring of peppery nonsense from a small minority.

THE AUSTRIAN SITUATION.

THE report of the Commission of Inquiry into economic conditions in Austria was presented to the Council of the League and issued in Geneva at the end of last week. The account which the authors of the report give of this remnant of the Austro-Hungarian monarchy leaves a more favourable impression than the view which until recently has been current not only in Austria itself but in England and America. In spite of the financial crisis of 1924, and of the fact that unemployment last winter was higher than at any time since the war, the evidence in the report shows that the volume of production is definitely greater than in 1924, which in turn was better than 1923. This improvement in output since the reconstruction scheme came into force is reflected in the growing volume of goods carried on the Austrian railways, and in increased coal consumption, as well as by the evidence directly obtained from the industries themselves. It has been accompanied by a steady increase in the export of manufactured goods. A similar improvement is also shown in the cultivated area and in the agricultural output of the country. Thus since stabilisation Austria has shared in the general recovery of Europe and does not appear to have been given a fatal setback by the financial collapse of last summer.

This record, however, only affords ground for a qualified satisfaction. The volume of national production is still very low—the report quotes a figure of about 80 per cent. of the pre-war level—while exports are even more diminished—the report estimates the level at not much more than 60 per cent. As there are even more persons seeking employment than before the war, these figures

are naturally reflected in a high level of unemployment. It has, however, particularly to be noted that the writers of the report do not regard the increased unemployment of the present year, as compared with 1924, as a sign of deterioration but as one of improvement, for they explain that it is largely the result of the elimination of superfluous workers and of economies introduced into the factories after the wasteful extravagances of the inflation period. In other words, Austria is now beginning to see what the true dimensions of her unemployment problem really are. In this connection an analysis of the statistics shows that a considerable proportion of the unemployed are in commercial occupations, the free professions and other callings which are over-stocked. If other nations have to carry heavy war debts or find it necessary to maintain large armies, Austria's war legacy is a surplus population who are no longer needed for the tasks to which they have been trained, namely, as part of the machinery of a great empire. The report does not see any means by which these may be wholly absorbed; they must be a burden upon Austria for some time to come, no matter whether Austria remains economically independent, enters into closer relations with the Succession States, or joins Germany. If production could, however, be raised even to the pre-war level, this burden would be by no means an impossible one for the country to carry.

The low level of Austrian foreign trade is, however, a serious feature in the situation. In 1919 the Allies decided to make of Austria a small State in the centre of Europe, which could not possibly be self-supporting as to either its food, its raw materials, or its fuel, but must obtain them by foreign trade. Indeed, in 1924 her imports per head were only exceeded in Europe by Switzerland, the United Kingdom, and Belgium. But, surrounded as she is by high tariff barriers and by countries whose purchasing power is greatly reduced, her exports in 1924 amounted to less than 60 per cent. of her imports. In these circumstances three courses only are open if she is to pay her way. Namely, to diminish her population, to increase her agricultural output, or to find a larger market for her industrial products. Her population, the emigration of which is blocked in almost all directions, is actually increasing; her agricultural output can only slowly be increased; the improvement in her economic situation must therefore be mainly looked for in the direction of larger foreign trade. On this topic the report shows that though the higher forms of protection prevalent immediately after the war have been modified, the tariffs of Central Europe are much more extreme than those of Western Europe, and have only to a small extent been modified up to the present by commercial treaties. This policy of high protection has had the effect of wasting capital by duplicating factories and the means of production far beyond the capacity of the market, and tends to reduce the national production of the countries which indulge in it. Austria has endeavoured with some success to find alternative markets overseas, but this can only be a very inadequate compensation in the case of a country so far removed from the seaboard. In short, the recovery of the industries of Austria to normal can only be anticipated if they are able to find a freer market nearer home.

A second great handicap of Austria is its lack of capital. The poverty of the country means that its own savings have been, since the war, and continue to be, extremely small, so that the present Austria is even more dependent than the Austria-Hungary of the past on foreign capital. This has been attracted in recent years by the very high rates of interest prevalent in Austria. But it will only be retained and invested on a long-term basis if the financial world has confidence not merely in the monetary system and in the Centralbank of Austria, but in the solvency of its financial institutions. The report gives some account of the situation of the big banks and of the extent of the losses they have incurred as a result of the war, the period of inflation, and the crisis of 1924. That they have survived at all is evidence of considerable strength. The capital and reserves which remain to the big five are estimated at 40 per cent. of their pre-war value—a figure appreciably higher than the lowest touched at the bottom of the depression. The position of the Centralbank is a strong one, and comments in the report on such other factors as the internal political situation are reassuring.

The authors do not think that the burden of taxation or the charges for social insurance borne by Austrian industry, though high, are unendurable or a vital factor in the situation. Austria is heavily taxed for a poor country, but the burden of taxation in proportion to wealth is less than in Germany, France, or Italy.

The situation described in this report raises two immediate problems for the League of Nations. The first is whether the financial control exercised through the Commissioner-General is to continue, and, if so, in what form; and the second is whether the League can do anything to help Austria to secure wider markets, or can exercise any influence to secure a lowering of the excessive tariffs of her neighbours. On the first point it has to be remembered that the control, which was originally intended to last until the end of 1924, was continued during the present year, its removal being dependent upon the passing by Austria of certain laws essential for Austria's credit (such as that giving the central Government some control over provincial finances) upon her conforming to certain Budget limits, &c. When these laws were passed early in August, Dr Zimmerman gave notice to the Austrian Government that the control would be "attenuated." Broadly, this meant that instead of the Commissioner-General intervening in regard to the details of the Budget, he would only criticise the total figures; and, secondly, that his monthly reports will no longer be an external commentary, but would be issued in collaboration with the Government. In view of the economic progress recorded in the present report, on the one hand, and the favourable Budget position on the other, it seems probable that further diminution of the control will take place after Christmas, and that Budget control may cease altogether when the closed accounts are presented in the summer of 1926. For the sake of her own credit, however, and in order that the League may keep faith with the Governments and individuals who lent money to Austria on its invitation, Austria will be asked to accord to the League the right to reinstitute control in the event of the financial situation deteriorating and the stability of the crown being endangered. It is thought that this provision, which is borrowed from the Hungarian scheme, will help to strengthen confidence in Austria's financial stability. The precise form of these arrangements will probably be settled in Geneva at an early date.

The second and much more difficult problem, that of tariffs, is likely to be the subject of further discussion by the League, and we shall have other opportunities of referring to it. We will only observe here that unless this problem is solved, it is only to be expected that Austria will found her hopes more and more upon the alternative of a union with Germany. Quite apart from the objections of France, Italy, and Czecho-Slovakia, this solution has many drawbacks, both economic and political; but it is not unnatural that Austria should consider that on balance the economic advantages of taking shelter in a large protected market, or, to put the matter in another way, of securing free trade with 60 million Germans, outweigh the drawbacks.

But though the report notes progress, on the one hand, and brings out the difficulties with which the trade of Austria is faced, on the other, Austrians would misread the report if they took it to mean that they have nothing to do but to look to outside help. The Commercial Treaty with Hungary has hung fire for many months. It cannot be said that the fault is entirely on one side only. The mobility of labour in Austria is still severely handicapped by her obsolete trade regulations. Her banking system is on too extravagant a scale, and in business generally there are too many middlemen's profits. For a country situated like Austria, unceasing vigilance and economy are of paramount importance. If her credit was under a cloud during last winter, the distrust of Austria abroad was greatly fostered by the exaggerated pessimism of Vienna itself. The problem is, indeed, largely one of psychology. Austrians are well aware that God—and mammon—helps those that help themselves. But the lack of a keen national spirit or a strong sense of patriotism make it difficult to apply the moral in Vienna. The most hopeful feature of the situation is the evidence that Austria is now making efforts in the financial, industrial, and other spheres to put her own house in order.

WIRELESS AIDS TO NAVIGATION.

ALL those whose daily work, business, or pleasure causes them to travel upon the seas owe an incalculable debt to that inspired "amateur" (as he calls himself) Senatore Marconi. Thirty years ago he began his adventures in unexplored electrical jungles, and he has been going on with them ever since. The professional electrical engineers and the manufacturers of apparatus have followed where Marconi blazed a trail, and to that one inspiring genius and his associates we owe commercial wireless telegraphy, broadcast wireless telephony, and ship wireless—above all, ship wireless. The world could have got on without commercial wireless telegraphy, and wireless broadcasting is, after all, chiefly a fireside entertainment. But without ship wireless—that wonderful means of communication which has changed the whole face of the seas—the world would have been very sensibly the poorer. Wireless has destroyed for ever the solitude of the seas and the blindness of navigators. Wireless waves not only summon assistance to vessels in distress and warn them of perils from ice and storms and fog, but they serve also as eyes, and tell a navigator with very great precision where he is and whither he may be going. They penetrate fog more easily than they do the bright sunshine, and are often at their best when all other means of ascertaining a ship's position are at their worst.

A few days ago Senatore Marconi gave demonstrations of the working of a new "wireless lighthouse" which has been experimentally fitted up at the South Foreland. By means of a rotating aerial he showed how vessels, equipped with suitable receivers, could learn automatically their bearings upon the "lighthouse." This new system is of the future; it works on a very short wave length, and is not, we believe, applicable to the apparatus carried at present in wireless houses on board ship. What we propose to do in this article is to deal with the present, and to indicate how great has been the progress achieved already in direction finding, sending and receiving alarms and warnings, and equipping ships' motor launches with efficient wireless aids to navigation. Progress has been made very rapidly, and the owners of large British passenger ships have already gone far beyond the minimum requirements laid down by the Board of Trade.

Let us begin with direction finding. There are two systems in operation by means of which ships, cut off by fog from visual land bearings and sun and star sights, may learn where they are, and so avoid the worst perils of navigation in narrow and crowded waters. There are shore stations, maintained by the Post Office and the Admiralty, which give to ships, upon request, their wireless bearings relatively to the stations, and there are direction finders fitted in steamers which can themselves take wireless bearings upon any station whose call sign they pick up. The British shore stations, fitted for direction finding, are fairly numerous already, and may possibly be increased in number as the result of an inquiry by a Departmental Committee at present sitting. The fitting of ships in this special way depends upon their owners, but the advantages of the equipment are so obvious that its employment is rapidly extending among passenger steamers. The direction-finding aerial on board ship is quite distinct from the ordinary sending and receiving aerial slung high up between the masts. It consists of two loops of wire at right angles to one another, one on the centre line of the ship and the other athwartships. The direction-finding receiver is also a special piece of apparatus, highly sensitive and delicate. It happens that a correspondent of this journal recently spent some time at sea, in the course of which he enjoyed free access to the work of more than one wireless house, and saw direction-finding in operation both actively and experimentally. The results were of great interest. When conditions were favourable—that is, when the waves whose direction was being ascertained passed chiefly over the sea—a bearing could be taken on a station two degrees of arc (an error in distance of about one mile). The greatest error in a whole series of bearings was six degrees (about five miles). The accuracy of even

the worst reading was more than sufficient to enable the navigating officers to clear a distant point of danger with an ample margin. Some of the bearings were taken after 48 hours of fog, and proved, when tested later by visual bearings, to have been far more trustworthy than any results derived from dead reckoning and soundings. Direction finding is not, we are informed, by any means perfect—there is a good deal of land-screening and even deflection—but the errors are being ascertained and allowed for—just as compass errors are ascertained and allowed for. The system is in its infancy, but enough is known of it to establish its great practical value. If and when direction-finding apparatus comes to be carried in all ships, which at present are compulsorily equipped with wireless senders and receivers, the greatest of all sea dangers, collision or stranding in fog, should almost disappear.

Since July 1st last, British passenger steamers with fifteen boats and upwards have been required to carry one or more motor launches fitted with wireless apparatus. Their purpose is to keep in touch with boats filled with shipwrecked mariners and passengers and to direct vessels which are proceeding to their assistance. No great range is needed for apparatus such as this, but it must be simple and trustworthy. Our correspondent, who went for a trial trip of one of these new launches in the Mediterranean, describes it as being well up to its work. Under a half-deck in the bows was a small motor (independent of the launch's engines), which drove a generator supplying current both to a quenched spark transmitter and a Morse searchlight. The transmitter had a range of at least 50 miles, and with the two-valve receiver signals 200 miles away were easily heard. It is not at all easy in thick or rough weather to find boats in the open sea after a ship has gone down, but there should in future be no difficulty at all when boats are accompanied by one or more of these highly efficient motor launches.

So far our correspondent's reports were favourable. But he was most unfavourably impressed by the lack of observance, especially by foreign ships and stations, of what is called the Silence Period for distress and alarm signals. It is laid down under the International Convention for saving life at sea that there shall in all wireless houses on board ship be two Silence Periods every hour—from 15 to 18 minutes and from 45 to 48 minutes past every hour by Greenwich mean time. During those periods all wireless work is ordered to be suspended so that distress (S.O.S.) and alarm signals may be listened for on the standard 600-metre wave-length. But International Conventions propose and commercial exigencies dispose. Our correspondent listened more than a score of times on different days during Silence Periods, and found very little silence. Foreign ships and stations were the worst offenders. Generally speaking, British ships and stations observe the periods—if they do not their operators quickly find themselves reported by other ships, and hauled over the coals by superior authority. But it is alleged by British operators that it is of no use for them to report offending foreigners. It is by no means an uncommon experience to find International Conventions slow in receiving general observance. Here is an instance, and a very important instance, of the lack of strict observance. The only remedy is publicity, which, though working slowly, in the end achieves its purpose. In the meantime, the lives of all who travel by sea are imperilled by neglect to observe regulations on the part of those whose duty it is to observe them.

THE OILSEED CRUSHING INDUSTRY.

(BY A CORRESPONDENT.)

THE experience of the oilseed crushing and vegetable oil industry of the United Kingdom during the first half of the year can be regarded only with qualified satisfaction. Although rather more raw material was received than in the corresponding six months of last year, and thus enabled the mills and refineries to work at a fair level of capacity, trade generally was dull, and in one section at least there was more than the usual amount of competition from abroad. Home demand was on a moderate

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scale, but showed no noticeable expansion, and in the export trade there was a distinct falling off in several directions, owing, no doubt, to the difficult trading conditions still existing throughout Europe. In the half-year ended June 30th our exports of vegetable oils (produce or manufacture of the United Kingdom) amounted to 13,472 tons of refined and 51,077 tons unrefined, as against 14,250 tons and 59,291 tons respectively at the same date last year. Of the former, refined cotton oil at 10,539 tons (573 tons better than a year ago) was the principal item, thus showing the ability of the English product to compete with American cotton oil. The balance is made up largely of coconut and palm kernel oils. Under the head of unrefined, in which soft oils also made a good showing, a striking feature was the increased exports of palm kernel oil—viz., 17,199 tons, against 16,743 tons. A very considerable proportion of this was exported to the United States, no less than 12,240 tons being shipped in bulk from Hull alone to New York.

The expansion of the exports of this commodity is evidence of the progress made in recent years by this country in handling the nuts and kernels branch of the industry, which formerly belonged almost exclusively to Germany. Soya oil at 8,840 tons was also an increased export, and compared with 7,009 tons. There was, however, a big falling off in the exports of rape oil, the total being only 2,657 tons (of which more than half was sent to the United States), as against 7,047 tons. Linseed oil at 13,204 tons compared with 15,211 tons, and was thus over 2,000 tons down and considerably below some recent years. The worst feature of the linseed oil trade from the point of view of the seed crushers has been the abnormally heavy imports from abroad, principally from the Netherlands and Belgium—a total of 10,758 tons, or only 2,446 tons less than the quantity of British-made oil exported. It is almost unprecedented that in normal times foreign linseed oil should be able to compete so substantially with the home product on its own ground, and that after paying 20s per ton sea freight, yet such was the condition of things brought about early in the year by over-production on the Continent, and possibly to some extent under-production here. That phase appears to have passed, imports having markedly declined of late.

The keenness of foreign competition is exhibited in other directions, more particularly in the case of soya oil, of which 18,229 tons were imported in the six months, as against 9,775 tons a year ago, illustrating once more the tendency of recent years whereby crude oil crushed in the mills of Manchuria is exported instead of beans. Rape and castor oils were also increased imports. The arrivals of palm oil, after deducting re-exports, were 27,454 tons, against 28,241 tons net; but this does not so closely affect the oilseed crushing industry as such, except that it provides work for the refineries and comes into competition with other oils usually absorbed by the soap factories. The same may be said of coconut oil, of which we imported 12,447 tons net, against 10,541 tons (refined and

unrefined), although more copra than formerly is being crushed in English mills. Our total net imports of vegetable oils from abroad in the six months consisted of 8,251 tons refined and 76,597 tons unrefined. Comparing with 10,097 tons and 56,438 tons respectively, the former showing a decline of 1,846 tons, and the latter an increase of 20,157 tons—attributable to the heavier imports of linseed, soya, castor, and rape oils referred to.

In the half-year the net imports of oilseeds, nuts and kernels into Great Britain amounted to over a million tons (1,010,077 tons), against 914,103 tons, an increase of nearly 96,000 tons. A feature was the sharp decline of 63,263 tons in linseed. Both Great Britain and the Continent have taken much less linseed this year. Fair quantities brought forward from last year, and this and the poor trade in the oil product, added to the high prices demanded by shippers of seed caused crushers to be less eager buyers of the Plate and Indian crops. At the end of June less than half of the exportable surplus had been shipped, viz., 667,200 tons, leaving an estimated balance for shipment over the remainder of the year of 744,000 tons, the latter comparing with 681,000 tons actually shipped July to December last year. Ample supplies of linseed would, therefore, appear to be assured until the arrival of the new crop. It is hoped that the lower prices of seed and oil now ruling will stimulate demand. The new Egyptian crop of cottonseed is expected to commence shipment early in September.

BUILDING SOCIETIES.—II.

THE Halifax Permanent Building Society claims to be "the largest lender of money for house purchase in the Kingdom." At the present time the number of borrowers exceeds 45,000, while the amount owing upon mortgage is stated to be over £16,000,000. Ordinarily this society advances about 75 per cent. of its surveyor's valuation. Its balance-sheet is a concise affair. On the side of liabilities we find investing shareholders £15,889,497, depositors £3,678,058, with a reserve and surplus of £501,832. It is interesting to compare this ratio of reserves to assets with the figures given below of a few London societies. Against these items are amounts due secured by mortgages, £15,960,625; properties, £206,816; loans to corporations, £2,352,975; investments in British Government securities, £1,047,798; and cash, £501,172. These total £20,069,387. It is evident that, as far as the story of the institution is told in its seventy-second annual balance, a position of safety is indicated. Exceptional growth has been made by the Halifax Equitable. The assets of this undertaking in 1918 were £2,021,044; at June 30th last they totalled £9,190,097.

But we must confess that from the printed literature through which we have waded to pen this article, much remains to be done by the directors of these institutions to present a picture which will bring the public's savings in similar volume to the support which has been given to National Savings Associations. The absence of necessary information in these reports and accounts of societies must strike any cautious observer. The patient inquirer is at a loss in the majority of cases to find what interest he will pay, and what a loan will cost him. We have extracted, however, from a few of the chief undertakings the terms of repayment. Various units are used, and any comparison is practically impossible. It cannot be said that the Halifax Permanent, the leading society, gives in its prospectus much information as to what intending borrowers have to pay. The Burnley Society shows principal and interest payments due for the first twelve months on a mortgage loan of £500 at 5½ per cent. for 20 years, while the National Freehold bases its table on an advance of £100 with interest at 6½ per cent. over periods varying from eight to 16 years, and the Leeds Permanent on a mortgage of £480 at 5 per cent. during 19-23 years, while the Huddersfield gives the amount of monthly repayment on an advance of

£240. The National Freehold claims that it differs from all others in that it charges the borrowers interest only on the balance owing from day to day, and not on the balance owing on the first day of the year, as is the case with nearly every other society.

We should like to suggest to the Building Societies' Association that a standardised form of advance table should be given in the various pamphlets issued showing exactly what £100 will cost the borrower. The table could embrace the total money repayments for 5, 10, 15, and 20 years. From this the intending borrower could quickly realise his liabilities. If it is complained that, owing to a variable Bank rate, this is not possible, then tables could be shown giving repayments of capital and interest worked out on the basis of 5, 6 and 7 per cent. And the society could definitely announce the fact that the borrowing figure is 1 or 2 per cent. over Bank rate, as the case might be. Another feature which, possibly, progressive societies will offer us as competition becomes more marked is the ratio of expenses to business undertaken. Thus it would be an excellent guide to the financial condition of the concern if we were able to compare working costs per £100 advanced, of various representative societies. It should, perhaps, here be mentioned that although not so large, many of the London societies are in as strong a financial position as most of the huge societies in the North of England. The Temperance Building Society, for instance, has assets of £2,300,000 and a reserve fund of £245,000, whilst the Woolwich Equitable has assets of £2,850,000 and reserves of £210,000. These are excellent figures, especially when compared with those of the Halifax Permanent Society.

It is possible that an impression prevailed that a building society operating locally could not possibly be as financially sound as, say, an insurance office or bank with connections and investments throughout the world. That is one of the disadvantages of localisation. But there are advantages. One of these, insofar as building societies are concerned, is that it is possible to arrive at a more accurate valuation of property, for in their respective districts property market conditions are better known. Recently, however, there has been an inclination to extend the sphere of operations, and some of the more enterprising societies have opened branches and agencies in various parts of the country.

The present position of building societies is illustrated in figures of the operations of building societies in England and Wales in 1924, which were given by the chairman at the recent annual meeting of the Building Societies Association. It was shown that the movement in 1924 was at a more rapid rate than at any preceding period. The assets of all societies, including reserves, have increased from £121 millions in 1923 to £142 millions last year—a gain of 18 per cent. The amount received during the year advanced from £69 millions to £71 millions, an increase of 3.9 per cent.; mortgage advances accounted for £40 millions, against £31 millions, an increase of 29 per cent., while the number of members, excluding depositors, went up from 877,000 to 966,000. In addition, reserve funds grew from £6½ to £7½ millions, and the amount invested in mortgage assets from £96 millions to £118 millions, or 23 per cent. As regards the amounts received during the year, the value of the comparison is questionable, unless receipts from repayments of mortgages are left out. As the secretary of one of the largest North of England societies reminds us, by including such receipts a false comparison is made, because the more money is paid off these mortgages the greater the receipts, but the less would be the amount outstanding on mortgage. Therefore, increased receipts might mean either that mortgagors have more spare capital, and therefore pay off their mortgages quicker, or that properties are changing hands more frequently and are consequently being paid off in shorter periods, but are probably being taken up again by other mortgagors.

The following table * indicates the growth of the move-

* "Registry of Friendly Societies—Statistical Summary of Building Societies, 1914-1923."

ment in Great Britain since 1914 (the 1924 summary is not yet available):—

	No. of Members.	Total Receipts. £	Amount Advanced on Mortgage. £
1914	627,240	22,891,773	8,761,950
1915	626,174	21,812,002	6,530,986
1916	620,335	20,924,344	4,924,842
1917	612,753	21,936,831	4,484,794
1918	625,013	25,974,246	6,970,986
1919	672,369	35,445,504	15,840,961
1920	747,589	48,072,341	25,094,961
1921	789,052	47,146,765	19,673,408
1922	826,032	52,628,709	22,707,799
1923	895,512	61,616,621	32,082,694

These figures display in no uncertain manner the growth in popularity of these undertakings. From the slight setback recorded for 1915, 1916, and 1917 the turn of the tide was noticeable in 1918. To sum up briefly, this is accounted for in two ways. Firstly, the growth of income-tax and the search for any security bearing interest free of tax, and, secondly, the demand for housing and the facilities which the societies give to purchasing, borrowing, and repayment. The societies pressed home to the public both points. "Tax-free investments" was an excellent slogan, while, as the public began to understand the simple routine involved in borrowing, many prejudices were cast aside. Before the war many would-be borrowers were deterred by reason of uncertain employment and from the fear that repayments could not be maintained. The apparently higher wages and salaries of the boom period, however, gave a fresh confidence, while stabilisation of prices brought in 1922 and onwards those borrowers who had remained outside, fearing substantially lower building values.

The future for building societies is distinctly bright. Formerly societies of local interest only, they have now become part and parcel of our economic structure. That this has been appreciated by the societies themselves can be seen by the process of co-opting some of the best brains of the country for their control. Sir Josiah Stamp is already associated with one society, and no doubt many undertakings will fill vacancies by inviting prominent financial men to share the heavy task of direction which is involved by rapid growth and added responsibilities.

Notes of the Week.

The Seamen's Strike.—The unofficial strike of British seamen in certain British and Dominion ports has this week shown unmistakable signs of collapse. In Great Britain, indeed, the movement has from the start held every promise of failure. Some 1,400 men have thrown themselves out of work at Southampton without holding up a single vessel more than a few hours. The apparent readiness of unemployed seamen to fill the places of their discontented colleagues has induced the crews of other ships, on second thoughts, to accept the situation as it stands, and more vessels have lately left these shores carrying their regular hands. In South Africa and Australia conditions are less satisfactory. The mail service from South Africa has been delayed, and though negotiations now in progress are expected to have a good effect, the situation remains somewhat obscure. In Australia a firm line is being taken by the authorities. Warrants have been issued in numerous cases, and while the serving of these on individual strikers has not proved an easy matter, a number of convictions have been obtained and sentences of imprisonment and loss of pay inflicted. The chief sufferers in this dispute would appear to be the unfortunate seamen who have succumbed to the specious arguments of certain people less interested in obtaining better conditions in the merchant marine than in promoting obscure political ends.

The War in Morocco.—Expectations have been growing for some time that France and Spain were preparing to make a very strenuous effort to bring the Moroccan campaign to as speedy a conclusion as possible. These expectations were fulfilled this week, when the news arrived of a dual offensive effort. After intensive artillery pre-

paration a French offensive against the whole southern front of the Rifis has been launched under the direction of General Petain, while the Spaniards succeeded earlier in the week in effecting a landing at Cebadilla Bay and establishing a new base within six miles of Ajdir, which was Abdel Krim's capital and headquarters. It is too early as yet to gauge the extent of possible success. But it is obvious that upon the progress of the next few days depends whether or not France and Spain will have to face a long and exhausting campaign. The Rifis are proving themselves to be formidable foes. With a great natural aptitude for mountain warfare and a fanatical courage, they have shown themselves able to combine a high degree of discipline and a practical efficiency in the conduct of modern military operations. But they are now grappling with forces greatly superior in numbers, in training, and in armament, under a High Command determined, if possible, to deal a decisive blow. A week hence the prospects should be very much clearer.

Death of Two War Leaders.—Death has removed this week two men, each of whom played, in very different spheres, an important rôle in the war. M. Viviani was the Prime Minister to whose lot it fell to be in charge of France's destinies in August, 1914. Starting his political career as a Socialist, he gradually moved from the extreme left, and after being several times Minister, he became head of the Government in 1914, with the prime object of carrying out the three-years' service law as a reply to Germany's military preparations. He ceased to be Prime Minister in 1915, but remained in office for two more years, and was sent as France's representative to Washington when America entered the war. Since the war M. Viviani had the opportunity of showing at the League of Nations and at the Washington disarmament conference his deep devotion to the cause of peace. In M. Viviani France loses the greatest of her orators, whose art was known and admired on two continents. Mr E. R. Stettinius played a very different rôle. A partner of Messrs Morgan and Co., of New York, he organised in that famous house the purchasing department of the Allies in America, and became, in effect, an unofficial Minister of Munitions in the years when America was still endeavouring to remain neutral. Those who realise the importance of the part played by American supplies to the Allies in 1915 and 1916 will appreciate the extent of his responsibilities. Those who had the privilege to come into personal contact with him, either in the early days or in the later days, when he came to Europe to represent his country on the Inter-Allied Munitions Council, will realise that in Mr. Stettinius Europe as a whole, and Great Britain in particular, has lost a most loyal and devoted friend.

Foreign Trade in August.—The trade returns for August issued yesterday show a decline of £10 millions in imports compared with last year, and of £5 millions in exports. As re-exports are up by £4½ millions, the adverse balance of trade has substantially improved. The figures for August and for the eight months of the year to date are as follows:—

MONTH of AUGUST.				
	1924.	1925.	Increase (+) or Decrease (—) in August, 1925.	
	£	£	£	%
Imports	102,167,932	91,732,604	— 10,435,328	— 10.2
British exports	66,288,294	61,037,999	— 5,250,295	— 7.9
Re-exports	8,970,029	13,499,668	+ 4,529,639	+ 50.5
Total exports	75,258,323	74,537,667	— 720,656	— 1.0
Excess of imports over total exports	26,909,609	17,194,937	— 9,714,672	— 36.1

EIGHT MONTHS ENDED AUGUST 31.				
	1924.	1925.	Increase (+) or Decrease (—) in 1925.	
	£	£	£	%
Imports	808,481,047	867,758,788	+ 59,277,741	+ 7.3
British exports	526,036,385	518,523,538	— 7,512,847	— 1.4
Re-exports	93,272,789	102,324,985	+ 9,052,196	+ 9.7
Total exports	619,309,174	620,848,523	+ 1,539,349	+ 0.2
Excess of imports over total exports	189,171,873	246,910,265	+ 57,738,392	+ 30.5

The fall in imports is due to many causes, of which the three chief are the fall, both in quantity and value, of cereal imports; substantial reductions in the price paid for, accompanied by small reductions in the quantity of, raw material imports (with the exception of rubber); reduced imports of the new dutiable goods, silks, cars, &c., which were rushed into the country in large volume during June. The fall in exports is half due to coal, the other chief items to show a fall being ships, cotton and wool, and iron and steel. The value of British exports of manufactures in August was midway between the figures for August, 1923, and August, 1924. Taking the year to date, however, the figures clearly show what is wrong with our exports:—

VALUE OF EXPORTS during EIGHT MONTHS (in £ millions).				
	Coal.	Iron and Steel.	Other Manufactures.	
1923	67.6	48.8	331.0	
1924	50.1	51.5	360.1	
1925	34.5	45.3	368.6	

A similar story is told by the detailed quantity figures, of which we have picked out some of the most important items:—

	1923.	1924.	1925.
Coal.....mln. tons	53.2	41.7	33.6
Iron and steel.....thous. tons	2,847	2,665	2,426
Cotton piece goods.....mln. sq. yds.	2,753	2,981	2,999
" yarn.....mln. lbs	92.5	112.0	125.9
Woolen and worsted tissues.....mln. sq. yds	141	152	127
" yarns.....mln. lbs	23.4	30.2	25.4
Jute goods.....mln. sq. yds	102	112	125
Machinery.....thous. tons	286.3	299.0	337.8
Motors.....numbers	1,956	7,833	12,212
New ships.....thous. tons	157	96	66
Paper.....thous. cwt.	2,597	3,095	3,228

The uninterrupted progress of the exports of machinery is one of the most satisfactory features of a rather sombre picture. The improvement is fairly general throughout the group—even agricultural machinery showing some improvement. In the vehicle group, railway locomotives, cycles, and motor-cycles are all higher, as well as the motor-cars shown above. August was, however, a particularly bad month in respect of ships. The increase in re-exports is due to the rise of rubber prices and increased sales of cotton (to Russia and the United States) and of wool (to France and Germany). The adverse trade balance is the lowest of any month this year.

The Reichsbank in 1924.—Thanks are due to the Reichsbank for its decision to issue an English translation (apart from certain appendices) of its Report for the year 1924. The period covered was one of the most difficult in Germany's recent financial history. The wild rush of inflation had been stopped, and the experiment of the Rentenmark had been inaugurated. But the strain of maintaining stability until the recommendations of the Dawes Committee had been made and approved was a very serious one, and those responsible for Germany's financial policy at that time to be congratulated on the firmness which enabled them to carry through. The same year saw the closing of the Darlehenskassen, the establishment of the Rentenbanktreuhandstelle, and, with the co-operation of the Bank of England, of that short-lived, but essential factor in financial recovery, the Gold Discount Bank, which was absorbed by the Reichsbank at the beginning of the present year. It is particularly useful for all interested in recent financial history to have in this concise and authentic form details of the above transactions, together with an authoritative survey of credit policy and exchange control during the same period.

Home Railway Stocks.—Conditions in the home railway market, writes a Stock Exchange correspondent, have approached a state of affairs difficult to explain to anyone who has not some knowledge of the Stock Exchange, but which, nevertheless, deserves to be comprehended by many hundreds of proprietors who are seriously disturbed at the shrinkage in the value of their stocks. The following table gives some idea of the way in which prices have fallen:—

Stock.	January 2.	September 9.	Fall.
Great Western	109	86½	22½
London, Mid., and Scottish..	101½	75½	26
North-Eastern, pref.....	83	55½	27½
Do Defd.....	31	19½	11½
Metropolitan	82½	67	15½
Do District.....	56½	43½	13
Southern, pref.....	84½	73½	11
Do Defd.....	44½	40½	4
Do "A"	42½	37½	5

Southern railway stocks have suffered least, because the company's traffics inspire a less dolorous dividend sentiment than do those of the other steam railways. The reduction in the dividend on London Midland and Scottish last month had the effect of underlining the nervousness that had already gained ground, from one end of the country to the other, at the position of the Home Railway industry, beset as it has been by threats of strikes in the iron and steel trades, the shipping industry, and in some of its own branches. Concurrently with the decline in Home Rails, there has been steady appreciation of prices in other Stock Exchange markets to which public attention is popularly directed. The holder of London Midland and Scottish stock, observing the manner in which Courtaulds, for instance, have gone ahead by leaps and bounds, while the value of his own stock has steadily depreciated, arrives at that point of mentality where he decides desperately to cut his loss on the railway stock, and to utilise the money in the purchase of stock in which there is at all events a lively market. He covets shares that are being bought eagerly by the public, and which offer the prospect of appreciation instead of the continual decline which his Home Railway stocks have suffered. The consequence is that, for weeks past, holders of the Home Railway ordinary, deferred, and preferred issues have been trying to turn out their stock. The Stock Exchange market, in spite of the scarcity of floating supply, which is said to exist, has been buying stock for so long a time that the jobbers, not unnaturally, decline to take more on to their books unless they can see their way to placing it into the hands of buyers. But buyers are few and far between. Stock openly offered in the market at ½ below the nominal price has to be sacrificed for what it will fetch by sellers "at best." Automatic selling goes on, year in and year out, for deceased accounts, and by people who, wanting money for other purposes, have to realise their investments. Every now and then a feeble flicker of rally occurs, but it is usually so modest and so temporary as to emphasise the next bout of depression that falls upon the market. How best to advise their clients in regard to Home Railway stocks, Stock Exchange brokers frankly confess their difficulty in deciding. It is useless to work out the yields on capital, taking, as the basis, the last-paid dividends which the companies distributed, for these are likely to be reduced, and what next January and February declarations will hold, it is impossible to forecast. That the Home Railway industry is going to the dogs altogether would appear to be an impossibility. Doubtless the day will come when the bottom of the prices will have been reached. But how soon this will be, or how much lower prices are likely to drop, nobody dares so offer to shareholders is the negative one that the fall, having been so protracted and so substantial, has thereby lessened the scope for further shrinkage. The disunion led to a little stiffening of prices in the Home Railway and permanent buyers, such as trust and insurance companies, the hope of any material recovery in prices is not particularly rosy.

Railway Statistics.—It is noteworthy that two important industries, coal mining and the railway service, in regard to which wage statistics were very scanty until recent years, are now covered by elaborate official statistics. The railway figures are published annually, and those for March, 1925, have just appeared. The details as to wages follow the lines of previous returns, and show the standard rates for the principal traffic grades, together with the average wages and average earnings for these and certain of the workshop employees. One feature, which is introduced for the first

time, has considerable value. The average earnings of all the adult wage-earning staff combined, excluding those in ancillary businesses, are shown to be 67s 4d for the conciliation staff and 69s 11d for the shop and artisan staff. From these figures it is possible to derive an all-round average of about 68s a week. The average earnings of railway employees in 1912 were 27s 4½d. This figure, however, is somewhat too low for comparison with the present average, as it includes the earnings of juniors, and in order to deduce the increase over the pre-war level it requires a further augmentation to include certain advances given in 1913 and 1914. Allowing for these modifications, it seems probable that the increase is in the neighbourhood of 140 per cent. This increase, of course, takes into account not only advances in rates of wages, but also the effects of improvements in the rates for overtime and Sunday duty. In the case of the conciliation grades the average earnings in March, 1925, were almost identical with those of the previous year, although rates of wages were in many cases a week higher. This is partly accounted for by a fall in the earnings of drivers and firemen as a result of modifications of the mileage allowances. The earnings of shopmen showed a rise in the year of 1s 4d a week, though rates of wages remained unaltered. The return also gives details of the number of employees of the railway companies. The total number in March, 1925, was 702,062. This represents an increase of 25,000 in the last three years, whereas the contrary might have been expected as the result of the grouping arrangements; this latest figure is about 60,000 higher than that of 1913. It will be seen that the combination of the rise in earnings with the increase in the number employed since 1914 yields an estimate of the increase in the total wages bill which corresponds closely with that of 155 per cent. recently computed by the companies on a different basis, before the figures under consideration were available.

Licences and Drunkenness.—The Licensing Statistics, 1924, just issued in Blue Book form,* show that there was a slight increase over 1923 in the total of convictions for drunkenness in England and Wales, the figure being 79,082, as compared with 77,094 in the previous year. This small increase was entirely due to the last seven months of the year, for in the first five months a decline took place. The total, though the highest of the past few years, compares very favourably with the figure of 188,877 for the last full pre-war year 1913. The statistics also bring out the fact that while the population has been growing "on-licences" have steadily declined in number. In 1908 there were 95,517 on-licences, or 27.24 per 10,000 of population, while in 1924 the number of on-licences was 80,987, representing 18.68 per 10,000 of population. On the other hand, the steady decline in off-licences which had been in progress since 1905 was checked in 1923. Nevertheless, off-licences, like on-licences, are still falling in proportion to the population. In 1913 there were 6.40 off-licences per 10,000 of population; in 1923 there were 5.75, and last year 5.11.

American Cotton Crop.—Our Manchester correspondent writes:—On Tuesday last the Department of Agriculture of the United States Government published further important statistics relating to the cotton crop for the current season. The average condition of the plants on September 1st was given as 56.2 per cent., against 62.0 per cent. on August 15th, and 59.3 per cent. on September 1, 1924. The report stated that the yield per acre was estimated at 141.5 lbs, against 151.5 lbs on September 1st last year. On the basis of these figures the crop was indicated, exclusive of linters, at 13,740,000 bales, against 13,990,000 bales a fortnight earlier, and 12,787,000 bales at the same time last year. These figures were not equal to expectations, and below the forecasts of private firms. A rise in prices showed itself, but the upward movement was not maintained as at the higher figures selling pressure was experienced. The Department of Agriculture, on the same day, stated that up to the close of business, on August 31, 1,893,000 bales of the current crop had been

* Cmd., 2,496. Prices 3s 6d, net.

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ginned, against 958,000 bales to the corresponding date last year. This big increase is due to the crop being early, but the figures had an influence upon operators. In a supplementary report on crop prospects, published by the Department of Agriculture, it is stated that the drought and extreme heat have caused increased damage throughout a large part of the belt. Boll weevils are multiplying rapidly in most localities, though the crop in most sections is past the damage stage, except as regards the top crop. In view of the large unpicked and open cotton in the fields, severe tropical storms and excessive rains within the next few weeks might work great havoc. In Lancashire trading circles sentiment with regard to raw cotton prices is still rather bearish, but as consumption of American qualities at the moment is equal to over 14,000,000 bales per annum prices in Liverpool at around 1s per pound cannot be considered dear.

Egyptian Cotton.—More satisfactory news has been received, writes our Manchester correspondent, with regard to the progress of the growing cotton crop in Egypt, and it was good news for Lancashire to receive this week by cable the official Government estimate for the crop for this season, which is put at 7,300,000 cantars. The yield for last season was around 7,130,000 cantars, and consequently the more satisfactory outlook for supplies has been welcome, as over half the quantity of cotton grown in Egypt in each year is exported to and used in this country. It might be pointed out that the Government estimate is invariably extremely conservative, and in the circumstances a larger yield than that at present indicated is not an improbability.

Shipping Freights Index Number.—The rise in freights recorded for July continued, though to a less marked extent, during August, our Index Number of whole cargo charter rates for the month being 111.54, equal to an increase of only 1.02 per cent. This figure, which is the lowest reached for August since the war, compares with 121.49 in 1924, 116.53 in 1923, and 131.65 in 1922. The movement of the various groups in the index are summarised as under:—

Date.	European Waters.	North America.	South America.	India.	Far East and Pacific.	Australia.	Total.
Basis (Average, 1898-1913).....	100	100	100	100	100	100	100
Average, 1913.....	110.03	113.09	123.37	106.29	117.38	127.89	118.34
February, 1920.....	814.31	529.89	757.52	744.81	587.02	712.16	690.95
December.....	268.90	277.17	244.10	256.79	286.72	347.18	280.14
December, 1921.....	160.06	164.07	163.72	144.43	141.25	166.47	156.67
December, 1922.....	137.09	135.15	129.19	122.61	136.08	159.34	136.67
December, 1923.....	134.04	132.72	120.08	124.35	125.07	144.21	130.08
December, 1924.....	117.44	129.18	119.45	119.76	129.29	161.13	129.38
January, 1925.....	115.26	134.60	120.38	123.83	132.44	172.70	133.20
February.....	114.92	146.54	118.04	121.95	129.99	178.04	134.91
March.....	116.34	130.81	110.41	116.99	118.42	161.33	124.05
April.....	114.18	133.39	110.67	115.95	114.60	138.87	121.27
May.....	109.86	124.85	110.97	108.43	105.16	126.41	114.28
June.....	109.25	104.78	108.24	105.63	100.43	112.17	106.73
July.....	119.02	111.96	113.42	106.15	94.43	117.51	110.41
August.....	107.22	113.46	110.79	112.24	99.14	126.41	111.54

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

	Index No.	Inc. or Dec. Points.		Index No.	Inc. or Dec. Points.
Home trade.....	9200	-15.88	S. America—outwards	11415	-20.12
Bay—outwards.....	11927	-13.35	India—homewards.....	10742	+4.86
homewards.....	11613	-3.22	India—outwards.....	11509	-7.02
Mediterranean—outwards	11337	-17.90	homewards.....	10939	+19.20
homewards.....	11055	+0.47	Far East, &c.....	9914	+4.71
North America.....	11346	+1.50	Australia.....	12641	+8.90

Reacting sharply after the British mines settlement, outward coal freights continued in an extremely depressed state during August, a partial recovery, however, being shown in rates to South America late in the month, consequent upon a slackening in the demand for grain-carriers from the Argentine. The most remarkable feature in August was an exceptional outburst of grain-chartering activity from South Russia, and fixtures were also numerous in relation to the movement of maize from South Africa. The Far East was represented by a fair amount of business, and Australia's new season crop also began to command attention. So far as North American grain was concerned, however, matters lacked animation, and the demand for mineral ore carriers from Mediterranean and Bay ports was more or less restricted. The relation of the index to the average for 1913 may be seen from the following table:—

Month.	(1913 = 100.)	1922.	1923.	1924.	1925.
January.....	131.60	..	114.05	..	117.11
February.....	135.76	..	112.73	..	123.78
March.....	135.53	..	115.23	..	122.09
April.....	129.46	..	115.45	..	117.22
May.....	125.12	..	114.55	..	114.27
June.....	117.45	..	106.82	..	108.62
July.....	114.52	..	103.39	..	103.75
August.....	113.16	..	100.16	..	104.43
September.....	110.37	..	103.04	..	110.50
October.....	114.42	..	107.86	..	115.55
November.....	119.43	..	111.21	..	112.76
December.....	117.39	..	111.81	..	111.21
Mean for year.....	122.02	..	109.69	..	113.44

While the future course of freights is no doubt largely a matter of speculative interest, increased activity due to seasonal causes may be looked for with some amount of confidence. There is much lost ground to be recovered, but the position is by no means hopeless. It is not improbable that sooner or later the coal export trade will derive benefit from the Government subsidy, and should this stimulus coincide with brisker business in regard to crop movements during the autumn, a good deal of the gloom at present surrounding "tramp" shipping will likely be dispelled.

Agricultural Conditions in England and Wales.—The Ministry of Agriculture's report on conditions in England and Wales on September 1, 1925, states that unsettled and showery weather has been experienced throughout the country during August, although in some districts there have been fine, sunny periods. On the whole, the harm has not been extensive, the chief effect of the wet weather having been to hinder harvest operations. Reaping had already started in many places before the end of July, and became general in most districts during the first week in August. A good deal of wheat has now been gathered, mostly in good condition, especially where harvested early. The grain is generally of good quality, although much of it is rather soft, and there are some reports of discoloration. Yields are good, on the whole, forecasts being for an average crop of about 17.4 cwts per acre, as compared with last month's forecast of 17.1 cwts and a ten-year average of 17.1 cwts. Early sown barley is, as a rule, of good quality, but the later sown has in many cases suffered considerably from the wet weather, the grain being discoloured and of indifferent quality, while straw is short. To a certain extent the oat crop has suffered owing to the protracted harvest, spring oats especially being of only moderate quality and short in the straw. Harvesting of beans and peas is practically completed in some districts. Beans have suffered from blight in some instances, but generally the crop is fairly satisfactory as regards both quality and

yield. Only in a few cases are peas a good crop, many yields being light, while the corn is frequently of poor quality. Early potatoes have yielded rather below average crops, but main crop varieties have made good progress during the month, and promise yields little, if at all, below average. The plants are healthy and vigorous, and although disease is reported in a few districts, only small areas appear to be affected. The August rains have been of great benefit to root crops, which have continued the favourable progress made during the latter part of July. Sugar beet, where grown, is in very healthy condition, and although from one or two districts it is reported that the crop is running to seed, the yield is expected to be rather over than under average. Pastures have grown well during August, and are now in good condition, although grass is still deficient in parts of the north-eastern counties. Cattle and sheep are doing well, with few exceptions. In places additional seasonal labour has been difficult to obtain for harvesting and other farm operations, and the usual scarcity of skilled stockmen is reported.

Economic Conditions in Cuba.—A correspondent writes:—Advices from Cuba tend to prove that the scheme of taxation put forward by the Government (which came into power on May 20th last), to cover the contemplated expenditure of £6,000,000 (\$30,000,000) annually for ten years upon public improvements, is meeting with severe criticism and no small opposition. The burden of taxation is already high for the majority of the people, who, according to a recent census, now number 3,368,923, of whom 2,294,115 (or 68.10 per cent.) are whites, 830,791 (24.66 per cent.) are coloured, and 244,017 (7.24 per cent.) are unclassified. The Cubans enjoy a relatively high purchasing power; a large part of their requirements must be met by imports, *per capita* imports amounting, in 1923, to \$86. The cost of living has made unprecedented advances, foodstuffs—largely obtained from the United States—constituting 35 per cent. of the total imports. The new taxes, although designed to tap as far as possible the wealthier classes, contain clauses that will press sorely upon the working section of the population. Only recently a 50 per cent. bonus was granted to Government employees to date from 1921, while few concessions of any kind have been made to the lower ranks of labour. The workers are said to be in an unsettled state at the present time, and likely to fall ready victims to Red agitators, who swarm in Cuba as elsewhere. The serious unrest referred to by Lord Ashfield at the last meeting of the United Railways of Havana has undergone no amelioration. An item in the new taxation scheme that has attracted the disapproval of the mercantile classes is an excise of $\frac{1}{2}$ of 1 per cent. established on all payments, placements of funds, transfer of credits, of securities or products, or other similar operations, which, directly or indirectly, imply the export of money or its equivalent from the national territory to foreign countries. Due to the menacing conditions, large sums of money and securities are undoubtedly being taken out of the country to be spent or invested abroad, but the Governmental financial financiers have warned the administration that the terms of this tax are dangerous, and that their full implication and effect upon international trade have yet to be realised. While the new law, if put into full effect, will mean that a tax will have to be paid on all drafts collected in Cuba for United States and other foreign goods sold to the island, the method of making such payment, and the parties responsible therefor, remain unsettled. No regulations have been issued by the taxing authorities, and confusion is said to exist. Economic conditions in Cuba had been showing a steady improvement during the past two years, and it was believed that another such year would mark the elimination of the old indebtedness of many firms arising out of the "slump" of 1920, and basis. The general financial position was also fairly satisfactory, but notwithstanding the considerable reduction last year in the public debt, this still stands at \$88,328,500 (£17,665,700) foreign indebtedness and \$12,478,200 (£2,495,640) internal debt. British interests

—mainly railways, electric light, docks, tobacco, sugar, &c.—represent not less than £45,000,000, of which railways account for £28,250,000. England is Cuba's largest customer for tobacco, while her imports from England exceed a value of £3,000,000 annually.

Calico Printers.—A slight decline is recorded in the accounts of the Calico Printers' Association, Limited, for the year ending June 30, 1925. In our table shown below results are swollen by the inclusion of profits arising out of the sale of the French works, together with the reserve accumulated against loss by the depreciation of the franc. This operation provided shareholders with an additional £167,708. Without taking this sum into consideration, profits are £532,597, as against £540,786 a year ago. The ordinary dividend is again 10 per cent., which absorbs £351,878. In addition to this, a bonus of 5 per cent.—representing a sum of £100,537—is to be paid out of the proceeds of the sale of the French works. Results since 1906 are shown in the following table:—

Year Ended June 30.	Gross Profit.	Maintenance and Depreciation.	Net Profit, Less Debenture Interest.	To Reserve, &c.	Dividends.	Ord. Rate.
	£	£	£	£	£	%
1906.....	682,160	200,120	354,040	150,000	201,074	4
1907.....	776,752	224,711	424,041	150,000	276,476	6 $\frac{1}{2}$
1908.....	383,612	212,237	93,375	..	150,805	nil
1909.....	448,880	207,565	163,315	Dr 50,000	150,805	nil
1910.....	723,953	201,615	394,338	200,000	201,073	2 $\frac{1}{2}$
1911.....	612,630	208,860	403,771	185,000	226,208	3 $\frac{1}{2}$
1912.....	463,904	205,020	130,884	Dr 80,046	226,208	3 $\frac{1}{2}$
1913.....	718,851	216,174	374,677	150,000	226,208	3 $\frac{1}{2}$
1914.....	443,786	210,276	105,510	Dr 50,000	150,805	nil
1915.....	210,818	261,994	Dr 179,176	Dr 200,000	nil	nil
1916.....	1,104,732	312,345	664,387	300,000	351,878	2 $\frac{1}{2}$
1917.....	1,268,058	562,340	577,719	300,000	251,342	5
1918.....	1,271,559	573,606	569,953	310,000	251,342	5
1919 and 1920 3,040,392	1,567,432	1,216,961	350,000	603,221	10	
1921 and 1922 2,418,777	1,653,200	503,542	50,000	552,952	7 $\frac{1}{2}$	
1923.....	1,525,514	597,306	800,208	400,000	402,147	12 $\frac{1}{2}$
1924.....	1,191,524	522,739	540,786	205,724	351,879	10
1925.....	1,331,554	503,249	700,304	250,000	452,415	15

Maintenance and depreciation continue to absorb a heavy portion of profits, especially when compared with the pre-war rate. The company has substantial liquid assets. Out of total assets amounting to £7,947,931, cash and bills represent £772,902. Of the £250,000 allocated to reserves, £150,000 goes to the general reserve and £100,000 to the Employees' Benefit Fund. In the balance-sheet in front of us the depreciation account amounts to £1,093,244, as compared with £1,257,319 a year ago, and reserve £750,000, as against £594,275. We would like to suggest to the directors that the item "Sundry Debtors, Investments, and Other Debit Balances" should be divided, and investments shown separately. At present this one item at £4,444,896 represents more than half the assets.

British-Mexican Petroleum Company.—The statement issued by the Pan-American Petroleum and Transport Company in New York, that it had sold to the Anglo-American Oil Company the entire outstanding capital stock of the British-Mexican Petroleum Company, closes an interesting episode in the oil trade in this country. The British-Mexican had an issued capital of nearly £3,000,000. It was formed in 1919 as a partnership between British shipping interests and American oil interests. The shipping group was headed by the late Lord Pirrie and by Lord Inverforth, and the White Star, Cunard, P. and O., Royal Mail, and other important lines were interested either as shareholders or as customers. This was the time when all the big liners were being converted from coal to oil burning. The British shipping group wanted fuel oil, and Mr Doheny, for his company, the Pan-American, got the business. The British-Mexican constructed large oil fuel bunkering depôts at all the principal ports of Great Britain, and supplied the leviathans of the steamship passenger services with Mexican fuel oil. The British-Mexican, however, suffered from an unhappy supply contract with Mr Doheny's Mexican company, and also lost heavily on the

fleet of tankers which it constructed during the period of inflation. Its shareholders never had a dividend, and over a year ago Lord Inverforth's group bought out Mr Doheny's group, which held 1,500,000 shares at a price believed to be no more than 10s per £1 share. The British-Mexican then turned to other sources of oil supply, and took an interest in the Lago Oil Corporation in Venezuela, and in the Southern Crude Oil Purchasing Company, and the Southern Pipeline Company operating in the Smackover field in Arkansas. It also entered into a contract with the Soviet authorities for the supply of fuel oil f.o.b. its tankers at Batum. With these arrangements for supply, it was therefore surprising to find that the syndicate, which this year bought control of the Pan-American from Mr Doheny, also bought control of the British-Mexican from Lord Inverforth's group. The shareholders of the British-Mexican were invited to exchange their shares for 6 per cent. preference stock in the new Pan-American Eastern Petroleum Corporation, which is controlled by the Standard Oil Company of Indiana. Another branch of the Standard Oil family thus entered the British market, and began to operate not only the oil fuel bunkering business, but the petrol business in Great Britain, which the British-Mexican held through a subsidiary, the Redline Motor Spirit Company. There was thus a complete departure from the original idea behind the British-Mexican formation. The question now raised was whether the branch of the Standard Oil family represented by the Indiana company would compete in the British market with the other branch represented by the Anglo-American Oil Company, the subsidiary in this country of the Standard Oil Company of New Jersey? The negative answer is supplied by this announcement that the Anglo-American Oil Company has purchased the entire stock of the British-Mexican from the Pan-American (at a price believed to be in the neighbourhood of £1,600,000), but excluding the interests held by the British-Mexican in Venezuela and America. The Anglo-American is certainly best able to operate the petrol business of the British-Mexican—one less competitor (it will be observed) for the "big three" in the British petrol market—and it will no doubt satisfy the shipping companies, provided its contract prices are right, but what will it do with the Agwi group of companies which it takes over at the same time?

Nobel Industries.—A year ago the directors of Nobel's Industries, Limited, were able to declare a dividend of 8 per cent. for the year ended December 31, 1923, on 8,008,354 of ordinary capital. Now they are able to announce a dividend of 9 per cent. on the slightly increased ordinary capital of £8,030,229. Although, of course, as is evidenced by the comment about the South African results the accounts do not necessarily show the whole results of the combine, profits actually brought into the account are slightly lower, being £927,710, as against £1,032,489; but by reducing the allocation to special investment reserve by £50,000—making it £50,000, as against £100,000—the amount carried forward is increased by £16,000. Figures shown are net after deduction of tax. The following table shows how the undertaking has fared in the past five years:—

	1920.	1921.	1922.	1923.	1924.
	£	£	£	£	£
Gross profit	827,073	809,242	1,157,137	1,178,443	1,003,420
Net profit	788,807	604,264	942,901	1,032,489	927,710
Brought forward	230,389	757,498	463,349	509,018	650,130
Available for shareholders	1,019,196	1,361,762	1,406,250	1,541,507	1,577,840
Preference shareholders	261,698	269,243	284,986	297,902	300,964
Ordinary shareholders..	..	279,170	413,301	493,474	560,279
	..	(5 %)	(7 %)	(8 %)	(9 %)
Balance of note issue written off	..	..	148,945	..	..
Reserves.....	..	350,000	50,000	100,000	50,000
Carried forward	757,498	463,349	509,018	650,130	666,597

As time goes on the balance-sheets promise to become more informative. This is something to the good in days when the movement is only too often in the opposite direction—i.e., fewer items and less detail. As it is a holding company, assets are mostly investments. These amount

to £21,932,445 out of a total of £24,239,827. The comparative figures a year ago were £21,494,443 and £23,731,436. The following table shows how investments have been analysed:—

	1923.	1924.
1. Cost of shares in constituent companies ..	17,452,015	17,364,505
2. Other industrial investments at cost	5,026,299	4,981,474
3. British, Colonial, Government, municipal, railway, &c.....	..	647,878
	22,478,314	22,993,857

It will be observed that these investments are taken at cost, the report pointing out the market value as a whole "not being obtainable." Succinctly we are informed that the market value of "other industrial investments was below cost," while the market value of British and Colonial Government, &c., stocks was above cost. We have before called attention to the investment reserve account; this totals £550,000. When the usual consolidated statement given by the chairman at the general meeting is available no doubt these figures will convey more to us.

Agwi Petroleum Corporation—The Agwi group of companies—Agwi Petroleum Corporation and Agwi Marketing Company—provides, like the British-Mexican Petroleum Company, a warning that it is impossible to stay in the oil marketing business without ownership of a source of crude oil production. The Agwi Petroleum Corporation has a refinery at Fawley, on Southampton Water, which can treat 5,000 barrels of crude oil daily, facilities for bunkering ships with oil fuel, and a market for its petrol by way of a contract with the National Benzol Company. Largely because it had no crude oil production of its own, having had to buy from hand to mouth, the company has never been a financial success. At the end of 1923 it had to raise further capital and, apparently, the best terms on which this could be obtained was by the issue at par of £300,000 5 per cent. debenture stock repayable at 135 at the option of the company or on the demand of the debenture-holders after five years from the date of issue. The British-Mexican Petroleum Company and Lord Inverforth's group jointly subscribed the £300,000 debenture stock for a cash commission of 10 per cent., and an option to subscribe at par for 450,000 shares, and obtained voting rights on the basis of one vote for every £1 of debenture stock. To provide for this option the capital was increased from £1,000,000 to £1,500,000 by the creation of 500,000 new ordinary shares. Lord Inverforth's group, having further purchased from the directors a block of ordinary shares, obtained virtual control of the Agwi companies. This control now passes to the Anglo-American Oil Company. Presumably, the shareholders will receive in due course from the Anglo-American Oil Company a statement of its policy, if it intends to keep the Agwi companies alive, or an offer, if it intends to wind the companies up. It will be appreciated that the Anglo-American, as a subsidiary of the Standard Oil Company of New Jersey, is an importer only of refined oil products. If it decides to import crude oil and operate the Agwi refinery, it will enter upon a new field of activity. Undoubtedly it strengthens its position by this acquisition, for it obtains the finest shipping site on Southampton Water; complete facilities for oil fuel bunkering, which it at present lacks in that district; and it has now access to inland markets through the branch of the Southern Railway which has been constructed to the refinery at Fawley. The shares of the Agwi Petroleum Corporation are nominally quoted at $\frac{3}{4}$. The basis on which the debenture issue was made to the British-Mexican in December, 1923, proved to be the equivalent of a valuation of the ordinary shares at 12s 6d.

British Insurance in Portugal—A *Reuter* telegram announces the refusal of the Portuguese Minister of Public Works to permit of the addition to insurance policies, taken out in Portugal, a clause laying down that British agencies "are not to be held responsible for loss and damage after a lapse of 12 months." Some surprise, writes a correspondent, has been expressed in certain quarters that British agencies, in whose hands repose practically the whole of the foreign insurance business

done in Portugal, should have asked for the insertion of this provision. It is understood, however, that the reason is the unusual number of claims put forward after long periods, when it has been difficult for the companies against which claims have been made to obtain the necessary evidence. No complaint has been made regarding the methods adopted by British insurance agencies established in Portugal, many of which are of long standing. Regarded as a whole, they have proved both popular and prosperous. The largest amount of business being done is in regard to fire, but, on the other hand, life insurance, notwithstanding the great difficulty met with, has yielded satisfactory results. The French AF and RF mortality tables are in use generally. Compared with French rates, those quoted by British agencies are 50 per cent. lower; a large proportion of the fire policies issued have been taken out with British companies. The average of claims has been good in proportion to the premium income. Transport insurance has also largely passed into the hands of Foreign companies, principally British, the premium rates being more or less those of Lloyd's. Employers' liability figures largely in Portuguese insurance business. According to the Act, dating from May, 1919, and still in force, amplifying and completing the Act of 1913, every employer of labour is responsible for professional accidents caused to workmen. Many of the victims have been treated in times past with exceptional generosity. Portuguese legislation has tended, perhaps, to favour the insurers more than the companies, but these have shown great promptitude in settling claims in comparison with some native insurance companies, whose methods of settlement have been somewhat slower. There had been a loss of public confidence in some of the native insurance companies since 1918, when the consequences of the Armistice, no less than those of the war itself, caused the collapse and disappearance of a number of mushroom institutions which had been established. At the time of the Armistice there were over 130 insurance concerns carrying on a cut-throat business, principally marine risks; this marked an increase from about 40 in existence before the war. The number is now reduced to fewer than 60, British offices or agencies included. The existing native institutions are of sound repute, well conducted, and quote premium rates as cheap as—if not cheaper than—those of their competitors. The objection to recognising the new precautionary clause inserted in British insurance policies is based upon the plea that its acceptance would be "contrary to public interest." In any case, its exclusion is not thought likely seriously to affect the business of British insurance agencies carried on in Portugal.

Nigerian Tin—Our mining correspondent writes:—Water supply being so important a factor in the operations of companies working for tin in Northern Nigeria, the delay in the arrival of the rainy season was reflected in poor returns for several months. About a month ago, however, the rains came, and for August many of the companies are able to report outputs appreciably exceeding those of the earlier part of the year. The most notable example is a jump from an average of about 40 tons to no less than 110 tons of tin concentrates on the part of the Northern Nigeria (Bauchi) Company. Here undoubtedly the principal factor has been the starting up of the Kwall hydro-electric power plant. This scheme was initiated many years ago, but for a time work had to be suspended owing to lack of funds. Additional resources were raised—first by an issue of preference shares, then by debentures; the money thus provided proving insufficient, the profits had to be drawn upon for the completion of the plant. Hence no dividend has been paid since 5 per cent. on the preference in 1919. The prices of the shares have lately risen to 16s 6d for the preference and 11s 6d for the ordinary, both of the denomination of 10s. The pre-to share *pari passu* in surplus profits with the ordinary, and the respective quotations constitute an anomaly. It was estimated that with cheap power available, the company would be able to work at a profit ground carrying 1½ lbs, or even less, per cubic yard.

A Jungle "Deal."—Over last week-end the announcement was made, writes our mining correspondent, that the Gold Coast Explorers had arranged to purchase for a nominal sum the assets in West Africa of the Prestea Block "A." The latter, although the biggest mine of the colony, has achieved so little success that the unfortunate shareholders have never received a penny by way of dividend, and now they have lost their property altogether. After more than one reorganisation of capital, and the issue of a series of prior charges, the concern in July last went into the hands of a receiver for the debenture-holders. This gentleman obviously found it necessary to take the best offer he could get; it amounted to £20,000. For insurance purposes the value of the surface plant alone had been placed at £300,000! The last report issued by the former management indicated the crushing of 85,400 tons of ore for a value of £177,500, equal to 41s 7d per ton. Expenses averaged no less than 49s 2d, including, it should be mentioned, a heavy allowance for development redemption. On a neighbouring mine—the Taquah and Abosso—the recovery in 1923 averaged 46s 10d, and costs 37s 4d. Hence there seems ample ground for the belief of the new sponsors of the undertaking that expenses can be cut down, and profits earned. The existing ore reserves are reported to be 75,000 tons, averaging fully 45s per ton, plus 400,000 tons of slimes, having an estimated profit value of over 3s per ton. To provide the necessary funds, the Gold Coast Explorers, whose capital is only £50,000 in 1s shares, is offering a like number at par to its shareholders.

Transvaal Gold Output in August.—The output of gold of the mines of the Transvaal amounted to 808,218 ounces of fine gold during August, 1925, which compares with 809,571 ounces during August, 1924, and 769,371 ounces during August, 1923. In July, 1925, the output was 818,202 ounces of fine gold. The following table shows the monthly output for the past six years:—

	1919.	1920.	1921.	1922.	1923.	1924.	1925.
	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.	Fine Ozs.
January..	676,059	670,503	651,593	639,728	704,970	760,617	753,925
February..	636,728	625,330	558,137	671,123	761,586	796,671	825,479
March ..	712,379	707,036	671,123	511,338	743,651	768,923	787,519
April	694,944	686,979	681,382	629,786	786,564	809,003	813,249
May	724,935	699,041	687,776	675,697	755,309	773,053	780,251
June	702,379	715,957	678,490	730,635	754,306	829,437	818,202
July	725,497	736,099	689,555	752,490	769,371	809,571	808,218
August	706,669	702,083	711,536	752,490	769,371	809,571	808,218
Total 8 months	5,579,650	5,543,028	5,329,582	5,339,674	6,040,226	6,343,043	6,410,535
September..	698,558	682,173	631,082	747,089	739,504	739,422	..
October...	723,722	662,472	707,825	778,159	793,842	827,583	..
November..	677,970	633,737	704,236	764,476	780,639	802,313	..
December ..	660,791	632,215	651,847	790,712	778,849	825,273	..
Total	8,330,091	8,153,625	8,114,516	7,920,110	9,133,060	9,597,634	..

The following table shows the number of natives employed at the end of the last few months by members of the Witwatersrand Native Labour Association and Contractors:—

	Jan., 1925.	Feb., 1925.	Mar., 1925.	Apr., 1925.	May, 1925.	June, 1925.	July, 1925.	Aug., 1925.
Gold mines	180,970	182,099	179,061	176,188	172,982	169,810	169,433	168,900
Coal mines	15,279	15,530	15,634	15,823	16,180	16,474	16,582	16,420
Diamond	3,011	3,187	2,969	3,071	3,172	2,989	3,166	3,068
Total	199,260	200,816	197,664	195,082	192,334	189,273	189,181	188,388

The number employed at the gold and diamond mines again shows a decline.

The sixth annual lecture conference of the Industrial Welfare Society is being held at Balliol College, Oxford, from September 11th to 16th. Details may be obtained from the secretaries at 51 Palace street, Westminster, London, S.W. 1.

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UNITED STATES.—OUTLOOK FOR MONEY AND STOCKS—GENERAL CONDITIONS—DEBT SETTLEMENT.

(FROM OUR CORRESPONDENT.)

NEW YORK, September 1.

QUIETNESS continues to prevail in the financial district, with activity in the line of new capital issues at a low ebb. Whether the passing of Labour Day and the end of the vacation period will bring a change in this condition remains to be seen. Just now some bankers characterise their business as about as quiet as they remember. Interest, meanwhile, continues to centre in the many evidences of active trade, and in the behaviour of the security markets. During the last few days the tone of the stock market has been irregular, with a touch of weakness. This state of affairs is reviving the question, so often asked during previous periods of irregularity, of whether the market has finished its major upward swing. Opinions on that point are divided. The bears maintain that prices are high, that speculation has been very active, and that the market will lose money as autumn develops. On the other hand, it is apparent that buying in many high-priced issues has been "strong," that many standard stocks are not extravagantly priced, and that some of the sharpest advances in individual issues have been due to previous injudicious short selling. Commission brokers declare that their customers' accounts are unusually well margined. Bankers state that their market loans are unusually well secured, both as to quality and quantity of collateral. Certainly, it is a situation that cannot be characterised simply in the one way or the other. Perhaps as revealing an observation as any is that to the effect that our securities market is growing more and more like that of London. It is moving less as a unit; various departments are acquiring more independence.

At the moment the money market has taken on a moderately firmer tone. Certain maturities of bankers' acceptances have been advanced one quarter of one per cent. during the past two days. The rates on this form of paper now vary from 3½ to 3¾ for thirty days to 3½ and 3¾ for 180 days. Three months' bills are selling on a 3½ and 3¾ per cent. basis. Obviously, the rate has been creeping up on the Federal Reserve Bank's rediscount rate, a phenomenon which in some past instances has been followed by an increase in the official figure. Against the likelihood of such an advance at this time is set the fact that your own money market has weakened, and that American balances that have been placed in London would be brought home if the domestic money market firmed up materially. In addition, it is thought that the Federal Reserve authorities would hesitate to take an action that might place an extra burden on sterling exchange at the time of year when sterling must carry its heaviest load. On the other hand, it is realised that the Federal Reserve authorities are not likely to refrain from taking any action that the condition of our own markets really indicates. As for the current advance in acceptance rates, dealers say that it has been made in anticipation of the arrival of heavy supplies of cotton bills. The attitude of the dealers seems to be that it is better to mark up their rates beforehand than to

take a large volume of bills and then have rates advance, leaving the dealers with a loss on their bills. In any event, the present tightening seems to be regarded as a rather convincing one. This is the season at which a large supply of bills usually begins to develop, and at which the season swing of rates is upward from the summer's low level. The behaviour of rates during August was something of a surprise. Several banks had heralded the approach of dearer money. The tightening proved materially less than had been anticipated. Opinion swung to the idea that perhaps money was not going to harden much this fall after all. It may be that the present change indicates a normal and moderate seasonal advance in rates.

The explanation of the situation offered by bill dealers dovetails with what is known of the cotton situation. The crop, which seems pretty certain to be a large one, is being marketed unusually rapidly. The weather has been favourable to early picking. Ginnings have been running very much ahead of those of last year. Growers have been selling freely, apparently on the theory that recent prices have been about as good as would be realised. Middlemen who have bought spot cotton at diminishing prices have been hedging their purchases in the future market. This selling has had its effect on the futures, carrying them below the 22 cents level. Mill demand is reported to be rather slow. Meanwhile, economists and other observers find the offset for lower prices in the indications of a liberal yield. The improved crop prospects in general have caused an increase in confidence in the character of business during the rest of the year. Just now railroad car loadings are breaking all records for the season of the year, and are coinciding with other indications of active trade. The railroads themselves are earning in excellent fashion. The consensus of informed opinion is that this autumn's trade will set new high records, but that it will not be accompanied by inflationary tendencies. The policy of buying only to cover immediate necessities is expected to continue in force.

The Belgian debt agreement has been well received in all well-informed and in most influential quarters. With regard to the French and Italian settlements, it is apparent that the Administration is determined that its bargaining position shall not be weakened by preliminary manoeuvres on the parts of the debtors. It is, perhaps, a little inclined to be sensitive on this point. At the same time, due weight probably will be given, in the coming negotiations, to the debtors' capacity to pay.

FRANCE.—THE 1926 BUDGET—M. CAILLAUX'S PROPOSALS—A NEW FUND AND FRESH TAXATION.

(FROM OUR CORRESPONDENT.)

PARIS, September 9.

M. CAILLAUX's Budget proposals for 1926 have now been disclosed, so far as their broad outlines are concerned, and they suggest that the coming Bill will go far to place the French national finances on a sound footing. Whether it will prove acceptable to the wealthier classes in France is more than doubtful, but it is unlikely that any of the proposals will be seriously combatted in either of the two Chambers. None of the proposals now formally put forward by M. Caillaux are actually new, as they were foreshadowed some months ago. It is to be noted, however, that although they do not go as far as the Socialist party recently urged, the proposals as a whole constitute a further attack on accumulated wealth, while at the same time the Minister makes a strong appeal to the less fortunate of the electorate by proposing, in order to emphasise the "democratic" character of his Budget, that humbler taxpayers, whom age or infirmity have placed beyond the power to work, shall be exempt from taxation so far as one-half of their modest incomes are concerned.

M. Caillaux bases his new Budget on the one for the current year, subject to certain modifications on both the revenue and the expenditure sides, in order to bring his accounts for the year into "irreproachable equilibrium." He claims that the coming Budget will be an absolutely truthful one, comprising the whole of the year's expenditure, placing a just estimate on the expected revenue, and

ensuring that this shall come solely from taxation. He has renewed, therefore, his proposal (which he was prevented from carrying out last June), to withdraw entirely from the revenue side of his 1926 and future Budgets anything France may receive from the Dawes Plan. The revenue from this source will in future, he proposes, be paid into a special amortisation fund, which will be used for the double purpose of meeting the charges arising from the devastated regions, and the service of the inter-allied debt. This, for the coming Budget, will mean a reduction of estimated revenue by 1,100 million francs, the amount taken from this year's estimated receipts from Dawes Plan payments which was used to help balance the 1925 Budget. If, as the Minister proposes, the 1,600 million francs required for war pensions is added to the estimated expenditure for the year, and a further 360 millions which is now included in the independent Budget for the Department of Posts, Telegraphs and Telephones, be incorporated in the Budget proper, another 3,060 millions will have to be found from taxation. Estimating that, on the one hand, there will be an inevitable falling off during the next 12 months in the revenue from exceptional resources (arrears of the special tax on war profits, &c.), and that on the other there will be a certain amount of increase in the yield from the existing taxation, M. Caillaux calculates that he has to face, on the present estimates, a total deficit of 3,460 million francs.

It is impossible, he insists, to cut down departmental estimates any further. All increased expenditure applied for by the various departments, he states, has been cut by two-thirds, and for the moment it is impossible to realise further economies. Further substantial reductions in departmental expenditure will come later, but these will require further serious consideration.

M. Caillaux proposes to find the money to get rid of this deficit of 3,460 millions by (1) a uniform and notable increase of the income-tax schedules except in the cases of small incomes; (2) the institution of a schedule in respect of *biens oisifs*, or unproductive capital values (such as jewels, art collections, libraries of rare books, &c.); (3) a progressive tax on wealth, in the form of an increase in the rate of the general income-tax to an average of 40 per cent. in the case of large incomes (which will, of course, have also to pay the present schedule rates). As a complimentary measure, the Minister proposes to stipulate for "an exceptional revision of awards of war indemnities which, in consequence of cession to third parties or of displacement of damages, are of the nature of excessive profits." The yield from this source will not go into the Budget, however, but will be paid into an entirely new kind of amortisation fund, which will be used to expend the sums necessary to complete the reconstitution of the devastated regions, to handle the annuities to be paid in respect of interallied debts, and to receive amounts recovered from profiteers and from the operation of the Dawes Plan. "If the Dawes Plan receives, as we should not doubt, its complete application," M. Caillaux states, "the annuities wards will exceed 1,500 millions of gold francs, will enable France to meet her engagements."

This brief statement embodies a striking outline of the "policy of audacity and considered prudence," as M. Caillaux himself terms his proposals, which he believes the country is prepared to accept, and which Parliament will approve. The most interesting feature of the new proposals, from the British point of view, is that which involves the establishment and functioning of the new diplomatic astuteness that he should have thus established, nite liaison between the payment of the yield from the Dawes Plan and the paying off of interallied debt. The fund from which the instalments of debt payments will be made to Great Britain and the United States is made dependent to a very great extent, it will be noted, on the success in convincing the Washington Government that France should not be called on to pay to her creditors more than she receives from her own debtor, the future darkest cloud. Even then, if M. Caillaux's proposals are carried out in their entirety, the burden of the French tax-

payers will be increased from 1926 onwards to the extent, in round figures, of nearly 1,000f per head per annum. As the bulk of the increase will be borne by the comparatively small well-to-do class alone, the additional individual burden on these will be substantial.

M. Caillaux has made no public statement as yet as to the incidence of the new taxes, but it is understood that he will entirely avoid the imposition of further indirect taxes, and will secure the necessary revenue from direct taxation alone. The schedule rates for income-tax will in all probability be divided into three categories—10 per cent. on incomes derived from labour (wages and salaries), after a certain somewhat high point of exemption has been passed; 15 per cent. on incomes drawn partly from labour and partly from invested capital; 20 per cent. on incomes from capital alone. Dividends from French securities and from foreign stocks, shares, and bonds which are *abonnées* here will be subject to a tax of 20 per cent., instead of the 12 per cent. rate now prevailing, while the tax on the revenue from *non-abonnées* foreign securities is to be increased from 18 per cent. to 25 per cent. The duty payable to the State on "winning" premium bonds will be raised from the present rate of 20 per cent. to 30 per cent. The "very large" incomes on which the rate of imposition in respect to the general income-tax is to be increased to 40 per cent. is believed to mean those in the neighbourhood of 20,000,000f a year.

The proposal which is exciting the most interest among the general public is, naturally, that for the taxation of *biens oisifs*, or unproductive possessions. Some alarm was at first felt that this tax might apply to money lying on deposit in banks, but this was entirely without foundation. Such property, moreover, is already subject to taxation. The object of the Minister, it is stated, is chiefly to reach wealthy persons who dissipate a portion of their real capital by investing it in diamonds, costly works of art, rare books, &c., which, although yielding nothing in the form of revenue, constitute vendable property, which has a fairly constant value. The ordinary amateur collector of postage stamps and other objects, valuable as such property often is intrinsically, will not be touched by the proposal. It is recognised by the revenue officials that the valuation of such special kinds of property for the purposes of the new tax will be an extremely difficult matter, and the suggestion is made that the tax should be made equivalent to the amount paid as insurance premiums by the owners of property of the class in question. This solution was suggested by M. Loucheur when a similar proposal came before the Budget Commission of the Chamber last May. On this basis the *biens oisifs* would be called on to contribute several hundred millions in this form of taxation. In any case, however, it is understood that a very substantial rate of abatement would be allowed on valuations before the new tax would be applicable.

GERMANY.—BOURSE—FINANCES—CREDIT—COAL AND IRON—INDUSTRY—PRICES.

(FROM OUR CORRESPONDENT.)

BERLIN, September 8.

THE past fortnight has witnessed a marked improvement of sentiment, for which there is a cause, though not exactly a reason. After stocks had fallen since the end of January almost uninterruptedly, reaching their lowest point at about August 17th, came a sudden revival which sent up average quotations materially, and sent up the most depressed papers, that is, "heavy industry" and shipping, enormously. As the exaggerated business pessimism prevailing in the first half of the year, in spite of improving employment and increasing exports, was of improving employment and increasing exports, was associated with the Bourse depression, the new Bourse boom created a wave of optimism. The news that unemployment is now increasing, though slowly, the number of publicly supported unemployed having risen from a low point of 193,000 to (on August 15th) 208,000, had no effect. The last monthly report of the Prussian Ministry of Industry was not favourable.

The Bourse boom has had several causes, none of which was connected with any actual improvement of industry. The Stinnes liquidation, it was announced by the intervening banks, will be achieved without loss; and the banks'

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calculation indicates a surplus of 20,000,000 marks, which is all that remains of the large family fortune. To achieve this result, the banks have had to abandon their claim to remuneration, and to sell the concern's securities without charging brokerage commission. Secondly, negotiations for fusion in the depressed Prussian Silesian, and in the Western steel industries, were announced. Thirdly, the Cabinet took measures to cheapen credit, and the latest reduction of stamp duties on capital transactions tended to revive stock activity. The technical condition of the Bourse involved a bull reaction; stocks were heavily over-sold, bears having shown the usual misplaced temerity at a moment when quotations could hardly have sunk further, and a good many of these speculators and some brokers got into serious difficulties. The main cause of the new boom was the usual inevitable reaction from a prolonged slump; the time for recovery had come, and minor items of good news, which would have been ignored when quotations stood 20 per cent. higher, were given exaggerated significance.

On August 14th stock prices (*Frankfurter Zeitung's* index) averaged 67.9 per cent. of prices at the beginning of the year, and were still lower as compared with January 31st, when they averaged 11.37 per cent. higher than at the beginning of the year. Steel and coal, engineering, railway rolling stock, and shipping stocks were about, in numerous cases below, half of highest prices of the year. Even stocks of a particularly prosperous industry, the motor-car, averaged about 35 per cent. below the year's highest prices. The measure of recovery in the different branches has been very different, but individual stocks have risen over 50 per cent. For September 5th the index quoted above shows only 75.08, a rise of 11 per cent., but this includes bank and other securities, which moved relatively little. The recoveries of some individual stocks are shown below:—

	August 17. Marks per 100	September 8. Marks Nominal.
Deutsche Bank	113	113
Disconto	103	105.63
Darmstaedter	109.75	112.75
Hamburg-America	46.60	66.50
North German Lloyd	46.60	69.50
General Electricity	92.50	97.10
Badische Aniline	121.50	129.25
Bochum Cast Steel	56	71.75
Harpener Bergbau	85.50	112.50
Phoenix	58.75	77.37
Daimler Motors	38.75	49
Nobel Dynamite	66.25	78
Hirsch Copper	87	91
Aschersleben Potash	119	128.50
Mannesmann	56.75	74.50
Siemens und Halske	70	84.60

A good deal of foreign buying, which began from Switzerland and Holland, has taken place. More optimistic expectations are now held concerning profits by the "heavy industry" companies in the business year ending June 30th, and the shipping outlook has improved; but doubt is felt whether the Bourse boom can go much further without a reaction. The stock market history of 1925 has so far closely copied that of 1924. In 1924 stocks reached their highest point at the end of January; and until the late summer, when there was a sharp recovery. This recovery was followed by a new severe reaction, but the bull market was resumed towards the end of the year. The price of money still far exceeds the average yield on such stocks as pay dividends at all. The last few days have seen signs of uncertainty and weakness.

Federal revenue receipts in July totalled 713,601,794 marks gross; in April-July 2,538,673,166 marks, or in four months much more than the proportionate share in the financial year's estimated receipts of 6,343,750,000 marks. Income-tax in the four months yielded more than half the estimate for the whole year:—

	April-July.	Estimated for Financial Year.
Income-tax	886,278,543	1,700,000,000
Sales tax	516,410,527	1,380,000,000
Luxury Sales tax	36,384,725	120,000,000
Traffic tax	112,217,326	282,000,000
Customs	169,528,322	356,050,000
Tobacco	207,525,342	560,200,000
Beer	88,666,530	174,000,000
Sugar	89,084,665	185,000,000
Spirits monopoly	39,751,644	150,000,000
Wine	30,825,285	59,500,000

Depression in the coal and steel branches continues. The Federal Coal Council's inquiry has confirmed the claim of the Western mining companies that they are selling at a loss. Figures of one of the largest companies, as tested by the Council, show for July, 1924, wages per ton (without salaries), 7.89 marks; total production cost, including certain taxes, 14.79 marks; receipts, 14.35 marks; loss, 0.44 marks; for January, 1925, wages, 7.97 marks; total production cost, 15.02 marks; receipts, 13.88 marks; loss, 1.14 marks. The accounts of another large company show a loss of 1.14 marks per ton in July, 1924, and of 0.44 marks in January, 1925. The Raw Steel Syndicate retained for September the 35 per cent. reduction of output which was fixed for August, but a further reduction in the course of the month is possible. The chief Upper Silesian steel companies have fused. The fusion negotiations in the West involve Krupp, Thyssen, Phoenix, Rhenish Steel Company, and the three Rhine-Elbe Union (formerly Stinnes) companies, the Deutsch-Luxemburg, Gelsenkirchen, and Bochum Cast Steel. These have steel production quotas totalling 7,717,000 tons out of the total quotas of 14,700,000 tons in the Syndicate, and they, therefore, command a majority. Outside remain the Klöckner, Gute-Hoffnung (Haniel), Hoesch, Mannesman, and Stumm companies. A certain aim of the combine is to standardise and specialise. A firm which produces a particular product expensively or inefficiently will concede its production quota to a firm better qualified for the branch in question, and would take in exchange a quota of production for which it is better equipped. The probable result will, however, be semi-fusion on the lines of the Aniline concern, with a measure of financial union, and, perhaps, with a single management. It is possible, then, formal fusion in a single company may be the result. This trust would have a capital of about £40,000,000. The companies mentioned are large coal producers, Gelsenkirchen being the greatest coal-mining concern in Germany; but it is not clear how far the agreement now being negotiated will affect their coal interests. In spite of the depression, exports of coal, iron, and steel are increasing. Coal exports in the first half of 1925 were 6,524,226 metric tons, against 2,795,090 tons in all 1924. Exports of iron, steel, and wares thereout (excluding machinery) in the six months were 1,639,246 tons, against 1,955,110 tons in all 1924. Corresponding figures for machinery were 175,400 tons and 271,484 tons.

In general, industry is quiet. At the Leipzig autumn Fair only moderate business was done. Home buying was checked by shortage of money, and foreign visitors were more inclined to study than to buy. The estimated crop (Prussia only) is (in metric tons):—

	1924.	1925.
Winter wheat	1,282,621	1,566,889
Spring wheat	224,881	173,848
Winter rye	4,255,633	5,726,167
Spring rye	99,431	90,920
Winter barley	146,433	177,591
Spring barley	1,297,300	1,183,056
Oats	4,026,841	3,952,278

The total crop of bread grain is estimated at 7,576,953 tons, against 5,874,120 tons in 1924, an increase of 29 per cent.; total crop of all grain, 13,284,381 tons, against 11,735,403 tons, an increase of 13.2 per cent. The ex-Minister of Industry, Prof. Julius Hirsch (in an article which gives a very favourable account of the general

economical situation), considers that crop returns understate the truth; agricultural production, he holds, has reached the pre-war figure, and in the most important branches even exceeds it (naturally on the same area).

The cost of living index for August shows 145, against 143.3 in July. The wholesale index number for September 2nd was 127.5, against 127.3 one week earlier.

AUSTRIA.—STATE FINANCES—ECONOMIC SITUATION—MONEY AND STOCKS—NATIONAL BANK—EXCHANGES.

(FROM OUR CORRESPONDENT.)

VIENNA, September 1.

PUBLIC revenue, which in May and June had fallen off, shows a considerable increase for the month of July. This is mainly due to the increase of tax revenue; the revenue amounted in May to 100.1 million Austrian schillings, in June to 89.7 millions, in July to 110.8 millions. The Government will submit to the League of Nations' Committee the estimate for the new 1926 Budget, which, in general, keeps within the limits prescribed by this Committee last year, and shows a deficit of 85 million Austrian schillings.

Unemployment shows a slight reduction (111,886, as against 113,379 in July), which is due to building activity and the harvest operations. Whilst in several industries some improvement can be noticed, the situation in trade is still very unsatisfactory. Business during the summer was in all lines very slack; the textile trade particularly is practically stagnant, and provision trade suffered considerable losses through the fall of sugar and grocery prices. For both industries and trade the development of the economic crisis in Poland is of the greatest importance, as Austrian exports to that country, especially of shoes, leather goods, fancy articles, and chemicals, are very large. The restrictions on foreign exchange dealings issued by the Polish Government in consequence of the depreciation of the zloty now make it practically impossible for the Polish buyers to meet their obligations, and unless conditions in this respect change, trade with Poland will be completely stopped. Negotiations for a provisional commercial treaty with Hungary were broken off, as the Hungarians refused to grant concessions regarding the import of Austrian industrial goods; but it is hoped that before long negotiations will be resumed to an understanding with Austria.

Since the month of May a slight decrease in the cost of living can be noted, which, although it amounts only to 5 per cent., has brought the index figure down to the level of last autumn. This was possible through the fall of prices of flour, bread, potatoes, coal, and some sorts of textiles. It is, however, to be feared that this decrease will soon be counterbalanced by the increase of rents, as the house-owners are entitled under the Tenants Protection Bill to charge the tenants the cost of house repairs.

Owing to the stagnation, money conditions have become much easier. Saving deposits in the banks have been augmented by 7 per cent. during last month, and amount to 456 million Austrian schillings, and considerable foreign short-term credits have been placed at the disposal of firms. The National Bank, however, still sticks to the Bank rate of 10 per cent., although private banks discount first-class bills at 9 per cent. and even less, so that the National Bank is gradually losing the control of the money market. On the market month-to-month money is plentiful, however, are still very high—first-class firms have even more.

On the Stock Exchange the short revival which set in during July spent itself very soon, and there was practically no business last month. In spite of the easy money conditions, it is not likely that there will be any activity on the Stock Exchange until companies put their capitals on a gold basis, and thus make it possible for investors to form an idea of the real value of their shares.

The National Bank is continuing its policy of improving the security for banknotes by increasing the cash reserve. The following table shows the main features of the bank's returns on August 23rd as compared with July 23rd:—

	(Austrian schillings.)	July 23.	Aug. 23.
	Million.	Million.	
Cash reserve	431	501	
Banknote circulation	746	761	
Bills discounted	82	73	

The security of the banknotes was increased in the same period from 60.1 to 64.8 per cent.

The comparatively small amount of bills discounted is mainly due to the high Bank rate, and it is to be expected that this rate will be reduced from 10 to 9 per cent. in the near future. About 66 per cent. of the banknotes issued are already schilling notes; the remaining kronen notes will disappear before the end of this year.

The most important feature on the foreign exchange market during last month was the decision of the National Bank to give up the system adopted hitherto of keeping the dollar exchange on an artificially fixed rate, and to leave the fixing of the rate to the open market. This measure was taken in order to prevent too many short-termed dollar loans being contracted, and shows that the bank is not afraid that fluctuations of the dollar exchange will endanger the new schilling currency. The speculative activity on the market was confined to the zloty, whilst the other currencies remained practically stable. Sterling moved between S. 34.46 and 34.51.

DENMARK.—THE RISE OF THE KRONE—NATIONAL BANK'S CURRENCY HOLDINGS—DEFLATION AND UNEMPLOYMENT—FOREIGN TRADE.

(FROM OUR CORRESPONDENT.)

COPENHAGEN, August 29.

WITH irresistible force the Danish Krone has continued its progress towards par value, which point it has never reached since January 2, 1919, when dollars were for the last time quoted Kr.3.73. Now the rate for Dollars is about Kr.4—the Krone having reached 93 per cent. of its gold value, and the general opinion is that the remaining 7 per cent. will quickly be gained. At an earlier stage of the development there has been some doubt as to how much importance should be attached to foreign speculation as a contributory cause to the rise of the Krone. All experts agree, however, that in the course of the last month this element has increased in importance. While during the first half of the year the Danish banks received only about Kr. 20,000,000 in deposits from abroad, such deposits increased in the course of July by not less than Kr.50,000,000, and this increase has continued during August. The banks do not look upon these deposits with much favour, as it is to be feared that they will be withdrawn as soon as a suitable exchange profit can be realised, and with the great credit restriction there is no special employment for them in this country, and for that reason the banks must deposit the greater part of them in the National Bank. It was decided by the banks to reduce as from August 15th the rate of interest allowed for foreign deposits from 3½ per cent. to 3 per cent.

On August 24th the National Bank reduced its rate of discount from 7 per cent. to 6 per cent., as a consequence of the greatly improved exchange situation. In the course of June the National Bank had increased its holdings of foreign exchange from Kr.65,000,000 to Kr.109,000,000, corresponding to just over £5,000,000, the rate at that time being Kr.21. Since then the holdings have further increased very much, as in order to check developments the bank has been obliged from day to day to take up the big parcels of foreign exchange offered. It is a matter of course that if the Krone is to be fixed at par—as is expected shortly—the National Bank will suffer heavy loss on these exchange holdings, while, on the other hand, these mean a strong support during the pressure on the money market, which will come when the rise has been completed. The last report of the National Bank other-wise showed a gold reserve of Kr.209,000,000, against a note circulation of Kr.402,000,000, the percentage of cover

being thus far better than the 33½ per cent. prescribed by law.

That the strong deflation, which must accompany the rise of the value of the Krone, will cause great difficulties for Danish trade, is clear to everybody. Wholesale prices have dropped fairly automatically in proportion. The index of the *Finanstidende*, which is almost entirely based on the prices of raw materials, showed a figure of 189 on August 1st, as against 234 on February 1st. The official retail price index, which further includes taxes, rent, &c., was 219, as per July 1st, against 221 as per January 1st. Consequently there is a very great disproportion between the present gold value of the Krone and the actual cost of living, and the difficulty in attaining an adaptation is the fact that the wages of labour and salaries of officials are automatically adjusted according to the official retail price index, which is calculated semi-annually only. When a reduction of wages thus comes along a very long time after developments, and the cost of production therefore cannot be reduced sufficiently to place Danish manufacturers on an even footing with manufacturers abroad, a great increase of foreign competition must be expected in the interval. Already a substantial increase of unemployment has taken place, the number of unemployed being about 24,000, or 108,000 more than last year at the same time.

The foreign trade statistics for June show imports to the value of Kr.190,000,000, and exports aggregating Kr.178,000,000, the excess of imports being thus Kr.12,000,000, while May showed an excess of exports amounting to Kr.14,000,000. During the first half of the year the total imports were Kr.1,113,000,000, against total exports to the value of Kr.1,042,000,000, the excess of imports being thus Kr.71,000,000, as against Kr.147,000,000 during the same period last year. Statistics are now to hand concerning the distribution of the Danish foreign trade between the various countries, and this shows interesting changes. While before the war Denmark obtained 38 per cent. of its imports from Germany, the share of this country was only 32 per cent. in 1923, and 27 per cent. in 1924. From the U.K. emanated 16 per cent. of the imports in 1913, against 22 per cent. in 1922; in the following year the percentage was again reduced to 20 per cent., and in 1924 to 19 per cent. Of the exports, 17 per cent. went to Germany in 1924, against 6 per cent. only in 1923, while the share of the U.K. was reduced from 69 per cent. to 60 per cent.

BULGARIA.—BUDGET SURPLUS—AGRICULTURAL PROGRESS—PEASANTS AND POLITICS—GENERAL ECONOMIC CONDITIONS.

(FROM OUR CORRESPONDENT.)

SOPHIA, August 29.

BULGARIA's political mishaps of late do not seem seriously to have impaired the steady progress of the country's financial and economic recovery. For the first time for many years, the Budget for 1924-25 closes with a surplus, and there is much probability that the results of the budgetary period 1925-26 will be at least equally satisfactory. Agricultural production has increased, both in extent and in yield. Taking as the basis of comparison the year 1912—one of the best in Bulgarian agriculture during the last 20 years—the development may be outlined as follows:—

Years.	Area Under Cereals in Hectares.	Output in 100 Kgrs. Quintals.
1912	1,899,301	18,041,510
1920	1,531,115	13,702,783
1924	1,614,588	12,390,559
1925	1,769,409	24,174,414

Apart from weather conditions, which have been uncommonly fair in 1925, undeniable progress in cultivating methods and extensive use of better implements have certainly contributed to the results obtained. Hard work and all-round cutting down of the peasant's domestic expenses during the last two years have been observed throughout the whole country, and the economic strength of the peasant population has been practically maintained, in spite of the very hard times in 1924, when many peasant families had to buy cereals for food, a circumstance almost

equal to a national calamity in this country. If the results of crops other than cereals be also taken into account, the effort furnished by the productive class of the Bulgarian people is really to be considered as an important achievement, the more so as the general atmosphere has by no means been bright during the same period of two years.

There has been through these times, and still is, much talk of revolution, of imminent mass upheaval, and of grave social disturbances in preparation. In point of fact, it would be hardly an over-statement to assert that, in matters of internal politics, the majority of the peasant population is favourable to that peculiar form of class government a specimen of which the late agrarian régime has furnished. Having procured for the peasants tangible advantages, often without regard to the elementary requirements of a good and equitable administration, the experience of the agrarian rule created a particular kind of political ideal well suited to the materialistic trend of the peasant's mentality. No political platform based upon abstract principles could stand against the charm of the happy times when the peasant had an easy access to almost every administrative office, feeling himself at home therein, having the real power to get rid at any moment of unpleasant tax collectors or other bothersome officials, and to settle questions of railway traffic and tariff in perfect accordance with the petty local interests of his village. No wonder if this political "ideal" has become the *credo* of great numbers of peasant voters. But these rough aspirations to material power did not induce the hard worker that the Bulgarian peasant has always been to leave his fields for the sake of political activity and social mass organisation. His sturdy sense of realities, his shrewd suspicion towards the practical results of every change in present conditions, make of him a poor revolutionary conspirator. The real danger in this connection would be a successful *fait accompli*, brought about by elements outside the landowning peasantry, which probably would back the movement as soon as its success was sufficiently established. The chief effort of the Government's struggle with subversive propaganda is therefore directed against the activities of Communist groups, consisting almost exclusively of intellectuals and dismissed officials.

The crop results have usually a major influence upon trade conditions in Bulgaria. During 1924, and the first half of 1925, the large mass of country consumers reduced their purchases to the strict minimum of their most urgent needs. Trade has had bitter experiences since 1923; business has almost completely ceased for a period of at least 14 months. Industry has been by no means better off; for months the manufacturers have been obliged to put up with insignificant instalments against their sales on credit to the retail traders who could not find buyers for their goods. The money market reflects the general state of business; money has been, and still is, scarce and dear. Discount rates are oscillating between 16 and 20 per cent. Most of the banks, seeing their deposits decreasing by nearly 15 per cent. for the last six months, have abstained from extending new facilities, and reduced their old credits. Only bills of the first trade houses have been taken in for discount. Trade advances and financing of import business have diminished. The National Bank, availing itself of the general lack of commercial activity, reduced the note circulation to Leva 4,100 millions, or 1,000 millions below the authorised minimum. Among many unpleasant effects, this situation contributed efficiently to the elimination of unhealthy elements in post-war trade and industry; most of them are gradually disappearing by way of liquidation. Altogether the period of stagnation seems to have reached its limits; there are symptoms of an approaching revival of demand for goods on the part of the country consumers, and it is generally estimated that in the near future active business in cotton yarn, cloth, leather products, and hardware will develop on an extensive scale.

The relative calm after last April's events appears to have enabled the Government to devote more attention to economic and financial matters. Important changes have been introduced into the fiscal legislation, especially in the heavy tax burden on the joint stock companies, which have suffered severely during the last four years. Duties on raw tobacco have also been reduced, with the intention of enabling Bulgarian exports to compete with Turkish and

Greek tobacco offered on the European markets at considerably lower prices. Pending questions with foreign holders of Bulgarian State bonds are on the way to settlement. The Government has had to examine several propositions for foreign loans for reconstruction purposes. No arrangement has yet been arrived at, owing to the unattractive conditions quoted by the foreign financial groups.

JAPAN.—REORGANISED CABINET—TAX REFORM—BANK READJUSTMENT—ARTIFICIAL SILK—JULY TRADE.

(FROM OUR CORRESPONDENT.)

TOKIO, August 10.

THE Coalition Government split over the Finance Minister's taxation plan, and three Seiyukai Ministers resigned on July 31st. Viscount Kato has reorganised his Cabinet by appointing his own followers to the vacant posts. With the secession of the Seiyukai party, which is by nature and tradition inflationist, the reorganised Government will be able to pursue a little more freely its avowed policy of economy and financial retrenchment, though within the strait limitations of a minority Government, and probably with a short tenure of office. Despite its negative policy, the new Government has been well received by financial circles, a final return to healthy finance being expected under its administration.

The tax reform plan over which the Coalition Government split was framed on the general line of the recommendation of the Taxation Commission of 1920-22, and is by no means an unacceptable one. What are known as "bad taxes"—that is, the transit duty and the duty on cotton fabrics and patent medicines—are to go; rates, assessment, exemption limit, and other minor points in income, land, and business taxes and estate duty are to be "more equitably" revised; and a 2 per cent. tax on interest and a duty on aerated waters are to be introduced. The proposed tax on interest is to be levied on interest on bonds and securities, bank deposits, and non-business loans. Company's dividends being exempt, the City has not been so much worried over the proposal. The new Cabinet Council approved the plan without a dissentient voice on Tuesday of last week. A Bill embodying the taxation plan will be presented to the winter session of the Diet.

The scheme for business readjustment of the two semi-official banking institutions—the Bank of Chosen and the Bank of Taiwan—has just taken a definite shape under the guidance of the Treasury. The Postal Savings Department of the Treasury and the Bank of Japan agreed to cut down the interest rate on the loans advanced to those banks, amounting in the aggregate to 75,000,000 yen. The management of those banks, on their part, have decided to reduce their authorised capital (the Bank of Chosen by half, and the Bank of Taiwan by one-fourth), and to allocate for bad debts all the reserve funds and the profits of the last business term, while paying no dividends for the term just closed. The readjustment plan to be held respectively to the general meetings of shareholders. The change of the management of the Bank of Chosen was announced on July 17th. The managerial change of the Bank of Taiwan also will follow before very long. Under the new board of directors a substantial improvement of those banks' position will be reached by practising rigid economies in the cost of management and maintaining for some time a decidedly low rate of dividends.

Amid the general industrial depression, the artificial silk industry alone has shown remarkable results in recent years. The Japanese artificial silk industry is now practically in the hands of two companies—Teikoku Jinzoh and Kenshi Kaisha and Asahi Kenshoku Kaisha—and they of profits shows:—

	Teikoku. Yen.	Asahi. Yen.
1922	36,852	..
1923	451,534	..
1924	534,047	115,805
1925*	423,215	300,714

* The first six months.

The output of Teikoku is 5,500 lbs, and of Asahi 3,000 lbs per day, and the quality will bear comparison with imported yarn, except in the case of fine counts. With the completion of the new mills which are in course of building, their output will be greatly increased. The output of those companies will soon be able not only to meet ever-increasing home demand, but to exclude the importation of foreign yarn. The best indication of the industry of Japan is accorded by the following figures of output and import for the past six and a-half years:—

	Output. Lbs.	Import. Lbs.	Total. Lbs.
1921	150,000	139,139	289,139
1922	250,000	226,406	476,406
1923	780,000	1,016,778	1,796,778
1924	1,368,000	1,025,172	2,393,172
1925*	1,200,000	37,071	1,237,071

* The first six months.

In view of the prospect of further prosperity of the industry, a few big business interests are said to be contemplating to embark on a new venture in the realm of artificial silk. The natural silk-reeling interests also are paying a very keen attention to the rise of the "artificial" competitor.

The trade returns for July is quite encouraging. Imports amounted to 168,981,000 yen, and exports to 210,911,000 yen recording thus for the first time in the year an excess of exports over imports, which was 47,929,000 yen. As compared with the previous month, imports decreased by 32,739,000 yen in value, while exports increased by 29,280,000 yen.

Letters to the Editor.

WORKING OF THE COAL SUBSIDY.

TO THE EDITOR OF THE ECONOMIST.

SIR,—In your article, "Working of the Coal Subsidy" (Notes of the Week, *Economist*, August 29th), you write as follows:—".....on current market rates, the whole of the benefit of the subsidy has been remitted to the consumer, principally foreign."

This conclusion appears to me only partly right, on account of the first date of comparison (July 28th) being not quite well chosen. Indeed, at that time, prices had risen through the fear of a general strike, so that, in comparing prices, we should rather refer to early July when the anticipation of the strike had not yet affected the market.

This gives us the following figures:—

	July 3rd.	August 28th.
Best Admiralty large	25/6 to 26/-	24/6 to 25/-
Second large	24/6 to 25/-	23/- to 23/6
Best dry large	24/6 to 25/6	23/6 to 24/-
Black vein large (best)	24/6 to 24/9	23/- to 23/6
Western valley large (ordinary)	23/- to 23/6	22/- to 22/6
Eastern valley large (best)	23/- to 23/6	21/6 to 22/-
Best small steams	12/- to 13/-	13/- to 13/6

It would appear from these figures that the subsidy has about been shared by halves between the consumers and the collieries. —Yours truly, G. VAN DRIESCHKE.

Lokeren, Belgium, September 4th, 1925.

[Mr Van Driessche has not quite grasped the limited sense of the words used. They related exclusively to current prices on the two dates, and between those two dates the f.o.b. price—that is, the price to the foreign consumer—had fallen by an amount equal to, if not slightly greater than, the then estimated cost per ton of the State subsidy. It will be very interesting cost per ton to trace the incidence of the subsidy as between producer and consumer, but the necessary data will not be available for two or three months.—Ed. Econ.]

POPULATION OF AUSTRALIA.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Your special correspondent, while admitting that his assertion that "there is hardly any natural increase in the Australian population" was a misstatement, continues to express astonishment at a birth rate "scarcely higher than that of England," and to anticipate a "period of more or less stationary population even in Australia," or, at least, a "decline in the growth of the Australian population." And you, Sir, go one worse in your leading article of June 6, page 1120, column 1, when, on top of an admission that Britain is "within sight of a stationary population," you couple Australia with France, as countries "where the restriction of population has been much more marked than it is here."

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I have no quarrel with your correspondent's argument that the demand for loan money for the development of new countries may be weaker in the future as far as provision of fixed capital for their growing populations creates it. I share his hope that Australia will, by a process of debt repayment, hasten the formation of a supply of savings adequate to her own development. When, however, he falls back on a hypothetical "mortality index," showing what our death rate would have been if the age-distribution of our population had been similar to that of 1890 Sweden, and on a hypothetical decline in natural increase, as the composition of our population grows into increasing similarity with that of old countries, may I remind him (1) that the Commonwealth Statistician (whom he took as authority for these hypotheses), after reviewing the recent changes in age-distribution, comes to the conclusion that the differences from older countries "have been modified so that they are no longer important"; (2) that in assessing the demand for capital in new countries, he should confine attention to actual growth of population, and leave "mortality indices" for use where they are relevant.

To write of our birth-rate of 23.8 (1923) as "scarcely higher than that of England," which was 19.7 for 1923, suggests that the impression in your correspondent's brain that Australia is remiss in this matter of natural increase lies too deep for evidence. I am in public duty bound, too, to meet your coupling of Australia with France as a country "where the restriction of population has been much more marked than here," by reiterating that our Australian natural increase for 1919 to 1923 was 14.07, that of England and Wales was 11.0 for the same period, while France, for 1918 to 1922 (the latest figure available here), showed a natural decrease of 3.36. We are a long way still from a stationary population in the Dominion which outstripped even Canada in percentage rate of growth during the last intercensal period (vide "The Round Table," March, 1925, page 365), and 78.96 of whose total increase in that period (986,214 persons) came from excess of births over deaths.

Given a decade of peace, we shall further reduce an already low infantile mortality (61 per thousand in 1923), and show still better figures in 1931.—I am, yours faithfully, EDWARD SHANN.

University of Western Australia, Perth,
August 3rd, 1925.

Books and Publications.

TAXATION AND WELFARE.*

PROFESSOR PECK, of Vermont University, has embarked upon his study of taxation and welfare* with the laudable ambition of opposing "an impartial and scientific survey of the problem of taxation" to the political propagandist controversies of a Presidential campaign in which taxation is a major issue. And, indeed, so admirably does he fulfil his task that there are moments when the most experienced political stump-orator might well fail to recognise some of his own cherished and accepted truisms—so weighty and so expansive is the array of scientific terminology in which our author re-clothes them. One can imagine, for instance, the crude and tendentious manner in which the unlettered politician might enunciate the profound truth, whose origin Professor Peck modestly ascribes to Dr Hugh Dalton ("Principles of Public Finance," Part III, Ch. xix), that "the maximum reduction in inequality or the maximum progression is attained when taxes are levied according to the principle of minimum sacrifice and public expenditures are made according to the principle of maximum benefit; that is, revenue is secured by taxing the

* "Taxation and Welfare." By Harvey Whitefield Peck. The Macmillan Company of New York, 269 pp. 10s 6d net.

super-rich, and is spent largely for the benefit of the sub-poor."

In the first half of his book Professor Peck deals with the problem of the desirable amount of taxation. This section contains some interesting statistics illustrating recent fiscal tendencies in the U.S.A., but adds, so far as its theoretical reasoning is concerned, nothing whatever to our knowledge of the subject. In the second half, he considers the distribution of the tax burden and the application to its incidence of notions of abstract justice. It is here, in his last chapter, entitled "A Theory of Taxable Faculty," that Professor Peck gives us a constructive and interesting theory of taxation. Having examined and rejected the "Socialistic, confiscatory, and minimum sacrifice theories" (in a passing reference he excepts the very important category of "inheritance and possibly unearned increments, where the tax rate may reach 100 per cent."), he evolves an alternative theory of "net utility or consumers' surplus." Its elaboration involves a double examination into the diminishing utility of income, the curve of which he finds it impossible to draw with any approach to exactitude, and the cost of income per unit, whose curve, moving in inverse ratio to the income's total magnitude, is, in his opinion, capable of more accurate determination. The limits of taxable faculty are, he suggests, set by the amount of surplus "net free individual income" over and above that which no more than compensates for its cost of acquisition—a surplus whose area is enlarged by the extent to which civilisation, with its multitudinous wants, checks the decline of the utility curve and renders its slope more nearly horizontal. Thus he is led to the conclusion that any form of public expenditure which promotes economic and cultural progress may, by diminishing the elasticity of the individual taxpayer's demand for income, and so widening the surplus area, actually increase taxable capacity. It is obvious, of course, that a theory of this kind will not bear universal application. It has, for instance, recently been brought to the notice of the British public that there are certain quarters of our Empire in which the taxes themselves enter into the taxpayer's demand curve of income, and determine its slope. We refer, of course, to the Kenya hut tax, and to the admitted purpose of its imposition.

We hazard the guess that the politicians of Professor Peck's generation may remain deaf to the highly ingenious theory which he has spun for their guidance, preferring the more concrete kind of treatment which has been accorded to the subject by Sir J. C. Stamp in his "Wealth and Taxable Capacity."

AN ENCYCLOPÆDIA OF INSURANCE.*

THE German Association for the Study of Insurance has celebrated its twenty-fifth anniversary by publishing the second edition of Manes' "Versicherungs-Lexicon." This encyclopædia of insurance, which contains over 500 articles on every branch of the subject, and covers some 1,500 quarto pages, is a solid, painstaking work, prepared by the best-known authorities of Germany. Professor Alfred Manes, the editor, has rightly included articles not only on life insurance, accident, transport, fire, theft, hail, and cattle insurance, on reinsurance and the various branches of social insurance, but he has also provided a series of articles on the kindred subjects of the science of the actuary, of national and international law as they affect insurance, and the relation of medicine to insurance. Perhaps, indeed, he has cast his net a little too wide, since it might be doubted whether it was necessary to drag in an article on the Taylor system.

The insurance company official and the student of the subject will find it extremely convenient to have available in handy form a publication which gives detailed and authoritative information on the development of insurance from its earliest days until to-day; which summarises the influence of Bismarck and other noted people on its growth; which points out the significant clauses of the Versailles Peace Treaty and of the League of Nations in relation to insurance; and to which he can refer with confidence of finding some help, whatever his problem. But the politician, too, will find a considerable number of articles on subjects which are of growing importance.

* "Versicherungs-Lexicon." Alfred Maes. Published by E. S. Mittler and Sohn, Berlin.

Thus, Mr Baldwin has recently appointed a Committee on Credit Insurance. In this lexicon its members will find a long article on the subject. The public man may learn what other countries have done to provide insurance or pensions for widows and orphans. Advocates of family endowment will be interested in the literature quoted on the subject of familiennachwuchsversicherung.

Two suggestions might be considered by the editor when he comes to publish the next edition. Has he devoted quite sufficient space to social insurance, and has he treated the development in countries other than Germany at all adequately? With regard to the first of these, it is only necessary to point out that in one year Great Britain spends some £160 millions on the various branches of social insurance, excluding Army pensions, and Germany about half that sum. Even though very considerable attention is given to it in this lexicon, the space occupied by its discussion is not commensurate with its importance. There are doubtless good reasons for this comparative inadequacy of treatment. Private insurance is much older, and has long been studied. Social insurance is new, and its piecemeal growth has led to a lack of realisation of its comprehensive quality, and its study is still unduly neglected. It is, however, only fair to add that Professor Manes' sense of proportion in this matter is much sounder than that of most English text-book writers on insurance. Regarding the second point, some of the articles, like those of Dr Stein, of Prague and Geneva, pay very considerable attention to developments in other countries, whilst others neglect the experience of any but German institutions. Clearly, it is desirable in such an authoritative work as this to have as much international comparison as possible. But, after all, these are not fundamental matters, and, in any case, opinions on them may differ. The fact of primary importance is that Germany has produced a publication which is thoroughly up-to-date, sound, and comprehensive. Until we can produce an encyclopædia on insurance on similar lines in this country this volume ought to be on the shelf of every library which is at all interested in insurance.

BOOKS RECEIVED.

- The Economics of the Gold Standard.* By D. T. Jack (London) P. S. King. 3s net.
- Superstition or Rationality in Action for Peace?* By A. V. Lundstedt. (London) Longmans, Green, and Co. 12s 6d net.
- A Worker Looks at Economics.* By Mark Starr. (London) Labour Publishing Company, Limited. 2s 6d net.
- The Case for the Mine-Owners. The Evidence Given on Behalf of the Mining Association of Great Britain,* by William A. Lee, at the Court of Enquiry, July 20-23, 1925. (London) Philip Gee.
- Institut International de Statistique: Bulletin Mensuel.* August, 1925. (The Hague) W. P. Van Stockum.
- Vital Statistics of New South Wales for the Year 1924.* Report by Government Statistician. (Sydney) Government Bureau of Statistics.
- Journal of the Royal Statistical Society,* July, 1925. (London) Royal Statistical Society. 7s 6d net.
- Capitalism Not Yet Dead.* By H. J. Gillespie. (London) Philip Gee. 3d.
- Wheat Studies of the Food Research Institute, Stanford University, California:—March, 1925, Dispensability of a Wheat Surplus in the United States; April, 1925, Developments in the Wheat Situation; May, 1925, Average Pre-War and Post-War Farm Costs of Wheat Production in the North American Spring Wheat Belt; June, 1925, European Wheat Production as Affecting Import Requirements; July, 1925, Canada as a Producer and Exporter of Wheat.*
- Dutch Banking: Its Development and its Results.* Compiled by Dr A. Sternheim. (The Hague) J. Marks, s Cravenhage.
- Wages and Hours of Labour in the Slaughtering and Meat-packing Industry, 1923.* (Washington) U.S. Department of Labour.
- Die Kassenhaltung.* Von Dr rer. pol. Paul Schulz-Kiesow. (Jena) Verlag von Gustav Fischer. 5 mks.
- Der Lateinische Münzbund seit dem Weltkriege.* Von Dr Erich Egner. (Leipzig) Akademische Verlagsgesellschaft.

Special Anglo-Argentine Supplement of "La Nacion," Buenos Aires.

This special number, published to commemorate the visit of the Prince of Wales, contains a wide range of important articles on the mutual interests, financial, economic, and otherwise, of Britain and Argentina. Among the contributors are Mr Henry Higgs, Mr Ramsay Muir, and the Vice-Chancellor of London University.

The Consolidation of China's Unsecured Indebtedness and the Creation of a Chinese Consolidated Budget. By G. Padoux, Adviser to the Chinese Government. (Tientsin) La Librairie Française. 1925.

OFFICIAL PUBLICATIONS RECEIVED.

The following may be obtained from H.M. Stationery Office, Adastral House, Kingsway, W.C. 2 :—

Ministry of Agriculture and Fisheries: Report on Large-scale Co-operative Marketing in the United States of America. 1925. 1s 6d.

Departmental Committee on the Companies Acts, 1908-17. Minutes of Evidence, Twenty-third Day. 2s. Twenty-fourth Day. 2s 3d.

Ministry of Health Summary of the Public Health Act, 1925. 6d.

National Debt: Return showing Aggregate Gross Liabilities, Estimated Assets, &c., at Close of Financial Years, 1913-14 to 1924-25; Gross and Net Expenditure Charged Annually, &c. Cmd. 2460. 9d.

First Report from Select Committee on Estimates (Ministry of Labour). No. 114. 1925. 4s 6d.

Colonial Reports: Trinidad and Tobago, Report for 1924, Fiji, ditto. 1s 6d and 1s 3d respectively.

Mines Department: Statistical Summary of Output, Costs of Production, and Profits of the Coalmining Industry for Quarter Ended June 30, 1925. Cmd. 2507. 1d.

BARCLAYS BANK

LIMITED.

Head Office: 54 Lombard Street, London.

AUTHORISED CAPITAL . . . £20,000,000
ISSUED CAPITAL . . . £15,592,372
RESERVE FUND . . . £8,250,000
DEPOSITS (30th June, 1925) . . . £298,947,270

FOREIGN EXCHANGE TRANSACTIONS ARRANGED.

CHIEF FOREIGN BRANCH:

168 Fenchurch Street, London, E.C. 3.

STOCK EXCHANGE NEWS.

SETTLING DAYS,

TICKET, September 23. ACCOUNT, September 24.

What hopes the Stock Exchange had entertained a fortnight ago of a possible reduction in the Bank rate have vanished into thin air—at least for the time being. Money having shown a tendency to stiffen, prices in the gilt-edged market are easier on the week, and there has been a general decline, small in extent, amongst the British Government and newly-issued scrip stocks. Home Railway prior-charge securities are not affected by the *malaise* which overtook the ordinary, preferred, and deferred stocks.

The Foreign Government market continues to attract attention and a good deal of money. The speculative investor and New York buyers are keen upon Brazilian bonds. The Middle European stocks are in favour. French Government bonds, while experiencing fairly sharp fluctuations, are being regarded favourably, on the whole, as speculations that it may pay to lock up, but there is not much doing in Germans. Mexicans maintain most of the rises that they enjoyed upon the news that Mexico is to be recognised by this country. Chinese Eighties gained several points.

Home railway stocks experienced another heavy fall upon the inflammatory speeches made at the Trades Union Congress. Upon the Congress rejecting the proposal to establish one comprehensive union that should include all the others, there was a recovery from the lowest prices touched. Movements, however, are being swayed as much by sentiment as they are by actual business in the stocks, and the market, now narrower than ever, is in a very sensitive state.

Argentine railways have dwindled. Leopoldinas experienced a smart recovery. Grand Trunk Pacific debentures remain in the neighbourhood of 42. American Rails have been auto-

matically marked up and down, according to the movements in the Wall Street Stock Exchange, which, however, failed to arouse any noticeable increase of interest on the part of British investors.

The rubber market is firm, and the fortnightly settlement which finished on Thursday proved to be a heavy one for most of the firms who are particularly associated with the industry. Many staffs had to work well into the small hours of Thursday morning in order to cope with the details of the settlement. The feature is the very large take-up of shares on behalf of real buyers. The tea share market is weak, by reason of the poor prices which so many of the parcels are realising at the auction sales.

The oil market is still mainly in the hands of the professional brigade, and nothing exciting has occurred during the week. Courtaulds attract more attention than any other individual industrial shares in the House, and the price, in spite of the bull account being a heavy one, made headway. Artificial silk shares are strong in sympathy, Grouts, Melsos, Hinde and Hardy, and others, being popular. In the tobacco group Imperials have recovered some of their recent depression, and Albert Bakers spurred, expectation looking for an increased dividend. A revival occurred in wireless shares, Marconis and Canadian Marconis going ahead actively. The cable group is practically unchanged. Iron, coal, steel, and allied shares are dull. The passing of the Powell Duffryn dividend emphasised this tendency. A long string of falls amongst insurance shares is attributed to the weaker tendency shown by the gilt-edged stocks, and banking shares have scarcely moved. The shipping market is equally tranquil. Dunlops came back on profit-taking. Motor shares are inclined to harden, as they usually do when the Motor Show begins to get talked about. Lighting shares are steady, with no outstanding feature. There has been a little more demand for nitrate shares.

Amongst mining shares the land group is the most animated. Chartered, after their reaction, again touched 30s. Mozambique, South-West Africa, and Tanganyika remain an active market, but the platinum excitement has died down, taking the prices of shares with it. West Rand Consols happen to be the popular speculative medium of the moment in the Kaffir Circus, other gold-producers being somewhat neglected. The tin share market is in a quiet condition, and Paris has been turning out copper shares, together with those of the diamond companies. West Africans make a better showing, and Colombian mining shares have sunk back into the customary state of quietude from which they were aroused when the price was recently multiplied by six in the course of a fortnight, only to lose half the gain as the wildness of the speculation died away. Montreal inquiries led to a harder tone in the market for Canadian mining shares. Barrier and other base metal descriptions are disposed to be dull. There is nothing doing in Russian and Indian mines.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded.....	£ ..	£ 128,360,577 ..	£ ..	£ ..
ISSUES OF THE WEEK—				

NATIONAL SAVINGS CERTIFICATES

NET RECEIPTS INTO THE EXCHEQUER WEEK ENDED SEPT. 5 1925.

	£	£
April 1, 1925, to Sept. 5, 1925, £1,100,000	£0,000 ..	£0,00

To the Public—				
Savoy Hydro, Lim., Blackpool, 25,500 7% Cum. Pref. Shares of £1 each, at par ..	26,500 ..	26,500 ..	3,312 ..	23,188
Do 25,500 Ord. Shares of £1 each, at par ..	26,500 ..	26,500 ..	3,312 ..	23,188
Total offered to the public.....	..	53,000 ..	6,624 ..	46,376
To Shareholders—				
Industrial Tea & Rubber Trust, 100,000 Shares of 2s, at 2s fd	10,000 ..	12,500 ..	12,500 ..	..
Klabang Rubber, 65,000 Shares of £1, at 30s ..	65,000 ..	97,500 ..	97,500 ..	..
Total offered to shareholders..	..	110,000 ..	110,000 ..	..
Total offered for subscription to date				
in—	£	£	year—	£
1925.....	128,573,577	1924	208,226,100	
1924.....	130,672,151	1923	271,393,173	
1923.....	202,630,317	1922	573,875,650	
1922.....	509,298,328	1921	388,974,303	
1921.....	159,570,230	1920	367,549,056	
1920.....	285,038,884	1919	1,036,058,951	

Government of Dominion of Canada.—\$70,000,000 one year 4 per cent. gold notes, dated September 1, 1925, due September 1, 1926. The notes are redeemable at the option of the Government on March 1, 1926, and thereafter at par and accrued interest on 30 days' published notice. Principal and interest are payable in United States gold in New York City, free from deduction of all Dominion Government taxes, present or future. But this does not exempt the bonds from such taxes when beneficially owned by persons residing in Canada. These notes are the direct obligation of the Government of the Dominion of Canada. The proceeds of these notes

are to be applied towards the payment of the \$90,000,000 one-year notes of the Government maturing September 15, 1925, the balance of which will be paid by the Government from cash on hand. These details are taken from an advertisement which appears in the Press, and is headed "New Issue." After stating that the price is 99½ per cent. "New York terms," the announcement concludes:—"All of the above notes having been subscribed for, this advertisement appears as a matter of record only." Probably investors will not overlook the fact that Canadian Government 4 per cent. stock can be bought on the London market to yield over 4½ per cent.

Manchester Corporation Bills.—The Corporation of Manchester give notice that tenders will be received at the Bank of England on September 15, 1925, for Corporation bills to be issued under the Manchester Corporation Acts, 1901, 1903, 1908 and 1920, to the amount of £500,000, in replacement of bills falling due on the 19th idem. The bills will be in amounts of £1,000, £5,000, or £10,000. They will be dated September 19, 1925, and will be payable at 12 months after date. The tenders must specify the net amount per cent. which will be given for the amounts applied for; and the tenders of private individuals must be made through a London banker. The bills will be issued and paid at the Bank of England, London. Bills falling due were placed at an average of £4 0s 7.35d per cent., but present market conditions are easier.

Charles Semon and Company, Limited.—Authorized share capital £500,000, divided into shares of £1 each, of which 295,500 have been issued and are fully paid. This is an issue of £406,520 6 per cent. notes. These notes are repayable at par on August 6, 1930, but the company may at any time give notice of six months' repayment at par. Holders of these notes may at any time before the date of expiry exchange into ordinary shares of the company on a par basis. In an advertisement in the Press the balance-sheet of the company as at March 31, 1925, is shown. This reveals a substantial debit. This issue of notes is the result of a reorganisation scheme, and the notes are issued to creditors in respect of their claims. It is stated that approximately 95 per cent. of the creditors have agreed to accept them at par in satisfaction of claims. It is stated that in connection with this issue creditors were offered cash on the basis of £68 15s per £100 of notes. These details are given in the Press in compliance with the regulations of the London Stock Exchange, and it hoped to obtain permission for dealings in both the shares and notes of the company. This is a case where the absence of a prospectus may be reasonably excused. It will be interesting to watch the movements in Stock Exchange quotations, and it is reasonable to assume that the notes will be quoted at substantially under par for some time to come.

Northern Platinum Exploration, Limited.—Capital £560,000, divided into 2,240,000 shares of 5s each. Of these there have been (a) 1,080,000 shares allotted for cash at the price of 5s each; (b) 300,000 shares allotted to the Anglo-American Corporation of South Africa, Limited, in consideration of their having agreed to subscribe for 1,080,000 shares; (c) 860,000 shares allotted to the vendors, being the purchase consideration payable by them. On the one million and eighty thousand shares which have at present been allotted payable in cash, the sum of 5s per share has been called up, and all shares carry the same rights as to voting, unrestricted transfer, dividends, &c. The vendors' shares, however, are subject to restriction as to transfer for a period of six months from the date of registration of the company. The objects of the company are indicated by the title. It is proposed to purchase the Lydenburg Consolidated Platinum Mines, Limited, 132 Stock Exchange buildings, Johannesburg, 860,000 shares for £215,000, and to pay £10,000 to a certain specified gentleman. Many other details are included in an announcement in the Press, which, we are informed, is inserted in order to comply with the requirements of the Committee of the Stock Exchange. This is a typical example of the practice only too common to-day of introducing new companies to the public. It is reasonable to assume that shares of small denominations such as the shares of this company are intended for issue to the public at large. It should be observed that this company is incorporated under the Limited Liability Laws of the Transvaal Province.

Mount Isa Mines, Limited.—Capital £800,000, divided into 40,000 shares of £20 each. This company is incorporated in Sydney, New South Wales, and the objects of the company are indicated by the title. The following information is issued to the Press in order to comply with the regulations of the Committee of the London Stock Exchange. At April 30th last 4,020 shares of £20 each were issued for cash, and are fully paid, and 17,489 shares of £20 each were issued fully paid to the vendors. Subsequently, 2,500 shares were issued, and £7 per share called up. Certificates have been issued in respect of all fully paid-up shares. The amount of brokerage paid on the subscription of the shares issued for cash was £1,250. All the shares carry the same rights as to dividends, unrestricted transfer, and attendance and voting at meetings. By special resolution the capital of the company was increased from £450,000 to £800,000 on July 21, 1924. An agreement has

been entered into with a firm of English financiers to advance £500,000 as and when required, against a debenture bearing interest at 7 per cent., reducible by annual instalments spread over 10 years after the completion of the first unit of plant, if, in the opinion of an expert who is to be appointed, the mine developments justify the installation of a treatment plant and water conservation after the mine has expended £100,000 as from January 1, 1924. The amount of the purchase consideration was £360,805, which was satisfied by the issue of 17,489 fully-paid shares of £20 each, and £11,025 in cash. A prospectus is being prepared as far as this country is concerned.

Newcastle and Gateshead Water Company.—Notice is given in the Press that it is the intention of the directors of this company to sell by tender £100,000 of the Newcastle and Gateshead water works Perpetual debenture stock, bearing interest at the rate of 5 per cent. per annum. It is to be issued subject to the provisions of the Newcastle and Gateshead Water Works Act, 1922, at the minimum price of £103 per cent. This is described as a trustee investment.

Gold Fields Hydraulic Mining and Exploration Company, Limited.—Authorized capital £80,000, divided into 320,000 shares of 5s each, all of which have been issued and are fully paid. The company was incorporated in the Transvaal in March last in accordance with the provisions of the Union of South Africa Companies Act, and its objective is indicated by its title. Certain mining claims have been obtained for £28,600, of which £13,000 was payable in cash, and the remainder in shares. 110,000 shares were issued to New Consolidated Gold Fields, Limited, as fully paid, being a commission of 100 per cent. payable in fully-paid shares on 110,000 shares underwritten by them. These particulars are taken from an advertisement in the Press made to comply with Stock Exchange regulations. The underwriting terms set out above are some measure as to the speculation involved.

The Savoy Hydro, Limited.—Capital £60,000, divided into 30,000 7 per cent. cumulative preference shares of £1 each, and 30,000 ordinary shares of £1 each. The company will have an issue of first mortgage debentures of £30,000, bearing interest at the rate of 5½ per cent. per annum, secured upon all the property and assets of the company, which will be issued to the vendor, together with 3,500 preference shares and 3,500 ordinary shares, in part payment of the purchase money. This is an issue of 26,500 7 per cent. preference and 26,500 ordinary shares at par. The company has been formed to acquire the Savoy Hydro, Blackpool. Surplus assets are valued at £97,119. The price to the company of these is £87,000, payable in cash, shares, and debentures. From this it is to be assumed that a substantial portion of the purchase price is being paid in cash. Profits are given for four years. It should be observed that these have been struck before making allowance for depreciation and loan interest. We fail to see much that is attractive in this proposition.

ACTIVE SECURITIES.

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

British and Colonial Government Securities.					British Railways.				
	Price	Latest	Rise or	Fall.		Price	Latest	Rise or	Fall.
	Week.	Price.	Fall.			Week.	Price.	Fall.	
War 5½% 1925-28.	97	97	..	..	Aust. 6% 1931-41.	103	103	..	..
4½% 1925-45.	96	96	..	..	India 3½% 1928-31.	67	67	..	..
4½% 1925-47.	101	101	..	..	Do 7% 1926-31.	102	102	..	..
4½% 1925-49.	101	101	..	..	Do 5½% 1932.	101	101	..	..
Funding Loan 4%.	89	89	..	..	Do 4½%.	90	90	..	..
Victory Bonds 4%.	89	89	..	..	N.S.W. 4½% 1922-32.	99	99	..	..
Conversion Loan 3½%.	76	76	..	..	N. Zealand 3½% 1940.	84	84	..	..
Consols 2½%.	58	58	..	..	U. of S.A. 6% 1930-40.	105	105	..	..
Irish Land Stock 2½%.	58	58	..	..	Nigeria 6% 1949-79.	113	113	..	..
Local Loans 3%.	65	65	..	..	Victoria 5½% 1930-40.	104	104	..	..
					W. Aust. 6% 1930-40.	102	102	..	..

Colonial and Foreign Railways.					Banks.				
	Price	Latest	Rise or	Fall.		Price	Latest	Rise or	Fall.
	Week.	Price.	Fall.			Week.	Price.	Fall.	
Antofagasta Cons.	90	90	..	..	Barclays B. (£1, Lp. 4).	23	23	..	..
B.A. and Pacific	83	83	..	..	Chartered Bk of India	20	20	..	..
B.A. & Gt. Southern	83	83	..	..	Lloyds (£5 with £1	34	34	..	..
Buenos Ayres Week.	74	74	..	..	Midland (£12, with	34	34	..	..
Canadian Pacific	146	146	..	..	£4 paid)	88	88	..	..
Central Argentine	75	75	..	..	Nat. Bank of Egypt	33	33	..	..
Cordoba Central	152	152	..	..					

Foreign Government Securities.

	Price	Latest	Rise or	Fall.		Price	Latest	Rise or	Fall.
	Week.	Price.	Fall.			Week.	Price.	Fall.	
Argentine 5% 1888-7.	100	100	..	..	Greek 5% 1884.	53	53	..	..
Austrian 6% Guar. 968.	97	97	..	..	Do 7% 1924.	93	93	..	..
Belgian 3%.	73	73	..	..	Hungarian 7½% 1924.	97	97	..	..
Brasil 5% Fund., 1914.	78	78	..	..	Japanese 4% 1910.	61	61	..	..
Chilian 4½% 1895.	88	88	..	..	Do 6% 1924.	89	89	..	..
Do 7½%.	105	105	..	..	Mexican Cons. 1899.	40	40	..	..
Chinese 5% 1912.	65	65	..	..	Peruvian Corp. Prod.	33	33	..	..
Egyptian 4%.	84	84	..	..	P.L.M. 6%.	88	88	..	..
French 5%.	184	184	..	..	Portuguese (New).	27	27	..	..
Do 4%.	15	15	..	..	Russian 5% 1906.	51	51	..	..
German 3% Loan.	101	101	..	..	Spanish 4%.	63	63	..	..
Do 7% 1924.	101	101	..	..	Seine (Dept.) 7%.	99	99	..	..
					Siam 7%.	105	105	..	..

Telegraphs.

Anglo-American "A" 24.	23	23	..	..	Marconi Canada.	3	3	..	..
Marconi Wireless.	1	1	..	..	Marconi Marine.	3	3	..	..

Miscellaneous.

Aerated Bread (£1).	18	18	..	..	Linggi Plants (£1).	2	2	..	..
Amal. Cottons (£1).	3	3	..	..	Lipton (£1).	1	1	..	..
Anglo Persian Oil (£1).	3	3	..	..	Lever Bros. Oil (£1).	1	1	..	..
Armstrong (Sir W. & Co. (£1).	3	3	..	..	Do 20% Oil (£1).	1	1	..	..
Ass. Paint. Co. (£1).	3	3	..	..	Lister (£1).	1	1	..	..
Barker, John (£1).	3	3	..	..	Lobitos Oilfields (£1).	6	6	..	..
B'ham Small Arms (£1).	3	3	..	..	Lyons (J. & Co. (£1).	3	3	..	..
Brasil Traction (£100).	71	71	..	..	Mexican Eagle (£100).	1	1	..	..
British-American Tobacco (£1).	51	51	..	..	Nobel Industries (£1).	1	1	..	..
British Controlled Oil (£5).	1	1	..	..	Pekin (2) (£100).	1	1	..	..
Burmah Oil (£1).	5	5	..	..	Royal Dutch Petroleum (£100).	31	31	..	..
Coals (J. & F.) (£1).	2	2	..	..	Rubber Plantations (£1).	2	2	..	..
Courtauld (£1).	6	6	..	..	Shell Transport (£1).	4	4	..	..
Cunard (£1).	6	6	..	..	Smithfield-Argentine Meat (£1).	8	8	..	..
Dorman, Long (£1).	1	1	..	..	Union Cold Storage 6% Cum. Pref. (£1).	1	1	..	..
Dunlop Rubber (6/8).	1	1	..	..	Do 7% Cum. Pref. (£1).	1	1	..	..
Fine Cotton Spinners (£1).	2	2	..	..	United Dairies (£1).	1	1	..	..
Forestal Land (£1).	1	1	..	..	United Dairies (£1).	1	1	..	..
Furness, Withy (£1).	1	1	..	..	United Tobacco (£1).	4	4	..	..
Highlands and Islands Rubber (£1).	2	2	..	..	V.O.C. Holding (£1).	2	2	..	..
Hudson's Bay (£1).	5	5	..	..	Vickers (£1).	3	3	..	..
Imperial Tobacco (£1).	5	5	..	..	Watney Def. Stk. 336.	337	337	..	..

Mines.

Ashanti Gold (4).	3	3	..	..	Modderfont. "B" (5).	1	1	..	..
Brakpan (4).	3	3	..	..	Modderfont. Deep (5).	1	1	..	..
Broken Hill Prop. (£1).	1	1	..	..	Mount Lyell (£1).	1	1	..	..
Burma Corp. (Rs. 10).	1	1	..	..	New State Areas (£1).	1	1	..	..
Cam & Motor (£1).	2	2	..	..	Randfontein East (£1).	2	2	..	..
Central Mining (88).	15	15	..	..	Rand Mines (5).	3	3	..	..
Chartered (15).	1	1	..	..	Selkirk (2/6).	2	2	..	..
City Deep (£1).	2	2	..	..	Shamva (£1).	1	1	..	..
Cong. Gold Fields (£1).	1	1	..	..	Rio Tinto (45).	41	41	..	..
Crown Mines (10).	2	2	..	..	San Francisco de Mexico (10).	1	1	..	..
De Beers Deft. (£24).	15	15	..	..	Sprins Mines (£1).	2	2	..	..
East Rand Prop. (£1).	3	3	..	..	Tanganyika Cons. (£1).	2	2	..	..
Geduld (£1).	3	3	..	..	Trans. Cons. Ltd (10).	4	4	..	..
Gov. Gold Areas (£1).	7	7	..	..	Zambesia Expl. (£1).	1	1	..	..
Johannesburg Cons. 2½%.	2	2	..	..					
Modderfontein (10).	4	4	..	..					

ANALYSIS OF BALANCE-SHEETS.

NOBEL INDUSTRIES, LIMITED.

December 31, 1924.				December 31, 1925.			
LIABILITIES.		ASSETS.		LIABILITIES.		ASSETS.	
Amount.	Compared with Dec. 31, 1923.	Amount.	Compared with Dec. 31, 1923.	Amount.	Compared with Dec. 31, 1923.	Amount.	Compared with Dec. 31, 1923.
Ord. shares.	8,030,229	21,875	Investments.	21,932,445	438,001		
6% cum. pref.	6,475,702	14,494	Property.	258,941	1,552		
Deferred shares.	1,454,036	1,517	Office furniture.	21,326	1,203		
Fractional def. shares.	247	185	Amounts due from associated companies.	605,213	4,961		
5½% deb. stock.	1,700,123	49,877	1st mt. deb. stk.	35,232	35,232		
Interest acc. due.	12,078	354	Sundry debtors.	260,273	6,964		
Amount due to a-associated companies, &c.	4,261,487	370,236	Cash and bills.	1,043,041	52,815		
Special investment reserve.	500,001	100,000	Cost of deb. issue.	83,356	2,977		
Sundry creditors.	378,455	17,075					
Profit and loss.	1,427,470	33,610					
Total.	24,239,827	508,391	Total.	24,239,827	508,391		

CALICO PRINTERS' ASSOCIATION, LIMITED.

June 30, 1925.				June 30, 1924.			
LIABILITIES.		ASSETS.		LIABILITIES.		ASSETS.	
Amount.	Compared with June 30, 1924.	Amount.	Compared with June 30, 1924.	Amount.	Compared with June 30, 1924.	Amount.	Compared with June 30, 1924.
Capital account.	2,730,514	101,014	Cash and bills.	772,502	127,212		
Sundry creditors.	2,117,323	65,446	Cash & securities.	265,843	3,321		
Deb. interest.	53,333	..	Stock-in-trade.	1,792,633	96,758		
Depreciation acc.	1,093,244	164,075	Sundry debtors.	4,444,896	181,464		
Reserve account.	750,000	155,725	Investments.	671,657	55,548		
Capital reserve account.	60,000	..	Copper & other rollers.	..	..		
Res. for equalisation of divs.	300,000	142,701					
Profit and loss.	843,517	..	Total.	7,947,931	98,783		
Total.	7,947,931	98,783	Total.	7,947,931	98,783		

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

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended Sept. 4, 1925.		Week ended Sept. 7, 1925.			Aggregate 36 Weeks, 1925.		
(c) Week ended Sept. 5, 1925.	Miles Open.	Passen- gers,&c.	Goods, &c.	Total for Week.	Passen- gers,&c.	Goods, &c.	Total Re- ceipts.
		£	£	£	£	£	£
Great Western.....	3,765	346,000	305,000	651,000	9,785,000	11,568,000	21,353,000
Do for 1924.....	3,754	352,000	343,000	695,000	9,811,000	12,009,000	21,820,000
Lond. & N.-Eastern (c)	6,714	54,500	635,000	1,178,000	16,216,000	23,879,000	39,795,000
Do same period 1924	6,714	551,000	655,000	1,206,000	16,535,000	24,510,000	41,045,000
Lon., Mid., & Scottish	6,950	800,000	812,000	1,612,000	23,200,000	30,733,000	53,466,000
Do for 1924.....	6,950	829,000	861,000	1,690,000	23,569,000	30,974,000	54,500,000
Southern.....	2,163	420,000	120,000	562,000	12,245,000	4,154,000	16,577,000
Do 1924.....	2,142	420,000	112,000	532,000	12,380,000	4,147,000	16,527,000
Metropolitan (c).....	58	37,273	4,062	41,335	1,203,348	138,911	1,342,259
Do for 1924.....	58	45,404	4,161	49,565	1,414,632	138,767	1,553,399
Underground E.R. (c)	..	..	..	254,503	..	..	8,865,328
Do for 1924.....	..	..	..	277,486	..	..	8,499,717
Lon. & Sub. Group (c)	..	..	..	39,921	..	..	1,352,150
Do for 1924.....	..	..	..	42,004	..	..	1,387,189
Belfast & Co. Down.....	80	5,126	870	5,996	150,073	38,288	188,361
Great Northern.....	562	26,050	17,050	42,100	622,650	612,650	1,235,300
Great Southern.....	2,181	53,187	44,831	98,018	1,383,397	1,542,108	2,925,505

your behalf, tendered to Mrs Massey and to the members of her family a very deep sympathy in her and their bereavement.

I now propose the adoption of the report and balance-sheet.

Mr William Watson said:—I have pleasure in seconding the motion for the adoption of the report and balance-sheet.

In his excellent speech, the Chairman has touched upon—some-what lightly, I think—the financial resources of the Dominion in connection with its expenditure. When, as pointed out by him, the value of the exports only exceeds that of the imports by a much less amount than that required to meet the interest payable outside the Dominion, it is surely time for sensible and honest persons to pause and consider. Much has been said about the cost of living, and some people will glibly remark that it is the same all over the world, but I am not so sure about that, and, in any case, I am dealing with New Zealand only. In addition to the materials produced, manufactured and used in this Dominion, it must be acknowledged that £49,800,000 is much too high an amount to pay for imports during one year, and there can be no doubt that a very large portion of these imports consists of luxuries, and this, to a considerable extent, from foreign countries, which in the circumstances, are not only unnecessary but positively harmful to the future welfare of the country. Possibly bankers, as well as merchants and others, reap temporary benefits from the present swollen trade, but it is surely at the expense of the community if its income does not meet its expenditure. Further, if the high rate of living be allowed to progress, and wages be raised in accordance with it, the production of our exports will become so expensive as to prevent our competing with other countries.

VISIT TO SOUTH ISLAND.

In March of this year, the chairman and I paid a visit to most of the branches of the bank in South Island, where we found affairs generally in an excellent condition. We found that the past bountiful season had had a most beneficial effect, and, speaking generally, our advances give little anxiety, while money on deposit has increased materially. We were also much impressed with the manner in which farming operations were being carried on. Land values were warranted by average returns and speculation seemed to be rare.

The chairman did not mention our new note issue. I am glad to say that we have now received a considerable supply of the forms, and will be able to provide the public more liberally with new notes than heretofore.

The report and balance-sheet were adopted without further discussion.

The Chairman announced that the balance of the year's dividend would be paid the following day in Wellington, and at branches on receipt of advice.

VOTE OF THANKS.

Mr T. Shailer Weston moved a very hearty vote of thanks to the chairman, the chief board of directors, the London board, and to the general management and staff, for their services during the past year. It was pleasant he said, to see Sir James Mills present, as probably no one in New Zealand had done more to develop the country's industry and commerce. With regard to the speech of the chairman, he desired to congratulate Sir George Elliot on the reference he had made to the necessity of supporting trade with Great Britain to a greater extent, and also for the very timely word of caution he had uttered with regard to the operation of combines dealing with the marketing of the country's primary products. The shareholders had to thank the board, general manager, and staff on the way in which they had continued to face the difficulties which had not yet ended, and which were the result of the war. They had been singularly successful in facing those difficulties so far, and he thought the shareholders could have every confidence that they would continue to do so in the future.

The vote of thanks was carried with acclamation.

The Chairman returned thanks for the very kindly references which had been made to the board of directors. Mr T. E. Corkill, acting general manager, returned thanks on behalf of the staff, and the proceedings then terminated.

ANGLO-EQUADORIAN OILFIELDS, LIMITED.

INCREASE OF CAPITAL SANCTIONED.

An extraordinary general meeting of the Anglo-Ecuadorian Oilfields, Limited, was held, on the 8th instant, at Winchester House, Old Broad street, London, for the purpose of considering a resolution providing for an increase of the company's capital to £1,000,000. The Right Hon. Lord Forbes (the chairman) presided.

The Chairman said: I, personally, had hoped that the condition of the enterprise would have been such as to enable us to bring it to fruition without raising further capital, but delays of an unusual nature have thwarted that expectation. The progress made has

been substantial and satisfactory in its thoroughness. A small town has been constructed in the desert. Water supply, workshops, stores, warehouses, a railway line, stations, roads, tanks, a pier, undersea pipeline, refinery, tin and case-making factories, overland pipelines, and pumping installations, are all complete, and we are now simply faced with the operation of drilling wells, which, incidentally, I may say, we were unable to do, except in tentative fashion, until we had the above facilities.

We have just sold our first cargo of crude oil at a satisfactory price, and you will be interested to hear that it is coming to England to be refined. The accounts for the year ended June 30th last have not yet reached us. It was a year during which the energies of the management were directed almost entirely towards completing equipment. At the end of the year now entered upon, I hope we shall be able to submit to you a profit and loss account. If nothing unexpected occurs in connection with the geological conditions—and there appears no reason to anticipate this—a remunerative production seems assured. I am not myself disconcerted by temporary fluctuations in the oil market, having in view our enormous property and the constant increase of consumption of oil products in the world.

You may be interested to hear the following cable which was received yesterday morning from the company's agents:—"Referring to your telegram No. 509, well No. 9, well No. 10, well No. 11 expected to be on production within three months; all are in oil-sands. Well No. 4 production improving. Well No. 14 drilling. Well No. 15 will commence September 14th. Well No. 16 derrick under construction. 1,500 tons material landed during past three months; five houses and new Galician drillers' quarters and seven native houses added to camp. New refinery well under construction. Local sales crude oil and refined products appreciably increasing. Labour situation improving considerably. First shipment, 5,000 tons, completed."

The resolution was unanimously agreed to.

GOVERNMENT RETURNS, &c.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1925-26. (See Note)	Total Receipts into the Exchequer from	Receipts.	Receipts.
		Apr. 1, 1925, to Sept. 5, 1925.	Apr. 1, 1924, to Sept. 6, 1924.	Week Ended Sept. 5, 1925.
	£	£	£	£
Balances in Exchequer on 1st April:—				
Bank of England...	..	5,341,778	5,069,613	..
Bank of Ireland...	..	1,215,322	1,562,001	..
REVENUE.				
Customs...	102,040,000	42,910,000	43,693,000	1,798,000
Excise...	137,220,000	51,716,000	53,304,000	2,234,000
Motor Vehicle Duties...	17,500,000	4,838,000	4,106,000	938,000
Estate, &c., Duties...	66,500,000	26,940,000	27,470,000	1,040,000
Stamps...	24,000,000	8,250,000	6,910,000	340,000
Land Tax, House Duty & Mineral Rights Duty...	1,000,000	160,000	620,000	190,000
Property & Income Tax...	262,000,000	85,266,000	93,564,000	10,000
Super-Tax...	63,300,000	25,500,000	23,320,000	3,785,000
Excess Profits Duties, &c.	4,000,000	5,500,000	7,640,000	4,558,000
Corporation Profits Tax...	9,000,000	23,700,000	23,500,000	740,000
Post Office...	57,000,000	430,000	440,000	330,000
Crown Lands...	900,000	..	..	..
Interest on Sundry Loans...	12,600,000	8,336,695	5,788,637	180,000
Miscellaneous—				
Ordinary Receipts...	14,000,000	4,636,398	5,406,238	800,000
Special Receipts...	30,000,000	17,889,387	13,574,532	79,222
Revenue...	801,060,000	306,072,480	309,836,407	113,791
Total inc. Balance...	..	312,629,580	316,468,021	2,900,001
OTHER RECEIPTS.				
Temporary Advances Repaid:—				
Under the Unemployment Insurance Act, 1921...	1,170,000	5,770,000	..	20,000
Money Raised by Creation of Debt:—				
(a) For Capital Expenditure Issues:—				
Under the Telegraph (Money) Act, 1924 and 1924...	3,050,000	2,200,000	..	..
Under the Housing Act, 1914...	3,000	1,000	..	..
(b) Under the Unemployment Insurance Act, 1921...	11,533	..	..	..
(c) For other Issues:—				
By Treasury Bills...	1,390,000	..	140,000	..
By 3½% Conversion Loan...	1,050,350,000	1,028,179,000	51,286,000	51,270,000
By National Savings Certificates...	23,079,560	11,900,000	550,000	450,000
By Exchequer and National War Bonds...	15,650,000	..	..	..
By Treasury Bonds, 1925...	15	..	..	..
By 4% Treasury Bonds, 1931-33...	10	..	..	..
(d) Ways and Means Advances...	276,205,000	309,941,500	16,650,000	16,100,000
Anglo-Persian Oil Company—Dividends on Shares Acquired...	..	23,109	..	..
Repayments—				
In respect of Issues under Land Settlement (Facilities) Act, 1919 and 1921...	111,043	549,398	32,227	27,174
Total...	1,693,649,741	1,688,653,648	81,586,141	78,742,397

NOTE.—Budget Estimate as in H.C. No. 84 of 1925.

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1925-26. (including Supplementary Grants.)	Total Issues out of the Exchequer to meet Payments from	Issues.	Issues.
		Apr. 1, 1925, to Sept. 5, 1925.	Apr. 1, 1924, to Sept. 6, 1924.	Week Ended Sept. 5, 1925.
	£	£	£	£
EXPENDITURE.				
National Debt Service—				
Interest, &c.,	305,000,000	150,456,501	151,051,995	13,102,887
Sinking Fund	50,000,000	19,321,640	13,090,353	1,463,552
Road Fund	16,900,000	4,037,044	3,247,044	1,151,498
Payments to Local Taxation Accounts, &c., ..	13,329,000	3,802,663	3,326,891	142,593
Payments to Northern Ireland Exchequer ..	4,000,000	1,875,352	2,086,832	75,000
Land Settlement	700,000	201,733	297,542	82,219
Other Consolidated Fund Services	2,000,000	1,156,611	1,004,795	92,000
Supply Services	418,086,000	161,501,668	155,604,489	7,076,000
Expenditure	810,015,000	342,353,212	329,709,941	21,276,103
OTHER ISSUES.				
Temporary Advances—				
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1924	..	36,891	36,891	..
Under the Unemployment Insurance Act, 1921	1,470,000	..	80,000	..
Issues to Meet Capital Expenditure—				
Under the Telegraph (Money) Act, 1922 and 1924	5,050,000	3,700,000	4,000	..
Under the Housing Act, 1914	6,000	..	..	..
Under the West Indian Islands (Telegraph) Act, 1924	20,071	260,719	..	..
Unemployment Insurance Act, 1921 ..	1,170,000	4,790,000	500,000	..
Repayment of amounts borrowed ..	..	..	..	..
Redemption of Debt—				
Treasury Bills	1,010,905,000	1,024,815,000	51,600,000	50,380,000
Principal of National Savings Certificates	13,450,000	14,103,000	500,000	600,000
Principal of Exchequer Bonds paid off	306,667	..	..	..
Principal of National War Bonds paid off	7,794,789	4,155,239	..	..
Principal of Treasury Bonds paid off ..	23,645,860	..	..	..
Other Debt under the War Loan Act, 1914 to 1919	..	50	..	..
Ways and Means Advances Repaid ..	284,549,000	308,679,500	2,750,000	6,456,000
Anglo-Persian Oil Company—Issued to the National Debt Commissioners	..	23,109	..	..
Balance in Exchequer—				
Bank of England	1,690,757,000	1,686,119,210	81,527,490	78,712,103
Bank of Ireland	2,065,626	1,968,710	18,531	34,154
Bank of Ireland	826,625	1,465,728	40,120	64,448
Total	2,892,251	2,434,438	58,651	30,294

Treasury, September 7, 1925.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £35,000,000 in Treasury Bonds and Treasury Bills were opened on Sept. 11, 1925, and the total amount applied for was £57,180,000. For bills at three months dated Monday to Saturday, £99 1s. about 14 per cent., above in full.—In bills at 3 months, £35,000,000; in bonds, nil.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.	4% Treasury Bonds. Average Price.
1925.				
July 10	35,000,000	51,950,000	4 7 10-64	nil
July 17	35,000,000	49,605,000	4 4 6-41	nil
July 24	35,000,000	46,090,000	4 3 6-17	nil
July 31	35,000,000	44,055,000	4 5 0-44	nil
Aug. 7	35,000,000	47,070,000	3 19 11-14	nil
Aug. 14	35,000,000	50,518,000	3 18 2-11	nil
Aug. 21	35,000,000	61,575,000	3 15 2-91	nil
Aug. 28	40,000,000	59,830,000	3 16 3-65	nil
Sept. 4	40,000,000	56,955,000	3 16 3-53	nil
Sept. 11	35,000,000	57,180,000	3 15 6-7	nil

Tenders will be received on Sept. 18, 1925, for Treasury Bills and Treasury Bonds to be issued to the maximum amount of £40,000,000. The amount of Treasury Bonds issued will not exceed £4,000,000.

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

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Redemption Account.	Bank of England Notes.	Ratio of Notes to Bank of England.	Govt. Securities.	Govt. Securities.	Govt. Securities.	Govt. Securities.
	£	£	£	£	£	£	£	£	£
1922.									
Mar. 29	300,351	14,255	5,000	28,500	15-9	261,479	177		
June 28	295,374	13,338	5,000	28,500	16-3	254,312	250		
Sept. 27	289,127	12,648	7,000	27,000	16-6	246,456	169		
Dec. 27	301,337	12,872	7,000	27,000	16-9	258,922	137		
1923.									
Mar. 28	285,616	12,318	7,000	27,000	17-3	241,294	190		
June 27	285,503	12,516	7,000	27,000	17-3	242,446	123		
Sept. 27	289,784	12,401	7,000	27,000	17-5	238,595	140		
Dec. 26	299,070	12,571	7,000	27,000	16-5	255,032	159		
1924.									
Mar. 26	281,538	11,908	7,000	27,000	17-6	236,867	130		
June 25	290,316	12,472	7,000	27,000	17-3	246,198	140		
Sept. 24	285,599	12,227	7,000	27,000	17-3	241,185	184		
Dec. 31	296,261	12,812	7,000	27,000	16-5	248,111	133		
1925.									
Mar. 25	284,256	11,882	7,000	27,000	18-9	235,076	112		
June 24	292,278	12,265	7,000	..	18-5	243,474	119		
Aug. 26	295,086	12,358	7,000	..	19-1	244,096	138		
Sept. 2	295,796	12,305	7,000	..	19-0	244,711	139		
9	295,402	12,400	7,000	..	19-0	244,379	173		

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £300,000,000, but not yet cancelled. Maximum fiduciary issue for 1921 at £317,555,200, for 1922 at £309,988,400, for 1923 at £270,183,900, for 1924 at £248,190,900, and for 1925 at £248,145,400.

NATIONAL DEBT—(Million £).

	Aug. 1, 1914.	Dec. 31, 1919.	Mar. 31, 1921.	Mar. 31, 1922.	Mar. 31, 1923.	Mar. 31, 1924.	Dec. 31, 1924.	Mar. 31, 1925.	Sept. 5, 1925.
Funded Debt	588	315	315	315	314	314	314	314	314
Term Annuities	30	20	18	16	14	14	14	13	13
3½ % Conversion Loan ..	..	..	..	266	684	666	666	709	732
4½ % Conversion Loan ..	..	..	..	..	13	13	210	210	210
3½ % War Stock	..	63	63	63	63	63	63	63	63
4½ % War Stock	..	13	13	13	13	13	13	13	13
4½ % and 5½ % War Stock ..	2,047	1,995	1,953	2,096	2,166	2,017	2,052	2,052	2,052
National War Bonds	1,509	1,413	1,201	953	820	813	778	771	771
4½ % Funding Loan	409	406	401	399	396	396	396	396	396
4½ % Victory Bonds	360	347	335	326	314	314	350	350	350
Treasury Bonds	..	..	..	453	411	457	496	499	475
Exchequer Bonds	20	323	289	185	150	150	69	15	15
National Savings Certs. ..	..	267	285	342	354	366	364	368	370
Other Debt*	1,306	1,132	1,087	1,157	1,128	1,132	1,124	1,124	1,124
American Loan (Anglo-French) ..	..	51	..	..	616	588	588	576	625
Treasury Bills	15	1,107	1,121	878	147	194	586	220	167
Temporary Advances ..	..	243	154	147	194	194	586	220	167
	654	8,033	7,574	7,655	7,742	7,641	7,726	7,646	7,682
	87	46	49	66	66	66	72	72	68
Other Capital Liabilities ..	..	..	..	..	..	..	..	..	..
Total Liabilities	711	8,079	7,623	7,721	7,812	7,707	7,794	7,718	7,750

MONTHLY STATEMENT OF LONDON CLEARING BANKS.
(000's omitted.)

Average Weekly Balances. August, 1925.	Bank of Liverpool and Martine, Limited.	Barclays Bank, Limited.	Coutts and Co.	Glyn, Mills and Co.	Lloyds Bank, Limited.	Midland Bank, Limited.	National Bank, Limited.	Provincial Bank, Limited.	West- minster Bank, Limited.	Willm's Deacons Bank, Limited.	Total.
ASSETS.	£	£	£	£	£	£	£	£	£	£	£
Coin, bank and currency notes, and balances with the Bank of England ..	6,229	33,514	1,389	2,863	38,234	51,575	3,796	27,548	27,195	3,852	196,195
Balances with and cheques in course of collection on other banks in the United Kingdom ..	1,850	7,517	584	946	8,005	12,323	140	7,252	7,948	1,283	47,848
Items in transit ..	4,304	23,980	2,587	5,706	19,342	16,139	3,342	18,245	24,394	2,784	120,823
Money at call and short notice ..	2,989	34,630	1,359	1,566	54,678	47,963	2,697	34,726	43,569	2,090	226,267
Bills discounted ..	10,167	58,322	4,284	8,322	54,087	30,363	15,918	39,551	46,925	4,607	272,546
Investments ..	35,337	146,909	7,678	8,931	172,278	195,890	16,635	131,620	120,225	19,982	855,685
Advances to customers and other accounts Liabilities of customers for acceptances, endorsements, &c.	3,821	12,044	11	1,598	17,730	29,205	..	8,697	10,741	1,254	85,001
Bank premises account ..	1,536	5,156	346	695	5,754	6,371	738	4,436	4,199	906	30,137
Investments in affiliated banks ..	..	7,456	..	..	6,581	6,238	..	2,754	2,992	..	26,021
LIABILITIES.	£	£	£	£	£	£	£	£	£	£	£
Ratio of cash to current, deposit, and other accounts ..	10.63	11.41	8.35	10.49	11.42	15.09	10.14	11.14	10.48	11.89	11.90
Capital paid up ..	2,349	15,592	800	1,060	14,372	12,542	1,500	9,479	9,052	1,875	68,621
Reserve fund ..	1,700	8,250	800	530	10,000	12,542	1,250	9,479	9,052	1,250	54,853
Current, deposit, and other accounts ..	58,563	293,642	16,628	27,267	334,587	341,778	37,423	247,173	259,351	32,380	1,648,772
Acceptances, endorsements, &c.	3,821	12,044	10	1,598	17,630	29,205	..	8,698	10,741	1,253	85,000
Notes in circulation ..	..	..	..	..	..	..	3,093	..	12	..	3,105
Reduction of bank premises account ..	..	..	..	..	..	..	..	..	..	..	..
Total ..	66,433	329,528	18,238	30,627	376,589	396,067	43,266	274,829	288,188	36,758	1,860,523

PROVINCIAL CLEARING RETURNS.

	Month of August.		Aggregate Weekly Totals to Sept. 5.	
	1924.	1925.	1924.	1925.
Number of Working Days ..	25	25	..	..
BIRMINGHAM ..	9,117,000	9,762,000	81,874,500	90,592,800
Bristol ..	4,666,000	4,902,000	41,056,000	41,525,000
Dublin ..	4,305,000	3,998,000	19,531,800	18,543,300
Hull ..	3,964,000	3,696,000	37,561,100	37,311,800
Leeds ..	2,469,000	2,739,000	27,027,000	28,418,600
Liverpool ..	37,727,000	34,376,000	318,328,700	323,646,200
Manchester ..	60,496,000	62,277,000	542,148,000	565,549,500
Newcastle-on-Tyne ..	7,911,000	6,581,000	71,584,000	58,984,500
Nottingham ..	2,364,000	2,532,000	22,106,200	23,301,500
Sheffield ..	4,133,000	4,389,000	38,532,800	37,349,200
Total ..	137,152,000	135,252,000	..	..

OVERSEAS BANK RETURNS.

NOTE.—The latest return of the Bank of Estonia appeared in the *Economist* of June 27; Bulgaria in July 28; Canada and Egypt in Aug. 22; Poland, Roumania, Greece and Russia in Sept. 5.

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

	Sept. 4, 1925.	Aug. 28, 1925.	Aug. 21, 1925.	Aug. 14, 1925.
RESOURCES.				
Total gold reserves.....	2,776,700	2,762,150	2,775,210	2,777,610
Total bills discounted.....	576,890	579,680	559,480	538,180
Bills bought in open market.....	213,170	201,520	195,310	211,660
Total U.S. Government securities.....	396,210	332,250	323,260	328,580
Total earning assets.....	1,126,050	1,126,290	1,090,900	1,090,770
Total resources.....	4,781,630	4,727,950	4,794,240	4,782,690
LIABILITIES.				
Federal Reserve notes in actual circulation.....	1,637,730	1,615,890	1,616,190	1,617,680
Deposits—Member bank—reserve account.....	2,186,593	2,183,490	2,183,670	2,179,670
Total deposits.....	2,235,730	2,236,540	2,237,190	2,236,940
Capital paid in and surplus.....	334,200	334,160	334,150	333,650
Total liabilities.....	4,761,630	4,727,950	4,794,240	4,782,690
Ratio of total reserves to deposits and Federal Reserve note liabilities combined.....	74.8%	75.0%	75.4%	75.5%

NEW YORK FEDERAL RESERVE BANK.—In \$'s (000's omitted).

	Sept. 4, 1925.	Aug. 28, 1925.	Aug. 21, 1925.	Aug. 14, 1925.
RESOURCES.				
Total gold reserves ..	195,490	192,830	164,320	173,260
Bills bought in open market ..	25,040	21,030	17,800	32,260
Total U.S. Government securities ..	58,560	60,230	53,240	58,070
Total earning assets ..	279,040	276,930	238,180	266,420
Deposits—Member bank—res. acc't ..	840,290	837,540	833,730	827,270
Ratio of total res. to dep. and Federal Reserve note liabilities combined ..	79.7%	79.8%	82.6%	80.0%

SOUTH AFRICAN RESERVE BANK.—In £'s (000's omitted).

	Aug. 15, 1925.	Aug. 8, 1925.	Aug. 1, 1925.	July 25, 1925.	July 18, 1925.	Aug. 16, 1924.
ASSETS.						
Gold coin and bullion ..	2,769	2,776	3,284	3,494	4,399	549
Gold certificates ..	6,454	6,635	6,883	7,127	7,141	10,223
Subsidiary coin ..	50	50	50	50	50	50
Bills discounted ..	6,484	6,247	5,886	5,418	4,460	3,973
Loans & advances to Govt. Investments ..	529	525	529	527	524	2,700
LIABILITIES.						
Capital ..	1,000	1,000	1,000	1,000	1,000	1,000
Reserve ..	258	258	258	258	258	153
Notes in circulation ..	9,260	9,654	9,863	9,520	9,583	10,166
Bankers' deposits ..	5,731	5,319	5,286	5,523	5,435	4,937
Ratio of cash reserves to liabilities to public ..	60.4%	61.9%	66.1%	69.5%	75.7%	69.7%

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

	Aug. 14, 1925.	Aug. 7, 1925.	July 31, 1925.	July 24, 1925.	July 17, 1925.	Aug. 15, 1924.
ASSETS.						
Total securities ..	13,28,77	13,18,20	13,26,83	13,61,50	13,61,50	13,61,50
Loans ..	15,35,28	15,51,01	15,79,97	16,64,47	16,64,47	16,64,47
Cash credits ..	27,74,78	27,47,20	27,49,27	27,73,50	27,73,50	27,73,50
Inland bills ..	4,26,57	4,49,01	4,64,07	4,56,25	4,56,25	4,56,25
Foreign bills ..	31,48	26,62	23,15	31,57	31,57	31,57
Dead stock ..	2,74,50	2,74,68	2,74,68	2,74,68	2,74,68	2,74,68
Bal. with other banks ..	44,09,63	44,37,07	46,85,78	44,94,04	44,94,04	44,94,04
LIABILITIES.						
Capital paid up ..	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50
Reserve ..	4,77,50	4,77,50	4,77,50	4,77,50	4,77,50	4,77,50
Total deposits ..	97,24,08	97,49,09	90,56,33	99,90,39	97,58,21	1,03,89,48
The above includes—						
Deposits in London ..	1,182	1,213	1,229	1,257	1,257	1,257
Advances in London ..	1,169	1,164	1,138	1,193	1,193	1,193
Cash, &c., at other Banks in London ..	68	68	124	76	127	892

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

	Aug. 8, 1925.	Aug. 1, 1925.	July 25, 1925.	July 18, 1925.	Aug. 9, 1924.	Position June 30, 1914
ASSETS.						
Cash and bullion ..	1,128,160	1,128,946	1,129,201	1,128,501	1,112,009	221,320
Discounts ..	169,754	242,422	155,016	171,684	260,934	41,740
Advances ..	128,866	129,024	123,764	121,476	314,381	70,540
LIABILITIES.						
Notes ..	1,135,011	1,268,835	1,197,823	1,179,210	1,180,667	362,270
Govt. deposits ..	681,267	606,832	599,382	607,649	984,666	87,340
Other deposits ..	82,576	76,665	90,987	100,103	66,046	11,440

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

	Sept. 10, 1925.	Sept. 3, 1925.	Aug. 27, 1925.	Sept. 11, 1925.	Position May 30, 1914
ASSETS.					
Gold coin and bullion ..	5,547,103	5,547,035	5,546,998	5,547,035	5,547,035
Of which held abroad ..	1,864,321	1,864,321	1,864,321	1,864,321	1,864,321
Silver coin and bullion ..	309,423	310,041	311,016	300,923	300,923
Discounts and advances ..	8,259,461	7,247,782	6,362,072	6,835,604	6,835,604
Advances to the State ..	28,650,000	28,600,000	27,750,000	23,000,000	23,000,000
LIABILITIES.					
Notes ..	45,685,948	45,445,019	44,701,670	40,314,545	5,811,875
Government deposits ..	20,056	11,873	4,049	13,024	183,700
Private deposits ..	2,166,907	2,573,064	2,387,239	1,775,289	845,960

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

	Sept. 3, 1925.	Aug. 27, 1925.	Aug. 20, 1925.	Aug. 13, 1925.	Sept. 4, 1924.	Position May 28, 1914
ASSETS.						
Coin (gold & silver and bullion) ..	387,160	386,202	384,956	384,932	353,992	322,650
Securities ..	1,336,103	1,335,763	1,316,572	1,359,204	1,294,914	697,600
Loans ..	7,652,879	7,615,534	7,595,669	7,668,366	7,624,010	934,150
Notes in circulation ..	294,451	227,544	181,959	144,609	344,037	112,125
Current accounts ..	..	..	..	..	..	..

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

	Sept. 7, 1925.	Sept. 1, 1925.	Aug. 24, 1925.	Aug. 17, 1925.	Sept. 8, 1924.	Position May 30, 1914
ASSETS.						
Gold ..	416,917	414,417	414,428	414,444	531,511	163,092
Silver ..	24,672	23,002	23,179	22,817	11,642	8,436
Depts. and advances ..	461,817	481,787	449,286	456,918	384,267	153,504
LIABILITIES.						
Notes in circulation ..	894,371	900,108	863,960	872,863	978,393	318,632
Deposits ..	21,222	26,307	28,303	27,565	38,329	5,016

BANK OF JAVIA.—In florins (000's omitted).

	Sept. 5, 1925.	Aug. 29, 1925.	Aug. 22, 1925.	Aug. 15, 1925.	Sept. 6, 1924.	Position May 30, 1914
ASSETS.						
Gold ..	177,000	177,000	177,500	177,250	156,457	22,971
Silver ..	..	..	..	..	64,140	29,785
Discounts, advances, and other investments ..	167,680	162,070	155,850	155,790	149,067	77,567
LIABILITIES.						
Notes in circulation ..	321,500	315,000	315,500	319,000	287,624	109,499
Deposits and bills payable ..	52,000	50,500	50,500	44,500	103,038	11,350

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

	Sept. 7, 1925.	Aug. 31, 1925	Aug. 22, 1925.	Aug. 15, 1925.	Sept. 6, 1925.	Position May 31, 1914
ASSETS.						
Gold.....	490,178	510,532	522,203	521,405	505,175	171,175
Silver.....	88,087	88,590	89,226	89,231	93,513	18,350
Assets & advances ..	304,390	290,758	291,491	291,637	287,485	103,000
LIABILITIES.						
Notes in circulation	802,390	819,056	767,783	780,975	854,101	275,925
Deposits ..	136,791	134,472	186,753	186,345	91,375	33,750

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

Assets.	Aug. 31, 1925.	Aug. 22, 1925.	Aug. 15, 1925.	Aug. 8, 1925.	Aug. 1, 1925.
Gold	73,442	73,306	73,275	73,205	72,325
Other coin and notes	20,058	19,863	23,155	22,225	21,115
Foreign credits	421,356	416,264	395,673	399,658	364,316
Bills	957,823	952,842	942,828	945,183	1,275,052
Govt. advances	4,519,761	4,519,639	4,519,577	4,519,507	4,564,520
LIABILITIES.					
Notes in circulation	5,965,004	5,856,263	5,824,710	5,781,735	5,821,938
State credits	367,038	366,916	366,855	366,785	389,949
Deposits	956,539	973,656	934,908	868,927	355,834

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

Assets.	Sept. 5, 1925.	Aug. 29, 1925.	Aug. 22, 1925.	Aug. 14, 1925.	Sept. 6, 1925.	Position May 31, 1914.
Gold	2,536,667	2,536,666	2,536,628	2,536,628	2,534,802	521,775
Silver	655,460	659,886	658,407	654,405	665,121	728,600
Loans & discounts	2,348,874	2,338,940	2,297,548	2,331,533	2,226,735	800,725
Spanish 4% stock	344,475	344,475	344,475	344,475	344,475	344,475
Treasury bills	150,000	150,000	150,000	150,000	150,000	150,000
LIABILITIES.						
Circulation	4,341,525	4,296,931	4,291,448	4,332,782	4,448,710	901,550
Deposits	970,970	988,278	986,151	992,458	896,974	477,500

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

Assets.	Aug. 19, 1925.	Aug. 12, 1925.	Aug. 5, 1925.	July 29, 1925.	Aug. 20, 1924.
Coin and bullion	9,846	9,868	9,897	9,937	9,572
Of which gold	8,577	8,577	8,577	8,577	8,577
Balances abroad	208,682	199,908	193,875	196,356	167,796
Discounts	1,522,833	1,518,269	1,511,760	1,512,754	1,476,271
Government loans	1,518,504	1,518,504	1,518,504	1,518,504	1,518,504
LIABILITIES.					
Notes in circulation	1,618,504	1,622,300	1,629,649	1,617,785	1,644,143
Deposits	51,718	51,331	57,989	64,373	28,217

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

Assets.	Aug. 20, 1925.	Aug. 10, 1925.	July 31, 1925.	July 20, 1925.	May 31, 1914.
Total cash	1,564,748	1,521,542	1,538,780	1,548,460	1,221,875
Inland bills	4,796,227	4,691,430	4,671,813	4,450,495	3,221,097
Advances to the Treasury	5,377,445	5,378,475	5,378,525	5,378,555	5,633,755
Other advances	3,155,428	3,114,297	3,248,560	3,092,902	1,582,030
Securities	367,112	367,190	367,187	367,385	402,916
LIABILITIES.					
Note circulation	15,015,903	15,345,012	15,261,259	14,899,818	13,079,698
Deposits & drafts	1,731,909	1,485,962	1,733,824	1,627,224	2,124,223

LONDON RATES.

Bank rate (changed from 5% August 6, 1925)	Sept. 4, 1925.	Sept. 5, 1925.	Sept. 6, 1925.	Sept. 7, 1925.	Sept. 8, 1925.	Sept. 9, 1925.	Sept. 10, 1925.	Sept. 11, 1925.
Market rates of discount—								
60 days' bankers' drafts	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
3 months' do	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
4 months' do	4 3/4	4 3/4	4 3/4	4 3/4	4 3/4	4 3/4	4 3/4	4 3/4
6 months' do	4 7/8	4 7/8	4 7/8	4 7/8	4 7/8	4 7/8	4 7/8	4 7/8
Discount (Treasury Bills)—								
2 months	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
3 months	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
6 months	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Loans—Day to day	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Short	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2	3 1/2
Deposit allowances—Banks	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Discount houses at call	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
At notice	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2

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

Comparison with previous weeks:—

Comparison of prices of various kinds.									
		Short Loans.	Bank Bills.			Trade Bills.			
			3 Months.	4 Months.	6 Months.	3 Months.	4 Months.	6 Months.	
1925.		%	%	%	%	%	%	%	%
Aug.	21	3 1/2	3 1/2	3 1/2	4 1/2	4 1/2	4 1/2	5	
	28	3 1/2	3 1/2	3 1/2	4 1/2	4 1/2	5	5	
Sept.	4	3 1/2	3 1/2	3 1/2	4 1/2	4 1/2	4 1/2	4 1/2	5
	11	3 1/2	3 1/2	3 1/2	4 1/2	4 1/2	4 1/2	4 1/2	

OVERSEAS BANK RATES.

Changed.	%	Changed.	%
Amsterdam Jan. 14, 1925	.. 4	Oso. Aug. 24, 1925	.. 5 1/2
Albania Feb. 5, 1925	.. 8 1/2	Paris July 9, 1925	.. 6
Belgrade Feb. 26, 1925	.. 8	Prague Mar. 25, 1925	.. 6
Berlin Jan. 23, 1923	.. 5 1/2	Riga Feb. 16, 1924	.. 7
Brussels Jan. 23, 1923	.. 5 1/2	Rome June 13, 1925	.. 7
Bucharest Sept. 4, 1920	.. 6	Sofia July 23, 1925	.. 5
Budapest May 28, 1925	.. 9	Stockholm July 23, 1925	.. 5
Calcutta July 2, 1925	.. 4	Swiss Bank	
Copenhagen Sept. 8, 1925	.. 5 1/2	places July 14, 1923	.. 4
Danish Mar. 6, 1925	.. 9	Tokio April 15, 1925	.. 7 1/2
Helsingfors Aug. 14, 1925	.. 8	Vienna Sept. 2, 1925	.. 9
Lisbon Sept. 12, 1923	.. 8	Warsaw (See note below)	

The Bank Rate of the South African Reserve Bank is 5 1/2% for first-class commercial bills (90 days), and 6% for agricultural bills (of not more than six months).

Warsaw (Poland).—From August 12, 1925, discount rate, gold francs, 12%; loans collateral security, gold francs, 14%. We are informed that the head office of the De Javasche Bank at Batavia as from October 20th, has increased its discount rate for bills from 3 1/2 per cent. to 4 1/2 per cent.

CURRENT RATES IN NEW YORK.

The Irving Bank—Columbia Trust Company cable the following money and exchange rates in New York:—

	Sept. 11, 1924.	Aug. 13, 1924.	Aug. 20, 1924.	Aug. 27, 1924.	Sept. 3, 1924.	Sept. 10, 1924.
Call money	3 .. 4 .. 4 .. 4 .. 4 .. 4 ..					
Time money (90 days' mixed coll)	2 .. 4 .. 4 .. 4 .. 4 .. 4 ..					
Bank acceptances:—						
Members—eligible, 90 days	2 1/2 .. 3 1/2 .. 3 1/2 .. 3 1/2 .. 3 1/2 .. 3 1/2 ..					
Non-mem.—eligible, 90 days	2 1/2 .. 3 1/2 .. 3 1/2 .. 3 1/2 .. 3 1/2 .. 3 1/2 ..					
Ineligible, 90 days	2 1/2 .. 3 1/2 .. 3 1/2 .. 3 1/2 .. 3 1/2 .. 3 1/2 ..					
Commercial accept., 90 days	3 1/2 .. 4 .. 4 .. 4 .. 4 .. 4 ..					

Rates of Exchange.

New York on—	Par Level.	Sept. 11, 1924.	Aug. 27, 1925.	Sept. 3, 1925.	Sept. 10, 1925.
London—					
60 days	4-8666	4-4186	4-5087	4-8093	4-8075
Cable		4-4536	4-8562	4-8493	4-8475
Cheques		4-4511	4-8568	4-8475	4-8475
Paris—					
Cheques	19-30	5-3349	4-70	4-8856	4-8856
Brussels	19-30	4-9849	4-6350	4-47	4-405
Switzerland	19-30	18-879	19-38	19-33	19-151
Italy	19-30	4-4824	3-7475	3-98	4-10
Berlin	23-81	00141	23-803	23-805	23-80
Vienna	19-30	13-179	14-00	14-06	14-125
Madrid	19-30	14-265	14-265	14-4	14-4
Amsterdam	40-195	38-289	40-28	40-26	40-17
Copenhagen	16-809	24-55	24-55	24-55	24-55
Oso	26-80	13-769	19-72	25-151	24-63
Stockholm	26-80	26-619	26-619	26-619	26-619
Athens	19-30	1-7699	1-51	1-4-25	1-4-25
Can. Cents for \$1	100	99-93	100	99-93	100
Cents for 1 yen	49-85	40-8	40-75	40-52	40-70
Cents for H. Kong	..	55-75	58-875	60	59-625
Shanghai	..	36-78	36-78	36-73	36-75
Calcutta	..	32-3	32-3	32-3	32-3
Buenos Aires	103-65	125-9	109-26	109-50	109-25
Rio de Janeiro	32-42	9-95	18-70	15-45	13-55
Valparaiso	20-60	10-0	12-12	12-125	12-125

MOSCOW QUOTATIONS FOR CHERVONETZ.

According to advices received in London, the following are the Moscow quotations for chervonetz:—

£1,000 sterling equals 911 chervonets.
\$1,000 " " 194 1/2

RATES OF EXCHANGE.

London on	Usance	Par.	Sept. 12, 1924.	Sept. 4, 1925.	Sept. 11, 1925.
Paris	francs to £1	T.T.	25-224	83-10-30	103-40-50
Berlin	marks to £1	T.T.	20-43	188-4 blns.	20-35-38
Vienna	schillings to £1	T.T.	34-584	315-13-000b	34-35-38
Prague	krona to £1	T.T.	24-02	148-4	34-35-38
Warsaw	zloty to £1	T.T.	25-224	23-20-35	165-8
Regal	Estimks. to £1	T.T.	25-224	1850-1875	1810-1850
Riga	lats to £1	T.T.	25-224	22-99-25-24	25-01-03
Kovno	lats to £1	T.T.	25-224	48-66	49-22-32
Bukarest	lei to £1	T.T.	25-224	830-840	49-25-35
Budapest	kr. to £1	T.T.	24-02	344-348,000	990-995
Constantinople	piastres to £1	T.T.	110	820-830	345-347,000
Sofia	leva to £1	T.T.	25-224	605-615	855-862
Belgrade	dinars to £1	T.T.	25-224	335-340	655-675
Amsterdam	florins to £1	T.T.	12-107	11-622-634	270-273
Brussels	francs to £1	T.T.	25-224	89-35-45	108-95-108
Stockholm	kronor to £1	T.T.	18-159	32-37-42	22-85-95
Copenhagen	kronor to £1	T.T.	18-159	16-7-76	18-08-09
Helsingfors	F. marks to £1	T.T.	25-224	17-3-3	19-25-30
Greece	drachmas to £1	T.T.	25-224	250-255	192-192
Italy	lire to £1	T.T.	25-224	101-8-11	330-335
Switzerland	francs to £1	T.T.	25-224	23-69-72	25-08-10
Madrid	pesetas to £1	T.T.	25-224	33-76-79	34-03-07
Lisbon	pence to escu.	T.T.	53-1d	1-1-1	24-2-1
Alexandria	piastres to £1	Sight	97 1/2	97 1/2	97 1/2
New York	dollars to £1	Cable	4-866	4-454-46	4-841-4
Montreal	dollars to £1	Cable	4-866	4-468-8	4-841-4
Buenos Aires	pence to peso	T.T.	47-62d	54-16	45-1-45
Rio de Janeiro	pence to mils.	T.T.	51	45-45	68-81
Montevideo	pence to peso	T.T.	51	45-45	68-81
Valparaiso	pence to £1	T.T.	13-33	42-00	49-49
Lima	Eng. to Per. £1	90 days	par	84% prem.	21 1/2% prem.
Calcutta	ster. to rupee	T.T.	10 to	1s 5 1/2d-4d	1s 6 1/2d-4d
Bombay	ster. to rupee	T.T.	Gold	1s 5 1/2d-4d	1s 6 1/2d-4d
Madras	ster. to rupee	T.T.	Gold	1s 5 1/2d-4d	1s 6 1/2d-4d
Hong Kong	ster. to dollar	T.T.	..	2s 4 1/2d-5d	2s 5d-6d
Shanghai	ster. to dollar	T.T.	..	2s 4 1/2d-5d	2s 5d-6d
Singapore	ster. to dollar	T.T.	..	2s 4 1/2d-5d	2s 5d-6d
Yokohama	ster. to yen	T.T.	24-58d	1s 9 1/2d-10d	1s 8 1/2d-9d
Manila	ster. to peso	T.T.	24-05d	12s 2d	12s 0d
Mexico	pence to dols.	T.T.	..	24d-26d	24d-24 1/2d

† Rate for previous day.

(b) Represents krona to £1, at a par value of 24-02 to £1.

GOLD MOVEMENTS.

The following table shows arrivals and withdrawals of gold during this week:—

ARRIVALS.	£	WITHDRAWALS.	£
Sept. 5	..	Sept. 5	..
" 7	..	" 7	..
" 9	..	" 9	..
" 10	..	" 10	..
" 11	..	" 11	..
Total	..	Total	..

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates:—

	Union of South Africa.		Union of South Africa.	
	From September 9, 1925.		From September 9, 1925.	
	London on South Africa.		South Africa on London.	
	Buying.	Selling.	Buying.	Selling.
T.T.				
Demand	18 %	dis.	1 %	prem.
30 days	21 %	"	1 %	"
60 days	23 %	"	1 %	"
90 days	25 %	"	1 %	"
120 days	34 %	"	1 %	"

	Tons Crushed.		Gold Recovered.			Value.	Profit.
	Mill.	Cyanide Works.	Mill.	Cyanide Works.	Total.		
Gold.	Tons.	Tons.	Ozs.	Ozs.	Ozs.	£	£
Abbotiakoona	8,724	..	..	..	7,850	16,098	..
Ashanti	7,762	..	..	..	..	33,350	..
Associated Gold	5,743	..	..	..	..	8,095	..
Baighat	3,600	8,000	2,502	376	2,878	6,975	..
Blackwater	3,480	..	..	..	..	14,576	1,387
Boulder Perseverance	4,548	..	..	..	..	168,057	12,963
Champion Reef	10,285	25,777	4,638	1,677	6,315	..	..
El Oro	40,740	..	..	..	..	667	..
Fairbanks	..	..	..	..	..	2,823	..
Gabait Tributary	355	255	643	122	765	17,251	350
Globe and Phoenix	6,138	..	..	..	..	21,373	..
Golden Horseshoe	8,818	..	..	..	..	21,436	641
Great Boulder Proprietary	9,715	..	..	..	..	159,220	47,970
Lake View and Star	12,145	..	..	..	..	..	..
Mexican of El Oro	15,361	..	..	..	..	..	..
Mysore	19,652	31,885	9,288	1,465	10,753	..	..
Nunddroog	10,750	21,180	4,204	964	5,168	..	..
Coregon	14,000	..	..	..	..	8,632	..
Oriental Consolidated	..	..	..	..	..	86,000	..
Oroya Links	3,411	..	..	..	..	12,761	..
Oroville Dredging	Gross	returns for	21 days to Sept. 1st.	..	..	2,251	25,622
Sable	1,250	..	..	..	..	3,351	7,712
Shamva	59,000	..	..	..	..	14,109	..
Sons of Gwalla	12,063	..	..	..	..	16,799	2,535
South Kalangul	8,401	..	..	..	..	25,500	..
St John del Rey	..	..	..	..	..	16,013	..
Taquah and Abosso	8,315	..	..	..	..	86,700	..
Timboi	18,000	..	..	..	..	846,000	..
Vipond	5,379	..	..	..	..	..	..
Waiki	18,176	5,770	10,350	30,852	41,202	..	..

* Loss.

BROKEN HILL SOUTH, LIMITED.—For the four weeks ended September 5, 1925, 24,110 tons of crude ore and 13,473 tons of de-leached slime residues were treated and produced 4,625 tons of lead concentrates assaying 65 per cent. lead and 26 ozs silver per ton; also 7,790 tons of zinc concentrates, assaying 46 per cent. zinc.

BURMA CORPORATION.—During August, 27,526 tons of ore were mined, including 1,425 tons of high-grade ore; 20,800 tons of ore were milled in the treatment plant, producing 7,521 tons of lead concentrates; 9,678 tons of lead bearing material, including 1,793 tons of high-grade ore, were smelted in the blast furnaces, producing 3,845 tons of hard lead for treatment in the refinery. Refinery products were 3,804 tons lead and 390 011 ozs silver. Of silver production, 31,897 ozs were recovered from the treatment of copper matte. Experimental zinc plant produced 1,450 tons zinc concentrates, assaying 15 ozs silver, 68 per cent. lead, and 43 per cent. zinc. In addition to the above, 750 tons copper matte were produced from the treatment of accumulated smelter by-products and 2,358 tons copper ore. Included in the tonnage of refined lead is 217 tons recovered from the smelting of copper ore.

MOUNT MORGAN GOLD MINING COMPANY, LIMITED.—For the month of August treated 2,007 tons Mount Morgan ore, 5,077 tons concentrates, and 111 tons of purchased ore and secondary products. Produced 245 tons blister copper, containing 243 tons copper, and 2,639 ozs gold; including 13 tons copper from purchased ore and secondary products. Concentrator treated 16,283 tons ore for a production of 6,753 tons of concentrates, containing 352 tons copper, and 3,515 ozs gold. In addition to above production have matte on hand containing 127 tons copper and 1,268 ozs gold.

NORTH BROKEN HILL, LIMITED.—For the month of August the production was as follows:—38,480 tons of crude ore were treated, producing 6,830 tons lead concentrates, averaging 63.2 per cent. lead, 29.6 ozs silver per ton, and 7.2 per cent. zinc; also 6,190 tons zinc concentrates, averaging 47.3 per cent. zinc, 7.2 per cent. lead, and 7.9 ozs silver per ton.

SAN FRANCISCO MINES OF MEXICO, LIMITED.—For August:—Ore treated 11,900 tons; lead concentrates produced 1,300 tons; zinc concentrates produced 2,308 tons. Estimated net smelter return on lead concentrates, \$130,058 (U.S. Currency), and on zinc concentrates, \$76,345; total, \$206,403. Operating expenses, \$77,517. Estimated operating profit, \$128,886. Capital expenditure, \$25,810.

TRANSVAAL GOLD OUTPUT STATISTICS.

Name of Mine.	July, 1925.			August, 1925.		
	Ore.	Est. Yield.	Est. Profit.	Ore.	Est. Yield.	Est. Profit.
Aurora W. United (10s shares)	12,500	£ 14,215	£ 1,507	12,700	£ 14,165	£ 1,509
Brakpan	86,000	137,613	57,758	88,000	140,803	60,341
Central West	12,520	14,304	4,074	10,070	10,123	1,016
City Deep	92,500	151,799	41,462	101,000	157,621	44,052
Consolidated Main Reef	58,000	78,942	10,800	58,000	77,139	10,555
Crown Mines (10s shares)	229,000	293,965	87,476	215,000	281,460	85,555
Durban Roodpoort Deep	37,650	50,154	713	36,100	49,950	802
East Rand Proprietary	137,500	140,441	3,284	128,000	137,903	5,021
Ferreira Deep	35,700	37,021	5,828	32,500	36,200	5,873
Geduld Proprietary	79,000	117,225	47,652	81,500	121,065	49,634
Goldenhuis Deep	65,500	64,008	3,220	65,600	63,900	3,269
Glynn's Lydenburg	5,400	8,764	998	5,150	9,366	1,457
Government Areas	169,000	317,852	181,114	164,000	311,484	176,144
Kleinfontein, New	52,000	49,855	1,284	52,600	50,945	2,020
Langlaagte Estate	79,000	95,088	12,274	76,000	92,821	12,243
Meyer and Charlton	14,700	31,323	15,029	14,400	30,572	15,015
Modderfontein B.	64,500	102,183	41,080	65,000	103,908	42,360
Modderfontein Deep Levels	64,100	102,021	66,851	44,200	99,590	65,341
Modderfontein East	29,000	36,583	4,507	31,200	40,200	5,200
Modderfontein, New (24 sha.)	130,000	275,331	166,906	128,000	274,917	162,905
New State Areas	74,000	125,225	51,668	72,000	126,650	55,284
Nourse Mines	48,800	54,485	2,655	49,000	54,738	1,429
Primrose, New	20,600	18,591	1,586	20,600	18,299	2,034
Randfontein Estates	200,000	211,091	37,692	207,000	207,203	35,432
Robinson (25 shares)	10,200	9,722	1,719	11,200	10,295	1,731
Robinson Deep	77,000	99,400	33,523	68,500	91,996	30,103
Rose Deep	59,000	65,470	10,031	58,000	64,072	10,195
Simmer and Jack	73,200	65,844	7,414	71,000	64,072	7,515
Spring Mines	68,000	127,507	59,449	67,600	126,891	59,036
Sub-Nigel	10,600	29,109	8,183	10,700	29,911	8,196
Transvaal Gold Mining Estates	16,500	23,171	2,220	16,490	25,515	4,637
Van Ryn	37,000	38,905	4,272	37,900	38,940	4,281
Van Ryn Deep	69,800	106,293	50,268	68,000	105,953	50,045
Village Deep	59,800	74,613	7,501	58,500	73,735	7,434
West Rand Consolidated	38,600	38,778	4,272	37,900	38,940	4,280
West Springs	44,500	44,430	12,074	45,500	45,500	13,194
Witwatersrand Deep	46,500	44,217	4,088	41,800	42,337	2,084
Witwatersrand (Knight's)	30,700	30,840	1,293	29,500	30,721	1,410

* Loss. a At normal price. b At 4s 9d per fine oz. c At standard price.

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per annum, except where marked % or stated in Cash.		Method of Payment.	Dividend for Whole Years.	
	Interim or Final.	Date of Payment.		Lat'at	Pre-vious
Railways.					
Barclay Light	3% (bonus of 4%)	Nov. 2	Less tax	12	11
H.E.H. Nizam's State	4% (bonus 3%)	Nov. 2	Less tax	12	11
New York Central	12%	Nov. 2	Less tax	12	11
Banks.					
Chartered Bank of India, Australia, and China	14%	Nov. 2	Tax free	..	..
Commercial of the Near East	6%	Nov. 2	Tax free	..	..
Eastern	4% p.a.	Oct. 1	Less tax	..	..
Mercantile of India	8%*	Sept. 25	Less tax	..	..
Northern Banking Co., "A" Shares	17%	Sept. 15	Less tax	..	..
Do "B" Shares	8%	Sept. 15	Less tax	..	..
Yokohama Specie	12%	Sept. 15	Less tax	..	..
Insurance.					
Gen. Accident, Fire, & Co., Corp.	15%*	Nov. 2	Less tax	..	..
Mining.					
Central Prov. Mangrove Ore	10%*	Oct. 1	Tax free	..	..
Idris Hydraulic Tin	1/2 p.a.	Sept. 28	Less tax	..	..
Kinta	1/2 p.a.	Sept. 30	Less tax	..	..
Sungei Besi	1/2 p.a.	Sept. 25	Less tax	..	..
Tronoh	1/2 p.a.	Sept. 29	Less tax	..	..
Utah Copper	\$1 p.a.	Sept. 30	Less tax	..	..
Tea and Rubber.					
Ceylon (Para) Rubber	30%	Oct. 1	Less tax at 4/1	..	..
Chersonese Rubber	12 p.a.	Oct. 10	Less tax	..	..
Daejan Rubber	10%*	Sept. 28	Less tax	..	..
Damansara (Selangor) Rubber	5%*	Sept. 28	Less tax at 4/1	..	..
Dickella Rubber	10%*	Sept. 28	Less tax	..	..
Emerald Rubber and Cocoonut	10%*	Sept. 28	Less tax	..	..
Guala-Kalumpang Rubber	7 1/2%*	Oct. 27	Less tax at 4/1	..	..
Higoda Rubber	5%*	Sept. 25	Less tax	..	..
Igalkande Rubber and Tea	5%*	Sept. 25	Less tax	..	..
Khoja, Tanpan	10%*	Sept. 25	Less tax	..	..
Klangang Produce	10%*	Sept. 25	Less tax	..	..
Kuala Pe tang	10%*	Sept. 25	Less tax	..	..
Leyland & Birmingham Rubber	7 1/2%*	Oct. 5	Less tax	12 1/2	10
Malapang Rubber	12 p.a.	Oct. 5	Tax free	..	..
Nyalas Rubber	15%*	Sept. 23	Less tax	..	..
Portmore Tea of Ceylon	8%*	Sept. 23	Less tax	..	..
Rubber Estates of Bentota	5%*	Sept. 23	Tax free	..	..
Selangor River Rubber	25%*	Sept. 23	Less tax at 4/1	..	..
Sunungama	10%*	Sept. 23	Less tax	..	..
Teluk Piah Rubber	12 p.a.	Sept. 23	Less tax	..	..
Tempeh (Java) Rubber	5%*	Sept. 23	Less tax	..	..
Tenom (Borneo) Rubber	5%*	Sept. 23	Less tax	..	..
Other Companies.					
Amer. Invest. & Gen. Trust, Def.	10%*	Sept. 30	Less tax at 2/205	..	..
Apex Oilfields	10%*	Oct. 16	Less tax	..	..
Bath and Portland Stone	12%	Oct. 16	Less tax	..	..
Boots Pure Drug	1/2 p.a.	Oct. 1	Less tax	..	..
British Elec. Transformer, Pref.	3 1/2%	Oct. 1	Less tax	..	..
Butterley and Co.	1/4 p.a.	Oct. 1	Tax free	..	..
Calico Printers' Association	10%*	Sept. 30	Less tax	..	..
Crosswell's Cardiff Brewery	10%*	Sept. 30	Less tax	..	..
Eastern International Rubber Trust	10%*	Sept. 30	Less tax	..	..
Edward Lloyd	1/2 p.a.	Sept. 30	Tax free	..	..
Foreign Amer. & Gen. Invest., Def.	5%*	Sept. 30	Tax free	..	..
Gandy Belt Manufacturing	7 1/2%*	Sept. 30	Less tax	..	..
Gen. & Com. Invest. Trust, Def.	4%*	Sept. 26	Less tax	..	..
Globe Telegraph and Trust	5/2 p.a.	Sept. 30	Quarterly	..	..
Gramophone Co.	1/2 p.a.	Sept. 30	Quarterly	..	..
Hendon Electric	1/2 p.a.	Sept. 25	Tax free	..	..
Henry Hodder	10%*	Sept. 25	Tax free	..	..
Hevesa Rubber Trust	10%*	Sept. 25	Tax free	..	..
Hurst Nelson	2/6 p.a.	Nov. 11	Less tax at 4/1	3/6 p.a.	..
Jones and Higgins	7%	Oct. 1	Less tax	..	..
King Line	6%	Sept. 16	Less tax	..	..
Martinez Gassiot	5%*	Sept. 30	Less tax	..	..
Municipal Trust Co., Def.	4%*	Sept. 30	Less tax	..	..
Newcastle Electric	2 1/2%*	Sept. 30	Less tax	..	..
Nicholsons	8%	Sept. 30	Less tax	..	..
Paces Bros. and Co.	8 1/2%*	Sept. 30	Less tax	..	..
Smedley's Hydro	8 1/2%*	Sept. 30	Less tax	..	..
Stewart and Lloyds	6 1/2%*	Sept. 30	Less tax	..	..
Thos. W. Ward	6 1/2%*	Sept. 30	Less tax	..	..
Wardle and Davenport	11 1/2%*	Sept. 30	Less tax	..	..
Western Telegraph	5/2 p.a.	Sept. 29	Tax free	..	..

OIL OUTPUTS.

BRITISH CONTROLLED OILFIELDS, LIMITED.—By Cable for the week ending September 2, 1925. Production, 54,567 barrels; shipments, 4,444 tons. Total production for calendar month of August, 263,300 barrels; total shipments for calendar month of August, 35,742 tons.

CALTEX OIL.—Production for August 5th, 288 barrels, or 839 tons.

HAMILTON'S OIL CONCESSIONS (ROUMANIA), LIMITED.—Production for August, 1,050 tons (July, 3,360 tons).

KERN RIVER OILFIELDS OF CALIFORNIA, LIMITED.—The total production during August amounted to 144,463 barrels, or approximately 20,638 tons, as follows:—Kern River Oilfields of California, Inc., 47,193 barrels, or 6,742 approx. tons; St. Helens Petroleum Company, Limited, 51,464 barrels, or 7,352 approx. tons; Kern Trinidad Oilfields, Limited, 18,554 barrels, or 2,651 approx. tons; Kern Romana, Limited, 483 barrels, or 69 approx. tons; Kern Mex Oilfields, S.A., 26,769 barrels, or 3,824 approx. tons.

UNITED BRITISH OILFIELDS OF TRINIDAD, LIMITED.—Combined production for the week ending Wednesday, September 2, 1925, amounted to 764 tons.

VENEZUELAN OIL CONCESSIONS, LIMITED.—Production for the week ended September 5, 1925, was as follows:—La Rosa, 9,150 metric tons (previous week ended August 29th, 9,300 metric tons); Maracaibo District, 3,026 metric tons (previous week ended August 29th, 2,907 metric tons).

Reports and Notices.

At a meeting of the directors of Messrs Illingworth, Morris, and Co., Limited, spinners, of Bradford, Sir J. Donald Horsfall, Bart., of Messrs John Horsfall and Sons, spinners, of Glusburn, was elected a member of the board. Sir Donald is well known in the wool textile industry and is closely in touch with the wool trade generally.

Helbert, Wagg and Co., Limited, announce that they are moving from 37 Threadneedle street, and their new address from the 14th instant will be 41 Threadneedle street, London, E.C. 2. Telephone number: London Wall 9521 (6 lines).

The registered offices of the Railway Investment Company, Limited, are, as and from 7th instant, 7 Union court, Old Broad street, London, E.C. 2.

Mr F. W. Bishop has been elected a director of the Rosario Nitrate Company, Limited, and the Salar Del Carmen Nitrate Syndicate, Limited.

Mr F. Akeroyd, F.C.I., has been appointed accident manager of the British Oak Insurance Company, Limited. Mr Akeroyd has been assistant accident manager of the company since 1921.

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Dividend Interest.	Amount Available for Distribution.	Appropriation.				Corresponding Period Last Year.	
					Dividend.		Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.	Dividend.
					Prefe.	Ordinary.				
					Amount.	Amount.	Rate.			
Hotels, Restaurants, &c.										
Smedley's Hydropathic	June 30	£ 4,814	£ 10,123	£ 14,937	£ 1,125	£ 7,500	12½	£ 6,312	£ 11,717	12½
Iron, Coal, and Steel.										
Sheffield Forge and Rolling Mills	June 30	Dr 26421	Dr 9,802	Dr 36,223	..	..	..	Dr 36,223	Dr 12912	..
Shipping.										
Hazelwood	May 16	2,447	6,645	9,092	..	4,360	2½	3,000	25,763	5
Textiles.										
Calico Printers' Association	June 30	218,615	700,304	918,919	150,805	301,610	15	250,000	216,504	10
Trusts.										
Anglo-Scottish	June 30	8,518	14,078	22,596	..	..	..	6,863	15,733	9,890
Egyptian and Foreign	June 30	Dr 26,140	(b) 3,313	Dr 22,823	..	..	..	Dr 22,823	..	..
Waterworks.										
East Kent	June 30*	5,289	512	5,801	1,795	776	3	3,230	2,736	3
South Kent	June 30*	4,629	295	4,924	765	1,246	2½	2,913	2,213	2½
Other Companies.										
Bath and Portland Stone Firms	June 30*	32,657	28,481	61,138	..	18,750	15	42,388	22,486	12½
Nobel Industries	Dec. 31	650,130	927,710	1,577,840	300,964	560,279	9	50,000	666,597	1,032,489

* Half-year.

† Tax free.

(b) 18 months.

Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1921 to 1924:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1925.						
Aug. 29	Cwts. 249,432	Cwts. 74,987	Cwts. 62,660	s d 11 7	s d 14 6	s d 9 8
Sept. 5	265,759	156,747	56,136	11 8	15 3	9 9
1921	362,276	220,682	78,460	13 6	17 9	11 1
1922	206,284	20,407	43,828	9 7	10 11	9 1
1923	322,002	84,555	54,899	9 1	10 10	8 10
1924	90,144	188,779	47,701	12 3	16 3	9 1

AMERICAN WHEAT MARKETS.

Markets showed considerable firmness at the beginning of the week, as a result of lighter offerings, bullish cables from Liverpool, and active professional buying. Later a phase of equanimity was experienced, in expectation of a favourable Canadian Government crop report, and prices eventually show a net decline over the week. Recent quotations:—

	Sen. 12, 1924.	Jan. 2, 1925.	Aug. 27, 1925.	Sep. 3, 1925.	Sep. 10, 1925.
Winnipeg (No. 1 Manitoba)—Cents per 60 lbs.	14½	183	(a) 142½	(a) 135½	(a) 133
Chicago (No. 2 Winter)—Cents per 60 lbs.	13½	177	(b) 156½	(b) 154½	(b) 150½

(a) October delivery.

(b) September delivery.

IRON, STEEL, AND COAL.

We have extracted the following from the weekly report of the London Iron and Steel Exchange:—The iron and steel market at the moment is featureless, and anticipations are concentrated upon a revival of business in the early autumn. In the pig-iron market the slack demand has resulted in the prices of British iron becoming easier. The volume of business passing in all descriptions of iron, however, has been small, and many of the more important consumers appear to have covered their requirements for some weeks to come. Similar conditions rule in the semi-finished department, but here the competition from Continental sources is more intense. The demand for finished steel has shown signs of improving lately. The inquiry from abroad has been more active, and has developed into a fair amount of buying. In the home market also trading has been rather more brisk, but conditions in this department still leave much to be desired.

Our Middlesbrough correspondent's report, dated September 10th, is as follows:—Market: Makers report a slight improvement in the total volume of sales of Cleveland iron during the last few days. Consumption, however, is very restricted owing to the prevailing slackness, and with prices trending downwards, buyers are covering only from week to week. The general quotation for No. 3 Cleveland C.M.B. pig-iron is now 68s per ton, but less would be taken for a good order. The hematite trade is developing signs of weakness, and although makers still ask 75s per ton for mixed numbers of East Coast hematite, orders can be placed at fully 6d per ton below this figure. Manufactured iron and steel: Local manufacturers are having great difficulty in securing orders, owing to keen foreign competition, despite recent reductions in prices. The following are approximate quotations: Steel ship plates, £8; steel ship angles, £7 15s; iron bars, £11 12s 6d; steel rails, £8 10s. Iron ore: There are still no buyers, and best Bilbao Rubio is nominally quoted at 20s per ton c.i.f. Tees.

Our Sheffield correspondent writes:—Conditions in the crude iron and steel branches continue stagnant. Business is confined to

small transactions, forward buying being rare. Prices have still a downward tendency. For a substantial order Derbyshire foundry iron can be bought at 67s or 67s 6d f.o.t., and basic at much the same prices. Hematite iron is also lower. The slump in steel scrap grows more acute. Buyers refuse to pay more than 60s for material which towards the end of last year was worth 85s. A limited amount of work is on hand in the armament department, but very little work is coming in from the shipbuilding industry. There are fewer railway orders on hand than at any previous time this year, although the work is substantial in volume. Motor-trade requirements have fallen off somewhat lately. Steel castings, forgings, and tools for engineering are in fair request, and file makers are working well. The building trade is providing a large amount of work to the light castings foundries and to the toolmakers. In view of the approaching winter, fewer orders are being received for excavating tools, and the agricultural tool department is experiencing the usual seasonal quietude. Very little that is satisfactory can be reported of the cutlery and plate branches. Fortunately large bulk orders continue to arrive which provide considerable employment. The colder weather is inducing some proportion of householders to get in winter supplies of fuel. The coal trade as a whole, however, continues quiet. Manufacturing sorts are in fair demand. Quotations for best steams are 18s to 18s 6d f.o.b. Those for other classes of fuel are normal.

Our Glasgow correspondent writes as follows:—Some slight signs of improvement were in evidence in iron and steel trades over the week, though they were not reflected in prices. Some fairly good export lines have been secured by steel makers, but competition has been severe. Another 10,000 ton motor passenger and cargo vessel has been placed with the Fairfield Shipbuilding and Engineering Company, Govan, by Messrs Bibby Brothers and Co., Liverpool. Structural steel is in steady demand, but the position is made difficult for makers here by the large quantities of Continental material coming in. The price of steel plates ex local works is £8 5s for home consumption, with bars at £8 or under for basis sizes. Business is still difficult to obtain in malleable iron, and works are barely able to keep going. Re-rollers are somewhat better placed for work, mostly on export account. Black sheets are in steady request, with makers for the most part fully employed. Galvanised sheet mills are working full time, and have sufficient orders to make this position secure for this month and October. Pig-iron shipments from Glasgow harbour last week totalled 1,174 tons, of which 1,004 tons were on overseas account. For the corresponding week of last year the figures were 1,017 and 611 tons respectively. Coal exports from Scotch ports maintain a steady improvement on the low levels reached a few months ago.

Our Cardiff correspondent writes:—The position on the Cardiff market has shown no improvement this week. Demand has been extremely quiet and prices weak. Anthracite is the only fuel showing strength, and quotations this week have further hardened under the pressure of small inquiries from the United States and Canada. The depression in shipping is also reacting on the arrival of tonnage; there have been tides when not a single vessel has been docked at Cardiff, and at every dock many of the coaling applications are idle. The following are the current approximate quotations:—Best Admiralties, 24s to 25s; seconds 23s to 23s 9d; best dries, 23s 3d to 24s; Black Veins, 22s to 22s 6d; Western Valleys, 21s 9d to 22s; Eastern Valleys, 21s 3d to 21s 9d; best bunker smalls, 11s 6d to 11s 9d; ordinary cargo smalls, 8s 6d to 10s; coking smalls, 11s 6d to 11s 9d; anthracite best large, 45s to 47s 6d; Red Vein, large, 30s to 32s 6d; machine-made cobbles, 52s 6d to 55s; French nuts, 55s to 57s 6d; stove nuts, 52s 6d to 55s; rubbly culm, 14s to 24s 6d; coke (special qualities), 37s 6d to 42s 6d; patent fuel, 22s to 24s 6d; pitwood, ex ship, 20s to 26s 6d. In the tinplate trade the recent improvement has been firmly maintained. Prices are steady and production shows a slight increase.

OVERSEAS TRADE RETURNS.

	IMPORTS (Value C.I.F.).			
	Month Ended August 31.		Eight Months Ended August 31.	
	1924.	1925.	1924.	1925.
I.—Food, Drink, and Tobacco—				
A. Grain and flour	11,769,834	7,780,794	70,807,218	71,239,886
B. Feeding stuffs for animals	631,429	727,802	4,872,509	5,910,352
C. Meat	9,294,722	9,396,753	71,999,838	82,287,645
D. Animals, living, for food	2,172,506	1,489,495	13,294,118	9,652,014
E. Other food and drink, non-dutiable	13,364,336	12,697,651	106,918,197	115,993,141
F. " " dutiable	8,973,135	8,396,421	86,398,937	73,456,309
G. Tobacco	707,531	874,418	9,213,809	8,522,672
Total, Class I.	46,913,493	41,293,334	357,494,626	367,092,019
II.—Raw Materials and Articles Mainly Unmanufactured—				
A. Coal	1,157	1,775	10,317	12,946
B. Other non-metallic mining and quarry products and the like	523,997	501,249	3,994,576	3,949,451
C. Iron ore and scrap	788,542	279,725	6,318,765	5,530,811
D. Non-ferrous metalliferous ores and scrap	1,565,944	1,550,826	10,326,382	11,323,429
E. Wood and timber	6,475,639	5,291,081	30,211,445	28,554,747
F. Raw cotton and cotton waste	5,449,696	4,744,871	69,450,983	77,286,104
G. Wool, raw and waste, and woollen rags	3,407,040	2,849,766	54,302,589	58,846,040
H. Silk, raw, knubs and noils	230,357	44,694	1,129,251	1,300,436
I. Other textile materials	693,814	569,277	8,437,610	10,946,090
J. Oil seeds, nuts, oils, fats, resins & gums	4,709,106	4,998,408	34,306,204	37,577,953
K. Hides and skins, undressed	2,051,299	1,682,918	14,189,490	14,692,664
L. Paper-making materials	1,147,911	921,115	7,107,995	6,825,692
M. Rubber	675,927	3,295,725	6,157,872	12,855,682
N. Miscellaneous raw materials and articles mainly unmanufactured	852,104	978,177	6,420,968	7,383,524
Total, Class II.	28,578,533	27,709,604	252,364,447	275,085,569
III.—Articles Wholly or Mainly Manufactured—				
A. Coke and manufactured fuel	129	315	4,544	2,896
B. Earthenware, glass, abrasives, &c.	712,249	850,954	5,535,640	6,317,624
C. Iron and steel and manufactures thereof	1,630,502	2,026,991	14,596,159	16,402,887
D. Non-ferrous metals and manufactures thereof	3,642,886	2,855,085	22,093,512	25,654,896
E. Cutlery, hardware, implements, and instruments	760,711	386,739	4,825,340	6,949,658
F. Electrical goods and apparatus	245,539	324,272	1,839,165	2,647,464
G. Machinery	838,852	1,002,104	6,952,626	8,084,034
H. Manufactures of wood and timber	442,756	524,220	3,371,029	4,079,895
I. Cotton yarns and manufactures	760,395	660,452	5,919,796	6,828,545
J. Woollen and worsted yarns and manufactures	1,123,308	1,071,850	9,878,111	9,566,627
K. Silk and silk manufactures	2,076,609	402,370	16,542,557	18,454,211
L. Manufactures of other textile materials	1,288,688	1,149,931	10,633,062	13,634,151
M. Apparel	1,562,057	1,308,311	12,085,270	15,322,731
N. Chemicals, drugs, dyes, & colours	1,470,992	1,053,339	9,563,681	9,710,060
O. Oils, fats, and resins, manufactured	3,905,944	2,947,593	27,198,968	25,446,880
P. Leather and manufactures thereof	1,071,962	1,206,705	8,935,169	9,449,556
Q. Paper and cardboard	1,259,922	1,288,734	9,007,261	9,667,136
R. Vehicles (including locomotives, ships, and aircraft)	1,046,337	502,779	6,034,046	9,239,060
S. Rubber manufactures	408,004	572,268	3,026,036	4,213,917
T. Miscellaneous articles, mainly or wholly manufactured	2,110,144	2,130,286	16,379,752	18,985,027
Total, Class III.	26,155,986	22,265,298	194,421,924	221,037,252
IV.—Animals, not for food	279,245	221,492	1,438,101	1,435,033
V.—Parcel post, non-dutiable articles	240,675	242,876	2,761,949	3,108,915
Total	102,167,932	91,732,604	808,481,047	867,758,788

METALS.

The market for tin commenced the week with a very firm tone, prices being advanced on higher Eastern cable advices combined with a steady demand. Later, however, sellers were more prominent, and a quieter tone set in, with values showing irregularity and weakness. Standard cash sold at £257 down to £254 10s and £255 10s, three months £259 15s to £257 15s and £258 15s. Sales in the East were reported at £263 15s to £264 15s, and since at £263 10s. Copper also opened firmer, with dealings on a liberal scale, but later prices pursued a downward course, while slightly irregular at times. Standard cash changed hands at £62 12s 6d to £61 17s 6d, £36 17s 6d, November £37 to £36 2s 6d, December £36 7s 6d to £35 15s 6d, January £35 10s to £35 7s 6d. Spelter in good request, and with sellers reserved prices moved in an upward direction. September sold £36 16s 3d to £37, October £36 12s 6d to £36 15s, November £36 8s 9d to £36 11s 3d, December £36 3s 9d to £36 7s 6d ton. Aluminium steady. Home trade quoted £120, and £36 7s 6d ton. Antimony quiet. English specials quoted exports £115 per ton. And quantity, foreign refined £64 to £75 to £80, as to make and quantity, foreign refined £64 to £65 10s ton, ex warehouse. Quicksilver quiet. Spot quoted £13 12s 6d per bottle. Wolfram firm. Spot 18s 6d to 18s per unit.

THE WOOL TRADE.

Next Tuesday will see the opening of the fifth series of London sales. One important fact is that everywhere the trade is very low in stock, particularly of merino wool, the long vacation giving every section of the industry the opportunity to get rid of its dear stocks. Even in the West Riding merino wool is wanted, and now the question of price will probably determine the extent of the operations on home trade account. It has been patent for a month back that there was nothing to indicate any lower prices for

EXPORTS OF PRODUCE AND MANUFACTURES OF THE UNITED KINGDOM. (Value F.O.B.)

	Month Ended August 31.		Eight Months Ended August 31.	
	1924.	1925.	1924.	1925.
	£	£	£	£
I.—Food, Drink, and Tobacco—				
A. Grain and flour	579,848	803,272	4,428,740	6,816,760
B. Feeding stuffs for animals	188,934	242,647	1,323,076	2,288,877
C. Meat	107,378	109,816	983,382	1,030,830
D. Animals living for food	18,948	7,569	181,963	100,782
E. and F. Other food and drink	3,001,499	2,961,560	22,331,168	20,947,412
G. Tobacco	473,768	457,200	4,477,325	4,371,554
Total, Class I.	4,370,375	4,522,664	34,331,654	35,556,215
II.—Raw Materials and Articles Mainly Unmanufactured—				
A. Coal	5,732,629	3,159,952	50,099,242	34,537,380
B. Other non-metallic mining and quarry products and the like	177,238	133,640	1,413,856	1,275,639
C. Iron ore and scrap	28,259	29,449	318,457	307,958
D. Non-ferrous metalliferous ores and scrap	89,647	81,050	839,733	967,825
E. Wood and timber	63,581	59,287	434,563	513,344
F. Raw cotton and cotton waste	101,821	118,463	1,190,134	1,227,040
G. Wool, raw and waste, and woollen rags	825,622	905,839	7,391,830	7,860,769
H. Silk, raw, knubs and noils	3,781	1,837	90,046	50,134
I. Other textile materials	24,708	43,945	285,081	389,321
J. Oil seeds, nuts, oils, fats, resins, and gums	416,057	446,385	4,275,133	4,321,542
K. Hides and skins, undressed	119,030	218,842	1,707,042	2,149,602
L. Paper-making materials	133,018	128,718	1,203,891	1,301,084
M. Rubber	10,004	31,478	78,246	152,245
N. Miscellaneous raw materials and articles mainly unmanufactured ..	98,527	167,449	2,608,137	2,410,121
Total, Class II.	7,823,922	5,526,334	71,935,391	57,464,004
III.—Articles Wholly or Mainly Manu- factured—				
A. Coke and manufactured fuel	540,796	293,916	4,261,277	2,391,766
B. Earthenware, glass, abrasives, &c.	1,081,181	1,091,929	8,504,417	8,661,231
C. Iron and steel and manufactures thereof	5,834,496	5,329,800	51,555,210	45,277,147
D. Non-ferrous metals and manu- factures thereof	1,242,845	1,606,966	10,611,542	10,769,353
E. Cutlery, hardware, implements, and instruments	710,718	777,057	5,449,450	6,072,636
F. Electrical goods and apparatus	811,216	777,704	5,360,494	7,784,425
G. Machinery	3,464,379	4,165,376	28,550,169	32,452,962
H. Manufactures of wood and timber I. Cotton yarns and manufactures	168,855	167,445	1,411,381	1,475,079
J. Woollen and worsted yarns and manufactures	16,890,384	15,856,667	133,398,326	137,352,251
K. Silk and silk manufactures	6,376,505	5,169,325	46,101,774	41,706,757
L. Manufactures of other textile materials	214,370	118,520	1,489,665	1,242,879
M. Apparel	2,091,580	1,988,034	17,718,259	18,928,297
N. Chemicals, drugs, dyes, & colours O. Oils, fats, & resins, manufactured P. Leather and manufactures thereof Q. Paper and cardboard	2,868,133	2,641,813	19,436,485	19,317,530
R. Vehicles (including locomotives, ships, and aircrafts)	2,015,404	1,739,557	17,212,137	16,132,302
S. Rubber manufactures	621,393	770,952	5,945,494	6,608,295
T. Miscellaneous articles mainly or wholly manufactured	487,183	558,874	4,454,915	4,665,206
	766,819	758,078	5,993,840	6,366,752
	3,793,769	2,292,762	17,988,303	19,806,504
	520,187	573,618	4,021,368	4,999,992
	2,634,417	2,802,550	20,757,566	21,848,983
Total, Class III.	53,134,632	49,482,942	411,622,119	413,851,947
IV.—Animals, not for food				
	205,755	251,517	1,430,876	1,448,452
V.—Parcel Post				
	753,610	1,255,142	6,726,345	10,202,920
Total	66,288,294	61,037,999	526,036,385	518,523,538

taken this week by one of Bradford's biggest topmakers, though a more general quotation is 49d for November-December delivery. Cape tops are distinctly higher than Australian, and everything indicates a keen demand for South African wools. Crossbreds are barely steady in the higher counts, but 50's and below are firm, with a fair demand. Generally speaking, the market is cheerful, and spinners have certainly done better, as also have manufacturers. Taking things altogether, the market is in a fairly good mood, although there still remains a fair amount of standing machinery, particularly among commission combers.

THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—September 4, 1925.

Descriptions.	Official Quotations.									
	G.O.	SGO.	L.M.	SLM.	Ma.	SM.	G.M.	SGM.	M.F.	
American.....	110	110	110	126	126	126	126	131	131	131
Brazilian—										
Pernam, Macao, Rio	118	118	118	128	128	128	128	131	131	131
Grande, Rio	118	118	118	128	128	128	128	131	131	131
Ceara, Rio	118	118	118	128	128	128	128	131	131	131
Sao Paulo.....	118	118	118	128	128	128	128	131	131	131
Peruvian—										
Rough.....	123	123	123	140	140	140	140	148	148	148
Moderately rough	130	130	130	150	150	150	150	158	158	158
Smooth.....	130	130	130	150	150	150	150	158	158	158
Tangul.....	130	130	130	150	150	150	150	158	158	158
Mitad.....	130	130	130	150	150	150	150	158	158	158
Egyptian—										
Upper.....	158	158	158	175	175	175	175	185	185	185
Sakellaridis.....	158	158	158	175	175	175	175	185	185	185
Brown.....	158	158	158	175	175	175	175	185	185	185
Soudan.....	158	158	158	175	175	175	175	185	185	185
West Indian.....	158	158	158	175	175	175	175	185	185	185
Do Sea Island.....	158	158	158	175	175	175	175	185	185	185
East African.....	158	158	158	175	175	175	175	185	185	185
West African.....	158	158	158	175	175	175	175	185	185	185
Australian.....	158	158	158	175	175	175	175	185	185	185
East Indian.....	158	158	158	175	175	175	175	185	185	185
Burpee.....	158	158	158	175	175	175	175	185	185	185
Broach.....	158	158	158	175	175	175	175	185	185	185
Tinnivelly.....	158	158	158	175	175	175	175	185	185	185
Amer. Sind/Punjab.....	158	158	158	175	175	175	175	185	185	185
Western.....	158	158	158	175	175	175	175	185	185	185
Northern.....	158	158	158	175	175	175	175	185	185	185
Cocoad.....	158	158	158	175	175	175	175	185	185	185
Comptah.....	158	158	158	175	175	175	175	185	185	185
Oomra, No. 1.....	158	158	158	175	175	175	175	185	185	185
Oomra, No. 2.....	158	158	158	175	175	175	175	185	185	185
Khandish.....	158	158	158	175	175	175	175	185	185	185
Bengal.....	158	158	158	175	175	175	175	185	185	185
Sind.....	158	158	158	175	175	175	175	185	185	185
China.....	158	158	158	175	175	175	175	185	185	185

* Hand-ginned 30 points less.

MANCHESTER, September 10.

(I.) Comparative Statement of the Cotton Trade.

	Price, Sept. 10, 1925.	Previous Week : in 1925.	Price, Aug. 27, 1925.	Price, Aug. 20, 1925.	Price, Aug. 13, 1925.	Price, Aug. 6, 1925.
Raw Cotton—Mid. American.....per lb	12-89	12-69	13-11	13-12	13-38	13-93
Sakellaridis Fully Good Fair	28-05	28-40	29-55	30-75	32-20	32-55
Yarns—32's twist.....per lb	20-3	20-3	20-3	20-3	20-3	20-3
— 40's twist.....per lb	20-3	20-3	20-3	20-3	20-3	20-3
— 60's twist (Egyptian).....per lb	35	35	35	35	35	35
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	31	31	31	31	32	32
36-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	35	35	35	35	36	36
33-in. ditto, 38 yds, 18 by 18, 10 lbs	18	18	18	18	18	18
39-in. ditto, 37 1/2 yds, 16 by 16, 8 1/2 lbs	16	16	16	16	16	16

(II.) Compared with Previous Years.

	Price, Sept. 10, 1925.	1924.	1923.	1922.	1921.	1920.
Raw Cotton—Mid. American.....per lb	12-89	14-14	17-29	13-42	13-69	23-73
Sakellaridis Fully Good Fair	28-05	28-40	29-55	30-75	32-20	32-55
Yarns—32's twist.....per lb	20-3	20-3	20-3	20-3	20-3	20-3
— 40's twist.....per lb	20-3	20-3	20-3	20-3	20-3	20-3
— 60's twist (Egyptian).....per lb	35	35	35	35	35	35
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	31	31	31	31	32	32
36-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	35	35	35	35	36	36
33-in. ditto, 38 yds, 18 by 18, 10 lbs	18	18	18	18	18	18
39-in. ditto, 37 1/2 yds, 16 by 16, 8 1/2 lbs	16	16	16	16	16	16

The general inquiry throughout the market has continued more encouraging. It has been difficult for spinners and manufacturers to get buyers up in price, but in one way and another a very fair amount of business has been done. The undercurrent of demand indicates very clearly that merchants are in greater need of fresh supplies of manufactured goods. Operations in cloth for China continue healthier, there being a substantial turnover in white shirtings. For India buying has been irregular, but printing and bleaching styles have moved off fairly well. Very little has been done for Egypt and the Near East, but a useful trade has been reported for South America and the Continent. A little more business has been offering in home trade fabrics. American yarns

have been firmer in quotation, and some users have purchased more freely. Rather restricted operations have occurred in Egyptian spinnings.

VEGETABLE OILS AND OILSEEDS.

Markets have not been very active. Linseed oil has been erratic, and at one time fell to about £39 per ton naked ex Hull mill, since when there has been a steady appreciation to £40 per ton on spot and for September delivery, later positions being at a slight discount. Cotton oils have been easy, and crude Egyptian has further declined to £41 per ton, while ordinary refined is lower at £42 1/2. Trade in soya oil is quiet, current value of crude being £42 ex Hull mill. Palm kernel oil is held for £42 1/2. Rape oil is a shade easier.

In the oilseed section very little demand has been experienced, crushers not buying beyond current needs to any extent. For Plate to Hull, September-October shipment, down to £19 3/4 has been accepted, while new crop, January-February, £18 1/8 9d has been paid, and £19 is now wanted. Calcutta to London has been done at £21 7/8 6d for seed on passage. Soya beans are firm, but the main demand is from Continental buyers.

HIDE, LEATHER, AND ALLIED TRADES.

The market hide position remains steady, with few important alterations. Tanners are still reducing input. Best ox hides made from 6 1/2 to 8 1/2 d per lb at Thursday's Bermondsey sales, seconds selling at 6d to 8 1/2 d. Best cows sold from 6 1/2 to 6 3/4 d, and calfskins from 7d to 15 1/2 d. Lambs made 3s 3d to 10s, and pelts from 6s 8d to 15s each. The position of imported hides has slightly improved, tanners appearing short of supplies. Best Argentine ox are selling at 8 1/2 d, and Montevideo at 8 1/2 d. All classes of dry hides remain firm in price. The Chicago packer hide position remains steady, with best heavies offering at 17 1/2 cents. Demand for sole leather has slightly improved, but orders are for small parcels at frequent intervals. Light dry hide bends are still the best sellers, owing to the relatively low price, but repairers account for large quantities of wet salted and market hide bends. Upper leathers remain rather slow, with prices firm to an advance. Continental leather is still coming in, but tanners are all advancing quotations for willow, box, and patent leathers. Black and coloured glacé are being sampled freely, but suede remains a dead letter. The boot and shoe section is not too well employed, and few factories are working full time. Much is expected from the Shoe and Leather Fair during the week October 5th to 9th next.

ARCOS LTD.

Sole Purchasing and Selling Agency in Great Britain for the Government of the U.S.S.R.

TURNOVER TO
MARCH 31, 1925, £56,000,000.

Exports from Russia to Great Britain include timber, flax, furs, ores, metals, crude drugs, petroleum products, etc., to a total value of £18,000,000.

The more important items of import to Russia are agricultural machinery, locomotives, tools, motors, scientific apparatus, drugs, clothes, boots, etc., to a total value of £38,000,000.

49, Moorgate, London, E.C.2

Telegrams: "Arcosaross, Ave. London." Cables: Arcosaross. Telephone: London Wall 6626. Codes: A.B.C., 8th & 6th editions. Marconi, Bentley & Zebra.

OVERSEAS PRODUCE MARKETS.

Mincing Lane, Friday, September 11.

SUGAR.—The market for refined goods displayed a generally steady tone, but business proceeded on moderate lines, while largely confined to British standards at recent level of prices. Messrs Tate and Lyle's cubes quoted 34s 6d to 35s 6d; crushed, 32s 6d; granulated, 30s 4 1/2 to 30s 10 1/2; month forward, 30s 3d; and yellow crystals, spot, 27s 7 1/2 d. Imported generally quiet, spot and forward. American granulated, spot, quoted 28s 20 1/2 d; afloat parcels, 16s 6d, London, and 16s 8 1/2 d outports, c.i.f. terms. White Java, spot, 28s 9d; afloat to London, 15s 9d, c.f. and i. Dutch granulated, "J" quality, spot, 29s 7 1/2 d; November-December, 15s 10 1/2 d, Rotterdam. Czecho granulated, November-December, 15s 9 1/2 d, f.o.b., Hamburg. Raw kinds steady, and Cuban, basis 96 per cent., September-October, 12s, c.f. and i., U.K. Indian market remains quiet and rather featureless. White terminal firmer, with improved inquiries. September sellers, 15s 4 1/2 d; October, 15s 6d; December, sold, 15s 6d to 15s 6 1/2 d; March, 15s 9d to 15s 9 1/2 d; May, 15s 10 1/2 d to 15s 11 1/2 d per cwt.

COFFEE.—The market maintained a steady tone for all the better grades, which continue to be sparingly offered, but common and unattractive qualities proved difficult to vend. East Indian (Coorg) peaberry realised 152s 6d; Kenya, good bold greyish, 142s 6d; Uganda, fair to good bold, 124s 6d to 130s 6d; Costa Rica, good bold colory, 172s to 173s; and Matagalpa, fair bold, 138s per cwt. Brazilian remains quiet for shipment.

COCOA.—Spot parcels in limited request, but late rates were generally maintained. Forward positions quiet. Trinidad for shipment, September-October, sellers, 74s; Bahia, 51s 6d; Guayaquil Epoca, 73s; Machala, 70s; Caraquez, 70s, c. and f.; St Thome, September-October, 52s, c.f. and i. Accra firmer, with sales of F.F. quality, October-December, also December-February, at 43s 6d to 44s, f.o.b. terms. Cocoa butter steady. C.F.R., spot, quoted 1s 5 1/2 d, and prime English, 1s 5 1/2 d per lb.

TEA.—Larger supplies of Indian, totalling 48,260 packages, were brought forward at public sales this week. A better demand prevailed generally, there being rather more inquiry for common and low medium descriptions than of late, and prices frequently showed a fractional advance. All the better liquoring kinds were keenly competed for, and realised very full rates. Pekoe, sold, 10d to 15d; broken orange pekoe, 10 1/2 d up to 4s 6d, the latter for choice lots. Ceylon sales of 21,318 packages also met an improved demand, good to fine descriptions realising firm to de-rer prices, while lower grades ruled steady. Leaf kinds were well supported by orders on export account. Pekoe, sold, 10d to 2s; broken orange pekoe, 1s 3d to 2s 8 1/2 d per lb, in bond. China descriptions continue in quiet request. Fine new seasons souchoong sell at 3s to 3s 6d per lb. Only small quantities of new tea are available for delivery, and shipments will be on a small scale. 3,824 packages Java were submitted and met a generally good demand at an irregular advance of from 1/2 d to 1 1/2 d per lb, the latter for finest quality. Pekoe, sold, 11 1/2 d to 1s 2 1/2 d; broken ditto, 5 1/2 d to 1s 3 1/2 d; orange pekoe, 1s 8 1/2 d to 1s 8 1/2 d; broken orange pekoe, 8d to 1s 4 1/2 d; pekoe souchoong, 11d to 11 1/2 d per lb, in bond.

RICE moved off slowly at about late rates. Rangoon two stars, spot, quoted 16s; afloat, also September-October, 15s 6d, c.i.f., London. Spanish, spot, quoted 24s 3d to 24s 9d, as to quality; September-October, 22s 6d. Italian, spot, 22s 6d to 23s 6d, as to quality, per cwt. Japanese peas, spot, quoted 25s 6d; September-October, 23s 9d. Rangoon beans, hand picked, September-October, 15s. Madagascar butter beans, spot, 36s to 38s, as to quality; September, 35s, c.i.f., per cwt.

SPICE.—Pepper remains firm, with a good demand for forward positions. Black Singapore L.S., October-December, sellers, 10d; Lampong, spot, 9 1/2 d; October-December, sold, 9 1/2 d to 10d; Muntok, August-October, sold, 1s 2 1/2 d; October-December, 1s 2 1/2 d to 1s 3d. Zanzibar cloves, October-December, sellers, 10 1/2 d per lb. Tapioca Zanzibar, spot, 10 1/2 d; Havre, September-October, quietly steady. Singapore flake, to Havre, September-October, buyers, 19s 3d; and October-December, quoted 19s 3d. Sago flour, quiet, and Sarawak to U.K., September-October, also October-December, quoted 16s 9d, c.i.f. Desiccated cocoanut quiet. Spot, December, quoted 16s 9d, c.i.f. 40s 3d per cwt. Ginger quiet, halves, 41s 3d; September-October, 40s 3d per cwt. Ginger quiet, Japan, spot, 90s; August-September, 85s; West African, spot, 63s; shipment, 60s, c.i.f.

JUTE dull and easier on realisations. Firsts, to Continent, August, sold, £46 10s; August-September, £45 to £45 15s; October-November, sold, £45 10s to £44 10s. Lightnings, August, also November-December, £44 5s to £44 10s. The Indian sellers, £45 per ton. Hessians and twills firmly held. The Government estimates the coming jute crop at 7,851,328 bales, against 8,044,892 bales, the final estimate last year, and an outturn of 9,390,000 bales.

HEMP inactive and largely nominal. Manila, J grade, October-December, quoted £43 10s; K, also L, ditto, £39 10s; and M, £34 per ton. New Zealand and African sisal unaltered.

SHELLAC dull. Spot, T.N., fair quality, quoted 215s; October, 202s 6d; December, 197s 6d cwt.

COPRA dearer, with fair inquiries, and sellers more reserved. F.M.S., Straits, to Rotterdam, August-September, sellers, £30 10s; F.M.S., Straits, to Rotterdam, August-September, buyers, £30 3s 9d. Dutch, E.I., August-October-December, buyers, £30 2s 6d. Ceylon, September, £30 7s 6d, sellers; October-December, £30. Palm September-October, £31 12s 6d; South Sea, ditto, £30. Palm kernels, to Liverpool, October-December, buyers, at £21 16s 3d per ton.

RUBBER firmer, on a better general demand, following a quiet and easier opening. Plantation, standard sheet, spot, sold, 3s 3d to 3s 3 1/2 d; September, 3s 2 1/2 d to 3s 3 1/2 d and 3s 2 1/2 d; October, 3s 3 1/2 d to 3s 3 1/2 d and 3s; October-December, 2s 10d to 2s 11 1/2 d and 2s 10d; March, 2s 8d to 2s 9d and 2s 8d; and January-December, 2s 10d.

2s 4 1/2 d. Fine hard Para, spot, sellers, 2s 11 1/2 d; soft fine, 2s 10d; and Caucho ball, 1s 11d per lb.

FRUIT (Dried).—Currants in quiet demand, but fairly steady. Pyrgos quoted 30s; Amalia, 31s to 32s; Patras, 35s to 36s; Gulph, 36s to 38s; Vostizza, 44s to 46s. Sultanias steady. Australian, 68s to 80s; South African, 70s to 80s. Figs quiet. Natural, in bags, quoted 27s to 29s. Dates spot demand quiet, but forward positions firm. First tide Hallowses, 21s; second, 20s 3d; Siar first, 16s 6d; second, 14s 3d, landed terms. Raisins: South African, 40s to 42s; Lexias, 40s to 45s. Evaporated fruits steady. Californian apricots, standard new extra choice, 120s; fancy, 130s; Australian 120s to 130s; Californian peaches, choice, 62s to 63s; extra choice, 65s to 66s; fancy, 70s. Plums: Oregon, new, size 30/40, quoted 71s to 72s; 40/50, at 52s to 53s; Californian, new, 40/50, 58s to 60s; 50/60, 51s to 52s; 70/80, 45s 6d to 46s 6d. Pears, choice Californian, 90s; extra choice, 102s to 103s. Apple rings, Californian, extra choice, 67s 6d to 75s; Canadian, 62s 6d per cwt.

CANNED GOODS.—Sardines firm, with rather more inquiry, while best quality continues in short supply. Portuguese, 1/2 flats quoted 48s 3d; clubs, 5s; 12 ozs, 7s 6d; 18 ozs, 12s per dozen tins. Salmon firm, and talls scarce. 1/2 lb, flat reds, labelled, 78s to 80s; tall, 1 lb, 58s to 60s; 1/2 lb, tall, pink, 27s to 28s. Lobsters meet with good support, and rates display a hardening tendency. Halves quoted 16s, and quarters up to 100s.

CANNED FRUITS in quieter demand, and prices barely steady. Singapore pines, spot, quiet, but forward quotations firm. 48-1 1/2's quoted 86s 6d to 87s 6d; cubes, 2 1/2's, 13s to 13s 6d; slices, 24-2 1/2's, 12s 6d to 13s 6d. South African are moving off quietly on former terms. Californian pears, 15s to 17s; peaches, 12s to 14s; cherries, 13s to 14s; apricots, 10s to 13s 3d; loganberries, 13s 9d to 16s. Fruit salad, 1 1/2's, 12s 3d to 14s; 2 1/2's, 21s to 22s; Australian pears, 24-2 1/2's, 16s to 16s 6d; Canadian, 14s to 14s 6d.

CANNED MEATS.—Corned beef in quiet demand at late rates, but a steady demand continues for Danish lunch tongues.

MISCELLANEOUS.—Cocoanuts quoted 25s per 100. Coir yarn: Ceylon, £25 to £30; Cochins, £30 to £50. Ceylon bristle £17 to £23; cinnamon leaf oil, 4 1/2 d; citronella, Ceylon, 2s; Java, 3s 5d.

OILSEEDS.—Linseed irregular but fairly steady, with a fair demand. Calcutta to London, September-October, quoted £21 2s 6d; bold Bombay, ditto, £22. Plate to Hull, August-September, sold, £19 5s; September-October, £19 3s 9d to £19 7s 6d; January-February, £18 12s 6d to £18 18s 9d. Rapeseed dull. Toria to Continent, September-October, £21 15s. Cotton-seed quiet and tendency easier. Egyptian black, to Hull, new October, sold, £12 7s 6d; November-January, £12 7s 6d; white, new October, £11 15s; November-January, sold, £11 13s 9d; Bombay, October-November, sold, £9; and new, December-January, £9 7s 6d. Castorseed dull. Bombay, September-October, £22 2s 6d. Gingly seed quiet. Chinese to Continent, August-September, £28; large Bombay ditto, £26 5s. Groundnuts quiet. Coromandel machined, September-October, £25 2s 6d; Nigerian, August-September, £25 5s per ton.

An International Service

THE Central Union Trust Company of New York is equipped with every facility for the prompt and efficient handling of financial transactions throughout the world. Foreign banks and business houses with banking interests in the United States are invited to avail themselves of this service, which includes the purchase and sale of foreign exchange, collections, and the issuance of commercial and travelers letters of credit. In addition, the Company conducts a general banking business and acts as Executor, Trustee, Transfer Agent, Registrar of Stocks and in every other Fiduciary capacity.

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Correspondents

BARCLAYS BANK, LTD.
WESTMINSTER BANK, LTD.MIDLAND BANK, LTD.
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OILS.—Linseed irregular. Spot, net, naked, 40s 3d; September-December, 39s 9d; January-April, 39s 6d. Rape quiet. Crude, spot, 45s 6d; refined, 52s 6d. Castor-oil slow. First pressure, spot, quoted 55s 6d; second pressure, 52s 6d to 53s 6d; and pharmaceutical, 60s 6d per cwt. Hull, with London, 2s per cwt extra. Cotton quiet. Crude Egyptian, spot, 43s 6d; Bombay, 40s; common edible, 49s; deodorised, 51s. China-wood dull. Hankow, spot (barrels), 65s; September-October, 65s. Coconut steady. Ceylon, spot, 47s 6d; September-October, 45s 9d; Cochin, ditto, ordinary packages, 59s 9d. Soya quiet. Oriental, barrels, September-October, 45s 3d; bulk, 40s 6d. Cod steady. English, spot, 34s to 35s. Ground-nuts easier. English, crushed, naked, spot, 49s 6d; deodorised, barrels, 57s. Turpentine active and firmer. American, spot, 77s 6d; October-December, 78s 6d; January-April, 80s 6d. Rosin firmer, and pale grades sparingly offered. American, grade B/D, 27s; E, 27s 9d; F/G, 28s 3d; W/G, 30s; W/V, 33s per cwt. French FG, nominal; W/V, 28s 6d per cwt. Petroleum quiet. American, standard white, spot, 1s; and water white, 1s 1d per gallon.

TALLOW.—Messrs Colchester and Woolner write on September 9th as follows: The tallow market was quieter during the week, and prices showed no change to-day. While shipments from Australia are delayed, South America is offering more freely. At auction to-day 668 casks tallow were offered, and 165 were sold. Quotations are:—Australian mutton: Fine, 51s; good to fair, 50s 6d to 48s; dull to dark, 44s 3d to 41s 9d; hard, 51s. Australian beef: Fine, 50s 6d;

good to fair, 47s 6d to 45s 6d; dull to dark, 43s to 39s 6d; sweet, 50s 6d. Present shipment from Australasia: Good mixed, 46s, nominally. Present shipment from South America, 45s 9d. The market letter is unchanged. Town tallow, 43s 6d per cwt. Rough fat, per 8 lbs, 5d; melted stuff, 33s 6d per cwt. Quotations are:—Town, 43s, net cash, naked, ex works. Country: Frail casks, 43s; home melted, shipping casks, net, f.o.b., good coloured, 45s 6d; fair to dull, 43s 6d to 42s 6d. Bone fat: white, none; pale, none; benzine, 40s; melted stuff, 39s, f.o.b.

METROPOLITAN CATTLE.—SEPT. 10.

British Beasts, per stone of 8 lbs to sink the offal. Sheep, per stone.			
	s	d	q
Beasts—Devons.....	7	4	7 8
Shorthorns.....	7	0	7 4
Norfolks.....	7	2	7 6
Scottish.....	6	10	7 2
Irish.....	6	10	7 2
Fat Cows.....			
Beasts—Heavy Bulls ..	s	d	q
Canadian.....	9	3	0
Sheep—Downs (clipped) ..	9	4	10 0
Ewes.....	6	0	6 8
Crossbred.....			
Scottish.....	11	4	12 0
Lamb—Downs.....			

LONDON POTATO MARKETS.—SEPT. 10.

	Per Cwt.		Per Cwt.
	s	d	q
Lincoln—King Edwards ..	7	0	0 0
Sharps Express	5	0	5 6
Eclipse.....	s	d	q
Blackland—King Edwards ..	6	0	7 0

COMMERCIAL TIMES—WEEKLY PRICE CURRENT.

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

LONDON, FRIDAY.				
COCOA—Duty, British grown, 9s 4d, foreign, 14s cwt ..	s	d	q	
Trinidad.....	60	83	0	
Grenada.....	60	70	0	
Ceylon, plantation.....	90	78	0	
Guayaquil.....	70	71	0	
Bahia, finest.....	54	0	55 0	
COFFEE—British grown, 9s 4d, foreign, 14s cwt ..	s	d	q	
E. India, fine ord. gd. mid.115 ..	0	140	0	
Do good to fine.....	150	0	160 0	
Costa Rica, ord. to mid. 120 ..	0	150	0	
Good to fine.....	170	0	199 0	
Central American, gd. ord. to mid.	115	0	138 0	
Mid to fine.....	140	0	150 0	
Colombian, ordinary.....	113	0	115 0	
Do gd. ord. to low mid. 118 ..	0	128	0	
Do mid to fine.....	130	0	150 0	
CHEMICALS—				
Acid, citric.....	per lb	1	3 1/2	
Nitric.....	0	2	4 1/2	
Oxalic, net.....	0	6	0 1/2	
Tartaric, English.....	1	0	3 1/2	
Foreign.....	0	11 1/2	1 0	
Cream of Tartar.....	99 1/2-100% ..	per cwt.	78 0 0	
Alum.....	per ton	£10/10/0	11/0/0	
Do ground.....	£11/10/0	12/0/0		
Ammonia, carb.....	ton	37 0 39 0		
Muriate, White.....	ton	25 15 31 15		
Sulphate.....	£14	0 15 0		
Arsenic, lump.....	per ton	75 0 80 0		
Powder.....	per cwt	12 0 13 0		
Asbes, pot.....	per cwt	65 0 70 0		
Pearl do.....	per cwt	nom		
Bleaching powder, per ton ..	9/0/0	9/10/0		
Borax, gran.....	cwt	24 10 0 0		
Do crystals.....	25 0 0 0			
Do powder.....	26 0 0 0			
Salomel.....	per lb	4 0 4 3		
Iodine, dry.....	per oz	1 0 1 1		
Nitrate of Soda.....	per ton	12/15/0	13/0/0	
Potash.....	Chlorate, net.....	0 4 1/2 0 4 1/2		
Prussiate.....	0 8 0 9			
Do Foreign.....	0 7 1/2 0 8			
Sulphate.....	per ton	12 0 15 0		
Sal-Acetone.....	per lb	1 10 2 0		
Sal-Ammoniac.....	per cwt	50 0 52 6		
Soda Bicarb.....	per ton	£9/0/0	10/10/0	
Crystals.....	per ton	5/0/0	5/5/0	
Alkali.....	6/15/0	0/0/0		
Canstic.....	14/12/6	17/0/0		
Sugar of lead, white.....	ton	0/0/0	0/0/0	
Foreign white.....	£49	0 50 0		
Sulphate Quinine.....	English Brands.....	2 3 0 0		
Foreign do.....	2 2 2 3			
Sulphate Copper.....	per ton	£24/10/0	25/10/0	
Zinc, out.....	nom			
Sulphur Flour.....	9/0/0	9/10/0		
Do Roll.....	8/0/0	8/10/0		
ermillon, Chinese, per lb ..	4 6 4 9			
English.....	4 6 5 0			
Oil Peppermint, H.G.H.....	nom			
COPRA—per ton, c.i.f.....	s	d	q	
Malabar, Aug-Sept.....	nom			
Ceylon.....	31 10 0			
FMS Singapore.....	30 11 3			
FM Straits.....	30 0 0			
COCHINEAL.....	per lb	2/9	3/6	
DRUGS—				
Aloes, fine E.I.....	per cwt	130 0 150 0		
Cape, good to fine.....	41 0 42 6			
Balsam Peru.....	per lb	7 0 0 0		
Capivi.....	2 0 2 3			
Campur.....	2 9 0 0			
Cardamoms, Ceylon.....	6 0 8 3			
Cantharides, China, per lb ..	4 0 0 0			
Castor-oil.....	cwt	85 0 95 0		
Gum Benjamin Sum.....	5/0/0	10/0/0		
Olibanum, drops, fair to good.....	60	0 105 0		
Ipecacuanha.....	2 0 0 0			
Jalap.....	2 0 0 0			
Musk pod, China.....	75 0 77 6			
Oil, Cassia.....	per lb	8 3 8 6		
Aniseed.....	3 5 3 6			
Peppermint, Wayne County.....	70 0 75 0			
Rhubarb, China, fr to tn ..	3 0 3 3			
DYE STUFFS, &c.—				
Galls, China.....	per cwt	60 0 62 6		
Thurmeria, Bengal.....	nom			
Madras, finger.....	35 0 37 6			
Gambier, block.....	60 0 62 6			
Cutch, ord. to fair.....	55 0 0 0			
DYEWOODS—				
Brazil.....	per ton	18 0 0		
East India, Jamaica.....	8 10			
Cuba.....	15 0			
Lima Wood.....	20 0			
Logwood, Campeachy.....	9 0			
Honduras.....	10 10			
Jamaica.....	7 15			
Red Sanders.....	12 0			
Sapang Ceylon.....	15 0			
FLAX—spot, c.i.f.....	s	d	q	
Riga, ZK.....	85 0 0 0			
Pernau HD.....	85 0 0 0			
Slanets UJA Medium.....	96 0 0 0			
FRUIT—				
Oranges, Murcia & Val. 300 ..	0 0 0 0			
Do.....	360 0 0 0			
Do Cape.....	boxes	10 0 20 0		
Lemons, Naples.....	0 0 0 0			
Do Sicilian.....	boxes	10 0 43 0		
Do Do.....	8 0 20 0			
Do Malaga.....	cases	0 0 0 0		
Grapes, Lisbon.....	boxes	7 6 16 6		
Almeria.....	6 6 25 0			
Val. Ona.....	7 6 9 3			
Egyptian Ona.....	bags	0 0 0 0		
Apples, Tasmanian.....	0 0 0 0			
Sturmer Pippin.....	0 0 0 0			
HIDES—Wet salted—				
Australian.....	per lb	0 5 1/2 0 6 1/2		
West Indian.....	0 4 0 7 1/2			
Cape.....	0 6 0 7 1/2			
Lisbon.....	0 5 1/2 0 7 1/2			
Oporto.....	0 4 0 7 1/2			
Dry & Drysalted Cape.....	0 8 0 12 1/2			
Madagascar.....	0 6 1/2 0 7 1/2			
Central American.....	0 7 1/2 0 7 1/2			
Buffaloes, Singapore.....	0 4 0 12			
Penang.....	0 5 0 10 1/2			
E. I.....	0 5 0 14 1/2			
Market Hides, London—				
Best hvy. ox & heifer.....	0 8 1/2 0 8 1/2			
Do light do.....	0 6 1/2 0 7 1/2			
2nd ox, heavy.....	0 7 1/2 0 8 1/2			
Do light.....	0 5 1/2 0 6 1/2			
Best cow.....	0 6 1/2 0 7 1/2			
2nd do.....	0 5 1/2 0 6 1/2			
Best calf.....	0 9 1/2 0 13 1/2			
2nd do.....	0 8 1/2 0 11 1/2			
INDIA RUBBER—lb—				
Para, fine hard spot.....	2 11 1/2 0 0			
Plantation sheet.....	3 2 1/2 0 0			
INDIGO—per lb—				
Bengal, good red violet to fine.....	6 6 7 0			
Mid. ord. vic. to good.....	6 0 6 6			
Low to good ord.....	5 0 6 0			
Madras, dry leaf, good.....	3 0 4 0			
Do low to ord.....	1 0 3 0			
Kurpah, gd. mid. to gd.....	4 0 5 0			
Low to mid.....	3 0 4 0			
HEMP—per ton—	s	d	q	
Italian P.C.....	80 0			
Manilla, Oct-Dec, "J".....	43 10			
N.Z., high point, fair, Oct-Dec.....	39 10			
JUTE—				
Native first marks, Sept.....	45/5/0			
LEATHER—per lb—	s	d	q	
Sole Bends 5/5 lb.....	1 4 1 11			
Do do 10/12 ..	1 3 1 10			
Do do 12/14 ..	1 4 1 6			
Do do 14/16 ..	1 5 2 8			
Do do 17 lb and up.....	1 6 2 8			
Bark Tanned Sole.....	2 6 3 0			
Shoulders in DB Hides ..	0 0 1 1			
Do Eng. or WS do.....	1 0 1 8			
Bellies from DB do.....	0 7 1/2 0 8 1/2			
Do Eng. or WS do.....	0 8 1 1			
Dressing Hides.....	1 8 2 2			
Ro. King, Calif, 20/30 lb.....	4 0 5 6			
Aust. Hides.....	1 0 1 3			
METALS—B. Copper.....	s	d	q	
Best selected.....	65 15 67 0			
Sheets (strong).....	93 0 0 0			
Madras, finger.....	62/2/6	62/5/0		
Lead Eng. Pig per ton.....	39/10/0	0/0/0		
Soft Foreign.....	38/3/9	36/1/3		
Spelter G.O.B.....	37/1/3	36/1/3		
Tin—English ingots.....	257/10/0	257/5/0		
Do do bars.....	258/10/0	258/15/0		
Standard cash.....	257/10/0	257/15/0		
OILS—Fish, per ton—	s	d	q	
Seal, pale.....	38 0 0 0			
Linseed, p. ton net, naked.....	40 5 0 0			
Rape, refined.....	52 13 0 0			
Crude.....	49 10 0 0			
Cotton-seed, crude.....	40 0 43 10			
Edible, refined.....	49 0 51 0			
Coconut, crude.....	51 0 53 0			
Refined.....	51 0 53 0			
Palm.....	40 10 41 10			
Lard, American.....	70 0 78 0			
Petroleum—Oil, per 8 lbs.....	1/0	0/0		
Water-White.....	1/1	0/0		
Oil Cakes, Linseed, Eng.....	per ton	£13/5/0	£13/10/0	
Oil Seeds—Linseed—	s	d	q	
La Plata, p. ton Aug-Sept.....	19 7 6			
Bombay, p. ton Aug-Sept.....	22 0 0			
Calcutta, p. ton Aug-Sept.....	21 5 0			
PORTLAND CEMENT—Best English ..	per ton delivered, London	58/0/0	63/6	
Rapid hardening "Ferrocete," 10/ ..	per ton extra.....			
PROVISIONS—				
Butter—per cwt.—	s	d	q	
Irish creamery.....	195 0 200 0			
Do factory.....	162 0 166 0			
Australian.....	170 0 196 0			
Argentine.....	174 0 188 0			
Dutch.....	216 0 220 0			
New Zealand.....	190 0 226 0			
Danish.....	220 0 222 0			
Bacon, engd.—Irish.....	134 0 142 0			
Danish.....	120 0 124 0			
Canadian.....	114 0 120 0			
American.....	116 0 0 0			
Hams—Irish.....	nom			
Canadian.....	120 0 128 0			
American.....	118 0 135 0			
Lard—Irish bladders.....	94 0 100 0			
American boxes.....	56 lbs	91 0 93 3		
Pork—per 8 lbs.....	6 2 8 8			
Beef—Frozen.....	per 8 lbs	2 8 5 4		
Scotch.....	7 8 8 6			
Cheese—cwt—Canadian.....	105 0 109 0			
New Zealand.....	106 0 108 0			
Eng. Cheddars.....	120 0 140 0			
Cheshire.....	120 0 140 0			
Dutch.....	83 0 121 0			
Eggs, per 120—English.....	20 0 21 0			
Irish.....	18 6 19 6			
LOUR—280 lbs—				
Eng. straight ex mil.....	47 0 0 0			
RICE—per cwt, c.i.f.—				
Rangoon, No. 2.....	15 6 0 0			
Broken 1a.....	13 0 0 0			
ROBIN—per ton—				
American.....	27/0/0	33/0/0		
French.....	28/10/0	0/0/0		
SAGO—Pearl, per cwt.....	30 0 0 0			
SHELLAC—per cwt—	s	d	q	
Orange, first marks.....	300 0 325 0			
Second, fair to fine.....	250 0 295 0			
Tin Orange.....	210 0 215 0			
Garnet, Lac. AC.....	225 0 230 0			
Buthon—Pure.....	245 0 0 0			
Blocky (TN).....	200 0 202 6			
SILK—per lb—				
China—Blue Elephant.....	18 0 0 0			
Canton.....	28 0 30 0			
Tussah.....	10 0 12 0			
Re-reeled.....	0 0 0 0			
Japan.....	0 0 0 0			
Italian—Raw, fr. Milan.....	28 9 30 6			
Buthon—Pure.....	29 6 33 0			
SHELLS—M.-O.-P., per cwt—				
Manilla, bold.....	£6/0/0	10/0/0		
Macassar.....	7/13/0	12/0/0		
Sydney.....	5/0/0	11/12/6		
W. Australian.....	7/0/0	12/12/6		
Bombay.....	2/0/0	8/5/0		
SUGAR—per cwt, duty, 11s 8d, ..	per cent. polarisation ..	s	d	q
B.W.I., muscovado.....	nom			
Crystallised.....	22 9 28 0			
Java, white.....	affort	15 9 0 0		
REFINED—London—				
Yellow Crystals.....	27 7 1/2 0 0			
Cubes.....	34 6 35 6			
Crushed.....	32 6 0 0			
Granulated.....	30 14 30 10 1/2			
Crystals, No. 3.....	30 3 0 0			
Castor.....	30 3 0 0			
Pieces.....	32 6 34 7 1/2			
	23 6 29 3			
SPICES—Pepper, lb—				
Muntok, fair white.....	1 1 1/2 1 2 1/2			
Black Singapore.....	0 9 0 9 1/2			
White Siam.....	1 1 1/2 0 0			
Pimento.....	0 5 1/2 0 0			
Cinnamon—lat sort.....	1 8 0 0			
Do 2nd.....	1 9 0 0			
Do 3rd.....	1 8 0 0			
Cassia Ligna.....	55 0 0 0			
Cloves—Zanzibar.....	0 11 0 11 1/2			
Penang.....	2 2 2 4			
Madagascars.....	1 3 1 5			
Ginger.....				
Cochin, small rough.....	107 6 0 0			
Do wormy.....	0 0 0 0			
Japan.....	95 0 0 0			
Jamaica, ord. to good.....	90 0 120 0			
Mace.....	per lb	3 9 0 4 6		
Nutmegs, 65's.....	2 8 0 0			
110's and 80's.....	2 4 0 0			
Chillies—per cwt.....	36 6 97 6			
TALLOW—per cwt.				
Good mutton.....	50 6 0 0			
Beef.....	47 6 0 0			
TAPIOCA—per lb—				
E. I. Flake, fair spot.....	0 2 1/2 0 0			
Medium Pearl.....	cwt	22 6 28 0		
Seed.....	18 0 28 0			
TEA—duty 3d, British, foreign, 4d per lb—				
Indian and Ceylon—	s	d	q	
Pekoe.....	0 10 2 0			
Broken Pekoe.....	0 10 2 6			
Orange Pekoe.....	0 10 2 6			
Broken Orange.....	0 10 2 6			
Pekoe Souchong.....	0 10 1 3			
TIMBER—ex. yd—	s	d	q	
Swedish u/s 3 x 8, Pk. Std.....	19 0 0 0			
Do 2 1/2 x 7 ..	19 0 0 0			
Do 2 x 4 ..	19 0 0 0			
Can'd Spruce, Dis.	19 0 0 0			
Pitchpine.....	per load	17 10 0 0		
Rio Deals.....	per load	32 0 0 0		
Teak.....	per load	20 0 0 0		
Honduras Mahg. logs, cft.	0 11 8			
African.....	0 6 8			
American Oak Boards.....	0 6 0			
Do Ash.....	0 6 0			
Do Ash Planks.....	0 7 0			
Do Ash.....	0 6 8			
TOBACCO—				
Duty 8/2—10/4 per lb. Empire growths, 6 1/2 per lb.				
Virginia leaf—	s	d	q	
Common to fine.....	1 3 2 3			
Kentucky.....	2 0 2 6			
Common leaf—				
Strips.....	1 0 1 6			
China.....	1 3 1 9			
Borneo and Sumatra.....	0 9 2 6			
Nyasaland.....	1 0 7 0			
Seedleaf.....	0 6 2 6			
Havana.....	1 6 4 0			
Greek.....	10 0 6 8			
East Indian.....	0 6 1 3			
Cigars, duty 15/7 per lb.....	2 0 0 0			
Cigarettes, duty 12s 7d per lb.				
TUR				

Corporation placed £500,000 six months' bills below 4 per cent., and fine three months' bank bills were taken at 3½ per cent.

	Sept. 18, 1925.	Sept. 11, 1925.	Sept. 4, 1925.	Aug. 28, 1925.	Previous Rate and Date Changed.
Bank Rate	4½	4½	4½	4½	5 (Aug. 6, '25)
Banks' Deposit Rate	2½	2½	2½	2½	3 (Aug. 6, '25)
Discount Call	2½	2½	2½	2½	3 (Aug. 6, '25)
Houses (Notice)	2½	2½	2½	2½	3½ (Aug. 6, '25)
Market rate (3 months' bills) ..	3½	3½	3½	3½	..

The Bank return showed a decrease of £314,000 in the stock of coin and bullion; £306,000 having been announced as withdrawn for export; notes returned from circulation to the extent of £669,000, and so there was, on balance, an increase of £355,000 in the Reserve, and of .4, to 29 per cent., in its proportion to liabilities. Government securities rose by £103,000, and Other fell by £986,000. Public deposits expanded by 4½ millions, and so Other deposits were 4½ millions lower. Currency notes this week were reduced by £1,629,300 to £293,772,800, which includes £1,327,300 for notes called in but not yet cancelled. The fiduciary issue is £236,195,500, or £11,949,900 below the maximum for the year.

NEW YORK MARKETS.

Our New York correspondent cables:—The share market has continued to be active and buoyant, with motor shares still leading the way. The bond market is also better, and new issues of German bonds and telephone bonds have been well taken up. The rate for call money is down to 3½ per cent., but the movement is probably temporary. A sharp contraction has taken place in Federal Reserve discounts, while the return shows a large increase in purchases of Government securities, to which, probably, no great significance attaches. The reserve ratio is 73.7 per cent. The commodity price index number of the Bureau of Labour is up by 0.3 per cent. to 160.4. Six groups show a rise and two a fall, while one is unchanged. The chief advances are recorded by farm products, food, and building materials. Metals and clothing have also risen slightly.

THE STOCK MARKETS.

The Stock Exchange permitted itself a slight hope of a reduction in Bank rate, but the "no change" decision did not cause any set-back in Government stocks, while Conversion Loan and National War Bonds continued to rise. War Loan went to 102. Compared with recent weeks the activity in the foreign market was slight, but mid-European bonds were still favoured by speculators. Home rails remain depressed, holders selling for re-investment in industrials, rubbers, and Kaffirs. The rubber share market is strong on the firmness of the raw material and the series of excellent dividend declarations. Tea shares are better, owing to good prices at the tea auctions. Favourite industrials, as a rule, are quieter. The oil market is uninteresting. In the mining markets the chief feature is the strong interest being taken in Rhodesians.

THE COMMODITY MARKETS.

The situation in most markets shows slight change this week. Coal quotations have been easier, and current output in some cases is as much as 25 per cent. below normal. Pig-iron remains depressed, and prices are somewhat unstable, although sales of Continental iron have slackened. Buying of steel products is of a hand-to-mouth character. In the textile markets a further advance in raw cotton prices has stimulated demand to some extent, although actual business has been irregular. Wool has shown considerable firmness at this week's auctions, owing chiefly to demand from the Continent. The piece goods trade has maintained its recent improvement. Wheat has been slightly firmer on the whole. In the produce markets, the sugar market has been quieter, but tea and coffee prices are firm. Rubber is easier, with only a moderate demand. Among metals, tin and copper have been irregular after a firm opening, but lead has generally been well supported.

FOREIGN EXCHANGES.

The foreign exchange market has been quiet, with little interest beyond the sharp rise in Belgian francs in the middle of the week and the improvement in the yen on rumours that the Japanese Government contemplate an early return to gold. In the dollar market there has been very little business, with no movement from last week's quotation of \$4.84½. Forward rates at ½ to 1 cent per month above spot are getting a little wider, partly as the result of interest differences, partly, also, in anticipation of some improvement in sterling after the autumn pressure is over. The Paris rate has fluctuated slightly, with a tendency towards appreciation, yesterday morning's quotation being 102.62½, as compared with 103.37½ a week ago. Brussels, which stood at 110.37½ on the 11th and began the week by sharing the recovery in Paris, showed a sharp upward movement on Tuesday, and at one time on Wednesday reached as high as 112.55. Although the protracted strikes in Belgium and an increasing note issue may account for the general position, this particular sharp movement seems to have been due to a strong and sudden demand for foreign bonds. The rise received an equally sharp check on Thursday on rumours of intervention by the central bank, and by yesterday morning the rate was back at 110.70. Forward rates in Paris have narrowed from 50-53 to 35-40 centimes per month above spot. In Brussels they are unchanged at 2 centimes either side of parity. Madrid, after depreciating on reports of Spanish difficulties in Morocco, showed some recovery, but is still higher than last week at 33.70, as compared with 33.47½. The lira, after rising a little in the middle of the week, has recovered to 118, as compared with 118½ a week ago. Reports of intending stabilisation are still current, suggestions varying at a rate between 110 and 120, or a rate of 100. In view of the present severe restrictions on credit, it is doubtful whether the present quotation could be maintained for long unless, in the meantime, there is a further improvement both in the general economic position and in political confidence. Amsterdam, at 12.05½, shows little change, and Switzerland, at 25.11, is also the same as a week ago. Stockholm has moved against us from 18.08½ to 18.06, but both Oslo and Copenhagen have depreciated a little on balance from 22.77½ to 23.07 and from 19.77½ to 19.85 respectively. For the moment, at least, it would seem that the speculative movement in these currencies has been checked. Berlin has moved from 20.37 to 20.36, but Vienna and Prague are unchanged. Warsaw, at 28½, is a little higher again, after being dealt in at 29. The movement, however, would seem to be now well in hand. Athens, in spite of rumours of a loan, has again risen to 335, as compared with 332½, and Bucharest is also higher at 1,010. In the East the rupee, at 1s 6 11-64d, is 1-32d cheaper. The yen, however, on the reports already referred to, and on the shipment of gold to New York on Japanese account, has appreciated sharply from 1s 8½d to 1s 8 13-32d. On the falling away of support from China, silver prices have relapsed, and the market is very quiet. Hong Kong stands at 2s 4½d, as compared with 2s 5½d; Shanghai at 3s 2½d, as compared with 3s 3½d. In South America, Rio has relapsed a little from 6 41-64d to 6 19-32d. Buenos Aires, however, on reports of a new loan to be issued in America, is dearer at 45½d, as compared with 45¼d. Monte Video, at 49½d, is unchanged. Valparaiso has appreciated from 39.70 to 39.60 pesos.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended September 12th:—

EXPENDITURE.	(000's omitted.)	REVENUE.	(000's omitted.)
Supply Services	7,471	From Revenue	10,889
Interest, &c., on Debt	1,274		
Sinking Fund	270		
Sundries	56		
Increase in Exchange Balances ..	120		
Decrease in Debt	1,698		
	10,889		10,889

The revenue for the week amounted to £10,889,100, as compared with £9,659,800 in the corresponding week last year. Customs were higher at £2,444,000, against £1,825,000, but Excise was lower at £1,113,000, against £1,171,000. Property and Income-tax brought in £3,560,000, as compared with £3,442,000, and Super-tax

£390,000, against £430,000. Ordinary receipts were £282,900 higher at £424,700, while special receipts amounted to £200,000, as compared with £500,000. The week's operations reduced the National Debt by £1,698,200, and caused the following changes:—

(000's omitted.)	
Treasury Bills	+ 3,599
National Saving Certificates ..	+ 50
	+ 3,649
Public Department Advances ..	— 4,600
National War Bonds	— 400
Sundries	— 347
	— 5,347

The floating debt was reduced by £1,000,000 to £782,316,000.

FINANCIAL YEAR, 1925-1926 (April 1st to Sept. 12th).

£		£	
Total Expenditure ..	351,424,440	Raised by Revenue ..	316,961,569
		Decrease in Balances ..	3,545,140
		Amount borrowed ..	30,917,731
Total	351,424,440	Total	351,424,440

ESTIMATES for FINANCIAL YEAR 1925-1926.

£		£	
Expenditure	799,400,000	Revenue	801,060,000
Surplus	£1,660,000.		

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—John Hetherington and Sons, Nobel Industries, Anglo-Scottish Trust, and Singapore Para Rubber Estates. At the meeting of Nobel Industries, Limited, Sir Harry McGowan reviewed conditions in the home and export markets. Mr M. C. Harman, at the meeting of John Hetherington and Sons, spoke of Russia's pressing need for working capital and the attitude of banking institutions towards Russian credits. At the meeting of the Anglo-Scottish Trust, the amalgamation proposals were sanctioned, as also was the increase of capital proposal at the Singapore Para Rubber Estates meeting.

ECONOMIST INTELLIGENCE BRANCH.

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

THE END OF THE HOLIDAYS.

Few people enter upon a new term's work without some misgivings. The office desk seems so formidably loaded with arrears of "matters needing immediate attention"; and anyone who has the least idea of how best to use a holiday cannot fail to return with some suspicion of awe and reluctance about the attitude in which he approaches accumulated tasks. Mr Baldwin, we feel sure, is one of those who knows how to use his holiday. Has he not proved it by telling a reporter in a phrase reminiscent of Earl Balfour that he "has not read an English newspaper for a month"? But all the more is he to be pitied as he faces anew the problems of his autumn task.

It is true, perhaps, that no vital change in the general situation has occurred during the month of blissful furlough. But there are no improvements to record. Mr Baldwin has to face, first and foremost, the fifth, and the most difficult, winter of unemployment. Moreover, hanging over him all the winter is the problem of the coal trade, which has merely been postponed, not solved, by the makeshift device of a subsidy and a Royal Commission. The latter cannot be expected to perform a miracle. The former brings with it the menace of an unbalanced Budget and an unpopular tax programme next year. Sterner than ever is the call for economy, and the first essay in economy—the closing of the Rosyth and Pembroke dockyards—has shown how painful is the passage along the meritorious path of retrenchment. In some directions the immediate outlook may appear more hopeful. Of the Pact negotiations and the French debt settlement, the Premier may have heard encouraging news from his Foreign Secretary around the lunch table at Aix-les-Bains. But, on the other hand, he will find that the Trade Union Congress, in whose proceedings the voice of the Left was so prominent, utterly failed to re-

spond to his oft-repeated appeal for mutual forbearance and co-operation between capital and labour. The loss of Stockport and the fall in the Conservative poll will claim attention. The Iraq position calls for anxious study.

As he works through his accumulated dossier of urgent matters, he will come across a letter, already reproduced in the Press, from a leading shipowner, telling him politely, but brusquely, that under his guidance the country is going to the dogs, and asking him point blank what he is going to do about it. The picture of the present state of the country, as painted by Sir George Hunter in his letter to the Prime Minister, is sensational. This is how the letter opens:—

SIR,—Does the Government—do you, Sir—fully and deeply realise the desperate condition of our British industries; and the fact that our industrial conditions are not improving, but gradually growing worse? The number of our unemployed, or partially unemployed, is not less than 12½ per cent. of the working population of men and boys; and the number of the unemployed is increasing. A large percentage of our people are becoming unaccustomed to work, and are partially losing their skill. Tens of thousands of our boys and young men are growing up without having learned to work. The dole (and but for the dole there would be starvation) is demoralising hundreds of thousands of our people, and weakening, if not destroying, their sense of manly independence. The great majority still want work, and cannot get work.

The "Trade Balance" of imports and exports is now quite definitely against us. Dividends on our railways and in most of our industries are being paid out of reserves, or have ceased. Capital which is needed to maintain our industries and provide wages is dwindling. These conditions, if they continue, can only mean bankruptcy and ruin. That stage is still perhaps far off, but we are on the road to it. There is no improvement in sight.

It is enough to make Mr Baldwin crave ten times more strongly than ever for the blessed quietude of rustic retirement. The letter poses questions that neither he nor any other Prime Minister could answer, and it focuses all the most anxious of to-day's domestic troubles. Fortunately, however, for Mr Baldwin, Sir George has left himself very much open to retort. He has drawn upon his imagination to paint things blacker than they really are. One instance will suffice. Dividends in most of our industries, says Sir George, are being paid out of reserves or have ceased. That is the sort of over-statement that pathetically ruins a case. If Sir George will examine the *Economist* for July 18th, he will find the following statement of fact:—"During the past three months the reports of 492 industrial undertakings have been analysed in our weekly summary of profit and loss accounts, and the aggregate net profits for their past financial year, after payment of debenture interest, &c., amounted to £56,985,900, as compared with £51,283,900 earned by the same companies in their preceding financial year, an increase of £5,701,900, or 11.1 per cent. The majority of the profit and loss accounts analysed refer to the years ended December 31, 1924, or March 31, 1925, but some are for earlier or intervening periods. During the past twelve months the reports of 1,443 companies have been analysed, and these show an increase of 9.7 per cent. in net profits." If he will study the figures he will find that the ratio of profits to capital has shown a steady improvement in the past three years. Industrial problems are serious enough, but it does not help matters to throw out pessimistic generalisations which grossly exaggerate the facts.

But when all is said and done the winter which Mr Baldwin faces may well damp his spirits. He is like a man walking a narrow and treacherous path, where one false step will have incalculable consequences. Nor can he count on the ability of his friends and supporters to help him to keep his foothold. Political observers tell us daily that the feature of the autumn platform campaign of the Conservative party will be a programme of greater Imperial Preference. Already Mr Baldwin has been dragged beyond the limits both of pledges and of sanity by the tariff fakirs of his party. They will try to pull him farther, and to commit him, at this moment when our export trade cries out bitterly for encouragement, to measures that can only work in restraint of trade. This pressure to tread the despairing path of fiscal folly will be

strong, and it will be the more lamentable because we have just reached the stage when the eyes of the world are slowly but surely opening to the fact that the rising wall of tariffs is the greatest of all obstacles to the recovery of the world trade, and consequently to the recovery of Britain the exporter. A more hopeful line of country is indicated by the resolution which M. Loucheur moved this week in the Assembly of the League of Nations calling for a Conference "to examine the economic difficulties which stand in the way of a restoration of general prosperity." The world is a little sceptical of the results of Conferences, and this particular proposal is beset with special difficulties, for it has to reconcile conflicting national interests, and before anything effective can be done it has to create the consciousness of common interest between the nations. But that the suggestion has been made is of great significance, for it is symptomatic of a considerable movement of opinion in France and Germany, and perhaps also in other European countries, towards the view that narrow nationalist policies in economic matters are suicidal for the country that indulges in them, and are, perhaps, the chief influence holding back the recovery of Europe to-day. For Great Britain, one-third of whose trade is with Europe, one-third with the Empire, and one-third with the rest of the world, it is mere common sense that we should actively co-operate in any effort to improve matters in the Continent to which geographically we belong.

AUSTRIA AND LEAGUE CONTROL.

WHEN the history of the war and its aftermath comes to be written, the intervention of the League of Nations in Austria will be given a prominent place in the story of Europe's slow and painful recovery. The Austrian reconstruction plan, launched in the autumn of 1922, was the first serious and co-operative effort to stop the rot of collapsing exchanges; it pointed out the road of salvation to Hungary, Poland, and Germany, and last, but not least, it proved that the new Austria, which at one time seemed quite incapable either politically or economically of separate existence, might become an independent nation. As a result of the reports laid before the Council of the League at a meeting last week, in the course of which Dr Zimmerman reported that the financial legislation which Austria was requested to pass a year ago had been put on the statute book, and the Finance Committee expressed its satisfaction with the Budget position and the stability of the crown, the Council accepted the proposal of its Finance Committee for terminating the League's control in the near future. Thus will come to an end the phase of reconstruction during which the League has been largely responsible for the internal finances of a sovereign State—a phase in which Austria has been variously described, according to the point of view, as the spoiled child of Europe and the slave of international finance. From next year onwards Austria will shoulder her own responsibilities.

The steps by which the control is to be removed closely follow the plan we anticipated last week. Austria is to be asked to pass the necessary legislation to provide (a) that an adviser to the National Bank shall remain in office for three years after the termination of control, and (b), that the League Council shall be entitled to re-establish control again by a three-quarters majority within a period of ten years if the assigned revenues should prove insufficient to cover the service of the reconstruction loan or if the equilibrium of the Budget should again be seriously in danger. If these two provisions are passed in Parliament before the end of the year, the function of the Commissioner-General, which has already been reduced, will be further limited as from January 1st to control over the assigned revenues and over the expenditure of what remains of the reconstruction loan. The two provisos, which have been inserted by the League on account of its moral obligations to the Governments and to the individuals whom it persuaded to participate in the Austrian

reconstruction loan, have given rise to some adverse criticisms in the Austrian Press. But, as the British delegate pointed out at the Geneva meeting, it is imperative for Austria that she should retain that large volume of short-term credits which at the present moment furnishes a very substantial part of her floating capital, and that such a sense of security in the future of Austria should be created in foreign countries that these credits may gradually be converted into long-term loans. It would be a poor service to Austria to restore her complete financial independence at the risk of another financial crisis.

In some circles in which Austrian affairs have not been very closely followed the removal of budget control by the League was unexpected. But in our view the action taken was both inevitable and desirable. On general grounds the control of the internal affairs of a sovereign State, even by so disinterested a body as the League of Nations, is undesirable, and is liable to give rise to abnormal and even unhealthy conditions in the country's domestic politics. In Austria the reconstruction scheme has been opposed by the Socialists, who have been able to describe the League as bolstering up the capitalist régime. There is no doubt that if Dr Seipel on his return from Geneva in 1922 had been able to persuade his party to form a Coalition Government the Socialist party would have been willing to accept part responsibility for the League scheme. There was never any danger, even if the Socialists had come into power, that they would have repudiated the Geneva agreement; but, as events turned out, the League became a party question. So far as the Government is concerned, it has undoubtedly been a convenience to put the blame upon the League for all unpopular measures of economy and reform. But if the Commissioner-General could be used as a stick to beat the Opposition, he could also be at times a rod for the back of the Government. It was not to be expected that the Austrian Cabinet should enjoy being in tutelage, and in the Austrian political world, at all events, the opinion has been unanimous that, as conditions improved, Austria should at the earliest possible moment regain the dignity of independence. Moreover, an even more fundamental consideration has been that, as the Austrian budget situation has improved on the one hand, and the proceeds of the reconstruction loan in the hands of the Commissioner-General have rapidly diminished by expenditure on capital works on the other, the real power of the latter, arising from the fact that he held the purse-strings, has steadily diminished. His influence has subsequently tended to become that of adviser rather than that of dictator. It would have been very unwise to attempt to retain an unreal control no longer desired by Austria itself.

In view, however, of the responsibilities which the League assumed before the world for the financial reconstruction of Austria, as well as its more particular obligation towards subscribers to the Austrian Loan, these considerations, weighty though they be, would not have justified it in the course it has taken if it had serious misgivings as to the financial situation of Austria. In this connection there are certain leading considerations which influenced the Finance Committee, and will doubtless influence those investors in Austria who have to consider whether under the new conditions she will continue to be credit worthy.

The first is in regard to the equilibrium of the budget. The situation of the public finances is no longer a crucial issue. The Budget of 1923 showed a deficit of 57 million gold crowns on current expenditure, and of 110 millions if capital expenditure is added. That of 1924 showed a surplus of 63 millions on current expenditure, and a deficit of 9 millions if capital is included. The accounts for part of a year only do not indicate the final probabilities. But the provisional accounts for the first half of 1925 show a current surplus of 16½ millions, and a deficit of 10 millions if capital is included. Both revenue and expenditure are above the Budget figures—but as the revenue increased more than expenditure, the margin is substantially better than the estimates. (The capital expenses are mainly in respect of railways which were left in a very bad condition, both as to permanent way, rolling stock, and administration. Under the new régime the working account has improved from a large deficit in 1923 to a balance in 1924, and an estimated surplus for the

present year.) The net result has been that very little of the Reconstruction loan has been used for current expenditure. Of the 611 million crowns which the loan has yielded to August 25, 1925, the allocation has been as follows:—

	Million Gold Crowns.
Reimbursement of loans by various powers, the proceeds of which were spent prior to stabilisation ..	121.9
Guarantee of six months' service of loan	40.3
Payments to meet Budget expenditure	262.0
Balance	186.8

During this period of 2½ years, however, the Budget has carried 151.2 millions of capital expenditure, and, in addition, the Government has repaid its loan of 38 millions to the National Bank and 30 millions of Clearing House and other payments. Thus, 43 millions only represents the extent to which current expenditure, salaries, interest charges, &c., have been paid for out of the loan—a figure less than the annual charge which the loan itself makes on the Budget. Local finance is an important consideration in Austria. In the last few years the town of Vienna, which contrived to balance its Budget right through the inflation period, has refrained from borrowing, and has built up a substantial surplus in the bank. The municipality may be open to criticism for the heaviness of its taxation; its recent history does not suggest any doubt as to its solvency. The other provincial governments have not so clean a record, but the new legislation limits their right to impose taxation without Government authority, and they must now cut their coat according to their cloth. The Government has stated that the expenditure of Austria has reached its maximum. It may or may not be able to live up to this declaration. But it cannot print notes; it cannot raise an internal loan; and it certainly cannot expect to raise money abroad if expenditure rises. It can, therefore, only satisfy demands for increased expenditure by higher taxation. The balance of political forces in the State means that any such projects will be strenuously, and probably effectively, opposed.

The question of the stability of the crown and of the financial and economic position of Austria generally raises more complex issues. Such recovery as has taken place in Austria has been greatly assisted by the grant of foreign credits, mainly through the banks. If confidence were shaken in Austria and these were rapidly withdrawn, the situation of the National Bank might become difficult and the stability of the crown endangered. We shall deal with this question of foreign credits and the general stability of Austria in another article. We would only make three observations here in relation to the question of League control. The first is that a very substantial withdrawal of foreign capital occurred during the crisis of 1924 without endangering the stability of the crown. There is no reason to anticipate that so severe a test will be repeated. In the second place, the Commissioner-General, whose main function is Budget control, cannot regulate or direct the influx of foreign capital. The suggestion has more than once been raised in Vienna that Dr Zimmerman should give his approval to certain long-term loans which Austrian public authorities or large undertakings were endeavouring to raise abroad. But it would clearly be undesirable for the League representative to take the responsibility of adding by his approval what would be a very important market asset to certain loans and not to others. Still less would it be possible for him to exercise any direct discrimination in respect of short-term loans, which must be decided upon by the lenders on ordinary commercial principles. But there is a third consideration. In so far as influence can be exerted by any authority, in this matter it must be through the medium of the central bank. In all the countries where the currency has recently been rehabilitated very important questions of monetary policy will arise during the next few years, and national credit will largely depend upon the action of the central banks. It is for this reason that the League has asked that the external adviser to the bank should be retained. The plan of the Finance Committee is thus designed to assist Austria and to strengthen her credit where such support is most likely to be useful, while relieving her of Government supervision, which was in danger of becoming irritating, and would most certainly have been increasingly ineffective.

THE ILLUSION OF AN OIL SHORTAGE.

(BY A CORRESPONDENT.)

THE report* on oil supply and demand which has been presented to the American Government by the American Petroleum Institute is illuminating not only for the dead-weight of matter it contains, but also for the lively point of view it expresses. About ten months ago, when the American oil industry was being charged with waste and inefficiency, the President set up a Federal Oil Conservation Board. Immediately, the American Petroleum Institute appointed a Committee of Eleven to make an investigation of the oil industry and resources of the United States, ostensibly to help the Oil Conservation Board; really, we suppose, to get home with the "facts" first—in the public eye—and prevent the Oil Conservation Board from doing further damage. The committee was one of experts, and its inquiries were exhaustive and comprehensive; but being representative of all branches of the oil industry, its report was, in effect, a defence of the oil companies against all charges, a thorough-going justification of the existing order of things. It denied that there was waste in the production, transportation, refining, or distribution of petroleum and its products. It pointed out that an enormous measure of conservation had been effected by the development of the "cracking" process in refining, by which a higher yield of petrol was obtained from crude oil. It suggested that still greater conservation would follow upon more efficient utilisation of oil, as, for example, when the motor-car is made to go twice as many miles on the gallon of petrol. It declared that there was no imminent danger of the exhaustion of the oil reserves of the United States, and it assumed that a sufficient supply of oil would be available for national defence and essential commercial uses beyond the time when science will either limit the demand by developing more efficient use of, or substitutes for, oil, or will displace its use as a source of power by harnessing a natural energy. It made a bold estimate of some of the oil reserves in America, and a still bolder estimate of the demand for oil over a period of fifty years. It declared in effect that the oil industry would produce the goods; would satisfy every demand that could be imagined, provided only that it was left alone to its own devices, and was not interfered with by ignorant or malicious Conservation Boards. Conclusion 10 of its report read: "The availability of future petroleum supplies..... depends upon adequate incentives..... There must be (a) security in the ownership of oil lands, and of the right to lease; (b) conditions of exploration and development by owners or lessees permitting exercise of initiative, liberty of action, the play of competition, and the free operation of the law of supply and demand; (c) prices that will provide a return to producers, refiners, and distributors commensurate to the risks involved and the capital invested." In other words, "hands off" the oil industry. Provided it does not signify "hands up" to the public, the request need not be unreasonable.

Let it be admitted first that this Committee of the American Petroleum Institute has done good work in killing the bogey of an oil shortage. That bogey had been trotted out to scare the public whenever it was thought desirable to make the oil prices rise or prevent them from going down, and it was in the public interest that it should be put away. It is a clamant fact that every estimate that has been made of the oil reserves of the United States has been proved misleading. The first was made by Mr David Day in 1908, when Chief Geologist of the U.S. Geological Survey; the second in 1914 by Mr Ralph Arnold; the third in 1915 by the Geological Survey; the fourth in 1918 by Mr David White, then Chief Geologist; and the last by the Geological Survey and the Association of Petroleum Geologists jointly in 1921. Each was soon proved to be ridiculous. The last was shown in twelve months to be a gross under-estimate. The present committee avoided these mistakes. It stated that the major oil reserves of the United States lay in

* "American Petroleum: Supply and Demand."

some 1,100,000,000 acres of lands underlain by sedimentary rocks and not fully explored, in which geology indicated the existence of oil as possible; but it refused to indulge in speculation as to the number of barrels of oil to be recovered from these unknown reserves, or by deeper drilling under existing fields. Such an estimate would involve so many uncertainties as to be grossly misleading and inaccurate. But, taking known reserves, it did not hesitate to make the following estimates:—

	Barrels (of 42 U.S. Gals.)
(a) Oil recoverable in the U.S. by present methods of flowing and pumping from existing wells and proved acreage	5,300,000,000
(b) Oil recoverable after pumping and flowing cease by known processes, such as flooding with water, air and gas pressure, and mining	26,000,000,000
(c) Oil recoverable from oil shale reserves in the U.S.	108,000,000,000
(d) " " coal deposits " "	525,000,000,000
(e) " " lignite deposits " "	70,000,000,000
	734,000,000,000

Estimates (a) and (b) amount, on the basis of last year's world supply of 1 billion barrels, to a 31 years' world reserve, and the total to 734 years' world supply. These estimates, it should be understood, take no account of the probably vast supplies of oil hidden in the unexplored billion acres, or recoverable from deeper drilling in the proved fields of the United States. Nor do they include the enormous reserves of oil in the world's oilfields outside the United States. Of course, none of the oil will be recovered from shale or coal or lignite unless the price justifies that more expensive operation; but in the face of these conservative estimates of oil reserves in the United States alone, the idea of a world oil famine must go. The oil is there, and the American Petroleum Institute claims that the oil industry can be trusted to bring it to the surface and sell it to the public at a reasonable price.

Current supply and demand in the oil industry, according to the members of this Committee, cannot stay in balance, since the amount of each is constantly changing and cannot be foreseen. In other words, there will always be alternating periods of surplus and shortage. Price acts as the corrective. The problem of obtaining a supply of oil to meet the demand, it is argued, has always been one of economics, of price performing its normal function of increasing or decreasing production or consumption. "Through the mere functioning of price," the world has increased its production of oil in 25 years from 150,000,000 barrels a year to approximately 1,000,000,000 barrels. "There has not been a time from 1859 to the present (to quote the report) when the oil industry has had in sight a supply of oil which in and of itself assured the meeting of future demand over a protracted period. The oil industry has ever been, and still is, an industry founded upon 'finding.' The finding of the past has been accomplished by individual initiative, by the free movement of oil prices, and by the influx of new capital." This contention of the Committee is, in the main, perfectly just. It may be regarded as some proof of the free operation of the law of supply and demand in the oil industry that, making allowance for the change in the purchasing power of the dollar, petrol in the United States to-day is below its exchange value in 1913, while mid-Continent crude oil is only \$1.08 per barrel to-day, as compared with \$0.967 in 1913. But the Committee goes too far in seeking to prove that all is well with the existing order of things merely because oil prices are competitive and cannot be manipulated. Is there no waste? Are the methods of the oil-producer really perfect?

Waste in the oil business, says this Committee on page 5, is negligible, but on page 23 it declares that the physical wastage from oil well to consumer has been reduced to a figure slightly over 3 per cent. of the crude produced. Oil is particularly susceptible to natural losses, but we would not regard a loss of 3 per cent. as negligible when a billion barrels of oil are produced in the year. Between the well and the tank of a motor-car, the Committee reports, the oil product is handled probably 25 times; hence the loss. But why is it necessary to handle the oil 25 times? In any large organisation which controls the movement of oil from the well to the consumer and avoids middlemen, the oil is handled much less, and the loss is probably much lower. And surely unregulated,

intensive, competitive drilling in an oilfield makes for waste and puts up the costs of production? The Committee support the surprising view that in most fields intensive development with closely spaced wells will bring forth more oil than slowly developed fields with widely spaced wells. But at what cost? There can be no question but that an oilfield can be more economically developed by a large oil company which has control of all the acreage and can space wells scientifically, than by hundreds of "town-lot" operators, each engaged in off-setting the other in a mad rush to be the first to bring the oil to the surface. The result of wildly competitive drilling has often been that oil has been produced before there were tanks for its reception, that it has been poured into open earthen storage, and left to lose all its petrol or volatile contents. Just as "individual initiative" and "liberty of action" lead to waste in production, so they have led to waste in marketing in the duplication of petrol pumps above the public's requirements. We are told that it is the policy of the large oil groups to keep the price of oil as stable as possible; yet the American Petroleum Institute would have it jump about as widely as possible in order to correct the lack of balance between supply and demand, and the dire results of "individual initiative" and "liberty of action." We doubt whether wild-catting in the field of economics is as beneficial to the public as wild-catting in the fields of oil.

PROTOCOLS AND FACTS.

THE negotiations between the Allies and Germany make unhurried progress. Mr Chamberlain and M. Briand, having had abundant opportunities for intimate conversation at Geneva, have departed to their respective capitals. So, incidentally, has the Polish Minister, Count Skrzynski, a not unimportant figure in one stage of the discussions, to his. The invitation to the Germans to attend a Conference has been duly handed to Dr Stresemann, and all the odds are that the long-projected meeting will take place in the early days of October, either in Switzerland or somewhere not far distant. The conversations must clearly resolve themselves into two phases, the first concerned with the details of the Security and Guarantee Pact in the West, the second to the negotiation of treaties of arbitration between Germany and her Eastern neighbours. Though the two series of discussions are not technically linked together, it is certain that France will sign no Western Pact till arrangements satisfactory to her Polish and Czechoslovakian allies have been concluded. Although, moreover, there is no question of Dr Benes and Count Skrzynski taking part in the Western negotiations, they will be on the spot while the negotiations are going forward, ready to initiate, presumably without the physical presence of France and Britain, the conversations regarding arrangements in the East. The nature of those arrangements will naturally depend on whether the German Government is prepared to make the projected arbitration treaties all-inclusive. If it is not, all the indications are that the negotiations will prove abortive, and by their failure involve in the same disaster the hoped-for Pact in the West.

In so delicate and critical situation do the only actual security negotiations now in progress stand. Meanwhile, the League of Nations Assembly at Geneva has been discussing in the face of manifest difficulties the security problem on a universal scale. The difficulties have been due to the inability of delegates to resist the plea of the British Foreign Secretary that the impending discussions with Germany should not be imperilled by any dogmatism at Geneva as to diplomatic methods or the essentials of an arbitration treaty. The situation in the Assembly has had its delicate aspect, too. No one was quite prepared to find the British delegation so completely isolated as it has been, for no one realised how deep and unshakable is the faith not only of the Continental countries, but equally of

the Latin-American States to the principles, if not the actual details, of the Geneva Protocol. That instrument, instead of being happily chloroformed by the British statement to the League Council last March, has been held up by speaker after speaker in the Assembly in its opening days as the one goal towards which the League must set its face. Mr Chamberlain's endeavour to explain the real attitude of his country was a very qualified success. He was heard with a courtesy which the regard in which he is personally held will always ensure, but his audience was markedly unresponsive, particularly as it listened to a lecture on the psychology and constitution of the British Empire embodying ideas which the logical Latin mind is quite incapable of assimilating.

Where the British Foreign Minister did carry the Assembly with him, though even there with marked reluctance, was in his appeal that no action should be taken at Geneva now that could have even an assumed or indirect bearing on the coming negotiations with the delegates of the German Government. He said much less than he meant, but what was unspoken was quickly and accurately divined. Faced with at least the possibility of the conclusion of both Eastern and Western Security Pacts, involving the entry of Germany into the League of Nations, delegates to the Assembly could not take on themselves the responsibility of endangering by word or deed so hopeful a consummation. But that is as far as the Assembly has shown itself ready to go in the direction of regional pacts. At moments, indeed, it has looked like going a great deal further. M. Paul Boncour in his brilliant speech came near accepting the superficially attractive thesis that since the Protocol was unattainable in its present form the right method to adopt was the negotiation of a web of regional pacts the world over, all of them ultimately to be woven somehow into some universal instrument after all.

The doubts and dangers attending such a policy as that were exposed in able speeches by Dr Benes and Count Apponyi, of whom the Czechoslovak Minister is the prime negotiator of a regional pact and the Hungarian the representative of a country in a sense the victim of it. Their remarks recalled to realities an Assembly all of whose preconceptions run strongly in favour of a universal agreement. The regional method may be defensible, though it is a strange reversal of policy which makes the British Government its chief sponsor. It may prove practicable where no other method would be. But that conclusion is by no means warranted yet. Any series of regional treaties would leave obvious gaps. There might be clashes and overlappings as well calculated to provoke trouble as to avert it. If the universal method of the Covenant was sound, it is at least premature to conclude that there is no practicable method of developing the Covenant except by partial and regional accords.

Such a conclusion the Assembly appears to have avoided drawing. It has taken the view, with manifest wisdom, that the regional accord which certain important Powers are now endeavouring to negotiate is so important that even the League Assembly should stand aside for the moment rather than prejudice the discussions. To go so far as that is clearly right. To go further now is unnecessary and unwise. The Sixth Assembly is leaving the security problem alone. The Seventh Assembly must take it up afresh, and do that unfettered by inherited commitments. It may decide, after full deliberation, to pursue the regional method. It may, on the other hand, be convinced that last year's choice of the universal was the path of wisdom. The discussion of both those alternatives will be a different matter if Germany is at Geneva to take her part in it. Meanwhile, the discussion with Germany impends elsewhere. If that fact seems in a measure to tie the hands of the League of Nations, it can be claimed for the League that both by its restraint and by the methodical, if unspectacular, efforts the Assembly has been exerting to underpin its own expanding edifice, it has made no unworthy contribution to the common endeavour to consolidate the peace of Europe.

INSURANCE OF DOCTORS' BILLS.

IN the autumn of last year a very eminent physician, Lord Dawson of Penn, was invited to deliver an address before the Insurance Institute of London. He chose for his subject the absence of effective sickness insurance for the middle and professional classes, and he appealed to his hearers to devise means whereby that defect might be made good. He received a sympathetic hearing, though no great help. It was pointed out by actuaries and other experts in insurance that the cost of really comprehensive protection would be prohibitive, and even Sir Alfred Watson, with all his experience of National Health Insurance, saw great difficulties in forming any plan and in fixing any rates of premium. We do not suggest that the scheme of the Family Medical Services, Limited, of Manchester, supported on the insurance side by arrangements with underwriters at Lloyd's, is a solution of the very difficult problem described by Lord Dawson. The public-spirited organisers of this scheme—who have, to our knowledge, been engaged upon it for a long time past—would not claim for it more than that it is a pioneer means whereby experience may be gained, and, possibly, the inherent difficulties overcome, of granting to the middle and professional classes insurance against the costs of serious and unexpected illness. It is in that spirit it should be examined.

The insurance which is aimed at in this scheme is that of the family, not of individuals. The father, mother, and children must all come into it under one policy. And though there is no medical examination, there is a fairly close scrutiny, in the questions asked in the proposal form, of the health and medical history of the members of the family. The families for whom the rates to be charged are most favourable are those where the father is under 45, the mother under 40, and the children not under 12 years of age. No insurance is accepted on any age over 50 at entry or under two years. So that, primarily, the families catered for are those of parents in early middle age with children of school age. Nevertheless, children between two and twelve, and parents up to 50 may be accepted at increased rates of premium.

Insurance policies are designed to meet the requirements of those (1) who wish only to insure their general practitioner's fees in each year, and (2) those who, in addition to those medical fees, wish to provide for the costs of surgical operations. The principle adopted in each case is co-insurance—that is, the participation of the insured with the underwriters in the risks. This is a most necessary and reasonable requirement, for if all checks were removed on the running up of medical or surgical bills, the rates of premium charged would rapidly become prohibitive, and the whole project be ruined. In regard to the general practitioner's fees, the underwriters cover the excess over so much incurred in a year, and in regard to surgical costs of all descriptions, the insured must pay one-fifth himself. These stipulations serve two valuable purposes. They greatly reduce the claims upon the underwriters, and they permit of moderate rates of premium for the risks covered.

Let us take general practitioners' fees. The premiums are based on the fees charged per visit (7s 6d, 10s 6d, or 21s). If we assume that the family consists of father, mother, and two children at most favoured ages, and that their doctor's fee is 7s 6d a visit, then the annual premium would be 15s per person (less 5 per cent. for four persons)—that is, £2 17s. But on the principle of co-insurance, the first £4 of the doctor's bill would in this instance have to be borne by the insured, and the excess over £4 paid by the underwriters. The limit of cost for the family of four persons for the year would, therefore, be £6 17s for medical attendance and insurance premiums. For the higher rates of professional fees (10s 6d or 21s) the costs increase in proportion.

So far we have dealt only with medical attendance, not with surgical operations, nursing homes, and all those heavy charges which may with their unexpected severity crush a middle-class or professional family. These charges are provided for by a premium additional to that prescribed

for ordinary medical attendance. The benefits include consulting surgeons' and consulting physicians' fees, operating surgeons' fees, fees for administration of anaesthetics, nursing and nursing home charges, extra charges incidental to any operation covered by this insurance for night visits, mileage, detention, special visits, drugs, and surgical appliances. The underwriters only pay 4/5ths (four-fifths) of the sum stated below under each scheme for the cost of an operation and nursing and other charges, with a limit per annum per person, as it is an essential feature of the scheme that the interests of the underwriters and the insured should be identical in the matter of the cost of operation, so that the cost of insurance may be kept as low as possible:—

	Scheme 1.	Scheme 2.	Scheme 3.	Scheme 4.
	£	£	£	£
For minor operations	15	25	35	50
For major operations	25	50	75	100
For nursing and other charges	25	50	75	100
Limit per annum per person..	50	100	150	200
Additional premium per person 12/6	22/6	32/6	42/6	

The scheme, with its attention to detail, its provision for reductions of premium for families of over three persons, and its exclusion of those over 50 at entry, strikes one as thoroughly practical in design. It seeks to meet the needs of a class which is suffering from very heavy burdens in taxation and cost of living, and it should remove for those who become insured under it some of the financial terrors of daily life in these hard days.

THE DUTIES OF DIRECTORS.

(BY A LEGAL CORRESPONDENT.)

It is not often that a judgment is reported at the great length accorded in a recent issue of the *Law Reports* to Mr Justice Romer's judgment in the misfeasance summons against the directors and auditors of the City Equitable Fire Insurance Company, which came before him earlier in the year. A judgment which, apart from the arguments and the Court of Appeal judgments, runs into 76 pages, and in a publication read only by lawyers, has little chance of perusal by directors of companies; and yet embedded in it are statements regarding the responsibilities of directors which it is worth their while to have in mind.

Here is one, commenting on the assertion, rather loosely made, that directors are trustees. "If," said Mr Justice Romer, "this means no more than that directors, in the performance of their duties, stand in a fiduciary relationship to the company, the statement is true enough." But if used as an analogy to indicate what those duties are, the statement becomes "wholly misleading." For the duties of directors vary widely, according to the character of the company which they direct. For example, "the larger the business carried on by the company, the more numerous and the more important the matters that must of necessity be left to the managers, the accountants, and the rest of the staff." Parliament, as Lord Macnaghten once pointed out, has not formulated precise rules for the guidance or embarrassment of business men in the conduct of business affairs, and courts should do no more than deal with each case on its particular facts. And so we get a summary statement of a director's duties in Mr Justice Romer's dictum that to ascertain those duties "it is necessary to consider not only the nature of the company's business, but also the manner in which the work of the company is, in fact, distributed between the directors and the other officials of the company, provided always that this distribution is a reasonable one in the circumstances, and is not inconsistent with any express provisions of the articles of association."

Nevertheless, there are rules of general application. It goes without saying, for example, that a director must act honestly. Also, he must "exercise some degree of both skill and diligence." But this latter is a rule which may, and does, and, indeed, always will, give rise to difficulties in its application. As to the necessary degree of skill, the reported cases give some help for general guidance; but all that Mr Justice Romer could extract from them was that "a director need not exhibit in the performance of his duties a greater degree of skill than may reasonably be expected from a person of his knowledge and experience. A director of a life insurance company, for instance, does not guarantee that he has the skill of an actuary or of a physician." Again, "directors are not liable for mere errors of judgment." The possession of the necessary skill, however, is not so frequently called in question as in the exercise of the requisite diligence. It is (as was the case with the City Equitable Company) on the point of alleged negligence that litigious controversy is more often expended. And in the last resort that resolves itself into an examination of the circumstances of the particular case in the light of common sense and knowledge and experience. Yet there are some guideposts. Directors discharge their duty of diligence if, in the words of Lord Lindley, "they act with such care as is reasonably to be expected from them, having regard to their knowledge and experience."

Mr Justice Romer is more specific as to the extent of this reasonable care. "A director," he says, "is not bound to give continuous attention to the affairs of his company. His duties are of an intermittent nature, to be performed at periodical board meetings and at meetings of any committee of the board upon which he happens to be placed. He is not, however, bound to attend all such meetings, though he ought to attend whenever in the circumstances he is reasonably able to do so." Further, "in respect of all duties that, having regard to the exigencies of business and the articles of association, may properly be left to some other official, a director is, in the absence of grounds for suspicion, justified in trusting that official to perform such duties honestly." To interpret this in more detail, directors, for example, as Mr Justice Chitty once ruled, are not bound to examine entries in the company's books. In the argument in the City Equitable case an effort was made to establish the proposition that directors are not bound to inquire into matters which are not brought before the board, unless they are put upon inquiry by facts being brought to their attention which call for explanation. Mr Justice Romer, however, refrained from adding this in terms to his list of things which were outside a director's duty of diligence.

With regard to a director's responsibility in that important department of his duties, the signing of cheques, Mr Justice Romer relied on a quotation from a judgment of Vice-Chancellor James:—"A director who signs a cheque that appears to be drawn for a legitimate purpose is not responsible for seeing that the money is in fact required for that purpose, or that it is subsequently applied for that purpose, assuming, of course, that the cheque comes before him for signature in the regular way, having regard to the usual practice of the company." But the director must inform himself of the purpose for which and the authority under which the cheque is signed.

The above are general rules; but their interpretation is sometimes complicated by special provisions in articles of association. There was such a special provision in the decision in the case would doubtless have been different. An article provided that the directors, auditors, and officers should not be held liable for any loss, misfortune, or damage which might happen in the execution of their offices, "unless the same should happen by or through their own wilful neglect or default." A great part of Mr Justice Romer's judgment was occupied by an interpretation of these words "wilful neglect or default." And the main difficulty—though the chief safeguard of the directors in this case—lay in the meaning of the word "wilful." The authorities were overhauled at great length. There was, for instance, Lord Justice Bowen's definition that the word "implies nothing blameable, but merely that the person of whose action or default the ex-

pression is used, is a free agent, and that what has been done arises from the spontaneous action of his will. It amounts to nothing more than this, that he knows what he is doing, and intends to do what he is doing, and is a free agent." In commenting on those words in a later case, Lord Justice Lopes pointed out that they did not contemplate an honest oversight. Mr Justice Romer shows that they need amplification, and he has arrived at the conclusion that the meaning of the adjective is to be ascertained in reference to the noun. To put a long disquisition in a sentence, it comes to this: Wilful negligence does not mean simply doing wilfully—deliberately—an act which happens to be negligent, but doing wilfully, deliberately, an act known by the doer to be negligent. This is not a hair-splitting of words, but a real distinction. A man may act with full intention, and his faculties all about him, and what he does may be negligent, but he does not at the moment realise that it is negligent; that is not wilful negligence. But if what he does is, and must be, known to him at the time as a negligent act, and he does it fully intending it, that is wilful negligence. I ought to refer to a document; it is negligent not to do so; but I don't think it is part of my duty to do so, and I deliberately do not; that is not wilful negligence. I ought to refer to a document; it is negligent not to do so; I know it is my duty to do so, and I deliberately do not; that is wilful negligence.

CANAL COMPANIES' RESULTS.

In giving our annual review of a group of representative canal undertakings, a brief description of the undertakings dealt with may be of interest. The Birmingham Canal Navigations is an amalgamation of four concerns constructed under Acts of Parliament passed between 1768 and 1818. The total mileage is approximately 160 miles. The Grand Junction runs from Braunston, Northamptonshire, where it connects with the Oxford Canal, to Brentford, Middlesex, and the total mileage, including the branches, is 189 miles. The Manchester Ship Canal, whose traffic is far in excess of those of the other four companies, was opened in 1894, and is 35½ miles in length, though the company also owns the Bridgewater Canals, which are 51½ miles long. The Regent's Canal and Docks Company's undertakings consist of the Regent's and Hertford Union Canals, with a mileage of 10½ miles, and the Regent's Canal Dock at Limehouse. The Sharpness New Docks and Gloucester and Birmingham Navigation Company, to give the undertaking its full title, was incorporated in 1793, and owns the Gloucester and Berkeley Canal and the Worcester and Birmingham Canals, 46 miles in all; it leases the Droitwich Canal and the Droitwich Junction Canal, and owns a controlling interest in the Severn and Canal Carrying Company.

In times of industrial depression transport services are among the first to suffer. The railways afford an indication of this, last year having provided for them a not altogether happy experience. Thus, it is the more surprising to find that the accounts of a group of representative canal companies disclose that operations in 1924 were attended with eminently satisfactory results.

Our first table shows the gross receipts of these concerns:—

	1913.	1920.	1921.	1922.	1923.	1924.
	£	£	£	£	£	£
Birmingham..	191,345	306,221	254,792	236,516	233,956	234,539
Grand Junction	101,680	145,619	128,960	144,993	138,735	142,563
Manch. Ship..	1,077,018	2,448,848	1,861,132	1,964,813	1,984,476	2,060,906
Regent's.....	81,275	127,840	111,296	113,086	113,264	127,309
Sharpness	85,308	97,017	71,764	89,575	88,810	90,803

It will be seen that in every case gross receipts increased, and last year's figures were well above those for 1913. They are, however, still lower than those of 1920, and

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in the case of the Birmingham they are lower than in both 1921 and 1922. The Grand Junction's 1924 receipts, too, were below those of 1922.

Our next table shows the expenditure on operations:—

	1913.	1920.	1921.	1922.	1923.	1924.
	£	£	£	£	£	£
Birmingham..	88,061	224,579	194,258	149,551	145,929	130,277
Grand Junction	50,275	100,939	76,512	84,598	83,329	85,052
Manch. Ship..	720,941	1,659,006	1,324,514	1,186,326	1,194,103	1,229,329
Regent's.....	38,992	89,899	71,182	73,415	64,106	69,141
Sharpness	33,523	60,656	53,901	49,435	48,218	49,966

The feature here is a saving in expenses by the Birmingham Company, which reduced its expenditure from £145,929 to £130,277. In all other cases the figure increased as compared with 1923. The Birmingham has a particularly good economy record, having continuously reduced its expenditure since 1913.

Our third table gives the net profits realised:—

NET PROFIT after PAYMENT OF DEBENTURE INTEREST, &c.

	1913.	1920.	1921.	1922.	1923.	1924.
	£	£	£	£	£	£
Birmingham..	68,532	33,090	23,646	46,906	56,130	72,366
Grand Junction	45,405	36,509	44,146	51,825	48,818	51,510
Manch. Ship..	34,742	465,425	203,511	398,134	464,766	432,170
Regent's.....	15,495	16,092	15,504	20,848	20,057	27,354
Sharpness	19,573	9,904	8,371	14,067	14,888	15,482

The Manchester Ship Canal is the only undertaking whose net profit for 1924 is lower than in the previous period. This, however, was probably partly due to the national strike of dock workers which occurred in February, 1924, during which the directors state "there was a complete cessation of work at the Manchester Docks. An adverse influence was also exerted by the railway strike in January, 1924, and also by the reductions in railway rates, which resulted in corresponding reductions in the proportions receivable by the Canal Company of such railway rates. In 1923, too, under the heading of miscellaneous receipts, was included £56,400 for arrears of dues and tolls accrued in 1916-1922, payable as the result of a judgment obtained against traders on the Weaver Navigation. Therefore, although net income declined from £869,875 to £857,739, owing to the fact that payments in respect of rentals and other fixed charges and interest on loan capital absorbed £425,569, against £405,109, the net profit has fallen from £464,766 to £432,170. Still, despite the fact that compared with 1923 profits show a decline, they are very considerably above the 1913 level, as, indeed, is the case with all the undertakings, with the exception of the Sharpness. The Birmingham had a particularly good year, its profit being £72,366, compared with £56,130 in 1923, with £23,646 in 1921 and with £68,532 in 1913. The Grand Junction's results, too, were satisfactory, net profits having gone up from £48,818 to £51,510, while the Regent's rose from £20,057 to £27,354, and the Sharpness' from £14,888 to £15,482.

The following are the principal items in the balance-sheets at end of 1923 and end of 1924:—

	Capital.		Balance of Capital Account.	Reserves.	Cash & Investments.	Debtors & Loans, Less Creditors.
	Debtors.	Ord. & Pref.				
Birmingham, 1923	797,400	2,439,575	Dr 265,844	..	36,244	31,695
1924	797,400	2,439,575	Dr 265,788	..	43,856	31,339
Grand Junction, 1923	150,000	1,223,700	..	30,093	40,569	20,017
1924	150,000	1,223,700	..	24,217	30,142	23,668
Manchester Ship, 1923	8,432,300	9,061,230	Dr 496,511	..	44,280	349,965
1924	8,432,300	9,061,230	Dr 496,511	..	75,761	692,866
Regent's, 1923	842,284	1,358,100	..	4,652	28,041	2,555
1924	842,284	1,358,100	..	3,167	29,761	Dr 3,442
Sharpness, 1923	620,658	633,283	..	103,087	30,403	49,774
1924	617,158	633,283	..	97,043	15,524	56,281

In no case has there been any alteration in the amount of ordinary and preference capital. The Manchester, however, increased its loan and debenture capital by £806,085 by borrowing at 5 per cent., and the Sharpness reduced its loan capital to a small extent. The Manchester made during the year a substantial allocation to reserve when compared with the previous year. But apparently the question of reserves of the canal undertakings is one which must be considered in the light of the particular industry. They certainly appear to be rather small. In some cases it may be that improvements have made assets of more value than those shown in some balance-sheets.

The following table shows a record of dividends during the past few years:—

	1913.	1920.	1921.	1922.	1923.	1924.
Birm'ham Canal, cons.	% 4	% 4	% 4	% 4	% 4	% 4
Grand Junction, ord. stk.	3	3½	3½	4	4	4
Manchester Ship, ord. £10	nil	5	1½	4	5	5
Do pref. £10	nil	5	3	5	5	5
Regent's, ord. stk.	1½	1½	1½	1½	1½	2
Sharpness, ord. stk.	nil	nil	nil	nil	nil	nil
Do 5% "A" pref.	5	5	nil	5	5	5
Do 5½% "B" pref.	5½	nil	nil	nil	2½	5½
Do 5% "C" pref.	2½	nil	nil	nil	nil	1½

The improved results are reflected in the distributions to stockholders. The Regent's, for instance, paid 2 per cent., against 1½ per cent. for 1923; while 5½ per cent., compared with 2½ per cent., was distributed on Sharpness "B" preference, and the "C" preference received 1½ per cent., against nothing in the previous year. In spite of the reduction in net profits, the Manchester's dividend was maintained at 5 per cent.

Our final table will enable the investor to see at a glance how these securities have fluctuated in value over a period of years, and the yields obtainable to-day:—

	Amount.	Share or Stock.	Highest Price 1898-1922.	Price July 30, 1914.	Price End Aug., 1924.	Price Sept. 17, 1925.	Yield.
Birm'ham Canal, cons.	2,439,575	Stock	146½	99	81½	77½	5 2 3
Grand Junction, ord.	1,130,000	..	152½	90	24	75	5 6 9
Manchester Ship, ord.	4,000,000	10	7	1½	7½	7½	6 6 0
Do 5% pref.	4,000,000	10	7	1½	8½	8½	6 1 3
Regent's Canal, ord.	1,358,100	Stock	72½	25½	29½	40½	4 18 9
Sharpness New Docks, &c.	303,782½	..	24½	8	17	13	Nil
Do pref. "A," 5% (cum.)	109,500	..	123½	80	72½	71	7 0 9
Do pref. "B," 5½%	103,000	..	110	58½	60	54	10 3 9
Do do "C," 5%	120,000	..	99	37½	29	29	4 6 8

Some of the yields shown above are fairly generous, particularly on Manchester ordinary shares, which return £6 6s per cent., while the 5 per cent. preference yield £6 1s 3d, and Sharpness "A" preference £7 0s 9d per cent. The "B" preference stock of the latter returns as much as £10 3s 9d, whereas the "C" preference gives only £4 6s 3d per cent. It will be observed that the only company whose stocks are valued at a figure in excess of the highest levels recorded from 1898-1922 is the Manchester.

From the investors' standpoint our waterways system presents many interesting features. To what extent its development has been retarded by the iron heel of directors of other methods of transport opens up a field for discus-

sion. But, however we may speculate over these things, it is patent that the canal must still be regarded as an important medium of transport. Indeed, it must be granted that artificial shipways, as is evidenced by the case of the Manchester Ship Canal, can be sound economic propositions. Given enlightened and progressive management, it is difficult to see why our canal system should not once again become popular. When so much is heard on all sides of the necessity for utilising to a greater extent our water resources, canals may possibly one day serve other purposes as well as transport.

Notes of the Week.

Twelve Months of the Dawes Scheme.—The Agent-General for German Reparation payments has published a statement of results during the 12 months ended August 31st last, during which the Dawes scheme has been in operation. These show that the Reparation Commission's recent official statement that "Germany is faithfully fulfilling her Reparation obligations as they are at present fixed" continues accurately to represent the situation. The Dawes Committee envisaged a total payment by Germany of 1,000 million gold marks in the first year, to be obtained from the proceeds of the external loan and part-interest (200 millions) on railway bonds. The actual balance-sheet is as follows:—

RECEIPTS AND PAYMENTS FOR FIRST ANNUITY YEAR
(On cash basis reduced to gold mark equivalents).

Receipts.	Million Gold Marks.	Payments.	Million Gold Marks.
Cash withdrawn from proceeds of German External Loan, 1924	800.00	Payment to various Allied countries	789.0
Interest on railway bonds	200.00	Expenses of: Reparation Commission, 5½% Rhineland High Commission, 9½% Military Commission of Control, 7½% Naval Commission of Control, 0.07% European Commission of the Danube	22.8
Exchange differences and interest received	05	Service of German External Loan	0.2
		On account of administration cost of Office for Reparation Payments, and discount on railway payments in advance	77.5
	1,000.5	Cash in hand, Aug. 31, 1925 ..	3.9
			107.0
			1,000.5

Germany has enjoyed a virtual moratorium during the 12 months, four-fifths of her total payments being provided out of money borrowed from other countries. During the next year she must find 1,220 million gold marks, from interest on railway bonds and industrial debentures, and from the sale of railway shares. Her internal resources will be drawn on to a steadily increasing extent, until the "standard" level of payments of 2,500 million gold marks per annum is reached four years hence. An analysis of the value of Reparations received so far by the chief Allies reveals the following significant facts:—

(Million Gold Marks.)

	To Great Britain.	To France.	To Italy.	To Belgium.	Total, Four Countries.
Arising on account of—					
Reparation Recovery Acts, &c.	155.2	25.1	..	..	180.3
Cost of armies, requisitions, &c.	30.2	144.2	..	..	184.4
Delivery of dyestuffs, &c., and receipts in kind	4.5	227.3	60.4	72.8	365.0
Total	189.9	396.6	60.4	93.6	740.4

The inclusion of miscellaneous deliveries to other Allies, valued at 48.6 million gold marks, and of expenses of various Commissions and the service of the external loan (as shown in the balance-sheet above) brings the total payments to 893.4 million gold marks. Of the amounts credited to individual Allies, France has received 50 per cent., Great Britain 24 per cent., Belgium 12 per cent., Italy 7½ per cent., and the other Allies 6½ per cent. It should be noted that under the Paris Agreement of last January, America is to have 2½ per cent. of Reparation receipts, to be contributed proportionately by other participants out of their own shares. As regards the four largest recipients, 49 per cent. of the total transferred is

accounted for by deliveries in kind, 26½ per cent. has gone in occupation expenses, &c., while 24½ per cent. has been produced by the various Reparation Recovery Acts (in Great Britain's case over four-fifths of the total has been thus derived). Summing up, we may say that in the first year of the Dawes scheme events have moved according to plan, and without apparent friction. Gratifying progress has been made with the task of stabilising the German currency and balancing the Budget. The proceeds of the external loan have been absorbed into the German economy, and subsequently used for financing the year's programme of deliveries without producing currency inflation. The Transfer Committee set up under the scheme has had an opportunity to organise its work and establish certain necessarily tentative precedents based on the year's experience. The future must be left to show whether Germany can, in fact, make continuing payments from her own resources on the scale contemplated, and whether the much larger transfers which are to be made in later years can actually be effected without unduly disturbing trade interests in the recipient countries.

More "Safeguarding" Committees.—Two more Committees of inquiry are announced into "distressed industries" which have made claims for protection in terms of the Government's White Paper. They are to deal with brooms and brushes and aluminium hollow ware. The other day a committee was set up to consider the circumstances of wrapping paper, and it may be convenient to call to mind the whole brood of inquiries which are the progeny of the White Paper. First, there were lace and embroidery, which were made subject to import duty in this year's Finance Act. In March we had a Committee on superphosphates, in April Committees on gloves (leather and fabric) and glove fabric and on gas mantles. In the case of superphosphates, two of the three members of the Committee reported against the imposition of any duty. No reports of the deliberations of the other committees have been published, though the inquiries were completed some time ago. It may, perhaps, be conjectured that no reports of the committees will be published until the Cabinet has decided upon its course of action regarding them, and the House of Commons is sitting and ready to pass a Finance Bill embodying any new duties which may be recommended. This would mean postponement until November, by which time, perhaps, the cases of wrapping paper, brooms and brushes, and aluminium hollow ware may have been reported upon. So far no industry of major importance has become the subject of a committee of inquiry. The troubles of iron and steel, too big and dangerous a basic industry to be dealt with in this hole-and-corner way, were shelved by reference to the Standing Committee on Trade and Industry, presided over by Sir Arthur Balfour. Yorkshire, we understand, anticipates that a Committee on Wool will be set up, though for this there is as yet no official authority. The apparent policy of holding back reports of committees—whatever they may be—until the House reassembles may be designed to prevent importers from anticipating new duties, as was done this year in regard to the re-imposed duties on imported motor-cars.

France and War Debts.—In a speech at Birmingham on Wednesday, the Chancellor of the Exchequer made the important announcement that he had received a letter from M. Caillaux stating that "the French Government accept, in principle, the figure of £12,500,000 as the measure of their obligation to us, subject to the further discussion of various other points, some of which are of considerable importance." The French acceptance "in principle" is as wise as it is welcome. The definite signature of an agreement must await the return of M. Caillaux and his debt-funding mission from Washington. This mission, which consists of M. Caillaux, four senators, and four deputies, left France on Wednesday.

A New Slavery Convention.—The British Government sprang a mild surprise at Geneva when Lord Cecil introduced unexpectedly in the Sixth Commission of the Assembly an international convention on slave traffic.

The existence of the League has made the negotiation of such instruments comparatively simple, for without the necessity of calling a special conference any secondary question can be discussed during the progress of the Assembly, and a convention adopted and signed before the delegates leave Geneva. The British draft is moderate enough to command fairly general approval, and there should be a good prospect of its safe voyage through the Commission and the Assembly itself. The discussions on the League Slavery Commission have shown how fully justified the present Minister for Labour was when, sitting as a delegate for New Zealand at the Third Assembly in 1922, he prevailed on the League to take up the question of slavery seriously. The existing international agreements do not cover the ground, and from parts of them certain powers have dispensed themselves by substituting other accords by no means satisfactory. The case for a new convention is, therefore, strong. The only question is whether the drafters of the new protocol, in their desire to secure for it unanimous approval, have not gone rather to an extreme of moderation. If the International Labour Office does, as Lord Cecil suggested, take up the question of forced labour, there may be some justification for saying so little about it in the convention. But it seems unfortunate that the article providing for the "eventual emancipation" of all slaves could not somehow have been strengthened, and the hint that the provision by which the transport of slaves at sea was to be regarded as piracy might be watered down seems a little uncalled-for.

Iron and Steel Production in August.—As was expected production of pig-iron and steel in the holiday month of August was much less than in July, the actual figures issued by the National Federation of Iron and Steel Manufacturers showing production of pig-iron as 444,500 tons, compared with 492,700 tons in July, and of steel ingots and castings as 477,100 tons, compared with 590,400 tons in July. The corresponding figures for August, 1924, were: Pig-iron 588,900 tons and steel 527,500 tons. In the case of pig-iron, this figure is the lowest since September, 1922, and in the case of steel the lowest since July, 1922. The number of furnaces in blast was 136, the same as at the beginning of the month, five having been relit and five damped down or closed during the month. Imports of iron and steel continue to increase and exports to decline, the imports in August amounting to 232,800 tons, compared with 213,000 tons in July, and exports to 287,800 tons, compared with 306,600 tons. In spite of already low prices, further cuts were made in certain lines during the month, and the Board of Trade's price index number for iron and steel fell from 124.5 to 123.2, while the index number for all commodities fell by only 0.5 from 157.5 to 157. The position of the iron and steel industry in this country is in marked contrast to the position in France, where production continues to rise steadily. August figures are not yet available, but in July record outputs were obtained both for pig-iron and steel. Pig-iron output amounted to 712,800 tons and steel to 615,600 tons. Pig-iron output has consistently exceeded that in this country for over a year, while the steel production has surpassed that in this country since June last. Exports of iron and steel from France are also rising, and in June amounted to 318,800 tons, exceeding those from this country for the first time. The output of coal in the four weeks ending August 29 averaged 3,899,000 tons per week, compared with a weekly average of 4,697,100 in July, the decline being partly due to the holidays. Exports of coal accordingly declined, and amounted to 3,272,100 tons, compared with 4,442,300 tons in July and 5,074,700 tons in August, 1924. Of the total, 585,800 tons went to France, 467,000 tons to Italy, 237,200 tons to Germany, and 220,300 tons to Denmark.

Bank of England.—The half-yearly general Court of the Governor and company of the Bank of England was held on Thursday. The Governor, the Right Hon. Montagu Collett Norman, announced that the profit for the half-year ended August 31st, after providing for all contingencies, was £698,889, making the amount of the "rest"

at that date £3,721,981. A dividend of 6 per cent., less income-tax, will be paid, which will leave the "rest" at £3,023,436. In reply to a vote of thanks, Mr Norman gave some interesting details of the rebuilding operations of the Bank's premises.

Co-operative Trade.—Some inkling of the international and Empire developments now taking place in the co-operative movement is given (writes a correspondent) in the accounts of the Co-operative Wholesale Society for the half-year ended June 27th, now being circulated to the 1,267 society members of the institution. The item of "export £130,139" among sales of £37,160,319 is of small amount, but it marks a beginning which is now being advanced by the sole agency for the supply of British herrings to Russia having been fixed with the C.W.S. by the Soviet trading committee in London, the export of cycles to Scandinavia, and the despatch of English co-operative productions to the co-operative societies of the Continent. The society's investments in Danish State Loan Bonds and the presence of its dairy produce agency in Copenhagen suggests its strong connections with that country. It has investments in the New Zealand Produce Association and nearly £30,000 in the Russo-British Grain Export Company, from which it is now receiving a cargo of Russian wheat at its Avonmouth flour mill. During the six months it exported £11,877 worth of groceries and cloth to Overseas Farmers' Co-operative Federations, and considerable developments are in progress. The supplies from the English productive works of the C.W.S. for the same period were £13,563,668, these being a third of the total sales. The output of the flour and provender mills accounted for £5,767,143 of this; the three soap works for £1,085,735; the margarine works for £1,167,416; the seven boot works and four tanneries for £1,207,809; and the four preserve works for £655,715. The greatest successes have been in the manufacture of foodstuffs, and the total grocery is 28 out of the 37 millions of the turnover. Curiously enough, the textile works in Lancashire and Yorkshire have been the least successful, and although the four woollen mills have lately increased their output by 21 per cent., there was a loss of £32,766, after reckoning interest on capital and depreciation allocations. The three weaving sheds gave a better result on a decreased trade of £12,435. The aggregate turnover of the woollen mills and weaving sheds was £434,300. The seven clothing factories made a surplus of £6,008 on a trade of £222,278. During the six months the C.W.S. sold 1,552,696 pairs of boots from its own factories, and 26,168,838 lbs of tea from the tea department, which it organises jointly with the Scottish C.W.S. The net result of the half-year's operations was a surplus of £487,444—after payment of interest charges and depreciation on property. The societies will receive £281,274 of this in the form of a dividend at the rate of 2d in the £ on purchases. The C.W.S. had deposits and withdrawals totalling £290,827,808, as compared with £263,936,270 in the first half of 1924, and made a surplus—the co-operative term for the ordinary meaning of "profit"—£69,342. This is being transferred to the reserve fund, which is being steadily restored to the 1920 level, from which it was reduced in 1921. The trade union associations with the C.W.S. Bank continue to increase, and there are now 8,617 current accounts open with the head offices and branches of trade unions, these being eight times as many as the accounts of co-operative societies. There are now only 43 distributive societies which do not bank with the C.W.S. Bank, which is developing the number of current individual accounts as an important section of the business. While there are no great signs of a big revival, the progress of the Manchester and London districts suggests a return to the figures of the boom year before long, although the entire recovery is being delayed by the condition of the leading industries of the North-East coast. Although the decrease of the Newcastle branch was only £4,541 on a trade of five and a-half millions, it contrasts keenly with the more than three millions increases recorded at the other centres of the society.

The Wane of Wheat-Growing.—The agricultural returns recently issued, revealed a further reduction of the wheat area of England and Wales by 46,000 acres. The official comment is that that total of 1,499,000 acres is the smallest returned since 1904, a well-intentioned warning against exaggerated alarm. Nevertheless, citation of exceptional seasons does not affect the unmistakable evidence of a steady decline of wheat-growing. The measure of the decline is not to be found in a comparison with the war-years. In 1918 the area put under wheat was 2,557,000 acres. This has commonly been regarded as a great achievement, but it may be—as, indeed, it has been—unduly magnified. It was the result of a combination of inducement with compulsion such as, under normal conditions, is never likely to recur. But it represented, in fact, an addition of less than 400,000 acres to the wheat area of 1915, which was planted without any direct aid from the State. The truer reading of the war record is to regard it as representing the maximum which the most extreme efforts of the State could persuade farmers to grow. To appraise the present tendency a comparison should be made with the return for 1914. In June of that year the acreage of wheat, mainly planted in the autumn of 1913, was 1,807,000 acres. The loss, therefore, is 300,000 acres, or 17 per cent., as compared with the pre-war position. The reduction of the arable area is also about 300,000 acres, so that wheat-growing has declined relatively to a greater extent than the bare figures indicate. In 1914 wheat occupied 16½ per cent. of the arable area, and in the present year it occupies 14 per cent. A discussion on the position and prospects of corn-growing took place in the agricultural section of the British Association at Southampton. It was then pointed out that there is no foundation for the popular belief that arable cultivation depends on wheat-growing. During the past 50 years the acreage of wheat has decreased by 59 per cent., while the arable area has decreased by 28 per cent. It is evident, therefore, that an increased production of wheat does not necessarily involve an increased arable area, and an increase of arable land does not necessarily involve an increased production of wheat. Many of those who claim to speak on behalf of farmers base their case for State assistance for arable farming on the argument that it would make the country less dependent on imported wheat. There is no support for the argument in the recent history of farming. There has been a marked tendency to grow more oats and less wheat. Fifty years ago wheat occupied 23 per cent. of the arable land, and oats 11 per cent. In the present year, while wheat is reduced to 14 per cent. oats have increased to 17½ per cent. The substitution of oats for wheat is not readily explicable. It was suggested at the British Association that on the whole the price of oats has been more stable than that of wheat, and that the produce of an acre of each cereal is worth on an average about the same in the market. On the other hand, wheat is a more marketable commodity than oats. About 75 or 80 per cent. of the wheat crop is sold, whereas of the oat crop the proportion marketed probably does not exceed 30 per cent. It would appear that the dominating factor is value for consumption on the farm rather than value at the market. If this be so it would lead to the conclusion that the maintenance of the wheat acreage depends on the adaptability of the crop for animal rather than for human food. There are those who look forward to a world shortage of wheat to raise the price to a level which would induce farmers to grow it more extensively, and, indeed, this view found expression at the British Association meeting. The particular form of prophecy has not found much favour at the British Association since the famous address of Sir William Crookes from its presidential chair. Never was a prophet more completely confounded by events, and those who assume his mantle might take warning from his experience.

Control Board for the Cotton Trade.—Our Manchester correspondent writes:—During the war the Board of Trade established a Control Board for the cotton industry. The chief work of the Board was to limit production in spinning and weaving when difficulties were experienced in obtaining adequate supplies of raw material. During the last two or three years, while trade has been so

depressed in Lancashire, there has been a suggestion that the industry itself should form a Board to regulate output according to the state of demand. The Provisional Emergency Committee has been particularly active in this agitation. It has been realised, however, that to secure control the help of the trade unions would have to be obtained, and it has been suggested that if particular firms refused to carry out the recommendations of the proposed Board it would be possible to withdraw the labour from such mills. Legal opinion, however, has so far been against a scheme of this kind, but Sir Charles Macara, the chairman of the Provisional Emergency Committee, has now stated that Mr Cyril Atkinson, K.C., M.P., has outlined a scheme, which has also been submitted to Sir John Simon. These two gentlemen have now made a statement to the effect that if a mill failed to comply with the requirements of the Board, the decision of the Board that labour should be withdrawn from such a mill by procuring the workpeople to give the proper notice would not involve any of the parties to the agreement in any liability whatever. It is rather remarkable that a few months ago the Master Spinners' Federation obtained the opinion of Sir John Simon on this point, and on that occasion his view was that such action would be illegal. The Master Spinners' Federation is not satisfied with the new position, and it is understood the president, Mr F. Holroyd, is about to have an interview with Sir John Simon on the matter. It is almost unnecessary to state that a scheme of control on the lines indicated above would have serious consequences, and it may be taken for granted there would be considerable opposition from many people connected with the trade.

Rubber Market Conditions.—A Stock Exchange correspondent writes:—The present buying movement in rubber shares, one of the outstanding features of the Stock Exchange markets, stands upon a firmer basis than any of the similar movements have occupied for the past five years. It may be recalled that in the wild rush of what has come to be remembered as "Mad Monday," early in July, every constituent of a boom was present. The market developed such wildness that brokers found it a matter of physical impossibility to carry out orders which descended like an avalanche, to buy shares at any price which happened to be current. The record of that mad Monday's markings made, afterwards, a lamentable reflection upon the avid appetite that seized the public, and which led to the purchase of shares at what seemed to be fancy figures. There was a sharp reaction upon the notification that an unexpected amount of uncouped rubber had been released early in August. The price of raw rubber reacted as the proportion of exportable allowance became raised by 10 per cent. on August 1st. Since that time the market has been steadily recovering its poise. Prices are now near, or in some cases above, the levels which they reached a couple of months ago. The speculative investor is in control. A certain amount of gambling takes place, but this is confined mainly to the professional operators, who are always hanging on the skirts of any market which happens to be popular. The real strength of rubber shares rests not in the buying for differences, but in the absorption of shares selected with discrimination by people who are paying for them. Nor is the business confined to speculation in 500 "penny bazaar" shares at two or three shillings each. The public have evidently arrived at the conclusion that there is money in rubber shares from the point of view of dividends. Daily dividend announcements which have been made this week, showing, in many instances, substantial improvements over the results of a year ago, have captured the imagination of the real purchaser. He is putting not £50 or £100 into the industry, but is selling Home Railway stocks, to take one example, and reinvesting hundreds in the best-class rubber shares. To such an extent has this been carried that the supply of £1 shares has run short. Previous buyers require to be tempted if they are to part with their shares, and, although the market is not in a runaway condition, people are taking a very optimistic view, and are prepared to pay for it. This double set of conditions enables a certain amount of business to be done in the £1 shares, a good many of which are in the hands, of course, of holding companies and of firms where money is

generally employable in new ventures. This adds a source of supply to the market, though, when all is said and done, the prospective purchaser finds it extremely difficult to spend anything like five thousand pounds in a line or two of particular rubber shares. He may be able to pick up a couple of hundred of this, and 150 of that, with 300 of something else, but to invest five thousand pounds in a single company is no easy matter, though in the 2s shares a greater flexibility of market exists. It has often been urged that the rubber market would be greatly assisted if a number of the companies with comparatively small capitals were to amalgamate into one large concern, so enabling a more liberal supply of shares in the latter than can possibly be the case when there are six or a dozen companies, each with modest capitals, the shares, as a rule, held tightly by their possessors. Rubber directors are not, however, as a rule, inclined to look kindly upon amalgamations. If they were, the difficulty of dealing would be rendered considerably less. So far as the outlook for the raw material is concerned, the prospect is promising enough. What is still more to the point, the dividends in course of declaration are as good as anybody can wish, and, with these two factors to stimulate the public demand, the rubber share market is deemed to justify the expectation that firmness and strength will characterise the coming autumn.

British Trade with Persia.—According to the report compiled by Mr R. H. Hadow, dated April, 1925, and published by the Department of Overseas Trade (Trade and Industry of Persia; published by H.M. Stationery Office, price 1s 6d) two "great stabilising forces are at work for the good of the country and to its infinite benefit." The first is the orderly government secured by the "military organisation and statesmanship of his Highness Serdar Sepah," which has meant security for caravans, free movement of traders, and gradual development of trade throughout the country. The second has been the "thorough reorganisation of the country's finances by the American Financial Mission, ably assisted by a long-established and highly efficient Belgian Customs administration." Since the American Mission took over the direction of the country's finances, revenues have exceeded expenditure, and while revenues increase, actual expenditure appears to be diminishing. There are still plenty of obstacles to trade in Persia, not the least of them being the impossible condition of the roads (despite the efforts made by the American Mission) and the absolute lack of roads in many directions. Transport rates are very high, and excessively so for imports. Parcels sent by post are, owing in part to an extraordinarily cumbrous system, liable to fearful delays; from three to five months is no uncommon period for a parcel to take between Bushire and Teheran. "The parcels post service is, therefore, not to be recommended as a method of sending catalogues, books, or similar articles to Persia." At the end of that long period the consignee has to pay heavy postal charges, which may amount to from 5s to 10s for a catalogue of which he does not know the contents. Of Persia's exports, the most important are oil, forming one-half of the total; carpets, a trade almost entirely in the hands of British and American firms; and opium. Opium goes mostly to Russia, which in 1924 took 65 per cent. of the total supply. On this crop the people of South Persia are largely dependent for existence; it is the only crop known to the native cultivator which is easily transported, easy to produce, and yields a certain and large return in comparison with the area under cultivation. Soaring prices and increasing Russian demand have made it very hard for the Persian Government to carry out a policy of restriction of cultivation and diminishing production. As regards oil, it is the view of Mr Hadow that the products of the Anglo-Persian Oil Company ought not to be excluded from other exports (thus giving an unfavourable trade balance), since, as a matter of fact, the country benefits largely by this trade. Anglo-Persian royalties amount to no less than 10 per cent. of the national revenues. The import position is very interesting. Persia is mainly dependent on imports for manufactured goods; some 36 per cent. of its imports consist of cotton, woollen or mixed tissues, wearing apparel, &c.; these items, together with tea and sugar, form the backbone of its

import trade. Before the war the British Empire, including India, had approximately 21 per cent. of the total trade against Russia's 60 per cent.; in 1923-4 the position was reversed—we had 57 per cent., Russia only 18 per cent. The United States—1 per cent. in 1914—had 4 per cent. in 1923-4. In North Persia, however, Russia is reported to be making considerable strides, and extending its activities to other parts of the country. In the piece-goods market Great Britain had a dominating position a year ago, but, says Mr Hadow, "it is not to be assumed that the competition of other producing countries is not developing rapidly in Persia." Italy and Russia, France and Belgium are entering the market vigorously, while Manchester is increasingly feeling the competition of India, especially in South Persia. "In the case of foreign competition, a good deal of the progress made by these countries is generally ascribed to more plastic financial accommodation and acceptance of comparatively small trial orders for special goods. . . . This enterprising spirit is particularly a feature of the Italian manufacturer, and has good results, especially in Tabriz. As the Persian market for cotton and woollen goods is worth roughly five millions sterling, this accommodating spirit would appear to be worth while, provided that it is consistent with proper business methods."

Shipping Documents and Underwriters.—Although the Carriage of Goods by Sea Act has been operative since the beginning of the year, the circumstance that sea carriers are now compulsorily liable for the safe carriage of goods during the period of the voyage is apparently still not fully appreciated in some quarters. It is no longer open to a ship's agent to repudiate a claim for loss or damage on the ground that the terms of the bill of lading give exemption from liability. Nevertheless, there have been instances where that attitude has still been adopted. Consignees, too, are apt to remove goods into their own custody without inspecting them carefully to ascertain their condition. The Act requires notice in writing before removal, or, if the damage be not apparent, within three days. In the absence of notice, or of a joint survey or inspection, a *prima-facie* presumption of delivery of the goods as described in the bill of lading arises, and the subsequent enforcement of a claim becomes more difficult. The parties who have to bear the loss in many cases are, of course, the underwriters, and their position in obtaining reimbursement may be prejudiced if the shipowner and the merchant, or their representatives, fail to follow the proper procedure in the first instance. So much is this the case that the setting up of an organisation for collecting claims has been proposed in the interest of underwriters. Where goods are first discharged into lighters and subsequently delivered to consignees, an additional element of uncertainty, and consequent difficulty of proof, often comes in. The Sea Carriage Act did not reach the Statute Book until after several years of international discussion, and other countries are not proceeding with similar legislation so fast, perhaps, as anticipated, though some progress is being made. Another movement tending towards standardisation of shipping documents has in the meantime started. The International Law Association is interesting itself in c.i.f. contracts, and the matter is to be discussed at a conference at Marseilles next year. The branches of the Association in various countries are preparing materials for consideration, and the French branch has recently issued a set of proposed rules dealing with c.i.f. contracts. While disclaiming the intention of working out a standard form of c.i.f. contract, these proposals certainly go some way towards that. As a basis for discussion they will be useful, but probably they will require much revision before being at all acceptable. The need for uniform rules and decisions is greater on the Continent than in this country, where judicial rulings have followed a fairly consistent course. One question on which our judges have taken a very definite line is in relation to certificates of insurance. They have held that the seller does not discharge his duty by tendering, under an ordinary c.i.f. contract, a certificate of insurance. He must provide an actual policy covering the goods, unless, of course, the contract expressly provides that a certificate of insurance shall be accepted. The buyer requires the assignment to him of an

actual policy on which he can, if necessary, bring an action, which he could not do on a mere certificate. On this point the French draft rules follow the English law in declaring a certificate of insurance insufficient.

Modderfontein East.—Our mining correspondent writes:—This ambitious Eastern Rand enterprise still appears a long way from justifying the hopes of its sponsors. It will be recalled that in May last year the capital was scaled down and a fresh issue of debentures made, more particularly for the purpose of providing the company with its own treatment work and of paying for the incidental increased development. So far, of course, the ore has been transported from the mine to the Apex mill of the new Kleinfontein, a procedure which has, naturally, increased the working costs, besides limiting the tonnage which could be treated. The new plant on the mine is now approaching completion; in fact, it is expected that a trial run will be made in November. Under the new conditions, working costs should not only be much lower than they were in 1924-25, but lower than previously. This point is emphasised because last year's average was no less than 27s 6d per ton, whereof 3s 3d was due to extended development and the general preparation of the mine required for the larger output which will be required to supply the new reduction plant. The revenue averaged 28s 1d per ton milled, a decrease of 4s 9d, due partly to the lower grade of ore milled and partly to the disappearance of the gold premium. The very small working profit of £10,950 became converted into a loss of £5,100 after allowing for debenture interest, &c. This result, of course, need not alarm the shareholders, being obviously due to the special conditions referred to above. What may give them cause for anxiety, however, is the continued unsatisfactory trend of development. Last year's underground footage totalled 29,400, or more than double the amount performed in 1923-24; yet the quantity of payable ore developed was not more than 367,000 tons, in place of 551,000 tons, while the value averaged only 6.15 dwts, in place of 7.2 dwts. The explanation of the great disparity between the increased amount of work performed and the results arises, of course, from reduction in the percentage of profitable material opened up last year. In the preceding 12 months the pay percentage figures at 60. For the exact proportion in respect of the past season, the full text of the annual report must be awaited, but the quarterly reports for the whole period, which are available, suggest that the payable percentage cannot have exceeded 25. The directors observe that "the disappointing results indicate the necessity for a further increase in development operations." It is obvious, however, that unless better results are shown in the future than in the recent past, the company will be unable to earn profits commensurate with even its reduced capital.

Oversea Correspondence.

UNITED STATES.—BUSINESS OUTLOOK—ENCOURAGING FACTORS—COTTON CROP—STOCK MARKET POSITION—DEBT FUNDING.

(FROM OUR CORRESPONDENT.)

NEW YORK, September 8.

WITH the Labour Day holidays past, the autumn season, according to popular impression, is about to start. While the division of the year's business into arbitrary periods on the basis of this sort of criterion has its limitations, the fact remains that the next month or so should give a pretty clear indication of business prospects during the rest of the year. Accordingly it is noted with satisfaction that trade is quite active, and that the outlook in this direction is promising. Both railroad car loadings and bank clearings show that the distribution of goods and the volume of general trade have reached unprecedented proportions. Consumption plainly is very high, from which it is inferred that purchasing power is great. Meanwhile, it is apparent that industrial production, which slumped

rather sharply during the second quarter of the year, when the extremely high production of the first quarter was being liquidated, is moving upward moderately. The Federal Reserve Board's index of production, which is compiled from the statistics regarding 22 basic commodities, rose 2 per cent. during July, and probably has continued its advance since then. This index dropped from a height of about 125 per cent. of the 1919 average, which level was attained early in the year, to about 110 per cent. in June. After July's small recovery it was nearly 20 per cent. above the low point reached during the summer season of 1924.

Another encouraging factor is embodied in the condition of the crops. The likelihood of a smaller wheat crop is offset by the larger yields promised in other directions. Taking August 1st crop estimates and August 15th prices, the Federal Reserve Board estimated that the value of the principal crops would be 7 per cent. higher than the value of the corresponding crops last year. This increase represents a continuation of a tendency that has existed for the past several years, and which has brought the value of these crops up from \$4,945,000,000 received in 1921 to an estimate of \$8,732,000,000 for the current year. While the next few weeks may bring some revisions in the latest figures, it is fairly evident that conditions in the agricultural districts are improving consistently, a circumstance that helps to explain the prosperity of the mail order houses, which are doing a record-breaking business, and the better demand for agricultural implements.

To-day's estimate of the cotton crop by the Department of Agriculture furnished the market with something of a surprise. The Department's estimate of condition and prospects as at September 1st was not greatly different from its last preceding estimate, and the more moderate of the private estimates. It came, however, after a week in which some of the private estimators had placed their figures almost as high as 15,000,000 bales. When, therefore, the Department placed its estimate at 13,740,000, as against 13,990,000 in the estimate of the fortnight previous, and as against an average for private estimates of about 14,000,000, short covering developed on the exchange that lifted the price \$5 a bale.

An interesting feature of the cotton statistics made public to-day is embodied in the ginning figures. Some 1,892,000 bales were ginned before September. This compares with 577,000 bales ginned to August 15th and with 947,000 to September 1, 1924. Altogether it is apparent that this year's crop will be one of the largest gathered in the past ten years.

With these evidences of active trade and generous production attended by only a slight firming in the money market, weight is lent to the view that money will not be very dear this autumn. Business is still being conducted on the basis of buying only for immediate requirements, and few judges believe that the fall expansion in activity will be strenuous enough to prompt anything like inflation. Industrial corporations are exceedingly liquid; the private banks are extremely strong, and have large amounts of money out on call; and the existing demands on the Federal Reserve system are moderate indeed. The international situation apparently does not call for a hard money policy on the part of our central banking system, while on this side of the water business is being conducted in a conservative manner, and the much-discussed stock market speculation is probably the subject of much exaggeration. In addition, activity in the way of new issues has fallen off markedly, and new borrowers are not crowding forward with demands. A revival of foreign borrowing will probably wait on debt-funding negotiations and on a clarification of the financial situation in Germany. On this basis it is concluded that while a further mild firming in money would not be surprising, it is likely to remain plentiful and reasonably cheap.

As for the stock market, although reactionary during the past week, it still maintains a firm undertone. Some critics declare that it has anticipated all the good business developments that possibly can occur; they talk of extravagant speculation. On the other hand, careful industrialists and capitalists are unwilling to concede that their own stocks are high. They are unwilling to sell their favourites at present prices, and in some cases have been making further purchases for investment. A conserva-

tive banker who had been away for a month or two observed that while certain "obscure" stocks had risen a hundred points or so during his absence, the standard investment issues with which he is familiar were lower than when he went away. Another banker, in expressing scepticism with regard to the talk of wild speculation, stated that he had made an investigation in five other banking houses and had found that the quantity and quality of collateral held against stock market loans were unusually high. This checks with the declarations of brokers that their customers' accounts are unusually well margined. Plainly, other factors, such as an abundance of bank money and investment capital, are at work as well as the inevitable speculative pressure.

Next steps with regard to debt funding will be awaited with great interest. We gain the impression that Caillaux is anxious and determined to carry through a settlement, and that the Administration will give due weight to capacity to pay. The outlook is regarded rather hopefully. The opinion strengthens that the Belgian debt settlement is a good one. Those who consider the ultimate yearly payments should remember that the burden is much moderated during the first ten years. Our bankers feel that a great deal may happen during that period. The criticism of the Franco-British debt agreement, which was rather bitter at first, has subsided. Most of our newspapers felt that the American Government was "being put in the hole." Perhaps they are growing to believe that the agreement was desired by the French rather than by the British.

FRANCE.—BUDGET PLANS—EIGHT MONTHS REVENUE—CROP ESTIMATES—AUGUST TRADE.

(FROM OUR CORRESPONDENT.)

PARIS, September 16.

M. CAILLAUX, last Saturday, laid before the members of the Finance Commission of the Chamber the draft of his Budget Bill for 1926, with the obvious intention that that important body, by whom the fate of French Ministries has more than once been decided, may have ample time to digest his proposals during his absence in America. The Finance Minister, as was anticipated, claims that his new project constitutes "a truthful Budget, which comprises the whole of the State's expenditure for the coming year, and which is based on the principle that the whole of the money required to meet that expenditure shall come solely from taxation." He also claims that the new Budget is "irreproachably balanced," and that, although the last Budget "appeared" to show a balance, "it is necessary to consider realities and not appearances, and we must take off our hats before this evidence, namely, that there can be no budgetary equilibrium if the elementary principles of all domestic accountability are not observed." M. Caillaux's insinuation, of course, is that past "Special" Budgets, "Extraordinary" Budgets, and "Budgets of Recoverable Expenditure" were in contradiction with "the elementary principles of domestic accountability," and this fault he has carefully avoided in his present measure. The estimated revenue from the Dawes Plan, which last year was applied in relief of ordinary taxation, has now been deliberately taken out of the Budget and passed to the newly-created Caisse d'Amortissement, the special fund from which war pensions and the money required to complete the restoration of the devastated regions, and the instalments to be paid in respect of the debts due to Great Britain and the United States are in future to be drawn.

All projected new expenditure by the various Government departments has been ruthlessly cut down by the Finance Minister, in accordance with the threat he made some months ago, in the form of a peremptory circular letter to those of his colleagues who are at the heads of those departments. Demands for increased expenditure, the Finance Minister states, have been cut down by two-thirds. The net result of the modifications M. Caillaux has made on both sides of the account is that this year he has to find an additional 3,440,000,000 to bring about a balance. To the question, where is this money to be found? M. Caillaux replies: "By the possessing classes, and by all those whose labour provides them with

large incomes—and by these alone.” The manner in which M. Caillaux proposes to secure his additional resources was set forth in detail last week, namely, from income-taxpayers, by increasing the schedule rates all round, and by imposing a super-tax on all large incomes, the latter taking the form of the application of a progressive increase of the general income-tax (a similarly progressive scale having already been applied to the “schedule” portion of the tax). It is now made known that the Minister proposes that the second new tax on the possessing classes—that on “unproductive capital” in the form of art collections, jewels, family plate, tapestries, libraries of rare books, &c.—shall be levied at the rate of one-half of 1 per cent. on the value of the property imposable, an abatement being allowed of 50,000f, plus 30,000f if the assessable person is married, and a further 10,000f in respect of each of any children he may have. From the super-tax M. Caillaux expects a yield during the first year of 100,000,000f, and from the tax on *biens oisifs* of 80,000,000f.

M. Caillaux does not hesitate to state, in the preamble to his Bill, that he projects several other sweeping reforms (in the way of departmental reorganisation, for instance) which will enable further economies to be effected, and also that several “vast projects” are under consideration for the national betterment. Among these, it is understood, will be a scheme for the protection and development of agriculture. For the moment, one cannot but admire the skill with which the Finance Minister has succeeded, while flatly refusing to adopt the Socialist proposals for a direct capital tax, in drafting what cannot be described as anything but a thoroughly democratic Budget.

The yield from taxation during August, according to returns published yesterday, was the lowest recorded during the past 12 months, as might have been expected, in view of the fact that this was the holiday month. The total revenue for the month was 1,812,719,700f, as compared with over 2,500 millions in July, 2,842 millions in April, 2,729½ millions in December, and 2,947 millions in October, and was only 24 millions larger than the total for August, 1924, when the increased taxes imposed by the Budget for the current year had not come into force. The Budget for 1925, it will be recalled, estimated a total revenue for the year from all sources of 33,133,000,000f. If from this be deducted 1,275 millions, which it was found necessary to take from the French share of the yield from the Dawes Reparation scheme, it will be seen that M. Caillaux anticipated that the revenue for the year from all sources would amount to 31,863 millions. The first eight months (or two-thirds) of the year have yielded a total of 17,954,818,000f, or, in round figures, only 18,000 millions, instead of the 21,000 millions which, theoretically speaking, ought to have been received by the Treasury now that two-thirds of the year have gone. This “deficit” is more apparent than real, however, as the last three months of a French financial year invariably result in a much higher yield from taxation, for obvious reasons, than their predecessors; therefore, it is more than probable that M. Caillaux's estimates will be justified by the time the year ends. The yield from the tax on turnover during August, although it amounted to 369,186,000f, and was 35,169,000f more than in August, 1924, was 21,394,000f less than it was estimated to produce for the month when the Budget was drawn up. The total yield from this tax for the first eight months of the year has been 2,984,690,000f. Whatever criticisms may be offered as to its repercussion upon the cost of living, it is evidently likely to demonstrate that its inventor, M. Klotz, was justified when he predicted, at the time he introduced this form of impost, that it would eventually produce between 4,000 and 5,000 millions a year.

The Minister of Agriculture announces that, according to the latest official estimates, the wheat crop will probably amount to 89,561,060 quintals, as compared with 76,839,890 quintals in 1924, while the crop of rye is estimated at 11,371,250 quintals (as against 10,128,600 quintals last year), and that of mixed wheat and rye at 1,311,890 quintals (compared with 1,302,160 quintals in 1924). This year's available quantity of bread-making cereals, therefore, although not representing the magnificent return that had been expected, until the highest hopes were blighted by the bad weather, may be regarded as more satisfactory than the average.

The foreign trade returns for August disclose a continuance in the falling off of exports which has been in progress since last December. For the first time since December, 1924, the month's return shows an adverse balance against this country. The total imports for the month had a value of 3,297,316,000f, while the exports amounted to only 3,258,311,000f, leaving a deficit of 39 millions on the month's exchanges. There was a similar deficit (of about 200 millions) in August, 1924; therefore, it may be concluded that seasonal influences were a factor in the situation. The drop of 226 millions in the exports for August comprised 157 millions of manufactured goods, 59 millions of foodstuffs, and about 21 millions of raw materials. Imports of manufactured goods fell off 13½ millions on the month, while imports of raw materials rose by 157½ millions, and of foodstuffs by 120 millions. The total exchanges for the first eight months of the year, which comprised 25,167,388,000f of imports (or 852,480,000f less than during the corresponding period of last year), and 28,367,069,000f of exports (or 1,213,651,000f more than during the first eight months of 1924), left a surplus of exports amounting to 3,199,681,000f, as compared with a favourable balance of 1,134,550,000f in the period January-June, 1924. In tonnage the imports for the eight months were 7,793,070 tons less than during the corresponding period of last year, while exports were 1,392,317 tons more.

GERMANY.—INDUSTRIAL COMBINES—FINANCES— BONDS VALORISATION—CREDIT—INDUSTRY— FOREIGN TRADE—BOURSE.

(FROM OUR CORRESPONDENT.)

BERLIN, SEPTEMBER 16.

FUSIONS of industrial concerns with the aim of promoting economy continue. The negotiations for the combine, referred to last week, between the leading Western coal-metal concerns now, it is reported, have as their object complete fusion into a single company of Trust character, which will unite the coal, as well as the iron, steel and rolling-mill interests of the seven companies. This extended plan creates a great coal power, because six of the seven concerns produce each annually more than 5 million tons of coal, Gelsenkirchen leading with 12 million tons; and all seven together produce 46,962,000 tons, which is nearly one-third of the combined shares of all companies (157,200,000 tons) in the Ruhr Coal Syndicate. The combine will also have about a one-third share in the Pig-Iron Syndicate. One result of the hoped-for economy will be the closing down of certain works and the discharge of workmen, who already in Rhenish-Westphalia number 70,000 men fewer than at the date of the currency reform. The loose “Interessengemeinschaft,” a form of co-operation which was long in favour, because thereby the heavy stamp duties imposed on formal fusions were spared, has lost part of its charm since the recent reduction of these duties. For months past negotiations have been under way for the conversion of the Aniline Concern “Interessengemeinschaft,” which loosely unites seven companies into a formal fusion. An understanding is believed to have been come to. The new agreement between the rival Deutsch Petroleum Company and former company of the latter's oil production works, including native oilfields and refineries, in exchange for shares in the Deutsche Petroleum Company. The Erdoel Petroleum Company will increase its capital by 11 million marks. In the potash branch the Burbach and Gumpel concerns, both of which are themselves combines, will fuse. This means the concentration of nearly the whole potash industry in three concerns, the Wintershall with 379 shares out of the total 1,000 shares in the syndicate, the Salzdetfurth-Aschersleben with 244 shares, and the Burbach-Gumpel with 175 shares.

The Prussian Budget for 1925-26 will show a deficit of 221 million marks. The Federal Treasury return for August shows receipts 557,831,300 marks, against 692,672,100 marks in July; payments out, 603,794,200 marks, against 629,771,700 marks, of which 243,068,900 marks was subsidies to States and municipalities. The August yield of pledged Reparations taxes is not included

in the above receipts; the July yield, as refunded by the Commissioner for Pledged Undertakings, is, according to practice, included instead. The Cabinet has prepared a Bill providing for insurance against unemployment, which in its main lines follows a Bill submitted in 1922 but not passed. Hitherto unemployment insurance, where it has existed at all, has been local, although there has been a federal system of unemployment support. Insurable under the new law are those classes which must insure against sickness. Unemployment allowances will be 40 per cent. of the normal wage, rising to at most 65 per cent. where the beneficiary has a family. Only persons who are both willing and able to work may benefit; and offers of work may not be refused without good reason. Offer of a wage below the locally normal level counts as a good reason. Persons without work as result of a strike or lock-out cannot benefit; and chronically unemployed and youths may be required to work on public undertakings. Premiums are payable equally by employers and employed, and will not exceed 2 per cent. of wages.

The first regulations concerning exchange of paper-mark bonds for “loan redemption bonds” under the law of July 16th, require all claimants to register and send in their bonds between October 5th and February 28th. This should be done through banks or savings banks, which will make no charge. Through the intermediary banks the claims will reach the Federal Debt Administration, the final authority. Persons who as “old” bondholders, having acquired before July 1, 1920, claim the preferential treatment provided for this class by the law, must send in their bonds with a list thereof, and with proof of the date of acquisition. Proof may be of any kind. Banks and other institutions through which a holder may have bought his bonds are obliged to give him assistance in proving. The special “Old Possessions Boards,” which will be created, may accept the claim, or require its confirmation by oath, or reject it. In the last case the bondholder may appeal within a fortnight. Special arrangements will be made for claimants resident abroad. In general, such claims will be made to German consulates or embassies, but to the larger countries will be sent commissioners who will organise the exchange, and fix special terms for sending in, &c. Foreigners in remote countries will be given sufficient time to make their claims, but unless they are either “old” holders, or are very big “new” holders, it will hardly be worth their while to make the exchange.

Short-term money continues plentiful, day money costing 7½ to 8½ per cent. Through the New York National City Bank has been contracted a loan of \$25,000,000 for the new Rentenbank Credit Institution, which finances agriculture. The nominal interest is 7 per cent., effective interest 7.95 per cent., whereto a supplement for amortisations; issue price 93, repayable at 100. The Government is taking measures against certain cartels (mainly textiles) to compel them to abandon price-calculating in dollars, a relic of inflation times. The effect of this practice is to keep prices up. The Reichsbank's return for September 7th shows the usual alleviation after the month-end strain; discounts declined by 64½ million marks to 1,700½ million marks; circulation by 35½ million marks to 2,559½ million marks. The official wholesale index number for September 9th shows 127.6 against 127.5 on September 2nd, and 133.8 on August 5th.

The industrial movement is slightly towards depression. The number of publicly-supported unemployed rose in the second half of August from 308,000 to 328,000. The highest figure this year was 593,000, the lowest 193,000. For August, 33 per cent. of industrial companies reported business as “bad,” as against 31 per cent. in July; 41 per cent. against 41 per cent. reported “middling”; and 26 per cent. against 28 per cent. reported “good.” These figures give no picture of the absolute condition of industry, but they indicate the trend. Coal output is increasing. It is stated that the Government does not propose to reduce the ration of English coal licensed for import. English coal still successfully competes on the coast, and further limitation of its import would compel the coast centres to buy the dearer Ruhr coal. The iron and steel branches show no improvement. Coal exports in the first seven months of 1925 totalled 7,874,932 tons,

as against 2,795,090 tons in all 1924; exports of iron and steel and wares (excluding machinery) thereout totalled in the seven months 1,903,679 tons, against 1,955,110 tons in all 1924. Exports of machinery in the seven months totalled 202,494 tons, against 271,484 tons in all 1924. These figures would be satisfactory were export prices normal; but, in fact, on coal and heavy iron and steel exports, losses are suffered. The textiles industry is fairly prosperous. The wool branch is increasingly active; the velveteen, artificial silk, stockings, and knitted goods branches are very well occupied. Conditions in the linen branch are unsatisfactory, mainly owing to weakened buying-power, and some linen manufacturers have gone over to cotton or half-linen production.

Foreign trade in July in marks (000's omitted) was:—

	Imports.	Exports.
Livestock	14,033	483
Food and drink	449,568	33,773
Raw and half-manufactured materials	533,459	140,442
Manufactured goods	156,977	568,182
Gold and silver	25,885	3,642
	1,179,952	746,522

June imports were 1,069,819,000 marks; exports, 687,712,000 marks. Exports of textiles in July declined; exports of shipping increased by 12 million marks; electrical wares, 10 million marks; iron and steel wares, 8.7 million marks. Trade by continents and countries in the first half of 1925 was (in millions of marks):—

	1924.		1925.	
	Imports.	Exports.	Imports.	Exports.
Total	4,483	2,827	6,830	4,132
Thereof:—				
Great Britain	441	230	571	467
Holland	182	274	355	468
Czechoslovakia	210	167	257	215
Italy	170	104	246	166
Switzerland	148	156	168	211
All Europe	2,416	2,061	3,433	3,085
Africa	211	59	277	91
Asia	428	242	762	309
Argentina	277	85	322	121
U.S.A.	797	202	1,555	259
Australia	207	11	174	18

Stock levels last week had a considerable set-back, for which there was no reason except the rapid rise in the preceding three weeks. On the first two days of this week the tendency was again moderately upward. The *Frankfurter Zeitung's* index shows for September 12th, 71.62, against 75.08 one week earlier; a low point of 67.29 on August 21st; a high point of 111.27 on January 31st; and 100 on January 2nd. Paper mark loans dropped further, and on the 12th averaged a little more than 25 per cent. of their prices of beginning of the year.

HUNGARY.—TRADE BALANCE—CROPS AND YIELDS.

(FROM OUR CORRESPONDENT.)

BUDAPEST, September 12.

For the first seven months of the current year the exports of Hungary are 40 million gold crowns more in value than in the preceding year, and the total volume of trade shows an increase of over 70 million gold crowns. Imports have risen from 358 to 386 millions; exports from 280 to 323. The adverse balance has sunk from over 77 millions to 62. The adverse balance for the last five months amounted to 15.9 millions, against 59.3 for the same period of last year, from which it appears that the improvement has been consistently progressive. Hungary can, therefore, look forward with confidence to the figures for the last three months of the year, which should show a credit balance.

The estimates for the harvest continue to improve, and it seems possible that the total yield of cereals will be not far short of the harvest of 1923. Maize should be much greater, and may be placed at the figure of 24 million quintals, 33 per cent. more than 1924. It is true that huge crops of maize are expected in all the neighbouring countries, and that the price for the exporters is likely to be low; but this crop is so valuable for fodder and other things that the export is not of such importance as that of other cereals. Sugar also promises well, and

it is hoped that the price will improve upon last year. Statistics have been published by a Hungarian expert giving the probable values of the various crops, according to which the total cash yield of the "agricultural cultivation" should amount to 476 millions of gold crowns, not much less than 20 million pounds sterling. This does not include the sale of livestock, dairy farming, and other bye-products.

Before the war the average yield of wheat in old Hungary was some 40.9 millions of quintals. The estimate for the present year is about 18 millions. As Hungary has lost over 70 per cent. of her territory, the amount expected on that basis should be 13 millions only. The average yield per acre for 1925 is 17.5 bushels, as compared with an average of 18.7 for the years 1909-13. Some of the best areas give 25 bushels, and on certain estates 25.37, so that with further drainage and improved methods it is clear that the yield might be increased all round. The danger at present seems to be that a too optimistic view should be taken by those in authority, but as long as the control continues this danger is limited.

CANADA.—GENERAL ELECTION CABINET CHANGES—MR KING'S SPEECH—CROP CONDITIONS—THE FEDERAL REVENUES—PRICES—STOCK MARKETS—GENERAL BUSINESS CONDITIONS.

(FROM OUR CORRESPONDENT.)

OTTAWA, September 5.

YIELDING to the pressure of popular sentiment, the King Government has decided not to live out its statutory term of office, and a general election for the Federal Parliament will take place on October 29th. In making this announcement to his constituents this afternoon, Mr King declared that the most compelling motive which prompted him to seek a dissolution was a desire to secure a fresh vote of confidence from the electorate, and thereby terminate a campaign of deliberate misrepresentation of Canadian conditions which opponents of the Government were carrying on, to the grave detriment of the national interest. He made a detailed defence of the policies and actions of his Government, but he disappointed the country by the nebulous character of his pronouncements upon the railway problem; there had been confident forecasts that the Government was ready to sponsor the main recommendations of the committee of the Senate which examined the problem last session, and produce a policy for the amalgamation of the Canadian Pacific and Canadian National systems, and undoubtedly some negotiations with this end in view had been attempted, but Mr King contented himself with vague statements about the desirability of regulated co-ordination of the operations of the two systems, and a rather indefinite promise that if it was not secured by a mutual voluntary arrangement, legislation would be passed to enforce it. On the tariff issue he took the line of careful compromise which has become habitual with the Liberal leaders, and he promised to continue his campaign against the monopolistic exactions of the North Atlantic shipping combine. Indications of the main line of Liberal strategy came in the latter half of his speech, which he devoted to an attack upon the Senate; he claimed that its Conservative majority had grossly abused its powers of veto, and pledged himself to secure their curtailment. The expected reorganisation of the Cabinet has also taken place, but the changes are regarded as of a weakening character. The refusal of Mr Dunning, the Liberal Premier of Saskatchewan, to move to Ottawa ended all hope of the adhesion of a group of new Ministers who might be acceptable to the Progressives, and Mr King has been thrown back for recruits upon the protectionist wing of his party. The veteran Mr Fielding now finally retires from public life, and simultaneously Mr Bureau, Minister of Customs, Mr Beland, Minister of Health, and Mr McGivern, who sat without portfolio, drop out. The vacancies are filled by two French-Canadians, Mr G. H. Boivin and Mr Lucien Cannon, Mr Marler, an English Protestant from Montreal, and Mr Gordon, of Ontario. Save Mr Cannon, the newcomers are all avowed protectionists, and therefore prospects of

any working alliance with the Progressives for the election are now finally ended.

Canada, and especially the Western Provinces, has been favoured with an almost uninterrupted spell of fine weather for harvest operations, and as a result very rapid progress has been made with them. Already wheat cutting is practically completed in Manitoba and Saskatchewan, and is 75 per cent. finished in Alberta; threshing is now general in many districts, and the new grain is moving to the seaboard. The damage from frost has so far been negligible, and cannot now be serious, but in a number of areas rust has reduced both the yield and the grade. In Alberta the earlier estimates have experienced a steep downward revision, but in Manitoba and Saskatchewan the yield should easily exceed the ten-year average, and the prices remain quite satisfactory. The coarse grain crops vary considerably, but only in isolated areas is complete failure recorded. The crop surveys still place the volume of the western wheat crop at something between 325 and 350 million bushels. In Ontario and Quebec the harvesting of a grain crop which is well above the average is practically completed, but rain is badly needed for the pastures and root crops. The fruit crop is satisfactory, and the important tobacco crop of south-western Ontario is exceptionally good. The Maritime provinces have excellent hay and grain crops, but the potato crop of New Brunswick is only half as large as last year's. British Columbia reports a good yield of grain and hay, and the apple crop is up to the average. In the prairie provinces the co-operative wheat pools are again in operation, and they have just been able to declare the final dividend for their operations in connection with the crop of 1924; they have found themselves able to pay their members on a basis of \$1.66 for No. 1 Northern wheat at Fort William, which represents a very satisfactory return to the grower, and has greatly increased the prestige of the pools.

The Federal revenues continue to show a welcome improvement; for August they reached \$27,355,522, which is an improvement of \$3,639,460 over the corresponding figures for the previous year, and for the five-month period of the present fiscal year ending August 31st they amounted to \$169,004,938, as compared with \$162,523,315 for the parallel period of 1924. The greater part of the increase of 6½ million dollars comes from Customs, which showed a gain of more than 5 millions; practically all the rest of the increase accrues from excise duties, and there was a slight falling off in income-tax returns. Ordinary expenditure during the five-month period showed a drop of approximately two million dollars. On August 31st the net debt stood at \$2,366,923,600, which shows a decrease of \$8,325,704 during August and of \$20,594,038 as compared with the figure on August 31, 1924. Rigid economies on the Canadian National system have contrived to offset the loss of revenue, and the Premier recently stated that the net operating surplus would show an improvement on last year's figures. The Government are evidently satisfied with Sir Henry Thornton's work, for he has been re-term at a salary of \$65,000 per annum, which is an increase of \$15,000. Hereafter the railway returns are likely to be more satisfactory, for the volume of wheat available in 1924, and most of it can probably be brought to tide-water before the Great Lakes freeze up.

The index table of the Dominion Bureau of Statistics shows a gain of 1.1 points in August on 236 commodities, the figure rising from 158.4 to 159.5; 49 price quotations moved upward, 30 downward, and 157 were unchanged. Animals and their products rose 3.7 points, and vegetables in textiles and textile products, which owing to declines in cotton and wool fell from 195.1 to 193.

The Canadian stock markets have been abnormally brisk during the summer months, and in certain groups approximating to a boom has been in progress. A group of representative stocks, ten in number and covering a diversified range of activities, show an appreciation since the beginning of the year of roughly 90 million dollars. The greatest gain is shown by Montreal Power Consolidated, which with a rise of 60 points shows an apprecia-

tion of about 38 million dollars; Brazilian Traction, with an advance of 18 points, has appreciated 20 million dollars, and Consolidated Smelters, of which American interests are said to be seeking control, has risen 75 points and got an added value of about 10 million dollars. This activity in the stock markets, combined with a good crop and better bank clearings, is interpreted as indicating that Canada is at last headed for better business conditions. Retail merchants report that the public is still in an economical mood, but they are managing to place with wholesalers and manufacturers a larger volume of orders than at the parallel date in 1924. The settlement of the protracted coal strike in Nova Scotia will improve the situation in the Maritime Provinces, and as the anthracite coal miners in the United States are now on strike there should be a brisk demand for Nova Scotian coal; there will also be a further opportunity for British exporters of Welsh anthracite who have been invading the Canadian market with some success. Industrial conditions are not altogether satisfactory, especially in the steel trades, but the unemployment problem has vanished during the summer months. Undoubtedly this autumn will see a substantial increase in the purchasing power of the rural communities, and further progress should be made with the liquidation of the debts of western farmers.

The Federal Minister of Finance has been engaged lately in a series of financial operations. Last month he paid off in cash \$24,333,000 Treasury notes which matured in London, and he has now floated a short one-year loan for 70 million dollars in New York. He has obtained it at 4 per cent., and it will be used to meet maturing obligations in New York, the balance of which will be paid in cash. To provide part of this cash and to cover a \$42,000,000 issue of War Loan which matures immediately, financial circles expect the early announcement of a domestic Federal issue in Canada of about 50 million dollars; it will be for a 15 or 20 year term bearing interest at 4½ per cent., and it is predicted that the issue price will be in the vicinity of 97.

NEW ZEALAND.—THE BUDGET—THE DEBT PROBLEM—NEW SCHEME OF REPAYMENT.

(FROM OUR CORRESPONDENT.)

CHRISTCHURCH, August 10.

THE Budget which was delivered to the House of Representatives on July 25th by the Hon. W. Nosworthy did not disclose any alteration in policy or any great change in the fiscal situation. The new Prime Minister, the Right Hon. J. G. Coates, has definitely stated that he regards himself as pledged to carry out Mr. Massey's policy at least until after the elections, which take place at the end of the year. Except for the change of leader, the Cabinet carries on as before with a minimum redistribution of portfolios in the meantime, and the party's programme of legislation remains unchanged. The new Prime Minister started his political life as a Liberal, and high hopes were entertained of the possibility of a fusion between the two parties opposed to Labour; but the negotiations seem definitely to have broken down and no fusion is likely to be attempted until the elections. The Liberal party, which has had a chequered career at recent elections, has now changed its name and adopted the title which was suggested for the new "National Party." The Prime Minister is, however, undisturbed by the announcement.

The financial figures for the year ending March 31, 1925, showed that the Dominion is still running upon an accumulated surplus. The net result of the year's finance is shown as follows:—

	£	£
Balance brought forward April 1st, 1924	28,643,000	4,954,714
Revenue	27,399,200	
Expenditure		1,243,800
Surplus for the year 1924-5		4,422
Net miscellaneous items		6,202,936
Less transfers to Public Works Fund	1,000,000	
Loans Redemption Account	1,052,130	
		2,052,130
Balance at March 31, 1925		4,150,806

National Bank of Commerce in New York

Chairman of the Board
JAMES S. ALEXANDER

President
STEVENSON E. WARD

Capital Paid up \$25,000,000
Surplus \$25,000,000
Undivided Profits \$15,000,000

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LONDON REPRESENTATIVE
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The accounts for the year show that revenue increased from £28 millions in 1923-4 to £28.6 millions, despite decreases in Income and Land Tax due to concessions made in the previous Budget. A large part of the increase is, however, accounted for by the transfer from the Discharged Soldier Settlement Fund of over half a million interest on loans. In the previous year the similar interest was used for the extension of housing schemes.

Expenditure increased fairly heavily from £26.1 millions to £27.4 millions, owing mainly to wages and salary scale increases. This is spread fairly evenly over the departments. Since this is election year, it is perhaps too much to hope, especially when parties are so uncertain, that further economies will be made in public expenditure. Even firmer control of the public purse is, however, the chief essential of sound government in New Zealand. After all, the exceptional prosperity of the Dominion is very largely based upon the prices ruling for exports and the liabilities of the State are heavy.

The National Debt shows a considerable increase in the year just past, from £222 millions to £228 millions. Of the increase (£6.2 millions) about 70 per cent. (£4.3 millions) is on account of State advances, and is fully reproductive, but the remaining increase in the ordinary debt is heavy enough. As conversions go on from year to year the interest bill necessarily increases, and must do so for some years to come. Conversion also has meant that much of the debt was raised originally in New Zealand has to be replaced by borrowings abroad, so that the balance of trade is affected. It is improbable that the Dominion will be able to keep up its present scale of imports or its standard in regard to Government expenditure on such things as housing for many years ahead.

The Budget proposals to deal with the repayment of the debt are of interest. The various sinking funds at

present accrued amount in all to £13.5 millions. Of the gross public debt of £227.8 millions, an amount of £26.6 millions due to the British Government is funded with an amortisation agreement; accounts such as State advances and certain reproductive investments have their own sinking fund or other repayment provisions, so that the net debt for which repayment provisions are to be reviewed is £174 millions.

Of this at present the war debt, which amounts to £76.6 millions, has a statutory sinking fund built up by annual contributions equal to 1 per cent. of the amount outstanding. At 4½ per cent. this will repay the debt in about 32 years from the present date. There are various small sinking funds and a general fund established by the Public Debt Extinction Act of 1910, which aims to pay off existing debt on a 75 years basis. This basis is absurdly long, so that the sinking funds accrued have never shown any signs of overtaking the debt.

The new proposals are to suspend these sinking funds on a long-term basis by a system of repayment of loans from the consolidated fund year by year. From a practical point of view this change has much to recommend it. Instead of paying high rates for new money and setting sinking funds aside at comparatively low rates for repayment, bonds will be actually purchased and discharged as the market offers opportunity. Each year there will be issued from the Consolidated Fund a sum equal to ½ per cent. of the debt affected (£174 millions). As debt is paid off a sum equal to interest at 3½ per cent. on the amount paid off will be added, and it is calculated that the debt will thereby be repaid in 60 years.

Of more immediate practical importance than the basis upon which repayment is calculated, however, is the effect of the new scheme upon immediate repayments out of the Consolidated Fund. There is some doubt as to whether it will be necessary to set aside more for debt repayment than is at present paid to the sinking funds; but ½ per cent. of £174 millions will mean £870,000 in the coming year, which is nearly £100,000 greater than apparently went into the sinking funds for the year just past. This is, after all, the only practical test by which the new scheme may be judged, and if future Ministers of Finance and future Parliaments can be trusted to adhere to the policy of setting aside substantial amounts in every financial year, it does not much matter whether these are for debt repayment or for sinking funds. After all, Parliaments have power at any time to set aside the best-devised sinking fund schemes, and the only thing one can judge such schemes by is their immediate results.

Part of the payments necessary under the new scheme will be provided by the earnings of a capital fund made up from two sources, the sinking funds which were suspended by the Act of 1910 (interest on which has since been paid into revenue), and by the amount advanced for soldier settlement (less amounts written off as a result of revaluation). These two funds amounting to approximately £25 millions, should yield most of the funds required, and it should be easier to earmark receipts from a fund of this nature than to get sufficient sums for repayment granted directly out of revenue.

At the same time, it is hardly possible to accept without considerable caution the optimistic statement of the Budget, that "the Bill will provide for an annual reduction in the amount of the public debt, the amount of the reduction increasing from year to year." This would be true if it could be guaranteed that new borrowings would not altogether dwarf the small repayments as they have done in all sinking fund schemes hitherto, and if it could be secured also that future Parliaments would not relieve themselves from a growing volume of payments as the scheme matures.

Not even New Zealand, where public finance is so easy, can accomplish the miracle of reducing the public debt without either economising in expenditure or submitting to heavier taxation. The actual form in which debt repayment takes place is of less importance than a steady determination on the part of those who control the national finances so to order the relationship between revenue and expenditure that there is each year a substantial sum available for the reduction of overhead liabilities against a possible rainy day.

Books and Publications.

INTERNATIONAL AFFAIRS.

THE British Year Book of International Law is now in its sixth year of issue. The volume for 1925* in general make-up resembles its predecessors—that is, the bulk of the book consists of a series of papers by contributors who write as specialists—but the contributions are, for the most part, no longer the output of the war mind as were a number of those in some of the earlier issues. Thus the longest and one of the most important of the items included in the Year Book is a discussion by Professor P. J. Baker of the obligatory jurisdiction of the Permanent Court of International Justice. This article examines some aspects of the proposal that Great Britain should accept the obligatory jurisdiction of the Court in international disputes of a legal nature. The step would be taken by making the declaration for which Article 36 of the Statute of the Court provides. This question of the obligatory jurisdiction of the Permanent Court, it is pointed out, is one which has no necessary connection with the general policy of the British Government in respect of the Geneva Protocol. The constitution of the Court, it will be recalled, was drafted by an international Committee of Jurists, which proposed that the Court should have obligatory jurisdiction in international disputes of a legal nature. Lord Balfour, as the representative of Great Britain, took the lead in securing the rejection by the League of this proposal. Professor Baker's article is devoted to an examination of the reasons put forward for the British attitude. The conclusion he reaches—and perhaps it is one likely to command an increasing measure of acceptance among thoughtful people—is that "the British Government could rightly co-operate with other Governments in giving obligatory jurisdiction to the Permanent Court under Article 36 of its Statute without fear that by so doing it would bring injustice either upon itself or upon the other members of the community of States."

Though the history of the Court is brief, it has begun, by its judgments and advisory opinions, to make its place in the world, and, provided its judicial strength is kept at a high level it may well become a substantial factor in international affairs. Before long the question of obligatory jurisdiction may call for serious reconsideration.

Sir Cecil Hurst's contribution to the Year Book is a plea for a speedier procedure to deal with pecuniary claims of the kind which come before international claims commissions. In these cases the claimants, as he points out, are often men of humble position and small means, and for them international justice should be speedy, effective, and cheap. Delays running into many years work great hardships on individuals.

The doctrine of State servitudes is examined by Dr Arnold D. McNair, in an interesting paper in which he presents a consideration of the position of this doctrine in the light of various recent events. Adherence to the terminology and conceptions of Roman Law is, Dr McNair considers, likely to do more harm than good. Restrictions upon territory of a wider and more permanent nature than those normally created by a treaty are recognised in international law, but (as the paper suggests) the main guide in the matter must be the intention of the parties to the instrument creating the obligation. If a treaty creating a restriction is in the nature of an international settlement or of a dedication *urbi et orbi* of some natural advantage or facility, the presumption is that the territorial restrictions are intended to form part of the body of public international law. Whether, however, they transcend the sphere of ordinary personal obligations should be determined by ascertaining the intention of the parties.

These references indicate the character of the dozen or more principal papers, which are followed by shorter notes, reviews of books, and summaries of judicial decisions and events of international interest, making up a volume which is both readable and valuable for reference.

* "The British Year Book of International Law, 1925." Sixth year of issue. Humphrey Milford, Oxford University Press, 1925.

AGRICULTURAL CO-OPERATION IN AMERICA.*

AGRICULTURAL co-operation in this country has encountered many differences, and not the least of them is created by its advocates. The subject is one about which there seems an irresistible temptation to write with a very small equipment of accurate information. An instance occurs in the current issue of one of the most widely-read Reviews. Thus the general public are led to unfounded conclusions, the most common of which is that only the stupidity or obstinacy of British farmers prevents the complete organisation of British agriculture on co-operative lines. In fact, the causes of the comparatively small growth of agricultural co-operation are much more complex.

For practically the first time the subject is treated in a scientific spirit as a branch of agricultural economics in the series of reports now being issued by the Ministry of Agriculture. The first dealt with "Co-operative marketing in England and Wales," and the report under review (fourth of the "Economic Series") deals with the same subject in the United States. The title is less comprehensive than the contents, which give a fairly complete survey of the rise and progress of the agricultural co-operative movement in America from its tentative beginning fifty years ago to the present time. The developments since the war are described in full detail, and Mr Forrester emphasises the fact that they have been very largely along the line of large-scale marketing. "Large-scale co-operative marketing," he says, "as a movement has gathered momentum chiefly since 1919, and while the exact proportion of total sale of co-operative marketing associations which is to be attributed to this type is not easy calculable, it appears that at least 50 per cent. of the 2,200 million dollars turnover of 1923-24 is to be ascribed to their operation."

In many respects, notably the fact that the American farmers' chief market is at home, the experience of the United States is helpful. Little is generally known, except in a vague way, about it on this side of the Atlantic. It deserves to be closely studied, and this report is of great value to all who desire to be well-informed on the subject. It is admirably arranged, and the facts and factors are closely and clearly analysed. It avoids the common error of hasty generalisation, and it frankly describes failures as well as successes. As Americans themselves say, "co-operatives have a high rate of mortality." This undeniable fact is partly due to the experimental temperament characteristic of the nation. They attack problems on the "trial and error" system, and are not disturbed by a high percentage of failures. This makes their experience the more illuminating, and this report summarises the results very lucidly.

BOOKS RECEIVED.

The Industrial Evolution of India in Recent Times. By D. R. Gadgil. (London) Oxford University Press. 7s 6d net.

Austria and its Economic Existence. By Dr A. Basch and J. Dvorcek. (London) A. W. Board. 2s 6d net.

The Equipment of the Social Worker. By Elizabeth Macadam. (London) George Allen and Unwin, Limited. 6s net.

Stock Exchange Ten-Year Record. 1925. Compiled by Fred C. Mathieson and Sons. (London) Fred C. Mathieson and Sons. 20s net.

La Politica Finanziaria Italiana. Studi sui Problemi Monetari e Finanziari. By Benevenuto Grizziotti. Soc. An. Istituto Editoriale Scientifico, Milan.

Journal of the Royal Statistical Society, July, 1925. (London) 3 Adelphi terrace, Strand, W.C. 2.

Includes a paper by G. Findlay Shirras on "Taxable Capacity and the Burden of Taxation and Public Debt."

The Annals of the American Academy of Political and Social Science. September, 1925. *New Values in Child Welfare.* Rumbold Press Buildings, Concord, U.S.A.

* "Report upon Large Scale Co-operative Marketing in the United States of America." By R. B. Forrester, M.A., M. Comm. H.M. Stationery Office. 1s 6d net.

Bank of Finland. 1924. Year-Book compiled by the Statistical Department of the Bank of Finland. Helsingfors. 1925.

Die deutsche Volkswirtschaft. 1924-5. By Prof. Karl Eugen Nickel. I. E. Kurth Verlag, Cöthen-Anhalt. 1925.

1. *Lehrbuch der gesamten Wirtschaftswissenschaft.*
2. *Grundriss zu meinen Vorträgen über die gesamte Wirtschaft und Finanzwissenschaft.* By Prof. Karl Eugen Nickel. Buchvertrieb von Nickel, Neudorf, Greifswald, Karlplatz 2. 1924.

Ministry of Finance, Egypt—Monthly Summary of the Foreign Trade of Egypt. Compiled by the Statistical Department, Cairo. No. 6, June, 1925. Published by Government Press, Cairo. Price Mills. 50.

OFFICIAL PUBLICATIONS RECEIVED.

The following may be obtained from H.M. Stationery Office, Adastral House, Kingsway, W.C. 2. :—
Department of Overseas Trade:—

Report on the Trade and Industry of Persia. April, 1925. 1s 8d.

Council of Agriculture for England. Report on Agricultural Policy Agreed on August 6, 1925, for Presentation to the Minister of Agriculture. 4d.

Report of the Chief Registrar of Friendly Societies for the Year ending December 31, 1924. 9d.

First Report of the Royal Commission on Local Government. 9s.

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Foreign Branch: 168, Fenchurch Street, E.C.3.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET, September 23.	ACCOUNT, September 24.
It takes but little to arouse a lively Stock Exchange interest over the matter of the Bank rate, and expectations, rather than hopes, were entertained this week that the minimum might fall to 4 per cent. Therefore, the War Loan rose to 102, and British Government stocks advanced in most cases. The possibility of cheaper money had no particular effect upon other gilt-edged securities, those in the Home Railway list being heavy, if anything, in sympathy with the weakness shown by the companies' ordinary stocks. Colonials are quiescent. The Bank rate's retention at 4½ per cent. was followed by further advances in Conversions and National War Bonds.	
The recent activity in the Foreign Market has been hardly maintained, though a fair number of changes occurred on the week. French bonds have been a quieter market, with minor fluctuations. Speculative investment continues to buy the Mid-European bonds, and New York is a consistent supporter of Brazilians. Chinese issues have gained further improvements. Roumanian 4 per cent Consolidated, 1922, received fresh favour from the speculative division, and Peruvians were also taken in hand by the bulls. In both cases, however, the improvements served to bring in a supply of stock which tempered the advances.	
Home railway stocks are depressed. It would appear as though the nerves of stockholders are barely proof against the strain imposed upon them by the incessant decline in prices, coupled with the strength and activity shown by industrials and other such descriptions. People are selling Home Railways and using the money in various directions, some of it going even into rubber shares and Kaffirs, so pronounced is the disgust of stockholders with the way in which their prices have moved, and still move.	
Some of the Canadian railway bonds are better, and Argentines rallied to some extent, while San Paulos strengthened on the dividend announcement. Brazilian Tractions added fresh dollars to their quotation; the hint goes round that part of the recent buying was, possibly, for purposes of control.	

The rubber share market is strong, each day adding fresh fuel to the optimism of the buyers in the shape of excellent dividend announcements. Companies which paid nothing at all last year are declaring substantial interim dividends, while others which paid a year ago, are adding very considerably to their previous rates. The raw material keeps strong, and no particular heed is attached to the vague possibility of a labour scarcity in the Middle East. Tea shares are better, thanks to the higher prices which have ruled at the tea auctions.

The oil list is quiet, and dealings are still professional. In the popular industrials, Courtaulds, Imperial Tobacco, Associated Portland Cements, &c., interest has rather died down for the present, being diverted into other directions. The brewery list keeps fairly good, though Watney Deferred reacted from the recent best. The changes in banking, shipping, and lighting shares are of trifling consequence. The insurance market is again dull. Liveliness sprang up in Austin Motor shares upon various rumours surrounding the reported offer to the company by General Motors, Limited. Dunlops have reacted on profit-taking. British Aluminium have been a good market, the interim dividend being increased, but shares in the cable manufacturing companies gave way a trifle, owing to the latest advance in the price of rubber. The iron, steel, and coal group remains heavy. Various land shares are better, British New Guinea in particular showing up well.

In the mining markets, the chief feature is again the interest that is being taken in Rhodesians. Tanganyikas have gone ahead; the 1s dividend is payable next Friday. Chartered dropped to 29s. West Rand Consols, the popular gambling medium at the moment of the Kaffir Circus, fell back abruptly upon selling from the Cape, though the shares received support on this side. The platinum group has moved erratically. Randfontein gave way on fears of a cut in the December dividend. Shares in the other gold-producing companies budge barely a thirty-second from day to day. Diamonds came under the influence of Paris selling. Tintos kept up tolerably well, on dividend anticipations—the market looks for £1 per share. The Malayan tin market is better, by reason of support from Singapore and Kuala Lumpur. Some of the West Africans are strong, Bauchis continuing to lead the market, their notable rises being due to the company's good returns now that the new plant has been successfully installed. Indian mines are inclined to be dull. In Colombian minings there is nothing of fresh interest to report, and Canadian mining shares make a somewhat mixed showing, there being but little market in them. In consequence, prices are subject to variations upon a comparatively meagre amount of supply and demand. Stock Exchange shares have risen to 116, and Nominations, quoted about £40 five months ago, are now double that price.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded.....	£128,573,577	£	£	£
ISSUES OF THE WEEK—				

NATIONAL SAVINGS CERTIFICATES.

NEW RECEIPTS INTO THE EXCHANGES WEEK ENDED SEPT. 12, 1925.

April 1, 1925, to Sept. 12, 1925, £1,150,000	£	£	£
	50,000	50,000	

To the Public—				
Great Yarmouth Corporation, £450,000 5% Stk. (red. at par, 1945-55), issued at 101%	450,000	454,500	45,000	409,500
Total offered to the public.....	450,000	454,500	45,000	409,500

To Shareholders—				
Harben's Company, issue 150,000 Pfg. Pref. Shares of £1, at par, to shareholders of J. Mandelberg and Co.....	150,000	150,000	18,750	131,250
Total offered to shareholders.....	150,000	150,000	18,750	131,250

Total offered for subscription to date in—				
1925.....	129,228,077	1294	209,326,100	
1924.....	132,758,151	1923	271,383,173	
1923.....	204,561,317	1922	573,675,650	
1922.....	510,021,328	1921	388,978,203	
1921.....	156,202,642	1920	367,549,696	
1920.....	290,810,738	1919	1,036,059,961	

Great Yarmouth Corporation.—Issue of £450,000 5 per cent. redeemable stock, 1945-1955, at 101 per cent. Interest is payable April 1 and October 1, and a full six months' interest is payable on the former date. The principal is repayable at par on October 1, 1955, unless previously cancelled by purchase in the market, or by agreement with the holders, the Corporation having the option of redemption, in whole or in part, at par, on or before October 1, 1945. The stock now offered is secured upon the assets and revenues of the Corporation. The rateable value of the borough is £284,485, and a rate of 1d in the pound produces £1,050. The amount which may be levied by rates is unlimited. The total assets of the Corporation amount to £1,656,218, and the total liabilities, including the debt of the borough according to the last pub-

lished accounts, are £780,922. The total outstanding debt at March last, less sinking funds in hand, was £569,837, of which £322,555 is in respect of reproductive undertakings. Of the present issue, £100,000 is for the repayment of mortgages falling due in October next; £257,153 will be used in respect of electricity, tramway, housing, and other undertakings, the balance being available for other capital purposes. This is a trustee security, but it should be observed that it is issued at a premium and repayable at par. A sound investment, notwithstanding.

Segari Rubber, Limited.—Share capital, £20,000, in shares of 2s each, of which 175,400 shares have been issued. In addition, there is £2,000 of 10 per cent. debentures out of an authorised amount of £2,500. The debentures, it is stated, are repayable or convertible into 20,000 shares at par on May 31, 1926. The company was incorporated on April 2, 1910, to take over a rubber estate of 343 acres in the Straits Settlements. The whole area, it is stated, is planted with mature rubber trees. For the year ended March 31 last the net profit is returned at £1,782. The purchase price in 1910, when 100 acres were planted, was £2,000 in shares and £700 in cash. The foregoing particulars are advertised in accordance with Stock Exchange regulations. It is to be regretted that the details given in the advertisement are somewhat meagre, especially as regards past results.

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

ACTIVE SECURITIES.

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

British and Colonial Government Securities.				
	Price Last Week.	Latest Price.	Rise or Fall.	
War (5% 1925-28) .. 87	87	87	0	
Loans (5% 1925-28) .. 87	87	87	0	
Victory Bonds (4% 1925-28) .. 87	87	87	0	
Conversion Loan (4% 1925-28) .. 87	87	87	0	
Consols (2% 1925-28) .. 87	87	87	0	
Irish Land Stock (2% 1925-28) .. 87	87	87	0	
Local Loans (3% 1925-28) .. 87	87	87	0	
British Railways.				
Great Western, Ord. .. 86	85	85	1	
Lond. & North-Eastern 5% Pref. Ord. .. 55	53	53	2	
Do Def. Ord. .. 19	19	19	0	
Lond., Mid., and Scottish, Ord. .. 74	74	74	0	
Metropolitan .. 67	66	66	1	
Metropolitan District .. 43	42	42	1	
Colonial and Foreign Government Securities.				
Antofagasta Cons. .. 90	91	91	1	
B.A. and Pacific .. 83	85	85	2	
B.A. & Southern .. 89	90	90	1	
Buenos Ayres West. .. 74	75	75	1	
Canadian Pacific .. 148	151	151	3	
Central Argentine .. 75	76	76	1	
Corobaca Cons. Ord. Stk. .. 15	17	17	2	
Banks.				
Barclays B. (A.L.P.) .. 28	28	28	0	
Chartered Bk of India .. 20	19	19	1	
Lloyds (A.L.P.) .. 3	3	3	0	
Midland (A.L.P.) .. 8	8	8	0	
Nat. Bank of Egypt .. 32	33	33	1	
Foreign Government Securities.				
Argentine 5% 1886-7 .. 100	100	100	0	
Austrian 6% Guar. .. 97	97	97	0	
Belgian 3% .. 73	73	73	0	
Brasil 5% Fund, 1914 .. 78	79	79	1	
Chilian 4% 1895 .. 87	88	88	1	
Do 7% 1924 .. 105	105	105	0	
Chinese 5% 1912 .. 67	67	67	0	
Egyptian 4% .. 84	84	84	0	
French 5% .. 15	15	15	0	
Do 4% .. 15	15	15	0	
German 3% Loan .. 102	102	102	0	
Do 7% 1924 .. 102	102	102	0	
Colonial and Foreign Railways.				
Grand Trunk Pacific, 4% Debts. .. 43	40	40	3	
Leopoldina .. 33	32	32	1	
Mexican Railway .. 84	8	8	1	
Do Int. Pref. .. 27	26	26	1	
San Paulo .. 170	171	171	1	
United Havana .. 98	98	98	0	
Banks.				
Nat. Bank of S. Africa .. 8	8	8	0	
National Provincial, (A.L.P.) .. 11	11	11	0	
Standard of S. Africa (A.L.P.) .. 11	11	11	0	
Westminster B. & C. (A.L.P.) .. 18	18	18	0	
Colonial and Foreign Railways.				
Grand Trunk Pacific, 4% Debts. .. 43	40	40	3	
Leopoldina .. 33	32	32	1	
Mexican Railway .. 84	8	8	1	
Do Int. Pref. .. 27	26	26	1	
San Paulo .. 170	171	171	1	
United Havana .. 98	98	98	0	
Banks.				
Nat. Bank of S. Africa .. 8	8	8	0	
National Provincial, (A.L.P.) .. 11	11	11	0	
Standard of S. Africa (A.L.P.) .. 11	11	11	0	
Westminster B. & C. (A.L.P.) .. 18	18	18	0	

British Railways.				
	Price Last Week.	Latest Price.	Rise or Fall.	
Southern, Ord. "A" .. 37	37	37	0	
Do Ord. "B" .. 78	78	78	0	
Do Pref. Ord. .. 73	73	73	0	
Do Def. Ord. .. 39	39	39	0	
Underground Electric (A.L.P.) .. 28	28	28	0	
Do "A" (1) .. 31	31	31	0	
Do Int. Bds. (A.L.P.) .. 85	85	85	0	

Colonial and Foreign Railways.				
	Price Last Week.	Latest Price.	Rise or Fall.	
Grand Trunk Pacific, 4% Debts. .. 43	40	40	3	
Leopoldina .. 33	32	32	1	
Mexican Railway .. 84	8	8	1	
Do Int. Pref. .. 27	26	26	1	
San Paulo .. 170	171	171	1	
United Havana .. 98	98	98	0	

Banks.				
	Price Last Week.	Latest Price.	Rise or Fall.	
Nat. Bank of S. Africa .. 8	8	8	0	
National Provincial, (A.L.P.) .. 11	11	11	0	
Standard of S. Africa (A.L.P.) .. 11	11	11	0	
Westminster B. & C. (A.L.P.) .. 18	18	18	0	

Foreign Government Securities.				
	Price Last Week.	Latest Price.	Rise or Fall.	
Argentine 5% 1886-7 .. 100	100	100	0	
Austrian 6% Guar. .. 97	97	97	0	
Belgian 3% .. 73	73	73	0	
Brasil 5% Fund, 1914 .. 78	79	79	1	
Chilian 4% 1895 .. 87	88	88	1	
Do 7% 1924 .. 105	105	105	0	
Chinese 5% 1912 .. 67	67	67	0	
Egyptian 4% .. 84	84	84	0	
French 5% .. 15	15	15	0	
Do 4% .. 15	15	15	0	
German 3% Loan .. 102	102	102	0	
Do 7% 1924 .. 102	102	102	0	

Colonial and Foreign Railways.				
	Price Last Week.	Latest Price.	Rise or Fall.	
Grand Trunk Pacific, 4% Debts. .. 43	40	40	3	
Leopoldina .. 33	32	32	1	
Mexican Railway .. 84	8	8	1	
Do Int. Pref. .. 27	26	26	1	
San Paulo .. 170	171	171	1	
United Havana .. 98	98	98	0	

American Railroads.				
	Price Last Week.	Latest Price.	Rise or Fall.	
Chicago & Ohio .. 108	108	108	0	
Do 4% 1st Pref. .. 41	42	42	1	
Telegraphs.				
Anglo-American "A" .. 23	23	23	0	
Marconi Wireless .. 17	17	17	0	
Miscellaneous.				
Aerated Bread (A.L.P.) .. 1	1	1	0	
Amal. Cottons (A.L.P.) .. 1	1	1	0	
Anglo-Persian Oil (A.L.P.) .. 1	1	1	0	
Armstrong (Sir W.G.) and Co. (A.L.P.) .. 1	1	1	0	
Ass. Pld. Cement (A.L.P.) .. 1	1	1	0	
Barker, John (A.L.P.) .. 1	1	1	0	
B'ham Small Arms (A.L.P.) .. 1	1	1	0	
British Traction (A.L.P.) .. 1	1	1	0	
British-American Tobacco (A.L.P.) .. 1	1	1	0	
British Controlled Oil (A.L.P.) .. 1	1	1	0	
Burmah Oil (A.L.P.) .. 1	1	1	0	
Coats (J. and P.) (A.L.P.) .. 1	1	1	0	
Courtaulds (A.L.P.) .. 1	1	1	0	
Onard (A.L.P.) .. 1	1	1	0	
Dorman, Long (A.L.P.) .. 1	1	1	0	
Dunlop Rubber (A.L.P.) .. 1	1	1	0	
Fine Cotton Spinners (A.L.P.) .. 1	1	1	0	
Forestral Land (A.L.P.) .. 1	1	1	0	
Furness, Withy (A.L.P.) .. 1	1	1	0	
Highlands and Lowlands Rubber (A.L.P.) .. 1	1	1	0	
Hudson's Bay (A.L.P.) .. 1	1	1	0	
Imperial Tobacco (A.L.P.) .. 1	1	1	0	

Telegraphs.				
	Price Last Week.	Latest Price.	Rise or Fall.	
Anglo-American "A" .. 23	23	23	0	
Marconi Wireless .. 17	17	17	0	

Miscellaneous.				
	Price Last Week.	Latest Price.	Rise or Fall.	
Aerated Bread (A.L.P.) .. 1	1	1	0	
Amal. Cottons (A.L.P.) .. 1	1	1	0	
Anglo-Persian Oil (A.L.P.) .. 1	1	1	0	
Armstrong (Sir W.G.) and Co. (A.L.P.) .. 1	1	1	0	
Ass. Pld. Cement (A.L.P.) .. 1	1	1	0	
Barker, John (A.L.P.) .. 1	1	1	0	
B'ham Small Arms (A.L.P.) .. 1	1	1	0	
British Traction (A.L.P.) .. 1	1	1	0	
British-American Tobacco (A.L.P.) .. 1	1	1	0	
British Controlled Oil (A.L.P.) .. 1	1	1	0	
Burmah Oil (A.L.P.) .. 1	1	1	0	
Coats (J. and P.) (A.L.P.) .. 1	1	1	0	
Courtaulds (A.L.P.) .. 1	1	1	0	
Onard (A.L.P.) .. 1	1	1	0	
Dorman, Long (A.L.P.) .. 1	1	1	0	
Dunlop Rubber (A.L.P.) .. 1	1	1	0	
Fine Cotton Spinners (A.L.P.) .. 1	1	1	0	
Forestral Land (A.L.P.) .. 1	1	1	0	
Furness, Withy (A.L.P.) .. 1	1	1	0	
Highlands and Lowlands Rubber (A.L.P.) .. 1	1	1	0	
Hudson's Bay (A.L.P.) .. 1	1	1	0	
Imperial Tobacco (A.L.P.) .. 1	1	1	0	

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per annum, except where marked * or stated in Cash.			Dividend for Whole Year.	
	Interim div.	Final div.			
	Interim or Final.	Date of Payment.	Method of Payment.	Lat. Pre Year.	Pre Year.
Banks.					
Bank of England.....	6%	..	Less tax	..	..
Colonial.....	8%	..	..	..	..
Punjab National.....	7½*	..	Tax free	..	..
Royal of Ireland.....	12½	..	Less tax	10	10
Railways.					
Central Argentine, Ord.	3½†	Oct. 15	Less tax	6	6
Do Deferred.....	3½†	Oct. 15	Less tax	6	6
Central Uruguay.....	3½†	Oct. 21	Less tax	6	6
Central Uruguay Eastern Exten.	12/ p.s.	Oct. 21	..	6	6½
Central Uruguay Northern Exten.	7/ p.s.	Oct. 21	Less tax	6	6½
North-Eastern of Uruguay.....	3½†	..	..	7	..
San Paulo (Brazilian).....	5%*	..	Tax free	..	..
Insurance.					
Eagle Star & British Dominions	5%*	Oct. 1	Less tax	..	..
Mining.					
Ferreira Deep.....	24%†	..	..	5	8½
Globe and Phoenix.....	20%†	Sept. 24	Tax free	..	..
Gopeng Consolidated.....	9 p.s.	Sept. 30	Less tax	..	..
Mysore Gold.....	9 p.s.	Oct. 10	Less tax at 2/1.3	..	..
Ooregum Gold.....	9 p.s.	Oct. 24	Less tax at 1/11.4	..	..
Pengkalen.....	1/ p.s.	Sept. 29	..	..	..
Shamva.....	3½†	Oct. 15	Less tax at 2/0.5	..	..
Siamese.....	10%*	Sept. 30	Less tax 4/1½ in 2	..	..
Tanganika Concessions.....	1/ p.s.	Sept. 25	Less tax	..	..
Tea and Rubber.					
Agua Santa Coffee.....	7%*	..	Less tax	..	..
Associated Tea of Ceylon.....	..	..	..	20	20
Bandarapola Ceylon Co.....	15%*	Sept. 29	Less tax	15	10
Banteng Rubber.....	..	..	..	..	..
Batu Caves Rubber.....	5%*	Oct. 6	..	16	nili
Bernam Perak.....	..	..	..	..	..
Bradwall (F.M.S.) Rubber.....	12½*	Sept. 30	..	8	2½
Broome (Selangor).....	5%*	Dec. 31	Tax free	..	..
Bukit Janjong.....	5%*	..	Tax free	..	..
Bukit Panjong Rubber.....	..	..	..	25	20
Caledonian.....	..	..	..	..	..
Ceylon Timber and Rubber.....	12½*	Oct. 17	Less tax	..	..
Dolosweith.....	7½*	Oct. 9	Less tax	..	..
Doranakande Rubber.....	6½*	..	Less tax	..	..
Druk wari.....	10%*	..	..	..	..
Ederapolla Tea (Ceylon).....	10%*	Sept. 22	Less tax	..	..
Grand Central (Ceylon) Rubber	7½*	Oct. 15	Less tax	..	..
Harpenden (Selangor) Rubber.....	5%*	Sept. 29	Less tax	..	..
Highland Tea (Ceylon).....	10%*	Sept. 17	Less tax	..	..
Jasin (Malacca) Rubber.....	15%*	..	Less tax	12½	4½
Kamuning Rubber and Tin.....	..	..	..	..	..
Kelang Valley Rubber.....	10%*	..	Less tax	..	..
Kuala Goh Rubber.....	5%*	..	Less tax	..	..
North Labis.....	..	..	Less tax	12½	6
Panagula Rubber.....	6%*	Sept. 29	Less tax	..	..
Parit Briss Rubber.....	10%†	..	..	15	2
Perambang Rubber.....	2½*	Oct. 5	..	..	..
P.P.K. (Ceylon) Rubber.....	5%*	Oct. 9	Less tax at 4/1½	..	..
Rangalia Consolidated.....	5%*	Oct. 7	Less tax 4/1½ in 2	..	..
Rosehaugh Rubber.....	10%*	Sept. 25	Less tax	..	..
Rosehaugh Rubber.....	7½*	Sept. 25	Less tax	..	..
Rosehaugh Tea.....	12½*	Sept. 23	Less tax	..	..
Scottish (Ceylon) Tea.....	10%†	..	Less tax at 4/5½	15	12½
Straits Plantations, Limited.....	7½*	..	Less tax	..	..
Sungei Batu Rubber.....	7½*	..	Less tax	..	..
Sungei Krut Rubber.....	12½*	Oct. 1	Less tax	17½	5
Sungkar-Oumor.....	12½†	..	Less tax	..	..
Tenom Borneo.....	5%*	..	..	..	..
Travancore Tea.....	15%*	..	Less tax	..	..
Windsor (F.M.S.) Rubber.....	7½*	..	..	..	..
Yataderia.....	5%*	Oct. 17	..	..	..

heavy sacrifices. But if you want to play in first-class football you have also got to go into pretty strict training, and business is at least as interesting a game as football, and both are good.

I hope everyone in our employ, no matter how young he may be or however humble his present position in the business may be, will bear these points in mind.

We have in John Hetherington and Sons, Limited, a splendid business, with great potentialities. We have an excellent staff.

PROPERTY FREE FROM CHARGES.

On January 1st this year we paid off the whole of our debenture stock. Our property is now entirely free from charge of any sort. We own, on the other hand, land, buildings, plant, &c., which stand on the books at nearly £250,000 less than the very reasonable value placed upon them at a recent date by expert valuers. Our liquid assets position is a strong one. Our investments include £100,000 5 per cent. War Loan. We are at present working much below capacity but the immediate tendency is towards improvements, a good American cotton crop is in prospect, and in view of the world-wide reputation of Hetherington's machinery we look forward with confidence to the future.

It is possible that we may alter the end of our year to March 31st to avoid stocktaking during the holiday season.

Whereas the company has, after many years, lost the benefit of the great experience and capacity of Mr Whitby and Mr Snape, we have been very fortunate in securing the whole-time services of Mr E. V. Haigh as managing director, and your directors are completely satisfied that under Mr Haigh's capable, energetic, and prudent management the business will give as time goes on an increasingly good account of itself. As you probably know, Mr Haigh, besides having a wide experience of general business, brings with him an intimate knowledge of the requirements of the cotton-spinning industry, both in this country and abroad, which particularly fits him for the position which he occupies.

You will, I am sure, be glad to welcome Mr Dalglish as a director, filling the vacancy on the board created by the retirement of Mr Snape. Mr Dalglish has worked for Hetherington's for 34 years. His whole-hearted devotion to the interests of the business in the past is the best augury that we can possibly wish for his future activities on behalf of the company in which we all take such an interest. His invitation to join the board inaugurates the policy to which I referred earlier in my speech.

You will notice that it is proposed to nominate new auditors, and you may wonder what this portends. It is merely that the new directors, representing a considerable share interest in this business, have expressed the desire that Messrs James Meston and Co., of Aberdeen and London, whose reputation for thorough-going work and whose professional standing generally is second to none, may serve this company, as they serve others with which the same interests are associated. Messrs Edwin Guthrie and Co., who have safeguarded the shareholders' interests for so many years, fully understand the position, and have kindly offered to assist in any way they can, notwithstanding the change. For this, as well as for the very efficient service that Messrs Guthrie and Co. have given to the shareholders in the past, they are entitled to the thanks of this meeting.

The resolution adopting the report and accounts was carried unanimously.

MANAGING DIRECTOR'S STATEMENT.

Mr E. V. Haigh: Mr Chairman, Ladies and Gentlemen—You will not expect from me, at the commencement of my managing directorship, any lengthy remarks on the business. My presence here is evidence of the belief which I hold that with anything approaching normal conditions our prospects are good. Our business has occupied a leading place in the development of the process of cotton spinning during the last 50 years, as many of you know, and I hope we shall see this developed in a manner advantageous to the industry and entirely satisfactory to the shareholders. That, I can assure you, will be the object of a staff which is wholeheartedly eager to promote the company's welfare.

The directors retiring by rotation were re-elected, and Messrs James Meston and Co. were appointed auditors for the ensuing year.

Colonel Abercrombie: Ladies and Gentlemen—I thank you for my re-election as a director. The experience I have had as a member of the board is a proof that we are able to carry on and bring this concern to further success. Looking back over the last quarter of a century, we can see that this concern has gone on steadily. I do not think that there is anybody to-day who will dispute the view that Hetherington's machinery is as good as any machinery made by any other firm. To give you one little example—perhaps it is not a little example, but it is a good one—we have made 12,000 Nasmith Combers which have been set to work in all parts of the world, and in practically every case they have been unpacked, erected, and set to work without any trouble. That shows that the management of the works has been good.

SECURITY FIRST ROYAL INSURANCE COMPANY, LIMITED

HEAD OFFICES: LIVERPOOL AND LONDON

We have much to thank Mr Snape and Mr Whitby for, but I do feel that we owe the continued prosperity of the concern to the goodness of the machinery which we produce.

VOTE OF THANKS.

Mr Wilde: I should like to propose a vote of thanks to you, Sir, for your conduct in the chair. I am a very old shareholder. I was one all through the time that Colonel Abercrombie has spoken about, and I think that while we have reason to thank the old members of the board for their services in the past, we know now that there are young men who will do equally well. I am very glad to see a man of your age, Sir, and also Mr Haigh's, in the positions you are occupying to carry forward the business of the company.

The vote was unanimously accorded.

The Chairman: I am sure I thank you very much indeed for your kind remarks, and I am sure, too, that my colleague, Mr Haigh, who is the same age as myself, fully appreciates them. The proceedings then terminated.

NOBEL INDUSTRIES, LIMITED.

DEVELOPMENTS ON INTERNATIONAL LINES.

The 6th ordinary general meeting of Nobel Industries, Limited, was held on the 18th inst., at Winchester House, Old Broad Street, London, Sir Harry McGowan, K.B.E. (chairman and managing director), presiding.

The secretary (Sir Josiah Stamp, G.B.E.) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said: In my speech at last year's meeting I gave you a survey of our business interests throughout the world, and perhaps it is unnecessary to go so much into detail on this occasion. I will, therefore, confine myself in the main to dealing with special features or material changes in the situation of which you were then advised. There are, however, certain matters connected with our industries to which I would direct your attention.

HOME TRADE.

Our home trade in explosives and accessories during the year 1924 kept up surprisingly well considering that general conditions of trade throughout the country were none too good. Notwithstanding the unsatisfactory conditions of trade, through economies effected at our various plants, we were able to reduce our selling prices towards the end of last year. Like all suppliers of colliery furnishings, the condition of the coal trade, who are our largest consumers in the United Kingdom, gives us a good deal of concern, and I am sure that all our shareholders will identify themselves with the policy of doing everything possible, while providing a reasonable return on their capital, to contribute their share in resuscitating what is, after all, the basic industry in this country, and our consumers will need little assurance from us that that policy will be maintained. Our trade in the export markets of the world continues on a satisfactory basis, and a reference to our activities in some of our subsidiary companies abroad will not be amiss.

CANADIAN COMPANY.

Canadian Explosives, Limited, in which, as you know, we have practically a half interest, had a good year in 1924, and the satisfactory results of the present year as compared with the corresponding period of last year reflect the mining and other developments involving the use of explosives in the Dominion of Canada. Not only is progress being shown in the explosives part of our business in Canada, but, like ourselves, Canadian Explosives, Limited, have branched out in other directions. Their side lines, as I call them, are doing well, particularly "Duco," which, as you doubtless know, is the name given to a varnish used for motor-cars and other purposes. We see an ever-expanding use for "Duco," and incidentally I may say we have made arrangements to manufacture that article in this country.

The consumption of explosives in the South American continent is considerable, and as the result of a visit paid by one of my colleagues, Mr H. J. Mitchell, to that continent, satisfactory arrangements have been perfected, which in our opinion will make for the maintenance and extension of a profitable business in that country. He was able to study on the spot the experience of the new factory worked by the Chilean Explosives Company at Calama. The big mining companies in Chili and Bolivia, whose interests the factory was recently established to serve, are now appreciating the quality of the output and the facility with which explosives supplies can be obtained. We may congratulate ourselves on the rapidity with which initial difficulties have been overcome, and the company has secured a recognised position.

AFRICAN EXPLOSIVES AND INDUSTRIES.

You will be pleased to hear that African Explosives and Industries, Limited, to which company I made full reference in my speech a year ago, has had an excellent year. We felt all along that an amalgamation of the explosives industry in South Africa would be to the advantage of the consumers, and the general results of the first year's operations have exceeded our expectations. The anticipation of reduced costs of working flowing from the amalgamation has been amply realised, and I have the assurance of several of the leaders of the Rand mining industry, who are our most important customers in South Africa, that they are satisfied with the benefits accruing to them from the operations of the new company. Considerable strides have also been made on the chemical side, that is, in fertilisers, sheep dips, &c., and we can visualise a continually expanding business in these directions.

You may have noticed in the Press recently that a new company—Nobel Australasia—has been incorporated. This is a purely domestic arrangement, and results from our decision to place our various assets in Australia under our own name. The several constituent companies which owned those assets have now taken equivalent shareholdings in the new company, which will be better able to co-ordinate and consolidate our interests there. Business in that country from our point of view was good during 1924, and I see no reason why it should not continue to be satisfactory in that important market. Our Continental investments are still continuing to do well, and we are doing increasingly important business with several of the Balkan States.

METAL INDUSTRY.

Our metal industry—that is the Birmingham end of our business—did well during the year under review. The improved quality in our products there, such as sheet and rolled metal, to which I referred last year, is being maintained, and is reflected in an increased volume of business in a highly competitive market. On the military ammunition side we command a substantial share of the British Government orders, and the quality of our output gives every satisfaction. We have just completed a large order in ammunition for a foreign Government, and have complied with a specification, the exacting character of which a few years ago would have put it beyond the range of our technical equipment or indeed that of any other British manufacturer.

I would refer now to another section of our activities, one which must interest quite a number of our shareholders. I refer to our sporting ammunition business. No section of our huge undertaking presents more difficulties at home and abroad, and no branch is receiving more careful attention.

As a result of much study we have succeeded in determining the types of cartridges calculated to satisfy the requirements of every class of sportsman. These are now being produced under conditions of testing and research which will ensure a standard of performance far beyond all previous attainments. Our aim has been to put quality before everything, and I have no hesitation in saying that shooting men will agree that the ammunition we supply to-day is better and more uniform than anything that can be offered you from any other source. At the same time, we have endeavoured, and I think with success, to provide our customers with the best service possible.

Now and then one hears criticisms regarding our prices, but let me remind you that even to-day, when materials and wages have increased, the user of cartridges is only asked to pay some thing like twopence for an article which, after all, forms quite an insignificant part of a shooting man's expenses. If it is realised

HARRISONS & CROSFIELD, LTD.

1-4, GREAT TOWER STREET, LONDON, E.C.3.
THE COMPANY INVITES COMMUNICATIONS
FROM BRITISH MANUFACTURERS DESIROUS
OF DEVELOPING BUSINESS IN THE FAR
EAST.

that the manufacture of a sporting cartridge involves more than 120 separate operations, it must be apparent to you all that present prices cannot be considered unreasonable. In fact, the contribution which sporting ammunition makes to our revenue to-day represents but a small return on the capital involved in its manufacture. Your directors feel, however, that, even at some financial sacrifice, it is better to give the consumer first of all quality and service, and to look forward to the time when the effect of a policy of concentration recently determined upon will enable them to reduce costs of manufacture, so that they will be able not only to offer advantages to the consumer, but also to say that your sporting ammunition business is giving you a proper return on your investment.

GENERAL MOTORS CORPORATION.

The results of the trading of the General Motors Corporation for 1924, while quite satisfactory, were not as good as might have been expected and for this reason—that about the middle of last year they decided on a new policy as regards the stock in the hands of distributors which will in future, while adequate to give good service and meet the demands of customers, lock up far less capital. This involved curtailing factory production while the stocks actually in the hands of distributors throughout the country were being reduced. Towards the end of last year the transition to the new policy was fully effective, and so far as the present year has gone the corporation has beaten all its previous records. The quality of its various cars is excellent, and nothing is left undone to ensure a still higher standard of excellence for its various products.

The demand in the United States for closed bodies is increasing all the time, and in addition to this resulting in a steadier manufacture throughout the year, it means larger profits for the Fisher Body Corporation, in which the General Motors Corporation has a controlling interest.

So far as our revenue from this investment is concerned, in addition to the regular dividend of \$1.50 per quarter, a bonus of \$1 per share has just been declared.

In my speech to the shareholders in September, 1922, I told them the reason for our having increased our holding in the General Motors Corporation. In relieving Canadian Explosives, Limited, of a certain part of their holding in that company we decided then that in due course, when the selling price reached our cost, we would dispose of that additional block of 50,000 shares and revert to a holding of a size more in accordance with our earlier ideas. The additional holding carried by us in the interval has now been sold, and has resulted in a profit to our company. This necessarily places us in a strong financial position, and will enable us to meet without difficulty any requirements for additional capital in the expansion of certain lines of our business.

It must be a source of gratification to our shareholders to see the distinctly improved prospects of the Dunlop Company. Here again we have realised part of our holding at a substantial profit.

We retain our holding of preference shares in the British Celanese Company, and you will be acquainted from other sources with the progress made by them. For some time past the conviction was growing upon me that the business required the services of an all-time chairman, and as soon as the condition of affairs enabled such a change to be made about the end of that company's last financial year—during which a substantial profit was made on trading account—I vacated the chair in favour of Major-General Guy Dawnay, who comes to the company with an excellent reputation.

RELATIONS WITH LABOUR.

After dealing with the accounts, the Chairman continued: Our relations with labour still continue to be satisfactory, and I cannot speak too highly of the work of those connected with the administration of our company. No task is too great, no travelling too onerous, and no board of directors could have round them a more competent and loyal staff. It gives me great pleasure to express our thanks to them in public, as I now do.

For some time past your board have been considering a scheme for assisting our workers and staff to become shareholders, realising all that is involved in making our interests identical. As far as possible we want all our people to feel that they are partners with us in all we are doing. They will be enabled to buy preferred

or ordinary shares by being financed on easy instalment terms which, while attractive to them, will, having regard to its best interests as a whole, be a relatively light burden on the company.

Now as to the future. You will appreciate my difficulty in expressing an opinion as to our prospects, when the outlook for industries on which we depend to a considerable extent, changes from month to month. The unrest and anxiety caused by the coal dispute must remain with us until we see a settlement, and have a clearer knowledge of the future financial state of that industry. This uncertainty makes prophecy on one important side of our business almost impossible. All I can say is that I am hopeful that trade abroad will be well maintained, and that the increased revenue from our investments and allied undertakings will compensate to a large extent for decreased volume of business with the coal mining industry in this country during the current year, and I close my speech by expressing the hope that the present year's results, when ascertained, will not be unsatisfactory. To-day we are an organised industry, and, during the past two years, have been working for and have accomplished developments on international lines which put your company in an excellent position throughout the world.

Before sitting down I should like to make reference to certain changes on our administrative staff. At our board meeting yesterday your directors conferred on Mr H. J. Mitchell, one of my working colleagues, the title of general manager of the company. Mr Mitchell, who has been functioning in that capacity for some time past, has been with Nobel's company for 30 years. His services have been invaluable, and he has thoroughly earned this recognition of his great abilities.

You are doubtless aware that Sir Josiah Stamp leaves us in the active sense to become president of the executive of the London, Midland and Scottish Railway. This gives us great regret, but I am glad to be able to tell you that he will remain as a director of our company, and that we shall, therefore, continue to have the benefit of his expert knowledge. We all hope and feel that he will be a great success in his new post, and he leaves us with our heartfelt good wishes.

Sir Ralph W. Anstruther, Bt. (deputy-chairman) seconded the resolution, and it was carried unanimously.

ANGLO-SCOTTISH TRUST, LIMITED.

AMALGAMATION PROPOSALS SANCTIONED.

ADVANTAGES OF THE SCHEME.

An extraordinary general meeting of the Anglo-Scottish Trust, Limited, was held, on the 17th instant, at River Plate House, London, Sir Charles John Stewart, G.B.E., the chairman, presiding.

The Chairman, in moving the adoption of the resolutions effecting an amalgamation of the company with the Atlantic Trust, Limited, The Status Investment Trust, Limited, and the Egyptian and Foreign Trust, Limited, stated that although their company was called a trust company, its operations were rather those of a financial corporation. A trust company distributed dividends out of the income from its investments, without regard to depreciation, while a financial corporation had to make due provision for depreciation on its investments before paying dividends. It would, therefore, be appreciated that companies such as theirs laboured under material disadvantages in the conduct of their operations when their investments showed a depreciation, and, as a consequence, their capital was not fully represented by their assets. This question of bringing the capital of the trust into line with its assets had for some time seriously occupied the attention of the directors, and after full consideration of the facts a scheme of amalgamation with the other three trust companies referred to above was decided on. These trust companies had often co-operated in the past with the Anglo-Scottish Trust in its operations, and as those companies, while possessing valuable assets, were face to face with similar disabilities as themselves, it was felt that a combination of the resources of the four companies would make for the greater advantage of all.

BASIS OF THE SCHEME.

With a view to getting at an equitable basis of such an arrangement, it was decided to invite that well-known firm of accountants, Messrs Kemp, Chatteris, Nichols, Sendell, and Co., to make an exhaustive examination of the assets of each of the four companies and to report thereon to the directors. As a result of that report and the recommendations of that eminent firm of accountants, the present proposals were, after considerable discussion between the various boards, finally agreed on. The main features of the arrangement were the formation of a new company, entitled the Anglo-Scottish Amalgamated Corporation, Limited, with a capital of £1,000,000, divided into 900,000 ordinary shares of £1 each, and £2,000,000 deferred shares of 1s each, in which each of the four trust companies would receive fully-paid shares equivalent to the

value of their assets, less liabilities, and the deduction of a sum to provide against contingencies in each case. As would be seen by the proposals circulated to the shareholders, the ordinary shares and deferred shares would be allotted on the basis of the value of their respective assets, and in that connection he wished to say it was found necessary, in order to satisfy the various conflicting claims arising out of the amalgamation to create those deferred shares, and the directors felt it was a matter for congratulation that the various interests had thereby been brought into complete accord.

ASSETS OVER £700,000.

It would also be seen that the value of the combined assets to be acquired by the new company amounted to over £700,000, that valuation having been made on a most conservative basis, and he was pleased to say on general lines the scheme had met with the cordial approval of the shareholders.

Having dealt with a few points of criticism as to detail, he stated that it would be readily appreciated that the new company, having assets of over £700,000, which could be realised at the discretion of the board, possessed immense potentialities, especially as the company would commence its operations unencumbered by any promotion, formation or other preliminary expenses, and with a reserve provided for any contingency that could subsequently arise. The new company would, therefore, be in a position to reap full advantages of the profits which might accrue either through income or through the operations which it would undertake. In the latter connection, he stated that already provisional arrangements had been entered into, the benefits of which would accrue to the new company, for the proposed purchase of the new preference capital to be issued by the Crittall Manufacturing Company.

ADVANTAGES OF AMALGAMATION.

The following were a few of the advantages which he thought would immediately result from the carrying out of the proposed amalgamation. In the first place, the capital of the new company would be fully represented by the value of its assets. It would thus be free to declare from profits dividends which, under existing circumstances, were not possible. The new company being in a strong financial position, and already possessing important connections all over the country, would be in a position to command business which was not available for the present companies.

The resolutions sanctioning the amalgamation were adopted after some discussion, in the course of which certain options proposed to be granted on the deferred shares in the new company were relinquished by those interested, and the board stated that they would arrange that the unissued deferred shares, if issued, would only be issued by offering them *pro rata* to the ordinary shareholders.

The amalgamation scheme was also approved at meetings of the Atlantic Trust, Limited, the Status Investment Trust, Limited, and the Egyptian and Foreign Trust, Limited.

SINGAPORE PARA RUBBER ESTATES, LIMITED.

INCREASE OF CAPITAL APPROVED.

An extra-ordinary general meeting of the Singapore Para Rubber Estates, Limited, was held, on the 17th instant, in the Council Room of the Rubber Growers' Association, 2, 3, and 4 Idol Lane, London, to consider a resolution increasing the capital of the company. Mr Patrick Hadow presided.

The secretary (Mr Donald Laing) read the notice convening the meeting.

The Chairman, after apologising for the absence of the chairman of the company, who had broken a bone in his foot as the result

KANSALLIS - OSAKE - PANKKI

(National Joint Stock Bank).

Established 1889.

Head Office: Helsinki (Helsingfors), FINLAND.

134 BRANCHES at all important business centres in Finland.

Capital Fmk. 150,000,000
Reserve Fund and Profits " 115,000,000
Deposits, etc. (31/12/24) " 1,704,000,000

All descriptions of banking business transacted.

Telegraphic Address: KANSALLISPANKKI.

of an accident, said: Gentlemen,—You will have seen from the circular accompanying the notice convening this meeting that it has been called to deal only with the question of the increase of the company's capital from £150,000 to £300,000.

The board have for some time past been considering various offers of other properties which could profitably be worked in conjunction with the company's existing estates, but the terms were not such as the board could recommend, particularly because they did not conform with the requirements which the board consider most essential—namely, the reduction of the company's capital cost per planted acre.

Recently, however, the board have been negotiating for another property near the company's existing estates, which they anticipate they may be able to acquire at a price which is not only, in their opinion, reasonable in itself, but which will, if the negotiations are carried to a successful issue, result in the company being able to reduce the capital cost per planted acre, which stands now at £75, to £65 in respect of the company's present estate and the new estate combined. The acquisition of the new estate will also add to the company's earning powers, which would, of course, be reflected in the return to the shareholders.

The present state of the negotiations is such that it would obviously not be to the interest of the shareholders that I should be asked to give further details or particulars, and I am sure I can rely on the shareholders not to press me on this point, but I would like to add that, in the event of the negotiations proving successful, as I have every reason to hope they may, an issue of part of the new capital would be made without delay, and that so much as it is at present proposed to issue would be offered in the first instance to the shareholders at a figure which we hope would prove attractive to them.

Mr C. E. Craig seconded the resolution.

Replying to a shareholder, the Chairman said that there was no intention on the part of the board to issue at present more than 600,000 of the new 2s shares, and that no further issue would be made without consulting the shareholders.

The resolution was carried.

GOVERNMENT RETURNS, &c.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1925-26. (See Note)	Total Receipts into the Exchequer from Apr. 1, 1925, to Sept. 12, 1925.	Total Receipts into the Exchequer from Apr. 1, 1925, to Sept. 13, 1925.	Receipts. Week Ended Sept. 12, 1925.	Receipts. Week Ended Sept. 13, 1925.
Balances in Exchequer on 1st April:—					
Bank of England...	..	5,341,778	5,069,613	..	..
Bank of Ireland....	..	1,215,322	1,562,001	..	..
REVENUE.					
Customs.....	102,040,000	45,354,000	45,518,000	2,444,000	1,825,000
Excise.....	137,230,000	52,829,000	54,475,000	1,113,000	1,171,000
Motor Vehicle Duties ..	17,500,000	4,838,000	4,106,000	..	..
Stamp Duties.....	66,500,000	27,720,000	28,670,000	780,000	700,000
Stamps.....	24,000,000	9,200,000	7,120,000	950,000	210,000
Land Tax, House Duty & Mineral Rights Duty	1,000,000	170,000	820,000	10,000	..
Property & Income Tax	262,000,000	88,826,000	97,006,000	3,560,000	3,442,000
Super Tax.....	63,300,000	25,890,000	23,750,000	390,000	430,000
Excess Profits Duties, &c.	4,000,000	5,650,000	8,080,000	150,000	440,000
Corporation Profits Tax	57,000,000	24,500,000	24,300,000	800,000	800,000
Post Office.....	900,000	430,000	440,000	..	..
Crown Lands.....	..	..	..	..	..
Interest on Sundry Loans.....	12,600,000	8,404,120	5,788,637	67,425	..
Miscellaneous—	..	..	..	..	..
Ordinary Receipts...	14,000,000	5,061,061	5,548,034	424,664	141,796
Special Receipts....	30,000,000	18,089,387	14,074,532	200,000	500,000
Revenue.....	801,060,000	316,961,569	319,496,203	10,889,089	9,597,996
Total Inc. Balance ..	..	323,518,669	326,127,817	..	..
OTHER RECEIPTS.					
Temporary Advances Repaid:—					
Under the Unemployment Insurance Acts, 1921.....	..	1,170,000	5,780,000	..	10,000
Money Raised by Creation of Debt:—					
(a) For Capital Expenditure Issues:—					
Under the Telegraph (Money) Acts, 1922 and 1924.....	..	3,050,000	2,200,000	..	..
Under the Housing Act, 1914 ..	..	3,000	1,000	..	..
Under the West Indian Islands (Telegraph) Act, 1924 ..	..	11,533	..	..	..
(b) Under the Unemployment Insurance Acts, 1921.....	..	1,390,000	..	..	..
(c) For other Issues:—					
By Treasury Bills.....	..	1,113,769,000	1,080,884,000	53,419,000	52,705,000
By 3½% Conversion Loan ..	..	23,079,560	..	..	..
By National Savings Certificates By Exchequer and National War Bonds.....	..	16,200,000	12,450,000	550,000	550,000
By Treasury Bonds, 1925.....	..	15	..	..	..
By 4% Treasury Bonds, 1931-33 ..	..	10	13,521,620	..	..
(d) Ways and Means Advances ..	..	276,805,000	312,791,500	600,000	2,850,000
Anglo-Persian Oil Company—					
Dividends on Shares Acquired ..	..	..	23,109	..	..
Repayments:—					
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921.....	..	111,043	549,398	..	..
Interest received under Section 59 of the Finance Act 1920.....	..	142,853	..	142,853	..
(5) of the Finance Act 1920.....	..	1,759,250,683	1,754,328,444	65,600,942	65,774,796

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1925-26. (Including Supplementary Grants.)	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1925, to Sept. 12, 1925.	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1925, to Sept. 13, 1925.	Issues. Week Ended Sept. 12, 1925.	Issues. Week Ended Sept. 13, 1925.
EXPENDITURE.					
National Debt Services:—					
Interest, &c.....	305,000,000	151,730,159	152,009,917	1,273,858	957,922
Sinking Fund.....	50,000,000	19,532,225	13,590,353	..	500,000
Road Fund.....	16,900,000	4,037,044	3,247,044	..	..
Payments to Local Taxation Accounts, &c. ..	13,329,000	3,852,663	3,776,891	50,000	450,000
Payments to Northern Ireland Exchequer ..	4,000,000	1,875,352	2,086,832	..	..
Land Settlement ..	700,000	207,370	304,949	5,637	7,407
Other Consolidated Fund Services.....	2,000,000	1,156,611	1,004,795	..	..
Supply Services.....	418,086,000	168,973,816	161,554,489	7,471,148	5,950,000
Expenditure.....	810,015,000	351,424,440	337,575,270	9,071,228	7,855,329
OTHER ISSUES.					
Temporary Advances:—					
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	..	36,891	36,891	..	..
Under the Unemployment Insurance Acts, 1921.....	..	1,560,000	..	90,000	..
Issues to meet Capital Expenditure:—					
Under the Telegraph (Money) Acts, 1922 and 1924.....	..	5,450,000	3,950,000	400,000	250,000
Under the Housing Act, 1914 ..	..	6,000	4,000	..	..
Under the West Indian Islands (Telegraph) Act, 1924 ..	..	20,071	260,719	..	..
Unemployment Insurance Acts, 1921—					
Repayment of amounts borrowed ..	..	1,170,000	5,750,000	..	960,000
Redemption of Debt:—					
Treasury Bills.....	1,060,725,000	1,072,260,000	49,820,000	47,445,000	..
Principal of National Savings Certificates.....	13,950,000	14,700,000	500,000	600,000	..
Principal of Exchequer Bonds paid off ..	306,667	..	..	..	..
Principal of National War Bonds ..	8,194,789	..	400,000	..	..
Principal of Treasury Bonds paid off ..	23,645,865	..	..	..	..
Other Debt under the War Loans Acts, 1914 to 1919 ..	..	60	..	..	..
Ways and Means Advances Repaid ..	289,749,000	317,229,500	5,200,000	8,550,000	..
Anglo-Persian Oil Company—Issued to the National Debt Commissioners ..	..	23,109	..	..	..
Balance in Exchequer—					
Bank of England.....	..	1,756,238,723	1,751,789,539	65,481,233	65,670,329
Bank of Ireland.....	..	2,013,34	1,954,177	4,08	14,533
Total ..	..	3,011,960	2,538,905	119,709	104,467

NOTE.—Budget Estimate as in H.C. No. 84 of 1925, Treasury, September 14, 1925.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £40,000,000 in Treasury Bonds and Treasury Bills were opened on Sept. 18, 1925, and the total amount applied for was £67,255,000. For bills at three months dated Monday to Thursday, £99 2s 3d, about 19 per cent., above in full; Friday bills at £99 2s 6d, and above in full; Saturday bills at £99 1s 11, above in full—In bills at 3 months, £39,750,000; in bonds, £250,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.	4% Treasury Bonds. Average Price.
1925.				
July 17.....	35,000,000	49,605,000	4 4 6 4	nil
July 24.....	35,000,000	46,090,000	4 3 6 17	nil
July 31.....	35,000,000	44,065,000	4 5 0 4	nil
Aug. 7.....	35,000,000	47,070,000	3 19 11 14	nil
Aug. 14.....	35,000,000	50,515,000	3 18 2 11	nil
Aug. 21.....	35,000,000	61,575,000	3 15 2 9	nil
Aug. 28.....	40,000,000	59,830,000	3 16 3 65	nil
Sept. 4.....	40,000,000	56,955,000	3 16 3 53	nil
Sept. 11.....	35,000,000	57,180,000	3 15 6 7	nil
Sept. 18.....	40,000,000	67,255,000	3 10 1 05	94 0 0

Tenders will be received on Sept. 25, 1925, for Treasury Bills and Treasury Bonds to be issued to the maximum amount of £45,000,000. The amount of Treasury Bonds issued will not exceed £4,000,000.

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

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Redemption Account.					
			Silver Coin.	Gold Coin and Bullion.	Bank of England Notes.	Ratio to Notes.	Govern- ment Secur- ities.	Balance £.
1922.	£	£		£	£			£
Mar. 29.....	306,351	14,255	5,000	28,500	19,450	15 9	261,479	177
June 28.....	295,374	13,338	5,000	28,500	19,650	16 3	264,312	180
Sept. 27.....	289,127	12,648	7,000	27,000	21,150	16 6	266,456	189
Dec. 27.....	301,537	12,872	7,000	27,000	21,150	15 9	268,922	187
1923.								
Mar. 28.....	285,616	12,318	7,000	27,000	22,450	17 3	261,294	190
June 27.....	286,503	12,516	7,000	27,000	22,450	17 3	263,446	193
Sept. 27.....	282,784	12,401	7,000	27,000	22,450	17 5	268,595	190
Dec. 26.....	289,070	12,571	7,000	27,000	22,450	16 6	265,039	189
1924.								
Mar. 26.....	281,538	11,908	7,000	27,000	22,450	17 6	263,867	190
June 25.....	290,316	12,472	7,000	27,000	22,450	17 0	268,198	194
Sept. 24.....	285,592	12,227	7,000	27,000	22,450	17 3	264,186	194
Dec. 31.....	296,261	12,812	7,000	27,000	22,450	18 2	268,111	198
1925.								
Mar. 25.....	284,256	11,862	7,000	27,000	26,950	18 9	265,076	112
June 24.....	292,278	12,865	7,000	..	53,950	18 5	263,474	119
Sept. 2.....	292,836	12,926	7,000	..	56,250	19 0	264,711	123
9.....	295,402	12,400	7,000	..	56,250	19 0	264,379	127
16.....	293,773	12,391	7,000	..	56,250	19 1	263,661	153

Comparison with previous weeks:—

	Short Loans.	Bank Bills.			Trade Bills.		
		3 Months.	4 Months.	6 Months.	3 Months.	4 Months.	6 Months.
Aug. 28.....	100	100	100	100	100	100	100
Sept. 11.....	100	100	100	100	100	100	100
18.....	100	100	100	100	100	100	100

OVERSEAS BANK RATES.

Place	Changed.	%	Place	Changed.	%
Amsterdam	Jan. 14, 1925	.. 4	Oso	Sept. 14, 1925	.. 5
Athens	Feb. 5, 1925	.. 8	Paris	July 9, 1925	.. 6
Belgrade	..	..	Prague	Mar. 25, 1925	.. 7
Berlin	Feb. 26, 1925	.. 9	Riga	Feb. 16, 1924	.. 8
Brussels	Jan. 22, 1925	.. 5	Rome	June 18, 1925	.. 7
Bucharest	Sept. 4, 1920	.. 9	Stockholm	July 23, 1925	.. 5
Budapest	May 28, 1925	.. 4	Swiss Bank	..	..
Calcutta	July 8, 1925	.. 4	places	July 14, 1925	.. 4
Copenhagen	Sept. 8, 1925	.. 9	Tokio	April 15, 1925	.. 7.3
Danish	Mar. 6, 1925	.. 8	Vienna	Sept. 2, 1925	.. 9
Helsingfors	Aug. 14, 1925	.. 9	Warsaw	(See note below)	..
Lisbon	Sept. 12, 1925	.. 8			
New York Fed.	..	..			
Reserve	Feb. 26, 1925	.. 3			
Madrid	Mar. 23, 1925	.. 5			

The Bank Rate of the South African Bank is 5½% for first-class commercial bills (90 days), and 6% for agricultural bills (of not more than six months).

Warsaw (Poland).—From August 12, 1925, discount rate, gold francs, 12% ; loans on collateral security, gold francs, 14%.

We are informed that the head office of the De Javasche Bank at Batavia as from October 20th, has increased its discount rate for bills from 3½ per cent. to 4½ per cent.

RATES OF EXCHANGE.

London on	Usance	Par.	Sept. 19, 1925.	Sept. 11, 1925.	Sept. 18, 1925.
Paris	francs to £1	T.T.	25.224	84.08.13	102.43.48
Berlin	marks to £1	T.T.	20.43	184.19 blms.	20.35.37
Vienna	schillings to £1	T.T.	34.583	314/319,000b	34.40.45
Prague	krone to £1	T.T.	24.02	1483-1494	1634-1632
Warsaw	zloty to £1	T.T.	25.224	23.20.40	28.28-283
Regal	Estim. to £1	T.T.	1820-1850	1810-1850	1810-1850
Riga	lats to £1	T.T.	25.224	22.98.23.22	25.00.25
Kyovo	lats to £1	T.T.	48.66	49.25.35	49.20.30
Bukarest	lei to £1	T.T.	25.224	870-880	1,000-1,010
Budapest	kr. to £1	T.T.	24.02	340/350,000	345/347,000
Constantinople	piastres to £1	T.T.	110	820-830	855-865
Sofia	leva to £1	T.T.	25.224	605-615	655-675
Belgrade	dinars to £1	T.T.	25.224	318-323	270-273
Amsterdam	florin to £1	T.T.	12.107	11.61-614	12.053.6
Brussels	francs to £1	T.T.	25.224	90.10.15	109.65.75
Oso	kroner to £1	T.T.	18.159	32.35.40	22.85.88
Stockholm	kroner to £1	T.T.	18.159	16.71.76	18.08.09
Copenhagen	kroner to £1	T.T.	18.159	26.32.37	19.78.83
Helsingfors	F. marks to £1	T.T.	25.224	1773-1784	1924-1928
Greece	drachmas to £1	T.T.	25.224	247-252	330-335
Italy	lire to £1	T.T.	25.224	1033-1034	1178-1173
Switzerland	francs to £1	T.T.	25.224	23.61.64	25.10.11
Madrid	pesetas to £1	T.T.	25.224	33.74.77	33.60.63
Lisbon	escudos to £1	T.T.	53.4	1.1-1.1	248-247
Alexandria	piastres to £1	T.T.	978	978-978	978-978
New York	dollars to £1	Cable	4.863	4.458-452	4.844-44
Montreal	dollars to £1	Cable	4.863	4.458-4	4.844-44
Buenos Aires	pesos to £1	T.T.	47.624	432-4	454-458
Rio de Janeiro	pesos to £1	T.T.	16	54-5	64-633
Montevideo	pesos to £1	T.T.	15.33	432-452	49-493
Valparaiso	pesos to £1	T.T.	15.33	432-452	39-60
Lima	soles to £1	T.T.	10	10-10	2143 prem.
Colombia	pesos to £1	T.T.	10	10-10	18.64-64
Bombay	rupees to £1	T.T.	10	10-10	18.64-64
Madras	rupees to £1	T.T.	10	10-10	18.64-64
Hong Kong	dollars to £1	T.T.	..	28.40-50	28.40-50
Shanghai	dollars to £1	T.T.	..	36.44-54	36.24-243
Singapore	dollars to £1	T.T.	..	28.44-44	28.44-44
Yokohama	dollars to £1	T.T.	..	28.44-44	28.44-44
Manila	dollars to £1	T.T.	..	28.44-44	28.44-44
Mexico	pesos to £1	T.T.	..	25.224	244-243

† Rate for previous day. (b) Represents krona to £1, at a par value of 24.02 to £1. † 1 schilling=10,000 paper crowns.

CURRENT RATES IN NEW YORK.

The Irving Bank—Columbia Trust Company cable the following money and exchange rates in New York:—

	Sept. 18, 1925.	Aug. 20, 1925.	Sept. 3, 1925.	Sept. 10, 1925.	Sept. 17, 1925.
Call money	2	..	4	..	3
Time money (90 days mixed coll)	3	..	4	..	4
Bank acceptances:—					
Members—eligible, 90 days	2	..	3	..	3
Non-mem.—eligible, 90 days	2	..	3	..	3
Ineligible, 90 days	2	..	3	..	3
Commercial accept, 90 days	3	..	4	..	4

Rates of Exchange.	Par Level.	Sept. 18, 1924.	Sept. 3, 1925.	Sept. 10, 1925.	Sept. 17, 1925.
London—					
60 days	4.8666	4.4286	4.8093	4.8075	4.8075
Cable	4.8666	4.4286	4.8093	4.8075	4.8075
Cheques	4.8666	4.4286	4.8093	4.8075	4.8075
Paris—					
Cheques	19.30	5.3234	4.6875	4.69	4.725
Brussels	19.30	4.9649	4.47	4.406	4.385
Switzerland	19.30	18.881	19.33	19.315	19.305
Italy	19.30	4.3899	3.98	4.10	4.125
Berlin	23.81	0.0141	23.805	23.80	23.80
Vienna	14.07	13.224	14.06	14.125	14.125
Madrid	19.30	38.441	40.26	40.17	40.17
Amsterdam	40.195	16.949	25.151	24.63	24.35
Copenhagen	26.80	13.799	21.141	21.62	21.90
Oso	26.619	26.639	26.81	26.83	26.83
Stockholm	19.30	1.7749	14.25	14.60	14.5
Athens	100	99.99	..	..	..
Montreal	49.85	40.55	40.52	40.70	41.18
Yokohama	..	53.9	60	59.25	59.75
Hong Kong	..	56.5	79.25	79.00	77.75
Shanghai	..	36.68	36.73	36.75	36.70
Calcutta	103.65	125	109.50	109.25	109.25
Buenos Aires	32.42	10.30	13.45	13.55	13.40
Rio de Janeiro	30.60	11.25	12.125	12.125	12.125
Valparaiso	..	..	..	..	..

MOSCOW QUOTATIONS FOR CHERVONETZ.

According to advices received in London, the following are the Moscow quotations for chervonetz:—

£1,000 sterling equals 940½ chervonetz.
\$1,000 " " 1942½ "

GOLD MOVEMENTS.

The following table shows arrivals and withdrawals of gold during this week:—

ARRIVALS.	£	WITHDRAWALS.	£
Sept. 12.....	nil	Sept. 12.....	bars sold 14,000
" 14.....	nil	" 14.....	bars sold 42,000
" 15.....	nil	" 15.....	Singapore bars sold 48,000
" 16.....	nil	" 16.....	Holland bars sold 5,000
" 17.....	nil	" 17.....	bars sold 59,000
" 18.....	nil	" 18.....	bars sold 21,000
		" 18.....	India bars sold 65,000
		" 18.....	Argentina bars sold 10,000
		" 18.....	bars sold 31,000
		" 18.....	bars sold 14,000
Total.....	nil	Total.....	309,000
		Net withdrawals, £309,000.	

CENTRAL AMERICAN EXCHANGE RATES.

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

Country.	Par Value	Usance.	1925.	Rate.
Ecuador.....	sueros to £	10.00	Sight London	Sept. 12 20.10
Venezuela.....	Bolivares to £	25.25	"	Sept. 16 25.50
Colombia (Bogota) ..	Pesos to £20.	100	"	Sept. 15 28.35
Nicaragua.....	Corobas to £	4.8655	"	Aug. 31 4.80
San Salvador.....	Colonos to £	9.73	"	Sept. 12 9.80
Guatemala.....	Pesos to £	90.23	"	Sept. 12 892
Costa Rica.....	Colonos to £	10.45	"	May 28 18.92
Bolivia.....	pesos to Boliviano	19.20	"	Aug. 31 17½

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates:—

	Union of South Africa.		Union of South Africa.	
	From September 9, 1925.		From September 9, 1925.	
	London on South Africa.		South Africa on London.	
	Buying.	Selling.	Buying.	Selling.
T.T.	13 1/2 %	dis.	1 1/2 %	dis.
Demand	2 1/2 %	"	1 1/2 %	prem.
30 days	2 1/2 %	"	1 1/2 %	dis.
60 days	2 1/2 %	"	1 1/2 %	"
90 days	3 1/2 %	"	1 1/2 %	"
120 days	4 %	"	2 1/2 %	"

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

	London on Australia and New Zealand.				Australia and New Zealand on London.			
	Buying.		Selling.		Buying.		Selling.	
	Aus- tralia.	New Zeal'nd	Aus- tralia.	New Zeal'nd	Aus- tralia.	New Zeal'nd	Aus- tralia.	New Zeal'nd
T.T.	100	100	100	100	99	99	100	100
Demand	99 1/2	99 1/2	99 1/2	99 1/2	99 1/2	99 1/2	99 1/2	99 1/2
30 days	99 1/2	99 1/2	99 1/2	99 1/2	99 1/2	99 1/2	99 1/2	99 1/2
60 days	99 1/2	99 1/2	99 1/2	99 1/2	99 1/2	99 1/2	99 1/2	99 1/2
90 days	99 1/2	99 1/2	99 1/2	99 1/2	99 1/2	99 1/2	99 1/2	99 1/2

BULLION.

IMPORTS AND EXPORTS OF GOLD.

Week ended September 16, 1925.

Imported into Great Britain and Northern Ireland.	Exported from Great Britain and Northern Ireland.
From—	To—
British West Africa.....	Norway.....
Other countries.....	Germany.....
	Netherlands.....
	France.....
	Switzerland.....
	Gibraltar.....
	Kenya.....
	Ceylon.....
Total declared value of imports.....	Total declared value of exports.....

GOLD STANDARD RESERVE.

Statement showing the form in which the balance of the reserve was held on August 31, 1925:—

In India.....	Nil
In England—	
Cash at the Bank of England.....	£ 4,444
British Government securities—	
Value as on March 31, 1925.....	28,242,856
Since purchased (cost price).....	12,435,460

SIDNEY TURNER, Accountant-General.

India Office, September 11, 1925.

Messrs Samuel Montagu and Co. write, on September 16, as follows:—

GOLD.

The following movements of gold to and from the Bank of England have been reported since our last issue:—

	Received.	Withdrawn.
Sept. 10.....	nil	32,000
" 11.....	nil	10,000
" 12.....	nil	14,000
" 14.....	nil	95,000
" 15.....	nil	59,000
" 16.....	nil	96,000

The destinations of the £128,000 sovereigns withdrawn were given as follows:—India £65,000, Singapore £48,000, Argentina £10,000, and Holland £5,000. During the week under review £306,000 on balance has been withdrawn from the Bank, reducing the net influx since the resumption of an effective gold standard to £5,230,000. The Netherlands bank has reduced its price for the purchase of gold from 1,648 fl to 1,047.50 fl per fine kilogramme. We understand that the reduction has been made in order to cover certain expenses incurred by that institution when purchasing imported gold.

SILVER.

Failing support from China, silver prices have fallen sharply, and the market has a quieter tone. Demand from India for spot supplies again carried the quotation for prompt delivery to a premium, the difference widening to 18d on the 12th inst. The inquiry, however, was not sufficient to maintain prices, and although lower quotations induced some buying to cover bear commitments, this was more than offset by offerings from China. We are advised from New York that the United States Government purchased on the 3rd inst. 500,000 ozs for subsidiary coinage, to be delivered to the Philadelphia Mint within two weeks. It is understood that the price paid was about 72½ cents. The imports and exports of silver to and from the United Kingdom during the week ending 9th inst. were as follows:—

	Imports.	Exports.
France.....	10,454	China..... 220,520
United States.....	104,494	British India..... 36,697
Other countries.....	4,905	Other countries..... 6,573
	119,853	263,790

INDIAN CURRENCY RETURNS.

	Aug. 22.	Aug. 31.	Sept. 7.
Notes in circulation.....	18,711	18,821	18,810
Silver coin and bullion in India.....	8,771	8,878	8,867
Silver coin and bullion out of India.....	2,232	2,232	2,232
Gold coin and bullion in India.....	5,711	5,711	5,711
Securities (Indian Government).....	2,000	2,000	2,000
Securities (British Government).....	2,000	2,000	2,000

No silver coinage was reported during the week ending 7th inst. The stock in Shanghai on the 12th inst. consisted of about 52,865,000 ozs. in sycee, 55,000,000 ozs in sycee, and 2,490 silver bars, as compared with about 54,400,000 ozs in sycee, 52,000,000 dollars, and 2,260 silver bars on the 5th inst.

The Government of India have announced that £13,871,000 has been remitted to the Secretary of State for India during the five months ending August 31, 1925, by means of purchases of sterling in India.

GOLD AND SILVER PRICES.

1925.	Gold Per Ounce.	Silver—Per Ounce.	Date.	Silver.
	s d	d		Coah.
Sept. 12....	84 11½	33½	Sept. 26, 1919..	63½
14....	84 11½	33½	24, 1920..	59½
15....	84 11½	32½	23, 1921..	41½
16....	84 11½	32½	22, 1922..	35½
17....	84 11½	32½	21, 1923..	32½
18....	84 11½	32½	19, 1924..	34½

NOTICES.

The following have been elected extraordinary directors of the Bank of Scotland:—The Earl of Haddington, Sir John T. Cargill, Bart., Lord Balfour of Burleigh.</

MINING OUTPUT STATISTICS FOR AUGUST, 1925.

	Tons Crushed.		Gold Recovered.		Value.	Profit.
	Mill.	Cyanide Works.	Mill.	Cyanide Works.		
Gold.	Tons.	Tons.	Ozs.	Ozs.	£	£
Lonely Reef	5,170	845	379	47	3,038	3,603
Rhosambia	1,250	(short)	..	..	426	..
Santa Gertrudis	66,303	..	..	..	..	..
Tin.	Output.	Other Notes in Return.				
Anglo-Nigerian	18	134,000 ozs silver.				
Asamayo	251	Black tin cleaned up.				
Briefels	11	..				
Ex-Lands Nigeria	30	..				
Gold Coast Consol. Lands	24	..				
South Bukuru	5	..				
Copper.	17,755	Ore hoisted; produced 1,208 tons concentrates, containing 451 tons copper.				
Messina (Transvaal)	223	..				
Zinc.	..	4,760 tons lead concentrates, 3,262 tons zinc concentrates.				
Zinc Corporation	..	..				

SULPHIDE CORPORATION, LIMITED.—During the four weeks ended on August 22 1925, 5,366 tons of ore (including 2,364 tons of Central Mine ore), together with 3,590 tons of slimes, were milled at the Central Mine, producing 1,764 tons of lead concentrates (including 152 tons from the desanding plant), which assayed 42 ozs silver, 58 per cent. lead, together with 2,321 tons of zinc concentrates, assaying 10 ozs silver, 8 per cent. lead, 49 per cent. zinc per ton, and 617 tons of special slimes, assaying 12 ozs silver, 17 per cent. lead, and 9 per cent. zinc per ton.

OIL OUTPUTS.

BRITISH CONTROLLED OILFIELDS, LIMITED.—By cable for the week ending September 9, 1925: Production, 56,910 barrels; shipments, 6,430 tons.

COASTAL OILFIELDS OF COLOMBIA, LIMITED. report that cable from field states Sinu River Oilfields well had reached a depth of 1,710 feet on September 8th.

LAGO PETROLEUM CORPORATION.—The following information has been received by cable:—For week ended September 12, 1925: Production, 82,000 barrels; oil shipments, 68,000 barrels; storage on hand, 54,000 barrels. On September 13th the well being drilled by the company at Ambrosio, situated seven miles north of La Rosa, and which is over one kilometre in the lake from the shore, encountered strong gas and oil pressure at 1,327 metres.

TAMPICO OIL, LIMITED.—Total production during August, 50,547 barrels, in respect of which the royalty due to Tampico Oil, Limited, amounted to 3,791 barrels.

UNITED BRITISH OILFIELDS OF TRINIDAD, LIMITED.—Combined productions for the week ending Wednesday, September 9th, amounted to 776 tons.

Reports and Notices.

Mr Harold A. Sanderson, chairman of the White Star Line, has joined the board of directors of Dalgety and Co., Limited.

The London Committee of the Companhia de Mocambique state that the Customs receipts for the Port of Beira during July amounted to £14,950, as compared with £18,769 for the corresponding period of 1924.

Messrs. Coates, Son and Co. announce that they are removing from their temporary premises, 61, Moorgate, E.C. 2, and returning to 97, Gresham street, London, E.C. 2, which will be their permanent address on and after the 10th inst. Their present telephone numbers will be retained, and their telegraphic address will be "Coates, Cent, London."

Cable advices from Toronto state that at a meeting of shareholders in Noranda Mines Messrs Percy Rockefeller, W. D. Baldwin, and Irving W. Bonwright were elected to the board as representatives of the New York interests, and that as the Quebec Government has decided to undertake the construction of the railway to the Rouyn Goldfields, active steps will be taken to develop the company's properties.

Messrs. Coutts and Co. will pay on and after October 1st the coupons of the Peruvian Corporation 6 per cent. bonds at the rate of £3 per cent. per annum.

The transfer books of the Eastern Bank, Limited, will be closed from September 28th to 30th, both days inclusive.

GOVERNMENT STOCKS, &c.

GERMAN LOAN IN AMERICA.—We are informed that the National City Company, Harris, Forbes and Co. and Lee, Higginson and Co. are offering for public subscription \$25,000,000 Central Bank for Agriculture of Germany, first lien 7 per cent. Gold Farm Loan Sinking Fund bonds due 1950 at the price of 93 and interest to yield 7.63 per cent. The loan is the first of its kind ever floated on the American market for German account, and is, we understand, expected to facilitate the working of the Dawes plan. It is stated that \$6,000,000 of the loan has been applied for, and will be offered for public and private subscription in Holland, Sweden and Switzerland.

3 PER CENT DIPLOMATIC DEBT OF VENEZUELA, 1905.—The Council of Foreign Bondholders notify the receipt of a sight draft

for £4,390 15s 4d, being the moiety of the third fortnightly instalment of the debt service payable to the Council in respect of the half-year ending December 31, 1925.

RAILWAYS.

OTTOMAN RAILWAY FROM SMYRNA TO AIDIN.—The report for half-year ended June 30, 1925, shows that gross receipts amounted to £192,802, an increase of 37 per cent. Working expenses at £130,326, compared with £124,629, an increase of 4.57 per cent. Coal consumption was 5,000 tons, against 4,003 tons in 1924. Only English coal was used during this half-year, the cost amounting to £10,359, or an average of £2 1s 3d per ton.

BANKS.

AUSTRALIAN BANK OF COMMERCE.—The report for the year ended June 30, 1925, reveals a net profit of £170,766, excluding £29,358 interest paid on inscribed deposits. The dividend on the ordinary shares has been raised from 7 per cent. to 7½ per cent. The sum of £50,124 has been transferred to reserve fund, and £10,000 has been put to reduction of bank premises account. The sum of £54,560 is carried forward. As a result of an offer made in February last to the inscribed depositors of the bank to exchange their inscribed deposits for shares, 638,872 fully-paid-up shares have been issued, and £319,435 has been placed to reserve fund. In order to make up the issued capital of the bank to the even total of £1,840,000, 1,128 fully-paid shares were issued, and sold on the market, realising a surplus of £441, which has also been placed to reserve fund. The reserve fund, which on June 30, 1924, stood at £370,000, has been increased to £740,000.

BANCO ESPANOL DEL RIO DE LA PLATA.—The profits for year ended June 30, 1925, after having covered general charges and the different taxes which have weighed on the institution, amount to the sum of \$2,307,238 legal currency. It is proposed to destine from the said profits the sum of \$1,800,000 legal currency, to reduce the balance of the account of "Accounts overdue and in process of liquidation," and also \$150,000 legal currency for the account "Furniture and fittings." If approved, there will remain a balance of net profit of \$357,238 legal currency, and a balance of \$56,269 legal currency will be carried forward to the next account, after making the following distribution:—90 per cent. to the preferred shareholders—on 16,424 preferred shares at the rate of 7 per cent. proportionally as to the time of being paid-up, and on 233,576 certificates of preferred shares with 10 per cent. paid, \$266,838 legal currency; 4 per cent. to reserve fund, \$13,653 legal currency; 4 per cent. to contingency fund, \$13,652 legal currency; 2 per cent. to directors and auditors, \$6,826 legal currency; amount to be carried forward to next account, \$56,269—\$357,238 legal currency.

COMMERCIAL BANK OF AUSTRALIA.—The net profit for year ended June 30, 1925, amounted to £305,536, as against £264,542 in preceding year. To this is added £64,954 brought in, making £370,490 available. The sum of £101,124 is put to reserve. This, together with £233,876, being premium received on the new issue of shares, has been credited to that account, increasing reserve fund to £685,000. The sum of £10,000 is put to reduction of bank premises, and £5,000 is put to officers' guarantee and provident fund. Preference dividend absorbed £84,604. The ordinary dividend, 15 per cent., takes £87,102, and £82,570 is carried forward.

ROYAL BANK OF IRELAND.—The net profits of the bank for year ended August 31, 1925, after making provision for all bad, doubtful debts, amounted to £73,842, which, with the amount brought forward from last year of £9,068, make together £82,910. The dividend of 10 per cent for year absorbed £23,612, leaving a balance of £59,298, out of which the board have appropriated to reserve fund, bank premises, officers' superannuation, and other contingencies, £50,000. The balance to be carried forward to the credit of next year's account, £9,298. A new branch has been opened during the year at Annesley Bridge, North Strand, Dublin.

YOKOHAMA SPECIE BANK.—At the meeting of the shareholders of this bank, held in Japan on September 10th, the statement and accounts for the half-year ended June 30th last were submitted. The statement was approved, the net profit of the bank for the past half-year being 14,568,628.43 yen, including 5,417,952.77 yen brought forward from the preceding half-year. The amount was distributed as follows:—To reserve fund, 3,000,000 yen; to dividend, 6,000,000 yen; to balance carried forward to next account, 5,568,628.43 yen. Dividend declared, 12 per cent. per annum.

INSURANCE.

LONDON AND LANCASHIRE INSURANCE.—The following official changes are announced:—The retirement, on pension, after 45 years' service, is announced, as from September 30th, of Mr. Thos. Brown, local manager at Manchester. To succeed Mr. Thos. Brown, the directors have appointed Mr. A. Russell as local manager at Manchester. In succession to Mr. A. Russell, the directors of "The London and Lancashire" have appointed Mr. Charles A. Smith to be local manager at Leeds. The directors have appointed Mr. Alexander Barbour to be assistant local manager at Leeds.

RUBBER, &c.

TELOGOREDO UNITED PLANTATIONS, LIMITED.—The estimated rubber crop for 1925, was given in the directors' report dated May 11th last as 1,870,049 lbs. Rights of production over 145,000 lbs have been purchased, and therefore the total estimated crop for the year ending December 31, 1925, is now 2,015,049 lbs. Of this estimate, for the eight months to August 31st last 1,327,500 lbs have been harvested, of which 841,530 lbs have been sold at an average price of as 6.52d. With regard to coffee, ended August 31st last, 11,972 cwts have been harvested. Of this

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

With a spell of fine weather, farmers were able to cart late cereals while preparing the land for autumn sowings. Preliminary forecasts of the yield show a slight reduction in wheat and oats, but barley fully up to last year. Offerings of native wheat at the principal statute markets continue on a moderate scale, threshings being hampered by recent rains, but quality is variable and quotations generally the turn in buyers' favour, except for seeding samples, which command full rates. Trade generally remains in a dull state, buyers showing little disposition to operate apart from pressing needs, while prices are the turn easier in most instances in sympathy with weak forward values and liberal offers of Continental grain. In the floating and forward wheat cargo section there was almost an absence of demand, though sellers were not pressing near positions. Forward quotations, however, were generally easier, and the only feature was the sale of some 30,000 tons Australian new crop December-January shipment at 50s 6d. Maize cargoes dull and easier in view of a poor consumptive demand and pressure to sell Russian barley. Steamers of Plate loading sold at 38s, and ditto just sailed 38s 3d per 480 lbs, while Russian barley September-October shipment changed hands at 28s 6d per 400 lbs. Wheat in slow demand and tendency easier. No 1 Northern Manitoba ex-ship quoted 65s 6d, No 2 ditto 64s 3d, No 3 62s 3d, Australian 62s per 496 lbs. English new quoted 11s, 11s 3d, per 112 lbs free on rail. Flour dull. London standard grade quoted 48s, patents 50s, 51s, town whites 48s per sack delivered in the Home Counties, with 6d to 1s per sack less for deliveries in London districts. Imported quiet, but in limited supply. Manitoba patents range from 48s-51s, Minneapolis 48s 6d-50s, Kansas patents 48s, Australian 44s-44s 6d per 280 lbs ex-store, Maize again easier. Plate ex-ship to arrive quoted 39s 6d, ditto landed 41s 6d, white flat African ex-ship 40s per 480 lbs. Yellow African maize meal ex-ship to arrive £9 5s, white ditto ex-ship, £8 15s per ton. Barley weak. Californian new ex-ship quoted 40s-50s, Chilian Chevalier landed 58s-70s, Brewing 52s-54s, according to quality, Australian 57s-61s ex-store, Danish and Swedish ex-ship 50s-58s per 448 lbs. American malting ex-ship September 30s, No 3 Canadian Western ex-ship October 31s 6d, No 4 ditto October 30s, Russian ex-ship 29s-31s, as to sample per 400 lbs. English, new quoted 10s-20s, the latter for malting quality, per 112 lbs. Oats steady. Plate landed 27s, No 2 Canadian Western ex-ship to arrive 29s 3d, landed 31s 3d, No 2 Canadian feed ex-ship 25s 3d, landed 26s 3d, Chilian Tawny landed 27s 6d, No 2 white clipped American ex-ship to arrive 23s 9d, landed 25s, all per 320 lbs. English new quoted 9s-10s per 112 lbs free on rail. Millers' offals maintained. Broad bran quoted 8s 3d, middlings 8s 9d, fine ditto 10s 3d, bags included ex-mill, powdered oat husks 6s 3d, feed oatmeal 8s 9d, ground oats 12s 9d per cwt free on rail. Oatmeal.—Steady, with a fair demand. London made, flaked 18s, rolled oats 17s, medium also fine cut 17s, coarse also medium pinhead 17s ex-mill, ordinary Scottish oatmeal 18s 6d, American ditto 17s 6d per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest years 1924-25, 1923-24, 1922-23, 1921-22.

	1925-1926.	1924-1925.	1923-1924.	1922-1923.
Estimated sales of home-grown wheat—				
1 week to Sept. 12	Cwts. 402,421	Cwts. 123,452	Cwts. 391,281	Cwts. 249,051
2 weeks to Sept. 12	668,180	213,596	715,283	465,336
Average price of English wheat per cwt.	11 8	12 1	9 0	8 9

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1921 to 1924:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1925.						
Sept. 5	Cwts. 265,759	Cwts. 156,747	Cwts. 56,134	11 8	12 5	9 9
Sept. 12	402,421	199,038	72,238	11 8	14 4	9 8
1924.						
Sept. 5	469,140	338,493	70,662	13 3	17 7	20 9
Sept. 12	249,051	58,764	47,430	9 11	10 6	8 8
1923.						
Sept. 5	391,281	232,449	57,376	9 0	11 2	8 9
Sept. 12	123,452	333,164	60,363	12 1	17 5	9 3

AMERICAN WHEAT MARKETS.

Fluctuations this week have been confined within fairly narrow limits. Good Canadian harvesting conditions have been a bearish factor, but export buying improved in the later part of the week. In America more favourable reports from the North-West influenced prices to a large extent in the earlier days of the week, but im-

MISCELLANEOUS.

BRITISH ELECTRIC TRANSFORMER.—We are informed that the profit for the half-year ended June 30, 1925, amounted to £25,826, as compared with £11,235 for the same period of 1924, and a loss of £19,959 for the first half of 1923.

BURT, BOULTON, AND HAYWOOD.—The net profit for year ended June 30th, 1925, after writing off £15,000 to depreciation and £5,120 off the expenses of the debenture stock issue, amount to £61,012. The net profit in preceding year was £72,928, after writing off £20,000 for depreciation. The ordinary shareholders receive 10 per cent., less tax, against 8 per cent., free of income-tax on preceding year. The sum of £15,000 has been carried to reserve and £14,420 carried forward. Balance-sheet reveals total assets £1,650,399, against £1,478,279. Cash stands at £29,167, against £11,635. Investments stand at £410,610.

CRITTALL MANUFACTURING COMPANY.—The report for the year ended May 31, 1925, shows a profit of £70,162, and after deducting interest on loans, governing director's salary, and directors' fees, there remains available for appropriation the sum of £58,076. After the payment of the interim participating preference share dividend for the half-year ended November 30th last, amounting to £3,193, there remains £54,882. The directors now propose to transfer to general reserve £3,563, bringing that total to £5,000; to transfer to depreciation reserve £9,650; to transfer to taxation reserve, £2,500; and to the payment of the participating preference share dividend for the half-year ended May 31st last, £10,000, making a total of £25,714. Out of the available balance it is proposed to pay an ordinary share dividend for the year at the rate of 10 per cent. per annum, and a final participating preference share dividend for the period under review at the rate of 2 per cent., making a total of 10 per cent. per annum on the participating preference shares, and carry forward the balance, £6,381. It is proposed to increase the company's capital by the creation of a further 250,000 cumulative participating 8 per cent. preference shares to rank *pari passu* with the existing issue, and a further 200,000 ordinary shares, the issue of the latter not being at present contemplated. The 250,000 cumulative participating 8 per cent. preference shares have been purchased at a premium of 2s per share, the purchasers paying all the expenses in connection with the issue with the exception of the capital duty, these shares having to be offered to the existing preference shareholders at the price of 25s per share, and such as remain over have to be offered to the ordinary shareholders.

EVANS BONS, LESCHER, AND WEBB.—The scheme of arrangement provides that the capital of the new company shall be:—750,000 6 per cent. participating cumulative preference shares of 6s 8d each; 600,000 ordinary shares of 6s 8d each. It is proposed to allocate these shares as follows:—For each cumulative 5 per cent. preference share in the old company the holder will be entitled to receive: (a) allotment of two cumulative preference shares of the nominal value of 6s 8d each, credited with 5s paid per share, the unpaid balance in respect of the two new shares being payable 1s 8d on application and 1s 8d on allotment. These shares will carry interest at the rate of 6 per cent., and in addition will entitle the holder to one-third of the profits of the company distributed as dividend in any year after 6 per cent. has been paid on the preference and ordinary shares. (b) The holder is also entitled to receive allotment of new ordinary shares of the nominal value of 6s 8d each, issued at par, is payable on application and 5s 8d on allotment. For each ordinary share held in the old company, the holder will be entitled to receive: (a) allotment of one ordinary share of the nominal value of 6s 8d, credited with 4s paid per share, the unpaid balance being payable 1s 4d on application and 1s 4d on allotment. (b) The holder is also entitled to receive *pro rata* with the preference shareholders allotment of new ordinary shares of the nominal value of 6s 8d each, issued at par, is payable on application and 5s 8d on allotment.

HAVANA ELECTRIC RAILWAY, LIGHT, AND POWER.—The plan for the readjustment of the share capitalisation through the exchange of existing stock for stock of the Havana Electric and Utilities Company, has, we are informed, been formulated by Messrs. Speyer Company, and Co., of New York, in conjunction with Mr. Frank Steinhart, and the president of the Havana Electric Railway, Light, and Power Company. Stockholders of the Havana Electric Railway, Light, and Power Company are offered the right of exchanging their stock for stock of the Havana Electric and Utilities Company and cash. Speyer and Co. will act as readjustment managers and depository, and have underwritten the cash requirements of the plan. Holders of substantial amounts of stock have agreed to deposit their stock under the plan.

KAMINISTIQUE POWER.—We understand that the Kaministiquia Power Company has received an offer for the sale of its assets to the Fort William Power Company (subject to the redemption of the Kaministiquia Power Company's first mortgage bonds at of the Kaministiquia Power Company are to receive \$145 per share, payable in cash and \$50 per share value of 7 per cent. cumulative preferred stock of a new power company to be formed.

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—The Colonial wool sales in London this week have emphasised the fact, already demonstrated in Australia, that the Continent is still in need of raw material. Despite adverse exchanges and depreciated currencies, Continental users appear to be able to pay current rates with freedom, although prices are well above the ideas of Yorkshire mill owners. Tops and yarns continue to be sold here at prices greatly below replacement costs, and it is difficult to see where wool is to be bought to bring in tops at the prices recently accepted for forward delivery. Good 64's tops will cost about 4s 5d out of wool bought in London this week, but 4s 2d is about the general selling price in Bradford, spinners being unwilling to pay anything more. Topmakers here are adopting a slightly firmer attitude, but, generally speaking, it is difficult to make more money for any quality. There is just a steady turnover and a marked absence of anything like speculative buying. Spinners are better employed, chiefly owing to particulars being received on a larger scale than for some months past. Botany spinners in particular are in a more comfortable position as regards work. The most encouraging feature is that the recent improvement in the piece-goods trade is well maintained, and the firmness of values in the wool markets is influencing wholesale fabric buyers who have been waiting to see if prices would fall.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

The result of the opening of the fifth series of London sales is in accordance with our forecast. Merinos showed practically no change, nor did crossbreds. In fine qualities a decline of something like 5 per cent. was recorded, while coarse crossbreds, as a result of keen French buying, were anything up to 5 per cent. dearer. The course of the market during the past month has clearly shown a developing consumption, but without any speculative buying in any section. The most active buyers so far have been France and Belgium, where labour is cheap and conversion costs distinctly below the West Riding. France has undoubtedly benefited considerably on account of war orders, but "civilian" demands, which are far more desirable, are far less in evidence.

We were particularly pleased with the reception of greasy merinos, France being a very keen buyer. The Aramac clip, which appeared in Coleman street for the first time in many years, met with a hearty reception. It was in fair good order, well grown, the top line of grease combing touching 28d, followed by other lots of combing, which sold from 27d to 25d, fleece 26d, necks 25d, broken same price, pieces 21d, and bellies 19d. Some of the New England merinos have sold exceptionally well, and touched 32d. France was the leading buyer of all these fine-haired wools. Scoured merinos from Melbourne were highly limited, and were mostly withdrawn. On the whole the reception of most descriptions must be regarded as creditable.

The "Outlook," published by Messrs H. Dawson and Co., fully confirms our repeated contention that recovery to healthier conditions can only be slow. A level of wool values, which would generate confidence and lead to buying on a large scale, cannot be accomplished until prices are still lower. We have still serious doubts whether a permanent recovery can be expected on a 4s basis for 64's tops. The purchasing power of all countries except America is exceedingly limited. Millions of people are wanting clothing, but cannot afford to pay current values. Nothing would do the trade more good than a season of cheap wool, and it will have to come before the textile machinery throughout Europe can all be fully employed.

HIDE, LEATHER, AND ALLIED TRADES.

Tanners received something in the nature of a shock at the Bermondsey auctions on Thursday, as advances were scored all along the line for hides and skins. Best ox were fairly steady at 6½d to 8½d, two classes only in light weights making ½d to ¾d advance. In seconds, however, at 6½d to 8½d the firmness was manifest, as advances of ½d to ¾d on all classes were obtained. Best cows made 6½d to 6¾d—advancing ½d and second 6½d to 6¾d, showing advances of ½d to ¾d. Calfskins were firm to an advance, best making from 7½d to 13½d, the secondary selections showing advances all round of ½d to ¾d per lb. Lambskins made from 3s 3d to 10s, and shorn pelts from 6s 6d to 10s each. The imported hide market has improved, and Argentine ox are now quoted at 8½d, the United States and Germany being lately in the market for this class of raw stock. The Chicago position remains steady, with best heavy packers selling still at 17½ cents. The demand for sole leather has been quiet this week, owing to the approach of the Shoe and Leather Fair. There is a good demand from the repairing section. Prices all round are firm. Trade in upper stock is moderate. The bulk of the trade is for patent, glacé, and fancy shoe leathers. The boot trade is slightly improving, but orders are small, demand for stout men's boots, in particular, being affected by the unemployment in the industrial districts.

VEGETABLE OILS AND OLSEEDS.

Market conditions generally have been steady. Linseed oil advanced sharply in sympathy with seed, and on unconfirmed rumours of American demand for oil, £41 per ton naked ex Hull mill being reached on Wednesday, a net gain of about 20s on the

week, since when there has been a slight easing of value to £40 15s spot and £40 10s for later positions to April. Cotton oils have continued inactive, crude Egyptian especially being weak, and 50s per ton down at £39 prompt. Refined has been much less affected. Palm kernel and soya oils are unchanged. In the oilseed section Plate linseed has improved 10s to 12s 6d per ton on bullish reports from Argentina, up to £19 15s having been paid for September-October to Hull. Black Egyptian cottonseed is in only moderate demand, current value being £12 7s 6d September loading. Soya beans to the Continent have been done at £13 6s 3d October-November, but nothing is passing so far as this country is concerned.

OVERSEAS PRODUCE.

FOODS, BEVERAGES, &c.

SUGAR.—The market for refined parcels proved quiet, as consumers refrain from operating beyond immediate needs. Prices displayed a drooping tendency, and British makes were reduced both spot and forward, at which a fair business resulted. Meanwhile offers of American are made with fair freedom, and continued fine weather on the Continent for growing crops has had a sentimental influence. Messrs Tate and Lyle's cubes quoted 33s 9d to 34s 9d; granulated, stoved, 32s 7½d; fine, also coarse grain, 30s 4½d; No. 1, 30s 1½d; No. 2, also London and T.L., 29s 10½d; month forward, 29s 9½d; and yellow crystals, spot, 27s 1½d. Czecho granulated, November-December, sellers, 15s 3d, f.o.b. Hamburg. Dutch granulated, quality, spot, 29s; November-December, sold, 15s 3d, f.o.b. Rotterdam. American granulated, spot, sold, 28s 1½d; ditto September-October, London, quoted 16s; outports, 16s 3d, c.f. and i. terms. Mauritius crystals, spot, 26s 6d to 27s 6d as to quality. Polish crystals, f.o.b., Fiume. White Java, spot, London, 27s 10½d; ditto 6½d, c.f. and i., while little or no demand arises for near parcels to the Continent. Raw refining kinds quiet and easier. Cuban basis, Indian market dull, and white Java, October-December, quoted 15s; January-March, 15s 3d, c. and f., Calcutta. White terminal market opened quiet and easier, but improved later on buyers showing more disposition to operate. October sold, 14s 7½d to 14s 8½d and 14s 9d; December, 14s 9d to 14s 8½d and 14s 9½d; March, 15s 5½d per cwt. May, 15s 1½d to 15s 3d; August, 15s 2½d to 15s 3d.

COFFEE.—Market remained firm, especially for the finest liquoring sorts, which displayed a hardening tendency, with supplies on a limited scale. Lower qualities in moderate support, and values steady. Mountain grown Jamaica, middling colory, sold, 147s; Kenya, fair to good bold, 131s to 136s 6d; good colory, 174s 6d. Colombian, good brownish colory, 149s per cwt. Brazilian quietly steady for shipment.

COCOA.—The market remains steady for spot parcels, with limited sales, including Trinidad at 70s. For shipment, Trinidad, September-October, sellers, 74s; Bahia, ditto, 51s 6d; Guayaquil Epoca, 73s; Caraquez, 71s, c. and f.; St Thome, September-October, 55s, c.f. Accra steady, and F.F. grade, October-December to December, February, sold, 44s per cwt., f.o.b. terms. Cocoa butter steady. C.F.R., spot, also English prime, spot, quoted 1s 5½d per lb.

TEA.—Indian sales for the week comprised the larger quantity of 50,456 packages, which encountered brisk competition at generally firmer rates. The strongest feature was for common and low medium descriptions, and keen competition was for common and low medium an advance of from ½d to 1d per lb. Included in the offerings were some choice invoices from Assam and Darjeeling, and these realised extreme figures. Pekoe sold from 10d to 2s 7d; broken orange pekoe, 1s 1½d to 2s 1½d; with fine to choice at 3s 4d up to 4s 6d. Ceylon catalogues were made up of 23,438 packages, especially amongst high-grown teas frequently showing an improvement which resulted in firmer prices being obtained, a were well competed for, and values generally ½d to 1½d per lb dearer. Pekoe, sold, 1s 0½d to 2s 3½d; broken orange pekoe, medium to finest, 1s 6½d to 2s 8½d per lb, in bond. Business in China descriptions Keemun's, to arrive, sold, up to 3s for finest, with old at 1s 3d to 1s 5d per lb, in bond. Common kinds steady, while in moderate request. At public sales 2,777 packages Java and Sumatra experienced an active

THE BANK OF TAIWAN, LIMITED.

(Registered in Japan, 1899.)

Capital Subscribed : : : Y60,000,000
Capital Paid Up : : : Y52,500,000
Reserve : : : Y14,180,000

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

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

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

demand, especially on export account, and prices marked a rise of ½d to 1d per lb. Pekoe, sold, 11½d to 1s 2½d; broken pekoe, 5½d to 1s 9½d; orange pekoe, 1s 0½d to 1s 5½d; broken orange pekoe, 11½d to 1s 6½d; and pekoe souchong, 9½d to 1s 0½d per lb, in bond.

RICE.—Rangoon two stars, spot, London, quoted 15s 9d; also September-October, 15s 6d, c.f., London. Broken slow. Beans quiet. Rangoon hand-picked, September-October, quoted 15s. Madagascar butter-beans, spot, 35s to 37s 9d, as to quality. Japanese peas, spot, quoted 25s 3d; September-October, 23s 6d; October-November, 23s 3d per cwt, c.f. terms.

SPICE.—Pepper quiet and easier. Black Lampung L.S., October-December, sold, 9½d to 9½d; January-March, sellers, 9½d; white Muntok, October-December, sold, 1s 2½d to 1s 2½d and 1s 2d. Zanzibar cloves, October-December, sellers, 10½d. Pimento, spot, 5½d per lb. Tapioca dull. Singapore flake, to Havre, September-October, sellers, 19s 3d; Penang seed, to London, August-September, 17s. Sago flour dull, and September-October to London sellers, 16s 3d; October-December, 16s. Desiccated coconut spot, halves, 42s 3d; October-November, 40s 3d per cwt. Ginger steady. Japan, spot, 90s; September shipment, 85s; West African, spot, 62s; September, 60s, c.f., per cwt.

FRUIT (Dried).—Currants quiet, but fairly steady. Amalia quoted 31s to 32s; Gulph, 35s to 37s; Vostizza, 44s to 47s; Australian, 34s to 40s. Sultanas steady. Australian, 68s to 80s; South African, 65s to 75s. Figs quiet. Naturals, in bags, quoted 27s to 29s. Dates, spot demand quiet, but forward positions firm. First tide Hallowee, 21s 6d; second, 20s 3d; Siar, first, 16s 6d; second, 13s 6d, landed terms. Raisins: South African, 36s to 38s; Lexias, 38s to 42s. Evaporated fruits in better demand, and fully steady. Californian apricots, standard new extra choice, 120s; fancy, 130s; Australian, 120s to 130s; Californian peaches, choice, 62s to 63s; extra choice, 66s to 67s 6d; fancy, 75s. Plums: Oregon, new, size 30/40, quoted 71s to 72s; 40/50, 52s to 53s; Californian, new, 40/50, 58s to 60s; 50/60, 52s to 53s; 70/80, 45s 6d to 46s 6d. Pears, choice Californian, 90s; extra choice, 102s to 103s. Apple rings, Californian, extra choice, 67s 6d to 75s; Canadian, 62s 6d per cwt.

CANNED GOODS.

CANNED FRUITS.—Trade quiet, but no material change occurred in prices. Singapore pines, spot, quiet, but forward quotations firm. 48-1½'s quoted 86s 6d to 87s 6d; cubes, 2½'s, 13s to 13s 6d; slices, 24-2's, 12s 6d to 13s 6d. South African are moving off quietly on former terms. Californian pears, 15s to 17s; peaches, 12s to 14s; cherries, 13s to 14s; apricots, 10s to 13s 3d; loganberries, 13s 9d to 16s; fruit salad, 1½'s, 12s 3d to 14s; 2½'s, 21s to 22s; Australian pears, 24-2½'s, 16s to 16s 6d; Canadian, 14s to 14s 6d.

CANNED MEATS.—Corned beef moved off slowly at late rates, but Danish lunch tongues continue in fair request.

GENERAL.—Sardines steady, with improved inquiries. Portuguese, ½ flats quoted 4s 3d; clubs, 5s; 12 ozs, 7s 6d; 18 ozs, 12s per dozen tins. Salmon firm, and reservedly offered. Red tall, 1 lb, 58s to 60s; ½ lb, tall, pink, 27s to 28s. Lobsters met with fair support at full rates. Halves quoted 165s, and quarters 95s to 100s. Condensed Milk.—Prices remain steady, both for full-cream sweetened and machine-skimmed. Honey.—New season's New Zealand continues to attract attention, but other kinds quiet of sale.

TEXTILES.

JUTE ruled easier, with sellers less reserved and demand generally quiet. Firsts, to Continent, in all positions up to November-December, sellers, £47 per ton. Hessians and twills steady, but quiet.

HEMP.—Manila inactive and easier. J grade, October-December, sellers, £41 10s; K, also L, £37 10s; and M, £32 10s. New Zealand, H.P.F., August-September, £38 10s; fair, ditto, £35 10s per ton. African sisal, quiet, unaltered.

RUBBER.

RUBBER irregular but easier, with a moderate demand. Plantation, standard sheet, spot, sold, 3s 6d; September, 3s 5½d; October, 3s 2½d to 3s 2d; October-December, 3s to 3s 0½d; January-March, 2s 9½d to 2s 8½d and 2s 9d; and January-December, 2s 5½d to 2s 5d. To New York: Smoked ribbed sheet, September, sold, 3s 2d, c.f. terms.

OILS, FATS, &c.

OLSEEDS.—Linseed irregular but firm on balance, with a fair demand. Calcutta to London, September-October, quoted £21 15s; bold Bombay, ditto, £22 7s 6d. Plate to Hull, August-September, sold, £19 15s; September-October, £19 15s; January-February, £19 2s 6d. Rapeseed easier. Toria to Continent, September-October, £21 12s 6d. Cotton-seed steady. Egyptian black, to Hull, new October, sold, £12 10s; November-January, £12 10s; white, new October, £12; November-January, sold, £11 15s; Bombay, October-November, sold, £9 5s; and new, December-January, £9 5s. Castorseed easier. Bombay, September-October, £21. Gingelly seed quiet. Chinese to Continent, September-October, £28 2s 6d; large Bombay ditto, £26. Ground-nuts inactive. Coromandel machined, September-October, £25; Nigerian, August-September, £25 per ton.

OILS.—Linseed firmer. Spot, net, naked, 41s 3d; September-December, 40s 3d; January-April, 40s 3d. Rape quiet. Crude, spot, 49s; refined, 52s. Castor-oil slow. First pressure, spot, quoted 55s; second pressure, 53s; and pharmaceutical, 60s per cwt. Hull, with London, 2s per cwt extra. Cotton quiet. Crude Egyptian, spot, 43s 3½; Bombay, 40s; common edible, 49s; deodorised, 51s. China-wood dull. Hankow, spot (barrels), 65s; September-October, 67s 6d. Coconut steady. Ceylon, spot, 47s 6d; September-October, 45s 6d; Cochin, ditto, ordinary packages, 59s 9d. Soya quiet. Oriental, barrels, September-October, 45s 3d; bulk, 40s 3d. Cod firm. English, spot, 35s to 36s. Ground-nuts easier. English, crushed, naked, spot, 49s 6d; deodorised, barrels, 57s. Turpentine active and firmer. American, spot, 80s; October-December, 80s 6d; January-April, 83s; Rosin firmer, and sparingly offered. American, grade B/D,

No. 2.

COAL and the TAXPAYER

The whole problem of the coal industry can be summed up in the word **Output**.

Why can the U.S.A. produce coal at far less than the cost of ours and pay wages twice as high?

The answer is **Output**.

The output of the American mine worker goes on increasing from year to year, while the output of our workers steadily drops.

Although millions of pounds have been spent by us on better machines and improved equipment, the following figures tell their own story:

	PER ANNUM
In 1883	332 tons
„ 1903 (with better appliances)	275 „
„ 1913 (with still better appliances)	260 „
„ 1924 (with still more improved appliances)	220 „

The above figures are taken from the evidence before the Sankey Commission and the statements of the Secretary for Mines.

Why this steady Fall?

Because Governments are continually cutting down the time during which wages can be earned.

Because the mine workers are continually told that they are engaged in a class-war against capitalism.

We must stop prosecuting grown men who want to earn more money by working more than seven hours a day.

We must get rid of the idea that the object of a Trade Union should be "the complete abolition of capitalism" (Rule 3 of South Wales Miners' Federation).

The colliery owners want to see high wages, but high wages cannot come out of low output.

High output means low costs.

Low costs mean more business.

More business means better wages.

Face the Facts

Issued on behalf of the Colliery Owners of Great Britain by Philip Gee, 40, King Street, Covent Garden, London, W.C.2, from whom further information about the Coal Mining Industry can be obtained.

assistance of the Conversion Loan issue. Bills were still very scarce, and fine three months' bank paper was placed in some quarters at a shade below $3\frac{1}{2}$ per cent.

	Sept. 25, 1925.	Sept. 18, 1925.	Sept. 11, 1925.	Sept. 4, 1925.	Previous Rate and Date Changed.
Bank Rate	4 $\frac{1}{2}$	4 $\frac{1}{2}$	4 $\frac{1}{2}$	4 $\frac{1}{2}$	5 (Aug. 6, '25)
Banks' Deposit Rate	2 $\frac{1}{2}$	2 $\frac{1}{2}$	2 $\frac{1}{2}$	2 $\frac{1}{2}$	3 (Aug. 6, '25)
Discount/Call	2 $\frac{1}{2}$	2 $\frac{1}{2}$	2 $\frac{1}{2}$	2 $\frac{1}{2}$	3 (Aug. 6, '25)
Houses' Notices	2 $\frac{1}{2}$	2 $\frac{1}{2}$	2 $\frac{1}{2}$	2 $\frac{1}{2}$	3 $\frac{1}{2}$ (Aug. 6, '25)
Market rate (3 months' bills)	3 $\frac{1}{2}$	3 $\frac{1}{2}$	3 $\frac{1}{2}$	3 $\frac{1}{2}$	..

The Bank return showed a decrease of £404,000 in coin and bullion, £10,000 more than the amount announced as having been withdrawn for export, but as the note circulation had declined by £616,000, the Reserve was £212,000 higher on balance, with its proportion to liabilities .5 lower at 28.5 per cent. Government securities declined by a million, but Other expanded by nearly four; Other deposits were thus nearly $3\frac{1}{2}$ millions higher, with a small decrease in Public. Currency notes outstanding show a reduction of £2,041,700 to £291,731,200, which includes £1,326,500 for notes called in but not yet cancelled. The fiduciary issue is £234,154,700, or £13,990,700 below the maximum.

NEW YORK MARKETS.

Our New York correspondent cables:—A sharp reaction in share prices, partly due to uneasiness over Bank rate and partly a result of the recent sharp advances, has sobered market sentiment. The Federal Reserve statements meanwhile show an expected recovery from tax date influences, with discounts up sharply and a large drop in holdings of Government securities. The Reserve ratio is 72.9. The money market, which tightened after the abnormal ease which followed tax payments, has recovered equilibrium, with the call money rate at 4 per cent. There is much optimism over the Caillaux mission. Bankers are expecting that agreement will be reached, and that Congress will ratify any arrangement which may not invalidate the basis of the Anglo-French settlement.

THE STOCK MARKETS.

Government securities were firm in the early part of the week owing to anticipations of a Bank rate reduction, but the latter were weakened by the announcement of an issue next week of £40 millions of $3\frac{1}{2}$ per cent. Conversion Loan by tender at a minimum price of 76 $\frac{1}{2}$. This produced a sharp fall in the price of existing Conversion Loan, and produced some dulness in other Government stocks. The Foreign market has been fairly active, but Home rails are still neglected. The rubber share market remains the most active section of the Stock Exchange, and prices have risen each day. Tea shares are a little better, but oils have remained out of favour. Dunlops have hardened a little, Bradford Dyers have been prominently strong, and the rise in Watney deferred has continued, but elsewhere in the miscellaneous section there have been no other features. Tanganyikas and Zambesias have risen on buying from Brussels and Paris, but Kaffirs were inclined to droop.

THE COMMODITY MARKETS.

A slight quickening of business has been recorded this week, though the movement is by no means general. Current market quotations for coal at Cardiff remain unsatisfactory, and collective action by sellers is under discussion. Pig-iron purchases are restricted to immediate needs, and demand for manufactured iron and steel is no better. Raw cotton rates have slumped in view of better crop expectations, but the turnover in cloth has tended to expand during the last few days. The tone of the wool market is good, though cautious tendencies still prevail. Wheat shows a quieter tendency. In the produce markets sugar is steady, tea in strong demand, and coffee quiet. Jute maintains a firm tone. Rubber is generally firm, despite temporary irregularity. Among metals, tin has advanced, lead has tended downwards after an active opening, and offerings of copper have been on a liberal scale.

FOREIGN EXCHANGES.

Quietness once more ruled in the foreign exchange market during the week, the only features being the continued rise in Oslo and Copenhagen and the recovery in Rio. In New York there was a weaker tendency early in the week, which was principally due to seasonal influences, but was also affected by rumours of a reduction in the Bank rate here. From 4.84 $\frac{1}{2}$ on the 18th, the rate fell to 4.84 $\frac{1}{8}$ by Monday, and to 4.84 $\frac{1}{2}$ on Tuesday. On Wednesday it touched at one time 4.84 $\frac{1}{8}$, which is but little removed from the gold export point. Later in the day, however, a reaction set in, and on Thursday, when it was known that there was no alteration in the Bank rate, it rose as high as 4.84 $\frac{1}{2}$, though yesterday morning it opened at the slightly lower level of 4.84 $\frac{1}{8}$. Forward rates show little change at $\frac{1}{2}$ cent. per month above spot. There has been very little business in the French exchange, which has only fluctuated between 102.45 and 102.25, at which rate it opened yesterday morning. The market is content to wait for the outcome of the present negotiations regarding the funding of the French debt to the United States, while any tendency towards speculation has been promptly checked. In Brussels the rate has been maintained between 110 and 111, and opened yesterday at the latter figure. Forward rates in Paris are unchanged at 40 centimes per month above spot, but in Brussels stand at 1 to 4 centimes per month above spot, as compared with 2 centimes either side of parity a week ago. Italy has been somewhat weak, and has risen from 118 to 119 $\frac{1}{2}$; Madrid has also moved in the same direction from 33.59 to 33.62. Amsterdam, after rising from 12.05 $\frac{1}{2}$ to 12.06 during the week-end, had fallen away again to 12.05 $\frac{1}{2}$ by yesterday, but Switzerland is steady at 25.11. Of the Scandinavian countries, Stockholm has varied little from 18.05, but Oslo has risen from 23.00 to 23.82, and Copenhagen from 19.90 to 20.00. In both cases the movement is believed to be due to considerable selling in New York, and it would seem as if the two Governments concerned had succeeded, for the time being, at any rate, in checking the appreciation in the currencies which in each case was creating serious internal difficulties by its rapidity. Berlin is unchanged at 20.35, Prague at 163 $\frac{1}{2}$, and Helsingfors at 192 $\frac{1}{2}$. Vienna, however, has moved slightly from 34.47 to 34.42. Warsaw, having risen from 28.50 to 30.00 on the reports of banking trouble, was easier yesterday morning at 29.00, on the news that the Bank of Poland had set aside a substantial amount for the support, if necessary, of banks which found themselves in difficulties. Athens has recovered from 339 to 331, and Bucharest from 1,010 to 997. In the East, the rupee is 1-64d higher at 1s 6 $\frac{3}{4}$ d, and seems to be but little affected by the increase in the Bank rate from 4 to 5 per cent. The yen is slightly weaker at 1s 8 $\frac{1}{2}$ d. In the silver market there was a firmer tendency early in the week on buying from China and America, but this was not maintained, and prices sagged again later. Hong Kong has recovered from 2s 5d to 2s 5 $\frac{1}{2}$ d, and Shanghai from 3s 2 $\frac{1}{2}$ d to 3s 3d. In South America, Rio has risen from 61 $\frac{1}{2}$ d to 61 $\frac{1}{4}$ d. Buenos Aires is steady at 45d. Monte Video has improved from 49 $\frac{1}{2}$ d to 49 $\frac{1}{4}$ d. Valparaiso has moved from 39.60 to 39.50 pesos.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended September 19th:—

EXPENDITURE.	(000's omitted.)	REVENUE.	(000's omitted.)
Supply Services	8,200	From Revenue	13,825
Interest, &c., on Debt	450		
Sinking Fund	370		
Sundries	300		
Increase in Exchequer Balances	118		
Decrease in Debt	4,387		
	13,825		13,825

Revenue amounted to £13,825,100, against £15,305,200 in the corresponding period. Customs yielded £1,455,000, against £1,585,000, and Excise £7,636,000, against £7,138,000. Property and Income-tax yielded £2,271,000, against £2,309,000. Super-tax produced £340,000, against £380,000. Nothing came in from Special receipts, against £500,300 in the corresponding period. The week's operations reduced the National

Debt by £4,387,000, and caused the following changes:—

	(000's omitted.)		(000's omitted.)
Sundries	+ 9,787	Treasury Bills	£ 5,074
National Saving Certificates	+ 100	Public Department Advances	— 11,200
	+ 9,887		— 14,274

The floating debt was reduced by £14,305,000 to £768,011,000.

FINANCIAL YEAR, 1925-1926 (April 1st to Sept. 19th).

	£		£
Total Expenditure ..	360,744,595	Raised by Revenue ..	330,786,660
		Decrease in Balances ..	3,427,223
		Amount borrowed ..	26,530,712
Total	360,744,595	Total	360,744,595

ESTIMATES FOR FINANCIAL YEAR 1925-1926.

	£		£
Expenditure	799,400,000	Revenue	801,060,000
Surplus	£1,660,000.		

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—Pena Copper Mines and Crittall Manufacturing Company. At the meeting of the Pena Copper Mines the chairman reported improved prospects, and the resolution for the reduction of the nominal capital was agreed to. At the meeting of the Crittall Manufacturing Company the capital scheme submitted to the shareholders was approved.

ECONOMIST INTELLIGENCE BRANCH.

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

MONTHLY TRADE SUPPLEMENT.

We publish this week our Monthly Supplement, in which will be found an appreciation of the trade situation at home and abroad, together with statistical information on the foreign trade, price movements, currency, and production of the leading commercial countries of the world. Its contents include an analysis of the Russian industrial programme for 1925-26.

THE NEW LAND CAMPAIGN.

MR. LLOYD GEORGE launched his long-awaited land campaign in the West country at the close of last week. In political circles there are many who will be chiefly interested in this event from the point of view of whether it will revive the diminished fortunes of the Liberal Party or not. Mr Lloyd George himself, no doubt, has taken into consideration the striking fact that since the war the strength of the Liberal Party, such as it is, has chiefly lain in the county constituencies, and it may be regarded as sound strategy for the party to consolidate itself there. Signs are not wanting, however, that this particular programme may prove to be a stumbling-block to many old Liberals, and result in yet another break. Moreover, it is quite obvious that neither the Liberal nor any other party can hope to come back to power in Great Britain on an agricultural policy alone, and Mr Lloyd George, like every other reformer, has to face the task of formulating a land policy which will not impose added burdens on the larger urban population or upon the tax revenue of the country as a whole. If the new policy were to develop into a question of town v. country, or of subsidies for agriculture, it would be doomed to failure. Time alone will show, however, what the political effects of this new agitation are likely to be.

But Mr Lloyd George very wisely did not develop his oration on narrow party lines. Indeed, nothing could be more significant than to compare the Lloyd George of 1925 with the Lloyd George of 1908 on the subject of landlordism. This change is not purely a personal one,

rather it reflects a difference in the public attitude towards such questions, a recognition of their real difficulty, and a desire to approach them from a national and unprejudiced point of view. Partly because of the nature and tone of the speech itself, and partly because of the new open-mindedness on such subjects, the public as a whole are disposed to accept Mr Lloyd George's invitation to suspend judgment until his report is issued. In the meantime, it is useful to consider some of the more fundamental of the problems involved; for whatever the decision may be, Mr Lloyd George's action will certainly raise the land problem to that of a first-class public issue.

For our part, we do not attach very great importance to agricultural reform as a means of avoiding dependence upon foreign food supplies. Short of an economic revolution which would involve a drastic reduction of the standard of living and ultimately of the population of Great Britain, it does not seem practicable to modify, except in a minor way, the system under which we exchange our manufactures and services for food. Nor do we believe that urban life is incompatible with health and physical efficiency, and that it is necessary to increase the number of people doing manual labour in the fields for the sake of preserving the British stock. But this does not mean that the question is unimportant. Agriculture remains, and probably will remain, our biggest single industry. If it is efficient, progressive, and expanding, it will unquestionably advance the well-being of the country as a whole. If it is stagnant or decadent, the whole nation will suffer.

Mr Lloyd George appears to have started from the proposition that British agriculture was far behind that of its Continental rivals. In some respects this is evident, but in regard to the yield of crops as a whole the case is certainly non-proven. It is true that Great Britain fifty years ago had reached a far higher standard of production than that on the Continent; since then the Continental countries have been overtaking us, as their standard has risen nearer to ours. Moreover, Mr Lloyd George suggests that if we carried on our agriculture as in Belgium it would give employment to two million more persons. But he ought in fairness to have added that this could only be done if the people of this country were ready to work longer hours and for a much lower standard of remuneration than they are at present willing to do. It is obvious that we can support a large number of persons on the land—in poverty. The problem is how many can we employ there under conditions which would enable them to earn wages comparable to those which have become standard in Great Britain as a result of our industrial development? Nor is it the case that the farming community is in poverty or in danger of bankruptcy. In some parts of the country, particularly in cereal-growing districts, the cultivators are undoubtedly faced with difficulties. But in the country as a whole it is a fairly general experience that farms are paying their way, that requests for remission of rent are less frequent than before the war, and that there is a keen demand for vacant farms. But these considerations do not alter the fact that the productivity of British agriculture has not made very much headway of recent decades, that the wages of agricultural labour and the standard of living in the country lag a long way behind that of the urban population, and that there is room for vast improvement in both respects if more enterprise, combined with greater capital, were available for British farming. In other words, the case against the present system is that it has been standing still instead of keeping abreast of scientific progress, and that it does not secure the best exploitation of our natural resources.

According to Mr Lloyd George's diagnosis, the chief reason for this is that the landlord system has broken

down, and his criticism has been supported by a striking letter by Mr Acland to the *Times*. If the system of landlord and tenant is to work well, it means that the two parties must be in a sort of partnership, the landlord assisting the tenant with permanent capital investments and in development. In former times, and in many parts of the country to-day, this rôle has been played effectively; but its possibilities have been greatly diminished by the break-up of large estates, by the substitution of people merely drawing income from the land for those who formerly took part in rural life, by heavy taxation, &c. Indeed, there seems to be a considerable measure of agreement that the landlord class as a whole no longer has the resources to enable it to perform the function of bringing capital to the land. On the other hand, it is claimed that the tenant has not the incentive to improve his property, because he has no security of tenure. Much legislation has, of course, been passed to secure to an outgoing tenant the benefit of improvements he may have made, and Mr Lloyd George's report will doubtless give his reasons for thinking that these provisions are inadequate. But whatever the evidence on this point, it would doubtless be argued, and with much reason, that the pride of ownership gives a greater stimulus to an occupier to make improvements and to show enterprise than any system of tenancy.

Mr Lloyd George's solution is that the State is to assist a tenant to buy out the landlord, not by a capital sum, but by an annuity either in perpetuity or for a number of years. The case for some such plan is twofold. On the one hand it is intended to give the cultivator an incentive to improve his property, and on the other it will put the State in a position to organise radical developments in agricultural practice. With regard to the first point, everything turns on the details of the plan. Both in theory and practice, the rent of agricultural land depends upon its productivity. One of the arguments in favour of the landlord system is that when economic conditions are bad the rent can be, and frequently is, reduced. If we substitute for a rent, which is liable to periodical revision, a fixed charge, the occupier may feel he is protected from being rack-rented, but he may find himself quite unable to meet this charge when prices fall or harvests fail. Moreover, any plan of this kind must avoid committing injustice between one landlord and another. There is a real danger of this, for it is evident that the good landlord, who has spent a lot on his land, will have for years been getting a very small net return. It would be unreasonable that his compensation should be smaller than that of the bad landlord, who has been drawing from the land the utmost farthing.

Whether the State will make a better co-partner with the farmer than the individual landlord does at present is also a question which cannot be answered without fuller knowledge of the scheme. Various organs of the State are, of course, already landlords on a large scale; but the administration of Crown lands, &c., does not answer the question, for such lands are not administered from the point of view of any agricultural development in accordance with a comprehensive programme of national development. Mr Lloyd George, of course, recognises the economic weakness of the constant plea for security of tenure, which may easily degenerate into a demand for the right to stagnate. Indeed, it might be said that progress under a competitive system of production is dependent upon the maximum insecurity of tenure, and only works well when inefficient producers are promptly replaced by those who can produce more economically. Security is a deliberate legislative barrier to the working of competition. Mr Lloyd George therefore proposes that the State should assume the responsibility of seeing that the farmer who does not keep his land up to a progressive standard of cultivation shall be replaced. We shall await with much interest to see what machinery he proposes for doing this.

The new campaign is also to deal with the subject of small-holdings and of providing a ladder of advancement for the agricultural labourer. We have not space to comment upon these aspects of the rural question. But we have said enough to show that Mr Lloyd George's speech raises fundamental questions of agricultural organisation, and that his report will be deserving of the closest study.

AUSTRIA AND GERMANY.

No examination of Austrian affairs can proceed far without coming up against the demand for union with Germany. There is little doubt that if a plebiscite had been taken in recent months the vote would have shown a large majority for this policy. In 1919 Austria formally asked for permission to unite with Germany. Since then two of the western provinces have taken plebiscites, which resulted in favour of the *anschluss*. The strength of the demand diminished in the first flush of the reconstruction scheme which occurred at a time when Germany was in serious difficulties. But in the last two years opinion has definitely swung back in this direction, and during last winter the demand for union once more became extremely vocal. In some quarters there is a disposition to take a cynical view of this demand. There are many political reasons why the nations of Europe will oppose the *anschluss*, and Austrians themselves know that it is not now practicable politics. If, however, they play with the idea and talk about it, the nations most interested in preventing it may be disposed to help Austria to re-establish her economic position by other means. In other words, it may be used as a lever for securing assistance for Austria. It would, however, be a mistake to regard this movement merely as bluff. On the contrary, the demand is deep-seated, and can be supported from Austria's point of view by many cogent arguments. This state of opinion must, therefore, be accepted as one of the facts of the European situation and its causes and implications carefully examined by those who would understand contemporary politics.

It is not necessary here to refer to the pan-German minority party, whose attitude towards union is traditional and is not in any sense influenced by current events. It is more pertinent to inquire why it is that the mass of opinion has recently drifted over towards this policy. The trade unions and the Socialist party are for union, partly for political and partly for economic reasons. As regards economic grounds, it is pointed out that the percentage of unemployment in Germany is at present low compared with that of Austria. If restrictions on mobility of labour were removed the Viennese worker might hope to get employment in the larger German market. This also applies to the professional classes of Vienna (university and other teachers, lawyers, doctors, artists, &c.) who are much worse off than the corresponding classes in Germany; they would benefit from openings in Germany or by attracting clients to Vienna from South Germany. It is also argued that as wages are higher in Germany than in Austria, union with Germany might raise the Austrian standard. (This argument is perhaps sound in the long run, but the adjustment would be very much slower than is often assumed). On political grounds the Socialists of Vienna realise that there is very little likelihood of their coming into power in the Austrian Parliament except as members of a coalition. But they would bring a great addition of strength, not merely in votes, but in personnel, to the German Socialist Party, and might play a leading rôle if and when that party comes into power in Germany.

The view of industrialists is more divided. Two years ago there seemed to be much better prospects of a substantial and rapid development of Austrian industries than there are to-day. It seemed probable that if the industries of Vienna were subjected to German competition without any protection from a tariff, they would be crushed by superior efficiency. But experience has weakened this fear, and shown that in many directions Austrian industries can hold their own. Already Germany whose market is mainly in Germany. The Report of the cotton-spinning mills of Austria are fully occupied in until January of this year, supplied itself by the tax-free yarns of Alsace-Lorraine. But now that Austrian yarns compete on equal terms, they are able to undersell Alsace-Lorraine in South Germany, and would have an assured market if they were within the tariff. Austrian motor works are supplying Germany's rapidly-growing need for

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cars, but fear lest they may lose their market if Germany takes steps to build up her own industry. Similarly, the paper-making industry of Austria would probably undergo rapid development if it were incorporated with Germany. On the other hand, there are undoubtedly a number of industries which produce less efficiently than in Germany, and there are many manufacturers who are afraid that their business would either dwindle, disappear, or would fall into German hands. Union with Germany would mean further readjustment. It would not mean the industrial suppression of Austria. Again, as regards foreign trade, which is so vital a necessity for the industries of a country with a comparatively small home market, the present position of Austria is that she must lower her costs to the world's level, and compete against world competition. This is a situation to which Austrian business men and manufacturers are unaccustomed, for until the war they were trained to the conditions of a protected market. Within a tariff wall they would feel at home in the German cartel system, which aims at exploiting as far as possible the resources of a protected home market and selling its surplus at low prices over the tariff.

Finally, the merchant class and financiers of Vienna conceive that they would have a big future as the Eastern outposts of German trading influence, and as the commercial gateway between Germany and Central and South-Eastern Europe. In this development their old associations with these countries would be an asset and a source of profit both to Germany and to themselves. On the whole, therefore, though there are many economic arguments on both sides, there are strong grounds for the opinion that Austria, after a short period of readjustment, would be better off, and would have a more assured future by union with Germany than by remaining independent.

On the other side, there has to be taken into account the very real difference in temperament and in outlook of the Austrian and the Prussian. The prospect of the domination of Vienna by Berlin is a very distasteful one. The plan would undoubtedly involve a loss of prestige for Vienna, and there are many, not merely among those interested parties whose place is in the machinery of Government, who would prefer Vienna to be the capital even of the small country, than to be a provincial town of Germany. Such considerations would probably be sufficiently strong to keep the two countries apart in the absence of acute pressure. We are, therefore, led to the conclusion that the attitude of Austria in the next few years will, to a considerable extent, be governed by her success or failure in maintaining and improving her economic position.

The question is less vital for Germany. Indeed, there are many reasons why she is not anxious for the *anschluss* now. Prussia fears that the addition of six and a-half million Austrians might shift the balance of power from Berlin to South Germany. Protestant Germany is very much afraid of a substantial addition to the strength of the Catholic Party—a fear which has recently been revived by the revelation of the importance of the catholic vote in the Hindenburg election. Em-

ployers would not welcome the addition of a thoroughly organised socialist group, while the trade unions have a natural fear of being undercut by the much cheaper Austrian labour. Finally, the man in the street may well be disposed to think that he has enough troubles of his own—both financial and political—without adding those of Austria. As against these considerations, however, there are some even more potent arguments. In population Vienna is the third city of the Continent; it is on the frontier of western and eastern Europe, and its inclusion in Germany, which would be followed by a much closer association of the commercial and banking communities of Vienna with those of Berlin, would provide a splendid outpost for German trade and commerce in Central Europe and the Balkans. Vienna would become for Germany the Hamburg of the East. The intangible influence of national sentiment is an even stronger influence in the same direction. Germany would undoubtedly regard the union with Austria as compensation for the loss of Alsace-Lorraine. Such an event would be the sign and token of Germany's emergence from the depths into which she was plunged politically and psychologically by the defeat of 1918. If Germany were a free agent, we have no doubt that the reasons for hesitation to which we have referred would be swept aside by such considerations. Germany, however, knows that for the time being this policy is a castle in the air. The diplomacy of Berlin is centred on the fundamental issue of coming to such an understanding with France and her other neighbours as will permit the rebuilding of German economic life. It is not worth while to risk a fresh upset in Europe, even for the sake of so glittering a prize as Austria. For Germany, therefore, it is unwise even to talk of the *anschluss*, and it may even be worth while for Berlin to co-operate with other Powers to keep Austria in a state of contentment. It is not in Germany's interest that a noisy agitation for an impracticable ideal should prejudice these greater issues.

But why is re-union politically impossible? It is usually assumed that France is the stumbling-block. The first and natural thought of France is that the addition of the 6½ millions of Austria would be a substantial addition to the man-power of Germany, which would leave her own deficiency in this respect even more pronounced. On the other hand, there is reason for thinking that the new Austria would strengthen the pacific elements in Germany. There is certainly very little militarism left in Austria, and by securing a more equal balance between South Germanism and Prussianism, it is not unreasonable to conclude that it would weaken the predominance of Berlin, which France so much fears. It is, therefore, not impossible that in time France might come to regard the union as being in her interests. A much more fundamental difficulty, however, is the position of the other neighbouring States, and in particular Czechoslovakia and Jugoslavia. A glance at the map will show that the advancing of the German frontier to the Danube and beyond, where it would march with the Hungarian frontier, would drive a wedge of ex-enemy territory between the Northern and Southern

Slav States of Central Europe. Czechoslovakia in particular would find herself peculiarly isolated, and surrounded on three sides by Germany. The strength of this feeling is illustrated by the opinion sometimes expressed in irresponsible circles that if the union became practicable politics Yugoslavia and Czechoslovakia would have to insist on the partition of Austria and the formation of a corridor uniting the two countries. Italy, again, would not welcome Germany as a neighbour. She would feel herself much less secure in the possession of the Southern Tyrol, and with Germany at Vienna her ambition to be the leading political influence among the Succession States would be short-lived. These are the real obstacles to the *anschluss*, and there is no likelihood of their being overcome in the near future. This is well understood in Austria, and explains why, for the present, the matter is regarded as an academic question. Indeed, the majority opinion may be expressed in the phrase, "Reunion is bound to come in the end, but not yet." Even these obstacles, however, may be overcome if and when Czechoslovakia ceases to fear Germany. A first step in this direction has been taken by the approaches of M. Benes to Berlin for the conclusion of an arbitration treaty between these countries.

Developments of this kind will, however, take time, and in the meanwhile Austria must live. Germany is not anxious to see Austria definitely committed to a policy which turns her eyes economically towards the East, though some of the Succession States are undoubtedly more willing than they were to give Austria outlets in this direction. On the other hand, the political situation would not admit of a customs union between Austria and Germany. At the same time, the trend of Austrian development will be largely influenced, as the above illustrations clearly show, by the new tariff policy of Germany, and the extent of the trade which she permits in Austrian goods. Germany could also do much to relieve Austria's immediate economic difficulties by permitting freer entry of Austrians, both of the middle and of the working-classes, into Germany. While, therefore, no radical change in Austria's economic status is to be expected, her prosperity in the near future is, in fact, dependent upon the liberality of the commercial policy of all of her neighbours. It is in the interests of all of them to secure a general easement of current trade restrictions, for none of them can hope to absorb Austria in an exclusive trade agreement.

It may, indeed, prove in the end that the balance of forces among the interested parties, each of them anxious to prevent too close an association of Austria with her other neighbours—whether to the north, the south, or the east—may result in giving her the commercial freedom she requires. If this happens, the country, small though it is, may perceive the possibility of a brilliant future as a European centre of commerce, of trade, and of marketing, and thus justify the faith of the small band of Austrian patriots—followers of Monsignor Seipel—who see the Vienna of the future not as a subordinate town of Germany, or even as its southern capital, but as an independent unit, with a rôle of its own to play, a culture to preserve and develop, and a tolerance of outlook in both personal and public life to teach to Europe. If this is to be the mission of the new Austria, if her independence will enable her to become a centre of appeasement and goodwill, she should be preserved not for Germany only, but for Europe as a whole.

THE GENERAL ELECTION IN CANADA.

(FROM A CORRESPONDENT.)

THE strange complexities of the politics of the Dominion of Canada, where a Federal election has now been fixed for October 29, are very baffling, even to observers who are studying them at close range. The Great War exercised a devastating influence upon the political life of Canada; its first result was to shatter the historic Liberal Party over the conscription issue, and its second and quite unexpected consequence was to reduce to temporary impotence the Conservative Party. Stimulated partly by agrarian discontent in the West, and partly by the example of the British Labour Party, the Progressive

Party came into existence at the general election of 1921, which accomplished the creditable feat of capturing more than one-fourth of the Federal seats at its first venture. The war controversies, however, had solidified the whole French-Canadian vote on the Liberal side, and as it controlled almost one-third of the seats in the Federal House of Commons, the Liberal leaders contrived to build skilfully round this formidable nucleus, and to secure in 1921 almost a moiety of the 235 seats, the Conservatives being reduced to 50 members. Mr King was refused the formal alliance which he sought from the Progressives, but he was promised a benevolent neutrality, and this guarantee enabled him to form a Government. For the last four years, therefore, he has been sustained in office by the grace of the Progressive Party, and whenever he quarrelled with them, he could rely on Conservative support, and only on rare occasions was he unable to muster a comfortable majority.

But the situation has remained completely artificial, and a process of liquidation has always been regarded as inevitable. The Solidarity of French Canada on the Liberal side offered temporary advantages from a party standpoint. But intelligent Liberals have never concealed from themselves the perils which were involved. The people of French Canada have abundant and varied virtues, but they form the most conservative community in a continent whose political conservatism is notorious, and the adhesion of this solid mass of conservatism to the Liberal Party has effectually sterilised it as an instrument of reform. French Canada, in consonance with its passion for political nationalism, is now strongly Protectionist in temper, and has vetoed all but the feeblest attempts to implement the very radical pledges of the Liberal fiscal platform of 1919. It dislikes collectivist action in any shape or form as smacking of Socialism, and has refused countenance to a vigorous railway policy which might have remedied the appalling annual deficits of the State-owned system.

In fact, the Liberal Party of Canada has come to exactly the same *impasse* as the Democratic Party in the United States through parallel causes. Through the support of a solid territorial bloc, which votes not according to principles, but in terms of prejudice, it remains, and may remain for years, a powerful factor in politics. But it is difficult to visualise its resurgence as a dominant party, commanding enthusiastic support in every quarter of the Dominion. If the Progressive Party had enjoyed able and resolute leadership, it would, when it obtained the second largest number of seats in 1921, have followed the example of the British Labour Party, and boldly constituted itself the official opposition. From this strategic position it could have forced to the front the issues raised by its decidedly Radical programme known as the New National Policy; both the old parties would have gradually found themselves yoked in an uneasy alliance to resist its proposals, and a substantial element of the Liberals and some Conservatives would have supported them. The liquidation of the artificialities of the political situation would have been accelerated, and there would have come a restoration of the bi-party system, which has many advantages for a country rent by geographical, racial, and religious cleavages. But the Progressives let the opportunity pass, and contented themselves with levying judicious blackmail at intervals upon the King Government.

The latter enjoyed further good luck in the fact that special circumstances prevented Mr Meighen, the Conservative leader, from organising a speedy revival of his party's power. His part in the war controversies had earned for him the bitter antagonism of the French Canadian race, and the prejudice against him has been sedulously fanned and kept alive by the Liberal politicians of Quebec. Moreover, his share in evolving out of a mess of bankrupt railways the Canadian National system earned for him the unqualified hostility of a powerful group of industrial and financial magnates in Montreal, who, distrusting him as a dangerous Radical, threw their influence at the 1921 election to the Liberals. Through their mouthpieces in the Press they have continued to insist that only

a leader who was acceptable to French Canada, and was less suspect of Radical proclivities, could hope to revive the fortunes of Conservatism in sufficient strength to promise a clear majority in the House of Commons. A Conservative leader, divorced from the most conservative community in the country, and subjected to intermittent attacks by two of the most influential Conservative papers, naturally labours under grave handicaps, and by-elections indicated that Mr Meighen, although he managed to dominate Parliament, was making little headway in the country.

The Government should have been quick to profit by this situation, and establish itself in an almost impregnable position; but the King Ministry was sadly deficient in real political strategy, and devoted its chief energies to maintaining itself in office by the avoidance of all vital issues, and by offering policies of carefully calculated compromise. Lacking a definite majority in the Commons, it was subjected to great pressure from its more venal elements. The recent abuse of the powers of the Federal Railway Commission for the purpose of gaining votes for Liberal candidates in British Columbia is only one of numerous episodes wherein the Government has made unwise use of its powers and influence in order to buttress its delicate position. More disastrous than the absence of skilful and energetic policies has been the serious sapping of the country's political *moral*, which has been visible especially during the last two years, and the Government seems now destined to pay the penalty for its sins.

Mr. Mackenzie King had always cherished the dream of a consolidation of the Liberal and Progressive forces against what he was wont to describe as "the common enemy." But he could never capture the confidence of the Progressives, nor was he willing to accept the risks involved in the terms demanded by them as the price of a definite alliance. Faced with the necessity of filling Cabinet vacancies caused by the retirement of a quartette of veteran Ministers, he made during the summer months a last desperate effort to recover his ground by a reorganisation of his Cabinet on lines which would win for it the cordial co-operation of the Progressives. He tried to secure the services of Mr Charles Dunning, a native of Leicestershire, who has given the province of Saskatchewan very efficient and enlightened government, and by maintaining his position while his Liberal colleagues in the West were everywhere being submerged by the Progressive flood has firmly established his claim to be regarded as the *de facto* leader of Western Liberalism. Mr Dunning, who would have brought with him into the Cabinet a group of influential Western Radicals, is said to have demanded pledges which Mr King could not give without risking a general revolt among his protectionist followers in the East. So Mr Dunning broke off the negotiations, and decided to remain in provincial politics; it then became impossible to secure other competent recruits from the West, and Mr King has been thrown back upon the resources of the protectionist wing of his party. Of the four new Ministers who have joined the Cabinet, only one, Mr Lucien Cannon, is not an avowed high protectionist, and the inevitable result has been to strengthen the Progressives in their determination to preserve their separate identity and press their claims before the electorate as the only reliable instrument of tariff and other reforms. The Liberals are therefore compelled to stand on the defensive on a double front, and they must be seriously weakened in the contest by the defection of the Toronto *Globe*, traditionally the chief organ of Canadian Liberalism. It is possible to have some sympathy with the difficulties of the Liberals assailed by the Conservatives in Eastern Canada for making reductions in the tariff which have been ruinous to Canadian industries, and by the Progressives in the West for accepting the protectionist system and shamelessly betraying the fiscal pledges of their official platform. Mr Mackenzie King and his colleagues are trying to meet this situation by the plea that they were following a middle path between two parties of extremists, and that only the Liberal policy of balanced adjustment and compromise will permit the experiment of Confederation to survive. They have, however, a less satisfactory defence to the charges of extravagance, on which all their enemies unite, and as a result they are facing very rough political weather.

RUBBER PRODUCTION AND THE STEVENSON SCHEME.

THE rubber plantation industry has lately achieved the distinction of a "boom," with its usual accompaniments of Press headlines, Stock Exchange activity, and Parliamentary questions, in a period of marked depression in the industrial field as a whole. On May 19, 1924, the London price of standard "spot" rubber (ribbed smoked sheet) was as low as 9½d per lb. On July 17, 1925, the corresponding quotation was 4s 6d, and although prices have since fallen to approximately 3s 6d, the prospect of a return to the levels of even six months ago is exceedingly remote.

A rise of 430 to 550 per cent. in the market price of any commodity is, indeed, a sufficiently rare phenomenon to suggest the existence of altogether abnormal causes, which, in this case, one need not go far to find. For the last three years the major part of the world's crude rubber supplies has been subject to legislative control, designed, not, indeed, to raise prices, but to "stabilise" them. As far back as 1918, and from late 1920 onwards, output restriction was voluntarily practised by members of the Rubber Growers' Association; but it failed to prevent a rapid fall in prices owing to demoralisation on the manufacturing side, and the coming into bearing of extensive areas under native ownership, chiefly in the Dutch East Indies. In 1921, when rubber was selling at no more than 35 per cent. of its pre-war price, and large unsold stocks were rapidly accumulating, the Colonial Office appointed a Committee, under Sir James (now Lord) Stevenson, to inquire into the matter.

The Stevenson Committee at first inclined to the view that the co-operation of the Dutch East Indian authorities was essential in any organised restriction scheme. This not being forthcoming, however, they produced a second Report recommending legislation to prevent planters in the British Empire from exporting more than a stated percentage of their "standard" production, the percentage to be increased or decreased at quarterly intervals, according as the average price was above or below certain pivotal figures. The object of the scheme was to stabilise prices somewhere between 1s and 1s 6d per lb, by ensuring automatic readjustment of supply to all conceivable variations in demand. The idea found favour at the Colonial Office, Mr Churchill, the responsible Minister, secured its approval in the last 15 minutes of a Cabinet meeting ("evidently the Cabinet either felt that the scheme was so excellent that it required no discussion; or that it was so complicated that discussion was impossible," was Mr Churchill's subsequent comment), the necessary legislation was carried through in Malaya and Ceylon, and on November 1, 1922, restriction came into force throughout the Empire.

The following table shows the subsequent course of rubber prices and consequent variations in the export quota:—

AVERAGE LONDON "SPOT" PRICE OF RUBBER (RIBBED SMOKED SHEET) during each RESTRICTION QUARTER.

Three Months Ended.	Price per Lb.	Maximum Exportable Allowance.*	Three Months Ended.	Price per Lb.	Maximum Exportable Allowance.*
1923.			1924.		
January 1	1 2-285	60	July 31	0 10-974	50
April 30	1 4-856	60	October 31....	1 2-632	55
July 31	1 2-242	65	1925.		
October 31....	1 2-944	60	January 31 ..	1 5-998	50
1924.			April 30	1 7-356	55
January 31 ..	1 2-175	60	July 31	3 2-469	75
April 30	1 0-917	60	October 31....	—	—

* Percentage of "standard" production exportable from Malaya, Ceylon, &c., at minimum rate of duty.

After eighteen months, during which prices were, in fact, maintained within the upper and lower limits fixed by the scheme, but no substantial lifting of the "embargo" was found possible, a collapse occurred half-way through 1924,

followed by a steady recovery, culminating in the hectic "boom" of last summer. The present price being more than twice the maximum contemplated under the Stevenson Scheme, restriction must be written down as a failure so far as *stability* is concerned.

Whether credit for the undoubted change for the better in the industry's fortunes may be ascribed to the scheme may be seen from the table which follows:—

RUBBER PRODUCTION AND CONSUMPTION, 1920-24.
(Thousand Tons.)

Year.	Production.				Total Consumption.	Excess of Pro- duction (+) or Consumpt'n (-)
	British Empire.		Other Countries			
	Amount.	% of Whole	Amount.	% of Whole		
1920 ..	275	75	93	25	368	290
1921 ..	220	75	73	25	293	292
1922 ..	271	67	134	33	405	408
1923 ..	214	56	168	44	382	434
1924 ..	218	52	202	48	420	475

The figures, which are compiled from the annual reports of Messrs Symington and Sinclair, show that the British Empire's rubber output has fallen by about 20 per cent. since 1922, the last post-restriction year, (though the decrease is negligible as compared with 1921, a year of voluntary restriction), while that of non-restricted countries has risen by 50 per cent. Last year's total output was actually higher than during the pre-restriction period, but the British share had fallen from 75 per cent. in 1920-21 to 52 per cent. The self-denial of British producers would have been unavailing but for an unexpectedly rapid increase of consumption, which in the last two years has exceeded production by over 50,000 tons per annum. For this development the growth of motor transport throughout the world is chiefly responsible, since from two-thirds to three-fourths of the world's rubber is consumed by the tyre industry.

The truth seems to be that production and consumption were approximately in equilibrium in 1922, before restriction came into being. The subsequent growth of demand has reduced the world's stocks to a dangerously low point and given us the events of 1925. It is noteworthy that the real "boom" was confined to rubber for more or less immediate consumption, the more "distant" market quotations moving up much more sedately, though they are now, of course, much above last year's levels.

The attitude of the manufacturer towards restriction merits brief notice. From scepticism he rapidly passed to hostility, and his policy of "hand-to-mouth" buying did much to force down the price of rubber last year. Exactly how far he has suffered in the recent movement is uncertain. When Sir George Beharrell, of the Dunlop Rubber Company, attacked the Stevenson scheme early this year, on the ground that "with stock short and supplies artificially controlled the position is dangerous to any manufacturer who would attempt to visualise a programme of manufacture some time ahead," he was met by the assertion that many manufacturers had, in point of fact, bought rubber heavily for delivery throughout 1925 and 1926, at prices under 1s 6d per lb. Many plantation companies are known to have accepted considerable business on similar terms, a point worth bearing in mind by investors in rubber shares.

The average price actually paid by the manufacturer during the next twelve months may thus prove appreciably below present market levels. How much he will be called on to pay in the future is another matter. Many authorities believe that labour and other conditions in British plantation areas preclude the obtaining of more than 85 per cent. of "standard" production, under the Stevenson Scheme, for some time to come. Permissible exports will reach that level in November, and if prices remain higher than 1s 6d, as they are almost certain to do, restriction will automatically work itself out next April. Unfortunately the consequences of recent interference with the free play of supply and demand will be of longer duration. The rubber tree requires five or six years' growth before tapping, and does not give a full yield until about the eighth year. In 1930, or thereabouts, the consequences of the almost complete cessation of new planting in British areas during the last three years will be apparent. Recent

estimates envisage a world production of 621,000 tons of crude rubber in 1930, against a potential consumption of 703,000 tons—a state of affairs offering little prospect of lower prices. To rubber users such a situation would be definitely inimical; to producers it could scarcely fail to be harmful in the long run.

THE WORLD'S TIMBER POSITION.

(BY A CORRESPONDENT.)

At the meeting of the British Association at Southampton a few weeks ago, Mr Alexander Howard, perhaps the greatest practical authority on timbers and their uses, read a paper on "Present and Future Timber Supplies." This paper, no doubt, impressed his audience. It was briefly, but widely, referred to in the Press, and it will, we hope, have some effect in awakening Governments and peoples, and particularly European Governments and peoples, to the fact that whilst there is still a plenitude of wood available to order, the day is not far distant when there will be a general shortage of this indispensable commodity. Needless to say, there will be very few who will disagree with him, and we can endorse his statements by the following observations, some of which have already been touched upon in previous articles in the *Economist*.

Of the timber resources of the five continents of the world—Europe, Asia, Africa, America, and Australasia—only two affect us as regard present supplies of building woods—Europe and America. To show how ruthlessly the forests of Europe are being cut to-day, it may be stated that on the British timber market we are obtaining, at a price at perhaps not quite 50 per cent. above pre-war level, not only all the building woods we require in sawn deal, batten, scantling, and board sizes, and planed boards, but also we are so surfeited with stocks that a slump in values has resulted, occasioning heavy losses to importers here, and still heavier ones to shippers, who have been compelled to sell their wood at less than cost.

Unfortunately, owing to dull trade, heavy taxation, and the recent higher values of wood, the consuming markets on the Continent have this year not imported so heavily as was anticipated. Possibly they have been using more of their native wood to tide them over until trade was better at home.

As an illustration of the volume of imported sawn building woods received by the United Kingdom of recent years, the following will be interesting:—

	Loads of 50 Cubic Feet.
January to August, 1925	2,833,973
For the year 1923	4,678,596
" 1924	5,119,080

The January to August figures this year do not appear large in comparison with the 1924 totals, but the next four months will be a very busy time for receiving cargoes, and will bring the imports well up to the 1924 volume, which was a very heavy one. They are, moreover, 26,457 loads and 381,741 loads in excess of the January-August, 1924 and 1923, imports respectively. Sweden and Finland are cutting wood to their full capacity, their export production being about one million Petrograd standards each (or, as the American lumbermen would put it, 2,000,000,000 ft board measure, each), to say nothing of their domestic demand. The Russian timber trade is increasing rapidly; in 1923 shipments to the United Kingdom amounted to 600,000 loads of 50 cubic feet; in 1924 to 938,800 loads, and from January to August this year, 371,000 loads, and they will continue to increase with the extended trade relations with Great Britain and other European consuming countries.

In brief, Europe, except Russia—who has not yet expanded to her full powers as a wood exporter—is cutting her timber to almost the peak of her capacity (although the poor results of trade this year will tend to a curtailment for a time), but we have no assurance that natural growth and planting are being made to level the enormous annual harvest.

In the United States not merely districts, but States, have within living memory been swept clean of their forests—in some cases deliberately destroyed by fire to make room for agriculture. At a recent meeting of the directorate of the National Lumber Manufacturers' Association of the United States, held at Portland, Oregon, on July 30th last, it was stated that: "We are now reaching a period in the history of the lumber business of the United States when the remaining raw material in its mature and virgin state is largely confined to a comparatively small area on the Pacific Coast, and the business of the future will be conducted by much larger units, calling for greater aggregations of capital. This will permit of a closer affiliation than heretofore was even conceived to be possible, and out of it should arise more modern methods of merchandising."

There are still virgin stands of Southern pine (pitch pine) and hardwoods in the U.S. Southern States, but they also are being worked to death. They have supplied more hardwoods than can be disposed of, and lumbermen and millowners are restricting output until the home and United Kingdom markets improve in demand.

In Canada, including British Columbia, the cutting is colossal, not only for their own markets, but for the enormous and ever-increasing demand from the United States, the East, and also fair exports to this country. The "cut" will expand year by year.

Fires are the greatest enemies of the forest, even worse than vermin. In a short article such as this it is impossible to go extensively into the damage caused by fire, but as an example we quote from a letter recently to hand from Mr Edgar P. Allen, of the National Lumber Manufacturers' Association of Chicago. Mr Allen says of the McNary Bill, passed in Congress last year, that it lays the foundation of a sound forest policy throughout the nation, and then adds: "I may say that forest fires are at least 75 per cent. of the forest problems of America. There is more forest land burned over every year by fires, that are almost wholly preventable, than are logged off for lumber. It has been estimated by a competent authority that our annual loss from forest fires amounts to \$500,000,000."

A loss of, say, a million sterling from that one source alone is alarming, but it also proves that there are still large forest areas in the United States. President Coolidge, in a recent "warning" of the approaching exhaustion of America's forests, pointed out that there were approximately 745,000,000 cubic feet of timber left in the States, and against the supply there was an annual drain of 25,000,000,000 cubic feet, whilst the annual timber growth was only 6,000,000,000 cubic feet.

According to an American author, the total area of South America is estimated at about 7,700,000 square miles, out of which at least 6,000,000 square miles are entirely wood. But even allowing for improved facilities for transport and a consequent lessening of freight rates, the woods of South America are not an economic proposition for building trade work in the Old World. The United States will in time absorb all that she can get of softwoods from the north, Canada, and hardwoods from the south of her possessions. The vast resources of India are a great asset to the Empire, but while there are soft woods in Europe, Indian woods such as those put on the British market of late years will be employed for furniture and decorative work. Of the five continents there is only Europe at present, and Northern Asia in the distant future, which can supply the British market with building timbers on a very large scale.

The time may come, as it came in the early days of the Great War, when we shall find that we have placed too much reliance on securing our wood supplies from overseas. In an international conflict, even though we may not be participants, our foreign and Colonial supplies of timber may suddenly be cut off. To guard ourselves against the possibility of such a contingency, it is the imperative duty of this country to plant widely and at once. To the practical "timber man" it may not be a business proposition as giving certain financial profits—neither is a fire insurance policy. The Government and the railway companies, by concessions, should encourage landowners, large and small, to plant as extensively as possible.

ALL BRANCHES OF INTERNATIONAL BANKING BANKERS TRUST COMPANY

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The many substitutes now on the markets of the world are no doubt helping to allay a timber famine, but very close attention should be given to methods for the prevention of forest fires, as is being done in the United States and, we believe, in Canada.

✓ SWISS WATER-POWER.

(BY OUR GENEVA CORRESPONDENT.)

THE Swiss Federal Railways, on September 13th, inaugurated the huge Barberine hydraulic installation which is to supply electrical power to the lines of Western Switzerland. The pasture of Barberine lies at a height of 5,550 feet, in the Alps, above Salvan, near the French frontier. It has been turned into a lake containing 40 million cubic meters of water, and it is harnessed by a concrete dam 866 feet long, 285 feet high, with a width of 210 feet at the bottom and 14 at the top; the dam took several years to build as, owing to the great quantity of snow, it was impossible to work at it more than five months every year. This lake is to drive the turbines of two electrical plants, the one at Châtillard, which is to produce 46,800 h.p., the other at Vernayaz, which is to yield 108,000 h.p. The completion of that important work will help towards the speedy electrification of several big lines. Apart from the Barberine plant, the Federal railways own many others—Ritom (48,000 h.p.), Amsteg (68,000 h.p.) on the Gothard line, Massaboden (10,500 h.p.) on the Simplon line—but they are still dependent on private installations for the supply of electrical power to many of their lines.

The use of water-power for the production of electricity has made good progress during the last 10 years. Switzerland has no coal of her own, and she imports it mostly from Germany, France, Belgium, and Great Britain. Imported coal is generally transported by rail, so that it is rather expensive, particularly on account of the high tariffs of the Swiss railways. Switzerland found herself in a difficult position during the war, when coal imports were practically stopped; she had to accept the drastic conditions of the coal-producing countries in order to keep her railways and manufactures running, and, at one time, the price of a ton rose to over £8. The consequence of this was a rapid development of the Swiss water-power resources, which are estimated at 4,000,000 h.p., and of the electrification of the railways.

In 1914 the existing plants produced 500,000 h.p. of electrical power, and by the end of 1924 that amount had been raised to 1,570,000 h.p.; a further 407,000 h.p. will be added before the end of the present year, and several thousands more will be available in the course of the next two years. The number of hydraulic stations, which was 6,860 on January 1, 1924, is now nearing 7,000, and of the total production of 1,570,000 h.p., 225,000 kw are exported to France, Germany, and Italy. Among the most powerful Swiss electrical plants are Augst-Laufenburg (yielding a maximum of 50,000 h.p.), Augst-

Wyle (62,400 h.p.), Rheinfelden (24,000 h.p.) on the Rhine; Olten-Gösgen (80,000 h.p.) on the River Aar; Campocologno (45,000 h.p.) in Canton Grisons; Biaschina (55,000 h.p.) in Canton Ticino; Chippis (52,200 h.p.); Martigny-Bourg (20,000 h.p.) in Canton Valais; Löntsch (31,000 h.p.) in Canton Glaris. Some of these plants are driven by the stream of the river properly harnessed (this is the case at Laufenburg, Olten-Gösgen, &c.), while some others, like Löntsch, get their power from a lake high up in the mountain. Some of these Alpine reservoirs are so placed that they can drive successively the turbines of two or three power plants, situated at different levels; this is the case for Barberine, which drives two plants—Turtmann-Ilsee, now under construction, where three plants are to be driven by a lake and several torrents, of the Grimsel, which will be begun next year, and will supply three big plants with the necessary water-power.

The creation of artificial lakes in the Alps is now developing, as this system offers many advantages. It makes it possible to obtain a high fall, and thus to drive several sets of turbines placed at different heights, and to assure an important and regular supply of water when, in winter, the production of the hydraulic installations in the plains and lower valleys is reduced owing to the low level of the rivers.

Ten big power stations are now under construction, and their aggregate production will reach 407,000 h.p. Some are already working. For instance, Chancy-Pougny (646,800 h.p.) on the Rhone, near Geneva; others, like Davos-Klosters (30,000 h.p.) and Tremorgio (12,000 h.p.), will be ready in a few months. The construction of 14 other big plants has been authorised, and when they are ready—in a year or two—another one million h.p. will be added to the electrical production of Switzerland, so that nearly three million h.p. will be used out of an available total of four million h.p.

The increasing use of water-power is causing a progressive decrease in the consumption of coal, and the consequence is an important reduction in coal imports. In 1913 Switzerland imported 3,387,213 tons of coal of all kinds, 2,141,000 in 1918, 2,783,000 in 1923, and 2,612,000 in 1924. From the quantities imported during the first eight months of 1925 the imports for the present year may be estimated at 2,475,000 tons. Swiss consumption of coal has, therefore, decreased by over 900,000 tons in 12 years, and this decrease will be accentuated during the coming years as new electrical power plants become completed.

The development of water-power has become a national question for Switzerland since the difficult days of the war, when industry, commerce, transport, and private consumption of Switzerland depended on the goodwill of foreign countries. In that respect the development of water-power for the production of electricity will contribute to make Switzerland independent of her neighbours. Moreover, the supply of cheap and abundant power will greatly help Swiss industry, as it will enable industrialists to reduce the now very high costs of production, and therefore to compete with greater success with the industries of other countries possessing coal in abundance and at low prices.

GREAT BRITAIN AT GENEVA.

(BY A CORRESPONDENT.)

THE past week has seen a remarkable outburst of criticism of the British delegation at Geneva in the foreign and some sections of the British Press. The gist of the comment is uniform. Great Britain, once the leader of every progressive movement at Geneva, has now adopted a rôle of pure obstruction. That is perhaps putting the matter a little high. The *Journal de Genève*, habitually moderate in its language, speaks of "sterile opposition," but it appears to be the case that what is being said in tones more or less restrained in the Press is being said with still more emphasis in the lobbies at Geneva. So general has been the charge, that Great Britain is definitely trying to hold the League back, that Lord Cecil, as head of the delegation at Geneva, has thought it necessary to summon representatives of the Press to assure them

that the one aim the British Government set before it was to strengthen the League and make use of it in all conceivable circumstances.

Whatever is to be said of these criticisms, they are too general and spontaneous to be attributed to any concerted malice on the part of the enemies of this country. There is no reason, indeed, to attribute them to anything but the actual facts of the case, though it is possible enough that the facts have been misunderstood and unjustifiable inferences drawn. At the same time there has clearly been room for some misunderstanding. Since Mr Chamberlain's departure the British delegation at Geneva has been an unimpressive body. Lord Cecil is, of course, Lord Cecil, but he is the Lord Cecil who holds the office of Chancellor of the Duchy in a Cabinet in which not even the Prime Minister interferes with the conduct of foreign affairs by the Foreign Secretary. That means that he is a manifestly different person from the Lord Robert Cecil for whom the first three Assemblies of the League conceived an almost unique attachment.

As for the other members, Sir Cecil Hurst, in many ways ideally equipped for his rôle, is, of course, a civil servant. Not only, therefore, can he take no very prominent part in the shaping of policies, but he is liable even to find himself, as happened in the course of last week, in the position of having to prove to a slightly ironical Commission the impossibility of British ratification of the optional clause of the Permanent Court of International Justice statutes, after having last year exposed to the same Commission with equal force the desirability of such ratification, subject only to certain agreed reservations. Of the other members, Sir George Grahame is a diplomatist with no previous experience of the Assembly; the Duchess of Atholl, a minor Minister, who has done her work, mostly confined to the handling of humanitarian questions, very ably; and Mr A. M. Samuel, another minor Minister, who by all accounts has not settled too happily into the atmosphere of Geneva.

It is only necessary to compare that delegation with the French to realise how strong *a priori* grounds have those critics who proclaim that France is taking the League Assembly seriously and Great Britain is not. What truth there is in such a charge is matter for argument. Great as is the service Mr Chamberlain has done to the League by coming regularly to Council meetings and attending at least the first week of the Assembly, it is still difficult to be quite certain that his real policy is not rather to keep his hand on the League's collar than to give it its head. There are, moreover, special reasons why his attitude should be a little suspect at Geneva, in spite of the good impression his personality has obviously made there. His denunciation of the Geneva Protocol—his by adoption, even though the paternity was Lord Balfour's—was extremely unhappily conceived, and his speech in the Assembly on the same subject followed similar lines. With the main body of delegates still as convinced as ever of the value of the Protocol, it is not surprising that the Foreign Secretary's speech should have lowered the temperature as Geneva correspondents say it did. Mr Chamberlain's just contention that the Pact negotiations then in progress must be given every chance of success, and not imperilled by premature or imprudent action at Geneva, could well seem like an argument for side-tracking the League, even to those who in their hearts fully recognised its cogency.

It so happens, moreover, that all along the line the British delegates have been opposing some proposals which other delegates brought forward and set store by. It may be the Duchess of Atholl, arguing for limitation of the women and children work, or announcing that the British Government could not look at any guarantee for an Armenian loan, in spite of the declaration of Mr Baldwin (when leader of the Opposition) that, in his view, the British Government should make an immediate grant. It may be Mr Samuel directing criticisms, which most of his listeners regarded rightly or wrongly as carping, against the Health Organisation. It may be Sir Cecil Hurst, resisting the proposal that preparation for some ultimate disarmament conference should be entered on forthwith, or dashing the hopes of the smaller nations—and some large ones, for that matter—who hoped that Great Britain might have stood by her last year's intention to accept the universal jurisdiction of the Permanent Court

of International Justice. It may, finally, be Lord Cecil rising to point out with his mingled suavity and skill the objections to an international economic conference project which, advanced in a notable speech by M. Loucheur, had taken strong hold of the imagination of the Assembly.

That by no means exhaustive list forms rather a striking record of pertinacity in opposition, and, unfortunately, there is nothing positive to show on the other side, with the exception, in a secondary sphere, of the slavery convention moved by Lord Cecil. The upshot would appear to be, if the Press reports, substantially discounted, may be assumed to rest on some bases of fact, that a mediocre British delegation has acquired an unfortunate reputation for instinctively applying the brake whenever it is proposed that the League should take some forward move. The obvious comment on such a criticism is that in certain circumstances the application of brakes is eminently desirable in the interests of safety. That is, in fact, the official contention of the British delegation. No one, indeed, could well accuse the League of Nations of generating a pace so precipitate as to make a safety first campaign essential. But it was open to Lord Cecil to contend that so important a step as the convocation of an economic conference ought not to be taken without further consideration, and to Sir Cecil Hurst to argue that to take even preliminary steps towards preparing for a disarmament conference would be to raise hopes which might well be once more disappointed. The trouble has been that these and several other brakes have all been applied simultaneously, with the not unnatural result that the British delegates at the Sixth Assembly have gained for themselves the reputation of being before everything else good brakesmen.

That is unfortunate, particularly as there is at least an element of truth in the allegation. A Conservative Government has replaced a Labour Government since the Assembly last met, and, however the British delegation may protest that circumstances which other people controlled forced them in a number of different cases to oppose measures they regarded as premature or ill-considered, the fact remains that the characteristic caution of the Conservative has shown itself in a rather accentuated form at Geneva. The result is not good for the League of Nations, and it is not good for the League of Nations. The only people it is good for is, by contrast, the French. There is no particular reason to suppose that the French delegation came to Geneva bent on securing the moral leadership of the Assembly. But it clearly has secured it, and that without any great effort of its own. M. Painlevé went out of his way to be at Geneva for the opening days of the Assembly. Mr Baldwin, though spending his holiday close at hand, thought it better to stay away. Those two decisions typify a good deal that has happened since. To some of the smaller States which have deliberately chosen the British orbit rather than the French in the past the new turn of affairs has caused both perplexity and dismay. To-day the Sixth Assembly is on the point of passing into history. Before the Seventh Assembly falls due it may be hoped the British Government will realise what ground it has lost at Geneva and take all the necessary steps to regain it.

Notes of the Week.

German Government Funds and the Reichsbank.

An incident has occurred this month which appears to raise an important matter of principle in connection with the working of the Dawes plan. In recent months it has been the declared policy of the Government to do everything that it possibly can to lower prices and reduce costs in Germany. One of the ways in which it desires to achieve this is by influencing the high rates which industries have to pay for credit. In pursuance of this policy it announced early in September that the rate at which it would lend its "free" moneys to institutions other than the Reichsbank would be reduced from 9 per cent. to 7½ per cent. (or 8 per cent. for long loans), on condition that these "intermediary" banks pass on the reduction to their customers. The funds in question are the cash in hand of the Government departments, the working capital or the accumulating profits of the railways, Post

Office, and other undertakings, the uninvested funds of the social insurance department, &c. The amount of these funds naturally varies with seasons and circumstances, the recent average being estimated at 1,250 million marks, of which 750 millions (including loans—400 millions—private discounts, and commercial bills) are with the "intermediary" banks, and are affected by the rate reductions, and 500 millions are on deposit in the Reichsbank or in Reichsbank bills, and are thus unaffected by the reduction. This state of affairs gives rise to several important considerations. If large sums of money are to be disposed of by the Government outside of the Reichsbank, the elaborate machinery of a governing body with foreign representation, and the careful precautions taken to make the central institution independent of political pressure may be rendered abortive, since the hand of the latter is liable to be forced and its control of the money market undermined at any time. But the ability of Germany to make "transfers" to her foreign creditors, while maintaining the stability of the exchange, largely depends upon discount policy and the ability of the Bank to retain its control of the money market. Finally, the action of the Government raises a doubt as to whether it is really in sympathy with the firm policy by which up to the present Dr Schacht has maintained the parity of the exchange. These are far-reaching questions. In support of the Government's action it is argued by industrialists that the Government itself is to blame for the current high interest rates because it has collected excessive sums in taxation and in charges, and has built up unnecessary surpluses since stabilisation out of sums which should have been left to industry. Again, Government deposits with the Reichsbank earn no interest. It is claimed that it is unreasonable and uneconomic that the Government should not be allowed to earn interest on its surplus cash. Moreover, the lending of these sums, which is not in any way a new practice, does not give real control of the market—particularly at the present time, when the rationing of credit by the Reichsbank is the real safeguard against inflation. This last point is probably sound, and there is no reason to fear that in existing circumstances the action of the Government will materially alter the credit situation. But credit rationing is an emergency measure, which may soon be no longer necessary. It will then be essential that the Reichsbank should remain in control by ordinary methods. If the misgivings to which the recent episode has given rise are to be dispelled, it is very desirable that all ambiguity as to the respective rôles of the Reichsbank and the Government in the money market should be removed. In the last resort the Government of any country has the power of deciding its monetary policy. But Germany has deliberately accepted a limitation on her freedom of action—she has handed over the right of note issue to the Bank; she has agreed to and has set up a general board of control over the Bank, containing representatives of her creditors, &c. These devices, with all their implications, must be accepted in the spirit as well as in the letter if the Dawes plan is to work. It must be conceded as reasonable that certain Government funds should earn interest, and it should be easy to arrange for this through the Reichsbank. But it is even more essential that the position of the Central Bank should be assured by providing either that all Government funds must pass through the Reichsbank, or that the question of the rate at which these funds are lent through other channels should conform to the policy of the "general board" as though they were Reichsbank funds.

More Coal Trouble.—After a two months' truce in the coal dispute another deadlock has been reached this week, following the reply of the Premier to an appeal by the Executive Committee of the Miners' Federation for an interpretation of the terms of agreement reached in July. The miners contended that under that settlement owners of individual collieries were precluded from seeking an alteration of the basic rates of particular pits on which actual wages are calculated according to the percentages determined in national agreements. Such readjustments would have been permissible under the agreement of July, 1924. Mr Baldwin definitely accepts the owners' view,

and maintains that the wages to be paid are those which would have been in operation if notice to terminate the agreement of June of last year had not been given. These may, of course, be either above or below those actually current in July, 1925. According to the terms of the settlement of last July, the Premier's position seems to be unanswerable in holding that it does nothing more than continue the agreement come to between the mineowners and the miners in June, 1924. His view is, moreover, strengthened by a letter of the Trade Union Congress, which states that the Prime Minister proposed that work should be carried on just as though the existing agreement was still in operation for a period of nine months. But that some uncertainty did exist as to the exact basis of the settlement—and that not only on the part of the miners themselves—is indicated by the wording of the Supplementary Estimate of August 3rd, passed by the House of Commons, which Mr Cook quoted; this was "to provide for a temporary subvention to enable the coal-mining industry to continue the payment of wages at rates not less than those obtaining in July, 1925." This certainly implies, not that the agreement of June, 1924, was to function as an instrument for the continued and constant readjustment of wages on certain principles, but that they were to be temporarily stabilised at the level that had been reached under the agreement at the end of July. It is unfortunate that this discrepancy between the terms of the settlement and the wording of the subvention vote was allowed to arise. Technically, it appears to open the way for further argument, and the miners have taken the opportunity to announce a boycott of the Royal Commission pending a special delegate conference which has been called for October 9th.

Employment in August.—Unemployment increased last month, there being a marked decline in employment in the coal industry. According to the *Ministry of Labour Gazette*, among the 11½ million workers insured under the Unemployment Insurance Acts in Great Britain and Northern Ireland, the percentage unemployed on August 24th was 12.5, as compared with 11.5 on July 27th and 10.6 a year ago. The total of registered unemployed increased from 1,262,000 on July 27th to 1,418,000 on August 31st. The percentage of trade union members unemployed at the end of August was 11.4, as against 11.2 at the end of July and 7.9 a year ago. The following table gives the monthly trade union figures for several years past:—

TRADE UNION UNEMPLOYMENT PERCENTAGES.

	1913.	1919.	1920.	1921.	1922.	1923.	1924.	1925.
End of—	%	%	%	%	%	%	%	%
January ..	2.2	2.4	2.9	6.9	16.8	13.7	8.9	9.0
February ..	2.0	2.8	1.6	8.5	16.3	13.1	8.1	9.4
March	1.9	2.9	1.1	10.0	16.3	12.3	7.8	9.0
April	1.7	2.8	0.9	17.6*	17.0	11.3	7.5	9.4
May	1.9	2.1	1.1	22.2*	16.4	11.3	7.0	10.1
June	1.9	1.7	1.2	23.1*	15.7	11.1	7.2	12.3
July	1.9	2.0	1.4	16.7	14.6	11.1	7.4	11.2
August	2.0	2.2	1.6	16.3	14.4	11.4	7.9	11.4
September ..	2.3	1.6	2.2	14.8	14.6	11.3	8.6	..
October	2.2	2.6	5.3*	15.6	14.0	10.9	8.7	..
November ..	2.0	2.9	3.7	15.9	14.2	10.5	8.6	..
December ..	2.6	3.2	6.0	16.5	14.0	9.7	9.2	..

* Excluding coal miners.

In addition to the decline in employment in the coal trade, increased unemployment was reported in iron mining, in carpet manufacture, in the tailoring and dress trades, and in the glass bottle making industry. There was some improvement in the wool textile and in the linen and jute industries. As compared with August, 1924, employment on the whole showed a decline, which was most marked in the coal and iron mining, tinplate, and linen and wool textile industries; on the other hand, a few industries, including the building trades and some sections of the cotton trade and of the engineering trades, showed an improvement.

Cost of Living.—According to the index number compiled by the Ministry of Labour, there was a further rise in the cost of living in August, the figure rising

from 73 to 74 per cent. above the level of July, 1914. Monthly movements and comparisons with previous years are given in the following table:—

AVERAGE PERCENTAGE INCREASE OVER JULY, 1914.—All items. (Food, Rent, Clothing, Fuel, and Light, &c.)

1st Day of	1918.	1919.	1920.	1921.	1922.	1923.	1924.	1925.
Jan.	85.90	120	125	165	92	78	77	80
Feb.	90	120	130	151	88	77	79	79
March ..	90	115	130	141	86	76	78	79
April ..	90.95	110	132	133	82	74	73	75
May ..	95.100	105	141	128	81	70	71	73
June ..	100	105	150	119	80	69	69	72
July ..	100.105	105.110	152	119	84	69	70	73
Aug.	110	115	155	122	81	71	71	73
Sept.	110	115	161	120	79	73	72	74
Oct.	115.120	120	164	110	78	75	76	..
Nov.	120.125	125	176	103	80	75	80	..
Dec.	120	125	169	99	80	77	81	..

For food alone the average increase over July, 1914, was 70 per cent., as compared with 68 per cent. a month earlier, the rise being mainly due to increases in the prices of bacon, eggs, and butter, which were partly offset by a decrease in the price of potatoes.

Another Conversion Loan Issue.—It was announced on Tuesday that tenders would be received at the Bank of England on Tuesday next, the 29th inst., for £40 millions of 3½ per cent. Conversion Loan at a minimum price of 76½ per cent. Five per cent. is payable at the time of delivery of the tender, and the balance will be due for payment on October 9th. Payment, however, may be postponed (without notice to the Bank) until any subsequent Friday up to and including Friday, December 4th, on payment, in addition, of interest at the rate of 3½ per cent. per annum as from October 9th. This means that full payment need not be made until after the disbursement of £50 millions of War Loan interest on December 1st. The operation, therefore, is unlikely to cause undue disturbance in the money market. Twice already during the current year two successful issues of this type have been made, in each case with the object of meeting maturities of bonds, but on this occasion there are no maturities approaching, a few millions of National War Bonds which fell due on the first of this month having already been repaid. Such of the 30 odd millions of cash now being raised as is not required in connection with this repayment will possibly be used for the funding of Treasury bills.

American Cotton Crop.—Our Manchester correspondent writes:—Late on Wednesday evening the Department of Agriculture of the United States Government sprang a surprise upon the cotton trade of the world by the statistic relating to the current crop. The condition was given as 53.8 per cent., against 56.2 per cent. a fortnight earlier. With a higher estimated yield per acre, however, the indicated crop was 13,931,000 bales, against 13,740,000 bales in the previous estimate, and 12,596,000 bales at the corresponding time last year. Traders fully expected a decline in the indicated yield during the fortnight of about 300,000 bales, as the weather reports from the belt during that period were unfavourable. Immediately the figures were published there was a decline in New York and Liverpool of about ½d per lb. The downward movement was carried further a little later, but a reaction took place as a result of buying at the lower figures. Traders throughout the world are very confused, and some private authorities express the belief that the Government in previous reports under-estimated the condition, and that on this occasion an attempt has been made to adjust matters. Owing to the growth this season being very early, the ginnings up to September 15th are given as 4,276,000 bales, against 2,666,000 bales at the same time last year. As things stand at present there is every probability of a crop of American cotton this season, including linters, of about 15,000,000 bales. As the consumption during the twelve months is not likely to be more than 14,250,000 bales, there should be a substantial carry-over at the end of next July. There is much difference of opinion as to what is a reasonable price for the commodity in view of the facts available. Many people consider that to be able to purchase American cotton in

Liverpool at under 12½d per lb, is a safe proposition. Should, however, the weather in the cotton belt be favourable during the next few weeks, the Government may still further increase its estimate of the yield.

Egyptian Cotton Crop.—Details are now to hand relating to the cotton crop in Egypt for the season 1924-25, the growth being given as 7,270,797 cantars, against 6,417,083 cantars in the previous year. It is of interest to point out that the output last season was larger than for ten years back. During the past 12 months the exports to Great Britain, out of a total of 937,946 bales, were 428,965 bales, against 445,255 bales in the previous season. The takings of the United States are given as 133,888 bales, as compared with 108,726 bales in the previous year. The exports to Germany were 27,945 bales, against 45,332 bales in 1923-24. There was a rather remarkable increase in the takings of Czecho-Slovakia, the amount being 40,822 bales, against 24,756 bales in the previous year. The stock at Alexandria at the beginning of last season was 188,000 cantars, whilst supplies at the close were 327,000 cantars. A favourable development in connection with the growth of Egyptian cotton is that the yield in cantars per feddan has steadily increased during the last few years. In 1913-14 it was 4.46, but the war brought a decline to 3.10 in 1916-17. Since then a recovery has been made, the amount last season being 4.06. According to present advices there is every likelihood of the output this season being even larger than in 1924-25.

Brazilian Cotton.—A correspondent writes: According to information recently to hand from Brazil, the 1924-5 cotton crop for the whole country is estimated at a little over 131,000 tons, or about 582,000 bales (of 500 lbs). If this estimate be realised, the yield would show a slight increase over the previous year, when the crop was described as the "largest ever registered in Brazil." The production was obtained in spite of unfavourable climatic conditions prevailing in various States, with droughts in some and floods in others. But for these drawbacks the results would have been very much higher. The growing crop is said to be not altogether free from the cotton-worm, a pest which, upon previous occasions, has effected a considerable amount of damage. It is added that the injury caused might have been mitigated had it been possible to withdraw from the Santos customs house large consignments of Paris green, a preparation used to exterminate the pest, but which the Customs held up, and only released when too late for use. In view of the large local demand by Brazilian mills, principally located in the States of Sao Paulo and Rio de Janeiro, the amount of cotton for export is not expected to be very large. Prices have been steadily falling since the beginning of the year, and the amount of all produce on hand remains substantially reduced. Among foreign purchasers of Brazilian cotton are Great Britain, Portugal, and France. They receive their consignments from the Brazilian ports of Santos, Fortaleza, Pernambuco, and Cabadello. The Government remains indefatigable in its efforts to maintain not only the quality of cotton grown, but the extension of cultivation wherever it is possible to carry it on profitably. The Brazilian farmers, on the other hand, have shown themselves slow to grasp the opportunities offered by this class of cultivation, notwithstanding that a large area of the country is well adapted to the growing of the cotton plant. With the increase of cotton production, the local textile manufacturing industry has made rapid development. It is estimated that there are in the country 250 textile mills, with 65,000 looms, and more than 1,800,000 spindles. Labour remains abundant and cheap, unskilled workers receiving as little as 2s a day. Hitherto the mills have manufactured coarse and second-grade textiles, but the market is now asking for yarns of 60 counts and upwards. To supply these requirements, a new mill with 1,000 looms and 80,000 spindles, known as the Fabrica Nova America, has recently been erected in Rio de Janeiro. Satisfactory results should ensue from the enterprise promised by Lord Lovat, a member of the Financial Mission which visited the South American Republic last year, and who intends to carry on the cultivation, treatment, and exportation of

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cotton upon an extensive scale. Brazilian cotton yields per acre 121 kilogs, compared with 89 in Egypt, 66 in the United States, and 36 in British India.

The German Oil Trust.—Shortage of working capital and the pressure of competition have brought together the two most important German oil groups, Deutsche Petroleum and Deutsche Erdoel. Perhaps foreign influences had something to do with this fusion of rival interests, for the Anglo-Persian Oil Company is suspected of desiring to cement an anti-Shell and anti-Standard Oil bloc. Up to the present there have been five competing groups in the German oil markets: first, Standard Oil, operating through the Deutsche-Amerikanische; second, Royal Dutch-Shell, working through the Rhenania-Düsseldorf and also through Sonnenborn of Hamburg; third, Deutsche Petroleum, allied with Rütgers Werke; fourth, Deutsche Erdoel; and fifth, Stinnes Riebeck Oel. It may be recalled that Hugo Stinnes tried to create something of an oil trust, but failed to bring Deutsche Petroleum and Deutsche Erdoel together in association with his group. Stinnes Riebeck, with the break-up of the Stinnes group, has since been taken over by the Dye Cartel. Three powerful groups are, therefore, left, ostensibly in competition, by the fusion of Deutsche Petroleum and Deutsche Erdoel. The new German group will be well organised. The Deutsche Erdoel hands over to the Deutsche Petroleum the distribution side of its business and will receive in exchange shares in the new Deutsche Petroleum, which will increase its capital from 24 million marks to 35 million marks. The oil marketing alliance between Deutsche Petroleum and Rütgers Werke will cease; the latter surrendering its shares in the Deutsche Petroleum in exchange for all the subsidiary undertakings of Deutsche Petroleum which are not essential for the oil distribution business. Whether the Deutsche Erdoel keeps its identity in the production end of the business is not yet clear. Deutsche Erdoel owns the Wietzer wells in Hanover (Deutsche Petroleum owns only one oil shaft at Heide, in Holstein), and has important interests in coal and lignite—for instance, the Graf Bismarck mine and the Magdeburger Bergwerke A.G.—together with oil refineries and coal distillation plant. Supply of the raw material is, however, the weakest side of the new amalgamation. The loss of the pre-war interests in the Roumanian and Galician fields left the German group dependent upon the small output from the wells in Hanover and elsewhere (about 60,000 to 80,000 tons a year), partly upon the liquid products obtainable from the distillation of coal or lignite, but more especially upon imports of crude oil, mostly from America. From the point of view of crude oil supply the association of the Anglo-Persian Oil Company with the new group is not at all unlikely. The distribution is the strongest side of the amalgamation. The duplicating of distributing organisations will be eliminated, staffs will be reduced, and the existing marketing plant will be more economically employed. The fusion does not necessarily mean a war against the two foreign interests, Standard Oil and Shell. The foreign oil trusts may have some respect for the new German oil trusts, seeing that the Deutsche Bank is closely associated with the Deutsche Petroleum and the Diskontogesellschaft with the Deutsche Erdoel. It has already been suggested that, now the competitors are reduced to three, marketing under standings will be more easily reached. No doubt before very long there will be an oil price ring in Germany.

Oil Production in Mexico.—To consider the record of oil wells drilled in Mexico, writes a correspondent, is to marvel at the enterprise or folly of the oil companies. In the first half of this year out of 440 wells completed in Mexico 69 per cent. were dry. In the corresponding half of 1924 out of 379 wells completed 62 per cent. were dry. These figures even overstate the blessings of the oil companies. It is true that 31 per cent. of the wells completed were producers, as compared with 38 per cent. last year, but the majority of them were affected by salt water soon after completion. Of the 440 wells completed 396, or 90 per cent., were drilled in the northern fields lying north of the Panuco River, and of these the majority were drilled in the Cacalilao sector, which is badly invaded with salt water. The wells drilled in the Corcovado sector north-east of Cacalilao also showed a disposition to turn rapidly to salt water. In the southern fields a large number of the 44 wells drilled were so-called "strippers" in the old fields that had gone to salt water some years ago. The reason why oil companies continue to operate in Mexico with these dark prospects is that the initial production with Mexican wells is generally large. A prolific gusher quickly repays the cost of dry holes, and a gusher is the goal of every oil-driller. The production of crude oil in Mexico for the first half of 1925 is estimated at 65,797,583 barrels, as compared with 74,061,793 barrels in the first half of 1924, a decline of 8,264,210 barrels, or 11 per cent. Of this quantity roughly two-thirds were produced in the northern (heavy oil) fields, and one-third in the southern (light oil) fields. Shipments amounted to 60,947,190 barrels, against 70,862,743 barrels in the first half of 1924. So marked is the drop in the shipments of some companies that Mexico now provides the oil equivalent of bringing coals to Newcastle by importing some crude oil from the United States. As regards the future outlook for production, there is little encouragement to be gained from the "wild-cat," or exploratory, wells drilled this year. Failures were conspicuous, and no absolutely new territory was developed. In the northern districts there were only extensions of existing fields. In the southern the Mexican Petroleum Company (Doheny interests) have not yet developed any commercial production in the Tres Hermanos field, which last year seemed so promising. The same company drilled the deepest test for oil yet made in Mexico, but the hole—5,338 feet deep—was perfectly dry. The Mexican Eagle Oil Company is still trying to develop commercial production in the Filisola district, Isthmus of Tehuantepec, and is testing once again the old Furbero field. No successful results of its drilling have yet been reported, but it is always possible that with the employment of geophysical methods of oil-finding, such as the torsion balance, in areas like the Isthmus of Tehuantepec, where there are hidden salt dome structures, oil may be found. The following table, compiled by an American oil journal, gives a *résumé* of the operations in Mexico in these six months:—

JANUARY-JUNE, 1925.		Barrels.
Production of heavy oil (northern fields).....	44,421,499	
" " light " (southern " ".....	21,376,084	
Total production of crude oil.....	65,797,583	
Imports of " ".....	947,403	
Withdrawn from storage (estimated).....	2,087,245	
Total distribution.....	68,832,231	
Shipments.....	60,947,190	
Available for domestic consumption.....	7,885,041	

It is still noticeable that "wild-cattling" on a big scale has not yet been attempted in Mexico, and will probably await the advent of more stable political conditions and higher prices for crude oil, particularly the latter. The former condition, stability, is, one hopes, brought a stage nearer by the British recognition of the Mexican Government recently announced.

A Canadian Government Bond Issue.—Our Ottawa correspondent writes:—The Federal Government has just floated, through a powerful syndicate of Canadian financial houses, a domestic issue of \$75,000,000 4½ per cent. non-callable bonds; they are dated September 1st, and will mature on September 1, 1949. The price to the public

is 97½, and the yield offered is therefore 4.75 per cent. More than half the sum secured will be required to redeem an issue of War Loan 5 per cent. bonds, which mature on December 1, 1925, and the latter bonds will be accepted at par and accrued interest in payment of the new bonds. These are being issued in denominations of \$100, \$500, \$1,000, \$5,000, \$10,000 and \$100,000. The local market is showing a good capacity to digest this issue, and the syndicate reports that excellent progress has been made with the disposal of the bonds to the public.

Rubber Market Animation.—A Stock Exchange correspondent writes:—The rubber share market in the Stock Exchange has been compelled to expand its borders day by day. The amount of business which is doing in that department may be gauged by the fact that in many Stock Exchange offices it proved necessary for the settlement work to be continued all through the night of Wednesday. The carry-over was on heavier lines than usual, but, compared with the volume of trade that is passing in rubber shares, the amount of contango work is relatively slight. People are taking up what they buy, delivering of bargains are done every day in one or two hundred shares of the florin variety, the prices of which stand anything between, say, 2s and 5s, some little idea can be gathered of the colossal piles of mechanical labour that the settlement of a fortnightly account entails. Readers of this journal have been kept thoroughly conversant with rubber market conditions from week to week. They cannot fail to have observed the character of the buying which is reflected in the willingness of purchasers to put down hard cash in payment for shares. The market has emerged from the confines of a merely speculative area into one that is deemed suitable for the employment of large sums of money on the part of those who look to the future for substantial dividends, and, a necessary corollary, increase in capital value. We have shown how trust companies are amongst those which have taken a hand in the rubber industry; and when a trust company buys shares it is not in fifties and hundreds at a time. The result of all this change of proprietorship is that the latest buyers are averse from selling except at prices which offer irresistible temptation. The area of choice is greatly restricted by the fact of so many good rubber companies having small capitals, the shares of which are now in the hands of the permanent speculative investor. Some people object to the word speculative being mentioned in connection with rubber, but he need be no austere observer who regards shares in any tropical industry as being susceptible to many factors which do not operate in the case of sound investment securities. The outlook for the industry continues to be promising. The dividends which are now being declared every day point to the willingness of directors to allow their fellow-proprietors an immediate share in the remarkable prosperity which the companies enjoy. The usual niggers in the pile are scarcely visible. The word "synthetic" is never heard. The prospect of labour shortage in the Middle East is regarded as being slender enough to justify its being ignored. Consumption of the produce fully keeps pace with production so far as can be judged by the statistics that are published, and by the steadiness shown by the quotation for rubber itself. Companies are able to make favourable contracts for a long way ahead, and in such manner as to ensure their obtaining the advantage of further price-improvements should these occur. It is not surprising, therefore, that the attention of the man in the street, in the country, and on the Continent should be attracted to a market which commands such prospects, and which at the same time is sufficiently active, in the Stock Exchange sense, to enable profitable dealing. Up to the present the movement has been confined to shares in companies that, even the worst of them, possess a fair sporting chance, but it stands to reason that the swindling promoter and the bucket-shop keeper are not likely to permit such an opportunity to escape their activities. It may be well, therefore, to conclude this paragraph with the suggestion that, before taking a hand in the shares of any unknown company, the prospective purchaser should seek the advice of someone qualified to give it.

Trade Facilities Act Guarantees.—The amount of loans which may be guaranteed under the Trade Facilities Acts has by the Act, 1925, been increased to £70,000,000. According to the last Treasury statement issued, the total loans so guaranteed as to principal and interest amount to £54,452,936. The outstanding liability of the Exchequer has, however, been reduced by the repayment of certain loans totalling £1,129,324. The balance available for further loans is £15,547,064. A rough analysis of the loans already guaranteed may be of interest. Grouped under broad headings these would be:—Shipping and Docks and Harbours, £16,930,511 (31 per cent. of total loans); Railways, £12,583,000 (23 per cent.); Public Utilities, £3,912,100 (7 per cent.); Miscellaneous Industries, £8,187,325 (15 per cent.); and Foreign and Colonial, £12,840,000 (24 per cent.). The major portion of the loans have, therefore, been devoted to the shipping companies and docks and harbours. The railway companies come next, these loans being all for electric railway schemes. In this connection it may be noted that one important application has been withdrawn, namely, that of the S.E. and Chatham Railway in 1922, for £5,500,000. As regards the loans to Public Utilities, these are mainly for extensions of electric supply. These applications (14 in all) are not as numerous as might have been expected, seeing that there are over 220 electric supply companies altogether, the big majority of which are small companies which usually have to depend on local capital. The most important of the electricity loans is the one to the North Wales Power Company (£1,700,000), for the purpose of carrying out the North Wales Joint Authority scheme. No gas companies appear in these lists of loans. Of the total loans granted for works in England, £41,612,936, this has all been apportioned to companies, except certain loans to Harbour and Other Boards and Corporations, totalling £1,357,500. As regards the industries which stand to benefit directly by the orders (all of which must be placed in Great Britain), a rough estimate would be as follows:—Engineering industries, £35,500,000 (of which the electrical manufacturing section would take about two-thirds); shipbuilding, £12,500,000; civil engineering, £3,000,000; and building and miscellaneous, £3,500,000.

Austin Affairs.—Following rapidly upon the first reconstruction scheme of the Austin Motor Company, which was abandoned owing to the attitude of dissenting shareholders, comes a second proposal for the reorganisation of the capital. The terms of the abandoned scheme were that all the four classes of shares were to become one big 6½ per cent. (tax free) cumulative preference issue, but the existing nominal value of £1 was to be written down—the 7 per cent. preference to 19s, the 6 per cent. preference to 15s, and the preferred ordinary and ordinary shares each to 6s 8d. All arrears of dividend were to be cancelled. The General Motors Corporation agreed to subscribe for £1,500,000 of ordinary shares, out of the proceeds of which all the debentures were to be paid off. The scheme provided for writing off a deficiency of £1,662,500, after writing up the goodwill to £396,373 and including £415,143 estimated profits for the nine months to June 30th, before providing depreciation. The dissenting directors opposed the scheme for a number of reasons. Firstly, because of a desire to protect certain classes of shareholders' interests, it being contended that neither the "A" nor the "B" preference shares should be asked to make a sacrifice of their capital; and, secondly, an objection to placing control of the company in American hands. And, lastly, and perhaps most important of all, the offer was considered inadequate. The company now intimates that at the conclusion of the annual meeting on September 29th, after formal business has been disposed of, the directors "propose to refer to the matter of the reorganisation of the capital of the company." This is accompanied by preliminary particulars of a scheme which the directors unanimously recommend. It is not proposed to submit any resolution at the annual meeting, but to discuss the scheme informally with the shareholders. The new suggestions for putting the undertaking on a sound financial basis provide

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for the writing down of the share capital from £3,347,909 to £1,950,000, thus leaving a balance of £1,397,909 available for writing off lost capital, which is the estimated total deficiency to be provided for. None of the capital loss is to be borne by the preference shareholders. The rate of interest on the 7 per cent. preference is to be increased to 8 per cent., and holders are asked to waive any claim to arrears of dividend accrued to September 30, 1925. The holders of the 6 per cent. "B" preference shares are also asked to forgo dividend arrears in consideration of the interest rate being fixed at 8 per cent. The preferred ordinary and the ordinary shares are to be reduced to a nominal value of 6s. 8d. each. The preferred ordinary and ordinary shares are compensated to a small extent by sharing in the equity of the profits to the extent of five-sevenths of such equity. The existing debenture of £250,000 will be paid off out of cash at bank, and a prior lien debenture for the nominal amount of £300,000 issued to the bank as cover for working capital if required. This debenture constitutes a first charge upon the assets and undertaking other than the Longbridge Estate, which, together with the interest in the French and Belgian companies, it is intended shall be realised and the proceeds applied as working capital or in the reduction of the amount owing to the bank. The £90,000 due to the Treasury will be secured by a mortgage debenture ranking as a second charge upon the undertaking, and will be repaid by annual instalments of £10,000. Holders of the 6 per cent. fourth mortgage debenture stock are asked to allow the modification of the clauses of the trust deed, relating to the company paying out of its excess assets and current trading profits such sums as may be available in repayment of amounts due to the debenture stockholders and substituting a redemption fund of £52,094. This will be applied to the redemption of the debentures in 20 years by drawings at £102 10s, or by purchase in the market, commencing on October 1, 1926. In consideration of the granting of this permission, the rate of interest is to be raised to 6½ per cent. It is suggested that the post of managing director of the company shall be abolished. In its place should be constituted a committee of three, comprising a chairman, a director of finance, and a director of works. The main fact which both shareholders and debenture holders should bear in mind in considering the scheme is that the board of the company, after much disagreement, has apparently come into line. There will undoubtedly be a certain amount of criticism from some shareholders—especially those interested in the junior capital. The outlook for this class, if the scheme goes through, does not seem particularly bright, and it is possible that they will have to await the repayment of the debentures before they see any return on their money.

Dear Lead.—The need for an enlargement of the world's piglead production has been once again emphasised by recent developments in this metal, the value of which was early this week forced up to £40 10s a ton for prompt delivery, which compares with £44 and £27 15s, the two extreme points reached last year. After standing at the opening of this year at £43, the price moved downward sharply, eventually dropping towards mid-May to the neighbourhood of £32, which thus still indicated fully £5 over last year's lowest record. There was a considerable increase in production in the early months of this year, particularly in North America,

but since then, in view of the substantial setback in value, the returns of output on the whole have not varied a great deal from month to month, so that in consequence of the renewed vast expansion of the outlet for electrical use in connection with the greatly increased needs of the building trades, current supplies have been easily taken care of. Surplus stocks in the United States were this year reduced by well over 50 per cent. down to about 9,000 tons. Whereas a year or so ago, imports into this country were at the rate of about 18,000 to 19,000 tons a month, and still sufficient to cope with home consumption, needs are estimated to have been increased this year by another 4,000 to 5,000 tons a month. Home manufacturers of lead sheets and pipes have, so far as can be gathered, enlarged their takings of the metal to as much as 9,000 tons a month, which is roughly 2,300 tons more than at the beginning of this year. Besides this, a good deal more metal is wanted for the making of pigments, chiefly white lead. Adding to this the considerably larger quantities absorbed by the electrical industry, chiefly cable-makers, it can only be concluded that the excess of about 25,000 tons in the receipts from abroad for the eight months to the end of August, which totalled 180,500 tons as against 155,600 tons in the same period last year, has been needed to keep pace with demand, while allowing for a certain amount of metal re-exported. At anything near £40 a ton the price to consumers is preposterously high, while huge profits are accruing to producers even on a selling price at around £35 a ton. The fact may be mentioned that the leading Canadian producers, the Canadian Smelting and Refining Company of Canada, whose expansion of operations in the past year was so remarkable, are able to turn out their piglead at about 4 cents per lb. This cost, however, is exceptionally low as compared with that of most producers in other parts of the world. The recent strike troubles in Australia seriously hindered shipping, and this was productive of much uneasiness in the piglead market in conjunction with this month's reduced arrivals. According to the latest news from Australia, however, strike disturbances have been checked under drastic Government action, and this has had a sobering effect on the market in the last few days. Liquidation of paper-lead and freer forward offers, indeed, resulted in the price reacting about £1 a ton from the highest figure touched.

Johannesburg Consolidated.—Our mining correspondent writes:—From the circumstance that the directors of this company—popularly known as the "Johnnies"—declared the same dividend for the year ended June 30th as in respect of the preceding period, the inference might have been drawn that the accounts would show a somewhat similar profit. Any such inference has in fact proved extremely well founded. In point of fact, the net earnings for 1924-25—£744,700—are within about £2,000 of those for 1923-24, and the small difference is on the wrong side. From some of the company's gold mining interests, of course, reduced dividends have been received during the period, while from the diamond interests an increased revenue has come. It will be recollected that De Beers deferred, which had been out of the dividend list for the three years 1921-1923, re-entered it with a distribution of 10s in June, 1924, and has maintained that rate since. Evidently, the one factor has just about counterbalanced the other. We append our usual three-year analysis:—

	1923.	June 30, 1924.	1925.
Stocks and shares.....	3,666,030	4,036,270	4,185,970
Mining properties and advances ..	393,110	272,660	145,600
Real estate and buildings	388,590	357,410	297,100
Loans on mortgage	141,230	197,050	226,060
" " to S.A. companies	284,340	390,280	194,600
" " at short call	390,280	358,440	416,640
Sundry debtors and dividends	305,880	608,970	548,600
Cash	369,560	869,630	1,342,500
Sundry creditors	1,079,580		
Net profit	503,840	746,250	744,670
Dividend	493,750	592,500	592,500
Rate per cent., tax free	12½%	15%	15%
To reserve		150,000	150,000
Carried forward.....	172,240	175,990	178,160

The reduction in "mining properties and advances" may have a close connection with the increase in the "stocks and shares." A moderate expansion is shown in "loans on short call." The surplus cash assets work out at £4,478,000, as against an issued capital of £395,000. The report contains a summary of the position of the principal subsidiaries, and mentions that the company has secured a participation in the new Diamond Syndicate. It is intimated that the company's holding in the leading diamond mines remains unchanged, and that there is a "steady demand" for the stones. In effect, the only new point is the announcement that improving profits are being earned by the coal companies in which the "Johnnies" is interested; and the hint is thrown out that still greater progress would be made were the Railway Administration more lenient in the matter of rates. Apparently, the directors have resisted the seductions of platinum. On the basis of 15 per cent. dividends, the shares at 44s xd yield about 6½ per cent.

A COURSE of six lectures on "Freedom and Authority in the Socialist Commonwealth" will be given at the Kingsway Hall on Thursdays at 8.30 p.m., beginning October 22nd, by the Hon. Bertrand Russell, F.R.S., Mr Harold J. Laski, the Right Honourable Sidney Webb, M.P., the Master of Balliol, Mr E. Rosslyn Mitchell, M.P., and Mr. Bernard Shaw. Application for tickets should be sent to the Fabian Society, 25, Tothill street, S.W. 1.

Oversea Correspondence.

THE LEAGUE OF NATIONS.—THE MOSUL QUESTION —PROPOSED ECONOMIC CONFERENCE.

(FROM OUR CORRESPONDENT.)

GENEVA, Tuesday, September 22.

THE turn which the Mosul question has taken before the League of Nations Council is serious, and swamps for the moment the general work of the Assembly. It has become one of the "really first tests" of the League, such as several previous disputes have been successively described, but the matter has undoubtedly reached a stage which, without undue loss of mental balance, may certainly be considered delicate.

Turkey, anxious though she seems to be to figure as a modern State, finds it difficult to change her old methods of diplomacy. Realising, if rumour is right, that the Council Committee was working towards a solution rather in favour of the British thesis, the Turkish delegation suddenly raised the whole question of the powers of the Council. Though the Turkish delegation last September unequivocally recognised the full powers of the Council under Article 15 of the Covenant (which provides for a unanimous decision excluding the votes of the parties), and a little less categorically accepted in advance, together with the British Government, the Council's decision, it now protests that no decision can be taken without its consent, and without the approval of the Angora Assembly. The British view is that the matter is before the League in the form of an arbitration, and that, if necessary, the Council may take a decision by majority vote. In face of this sudden disregard by Turkey of her previous pledges, the Council, at the request of its Committee, has decided to ask the Court to say in what form the matter is before the Council. If it is an arbitration the vote can be taken by majority, and is binding. If it is taken under Article 11 of the Covenant, there can only be a recommendation which may be by majority, but cannot be binding without the consent of the parties. A decision, under Article 15, in order to be binding, requires unanimity, excluding the votes of the two parties.

If the parties to the dispute are able to vary their undertakings as it suits them according to changing cir-

cumstances, it makes a farce of international relations, and it is playing the fool with the British Government and the Council of the League for the Turks to create arguments contrary to those they had previously accepted because they feared the prospect of an unfavourable decision.

The present attitude of the Turks is that they will not accept even the views of the Court unless they are favourable to them, and, so far as it is possible to divine any meaning in their declaration, it is that the question was referred to the Council simply to endorse Turkey's claims. Mr Amery bluntly declared that unless the Turks withdrew from this position between now and the next meeting of the Council, when the advisory opinion of the Court is before it, the British Government would retain full liberty of action, and would not remain bound by its previous undertakings, which were made on the understanding that the Turks took the same stand. The Court will have to go back to the Treaty of Lausanne as a starting-point, and the Treaty of Lausanne is not as explicit as it might be. But if it considers the question as a whole, bearing in mind not only the somewhat vague terms of the Treaty of Lausanne in relation to the point of reference, but also the proceedings before the Council last year and this, there should be no doubt of what the Court's opinion will be, though legal decisions on law are not always necessarily decisions of good sense. If the Court decides against Turkey, and the Turkish refusal to accept its view is maintained, Great Britain and the Council will be faced with a nice problem. The Council will be driven either to take a decision risking Turkish refusal to accept, to try to reach a decision (which now seems impossible) that both parties would accept, or to declare that in the circumstances there is nothing further to be done, thus leaving Great Britain in possession, but in most unsatisfactory conditions. If the Court says Turkey's vote must be reckoned in a decision, then the wrangle may continue indefinitely. Meanwhile, opinions here differ on the wisdom of the reference to the Court, but surely, if there is any hope of avoiding deadlock by the assistance of an impartial opinion from the Court, or even by mere delay, it is worth while trying. To be decisive now against the Turks would settle nothing satisfactorily. To settle decisively now in their favour would be uncommonly like a surrender to chicanery. And, after all, neither the prestige of Great Britain nor of the League is altogether negligible. Turkey has undoubtedly made great use of the serious division of opinion in England on the subject, and by the impression given by some of the more blatant organs that in no circumstances whatsoever would Great Britain attempt to defend Mosul by force. It is seriously to be doubted whether there is any real risk of Turkish aggression, and there are indications that Turkey is most anxious to reach a solution which will save her face and yet give Great Britain a considerable share of her claim. There will probably be efforts made to achieve something in this direction between now and December, and ultimate events may not be so tragic as the prospect may now appear. Meanwhile Great Britain has sent a note to the Council asking it to consider the British protest against Turkey's expulsion of Christians, and suggesting that the Council should send a representative, or representatives, on the spot to see that the *status quo* conditions are maintained by both sides pending final decision.

It will be more profitable to discuss the other events which have been going on during the Assembly in next week's letter, but there is one particular matter of importance—namely, the provisional decision not at once to go ahead with the economic conference suggested, but to ask the Council, at its December meeting, to appoint a committee of experts which may lead to a conference either at the end of 1926 or the beginning of 1927. This is due to some hesitation on the part of the British delegation, which seems to complain a little of being taken by surprise, and it is clear that there will be a great deal of discussion before the lines of such a conference are agreed upon. The exclusion of vital points has already been discussed, and if it is allowed to go far enough, it may make the whole undertaking of considerably less importance than was first intended or first seemed likely. It is, however, early yet to enter into these details.

UNITED STATES.—MARKETS AND SPECULATION— MONEY RATES — STEEL POSITION — FRENCH DEBT.

(FROM OUR CORRESPONDENT.)

NEW YORK, September 15.

ALTHOUGH the profit-taking reaction of a week or so ago seemed to confirm the claims of the critics, and although it started a wave of pessimism among market followers, the stock market is again active and buoyant. Indeed, it has recovered its losses and pushed on to new high levels. Under these circumstances bullishness again prevails. The present rally has been led by motor shares, a fact that is not without significance. Some time ago, when the series of considerable cuts in automobile prices was initiated, superficial observers assumed that the lower prices represented nothing but severe competition and that the profits of the motor manufacturers would be drastically reduced during the second half of the year. This assumption, combined with the recent burst of pessimism, led to no small volume of short selling. Readers of these letters will recall that the true significance of the cuts in automobile prices was the passing on of large economies in the cost of producing closed bodies. As a result of the much greater values offered consumers, the demand for the new models has been extraordinarily keen. Several of the larger companies are now working at capacity at a time of year when operations normally slacken. Instead of facing small profits these manufacturers are earning at a very satisfactory rate. The General Motors Corporation, for example, is doing better than optimistic expectations, entertained earlier in the year, indicated. After earning \$8.19 a share in the first six months, the corporation now seems likely to add about \$7.75 a share in the second six months. This performance is being achieved despite the fact that the first six months generally brings the larger portion of the year's business, and despite the slowing down in operations that accompanied recent changes in models.

This being the background, the short sellers of motor shares have been severely punished during the past week. The rises that have occurred among the motors have bordered on the spectacular. The situation has furnished pools with an excellent opportunity for their operations, and these operations have, in some instances, been large. Still, with strong positions as to earnings and cash among the more successful motor companies, it is a fair question whether the pools may not be performing the accepted function of speculation in adjusting prices to inherent values. In any event, the behaviour of the motor shares illustrates the difficulties and dangers of simple characterisations of our markets, or, for that matter, of our industrial situation. It will not do to blame the present level of security prices on speculation. Speculation undoubtedly has been playing its part, as it always does, but such factors as an extremely large supply of bank credit and an unprecedented supply of investment funds also are playing theirs. This country is now a creditor nation that is producing a surplus of capital; its industries are extremely efficient and are prosperous; its trade is intensely active, but with no signs of inflationary tendencies; its agricultural districts have been recovering consistently. Who can say just what its securities are worth in terms of its capital supplies?

Meanwhile it is noteworthy that the latest rally in stocks has coincided with a recovery in the bond market, which has been digesting rather enthusiastic advances made in anticipation of the mid-year reinvestment demand. It also has been attended by further comment on the relatively easy character of the money market. It is not that the money market has not grown firmer during the last few months, but rather that it has firmed up less than had been anticipated. Flurries in call money have occurred, but they have been followed by readjustment that has left the average level little above what it had been before. Just now the call rate on the Stock Exchange is holding around 4½ per cent. When the rate goes much below that figure interior bankers tend to withdraw their balances; when the rate rises toward 5 per cent. a large supply of money returns from the interior. As for the Federal Reserve statements, they show many minor

fluctuations in reflection of the member banks' adjustments of their reserve positions, and in response to the swings of money back and forth between the great and smaller centres. They also indicate that the Federal Reserve authorities are continuing to maintain a neutral attitude. The intention of the Reserve banks must be judged chiefly by their operations in the market for short-dated Government paper; it is by these operations that the Reserve banks take the initiative in affecting open market conditions. To date, the purchase and sales of "Governments" seem to reflect a desire to stabilise rather than to lead the open market. A certain amount of attention is being given to the fact that the rate on bankers' bills now approximates the official discount rate here. In the past the Reserve bank has maintained a spread between these rates, raising its discount rate when the bill rate has risen to the same level. Whether such action will be taken now is another matter. We have in mind the fact that our banking authorities wish to hasten the return of the gold standard abroad, and do not wish to add to sterling's burdens. The official interpretation of the situation is eagerly awaited.

Most of the available evidence suggests that the equilibrium between demand and production in the steel industry has been restored. The unfilled orders of the United States Steel Corporation declined only 26,664 tons during August. It is thought that the September figures will show an increase in unfilled bookings. If they do, the increase will terminate a decline that began in March, which has carried the Corporation's backlog of orders down from 5,284,000 tons to 3,512,000 tons. Meanwhile current reports indicate that the industry as a whole is operating at about 75 per cent. of capacity. Prices are firm, but show no marked rising tendency. The best opinion is that the steel industry will continue active during the rest of the year, gaining somewhat, perhaps, from the present level; but that no boom or sharp advance in prices is in sight. Along with the steel industry the other metals have been showing an improved tone. A moderate upswing in production seems to be under way.

With M. Caillaux's departure for this country drawing near, more interest is being displayed in the question of the French debt. At the present moment a brief memorandum written by M. Jusserand as a result of conversations with Secretary Hughes shortly before the latter's retirement is being discussed. In this memorandum M. Jusserand reported that the American Government would be prepared to make a settlement similar to the British settlement, in that payments on account of the principal of the debt would begin at one-half of one per cent. yearly, and be extended over a period of 62 years. If this provision were part of the settlement, the American debt funding commission was reported as willing to consider the question of interest in the most liberal spirit. That this memorandum represents the situation fairly is quite probable. The payment of principal probably would be required according to a schedule similar to that agreed to by Great Britain. With regard to payments on account of interest, the French capacity to pay probably will be the governing factor. The chief work of the negotiators will be to reconcile French and American conceptions of French capacity to pay.

FRANCE.—NEW RENTES—TELEPHONE STRIKE—PRICES—HARVEST.

(FROM OUR CORRESPONDENT.)

PARIS, September 23.

THE reports that have been current for some time to the effect that the new loan for the conversion of as much as possible of the existing floating debt, represented chiefly by 5 per cent. National Defence Bonds, into 4 per cent. Perpetual Rentes, is not being very eagerly subscribed, have been confirmed by the special efforts that are now being made to convince the public of the necessity for supporting the new issue.

The new Rentes, it will be recalled, can only be obtained in exchange for old Defence Bonds, of which there were over 56½ milliard francs' worth in existence at the end of July last year. The rest of the floating debt, apart from that due to the Bank of France, then totalled as nearly as

possible 12,000 million francs. M. Caillaux's ideal, of course, would be that the public should exchange the whole of this huge amount of short-term bonds for the new Rente, and the degree of success the new issue attains will be measured by the extent to which it approaches this ideal. The banks, it is understood, have been induced to take up a substantial amount of the new stock—the figure mentioned in unofficial quarters is ten milliards—but the response from the public as a whole is reported to have been far from encouraging. The bank clerks' strike, which extended over several weeks since the lists were opened, has naturally contributed largely to cause the public to postpone their subscriptions until they could be sure they would not have to wait long hours at the banks before their wants could be supplied. This was one reason why the lists, which it was originally intended should close on September 5th, are being kept open until the end of the month. It is now realised that unless a very substantial proportion of the existing floating debt bonds are got rid of by conversion, the object of the issue will not have been attained.

As the outcome of an important conference of leaders of the great French commercial and agricultural organisations, which took place at the Quai d'Orsay last night, under the presidency of the Prime Minister, an eloquent appeal has been issued to the nation to-day, urging support for the loan. The terms of this appeal suggest why it has been found necessary to issue it. "It is not a question of increasing the amount of the public debt," the statement explains, "but of consolidating as much as possible of the floating debt, which now places the Treasury at the mercy of popular feeling." In other words, the French peasant has been found not to possess as large an amount of knowledge of the technical side of finance as he was thought to have, and has not grasped the rather complicated nature of M. Caillaux's proposal. It is to be feared also that he cannot understand why the fact that his dividend would always remain constant, no matter what happens to the franc, should be a reason for him to exchange his 5 per cent. Defence Bonds into 4 per cent. Rentes.

The two hours' strike indulged in by the French telephone girls on Monday, in which they were joined by a large proportion of the telegraph clerks and a certain number of postal employees (both in Paris and the provinces), is really a much more serious affair than the mere inconvenience to the public which it involved would imply. For some months past, since the Herriot Government accorded to the whole of the French civil servants the right to form themselves into trade unions, there has been a growing tendency among the public employees to enforce a claim for the equalisation of pay throughout all branches of the public service. The agitation began in 1919, when three separate and independent Civil Service Commissions were charged with the duty of revising the scales of pay in regard to as many categories of employees of the State. The outcome of the work of these commissions was that it was found that, while the pay of male postal clerks was raised from 4,000f a year (in 1914) to 9,000f, and that of female clerks from 2,700f to 7,200f, the pay of school teachers was simultaneously increased from 2,500f to 9,000f, plus housing accommodation. The minimum pay of Customs employees was raised from 4,000f to 10,000f, and of clerks in the indirect taxation department from 4,000f to 11,000f. These discrepancies led to an insistent agitation for all civil servants, of whatever character, to be placed on the same minimum wage level. The female telephone clerks, for example, demand to be given the same minimum pay as the school teachers, while the latter, through their national union, have recently affiliated with the C.G.T., with the express object of securing still higher rates of pay. All categories appear to be firmly resolved, by means of "direct action," to enforce their claims, and, if need be, to constitute a State within the State for the purpose of enforcing their claims.

The difficulty in which the Government finds itself is that not only is it short of money to meet this and other pressing claims, but that the amount allotted to improving the situation of the civil servants' position is totally insufficient. M. Painlevé and M. Caillaux undertook a few weeks ago to ask for a supplementary credit of 120,000,000f, when the Chambers reassemble next month, to meet the wants of the Government employees, but this

amount has already been appropriated in anticipation, leaving the bulk of the civil servants still unsatisfied. It is estimated that a total of at least 2,000,000,000f would be required to meet the claims of the public servants for increased pay. The fear that failure to meet these claims may lead to a general strike of Government employees is not the least of the problems now facing the Government.

The official index figures for the month of August, which have been issued by the Statistique Générale, give a general figure for wholesale prices of 570, as compared with 569 in July, and 554 for June (based on 100 as representing prices in 1914). The detailed figures are as follows:—

Nature of Categories.	Number of Categories.	Figures for End of		
		August.	July.	June.
General index figure.....	45	570	569	554
Foodstuffs—				
General index figure.....	20	490	497	486
Vegetables.....	8	491	514	529
Meats.....	8	480	480	448
Sugar, coffee, cocoa.....	4	513	498	477
Raw materials—				
General index figure.....	25	639	631	614
Minerals and metals.....	7	577	562	550
Textiles.....	6	766	755	739
Various commodities.....	12	601	597	577

Foodstuffs, as a whole, dropped 7 points on the month, this being entirely due to the season, which resulted in a drop of 23 points on vegetables. Meat remained at the same level, while coffee and sugar showed a rise of 15 points. While the general rise in raw materials was only 8 points, it will be noted that minerals went up 15 points, and textiles (which now stand at over 7½ times their pre-war figure) another 11 points. Retail prices in Paris rose a further two points on the month, the general figure based on the prices of 13 articles of common necessity (of which only petroleum is of foreign origin) being returned as 423, compared with 421 for July, 422 for June, 418 for May, and 409 for April, and with 366 for August, 1924, and 360 for July, 1924.

It is now officially announced that the 1925 wheat harvest will amount to 89,561,060 quintals, and this, with between 5,000,000 and 6,000,000 quintals furnished by the North African area, is expected to prove sufficient to enable the country to meet all requirements, without having to purchase grain of foreign origin.

GERMANY.—CREDIT QUESTION—FINANCES—INDUSTRY—CROPS—BOURSE.

(FROM OUR CORRESPONDENT.)

BERLIN, September 22.

THE question of credit, foreign and home, has been brought once more into the foreground by the conclusion of American loans for the new Rentenbank Credit Institution, and for Bremen State, and by a discussion at the Bankers' Annual Congress. The view most expressed is, that foreign loans should be avoided as far as possible, and should be contracted only when they will speedily and directly increase national production, and, in particular, increase the production of goods that are sure of an export market, so enabling interest and principal to be paid. At the congress it was estimated that long-term foreign loans since the Reparations settlement, including the Rentenbank Institution Loan, but not including the Reparations Loan, total 660 million marks. This sum represents only the smaller part of the burden imposed upon the foreign payment-balance, the greater part being in the shape of short-term debts and foreign investments in German home loans, stocks, and other securities. Officially, the total of short-term debts outstanding on June 30th has been put at 1,600 million marks, and though this estimate was criticised at the congress as higher than the truth, it was declared that the short-term debt total is nevertheless too high, and that it ought to be reduced. Concerning home credit, it was stated that money on mortgage is now lent to only about one-fifth of the value of the securing real estate, whereas the pre-war limit was 60, in case of agricultural land, 65 per cent. Before the

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war 11½ milliard marks were invested in mortgage bonds; to-day, in spite of a considerable recovery since the currency reform, the total is only 620 million marks. Attempts to secure foreign capital upon this class of security have failed owing to the foreign demand that the bonds should be drawn in a foreign currency, which is illegal, that a particular pledge should be given instead of the general security of borrowing the corporation's fund of mortgages, and that the 10 per cent. capital-yield tax should be remitted. The congress passed a resolution advising against the contracting of foreign loans that are not intended to be used for increasing production.

Money is somewhat tighter. The month-end demand set in earlier than usual. The interest rate for day money has risen to 8-9 per cent. The October quarterly tax liabilities will probably keep money relatively tight during the next weeks. The Reichsbank's return for September 15th shows a decline of 99 million marks in discounts, 2.8 million marks in advances, and 146 million marks in circulation. Since December 31, 1924, circulation has risen from 1,941.4 millions to 2,413.3 millions. In the week ending September 15th the reserve of legal cover exchange fell by 19,198,000 marks, while the gold reserve rose by only 477,000 marks. This item has now been falling for three weeks, and is now only 332,605,000 marks, against a high point on July 31st of 368,045,000 on July 31st. The gold reserve in the same time has risen from 1,104,136,000 marks to 1,144,523,000 marks. The week ending September 15th is the first in which the combined total of gold and exchange cover has declined, and this is much commented on. It is an expression of the recent unduly big demand for exchange, which has to be made good by foreign loans. For the present the inflow of exchange from the Rentenbank Institute Loan will much more than make good the deficit.

Receipts from taxation in the first five months of the financial year were 3,062,061,101 marks, of which 2,258,630,590 marks were from direct taxes and taxes on business, 803,002,137 marks from Customs and Excise, and 428,374 marks from the old bread supply tax. Yields of the chief individual taxes in the five months, as compared with the estimated yields for the whole year, were:—

(000's omitted.)

	April-August.	Year's Estimate.
	Marks.	Marks.
Income-tax.....	1,040,971	1,700,000
Corporation tax.....	89,852	300,000
Property tax.....	79,663	500,000
Sales and Luxury Sales tax..	677,586	1,500,000
Motor cars.....	33,053	60,000
Traffic tax.....	143,097	282,000
Customs.....	209,509	356,050
Tobacco.....	261,510	560,000
Sugar.....	118,196	185,000
Beer.....	119,938	174,000
Spirits monopoly.....	42,208	150,000
Wine.....	33,642	59,500

The taxes pledged for Reparations yielded in the five months 757,374,859 marks, against 1,425,250,000 marks estimated for the whole year. The small yield of the property tax is due to postponement of payment of the April-June quarter's instalment.

The official wholesale price-index number for September 18 was 125.3. The average for January was 138.2. Grain prices have dropped heavily. Native wheat per metric ton fell, between August 15 and September 22, from 246-250 marks to 204-210 marks; native rye from

179-185 marks to 158-160 marks; spring barley from 240-269 marks to 206-230 marks; oats from 198 marks to 172-180 marks. Bankruptcies in August numbered 751, against 797 in July; "business supervisions" (suspended bankruptcies), 379 against 375. Negotiations for a termination of the trade war with Poland have been resumed, under not very favourable prospects. The trade balance with Poland, which in 1924 was 61 million marks passive, in the first half of 1925 was, despite the trade war, 23 million marks active. The boycott of Polish coal has increased the output of the Prussian Eastern Silesian mines by about 400,000 tons per month. It is expected that the import (and export) prohibitions on all textiles will be removed on October 1, after which British textiles in Germany will have to face only the increased duties. A new trust in the potash industry has been formed by an agreement between the Burbach and Gumpel concerns. The potash industry is now mainly in the hands of three trusts, the Wintershall, which has 379 out of 1,000 shares in the Syndicate, the Salzdetfurth-Aschersleben, which has 244 shares, and the new concern, which will have 175 shares. The Pig-iron Syndicate is negotiating with consuming manufacturers as to the terms upon which the latter will be granted price-rebates on pig-iron bought by them for production of manufactured goods for export. This follows the example of the Raw Steel Syndicate. The rebates on certain sorts granted by the Raw Steel Syndicate to exporting manufacturers have been altered for October. October rebates are, in marks per metric ton: ingots 10, blooms 15, bars 20, structural forms 20, medium sheets (3 to 5 mill.) 10, dynamo and transformer sheets 40, wire rods 17½. No rebate is granted on sheets of over 5 mill, or between 1 and 3 mill. It is reported that the new western steel trust, formed by Krupps, Thyssen, and five other companies, aims at borrowing 150 million gulden from an Anglo-American-Dutch group, but this seems premature, as the intended formal fusion of the seven companies has not yet taken place. The iron and steel branch is still dull.

The actual prices of rolled material, especially bars, are below the above list prices, being depressed by sales of superfluous stocks by engineering firms which are in need of cash. The Kloeckner Corporation, the first of the great Western steel and coal concerns to issue its report for the business year ending June 30th, has passed its dividend. Of 19,570,000 marks gross profits, 7,520,000 marks went on taxes and 5,250,000 marks on social insurance and other social purposes. If this seems to confirm the complaint of industry that taxes and social burdens are unbearably heavy, it must be noted that the steel and coal branch suffers, in contrast to most other branches, from unduly low prices, and from exporting at considerably below production cost. It is not clear that public burdens would absorb all profits if prices were normal. A second important steel concern, the Van der Zypen Company (a member of the Cologne Wolff concern), has declared a 10 per cent. dividend. The annual reports of the other great Heavy Industry companies will soon appear.

The provisional crop figures for all Germany (figures for 1913 being for the present area) are as follows:—

	1913.	1924.	1925.
Winter wheat	3,525,800	2,091,000	2,646,800
Spring wheat	510,500	366,600	256,300
Winter spelt	437,800	116,500	162,200
Winter rye	9,985,300	5,583,900	7,536,900
Spring rye	144,700	145,900	131,500
Winter barley	...	212,500	270,700
Spring barley	3,035,500	2,187,400	2,160,500
Oats	8,615,500	5,654,000	5,489,300

The discussion concerning the accuracy of crop reports has been renewed. An official of the Statistical Bureau estimates that post-war crops have been returned at about 10 per cent. below the correct figures. The former Ministry of Industry, Prof. Hirsch, considers that cattle and meat production is not behind the pre-war figure. The winter rye and winter wheat crops, the most important from the food viewpoint, are both this year very good.

Stock averages slightly rose last week; but yesterday the Bourse was dull and weak, and to-day undecided. The *Frankfurter Zeitung's* stocks index (100 on January 2nd) on September 19th was 72.17, against 71.62 one week earlier, and 111.37 on January 31st. Paper

mark loan quotations rose about 4 per cent. during the past fortnight; and there has been renewed speculative buying of Colonial Fours, which maintain the high price of 6.25 marks per 100 marks nominal, being slightly higher than on the last day of 1924, whereas War Loan has fallen about 70 per cent. The general public is not buying stocks, and speculative dealings have fallen off. Dealings for future settlement will be permitted from October 1st. The unit of purchase and sale is in general fixed at 6,000 marks.

POLAND.—THE ZLOTY—PRICES—TRADE BALANCE —INCREASE OF IMPORT DUTIES—POLISH BANK—TRADE RELATIONS WITH SOVIET RUSSIA.

(FROM OUR CORRESPONDENT.)

WARSAW, September 15.

AFTER the fall of the zloty on the foreign exchanges at the end of July, the Polish Bank maintained for several weeks an unchanged official quotation. It was believed that the collapse of the zloty was due only to momentary causes, and that the exchange would shortly return to the par level. These hopes, however, proved to be vain, so that the Polish Bank was obliged to modify its policy. The fall of the zloty on the exchange market may be considered as a result of its decreased purchasing power at home. The price level in Poland is very high, so that most articles are dearer than abroad. According to data published by the Bureau of Statistics, the retail prices of articles of food, expressed in zlotys, were in May and June as follows:—

	Warsaw.	Berlin.	London.	Prague.	Vienna.
Rye bread 1 kg.	0.56	0.49	...	0.45	...
Wheat flour .. "	0.69	0.64	0.66	0.64	0.66
Beef	2.06	2.96	3.19	2.29	2.41
Sugar	1.00	0.81	0.83	0.79	0.64
Eggs 1 piece	0.13	0.15	0.18	0.11	0.12
Milk 1 litre	0.37	0.36	0.55	0.33	0.38

The most important articles of food—rye bread and wheat flour—were dearer in Warsaw than in other European capitals; also sugar. The price of eggs was higher in Warsaw than in Prague and Vienna, and of milk higher than in Berlin and Prague. Meat alone was relatively cheap.

The index of retail food prices has been maintained since the second half-year of 1924 on a higher level than in other countries, as may be seen from the figures below:—

	Poland.	United States.	United Kingdom.	Germany.
July, 1924	139.1	140	162	126
October, "	181.3	146	172	134
December, "	186.9	149	180	135
January, 1925	175.4	151	178	137
February, "	177.4	148	176	145
March, "	179.1	148	176	146
April, "	171.9	148	170	144
May, "	168.0	149	167	...

In July of last year the Polish index number was lower than those of America and England. In October it was already above the other levels, and this situation has not been modified. The disproportion between Polish and foreign prices is even greater if we pass from food products to manufactured articles. The index of retail prices of clothing and shoes is in Poland 150 per cent. higher than before the war.

The unfavourable trade balance is a necessary result of the decreased purchasing power of the zloty on the home market. Hitherto, no improvement in this respect can be noticed. The figures for July reveal a surplus zlotys) of 86 million zlotys) over exports (87 million millions in April, 79.7 millions in May, 65.8 million in June. The policy of correcting the trade balance by import prohibitions and the increase of import duties did not produce the expected improvement. This is very natural. The unfavourable trade balance is the conse-

quence of a high price level. A high protection tariff must accentuate the difference between Polish and foreign prices, and this can hardly exercise a beneficial influence on the trade balance.

According to the return of the Polish Bank for the end of August, the reserve of gold and foreign currencies amounted to 194.8 millions, as compared with 213.2 millions at the end of July and 372.4 millions at the end of last year (December 31). This return introduces a new item, "gold held abroad." This gold reserve amounts to 10,088,171 zlotys. The transfer of gold abroad is probably connected with the loan which has been granted to the Polish Bank in New York.

It seems that the obstacles which hitherto stood in the way of normal trade relations between Poland and Soviet Russia have finally been overcome. In Moscow the representative of the Central Union of Polish manufacturers has signed an agreement with the Soviet Government, according to which the Polish Company of Russian Trade " (Pol-Ros), with a capital of one million roubles, has been founded. Half of the capital will be subscribed by a Polish concern, the other half by the Soviet Government. The board of the company, which will be equally mixed, will fix every half-year the quantity of goods which may be exchanged between the two countries. Another important event in the trade relations between the two countries is the fact that for the first time the Soviet Government officially took part in the Eastern fairs in Livoir (Lemberg).

NORWAY.—PRICES—EXCHANGE—LABOUR DISPUTES.

(FROM OUR CORRESPONDENT.)

OSLO, September 18.

THE *Farmand* index number shows that during the fortnight since August 31st, wholesale prices of commodities have dropped no less than 14.6 points—viz., from 231.8 to 217.2. Raw materials have fallen least, whereas all other commodities show a substantial decrease. Both as to meat, potatoes and other vegetables, this is a natural consequence of the season, but, of course, the rise in the value of the krone plays an important part in relation to all imported articles.

The announcement on the 14th inst. of a reduction in the bank rate from 5½ to 5 per cent. came rather as a surprise to the general public. It may be explained by the desire of the bank to help trade by cheaper money; but one is no doubt justified in presuming that the principal reason was to help in the struggle against the far-too-quick rise in the value of the Norwegian krone. For a few days the official exchange of the £ was as low as 22.50 kr, and it was handled down to 21.80 kr. During the last few days it has been as high as 23.75 kr, but has chiefly been officially quoted at 23.25 kr to 23.35 kr, which latter is to-day's rate. A very strong committee has been appointed by the Government to discuss and report on the exchange question, and strenuous efforts will be made to prevent the oscillation which may be caused by an unchecked speculation.

The Statistical Central Bureau has just published a report on the strike and lock-out situation in 1924. That year ranks as the worst in that respect which this country ever had; 5,152,386 working days were lost, and the workmen involved numbered 63,117. The year 1921 showed a still greater number of men involved—namely, 154,421—but the disputes being of much shorter duration, the number of lost days amounted to only 3,583,742. As for the present year, there have been several stoppages of work on account of disputes, but on the whole the year will rank among the most peaceful periods.

The harvest, except as to the potatoes, is now over. The weather continues remarkably mild, but so dry that several mills using large water-power have had to shut down.

LEGAL & GENERAL ASSURANCE SOCIETY LIMITED

Established 1836.

SINKING FUND POLICIES

Head Office: 10, FLEET STREET, LONDON, E.C.4.
near Temple Bar.

Assets Exceed - - £16,750,000

General Manager: W. A. WORKMAN, F.I.A.

INDIA.—FOUR MONTHS' TRADE—THE CURRENCY COMMISSION—EXTENSIONS—IRRIGA- TION DEVELOPMENTS—HYDRO-ELECTRIC PROJECTS.

(FROM OUR CORRESPONDENT.)

CALCUTTA, September 13.

WHILE official confidence in exchange stability remains undiminished, exchange bankers, with a side-glance at the foreign trade returns for the first four months of the current official year, confess to doubts. Between April and July, they point out, while imports, compared with the corresponding period last year, showed a decline of Rs. 8 crores, or 10 per cent.; exports, including re-exports, increased concurrently by Rs. 14 crores, or 2 per cent.; merchandise imports therefore totalling Rs. 71 crores, against exports aggregating Rs. 129 crores. The balance of trade in merchandise, which two years ago was Rs. 46.16 crores, and last year Rs. 37.05 crores, is therefore this year already Rs. 58.01 crores. Allowing for imports of gold and silver totalling (in crores) 16.17, against 17.85 last year and 20.16 in the previous year, we still confront a total visible balance of trade in the new official year amounting to 41.84, against 19.20 and 26.0 in 1924 and 1923 respectively. Government remittances, totalling 13.19 (against 17.65 and 6.40), have assisted to bridge the gap, but it is evident that a very heavy strain will be imposed on official resources unless either bullion and merchandise imports show a substantial improvement in the remaining eight months.

There has been severe criticism of the personnel of the new Currency Commission in the Legislative Assembly, but this need not be taken at its face value. Bombay representatives led the attack, partly in revenge for the unsympathetic reception accorded by the Government of India, a few days before, to urgent requests from the western capital for immediate suspension of the cotton excise duty. The Swarajist party is manifestly and rapidly abandoning its former policy of indiscriminate obstruction, but it is still deemed necessary, or rather expedient, to indulge in an occasional bombardment of the official fortress, and the composition of the Currency Commission formed an admirable opportunity for target practice, without the slightest possibility of inflicting real damage on any interest affected. The absence of Sir Dadiba Dalal is unfortunate, but is due, I understand, to ill-health, not to deliberate exclusion of one of the very few Indians able to claim expert knowledge of exchange problems. The Commission will not be able to complete its report before May, 1926, and, even assuming that its recommendations are unanimous, the Government of India are not likely to act so precipitately on the advice tendered as in the case of the previous inquiry on the same vexed problem. It is confidently forecast that one result of the inquiry will be a great extension of the functions and responsibilities of the Imperial Bank of India, in which connection I may note that the term of office of Sir Norcot Warren as managing-governor has been extended up to September 25, 1927.

An incidental illustration of the complete confidence with which the general commercial outlook is regarded is supplied by the considerable expansion now in progress in port equipment. A supplementary grant of Rs. 90.47 lakhs for the new Vizagapatam harbour indicates the progress now being made with this important project, the 900 miles of coast between Calcutta and Madras at present

possessing no satisfactory harbour. In addition to filling this gap, the new port, with its attendant railway facilities, now also in course of construction, will assist the development of the largest—and potentially one of the richest—areas of India at present devoid of railway communication. On the north of Calcutta, after discussions prolonged over nearly two decades, a grant of Rs. 50 lakhs has, almost concurrently, been made to modernise the port of Chittagong, the natural port of Assam, fed by the Assam-Bengal Railway, and already possessing a yearly trade just under Rs. 15 crores. Meanwhile, vast extensions and improvements are also proceeding in the major ports typified by Calcutta, where "works in progress" involve expenditure exceeding Rs. 8½ crores, an outlay amply justified by the rapid expansion of its trade. At Bombay, Karachi, and Madras, equally important extensions are in hand.

Although the Government of India has summarily rejected the tortuous recommendations of the Tariff Board for State subsidies intended to rehabilitate the temporarily overdeveloped cement industry, a permanent setback in manufacture is improbable for two main reasons. Firstly, raw materials are abundant and easily accessible, while the manufacturing processes are relatively simple, and well within the scope of Indian resources and talents; and, secondly, the consumption of cement shows fairly rapid expansion, and even assuming continuance of present imports, will undoubtedly within a relatively short period overtake the productive capacity of Indian factories, estimated at 600,000 tons, not a very large figure for so vast a country. Official tests demonstrate that the quality of Indian cement does not as a rule fall below the British standard specification, though the better established reputation of the imported product secures the latter temporarily a higher price in the market. Indeed, the Tariff Board declare, if the consumer were prepared to pay the same price for Indian cement as for British, there would be no need for protection, because a price of Rs. 57 a ton would be profitable to any factory producing to capacity. The solution appears to be the formation of a cement combine, equipped to carry the industry through the transitional period delimited by the higher reputation of British cement, and the expansion of domestic consumption to the larger figure it is certain shortly to attain. This expedient is under consideration.

In regard to paper manufacture, the Tariff Board asserts that the real hope lies in full exploitation of bamboo pulp; pioneer work in this line, under commercial as well as under official auspices, demonstrating conclusively the wide possibilities of this product, not only for local mills, but for export to be utilised as and when the world-supplies of wood pulp fall short of requirements. State loans are suggested as a means of bringing the pioneer enterprises to full maturity. For paper mills the scope in India is narrow. Taking consumption of paper at 50,000 tons yearly, Indian mills already supply 30,000 tons, leaving very little room for further development, a conclusion emphasised by the consideration that the 20,000 tons purchased abroad consist of special qualities, which it would not pay to manufacture in the small quantities imported.

The Punjab loan now on offer to finance the Sutlej Valley project serves as a reminder of the large new areas this scheme will bring under cultivation in Northern India. It is less widely realised what a vast scope still offers for irrigation works in South India, where the Mettur project recently initiated will irrigate crops covering 400,000 acres of an annual value possibly of 3½ crores, the estimated cost of construction, however, being 6½ crores only. Other projects as large and productive are deferred for lack of funds; for in Madras alone at least 30 crores could be spent immediately in this direction, the delay involved in such productive undertakings illustrating anew the handicaps this country is subject to through lack of capital. The engineer is ready, but the financial limitation seems insuperable. Nevertheless, as the Chief Irrigation Engineer, Madras, observes in his yearly report: "All the circumstances in this Presidency seem to point to the urgent need for a forward irrigation policy, and for the vigorous prosecution of all possible means to increase the productivity of the land, to extend cultivation, and to increase to the utmost the output of

the staple food supplies as well as of industrial crops." The Viceroy speaks of a more vigorous programme for developing agriculture; and one of the quickest and most fruitful methods would undoubtedly be to allot larger capital grants for irrigation.

Hitherto industrial development in India has tended to concentrate in the coal areas. Recent hydro-electric surveys, conducted by various Provincial Governments, foreshadow a time when factory industries will be more evenly distributed. In the Punjab two million effective horse-power, and in Madras 600,000 horse-power, taking into account only the larger sources, have been located, and in the latter province exploitation of such power is under active consideration, in negotiation with the British Power Securities Corporation.

Letters to the Editor.

BUILDING SOCIETIES.

TO THE EDITOR OF THE ECONOMIST.

SIR,—I have read your articles on building societies in your issues of the 5th and 12th inst.

I suggest that they are open to correction on one or two points. For instance, in your first article your reference to the special income-tax arrangement under which building societies are taxed (known as arrangement "B") seems likely to mislead. You have it that in consideration of direct assessment upon share and deposit interest, all borrowers are exempt from income-tax on their mortgage interest. There surely can be no exemption where there is no liability. The arrangement with the Inland Revenue is a working convenience only, and does not supersede a borrower's statutory right to deduct tax from interest payable to a mortgagee, whether building society or other—apart, of course, from any exceptional agreement with the mortgagee for a net rate. In practice, however, tax applicable to mortgage interest paid to a building society is deducted from the borrower's Schedule A demand note, while other mortgagors are called upon to pay on the full schedule. A assessment, recouping themselves by deduction from the interest paid to their mortgagee. The building society borrower has no tax preference over the borrower on private mortgage, except, perhaps, a small and not very material benefit of an immediate net payment as against a gross payment and subsequent reimbursement. In other respects I agree with your statement on the income-tax position.

The object of Section 5 (1) (b) of the Housing, &c., Act, 1923, was to enable building societies safely to make advances on new houses in excess of their normal proportion of valuation, such excesses being covered by a guarantee by a local authority. It seems to me quite wrong to say that the purpose of the section was to enable local authorities to give assistance to building societies.

Your second article calls for rather more comment. Before any institution inviting savings can attain any substantial success it must win the confidence of the public, and the class to which a building society largely makes its appeal cannot be expected to estimate from published accounts, or other accessible information, the trustworthiness of any particular institution. The writer of your article suggests that much must be done before the public will support building societies as they do the National Savings Associations. My reply is that there is no fair comparison between business credit and State credit.

Your writer proceeds to recommend a standardised form of advance table for all building societies. Many societies do not use tables at all, but work in open account, charging interest on monthly rests, and providing the borrower with a dissected passbook from which he can check the interest charges made against him.

I do not see any value in the suggestion that building societies should show working costs per £100 advanced on mortgage. Many societies hold a large proportion of funds in War stock and loans to corporations as special cover for quick liabilities, and to propose that expenses should be shown against mortgage assets is just about as reasonable as to suggest that the overhead expenses of the Midland Bank should be shown in percentage against its advances to customers. Insurance companies disclose ratio of working expenses to premium income, but there is only remote similarity between an insurance company and a building society. A comparison of earnings over all assets, with actual working expenses, would be interesting, but is it just to ask from building societies particulars which no other business is required to supply?

I know that some of the London societies are in as strong a financial position as some of the large societies in the North,

and I am glad to acknowledge that the "Temperance Building Society" stands highest in the kingdom as regards its proportion of reserves to assets.

Your reference to advantages of localisation will not bear examination. Building societies taking securities at a distance from their base usually do so on the advice of a competent professional surveyor, who has an established practice in the neighbourhood of the security.

It must be admitted that the secretary of a northern society, who questions figures which include mortgage repayments as receipts, is quite right. The word "income" is sometimes misused by building societies in this connection.

Most of us would welcome to responsible positions in the building society world prominent financiers and economists who could and would give time to consideration of very important problems affecting the whole movement. There are great possibilities, but there are difficulties. You refer in your first article to co-operative credit. In a limited degree building societies are co-operative credit institutions, but their powers are exceedingly narrow.

My final word is that in practice building societies have wide differences of method, and sweeping generalisations are bound to be misleading.—I am, Sir, yours, &c.,

WALTER HAROLD.

Burnley, Lancs, September 17th, 1925.

Books and Publications.

TRAINING FOR SOCIAL SERVICE.

MISS MACADAM has written what is, we believe, the first systematic treatise on the training of social workers,* a subject which assumes in her hands very considerable proportions; for it involves cool consideration not merely of the methods by which such persons are, or have been in the past, been trained, but of the multifarious objects for which they may require training. Her book is in part an historical account of the development in this country of a conviction that what we vaguely call "social work" needs some more deliberate equipment than congenial tact and a kindly disposition. And beginning with an admirable chapter contributed by Miss Sewell, describing the beginnings of the settlement movement, in which that lady herself played a pioneer part, she takes up the story, surveying the gradual widening and deepening of the area of social study, and the linking up of the Universities with this newly-defined branch of human endeavour. At this point emerges the second aspect of the book—the text-book aspect, and we are given a very comprehensive and detailed summary of the nature and content of such social training facilities as exist, including, in an appendix, a list of Universities which provide such facilities among which the names of Cambridge and Manchester are conspicuous by their absence.

But Miss Macadam's book is something more than a text-book. It is a very emphatic and persuasively argued plea for certain developments both on the supply and on the demand side of social training. As regards the supply side, she lays great insistence upon the tightening of the link between University standards and University machinery on the one hand, and the principles and practice of social study on the other. As regard the demand side, she is bent upon stimulating the effective supply of systematic social training by creating an intensified demand for it in connection with occupations where its need has hitherto been only partially or tentatively recognised: in industrial welfare and probation work (for both of which she sees an expansive future); in the medical profession and the Church; in central and more especially in local administration.

J. T. Merz, in his "History of European Thought," has occasion to comment on "the beneficent and fructifying influence which practical problems have exerted on scientific thought." In fact, he is "doubtful whether scientific thought has.....as yet balanced the debt which it owes to practical inventors." When we consider the relation of economics to business and administration during the nineteenth century, we are inclined to share his doubt—nor do we assign the blame wholly to economic theorists. In a recent address to a gathering of accountants, Sir J. C. Stamp pointed out that these

* "The Equipment of the Social Worker." By Elizabeth Macadam, M.A. Geo. Allen and Unwin, Limited. Pp. 224. 6s.

gentlemen handle in their daily lives the raw material of economics, and he indicated the immense contribution that might be made to economic thought had they the will and the capacity to handle such material in a scientific spirit. Miss Macadam does but widen this significant plea when she suggests that we are "losing priceless opportunities of accumulating valuable social data by assuming that the only students who need training in research are those who are destined for academic posts."

She suggests that, "given a proper background of wide social training and some instruction in statistical method, even the humblest official in a municipal department, a social agency, a trade union or factory, might become the observer and recorder of significant facts which now pass before him unnoticed in the course of his daily routine."

AUDITING.*

THIS book deals with the general principles underlying an audit. It is intended primarily for the student, but it will be found of interest also to practitioners as showing in a convenient form the views held on the other side of the water as to the scope and character of an audit. This book throws no fresh light upon the difficult problems of the measurement of annual depreciation—or expired capital outlay—on material wasting assets such as buildings, plant, and machinery; or non-material wasting assets which include commercial goodwill, patents, and the like. The author very rightly advocates the keeping of a subsidiary ledger or register of plant and equipment, the figures in which should agree with the plant account in the general ledger, which shows the balance-sheet value of the plant; and he says that for depreciation purposes the plant should be divided into groups, inasmuch as an all-round rate of depreciation cannot reasonably be applied. These are important practical recommendations which are too often neglected in this country. It is pointed out that the value of goodwill is difficult to criticise, and that the auditor must generally accept the basis of valuation which he finds recorded in the books. The balance-sheet value of goodwill is frequently found to be the difference between the actual value of the material assets and the price paid for those assets. It is perhaps comforting to reflect that we in this country are not alone in our inadequate and haphazard methods of treating the cost of purchased goodwill, which is a wasting asset. The author's statement that goodwill has no real value except to the particular undertaking owning it is not quite accurate. Goodwill is generally assumed to possess present exchangeable value, and it often possesses great exchangeable value. An important section of this book is devoted to a well-illustrated study of a first audit in the case of a new undertaking. This is a useful endeavour to reflect some of the atmosphere of an actual audit, and should be of real help to the student.

BOOKS RECEIVED.

- Monetary Stability.* By J. R. Bellerby. (London) Macmillan and Co. 7s 6d net.
- The Duties, Responsibilities and Liabilities of Bank Directors.* By F. Lee Major. (London) Macmillan and Co. 10s 6d net.
- Valuation of Real Property.* By C. A. Webb. (London) Crosby, Lockwood and Son. 21s net.
- The Interest Standard of Currency.* By Ernest Dick. (London) George Allen and Unwin, Limited. 10s 6d net.
- More Things That Matter.* By Lord Riddell. (London) Hodder and Stoughton. 7s 6d net.
- The Human Factor in Business.* By B. Seeborn Rowntree. Second Edition. (London) Longmans, Green and Co. 2s 6d and 4s 6d net.
- The Railways Act, 1921.* By R. Prys Griffiths. (London) Sir Isaac Pitman and Sons, Limited. 2s 6d net.
- How to Own and Equip a House.* (London) R. A. Bateman, Limited. 2s 6d net.
- Foreign Affairs, October, 1925.* (New York) Foreign Affairs, 25 West 43rd street. \$1.25.

* "Auditing: An Introduction to Practice." By George E. Bennett. A.B., LL.M., C.P.A., Professor of Accounting, Syracuse University. (New York) The Macmillan Company. 15s net.

capitalised, and to place the company in a position of equality with the other mines of its size.

We have written off the overburden account, mine development, and main shaft because, far from being assets, they simply help to put off indefinitely the period when dividends could be resumed.

We have written down the stocks to about the figure at which, with our improved reorganisation, we can to-day replace them on the heaps.

And to complete the business of placing the company on a sound financial basis we have convened the extraordinary general meeting which is to follow on this meeting for the purpose of proposing to you to pass a resolution to reduce the nominal value of the shares from £1 to 6s 8d.

Needless to mention that, from a shareholder's point of view, it matters very little what the nominal value of a share is. The thing that matters to a shareholder is the market value of the share.

CAPITAL AND ASSETS.

But from the company's point of view the position is somewhat different. Here we have a company with a capital altogether out of proportion to its size figuring on the one side of its balance-sheet, and with assets which do not reflect the real position on the other.

Our mine and railway alone stand at about half-a-million pounds, and the plant at £62,000. This means not only that we have to write off thousands of pounds every years in amortisation (this came roughly to £10,000 for the year under review), but that we have to pay thousands more in taxation which would be saved if our capital were more in relation to the size of our undertaking, but this is a matter for the meeting which is to follow.

Mr C. A. Massauti seconded the resolution, and it was carried unanimously.

The retiring directors, Mr R. G. Levy and Mr M. Paisant, and auditor having been re-elected, an extraordinary general meeting of the company was held to consider a resolution to reduce the capital of the company by writing down the nominal value of the shares. In proposing the resolution, the Chairman said the board were very strongly of opinion that this was the right thing to do, now that the reorganisation of the mine was completed, in order to render the company as sound financially as it was industrially, and in order to bring about the fruition of their labours—namely, the resumption of dividends.

The resolution was carried unanimously, and the proceedings terminated.

CRITTALL MANUFACTURING COMPANY, LIMITED.

SATISFACTORY YEAR'S WORKING.

CAPITAL SCHEME APPROVED.

Presiding at the ordinary general meeting of the Crittall Manufacturing Company, Limited, held on the 23rd instant, at Winchester House, Old Broad Street, London, Mr Francis Henry Crittall, J.P., governing director and chairman, in moving the adoption of the report, stated that it was a matter of satisfaction to the board to be able to present, for the first year, such an excellent statement. The profits for the year amounted to over £70,000, out of which, after providing for all operating charges, they were in a position to transfer to depreciation and reserve the sum of £15,714, to pay the 8 per cent. dividend on the participating preference shares, a dividend of 10 per cent. for the year on the ordinary shares, and a further participation of 2 per cent. on the preference shares, making a total of 10 per cent. for the year on both classes of shares.

CONTINUED DEVELOPMENT.

The business of the Crittall Manufacturing Company had been built up from small beginnings until, at the present time, it was one of the largest enterprises of its kind in the country. So successful had been its specialities in metal window frames and windows that it was hard to fix a limit to the expansion of the business. By the standardisation of type and size they were able to supply the trade at less than pre-war prices, a condition of things which, he made bold to say, did not obtain in any other industry to-day. Throughout their business they had set their faces against the allurements of price control, and it was because of this that they were able to extend their business. Whatever might be true of the building material trades at large, there was no ring in the metal window trade, as the company was to-day selling a better article at half the pre-war price. Their business was no mere flash in the pan, dependent upon the temporary prosperity of the building industry, for the world supplies of timber were not increasing; in fact, they showed a marked falling off in quality, and so there was a firmly established basis for their trade. He was pleased to state that the foreign trade was developing on most satisfactory lines. The exacting ventilation requirements of

tropical countries, the definite ban on the use of wood in places where the white ant prevails, and the shortage of home-grown timber in many countries, all combined to provide a wide export market for their goods. No small measure of the company's success was due to the fact that both the managers and technical staff engaged in their foreign business were men trained in their own factories. The company had a controlling interest in the subsidiary companies operating in India, South Africa, Australia, United States, Egypt and Holland. In addition, they had a branch in China and agencies throughout the world.

EXTENSION OF THE WITHAM FACTORY.

Since obtaining their preference capital last October they had completely equipped works at Maldon, and the results amply justified that expenditure. They had also materially added to and improved the Braintree works. The extension of their Witham factory was, however, the main objective. Considerable progress had been made with that, and the directors were convinced that so great was the demand for their standard metal windows that a further extension of the factory was absolutely necessary adequately to cope with that section of the company's business. Increased output meant, of course, increased expenses, and this necessitated their having ample capital. It was difficult, as he had said, to fix a limit to the extension of their business. This would be obvious to the shareholders when he told them that from a rough census they had made not 20 per cent. of the windows in this country were metal, so they had a wide undeveloped field in which to operate.

INCREASE OF CAPITAL.

The board being satisfied that the business justified still further developments, it became an urgent duty to arrange their finance and so be in a position to meet the expenditure which they foresaw was inevitable. He was pleased to tell the shareholders that they were able to meet the situation in advance by making provisional arrangements some months ago by which their requirements were assured, and so they were able to carry out without delay their development programme. They were accordingly taking powers to increase their capital by a further £250,000 preference shares, to rank *pari passu* with the existing issue, and a further £200,000 ordinary shares, the issue of which was not at present contemplated. The directors were unanimously of opinion that these proposals were in the best interests of both classes of shareholders,



The Anglo-South American Bank Limited.

Head Office:
117 Old Broad Street, London, E.C.2

Authorised Capital	£10,000,000
Reserve Fund	£4,000,000
Issued Capital	£8,734,660
Paid-up Capital	£4,367,330

The Bank, in addition to 7 Branches in
SPAIN
has with its
AFFILIATED INSTITUTIONS
**THE BRITISH BANK OF SOUTH
AMERICA, Ltd., and
THE COMMERCIAL BANK OF
SPANISH AMERICA, Ltd.**

63 offices in the principal countries of
LATIN AMERICA

Auxiliaries Abroad:
ANGLO SOUTH AMERICAN TRUST CO.
(Incorporated under the laws of the State of New York,
NEW YORK.)
**BANQUE ANGLO-SUD AMERICAINE, SOC. ANON.,
PARIS.**
Northern District Office: 69, Market Street, BRADFORD.
Lancashire Branch: 19, Spring Gardens, MANCHESTER.

and would undoubtedly place the company in a position to earn the extra profits required to meet the increased dividend charges.

In conclusion, he wished to pay a tribute to their workmen and staff for the untiring energy and devotion with which they applied themselves to their duties, and without which it would have been impossible for them to have reached such an increased tonnage as they were able to handle. It was a tradition with the old Crittall Manufacturing Company always to keep on the best possible terms with their men, and this condition obtained wholeheartedly to-day. The directors, on their part, had adopted the policy of studying the men's welfare very closely and keeping in touch with the shop stewards, so that the men had ready access at all times to any member of the board. They had their own welfare department, with its various branches of activity, and from every point of view they tried to do what they could to give every man not only a living wage but something over and above, so that he might reasonably enjoy his life and be in a position to make some provision for old age.

The report and accounts were unanimously adopted, and the resolution sanctioning the capital increase was approved.

GOVERNMENT RETURNS, &c.

PUBLIC INCOME AND EXPENDITURE. RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1925-26. (See Note)	Total Receipts into the Exchequer from Apr. 1, 1925, to Sept. 19, 1925.	Total Receipts into the Exchequer from Apr. 1, 1924, to Sept. 20, 1924.	Receipts. Week Ended Sept. 19, 1925.	Receipts. Week Ended Sept. 20, 1924.
BALANCES IN EXCHEQUER					
on 1st April—					
Bank of England...	5,341,778	5,069,613	5,069,613	..	..
Bank of Ireland...	1,215,322	1,562,001	1,562,001	..	..
Bank of Scotland...	..	6,557,100	6,531,614	..	..
REVENUE					
Customs	102,040,000	46,809,000	47,103,000	1,455,000	1,585,000
Excise	137,220,000	60,465,000	61,613,000	7,636,000	7,138,000
Motor Vehicle Duties ..	17,500,000	4,838,000	4,106,000	..	..
Stamps	66,500,000	28,500,000	29,810,000	780,000	1,140,000
Land Tax, House Duty & Mineral Rights Duty ..	24,000,000	9,460,000	8,120,000	260,000	1,000,000
Property & Income Tax ..	1,000,000	170,000	620,000	..	..
Super-Tax	262,000,000	91,097,000	99,315,000	2,271,000	2,309,000
Excess Profits Duties, &c. ..	63,300,000	26,230,000	24,130,000	340,000	380,000
Corporation Profits Tax ..	4,000,000	5,750,000	8,280,000	100,000	200,000
Post Office	9,000,000	25,300,000	25,100,000	800,000	800,000
Crown Lands	57,000,000	430,000	440,000	..	..
Interest on Sundry Loans	900,000	8,404,120	5,788,637	..	..
Miscellaneous	12,600,000	5,244,153	5,800,881	183,091	252,847
Ordinary Receipts	14,000,000	30,000,000	18,089,387	14,574,885	500,355
Special Receipts	801,060,000	330,786,660	334,801,403	15,825,091	15,305,200
Revenue		337,343,760	341,433,017		
OTHER RECEIPTS					
Temporary Advances Repaid—					
Under the Unemployment Insurance Acts, 1921		1,170,000	5,780,000	..	..
Money Raised by Creation of Debt—					
(a) For Capital Expenditure Issues:—					
Under the Telegraph (Money) Acts, 1922 and 1924		3,050,000	2,200,000	..	..
Under the Housing Act, 1914 ..		3,000	1,000	..	..
Under the West Indian Islands (Telegraph) Act, 1924		11,533	..	..	..
(b) Under the Unemployment Insurance Acts, 1921		1,390,000	..	..	..
(c) For other Issues:—					
By Treasury Bills		1,159,030,000	1,125,599,000	45,261,000	44,715,000
By 3½% Conversion Loan		23,079,560	..	..	..
By National Savings Certificate ..		16,800,000	12,900,000	600,000	450,000
By Exchequer and National War Bonds		15	..	..	..
By Treasury Bonds, 1925		10	13,521,620	..	..
By 4% Treasury Bonds, 1931-33 ..		..	..	..	..
(d) Ways and Means Advances		279,005,000	313,391,500	2,200,000	600,000
Anglo-Persian Oil Company—					
Dividends on Shares Acquired ..		..	23,109	..	..
Repayments—					
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921		111,043	549,398	..	..
In respect of Issues under Section 59 (4) of Finance Act, 1920		9,901,981	..	9,901,981	..
Interest received under Section 59 (5) of the Finance Act, 1920		142,853	..	..	..
Total		1,831,033,755	1,815,398,644	71,788,072	61,070,200

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1925-26. (Including Supplementary Grants.)	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1925, to Sept. 19, 1925.	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1924, to Sept. 20, 1924.	Issues. Week Ended Sept. 19, 1925.	Issues. Week Ended Sept. 20, 1924.
EXPENDITURE					
National Debt Services—					
Interest, &c.	306,000,000	152,180,514	152,700,256	450,155	690,339
Sinking Fund	50,000,000	19,982,225	15,940,353	370,000	350,000
Road Fund	16,900,000	4,237,044	3,505,044	200,000	258,000
Payments to Local Taxation Accounts, &c. ..	13,329,000	3,952,663	3,776,891	100,000	..
Payments to Northern Ireland Exchequer ..	4,000,000	1,875,352	2,086,832	..	6,495
Land Settlement	700,000	207,370	311,444	..	..
Other Consolidated Fund Services	2,000,000	1,156,611	1,058,945	..	54,149
Supply Services	418,086,000	177,172,816	169,029,489	8,200,000	7,475,000
Expenditure		810,015,500	360,744,595	9,320,155	8,833,984

	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1925, to Sept. 19, 1925.	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1924, to Sept. 20, 1924.	Week Ended Sept. 19, 1925.	Week Ended Sept. 20, 1924.
OTHER ISSUES.				
Temporary Advances—				
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1924	36,891	36,891	..	..
Under the Unemployment Insurance Acts, 1921	1,675,000	70,000	115,000	70,000
Issues to Meet Capital Expenditure—				
Under the Telegraph (Money) Acts, 1922 and 1924	5,450,000	3,950,000	..	..
Under the Housing Act, 1914	6,000	4,000	..	..
Under the West Indian Islands (Telegraph) Act, 1924	20,071	260,719	..	..
Unemployment Insurance Acts, 1921 ..	1,170,000	5,750,000	..	..
Redemption of Debt—				
Treasury Bills	1,109,060,000	1,117,025,000	48,335,000	44,765,000
Principal of National Savings Certificates	14,450,000	15,300,000	500,000	600,000
Principal of Exchequer Bonds paid off	306,667	..	..	..
Principal of National War Bonds paid off	8,194,789	..	..	..
Principal of Treasury Bonds paid off ..	23,645,865	..	..	..
Other Debt under the War Loan Acts, 1914 to 1919	..	50	..	..
Ways and Means Advances Repaid	303,149,000	323,729,500	13,400,000	6,500,000
Anglo-Persian Oil Company—Issued to the National Debt Commissioners	..	23,109	..	..
Balance in Exchequer—	1,827,908,878	1,812,558,523	71,670,156	60,768,984
Bank of England	5,069,613	5,069,613	..	..
Bank of Ireland	1,562,001	1,562,001	..	..
Total	3,129,877	2,840,121	117,617	301,216

NOTE.—Budget Estimate as in H.C. No. 84 of 1925.

Treasury, September 21, 1925.

NATIONAL DEBT—(Million £).

	Apr. 1, 1914.	Dec. 31, 1919.	Mar. 31, 1921.	Mar. 31, 1922.	Mar. 31, 1923.	Mar. 31, 1924.	Dec. 31, 1924.	Mar. 31, 1925.	Sept. 19, 1925.
Funded Debt	588	315	315	315	314	314	314	314	314
Term Annuities	30	80	16	14	14	14	14	13	13
3½% Conversion Loan ..	..	..	..	666	666	666	666	709	732
4½% Conversion Loan ..	..	..	..	..	..	..	..	210	210
4½% War Stock	..	..	..	63	63	63	63	63	63
4½% War Stock	..	..	..	13	13	13	13	15	15
4½% and 5½% War Stock ..	..	..	..	2,047	1,995	1,953	2,036	2,017	2,052
National War Bonds	..	1,509	1,413	1,201	953	880	399	396	396
4½% Funding Loan	..	..	..	405	405	405	336	314	350
4½% Victory Bonds	..	..	..	350	347	343	411	467	499
Exchequer Bonds	..	..	..	..	..	..	..	..	..
National Savings Certificates ..	20	323	289	185	150	150	69	15	15
Other Debt	..	..	..	267	285	324	366	364	368
American Loan (Anglo-French)	..	1,306	1,132	1,087	1,157	1,138	1,132	1,124	1,124
Treasury Bills	15	1	1	1	1	1	1	1	1
Temporary Advances ..	654	8,033	7,574	7,655	7,742	7,641	7,726	7,646	7,655
Other Capital Liabilities ..	57	46	66	66	70	66	68	72	78
Total Liabilities	711	8,079	7,623	7,721	7,812	7,707	7,794	7,718	7,743

* Includes debt to American Government.

	POSITION OF THE FLOATING DEBT.	Movement
Ways and Means Advances	Sept. 20, '24. Mar. 31, '25. Sept. 19, '25.	Week ended Sept. 19, '25.
Outstanding—		
Advances by Bank of England	175,817,500.. 166,585,000.. 142,441,000..	11,000,000
Advances by Public Deposits ..	596,920,000.. 575,610,000.. 625,570,000..	3,105,000
Treasury Bills Outstanding ..	772,737,500.. 742,195,000.. 768,011,000..	14,305,000
Total Floating Debt	1,445,475,000	18,410,000

* Includes £28,000, the proceeds of which were not carried to the Exchequer within the period of the account.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £45,000,000 in Treasury Bonds and Treasury Bills were opened on Sept. 25, 1925, and the total amount applied for was £62,900,000. For bills at three months dated Monday to Wednesday £99 2s 4d. and above in full; Thursday to Friday bills at £99 2s 1d, about 70% and above in full; Saturday bills at £99 2s 4d, above in full—in bills at 3 months, £45,000,000; in bonds, nil.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.	4% Treasury Bonds. Average Price.
1925.	\$		\$ s d	\$ s d
July 24.....	35,000,000	46,090,000	4 3 6 17	all
July 31.....	35,000,000	44,065,000	4 5 0 44	all
Aug. 7.....	35,000,000	47,070,000	3 19 11 14	all
Aug. 14.....	35,000,000	50,515,000	3 18 2 11	all
Aug. 21.....	35,000,000	61,575,000	3 15 2 9	all
Aug. 28.....	40,000,000	59,830,000	3 16 3 55	all
Sept. 4.....	40,000,000	56,955,000	3 16 3 53	all
Sept. 11.....	35,000,000	57,190,000	3 16 3 53	all
Sept. 18.....	40,000,000	67,255,000	3 10 1 05	94 0 0
Sept. 25.....	45,000,000	89,500,000	3 10 4 26	all

	Aug. 14, 1924.	June 14, 1925.	May 14, 1925.	April 14, 1925.	Feb. 28, 1925.
Monetary reserves	58,183	87,300	95,273	97,303	63,73
Coin	1,925				6,102
Notes of foreign banks	3,778	2,640	2,861	2,412	57,505
Foreign bills	17,375	25,071	37,795	37,944	91,947
Credits with foreign correspondents	49,683	478,046	568,161	735,016	4,380,477
Note circulation	4,137	1,171	1,703	1,389,695	4,477,780
Loans to the State	4,551,874	4,618,150	4,522,402	4,050,042	

The Western Australian Bank, Perth, Western Australia, advise that they have opened a receiving office of their Bencubbin branch at Mukinbudin, the opening days being Wednesday of each week. Mukinbudin is linked up with the railway, and is situated about 20 miles almost due east of Bencubbin.

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended Sept. 18, 1925.	(c) Week ended Sept. 19, 1925.	Miles Open.	Passengers, &c.	Goods, &c.	Total for Week.	Aggregate 38 Weeks, 1925.	Passengers, &c.	Goods, &c.	Total Receipts.
Great Western.....	3,765	312,000	329,000	641,000	1,272,000	12,215,000	22,642,000		
Do for 1924.....	3,754	325,000	352,000	677,000	1,354,000	12,791,000	23,282,000		
London & N. Eastern (c).....	6,714	481,000	656,000	1,137,000	2,274,000	24,870,000	42,081,000		
Do same period 1924.....	6,714	503,000	705,000	1,208,000	2,416,000	25,690,000	43,101,000		
London, Mid., & Scottish.....	6,904	723,000	844,000	1,567,000	3,134,000	31,960,000	56,387,000		
Do for 1924.....	6,904	734,000	889,000	1,623,000	3,246,000	32,700,000	57,756,000		
Southern.....	2,163	389,000	128,000	517,000	1,034,000	10,160,000	17,617,000		
Do for 1924.....	2,142	400,000	128,000	528,000	1,056,000	10,160,000	17,617,000		
Metropolitan (c).....	58	32,000	4,000	36,000	36,000	360,000	647,750		
Do for 1924.....	58	49,538	4,165	53,703	57,863	578,630	1,039,250		
Underground E.R. (c).....	58	25,000	2,000	27,000	27,000	270,000	475,236		
Do for 1924.....	58	26,098	2,000	28,098	28,098	280,980	496,415		
London & Sub. Group (c).....	58	39,245	3,000	42,245	42,245	422,450	749,750		
Do for 1924.....	58	40,608	3,000	43,608	43,608	436,080	781,415		
Belfast & Co. Down (b).....	80	3,896	1,067	4,963	4,963	49,630	88,415		
Great Northern (b).....	552	18,750	17,650	36,400	36,400	364,000	647,750		
Great Southern (b).....	2,181	43,998	45,624	89,622	89,622	896,220	1,631,353		

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1925.	1925.
				+ or -	+ or -
INDIAN.					
Assam Bengal.....	21 weeks	Aug. 22	1,072	3,28,000 + 28,546	62,43,362 + 8,66,415
Balti L. Ry.....	22 weeks	29	1,118	13,400 + 1,600	7,18,300 + 1,30,900
Bengal & N. Western.....	22 weeks	29	2,062	4,27,570 - 26,312	13,61,040 - 4,73,115
Bombay N. P. Ry.....	22 weeks	29	2,800	13,06,000 - 1,000	3,14,80,354 - 10,39,439
Bombay, Bar., & C.I. Ry.....	20 weeks	Sept. 12	3,033	20,000 + 1,58,000	5,40,28,000 - 9,87,000
Burma.....	21 week	Aug. 22	1,342	6,62,601 + 1,30,970	1,33,79,789 + 17,88,991
Delhi, Umballa & Kalkee.....	24 weeks	Sept. 12	239	84,800 - 5,81	21,64,715 - 3,05,736
Madras & S. Mahr.....	22 weeks	Aug. 29	1,035	13,55,000 + 11,817	3,42,45,118 + 1,60,442
Nizam's Guaranteed (c).....	22 weeks	29	993	2,35,779 + 7,688	71,22,258 + 2,33,800
Rohtak & Kumaon.....	21 week	22	259	44,188 + 8,979	11,69,827 - 98,604
Do Lucknow-Breilly.....	21 week	22	287	48,651 + 996	13,49,187 - 1,90,848
South Indian.....	22 weeks	29	1,876	9,15,861 + 1,14,357	2,19,46,587 + 16,09,632

(a) Total receipts of all lines.

ARGENTINE (a).

Argentine N.E.	12 weeks	Sept. 19	754	16,300 + 2,600	166,400 + 20,800
Argentine Trans.	12 weeks	19	19	2,338 - 7,11	34,711 + 4,374
B. A. and Pacific.....	12 weeks	19	2,611	129,000 + 6,000	1,518,000 - 135,000
B. A. Central.....	11 weeks	13	13	13,968 + 867	147,102 - 4,240
B. A. Gt. Southern.....	12 weeks	19	4,718	200,000 + 29,000	2,197,000 - 68,000
B. A. Western.....	12 weeks	19	1,882	82,000 - 13,000	2,470,000 - 167,000
Central Argentine.....	12 weeks	19	1,536	910,000 + 3,000	2,470,000 - 167,000
Cordoba Central.....	12 weeks	19	1,202	72,000 + 12,000	899,500 + 39,500
Entre Rios.....	12 weeks	19	729	29,000 + 7,100	263,300 + 28,400

CANADIAN.

Canadian National.....	36 weeks	Sept. 14	14,138	5,077,516 + 977,743	156,189,892 - 5,12,756
Canadian Pacific.....	36 weeks	14	14,138	4,49,000 + 108,200	112,450,000 - 7,31,000

BRAZILIAN.

Gt. West. of Brazil.....	38 weeks	Sept. 19	1,011	12,900 + 4,500	500,600 + 174,500
Leopoldina.....	38 weeks	20	1,856	47,171 + 12,239	1,175,159 + 68,711
San Paulo.....	38 weeks	20	1,534	76,992 + 39,863	1,633,221 + 275,895

CHILEAN.

Antofagasta.....	38 weeks	Sept. 20	838	36,645 + 6,640	1,552,850 + 129,520
Nitrato (3-monthly).....	3 weeks	15	366	44,320 + 2,537	675,055 - 9,470

CUBAN.

Havana Central.....	12 weeks	Sept. 19	1,329	11,329 - 90	137,224 - 3,970
United of Havana.....	12 weeks	19	1,250	58,919 - 5,499	874,808 - 125,397

URUGUAYAN.

Central Uruguay.....	12 weeks	Sept. 19	773	21,347 + 2,270	258,164 + 4,696
C. Urug. (East. Ext.).....	12 weeks	19	311	4,249 + 860	54,825 + 9,191
C. Urug. (North. Ext.).....	12 weeks	19	185	2,662 + 720	30,370 + 4,775
C. Urug. (West. Ext.).....	12 weeks	19	211	2,365 + 363	26,187 - 1,442

OTHER OVERSEAS.

Alcoy and Gandia.....	38 weeks	Sept. 19	33	Pa. 20,000	967,500 + 93,000
Egyptian Delta.....	21 weeks	Aug. 31	600	49,331 + 483	412,589 + 6,378
Gt. Southern of Spain.....	37 weeks	Sept. 2	184	Pa. 92,332 - 19,474	3,928,295 + 144,633
Mexican Railway.....	10 weeks	14	432	239,503 - 31,300	2,707,800 - 124,700
Paraguay Central.....	12 weeks	19	374	45,620 + 1,320	68,880 + 17,670
Salvador.....	12 weeks	19	104	42,545 - 528	31,747 - 796

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

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week.	Total Receipts.
				1925.	1925.
				+ or -	+ or -
Anglo-Argentine.....					
B. Aires.....	11 weeks	Sept. 13	329	486,809 + 7,517	3,220,967 + 13,224
Burnley Corporation.....	1 week	19	12	41,095 + 436	140,653 - 2,739
Calcutta Tramways.....	1 week	19	354	113,722 - 4,400	..
Chatham & District.....	16 weeks	10	15	41,488 - 162	53,991 + 1,498
Egyptian Markets.....	16 weeks	19	106	75,816 + 1,912	706,693 + 12,372
Glasgow Corporation.....	16 weeks	19	106	75,816 + 1,912	706,693 + 12,372
Isle of Thanet (Trams).....	35 weeks	19	124	42,273 + 3,200	98,018 + 11,091
L.C.O. Tramways.....	25 weeks	23	164	480,221 - 2,042	1,998,676 - 23,175
La Ras Elec. (2 wks).....	15	15	15	51,095 - 2,758	8,28,289 - 43,925
Pernambuco Trams.....	38 weeks	20	20	45,36 + 1,270	174,324 + 9,840
Singapore Trams.....	33 weeks	19	..	815,081 + 906	488,506 + 13,412

* Combined revenue.

MONTHLY TRAFFIC RETURNS.

AMERICAN RAILROAD GROSS AND NET RECEIPTS.
This table is extracted from the Commercial and Financial Chronicle of New York.

Date.	Miles of Road.	Gross Earnings.	Net Earnings.
	1923.	1924.	1924.
			Increase or Decrease.
July.....	235,477	235,145	480,704,944 - 53,517,158
Aug.....	235,445	235,172	507,406,011 - 55,952,018
Sept.....	235,640	235,178	539,853,860 - 51,116,223
Oct.....	235,625	235,189	571,405,300 - 51,135,757
Nov.....	235,122	235,309	504,589,029 - 26,135,505
Dec.....	235,875	235,196	504,118,559 + 11,308,918
Jan.....	235,496	235,496	483,195,642 + 15,866,417
Feb.....	235,031	235,642	454,009,669 - 24,441,938
Mar.....	235,048	235,559	485,498,143 - 18,864,833
Apr.....	235,048	235,048	472,591,665 - 1,696,103
May.....	235,048	235,048	487,664,385 + 11,114,584
June.....	235,357	235,779	506,002,036 + 41,277,707
July.....	235,525	235,762	521,538,604 + 40,956,601

OVERSEAS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Month.	Total Receipts.
				1924-25.	1924-25.
				+ or -	+ or -
INDIAN.					
Southern Punjab.....	2 mths	May 31	842	9,18,867 - 3,41,182	17,80,140 - 4,13,934

CANADIAN.

Canadian National.....	7 mths	July 31	Gross \$20,306,614 + 383,944	125,914,357 - 8,934,871
Canadian Pacific.....	7 mths	31	Gross \$15,188,000 + 304,000	93,344,000 - 9,197,000
Temiscouata.....	1 mth	31	Gross \$3,389,000 + 104,900	11,187,000 - 1,545,000

BRAZILIAN.

State of Bahia.....	4 mths	Aug. 31	52	£7,911 + 2,661	20,194 + 4,708
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CHILE AND PERU.

Feruvian Corp.....	2 mths	Aug. 31	1,066	\$1,754,000 + 305,800	3,399,400 + 576,700
Taital.....	2 mths	31	172	225,260 + 6,495	56,565 + 10,920

URUGUAYAN.

Midland Uruguay.....	2 mths	Aug. 31	319	£1,915 + 1,702	25,958 + 1,489
N.W. Uruguay.....	2 mths	31	113	4,893 - 880	10,107 + 2
Uruguay North.....	2 mths	31	73	2,394 + 265	4,415 + 37

OTHER OVERSEAS.

Algoma Cent. & Hudson Bay (a).....	1 mth	July 31	Gross \$94,121 - 3,864	..	..
Beira and Mashonaland.....	1 mth	31	810	149,085 + 10,613	..
Bilbao.....	7 mths	31	15	3,132 + 880	20,698 - 608
Bolivar.....	8 mths	Aug. 31	136	10,000 + 5,560	105,075 - 2,134
Boston & Maine.....	12 mths	June 30	190	40,465 + 11,259	395,725 + 79,458
Dorado Extension.....	8 mths	Aug. 31	70	16,000 - 10,283	139,750 - 22,330
International of Central America.....	8 mths	31	45	8,900 + 700	73,250 + 11,310
La Guaira & Car. Mid. of W. Aust.....	6 mths	July 31	22	13,300 + 3,690	377,144 + 48,810
Nasajo Oscarsh.....	7 mths	31	27	9,968 - 1,071	..
Puerto Cabello, &c.....	8 mths	Aug. 31	35	1,287 + 360	70,380 - 9,201
Rhodesia Railways.....	1 mth	July 31	1,397	179,994 + 17,167	39,500 - 4,260
Santa Fe Prov. &c.....	8 mths	Aug. 31	..	6,800 + 634	60,720 + 5,064
Zafra and Huelva.....	8 mths	31	112	157,317 + 11,264	98,577 + 2,881

(a) Railway receipts only.

TRAMWAY & OTHER RECEIPTS.

Nelaud	1 mth	31	810	149,085	+ 10,613		
Bilbao	7 mths	31	15	5,132	..	20,698	..
Bolivar	8 mths	Aug. 31	136	10,000	..	586	..
Costa Rica	12 mths	June 30	190	40,465	+ 11,252	105,075	2,116
Dorado Extension	8 mths	Aug. 31	70	16,000	+ 10,252	395,725	79,343
Dorado Elec. Ex.	8 mths	31	45	8,900	+ 700	139,750	23,230
International of Central America	8 mths	31	Gross 94,715	+ 11,972	73,250	111,114	168,530
La Guaira & Car.	8 mths	31	Net 35,173	+ 5,627	877,164	48,518	3,815
Mid. of W. Aust.	1 mth	July 31	222	13,300	+ 3,690	102,220	41,810
Nasajo Oscarash	7 mths	31	277	9,968	1,071		
Puerto Cabello &c.	8 mths	Aug. 31	35	11,287	- 360	70,380	9,340
Rhodesia Rail'ys	1 mth	July 31	5	52 0	750	39,500	4,200
Samana & San'go	8 mths	Aug. 31	1,397	179,994	+ 17,167		
Sante Fe Prov.	8 mths	31	..	6,800	+ 634	60,720	5,600
Zafra and Huevla	8 mths	31	112	157,313	+ 11,264		
				14,400	1,026	98,577	2,400

on Gula Estate, the drainage of which has been a matter of some difficulty. The purchase price of the property is 15,000 £1 shares of this company, to be issued credited as fully paid, plus £2,625 in cash. The company takes over the Eng Joo Estate as from July 1, 1925, together with forward contracts for 1½ tons monthly to the end of 1925, at the equivalent of 1s 3d per lb. delivery Penang. The fully-paid shares will be issued to the vendors on completion of the transfer of the estate, and will rank for any dividends declared after July 1, 1925.

PERNAMBANG RUBBER ESTATES.—The directors are offering 39,000 shares of £1 each for subscription by existing shareholders (including approved transferees whose transfers were lodged not later than September 16th), in the proportion of one new share for every complete 10 shares now held. The new shares are offered at a premium of 2s 6d per share, and the full sum of 2s 6d per share is payable upon application. The shares of the present issue will rank equally with the existing fully-paid shares for all dividends which may hereafter be declared for the current financial year ending December 31st next, but will not rank for the interim dividend payable on October 5th. Circulars with application forms and letters of renunciation have been issued to shareholders. The list for "home" applications will close October 7th. The permission of the Committee of the Stock Exchange to allow dealings in the new shares will be applied for.

RUBANA RUBBER ESTATES.—The net profit of this concern for year ended April 30, 1925, is £20,587, which compares with £12,310 in preceding year. The ordinary dividend is 7½ per cent., from which income-tax will be deducted at the rate of 4s 5½d in £1. The carry-forward is £3,185, subject to corporation profits tax, against £5,098 brought in. The capital is £300,000 in £1 shares, fully paid. Reserve for development stands at £12,500. Total assets are £342,579. Cash stands at £9,035. Investments stand at £4,801, of which £5,000 is in 5 per cent. War Loan at cost (£4,750) in balance-sheet. The cultivated area has been increased by 62 acres of rubber. Crop harvested was 647,530 lbs., against an export allowance of 628,837 lbs. The standard production allowed to the company for year ending October 31, 1925, is 1,173,714 lbs.

SEAPORT (SELANGOR) RUBBER.—The report for year ended June 30, 1925, shows that net profits have increased from £6,560 to £22,352 and the ordinary dividend has been raised from 4 per cent. to 12½ per cent. The carry forward is £24,781, against £21,560 brought in. The crop accounted for is 399,125 lbs, being approximately the quantity exportable at the minimum rate of duty. The average net sale price, including the estimated value of the unsold exportable portion of the crop, is 1s 8.24d per lb. Cost of production was 7.81d per lb.

SEDGELEY (F.M.S.) RUBBER.—The profit for year ended March 31, 1925, after providing for the whole of the upkeep and management charges on the estate, debenture interest, income-tax, and expenses in Europe, amounts to £2,733, which has been transferred in reduction of the balance of loss brought forward from the previous year. There remains to be carried forward a debit on profit and loss account of £2,245 2s 10d. The net profit for preceding year was £1,405. The yield of rubber during the year, which was disposed of chiefly in the form of liquid latex, was equivalent to 174,046 lbs, and the adjusted excess of production over exportable allowance at March 31, 1924, was 1,903 lbs, together 175,949 lbs. The company's standard production was increased as from November 1, 1924, to 280,300 lbs, and the exportable allowance for the year amounted to 176,768 lbs. There was thus a small balance of 810 lbs still to be exported under the licences of the year. The whole of the crop was sold in the East, and realised the average gross price of 1s 2.62d per lb.

TALI AYER RUBBER ESTATES.—The net profit for year ended April 30, 1925, is £17,231, as against £10,751 in preceding year. The ordinary dividend is 7½ per cent., against 4 per cent. Income-tax will be deducted at the rate of 4s 5½d in £1. The carry-forward is £10,770, subject to corporation profits tax. The amount brought in was £16,039. In April this year the company acquired a property comprising approximately 160 acres of rubber, all of which is mature. The property adjoins Sungei Bogak Estate, and is included in the acreage of that estate. On Tali Ayer Estate a small area of 7 acres, formerly occupied by buildings, was cleared and planted with rubber. The crop harvested for the year amounted to 656,477 lbs, against an export allowance of 629,335 lbs. The standard production allowed to the company for the year ending October 31, 1925, is 1,171,227 lbs. The issued capital is £300,000 in £1 shares. Reserve for development stands at £17,500. Total assets are £361,863. Cash stands at £7,373. Investments are at £29,681. Of this sum £17,000 5 per cent. War stock stands in balance-sheet at £15,369, and £20,000 3½ per cent. Conversion stock stands in balance-sheet at £14,261.

MISCELLANEOUS.

ANGLO-SIAM CORPORATION, LIMITED.—Including £34,392 brought forward from the previous year, the balance at credit of profit and loss account at March 31, 1925, is £122,260. After providing for the preference dividend, placing £5,000 to the staff provident fund, and £17,500 to the reserve for contingencies, the directors recommend a final dividend on the ordinary shares of 12½ per cent. (actual), with a bonus of 10 per cent., making a total distribution for the year of 30 per cent., less tax, and that £35,210 be carried forward. Meeting September 29, 1925.

BRITISH AUTOMOBILE TRACTION.—The figures are as follows:—Week ended August 21st, £76,223; week ended, August 28th, £65,555; week ended September 4th, £65,790; week ended September 11th, £59,097. Total, £266,665. Increase compared with corresponding four weeks of 1924, £55,139. Total to date for 1925 (36 weeks), £1,656,605. Increase compared with corresponding period of 1924, £338,127.

LEACH'S ARGENTINE ESTATES.—The net profit for the year ended March 31, 1925, amounted to £118,083 (against £117,267 for 1923-24). The directors state that in view of the low prices for sugar now ruling in Argentina and the consequent uncertainty as to the results to be anticipated from the crop now being harvested, they have decided to allocate to reserve £73,083 (against £57,267), and propose that the balance be applied to the payment of a dividend of 9 per cent. on the preference shares (of which 3 per cent. has been paid), thus leaving 3 per cent. in arrear as at March 31st last.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

Climatic conditions were generally favourable to agricultural operations, and field work is actively proceeding in most parts of the country. The bulk of the grain in the principal districts has been safely secured, though a considerable quantity lacks condition. Some fine samples, however, were offered on most markets at times, and with sellers inclined to press sales prices moved in a downward direction. The demand from millers generally is exceedingly quiet, owing to liberal offerings of Continental descriptions at competitive prices, while the position remains weak in sympathy with declining forward values. Pressing offers of Russian grain also proved a depressing factor, and buyers mostly hold off, while confining their purchases to immediate wants. Floating and forward wheat cargoes were more or less neglected, and prices gave way under pressure to sell North American and Plate descriptions. A steamer of German first half October sold at 48s 6d, ditto, comprising No. 1 and No. 2 Northern Manitoba, October 10th shipment, at 52s and 51s respectively per 480 lbs. Maize cargoes also lacked support, and values moved in buyers' favour, while South Russian barley marked a slight decline, a cargo on passage being sold at 26s 6d per 400 lbs, c.i.f. terms. Wheat dull and easier. No. 1 Northern Manitoba ex ship quoted 63s 6d, No. 2 ditto 62s 6d, No. 3 61s 3d, No. 1 Northern Duluth 58s, No. 2 mixed Durum 50s, all per 496 lbs. English new quoted 10s 8d-11s per 112 lbs, free on rail. Flour quiet, and tendency easier. London standard grade quoted 47s, patents 49s-50s, town whites 47s per sack delivered in the home counties, with 6d to 1s per sack less for deliveries. Imported quiet. Manitoba patents range from 48s-50s 6d, Minneapolis 48s-50s, Kansas patents 48s, Australian 44s-44s 6d per 280 lbs ex store. Maize depressed. Plate ex ship to arrive quoted 38s, ditto landed 40s 3d, white flat African landed 40s 9d per 480 lbs. Yellow African maize meal ex ship to arrive £9, white ditto ex ship £8 12s 6d per ton. Barley easier. Californian new ex ship quoted 40s-50s, Chilian Chevalier landed 58s-70s, brewing 52s-54s according to quality, Australian 57s-61s ex store, Polish and Swedish ex ship 44s-53s per 448 lbs. American malting ex ship September 29s, No. 3 Canadian Western ex ship, October, 30s, No. 4 ditto, October, 28s 6d, Russian ex ship near 28s 6d per 400 lbs. English new quoted 10s-20s, the latter for malting quality, per 112 lbs. Oats weaker. Plate landed 26s 9d, No. 2 Canadian feed ex ship, September, 27s 3d, landed 30s 6d, landed 27s, No. 2 white clipped American ex ship to arrive 23s, landed 24s 6d, all per 320 lbs. English new quoted 9s-10s per 112 lbs, free on rail. Millers' offers quiet. Broad bran quoted 8s 3d, middlings 8s 9d, fine ditto 10s 9d, bags included, ex mill, powdered oat husks 6s 3d, feed oatmeal 8s 9d, ground oats 12s 6d per cwt, free on rail. Oatmeal quiet at the recent decline. London made flaked 17s 6d, rolled oats 16s 6d, medium, also fine cut, 16s 6d, coarse, also medium pinhead, 16s 6d ex mill, ordinary Scottish oatmeal 18s, American ditto 17s per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest years 1925-26, 1924-25, 1923-24, 1922-23.

	1925-1926.	1924-1925.	1923-1924.	1922-1923.
Estimated sales of home-grown wheat—				
1 week to Sept. 19	Cwts. 429,256	Cwts. 176,728	Cwts. 486,691	Cwts. 353,278
3 weeks to Sept. 19	1,097,436	390,322	1,199,974	808,613
Average price of English wheat per cwt.	s d 11 6	s d 12 0	s d 8 10	s d 8 8

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1921 to 1924:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1925.						
Sept. 12	Cwts. 402,421	Cwts. 199,038	Cwts. 72,238	s d 11 8	s d 14 4	s d 9 8
Sept. 19	429,256	277,846	85,415	11 6	13 7	9 8
1921	449,293	419,814	65,587	13 3	17 8	10 7
1922	351,976	94,568	56,366	8 8	10 4	8 7
1923	486,691	398,844	97,186	8 10	11 5	8 8
1924	176,728	404,737	63,641	12 0	17 7	9 5

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Pay- ment of Deben- ture Interest.	Amount Avail- able for Distri- bution.	Appropriation.					Corresponding Period Last Year.	
					Dividend.			Carried to Reserve, Deprecia- tion, &c.	Balance Forward.	Net Profit.	Divi- dend.
					Prefce.	Ordinary.					
						Amount.	Amount.					Rate.
		£	£	£	£	£	%	£	£	£	%
Financial, Land, &c.											
Leach's Argentine Estates	Mar. 31	..	118,083	118,083	45,000	73,083	10	11,000	20,178	117,267	10
Tecka (Argentina) Land	June 30	20,668	30,510	51,178	..	20,000	..	..	..	43,337	6½
Gas.											
Alliance and Dublin Consumers' ..	June 30*	3,296	55,202	58,498	..	48,496	6½	..	10,002	46,357	6½
Continental Union	June 30	2,041	29,703	31,744	10,937	12,500	2	6,000	2,307	17,642	nil
Iron, Coal, and Steel.											
Henry Briggs, Son, and Co.	June 30	39,973	57,742	97,715	..	65,575	10½	..	32,140	168,274	15½
Kayser, Ellison, and Co.	June 30	14,560	25,546	40,106	18,000	12,500	5	..	9,606	14,561	nil
Partington Steel and Iron	June 30	245,487	Dr 168,554	76,933	21,000	..	..	..	55,933	4,802	..
Pearson and Knowles Coal & Iron ..	June 30	101,754	21,520	123,274	36,523	..	..	..	86,751	29,681	..
Sheepbridge Coal and Iron	June 30	48,891	112,444	161,335	..	66,926	5	25,000	69,409	129,738	7½
Staveley Coal and Iron	June 30	13,688	279,135	292,823	..	213,050	7½	..	79,773	365,537	10
Motor and Cycle.											
Austin Motor	Sept. 30	Dr 1,599,678	161,174	Dr 143,840	..	..	..	..	Dr 14,384	205,459	..
Rubber, &c.											
Batu Rata (Sumatra)	June 30	5,252	14,811	20,063	..	15,786	12½	..	4,277	6,266	5
Rubana	April 30	5,098	20,587	25,685	..	22,500	7½	..	3,185	12,310	4
Seaport (Selangor)	June 30	21,560	22,352	43,912	..	18,311	12½	820	24,781	6,560	4
Sedgeley (F.M.S.)	Mar. 31	Dr 4,978	2,733	Dr 2,245	..	..	..	..	Dr 2,245	1,465	..
Tali Ayer	April 30	16,039	17,231	33,270	..	22,500	7½	..	10,770	10,751	4
Other Companies.											
Anglo-Siam Corporation	Mar. 31	34,392	87,869	122,261	4,550	60,000	30	22,500	35,211	78,139	30
Clayton Wagons	June 30	Dr 219,041	728	Dr 218,313	..	..	..	..	Dr 218,313	Dr 122,122	..
Chadburn's (Ship) Telegraph	Mar. 31	6,420	Dr 1,375	5,045	3,600	..	..	..	1,445	1,202	3
Goldsborough, Mort, and Co.	Mar. 31	66,203	320,207	386,410	..	212,592	15	65,440	108,378	231,130	15
Henry Bucknall and Sons	May 31	856	4,578	5,434	18,000	..	..	Dr 13,250	684	19,653	..
Valparaiso (Chile) Drainage	Mar. 31	1,507	9,369	11,876	..	..	..	2,378	8,498	Dr 6,703	..

* Tax free.

* Half-year.

AMERICAN WHEAT MARKETS.

Prices have developed marked weakness in the last few days. At Winnipeg threshing returns have suggested that the current crop has been underestimated, and the market has been peculiarly sensitive to rumours of Russian wheat exports. Chicago has moved in sympathy with Winnipeg, and has been affected also by the break in raw cotton prices. Recent quotations:—

	Sept. 26, 1924.	Jan. 2, 1925.	Sept. 10, 1925.	Sept. 17, 1925.	Sept. 24, 1925.
Winnipeg (No. 1 Manitoba)—Cents per 60 lbs	152½	183	(a) 133	(a) 134½	(a) 125½
Chicago (No. 2 Winter)—Cents per 60 lbs	135½	177	(b) 150½	(b) 151½	(b) 144½

(a) October delivery.

(b) September delivery.

The International Institute of Agriculture, Rome, has issued the following table of estimated wheat production in the Northern Hemisphere, the countries shown being responsible for about 90 per cent. of the whole:—

PRODUCTION OF WHEAT IN THOUSAND METRIC TONS.

	Average, 1919 to 1923.	1924.	1925.
Europe (21 countries)	21,850	20,090	26,060
Canada and United States	32,180	30,880	29,670
Asia (4 countries)	10,010	10,810	9,920
North Africa (4 countries) ..	2,320	2,320	2,940
Total	66,360	64,100	68,590
Soviet Union	..	10,390	18,020
Grand total	..	74,490	86,610

IRON AND STEEL.

We extract the following from the weekly report of the London Iron and Steel Exchange:—Any autumn revival in the iron and steel trade seems likely to be delayed this year, as there are few indications at the moment of a buying movement developing. Current business is irregular, and no sustained demand has been in evidence for some time past. Business in pig-iron has been confined mostly to odd lots, principally to satisfy consumers' immediate requirements, whilst the export trade has been particularly dull. Competition in the home market from Continental sources is less noticeable, probably owing to the low figures at which British material can be bought. In the semi-finished department suggested that a considerable tonnage of orders is being held back by merchants, who anticipate a further depreciation in the prices of Continental producers. The conditions in the finished steel department have changed but slightly during the past few weeks. Demand is patchy, and is spread unevenly over the market.

Our Middlesbrough correspondent's report, dated September 24th, is as follows:—Pig-iron: There is no material alteration in the general position. Business is still restricted to purchases for immediate needs. The price of No. 3 Cleveland G.M.B. pig-iron

is further depressed, and the general quotation is now 67s 6d per ton. With regard to hematite, there are no big stocks, and the demand has seldom been so restricted. With the export trade almost cut off, the home market is barely sufficient to absorb the output. The general quotation for East Coast mixed numbers is now 74s 6d per ton. Manufactured iron and steel: There is no change in the position, and the following remain the quotations:—Steel ship plates, £8; steel ship angles, £7 15s; iron bars, £11 12s; steel rails, £8 10s. Iron Ore: There is nothing to report of any consequence, and the foreign ore market is still stagnant. The nominal price of best Rubio is still 20s per ton c.i.f. Tees.

Our Sheffield correspondent writes:—Signs of the winter revival of trade are still absent, and hand-to-mouth conditions of buying continue. No important inquiries are known of. A number of works have gone on short time, and an increase in unemployment was recorded this week. The deadness of trade is reflected in a reduction of 7s 6d and 10s per ton on basic billets by the Associated makers. Several large unassociated works have been cutting prices for some time past. The pig-iron situation is unchanged, and the prices are readily shaded to secure orders. The stagnation of the scrap market continues. Most of the finished branches, although still fairly busy, report a contraction in the volume of orders coming forward. Trade is quiet in wire rods and wire, but makers of wire rope are well employed, especially in the export markets, where they are meeting no serious competition. The home demand for colliery ropes and colliery tools and equipment generally is poor. Many pits are idle, and proprietors find it necessary to reduce their buying to the lowest minimum. Work in railway material and wagons is quiet. Good business is being done in steel for motor and cycle building and tools and accessories for garage use. Cutlery and plate makers report that the volume of orders is much below that of the corresponding period of last year.

Our Glasgow correspondent writes:—The general position in the pig-iron market is not much improved. It is understood that two more furnaces are to be relit, but this is not in consequence of any definite increased demand for the usual qualities, but to provide for certain special requirements. Quotations are unaltered from last week's levels. Shipments from Glasgow Harbour for the week ending 19th inst. totalled 490 tons, of which 373 tons were on overseas account. For the corresponding week of last year the shipments were 764 tons and 535 tons respectively. In the steel trade a few moderate-sized orders for heavy plates for export are to hand, but the home demand from shipbuilders is at a low ebb, and none of the works has anything like sufficient to occupy the full plant. Structural engineers are generally well placed, and steel works are experiencing a steady flow of orders for sectional material. It is reported that Messrs. Harland and Wolff are to build a pontoon 90 feet in length for the floating crane which Messrs. Cowans, Sheldon and Co. are constructing for the Port Authority of Aden. Makers of malleable iron are in no better case than a week ago. The orders come in only in small parcels, buyers apparently being reluctant to book ahead, although at £11 12s 6d, the present price, there is scarcely any margin of profit. The sheet trade is still busy, orders and inquiries for export being plentiful. There is a brisk demand from India for galvanised and corrugated sheets, and works are holding out for higher prices, the minimum now being £16 5s per ton. The continued firmness in the price of

spelter will necessitate further advances in galvanised sheets before long.

CUMBERLAND IRON.

(BY A CORRESPONDENT.)

There is temporarily a considerable amount of activity in the iron and steel industries of that portion of the hematite pig-iron producing district lying north of Millom, due largely to the increase in the local consumption consequent upon the resumption of operations on Monday at the rail, fish-plate, and axle and tyre mills of the United Steel Company at Workington. Five furnaces are in blast at Workington, and one each at Cleator Moor and Millom. Further south there are no furnaces blowing at all, with small likelihood of the re-lighting of a single furnace until the iron trade improves or until the rail mills at Barrow are restarted. Buying is from hand to mouth, and the low prices do not tempt users to place any forward contracts. Bessemer mixed numbers are now quoted at £4 2s 6d c.i.f. Welsh ports, £4 5s per ton delivered at Glasgow, £4 7s 6d per ton delivered at Sheffield, and £4 12s 6d per ton delivered at Birmingham. There is a fairly steady demand for low-phosphorus iron, at £4 15s at Glasgow, and ferro-manganese is maintained at £15 10s per ton. In the steel trade little is doing, and the present rolling is to execute orders which have been on the books for some time past. Rails are £8 10s per ton, sleepers £10 10s per ton, and fish-plates £12 10s per ton. Native ore is only in local request, with superior sorts 18s to 19s per ton, and ordinary kinds 14s to 15s per ton.

OTHER METALS.

TIN: Values of tin marked an irregular advance during the week, with holders adopting reserved measures in face of stimulating advices from the East, while a fair business resulted. Standard cash sold £261-£264 10s to £263 10s, and three months £263-£264 15s and £263 15s. Sales in the East were reported at £268 to £269 5s. COPPER was accorded active support, but offerings were on a liberal scale, which imparted slight irregularity and weakness. Standard cash sold £61 15s-£62 and £61 8s 9d, three months £62 17s 6d-£63 and £62 6s 3d. LEAD opened firmer, and after active dealings values marked a downward tendency. Good soft foreign pig, September, sold £40 10s to £39 7s 6d, October £39 10s to £38, November £38 to £37, December £37 5s to £36 3s 9d, January £36 12s 6d to £36 5s per ton. SVELTER in good demand, and prices firmer. September sold £37 10s to £38 6s 3d, October £37 5s to £37 17s 6d, November £37 1s 3d to £37 10s, December £36 17s 6d to £37 6s 3d, January £37 2s 6d to £37 3s 9d. ALUMINIUM quiet. Home trade quoted £120, export £125 ton. ANTIMONY firm. English specials quoted £75 to £80 as to make and quantity, foreign refined £66 to £66 10s per ton ex warehouse. QUICKSILVER quiet. Spot quoted £13 12s 6d per bottle. WOLFRAM firm, and spot 19s 6d to 20s per unit ex warehouse.

COAL.

Our Cardiff correspondent writes:—There is no improvement to report in the general situation. Foreign demand has continued very inactive, and the only important event of the week has been the renewal of the contract of the Navigazione Generale di Italy for the supply of best Cardiff large steam coals for bunkering purposes. It is stated that the price at which this contract has been placed is 30s c.i.f. Genoa, which leaves approximately, on the basis of current rates of freight, about 23s f.o.b. for the coal. Current market quotations have continued to decline, and the average level is now lower than it has been at any time since the early years of the war. The position is causing a great deal of anxiety, and a proposal has been revived for the regulation of prices. Early in August the Commercial Committee of the Coalowners' Association recommended weekly group meetings of salesmen with a view of minimising competition, but these meetings have not exercised any material influence on the course of prices, and it is now contemplated to stabilise them at fixed figures. A meeting to consider this proposal is to be held next week. The weakest classes of large coal are the ordinary steam descriptions. The following are the current approximate quotations:—Best Admiralties, 24s to 24s 6d; seconds, 22s 9d to 23s 3d; best drys, 23s 6d to 24s; black veins, 21s 6d to 21s 9d; Western Valleys, 21s to 21s 6d; Eastern Valleys, 20s 6d to 21s; best bunker smalls, 19s 9d to 19s 3d; ordinary cargo smalls, 19s 6d to 19s; coking smalls, 11s to 11s 3d; anthracite, best large, 45s to 47s 6d; red vein, large, 30s to 32s 6d; machine-made cobbles, 55s to 57s 6d; French nuts, 55s to 57s 6d; stove nuts, 55s to 57s 6d; ruddy culm, 14s to 14s 6d; coke (special qualities), 37s 6d to 42s 6d; patent fuel, 21s to 24s; pitwood, ex ship, 26s 6d to 27s. At Swansea this week a meeting of the tinplate manufacturers has agreed to the principle of the re-establishment of a pooling scheme for the distribution of orders, but a further meeting is to be held to consider details. The general position of the market is unchanged.

A Workington correspondent writes:—There is no improvement in the coal trade. Few of the collieries are working full time. There is an increase in the local industrial wants, and best steam is 27s 6d per ton, and washed steam 26s 6d per ton. Local landsale is sluggish, with best house 34s 10d per ton at pit. The competition in the Irish market from Scotland and Lancashire remains keen, and Cumberland owners are handicapped by the higher

prices they must charge to avoid incurring even heavier losses than are being suffered. Best round is nominally 22s, gas coal 22s, house nuts 21s, and screened nuts 20s per ton. Coke is a biggyish make in West Cumberland for the furnaces at 18s to 19s per ton, according to carbon content.

Our Sheffield correspondent writes:—All that can be said favourably of the coal trade is that it is no worse. A fairly good tonnage of manufacturing fuel is going out, and household sorts are selling rather more freely. Some of the export markets are buying moderately, but little can be done with Continental countries.

THE WOOL TRADE.

Our Braiford correspondent, writing on Thursday, says:—The tone of this market is good, but there is not that activity which denotes real business. Wool everywhere continues to sell remarkably well, and no doubt the delays caused by the shipping strike will assist holders here. The outstanding feature is the continued strong demand for wool on French account, and so long as this continues it does not look as if there will be much cheaper wool. Supplies in the background, however, are exceptionally heavy, and many traders in this country still hold the opinion that values will ease towards the end of the year. At the same time one finds fewer topmakers willing to sell forward, and certainly not at the prices accepted for such business a few weeks ago. Generally speaking, there is not much change in quotations for tops and yarns. Business is more or less of small dimensions for current requirements only, although sellers are endeavouring to adopt a more independent attitude. There are, however, indications of some improvement in various directions. The present price of merino wool has again made Botany fabrics more attractive from the price standpoint, and wholesale houses are more inclined to place business. This is reflected in increased activity in the Botany section of the yarn trade, spindles being better employed than for many months past.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

The London sales have been continued under very encouraging conditions, far better than the majority expected. After two weeks there is no sign of any section of the industry being satisfied. This is certainly encouraging to sellers. It is particularly pleasing to see owners prepared to meet the market, and largely as a result of active Continental competition prices remain generally firm. Towards the end of last week most crossbreds seemed hardly to sell up to the standard seen on the opening night, but this week there has been no further weakening; in fact, all selling brokers report crossbreds as being a little firmer, due to active competition on the part of both the Continent and Yorkshire buyers. At the same time some very good medium and fine crossbreds are being shown by the home trade in fine wools, and, generally speaking, prices are very firm on the opening level. It seems impossible to pick up wool to bring in tops on the level of ruling prices in Bradford, and that is the anomaly of the trade to-day. Home trade buyers are still waiting in the hope of seeing French wants satisfied, and so help prices in a downward direction. However, the series is making excellent progress, values generally are firm, and no fault can be found so far with what has actually transpired.

THE COTTON TRADE.

MANCHESTER, September 24.

The event of importance in the market this week has been the slump in raw cotton rates as a result of the Government statistics. Inquiry in cloth has been of considerable dimensions, and a fairly encouraging turnover has taken place. India has given increased support in light fabrics, and rather more orders have been placed in grey staples. Goods are reported to be moving more freely in Operations for the Continent have again been healthy, but business has shown itself in the home trade section. American yarns have been done in the earlier part of the week. Only scattered sales have been mentioned in Egyptian spinnings.

Colliery Shareholders are invited to protect their own interests by actively participating in the educational publicity work now being carried on, on their behalf. Write for particulars, quoting Company in which Shares are held, to Philip Gee, 40, King Street, Covent Garden, W.C.2.

(I.) Comparative Statement of the Cotton Trade.

	Price, Sept. 24, 1925.	Previous Weeks in 1925.				
		Sept. 17.	Sept. 10.	Sept. 3.	Aug. 27.	Aug. 20.
Raw Cotton—Mid. American	d 12.84	d 13.63	d 12.89	d 12.69	d 13.11	d 13.12
— Sakellaridis Fully Good Fair	28.00	29.00	28.05	28.40	29.55	30.75
— Egyptian	20.00	21.00	20.00	20.00	20.00	20.00
Yarns—32's twist	31	31	31	31	31	31
— 40's twist	35	35	35	35	35	35
— 60's twist (Egyptian)	35	35	35	35	35	35
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	31	32	31	31	31	31
36-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	35	36	35	35	35	35
38-in. ditto, 38 yds, 18 by 18, 10 lbs	17	18	17	17	17	17
32-in. ditto, 37½ yds, 16 by 16, 8½ lbs	15	16	15	15	15	15

(II.) Compared with Previous Years.

	Price, Sept. 24, 1925.	Corresponding dates in				
		1924.	1923.	1922.	1921.	1920.
Raw Cotton—Mid. American	d 12.84	d 13.51	d 16.95	d 12.78	d 15.71	d 20.90
— Sakellaridis Fully Good Fair	28.00	24.75	18.35	17.25	28.25	54.00
— Egyptian	20.00	23.25	23	19.1	23	47
Yarns—32's twist	31	24.25	23	18.5	21.5	43
— 40's twist	35	35	31	28	45	70
— 60's twist (Egyptian)	35	35	31	28	45	70
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	31	34	33	30	30	30
36-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	35	36	35	30	30	30
38-in. ditto, 38 yds, 18 by 18, 10 lbs	17	19	19	17	17	17
32-in. ditto, 37½ yds, 16 by 16, 8½ lbs	15	17	17	15	15	15

LIVERPOOL OFFICIAL QUOTATIONS—September 18, 1925.

Descriptions.	Official Quotations.									
	G.O.	SGO.	L.M.	BLM.	MD.	SM.	GM.	SGM.	MF.	
American	12.02	12.62	13.02	13.32	13.57	13.72	13.92	14.17	14.67	
— 180	60	20	20	10	35	60	70	95	145	
— off	off	off	off	on	on	on	on	on	on	
— Mid. Fair.	12.97			13.97			14.97			
— Parnam, Macoele, & Parahyba, Rio Grande	12.72			13.47			14.02			
— Ceara, &c.	12.47			13.22			13.82			
— Sao Paulo										
— Peruvian	M.F.	Fair.	Gd. Fr.	Good.			Fine.	Ex. Fine.		
— Rough	16.00		17.50	19.00			25.00			
— Moderately rough	13.47	14.22	15.22	15.72			15.97			
— Smooth	14.22	14.72	16.72	18.47			20.72			
— Tangus	18.50		20.00	21.50			23.00			
— Mitafi	Fair.	Gd. Fr.	F.G.F.	Good.			Fine.	Ex. Fine.		
— Upper	16.30	17.30	18.10	18.60			19.00	20.00		
— Sakellaridis	21.50	25.50	28.25	31.15			32.65	35.35		
— Brown	16.35	17.35	19.45	21.35			22.20	23.60		
— Soudan	Mid. M.F.	Fair.	Gd. Fr.	Good.			Fine.	Ex. Fine.		
— West Indian	13.75		14.75	15.75			16.50	18.00		
— Do Sea Island	31.00		33.00	35.00			37.00	43.00		
— East African	Nom. Nom.	16.55	16.80	16.85			17.80	Nom.		
— L.M. S.L.M. 12½d. (Native Seed)	12.72	12.97	13.32	13.57	13.72		14.72			
— West African	G.F.	F.G.F.	Gd. Fr.	F. Good.			S'fine.	Choice.	S'Ch.	
— Australian	12.35		12.75	13.75			14.15	15.55	15.95	
— East Indian	11.90	12.30	12.70	13.30			13.70	15.10	15.50	
— Surtee	11.10	11.50	11.90	12.30			12.70	14.10	14.50	
— Broach	11.10	11.50	11.90	12.30			12.70	14.10	14.50	
— Timinivelly	11.15	11.55	11.95	12.35			12.75	14.15	14.55	
— Amer. Sind/Punjab	11.40	11.80	12.20	12.60			13.00	14.40	14.80	
— *Western	11.40	11.80	12.20	12.60			13.00	14.40	14.80	
— *Northern	11.40	11.80	12.20	12.60			13.00	14.40	14.80	
— *Coconada	11.65	12.05	12.45	12.85			13.25	14.65	15.05	
— *Comptah	10.25	10.65	11.05	11.45			11.85	13.25	13.65	
— *Oomra, No. 1	10.10	10.50	10.90	11.30			11.70	13.10	13.50	
— *Oomra, No. 2	10.15	10.55	10.95	11.35			11.75	13.15	13.55	
— *Khandesh	9.50	9.90	10.30	10.70			11.10	12.50	12.90	
— *Bengal	9.40	9.80	10.20	10.60			11.00	12.40	12.80	
— *Sind	(No. 2, 11300)			(No. 1, 11350)						
— China										

* Hand-ginned 30 points less.

THE TIMBER TRADE.

(FROM OUR OWN CORRESPONDENT.)

The timber market has in small measure regained confidence, but the future trend is still obscure. With large stocks on the market Swedish and Finnish shippers vied with the Russians in sales, and the spot market became very nervous. Later it was announced that the majority of the Swedish and Finnish shippers had pledged themselves not to sell their unsold balances at less than at certain minimum figures, which can be briefly put as on a basis of £12 per standard of 165 cubic feet for 7-inch unsorted redwood battens, free on board. This gave a little confidence to the spot market, but the softwood auction sale held in London on the 2nd and 3rd inst. (the first for five weeks) proved very disappointing to sellers, the weight of over a thousand lots proving too much for the market to digest. The later and smaller sale, however, showed a slightly better tone. Advices from Sweden and Finland go to show that shippers of these countries have some satisfaction in the fact that the Continental consuming countries are responding more effectively to offers of cheap timber for house building and other construction work. In the Canadian spruce

trade the arrivals to this market this year are on a larger scale than those of January to August, 1924. This wood, which found formidable competitors in mid-European and Finnish productions last year on the West Coast of the United Kingdom for building and packing-case work, has improved in demand in those quarters, but for London and the East Coast there is not much call. Shipbuilding timbers, especially teak and including pitch pine, are firm in value. The demand continues good also for mahogany logs of good qualities and attractive sizes, and there is a slight change for the better in the call for the inferior grades. Other "fancy woods" are also firm. In the cheaper classes of hardwoods from the United States the position has improved for spot holders, imports not coming in quite so freely as during the preceding months, while the shipments to come forward are expected to be of a more limited character compared with the heavy deliveries so far this year.

VEGETABLE OILS AND OILSEEDS.

Markets generally have been rather dull, with a downward tendency in values. Linseed oil has eased off to £40 per ton naked ex Hull mill for prompt delivery, and is about 5s per ton discount forward to April. Consumers have not been active, and American inquiries have failed to result in business being done. Little demand has been experienced for cotton oils. Crude Egyptian on spot is not so plentiful, and is held for £40, and ordinary refined for £42 5s. Palm kernel oil and ground-nut oil are dearer, but soya oil and rape oil are unchanged. The feature of the oilseed section has been the renewed weakness of Plate linseed, which has receded to £19 5s for September-October, and now to £18 16s 3d (paid) for January-February. Some business in North Russian linseed to Hull has been done at £18 17s 6d, October shipment. Egyptian cottonseed is easier, and black offers at £12 5s for October loading. Soya beans are featureless.

HIDE, LEATHER, AND ALLIED TRADES.

(BY OUR OWN CORRESPONDENT.)

Market hides and skins showed further advances at the sales held in Bermondsey on Thursday, several weights in ox and heifers making advances of from ½d to ¾d per lb. Best hides now range in price from 7d to 9d per lb, with seconds making from 6½d to 8½d.

An International Service

THE Central Union Trust Company of New York is equipped with every facility for the prompt and efficient handling of financial transactions throughout the world. Foreign banks and business houses with banking interests in the United States are invited to avail themselves of this service, which includes the purchase and sale of foreign exchange, collections, and the issuance of commercial and travelers letters of credit. In addition, the Company conducts a general banking business and acts as Executor, Trustee, Transfer Agent, Registrar of Stocks and in every other Fiduciary capacity.

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LONDON POTATO MARKETS.—SEPT. 24.				
	Per Cwt.			Per Cwt.
	s	d	s	d
Lincoln—King Edwards	6	6	0	0
Sharps Express	4	6	5	0
Eclipse	4	6	5	0
Blackland—King Edwards	5	0	9	6

*Issued on behalf of the Colliery Owners of Great Britain
by Philip Gee, 40, King Street, Covent Garden, London
W.C.2, from whom further information about the Coal
Mining Industry can be obtained.*

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

MACMILLAN & CO., LTD., LONDON, W.C.2

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

No. 4,284.

CORRESPONDENTS TO THE ROYAL ITALIAN TREASURY.
Every description of Banking business transacted.

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Pottle and Son, 15 Cullum street.
Willing and Co., Limited, 50 Copthall avenue, and 123 Moorgate.
Paris: Galigani Library, 224 Rue de Rivoli; Messrs Brentano's, 37 Avenue de L'Opera.
Cheques and Post-office Orders to be made payable to the Proprietors of the "Economist."
Office: Granville House, Arundel street, Strand, London, W.C.2.

QUARTERLY demands for money caused a certain amount of scarcity in the first half of the week, but the Michaelmas requirements were successfully met without applications to the Bank of England. October 1st brought Conversion Loan and National War Bond interest, and the reign of plenty returned. It also brought a reduction in Bank

rate to 4 per cent., which was followed as usual by the deposit rates of the banks and discount houses, and also by the rate charged by the clearing banks to the market, which became 3 per cent. We refer to the Bank rate reduction in a leading article. The market rates of discount weakened, and fine bank bills, which were in demand in special quarters, were taken at $3\frac{1}{2}$ per cent. for December and $3\frac{1}{4}$ per cent. for January maturities.

	Oct. 2, 1925.	Sept. 25, 1925.	Sept. 18, 1925.	Sept. 11, 1925.	Previous Rate and Date Changed.
Bank Rate	4%	4%	4%	4%	(Oct. 1, '25)
Banks' Deposit Rate	2	2	2	2	(Oct. 1, '25)
Discount (Call)	2	2	2	2	(Oct. 1, '25)
Houses (Notice)	2	2	2	2	(Oct. 1, '25)
Market rate (3 months' bills) ..	$3\frac{1}{2}$	$3\frac{1}{2}$	$3\frac{1}{2}$	$3\frac{1}{2}$	..

The Bank return showed a decrease of £193,000 in the stock of gold, £249,000 having been announced as withdrawn for export during the week; the note circulation had expanded by £1,864,000, and the Reserve was thus £2,057,000 lower, with a decline of 1.2 per cent., to 27.3 per cent. in its proportion to liabilities. There were very slight movements in the Securities, and the Public deposits expanded by ten millions, presumably owing to Conversion Loan applications, leaving the Other deposits twelve millions lower at a point—£102 millions—which makes the ease with which the demands at the end of the month were met somewhat surprising. Currency notes outstanding were increased by £1,273,000 to £293,004,200, which includes £1,325,800 for notes called in but not yet cancelled. The fiduciary issue is £235,428,300, or £12,717,100 below the maximum for the year.

NEW YORK MARKETS.

Our New York correspondent cables:—Financial circles are greatly disappointed at the failure of the French Debt negotiations to reach a permanent settlement, as it is understood that the final difference between the two sides was not great. Criticism is by no means restricted to the French, and failure is ascribed to fear of political developments. It is considered that time is required to clarify the situation in regard to financial effects. Reduction in your Bank rate has created surprise here, and leads to the view that our rate will not rise. This week's Federal Reserve statements indicate that the System has acted to mitigate end-of-the-month and quarter hardening in the money market, having bought bills and Government securities. Discounts are slightly lower, but an increase in the circulation and a small loss of gold has lowered the reserve ratio to 72.5.

THE STOCK MARKETS.

The fall to 4 per cent. in Bank rate took the Stock Exchange by surprise and produced a series of rises in gilt-edged stocks, emphasised by a substantial rally in the Home Railway market. The new scrip of Tuesday's issue by tender of Conversion Loan rose to $\frac{1}{2}$ premium, and other Government stocks advanced sharply. Yesterday there was a little hesitancy, but prices kept fairly steady. In the foreign section French bonds improved at first, to react later on the American debt developments, and some investment demand helped to raise the prices of European reconstruction loans. Home Rails, including Undergrounds, have recovered sharply from their recent low levels, partly owing to the repudiation of Communism at the Labour Congress. A large business has again been done in rubber shares, which remain buoyant, but oils are quiet though the tone is better. Industrials are not active and mines have mostly been dull.

THE COMMODITY MARKETS.

In certain quarters business has improved. There has been a better demand for pig-iron. The motor trade is still the most active buyer of manufactured iron and steel. Though cheered by a slight quickening in business with China, South America and India, the cotton trade is still disturbed by the recent fall in raw cotton rates. The shipping strike and Continental demand have kept prices for raw wool firm; Bradford users look to lower

rates in the near future, and are buying cautiously. Wheat prices have weakened. In the produce markets sugar and coffee show a quieter tendency, and tea has been in less request. The rubber market was firm, and good business has been effected. Tin prices are still rising. Copper opened firmly, but large offerings have lately led to irregularity in prices.

FOREIGN EXCHANGES.

Although dealings have again been restricted, the week has been an interesting one through speculations as to the outcome of the further decline in sterling. At the closing rate of \$4.84 $\frac{1}{8}$ on the 25th, the quotation was still above gold point, which is calculated now at somewhere between \$4.84.20 and \$4.84.30, but already by the 30th it was down for a time to as low as \$4.84 7-32, and on the 1st, after the announcement of the Bank rate reduction, there was a further fall to \$4.84 5-32, while yesterday morning it was quoted at \$4.84 1-32. Whether the unexpected action of the Bank in reducing its rate at a time when the quotation was already below gold point and at a season when exchange usually moves further against us will result in the loss of gold, or whether our credits in New York will be drawn upon, remains to be seen. In the present topsy turvy position, when rules seem to go by contraries, it is impossible to speak with any certainty. The only thing known is that there is a growing pressure of cotton bills, and that with higher rates in New York, American money was already being withdrawn before the reduction in the Bank rate, so that presumably this movement will now be accentuated. Forward rates stand at about $\frac{3}{8}$ cent per month above spot. The Paris rate, although to some extent following the reports of the debt negotiations, has shown less movement than might have been expected, there being a strong inclination to await more definite results. From a closing rate of 102.32 $\frac{1}{2}$ a week ago, the quotation has varied between 102.20 and 102.55, but reacted yesterday morning on the news of the debt compromise to 102.72 $\frac{1}{2}$. Brussels in the meantime has shown a marked recovery from 111.02 $\frac{1}{2}$ to 108.07 $\frac{1}{2}$. On Paris forward rates have narrowed a little from 40 to 36 centimes per month over spot; on Brussels they have moved from parity to 5 centimes per month above. The lira has been rather steadier, and at 120 $\frac{3}{8}$ compares with 120 $\frac{3}{8}$ a week ago. Oslo and Copenhagen, after some slight reaction, have settled down at 23.80 and 20.05, rates showing little change on those quoted a week ago. Although the immediate outlook remains somewhat uncertain, it would seem that for the time being speculation has been frightened off, and that a period of relative stability may be expected. The weakness of sterling is reflected, of course, in the more stable European exchanges, Amsterdam at 12.04 $\frac{1}{8}$, Stockholm at 18.02 $\frac{1}{2}$, Berlin at 20.33 $\frac{1}{2}$, Switzerland at 25.09, Prague at 163 $\frac{1}{2}$, Vienna at 34.35, having all moved somewhat against us. Madrid, however, in spite of the Moroccan situation, has depreciated further from 33.63 to 33.71 $\frac{1}{2}$. Bucharest has moved up from 1000 1022. Budapest remains steady at 345,000, and it is now announced that a new currency unit is to be introduced at this parity. In the East the rupee is unchanged at 1s 6 $\frac{3}{4}$ d, while the yen has got $\frac{3}{32}$ d dearer at 1s 8 9-32d. Silver has been very quiet, with a general weakening in demand, Shanghai having moved from 3s 3d to 3s 2 $\frac{1}{2}$ d, Hongkong from 2s 5 $\frac{1}{2}$ d to 2s 5d. In South America Rio has continued its improvement from 6 15-16d to 7 $\frac{1}{2}$ d, and Buenos Aires at 45 25-32d is 5-32d dearer. Monte Video is unchanged at 49 $\frac{1}{2}$ d, but Valparaiso has depreciated from 39.50 to 39.70.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the eleven days ended September 30:—

EXPENDITURE.	(000's omitted.)	REVENUE.	(000's omitted.)
Supply Services	14,184	From Revenue	13,148
Interest, &c., on Debt	3,229	Increase in Debt	12,244
Sinking Fund	898		
Sundries	1,150		
Increase in Exchequer Balances ..	6,230		
	25,392		25,392

The revenue for the eleven days ended September 30, 1925, amounted to £13,148,100, as compared with £13,708,000 in the ten days ended September 30, 1924. Customs brought in £3,268,000, against £2,490,000, while Excise yielded £1,440,000, against £1,269,000. Property and Income-tax was lower at £3,743,000, as compared with £4,757,000, and Super-tax brought in £500,000. Ordinary receipts amounted to £228,500, and Special receipts to £174,800. The eleven days' operations increased the National Debt by £12,244,500, and caused the following changes:—

		(000's omitted.)	
Treasury Bills	+	18,283	Public Department Advances.. — 11,170
National Saving Certificates ..	+	350	
Sundries	+	381	
3½ Conversion Loan	+	2,000	
Telegraph Money	+	2,400	
	+	23,414	— 11,170

The floating debt was increased by £7,110,000 to £775,121,000.

FINANCIAL YEAR, 1925-1926 (April 1st to Sept. 30th).

	£		£
Total Expenditure ..	379,906,760	Raised by Revenue ..	343,934,735
Increase in Balances ..	2,803,225	Amount borrowed ..	38,775,250
Total	382,709,985	Total	382,709,985

ESTIMATES for FINANCIAL YEAR 1925-1926.

	£		£
Expenditure	799,400,000	Revenue	801,060,000
Surplus			£1,660,000.

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—The Royal Bank of Ireland, Sheepbridge Coal and Iron Company, and Anglo-Siam Corporation. At the meeting of the Royal Bank of Ireland, the chairman said that conditions in the Free State were becoming more settled, and that outside capital was being invested in the country. At the meeting of the Sheepbridge Coal and Iron Company the chairman stated that they proposed to invite subscriptions for a further amount of debentures.

ECONOMIST INTELLIGENCE BRANCH.

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

AN EVENTFUL WEEK.

ALTHOUGH September is not as a rule a season of great events, in the week just concluded there have occurred several of importance. Pride of place must be given to the definite arrangement of a conference between the Allies and Germany on the question of security. At the last moment it seemed possible that these long-drawn-out negotiations might be wrecked by the desire of the German Nationalists to raise once again the question of Germany's responsibility for the war. This last fence has been cleared, or perhaps we should say scrambled over, and the delegates are to meet on Monday at Locarno. The Conference, the prospects of which are discussed in a later article, will not be all plain sailing; but it will be one of the great moments of history when the representatives of France and Germany meet face to face with the deliberate desire and intention of reaching an understanding which will enable them once and for all to sheathe the sword.

Across the Atlantic the most difficult of all the International Debt negotiations has reached an issue which, if it does not mean a permanent settlement, at all events puts the problem into cold storage for some time to come. It appears that after a series of proposals and counter-proposals, the French offered to pay America £8 millions a year for five years, £12 millions a year for the next seven years, and £20 millions a year for 56

years thereafter. M. Caillaux was driven to make this offer from much lower figures. Even this proposal was rejected, and (according to the information available at the time of writing) it has been agreed that the £8 millions for five years, at all events, are to be paid, and during that period the opportunity will be given to France to demonstrate on a more certain basis what her capacity to pay really is. On the whole, we think this is a satisfactory conclusion. In view of the doubt as to what the Dawes annuities will yield, £20 millions was, we think, too high a figure to ask of France, and to push it still higher would have meant that the arrangements would have had to be revised before the maximum figures took effect. Moreover, if France had agreed to pay a higher maximum, Britain would be entitled to ask, and public opinion would probably have insisted that we should ask, that France should pay us more than the figures agreed upon between Mr Churchill and M. Caillaux. If France had promised to pay America £25 millions and England, say, £20 millions, she would be out of pocket unless the Dawes annuities ultimately yield their maximum amount. There are very few who count confidently upon this. In our view America would have been wise to settle on a basis of from £15 to £16 millions sterling, which represents a 2 per cent. interest basis, and to have followed this with an agreement with Italy on a basis of, say, three-quarters of 1 per cent. interest. The attitude she has taken towards France suggests that the Italian negotiations will also have to end in a quite provisional agreement. A funding arrangement with France on a much higher basis would have been not merely a very heavy undertaking for France, but it would have been unsatisfactory from the British standpoint. In the first place, it would have put us in the dilemma of either having to stand by terms which public opinion here would have considered unreasonably low in comparison with the payments to America, or to revise them to a figure which would have broken down the whole proceedings. Moreover, in any case, the promise of high payments by France to America would tend to reduce the security for our £12 $\frac{1}{2}$ millions. But perhaps most important of all, the promise of high figures to her Allied creditors, would inevitably tend to stiffen the attitude of France towards Germany on the Reparations question, and make the task of the administrators of the Dawes plan more difficult. In the circumstances, therefore, a provisional settlement is the best way out.

There remain two domestic events of importance. The first is the emphatic repudiation of the Communists by the Labour Party Conference at Liverpool. This has had an encouraging effect on business psychology. There has been a disposition to mark up industrial securities, and people are less prone to take for granted that we are faced with grave Labour troubles in the near future. As a matter of fact, the decision of the Conference really revealed nothing new, but merely repeated what was already known as to the size of the Communist element among British workpeople. The episode may, however, justify in some small degree the hopeful feelings that it has engendered, for the week's meetings have been a great demonstration, not merely to the general public, but to the members of the Labour Party themselves. The fact that the overwhelming majority of his fellow-workers—under the leadership of those whom he has come to rely upon and to trust, including keen industrial negotiators and strike leaders such as Mr Ben Tillett, Mr Bevin, Mr Cramp, and many others—should have turned down with no uncertain voice the policy of violence and civil war, cannot fail to impress the mind of the wavering trade unionist.

Finally, to the surprise of the City, Bank rate was reduced on Thursday from 4 $\frac{1}{2}$ per cent. to 4 per cent. If this had happened three weeks ago, it would have been regarded as a natural consequence of the fall from 5 per cent. in early August. Since that time, however, the dollar exchange has tended to move slightly against Great Britain, and in the middle of this week actually fell below gold point. The issue of £40 millions of Conversion Loan at the beginning of the week at a price a little below the then market price was also taken as an indication that cheaper money was not to be expected. Moreover, in any case, it is a season of the year when heavy payments

to America become due, and there is a likelihood of gold being exported. Indeed, some £3½ millions have been lost since the previous fall of Bank rate, though we are still £5 millions to the good compared with the situation when the gold standard was restored. The arguments on the other side were, however, weighty. In the first place, money has been very easy, and latterly the Bank of England rate has been ineffective, and has merely had the result of keeping high the rate charged for advances which are governed by Bank rate. A month ago it seemed possible that money rates might rise rapidly in America, in which case London might have been subject to a severe strain. This danger seems to be passed; at all events it is apparently no longer feared in Threadneedle street. Indeed, the indications are that, whether by common understanding or otherwise, money is likely to remain fairly cheap in New York. Again, the autumn drain seems likely to be light. Most European countries have reaped good harvests, the price of wheat and cotton (which has already moved forward unusually early) is much lower than last year, and our trade figures show a smaller adverse balance than we have experienced recently. Moreover, it will be remembered that our American debt payments are already provided for. Money in most European centres has indeed tended to become easier, largely, no doubt, through the sluggishness of trade. In the circumstances, having satisfied themselves that the danger of a serious foreign drain was remote, the action of the Bank court was a natural one, the only alternative being to release the embargo upon foreign loans. There is very much that might be said in favour of this latter course, but it is evident that for the moment it is not the intention to make a change in policy.

As between the two alternatives, an increase in foreign loans would assuredly in the long run be effective in stimulating just those trades that need help, namely, the export industries. But the Bank court no doubt took into consideration that what we are suffering from at present is to a very large extent psychological depression, and that lowering the Bank rate would give a much needed fillip at a moment when it seems uncertain whether trade is going to make a step forward this autumn or is going to continue in the stagnant condition of the last few months. The Stock Exchange took the action expected of it by marking up securities, though this was rather a demonstration than the result of actual investment buying.

BEFORE LOCARNO.

In spite of various rumours of postponement, the conference between the Allies and Germany is apparently to begin on Monday at Locarno. Its purpose is to effect in the political sphere that general liquidation of outstanding controversies which the acceptance of the Dawes Report has already achieved in the financial. The difference between success and failure will mean much for Europe. It may mean, in particular, the difference between a Germany thrown largely into the arms of Russia and a Germany making common cause with Western Europe in the slow task of banishing war from the Continent. That fact invests with special significance the extensive tour which M. Tchitcherin, ostensibly on the direct road to an Austrian health resort, finds himself able to make to Warsaw, Berlin, and other capitals.

It by no means follows that the Soviet Foreign Minister is bent, even at this eleventh hour, on preventing the Locarno conference from coming to fruition. It is more likely that he realises the moment for that has gone. Count Brockdorff-Rantzau has done everything he knows to keep Germany out of the League of Nations, and Germany has made it clear that she is by no means averse to entering the League as the Allies desire. If M. Tchitcherin's habitual shrewdness has not deserted him he will be devoting himself now to seeing that no new orientations, brought about as a result of the Locarno conversations, are of the nature of an offensive move against Russia. In that he would be perfectly justified, though the danger

in reality hardly exists, and he should have no difficulty in securing at Berlin assurances that will enable him to go on and take his cure with a quiet mind.

The chances of success and failure, however, at Locarno remain rather more nicely balanced than is to be desired. The outlook, on the whole, is good, but the internal situation in Germany is such as to lend ground for some apprehension as to the line Dr Stresemann may be compelled to take in order to conciliate his Nationalists. They have begun by forcing him to raise once more, though not, it is true, in a formal note, the question of responsibility for the war. The German Government has old commitments on that subject. The Nationalists more than a year ago exacted, as price for their acceptance of the Dawes Report, a pledge that the question of war-guilt should be raised, and though Dr Marx evaded the obligation through the whole of his Chancellorship, new pressure has clearly been applied, to which Dr Stresemann has found it expedient to yield. The Allies, of course, have declared themselves unequivocally on the matter. Whether it was necessary for them to deal so firmly in a formal note with a question which had been raised by the other side only in oral conversations, is no doubt arguable, but there is a good deal to be said for the view that a topic which would provoke the acutest controversy, if it were introduced at Locarno, had better be ruled out decisively in advance. As the British reply to Germany observes, the question of Germany's responsibility for the war is not raised by the proposed pact, and there is therefore no ground for bringing the matter into discussion at all.

That no doubt is not the last word about Article 231 of the Treaty of Versailles. To most people in this country the war guilt question is something for historians of the next generation but one to argue over. But Germany, rightly or wrongly, takes a very different view. Her psychology may be peculiar, but there it is, and no harm would be done by allowing her to state formally her ideas on the subject in some unilateral communication to which the Allies could listen without response. But whatever be the right moment, if there be one, for such a declaration (which would be open to the grave objection that it would mean repudiating an article of a treaty which Germany has signed and ratified), this is clearly as wrong a moment as could well be found. Fortunately most people in Germany itself appear to realise that, and the chief result of the efforts of the Nationalists is to inspire violent attacks on them for their gaucherie by moderate organs like the *Berliner Tageblatt* and the *Vossische Zeitung*. But there will be other difficulties less easily disposed of than the war-guilt question. Among these happily will not be the entry of Germany into the League of Nations, for Mr Chamberlain is in a position to "note with satisfaction that the German Government raises no objection to this essential condition of any mutual pact." That welcome declaration is at variance with the reports of most Berlin correspondents that Germany still stands resolutely by her objections to Article XVI. of the Covenant. But it has always been obvious that given the most reasonable modicum of elasticity on the part of Berlin that obstacle could be surmounted without any sacrifice of principle on either side. That view must have been accepted by the German Government, for there can be no compromise on this point at Locarno. The Allied Ministers Assembly can determine such a question as the entry of a new member into the League.

The most delicate problem is clearly going to be the relation of the western security pact with the eastern arbitration treaties, and next to that the question of what the character of these treaties shall be. Here there is little sign of any antecedent agreement. The western pact should be relatively plain sailing. There are, by which the operation of the military guarantee shall be determined. But the disposition to make the League the one is thinking of the operation of the military guarantees there will be small temptation to quibble over minor points. It is true that even so major a point as the "test of aggression" has still to be finally faced; but in their

conversations at Geneva Mr Chamberlain and M. Briand are reputed to have got far towards agreement regarding it, and on lines the Germans should be able to follow. As to the arbitration treaties between Germany and her western neighbours, they are a matter with which this country has little concern, for we shall be no party to them, and His Majesty's present advisers appear to make it a cardinal point in their foreign policy that under no circumstances will they conclude a comprehensive arbitration treaty with anyone.

Less still do the Eastern arbitration treaties concern us. But they concern France, as an ally of Poland and Czechoslovakia, very directly, and there is as little reason to believe to-day as there ever was that France would consent to immobilise herself in the West so long as Germany retained the right of war against her neighbours on the East. The corollary is clearly that the Eastern arbitration treaties must be concluded at the same time as the Western, and that they must be such as to provide for the peaceful settlement of all the disputes that can arise between the parties. To both those conditions Germany has so far offered resolute opposition. Her offer to conclude arbitration treaties, she maintains, was general, and there is no reason why Czechoslovakia and Poland should appear at Locarno any more than any other State in the world which favours the idea of an arbitration treaty with Germany. Further than that, the German Government has made it clear that what it contemplates is the type of treaty, of which it has contracted several already, which provides for the compulsory settlement of justiciable disputes, but merely subjects political differences to a process of conciliation.

As to the first of those two points, Czechoslovakia and Poland intend to be present at Locarno in the persons of their Foreign Ministers, though they will take no part in the conversations on the Western pact. As to the second, those two Powers are resolved, and France no less so, that the arbitration treaties shall be on the model of that lately contracted between Poland and Czechoslovakia themselves, which leaves no room for war between the parties under any circumstances. Germany has said long ago that she is ready to renounce the idea of securing any adjustment of her Eastern frontiers by war, but she has never gone so far as to declare herself ready to sign an unlimited arbitration treaty. On the contrary, the German Note of July 20th makes it clear that Dr Stresemann at that time still clung to the limited type of treaty. Various interchanges have taken place since July 20th, and it may be that assurances of which nothing has been publicly disclosed have been received on such points as this. If that is not the case, the question of the character of the treaties is bound to make difficulty at Locarno. But the Conference was called to solve difficulties, not to register agreements already reached in advance, and Dr Stresemann, who is well qualified to estimate his domestic situation accurately, would hardly have gone to Locarno at all unless he had gone there meaning to effect a settlement.

THE LABOUR PARTY AND COMMUNISM.

(FROM OUR LABOUR CORRESPONDENT.)

THE outstanding issue of the Liverpool Conference of the Labour Party has been the party's attitude towards Communism. This problem of political Labour is primarily the creation of the newspaper Press. Numerically the Communist movement in this country has always been insignificant. It is led by men of very considerable ability and tactical skill; but it is neither their ability nor their skill which has forced the Communist Party into the political limelight. The newspapers are to be held responsible for such prominence as Communism may have obtained. The movement has lived upon the stimulus of free publicity, which has created the impression of an influential movement of a subversive kind. Had the Labour Party found itself throttled by the Communist Party and this country driven into attempts at the forcible suppression of Communist teaching, the responsibility would have lain with the Press.

The Labour Party has always taken the Communist Party at its real value. It knew the numerical weakness of the Communists; it was perfectly well aware of their activities; and it was confident in its power to carry the trade unions with it against the policy of the Communists. But the erroneous impression which had been created made it necessary for responsible Labour to declare its attitude. The public memory is short. It was forgotten that last year at the annual conference the motion to refuse the Communist Party's application for affiliation was carried by 3,185,000 to 193,000 votes, and that the resolution that no member of the Communist Party shall be eligible for endorsement as a Labour candidate for Parliament or any local authority was carried by 2,456,000 to 654,000 votes. Last year a third resolution was carried by a narrower majority, that no member of the Communist Party should be eligible for membership of the Labour Party. On this question there were 1,804,000 votes in favour of the motion and 1,540,000 votes against it. The large minority vote was due to a recognition of the practical difficulty of carrying the resolution into effect. It was recognised that if the resolution meant an interference with the right of the affiliated trade unions to appoint such delegates as they chose to attend Labour Party conferences, there would inevitably be difficulty. This question was before the National Executive of the party, and it recommended to the Liverpool Conference that "no member of the Communist Party shall be eligible to become a member of any individual section of any affiliated local Labour Party, or be entitled to remain a member." Further, the executive expressed the view that "affiliated trade unions can only act consistently with the decisions of the annual conference in its relation to the Communists by appealing to their members when electing delegates to national or local Labour Party conferences or meetings, to refrain from nominating or electing known members of non-affiliated political parties, including the Communists."

The first clash between the executive and the Communists at the Liverpool Conference came early on the report presented by the Conference Arrangements Committee, which stated that it had been decided to put into effect the standing order, which lays it down that when a general policy or principle has been decided it shall not again appear on the agenda for a period of three years. This meant that any discussion of the question of Communist Party affiliation or of the endorsement of Communists as candidates was ruled out. As the Communists were pressing again for affiliation, it is clear that the adoption of the Conference Arrangements Committee's report meant a defeat for the Communists. The latter therefore moved the reference back of the report, only to receive a smashing defeat by 2,954,000 to 321,000 votes. This decision meant the rout of the Communists, and the succeeding divisions on resolutions reinforced with unflinching and monotonous regularity the determination of the big battalions of the trade unions to re-assert their loyalty to the declared aims of Labour and their repudiation of Communism. The two recommendations of the executive referred to above were adopted, the motion to refer back being defeated in the first case by 2,870,000 to 321,000 votes, and in the second by 2,692,000 to 480,000 votes.

On the resolutions on general policy, where there were amendments inspired by the Communists, the results were much the same. On no single point were the Communists able to gather a crumb of comfort. At the many public meetings held in Lancashire and Cheshire during the Conference, the leaders hammered at the broken Communist front until there could be no doubt left in the public mind of the Labour Party's attitude towards Communism. It is significant that there were at the conference few speakers in support of the Communists amongst the responsible trade union leaders. Mr Pollitt, though representing the Boilermakers, did not express the mind of his union. Mr Bromley, perhaps, was more certain of the support of his delegates. But the great block of miners, railway workers, and general workers stood solidly behind the Executive Committee on every issue. The chief protagonists of Communism came not from the Unions, but from the local Labour Parties, in a handful of which the Communists have temporarily gained ascendancy. As Mr MacDonald said, "machine-made resolutions and

amendments are scattered broadcast, multiplied and developed so as to enable some of the delegates to come here and point out how widespread were those particular feelings, and that there were actually 30 local Labour Parties out of 600 that said the same thing." The real attitude of the Labour Party was expressed by Mr C. T. Cramp in his chairman's address, when he said: "I believe the position of those who would apply the methods of force to the affairs of this highly developed Capitalist State, with its huge population and its present inability to feed its people, is a position very much the reverse of advanced; is, in fact, about 100 years behind the times, and should be scrapped as antiquated and out of date." The Labour movement has no wish to deny its belief in the necessity for far-reaching changes in the structure of the social fabric. It believes that there must be changes, and that such changes should be wrought by the deliberate action of the community; but it accepts the view that the purpose and character of those changes should be determined by majority opinion. In this sense the difference of method as between the Labour Party and Communism is more important than the difference of purpose. The significance of the Liverpool Conference lies in its clearly expressed intention to abide by reason rather than force.

In a week's conference the range of discussion is wide and varied; but, apart from the decisions on Communism, the chief decision was that relating to minority government. There is undoubtedly a strong feeling in the Labour movement against the acceptance of office by the Labour Party unless it possesses the support of a majority of the House of Commons. The difficulties of the party are obvious. But when Mr Ernest Bevin moved a resolution on the inadvisability of the Labour Party taking office with the support of a minority, he was defeated, not because the Conference did not appreciate the objections to minority government, but because the Conference did not wish to prejudice the future and declare beforehand action to be taken in circumstances which could not be foreseen. It may now be taken that if in the interests of the King's Government the Labour Party should take office, it will do so, even if it be embarrassed by perils which must inevitably assail a minority.

The Liverpool Conference, whilst it may not have convinced one more elector of the wisdom of the Labour policy, has at least shown that the Labour Party is constitutional in its methods. It has also reflected the growing confidence of organised Labour in its own future, and though, as a result of its experience last year it is chary of involving itself in detailed commitments which it might prove difficult to honour, it has not wavered in its belief in far-reaching and fundamental changes in the economic and social order.

THE CREDIT OF AUSTRIA.

THE aspect of the Austrian problem which is of most immediate interest to investors in Austrian Government or private loans is the financial stability of Austria. This means, on the one hand, the extent to which it may be assumed that the crown is now secure against further depreciation, and on the other the soundness or otherwise of the big institutions which are the mainstay of Austria's financial apparatus. The success of various reconstruction schemes in pinning the exchanges during the last three or four years has perhaps tended to produce an unjustified optimism, which took for granted that once the necessary initial steps had been taken exchange stability was assured. But the fact is that the path of financial reform is a long and often tedious one, calling for sustained effort and constant watchfulness. The recent fall in the Polish exchange after the zloty had come to be classed among the stable currencies has given a shock to this easy confidence, and led investors and the financial world generally to examine the situation of apparently stable currencies with a more critical eye. The credit of Austria

under the new régime that will come into being when budgetary control by the League comes to an end next year will, therefore, be subjected to close and careful scrutiny. Holders of the Reconstruction Loan have the comforting assurance of the guarantee of the Powers behind their security; but other creditors must look first and last to the credit worthiness of Austria herself.

So far as economic conditions are concerned, the inquiry by the League Commission has shown that Austria is slowly recovering from an abnormally low level of production, and that this slow rate of advance could only be expedited by her securing freer markets. What does the examination show as regards her financial situation? In a previous article we briefly indicated that there is no reason to fear even in the absence of League control that her budget will again get seriously into deficit and lead to inflation of the currency. Moreover, the present position of the National Bank is a strong one, its reserves in foreign currency being 55 per cent. of the note issue, as compared with a legal minimum of 25 per cent. But though these figures would appear to be very satisfactory and give assurance of the Bank's ability to meet all possible calls, this conclusion is not quite so obvious when account is taken of the special features of the Austrian financial situation. The two outstanding points are (a) that Austria has a very large adverse trade balance, and (b) that she is living to a large extent upon foreign credits, mostly of a short-term character. These two points are, of course, intimately associated, for her adverse balance had obviously to be met either by her selling her own foreign investments or by securing loans abroad.

The trade figures given in the Experts' Report show that in 1924 imports amounted to 2,394 million gold crowns and exports to 1,369 million gold crowns, thus showing an adverse balance of over 1,000 million gold crowns. It is very difficult to make accurate estimates of invisible trade items for a particular year, and the report does not attempt it. It does, however, give some indication of the normal receipts from investments, commercial services, &c. Interest on foreign investments still retained by Austria is put at four to five hundred million gold crowns. To this has to be added an item very difficult to estimate, representing the profits of the *entrepôt* trade of Vienna, and those of banking and financial businesses, as well as receipts from through-railway traffic. Finally there is the expenditure of visitors to Vienna, which is variously estimated at between 100 and 200 million gold crowns. Thus invisible items altogether exceed 600 millions, and may amount to as much as 800 million gold crowns. The difference between these items and a figure of a milliard gold crowns must have been met in 1924 partly by the sale by Austrians of their existing securities in foreign countries—Austrians certainly sold during 1924 some of their holdings in Czechoslovakia—and partly by loans from foreign countries to Austria. What this last item amounted to it is difficult to estimate, but the foreign credits of the big banks were certainly larger at the end of 1924 than at the beginning, in spite of the financial crisis which might have been expected, on balance, to have caused a withdrawal of capital. Part of the Reconstruction Loan became available during 1924, and private concerns undoubtedly succeeded in obtaining some credits, including some on long terms, in addition to those obtained through the banks. But though a substantial margin could be met in a particular year or years, it would be a matter requiring serious examination if so large an adverse balance had to be met every year. Fortunately, there is no reason to expect this, as may be seen by the following table showing the foreign trade of Austria in million gold crowns:—

Year.	Imports.	Exports.	Adverse Balance.
1920	1,701	932	— 769
1921	1,699	904	— 795
1922	1,756	1,104	— 652
1923	1,920	1,122	— 798
1924	2,395	1,369	— 1,026
1925 (first quarter) ..	422	312	— 110

The last figure in the table compares with an adverse balance of 254 million gold crowns for the first quarter of 1924. It is therefore not unreasonable to regard it as

THE QUARTER'S NEW CAPITAL.

RATHER more than the normal summer slump in new capital flotations is indicated in our statistics of new issues in London for the past three months, and for this the continuance of the embargo on foreign loans is mainly responsible. The total new capital raised during the quarter, apart from British Government borrowings, was less than £18 millions, as compared with £30 millions in the corresponding quarter of 1924. Of the quarter's total, £5 millions was accounted for by the London portion of the Commonwealth of Australia 5 per cent. loan, issued simultaneously in New York and London, while the bulk of the remainder was raised mainly for home industry, as may be seen from the following classification of the quarterly figures for a number of years past:—

(In Million £'s.)

	Total.	British Govt. Loans.	Foreign Govt. Loans.	Colonial Govt. Loans.	British and Foreign Corpns.	Foreign Railways.	Mines, & Finance, & Exploration.	Rubber.	Oil.	Balance Home Industry.
Total whole year, 1919..	1,017.4	805.8	14.8	2.9	2.9	15.3	18.3	160.3		
Total whole year, 1920..	367.5	37.6	12.0	46.5	1.1	10.3	18.9	241.1		
Total whole year, 1921..	389.0	202.8	79.5	23.9	6	2.4	16.9	62.9		
1922—1st quarter	286.2	211.9	20.1	8.4	14.7	1	9.1	21.9		
2nd "	162.6	92.4	34.6	3.3	3	5.4	7.5	19.4		
3rd "	61.9	42.5	1	1	1	1.6	3	17.5		
4th "	63.0	22.9	18.2	1.2	1	2.3	5	17.8		
Total whole year, 1922..	573.7	369.7	72.9	12.9	14.8	9.4	17.4	76.6		
1923—1st quarter	86.2	43.8	18.1	..	5	3.2	5.2	15.4		
2nd "	95.1	20.0	47.3	1.4	3	3.7	1.1	21.6		
3rd "	25.4	4.9	1.1	..	3.5	1.5	2	14.2		
4th "	64.7	9.0	29.3	..	5	7.1	1.2	18.1		
Total whole year, 1923..	271.4	77.7	95.8	..	5.4	15.5	7.7	69.3		
1924—1st quarter	36.0	Dr 1.3	19.1	3.2	..	3.4	3	11.3		
2nd "	69.6	11.8	22.1	2.4	..	1.4	3.1	31.9		
3rd "	29.0	Dr .9	6.9	5	1.0	4.1	1.4	16.0		
4th "	74.7	4.1	42.5	6.6	..	3.8	6	17.1		
Total whole year, 1924..	209.3	13.7	90.6	12.7	1.0	12.7	2.3	76.3		
1925—1st quarter	47.6	4.6	8	5.6	9	4.6	1.5	29.6		
2nd "	64.4	2.2	13.0	12.0	..	5.1	2.2	29.9		
3rd "	48.4	3.1	5.0	4	..	1.2	1.4	9.3		

The borrowings of the British Government in the past three months, apart from money raised by Treasury Bills and on Ways and Means Advances, which are not included in our statistics, were practically confined to the issue of £40 millions of 3½ per cent. Conversion Loan last Tuesday, tenders for which were accepted at an average rate of £76 6s per cent. There was also an issue of £235,000 of Treasury Bonds, and an excess of sales of Savings Certificates over repayments of £350,000.

In the next table the issues of the quarter and of the past nine months are subdivided under several heads:—

Description.	Total, First Half-year, 1925.	Third Quarter, 1925.	Total Nine Months to September 30,	
			1924.	1925.
British Government Loans	6,950,000	31,105,000	9,671,500	38,055,000
Colonial Government Loans	13,839,500	4,975,000	25,231,000	18,814,500
Foreign Government Loans	nil	nil	22,979,900	nil
British corporations, &c.	16,218,500	4,500,000	3,642,500	16,673,000
Colonial corporations, &c.	685,000	nil	4,650,800	685,000
Foreign corporations, &c.	1,350,000	nil	4,912,500	1,350,000
British railways	17,214,000	nil	nil	17,214,000
Colonial railways	1,681,200	nil	nil	1,681,200
Foreign railways	875,000	nil	955,000	875,000
Australasian mines	nil	nil	171,000	nil
South African mines	60,000	nil	1,351,100	60,000
Other mines	1,781,800	420,000	2,169,500	2,201,800
Exploration, financial, &c.	7,890,300	838,700	5,388,300	8,729,000
Breweries and distilleries	470,000	244,400	481,000	714,400
Merchants, importers, &c.	nil	292,500	nil	292,500
Manufacturing	2,173,100	255,000	9,601,200	2,478,100
Stores and trading	210,000	712,500	625,000	922,500
Estate and land	2,675,400	40,000	2,734,500	2,715,400
Rubber	3,019,300	1,332,400	210,700	4,351,700
Oil	720,000	1,366,000	1,499,800	856,000
Electric light and engineering	4,034,800	nil	4,221,800	4,034,800
Electric light power, and telegraph	3,346,000	2,050,000	8,773,400	5,396,000
Tramway and omnibus	35,700	nil	837,500	35,700
Motor traction and manufacturing	55,000	nil	1,056,200	55,000
Gas and water	55,000	100,000	nil	664,000
Hotels, theatres, and entertainments	210,600	353,000	431,500	563,600
Patents and proprietary articles	430,000	nil	nil	430,000
Docks, harbours, and shipping	1,149,000	nil	6,025,000	1,149,000
Banks and insurance	1,984,500	1,280,000	2,362,300	3,264,500
Miscellaneous	22,350,500	4,085,300	15,840,500	26,435,800
	112,011,200	48,382,400	134,616,000	160,393,600

Foreign Government loans, it will be seen, are entirely absent from the figures for the current year, and foreign corporations and railways have not appeared during the past quarter. Great Yarmouth Corporation is the only borrower during the quarter in British Corporations,

slightly outweigh those of diminished employment. The following table shows the increases or decreases in unemployment in all the groups into which the Board of Trade figures are analysed:—

MEN.
(Changes in Unemployment Figures in August, 1925, as Compared with August, 1924.)

Trade Groups Showing Increased Unemployment.		Trade Groups Showing Decreased Unemployment.	
Mining	+ 184,004	Building and construction of works	19,418
Metal manufacture (chiefly iron and steel)	+ 12,334	Engineering	12,705
Textile trades	+ 11,254	Miscellaneous trades and services	7,365
Shipbuilding and ship repairing	+ 8,897	Metal trades	3,929
Transport and communication (including docks and shipping)	+ 6,214	Construction and repair of vehicles	2,676
Clothing trades	+ 4,091	Printing and paper trades	1,520
Distributive trades	+ 2,993	Commercial, banking, &c.	1,256
Pottery, earthenware, glass, &c.	+ 1,477	Sawmilling, furniture, &c.	991
Non-metallic mineral products, brick, tile, &c.	+ 1,034	Food, drink, and tobacco	828
Leather and leather goods	+ 966	Other manufacturing industries	779
Fishing	+ 102	Gas, water, and electricity supply	598
		Ammunition, explosives, chemicals, &c.	258
Total	+ 233,366	Total	52,323

The influence of the depression in the coal trade extends, of course, to several groups in the left-hand column; for the trouble in coal is mainly in the export trade which affects dock workers as well as shipping and shipbuilding. The textile group is also seriously affected. On the other side leeway has been made up in the building and engineering trades, and to a less extent in some other groups.

These increases and decreases represent, of course, varying proportions of the total in the occupations in question. In order to bring out the change in the ratio of unemployment in various trades we have compared the percentages for the same groups:—

MEN.

Percentage of Total in Employment.

Trades Showing an Increase of Unemployment.			Trades Showing a Decrease of Unemployment.		
	Percentage of Unemployed.			Percentage of Unemployed.	
	Aug., 1924.	Aug., 1925.		Aug., 1924.	Aug., 1925.
Mining	7.7	21.3	Building and construction of works	12.0	9.6
Metal manufacture	18.8	22.6	Engineering & ironfounding	14.1	13.2
Textile trades	11.6	14.3	Miscellaneous trades and services	11.6	10.5
Shipbuilding and ship repairing	28.4	33.9	Metal trades	11.5	10.5
Transport & communication	14.8	15.7	Construction and repair of vehicles	9.6	8.3
Clothing trades	9.7	11.8	Printing and paper trades	5.6	4.8
Distributive trades	7.4	7.3	Commercial, banking, &c.	5.6	5.9
Pottery, earthenware, glass, &c.	14.5	16.0	Sawmilling, furniture, &c.	9.2	8.5
Non-metallic mineral products, brick, tile, &c.	7.8	8.3	Food, drink, and tobacco	7.2	7.0
Leather and leather goods	10.0	12.2	Other manufacturing industries	8.9	7.6
Fishing	11.1	10.8	Gas, water, and electricity supply industries	6.1	5.9
			Ammunition, explosives, chemicals, &c.	8.5	8.5

It will be noticed that in some cases where there is an increase in the actual number of unemployed the percentage has fallen. This is due to the fact that in certain trades the numbers in the industry have risen appreciably, so that in spite of a slight increase in the numbers unemployed the percentage of unemployment is lower.

A similar table for women shows the following changes:—

WOMEN.
Unemployment Figures for August, 1925, as compared with August, 1924.

Trades Showing an Increase.		Trades Showing a Decrease.	
Textile trades	+ 33,992	Miscellaneous trades and services	3,419
Clothing trades	+ 8,718	Metal trades	3,129
Pottery, earthenware, glass, &c.	+ 4,583	Food, drink, and tobacco	2,095
Distributive trades	+ 1,391	Printing and paper trades	482
Mining	+ 1,775	Construction and repair of vehicles	358
Engineering	+ 148	Gas, water, and electricity supply	330
Metal manufacture	+ 138	Ammunition, explosives, chemicals, &c.	241
Leather and leather goods	+ 112	Commercial, banking, &c.	184
Non-metallic mineral products, brick, tile, &c.	+ 62	Sawmilling, furniture, &c.	170
Leather and leather goods	+ 34	Other manufacturing industries	74
Fishing	+ 34	Transport and communication	16
Building and construction of works	+ 9	Shipbuilding and ship-repairing	15
Total	+ 49,262	Total	10,513

Here, again, the net increase in unemployment is more than accounted for by the figures of one section, namely, the textile and clothing trades.

Notes of the Week.

The Half-Year's Accounts.—In view of the extra burden entailed by the agreement to subsidise the coal industry for a period of nine months, the national accounts for the first half of the current financial year are not encouraging. Revenue for the six months was £344 millions, a decrease of £4½ millions in comparison with the first half of 1924-25, and expenditure £380 millions, an increase of £19½ millions, giving an excess of expenditure over revenue of £36 millions. The latter, however, compares with £51 millions at the end of June. Mr Churchill estimated an increase in revenue in the full year of £1½ millions, after allowing for the reduction of 6d in the income-tax and other remissions, and for the new duties which he imposed. He anticipated a net decline of £9 millions in the year in income-tax yield. This has already been exceeded, the decrease in this item for the first six months being £9½ millions, and the full effect of the reduction in the rate has yet to be felt. Super-tax receipts he expected to increase by half a million, but there is an increase for the half-year of nearly £2½ millions. The Corporation Profits tax, which was abolished in the previous year, was expected to yield £9 millions in the full year. The half-year has produced £6 millions. Other changes in the revenue items include a decline of a million in Excise duties, against a Budget estimate of a £2 million increase in the year and an increase of half a million in Customs, against an estimated increase of £2½ millions. The new duties, however, only took effect on July 1st, and there was an increase in Customs receipts in the second quarter of over a million and a decrease in Excise receipts of only £214,000. Motor vehicle duties have produced £732,000 more than last year toward a total estimated increase of £1,336,000, and stamps £1,350,000 more. This expansion, due no doubt to unusual activity in certain sections of the Stock Exchange, exceeds the estimated increase for the year by £200,000. Death duties show a decline in the half-year of £1½ millions, though they are relied upon to yield £2½ millions more in the full year. Interest on sundry loans shows an increase of £2½ millions, against an estimated increase of half a million in the year, while special miscellaneous receipts have brought in £2½ millions more than in the corresponding period of last year. The receipts for the half-year under this head are £18½ millions, the Chancellor's estimate for the year being £30 millions, or £3 millions more than the actual receipts for 1924-25. The increase of £19½ millions in expenditure is accounted for as to £6½ millions by sinking fund payments, and as to nearly £13 millions by the Supply Services. The automatic increase in the Sinking Fund to a maximum of £50 millions accounts for the bulk of the former. In the Supply Services, the Army, Navy, and Air Force have taken £7½ millions more, the Civil Services £3½ millions more, and the Revenue Departments and Post Office £1½ millions more. Three months ago the Civil Services showed a decline of half a million, so that in the past quarter there has been an insidious payments. The deficit of £36 millions for the half-year has been met mostly by an increase in the floating debt, which is £33 millions higher at £775 millions. Treasury Bills having been increased by £68 millions and Ways and Means Advances reduced by £35 millions. The prospects for a Budget balance at March 31st next do not at the moment appear very bright. Revenue cannot be said to be exceeding expectations, and to the increased expenditure figure has to be added an unknown amount for the coal subsidy.

The Conversion Loan Result.—Applications tendered for the £40 millions of 3½ per cent. Conversion Loan on Tuesday amounted to £51,210,000. Tenders at £76 5s 6d received about 97 per cent., and above that rate in full, the average price being £76 6s 0.402d, or a shade over for £30 millions at a minimum of 76½, and applications amounted to £83½ millions, the average price obtained being nearly 2s above the minimum. In January tenders for an unlimited amount were invited at a minimum of

77½, and were accepted for £59½ millions at an average of 11½d above this figure. The minimum announced for this week's issue appears to have been fixed more closely in consonance with market conditions than was the case in April, assuming no change in the monetary position. But it seems difficult to believe, in view of the liaison known to exist between the Treasury and the Bank, that regard was not had, in fixing the minimum price of issue, to possibilities of a Bank rate reduction this week. The scrip of the new stock is already quoted at 10s above the issue price, which means that the taxpayer might have been saved £200,000 had different arrangements been made.

Free State Senate Elections.—Our Dublin correspondent writes:—The first stage of the triennial elections to the Senate has just been completed. The Senate consists of 60 members, of whom one-fourth must retire (though eligible for re-election) every three years. Interim vacancies are filled by co-option, but all co-opted Senators must retire (though eligible for re-election) at the next ensuing triennial election. Thus on the present occasion the 15 normal vacancies are increased by four additional vacancies representing retirements of co-opted Senators. The constituency is the whole of the Irish Free State, and the electorate consists of virtually the whole adult population over 30 years of age—to the number of some thirteen hundred thousand voters. The method of voting prescribed by the Constitution is the single transferable vote variety of proportional representation. The 19 retiring Senators all seek re-election; and under the provisions of the Constitution, an equal number of candidates has been selected by the Senate voting on the proportional representation system, and a double number (i.e., 38) has been selected by the Dail—also voting on the proportional representation system. Thus there are 76 candidates in all. The first preference votes have now been provisionally counted, and it appears that less than 25 per cent. of the electorate have recorded their votes. To be exact, 305,226—subject to final checking, out of 1,300,000—have voted. The voting-paper was necessarily as large almost as a medium-sized newspaper, and the task of numbering 76 candidates in order of merit or preference was perhaps considered formidable. If the idea of the originators of the system was to secure the return of candidates of national repute and importance in different walks of life, they have failed of their purpose. The higher totals of first preference votes have all gone to two classes of candidate—either to candidates with very strong local influence in particular areas or to candidates backed by widely ramified organisations, such as the Labour Party, the Farmers' Union, the Licensed Trade, the British Legion of Ex-Servicemen, the Medical Party, or the Cattle Traders' Association. For the purely individual candidate, unless he or she be possessed of great wealth, the constituency is unmanageably large, and adequate organisation is impossible. It is not likely that this feature will be much modified by the distribution of second and subsequent preference votes. One practical difficulty in this system of election—it may prove to be a fatal difficulty—relates to the necessary abolition of personation agents. Few, if any, candidates could afford to provide such agents in every booth throughout the whole Free State, and, even if they could, it would be impossible for 76 personation agents to be accommodated in every booth. And if there are no personation agents, and only a small proportion of the electorate is resorting to the booths, there is great scope—and much temptation—for personation.

Our Index Number.—The net movement in wholesale prices in September was again small, our Index Number recording a drop of 23 points to 4427, which compares with 4450 at the end of August and 4446 two months ago. At the end of last year the figure was 4855, so that there has been an appreciable decline in the nine months. At the end of September, 1924, the total was 4729, that month having recorded an increase of 103 points, mainly owing to a rise in the price of foodstuffs. The latter are entirely responsible for the past month's decline, as may be seen

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from the following table, giving the totals for the various groups:—

Date.	Cereals and Meat.	Other Food Products (Tea, Sugar, &c.).	Textiles.	Minerals.	Miscellaneous (Rubber, Tin, Ber, Oils, &c.).	Total.	%
Basic (avg. 1901-5) ..	500	300	500	400	500	2200	100.0
End July, 1914	879	382	616½	464½	583	2868	116.6
" Dec., 1915	897	446	731	711½	848½	3634	165.1
" Dec., 1917	1286½	686	1684½	839½	1348½	5843	265.8
" Nov., 1918	1289	782½	1848	908	1389½	6212	282.6
" Mar., 1920	1808	914	2974½	1246	1709½	8382	379.0
" Dec., 1921	1344	805	1284	1216	1275	5924	269.8
" Dec., 1922	921½	636	1106	762	931½	4357	198.0
" Dec., 1923	861	706	1184½	705	807½	4264	193.8
" Dec., 1923	853	815½	1382½	774	755	4580	208.2
" Mar., 1924	897½	843½	1313½	805	780½	4640	210.9
" June, 1924	914	736½	1347	764	769½	4531	205.9
" Sept., 1924	1003	777½	1395½	762½	790½	4729	214.9
" Dec., 1924	992	789½	1452	815½	806	4855	220.7
" Jan., 1925	1020	763	1404	782½	793½	4768	216.7
" Feb., 1925	1001	769	1436½	780	785½	4772	216.9
" Mar., 1925	959	746	1434	760	780½	4680	212.7
" Apr., 1925	944	724½	1362	743	776½	4550	206.8
" May, 1925	956	706	1261½	745	789½	4458	202.6
" June, 1925	885½	704½	1234	736	791	4351	197.8
" July, 1925	908	698	1274½	756	809½	4446	202.1
" Aug., 1925	952	718½	1235½	748	796	4450	202.3
" Sept., 1925	934	702½	1250½	752	788	4427	201.2

The decline of 18 points in primary foods is largely due to reductions in the price of flour and a decrease in cereals generally. The outlook for wheat crops in the Northern Hemisphere is good, and with only a quiet demand from millers, owing to liberal offerings at competitive rates, prices are inclined to weaken. The declines in this group were partly offset by increases in potatoes, mutton, and pork. Sugar is mainly responsible for the decrease in the second group, there being a small seasonal increase in butter. In the textiles group, silk and jute are the principal contributors to the increase of fifteen points. Flax fell by 10½ points, but cotton quotations show only small changes on balance. In the minerals group the principal movement was an advance of 4 points in tin. Pig-iron was again slightly reduced. In the miscellaneous section the changes were small, and included a trifling decline in raw rubber. The table below shows the changes in each commodity's index number in comparison with that for the end of August, the figure 50 representing in each case the average level during the basic period 1901-5:—

Index Number.	Inc. or Dec.	Index Number.	Inc. or Dec.	Index Number.	Inc. or Dec.
Wheat—For.	105½ - 6	Cotton, A	117 + 14	Copper	51 - 3
English	86½ - 4	Cotton, B	193 - 3		
Flour	84 - 10	Yarn	124½ + 3½	Minerals	752 + 4
Barley	104 - 2	Cloth	122 ..		
Oats	76½ - 3	Wool, Eng.	128 ..	Baltic timber ..	96½ - 3½
Potatoes	119½ + 6½	Do Aust.	120½ + 12	Amer. timber ..	81 - 1
Rice	78 - 5	Silk	114½ + 2	Leather	100 - 1
Beef	94 + 2	Hemp	61½ + 104	Petroleum	76 - 2
Mutton	104½ + 7	Jute	157½ + 13½	Oilseed	85½ - 1
Pork	934 - 18	Textiles	1,250½ + 15	Tallow	76 ..
Cereals & meat ..				Indigo	90 ..
Tea	160½ - 6	Pig-iron	724 - 14	Crystals	85½ - 1
Coffee	138½ + 1½	Steel rails	71 ..		
Sugar, cane	82½ - 8	Iron bars	89½ + 2	Miscellaneous ..	788 - 8
Sugar, beet	95 + 3	Coal, steam	120½ + 1		
Butter	102½ + 4½	House coal	82½ + 1	Total	4,427 - 23
Tobacco	116½ - 1	Lead	162 + 1		
		Tin	103 + 4½		

The changes make the increase in the total over the figure for the end of July, 1914, 72.6 per cent., which compares with 73.5 per cent. a month ago. The movement in the percentage figure of the various groups is set out below:—

End of—	Cereals & Meat.	Other Food.	Textiles.	Minerals.	Miscellaneous.	Total.
July, 1914	100	100	100	100	100	100.0
Dec., 1918	226	222	293	188	241	237.5
Mar., 1920	261	260	484	269	309	325.6
Dec., 1920	233	229	209	261	230	230.9
Dec., 1921	159	180	180	164	168	169.6
Sept., 1922	151	194	181	150	148	163.3
Dec., 1922	149	200	193	152	146	166.2
Dec., 1923	148	231	225	167	136	178.6
June, 1924	158	210	219	164	139	176.6
Dec., 1924	171	224	235	175	146	189.3
Mar., 1925	166	212	232	164	141	182.5
June, 1925	153	200	200	159	143	169.6
July, 1925	157	198	207	163	146	173.3
Aug., 1925	164	204	200	161	144	173.5
Sept., 1925	161	199	203	162	143	172.6

A year ago the increase over the pre-war figure in the total was 84.4 per cent., cereals and meat standing at 173, other food at 221, textiles at 226, minerals at 164, and miscellaneous commodities at 143.

Electric Supply Progress.—One of the functions of the Electricity Commissioners is that of compiling statistics relating to the electric supply industry. Although some of these do not deal with financial figures, they give a trustworthy guide as to the progress of the industry. Two of such Reports for the year ending March 31, 1925, are now to hand, one dealing with proceedings under the Electricity Supply Acts, the other giving analyses of the units generated and fuel consumed in the generating stations of authorised undertakers, railway and tramway authorities, and certain non-statutory undertakings. (The latter was referred to in an article in the *Economist* of August 22nd last.) The proceedings under the Electricity Supply Acts are mainly concerned with the granting of Special Orders. During the year 72 Special Orders have been made by the Electricity Commissioners authorising supply to new areas. The total area covered by these Orders is not forthcoming, but a general idea of its magnitude is indicated by the fact that the Orders cover supply to (either wholly or in part) 95 rural districts, 68 urban districts, 22 boroughs, two cities, and 27 parishes. The noteworthy point is that such extensive rural areas are now being developed electrically. This is encouraged by the greater facilities which are being given for overhead transmission, the increasing use of which is shown by the list in the report of 81 consents which have been given for the erection of overhead mains in various parts of the country. Another indication of the progress of the industry is given by the amount of new generating plant authorised during the year—namely, about 479,900 kilowatts. As to capital expenditure, the only figure given in the report is that of the total loans sanctioned to local authority undertakers, £13,364,181. This refers to something over half the industry, no figures being obtainable, of course, for the remaining section, the company undertakings. During the year the Commissioners have approved 26 agreements between undertakers for inter-linking their stations or for taking bulk supply, together with two Orders authorising bulk supply. All this tends towards the much-desired elimination of small, wasteful stations, the great need of which is shown by the second report. This report shows that there are 584 generating stations, although considerably over half the output is generated by only 42 big stations. The total units generated for 1925 was 7,415 millions, as compared with 6,681 of the previous year, an increase of 11 per cent. The fuel consumption, however, shows an increase of only 5.8 per cent., which shows the increasing efficiency of production, mainly due to the policy of concentrating supply in big stations.

Trade Board Wages.—A review of the minimum time rates of wages fixed by the Trade Boards in 38 trades appears in the current issue of the *Ministry of Labour Gazette*. During the past four years the Boards have been

adjusting the minimum rates more or less in conformation with the movement in wages generally, and it is of interest to examine the level which has now been reached under this particular form of wage regulation. Having in mind the fact that the Trade Boards were originally instituted to check the evil of sweating, the minimum rates now in force, especially those for men, appear to be somewhat high. The lowest of the rates for men is equivalent to 40s a week, but only 8 rates are below 46s, and 33 are 48s a week or more. When it is remembered that these rates apply in the great majority of cases to unskilled workers, it will be seen that they are appreciably in excess of the rates paid in many of the unsheltered trades not covered by the Boards, and that they do not compare unfavourably with those in some of the sheltered trades—the rates for railway porters, for example, being 46s and 48s a week. The Boards cover a variety of trades, and the minimum rates range from 10d to 1s 38d per hour. Apart from the fact that in some of the trades the lowest-paid workers have a certain degree of skill, as in boot and shoe repairing, there is little to indicate the basis of the differentiation. In the case of stamped and pressed metal wares, the pin, hook-and-eye trade, and the hollow-ware trade, however, there is evidence of the influence of the low wages prevailing in the other metal trades in the Midlands, while in the case of milk distribution and laundries, the high rates fixed point to the effects of shelter. The lowest rate for women, apart from a special rate applicable to the Shetlands, is 64d per hour (25s a week), and, with seven exceptions, the rates lie between this amount and 30s. There are a few unimportant instances of recognised rates in other industries lower than 25s, but generally the level of women's wages is at least as high as the Trade Board rates, at any rate in the organised industries. One item of unique interest is to be found amongst the rates fixed by the Boards, namely, the minima for the tobacco trade, which still remain at the level at which they were fixed in 1920.

Liverpool Cotton Association Report.—The annual report of the Liverpool Cotton Association for the season ended last July contains a mass of valuable statistics. The figures relating to the proportional distribution of American cotton are striking. During the last five years Great Britain has taken only 14.58 per cent., as compared with 30.46 per cent. in 1895-1900. On the other hand, spinners in the United States during the last five years have taken 51.69 per cent., against 35.29 per cent. in 1895-1900. During the twelve months the average price of middling American cotton was 13.76d per lb, against 17.66d in the previous year. With regard to Egyptian Sakel was 29.82d per lb, against 21.55d in the previous year. The import of American cotton into Great Britain during the season was 2,567,583 bales, against 1,681,577 kinds of cotton into Great Britain during 1924-25 were 3,744,985 bales, as compared with 2,968,220 bales in the previous year. The British Empire cotton crops (excluding India) last season were estimated at 343,142 bales, as compared with 168,943 bales in 1922-23. During the last two years several British Colonies show a substantial increase in their production, Uganda being 170,000 bales, against 88,000 bales; South Africa, 20,000 bales, against 6,500 bales; Tanganyika, 17,000 bales, against 7,000 bales; and Nigeria, 37,000 bales, against 17,000 bales.

Free State Trade and Revenue.—The Irish Trade returns for January-June, 1925, show imports at £21,648,286, as against £23,432,986 last year; exports at £14,821,798, as against £18,002,802 last year; and re-Dublin correspondent suggests that these lowered figures are the visible effects of two indifferent harvests (1922-23), general economic and social depression following on the heels of our recent civil commotions. Lowered purchasing power and contracted enterprise diminished imports. Exports were oversold in 1924, and the natural and usual reaction was accentuated by disease due to weather conditions

during the winter season. Pigs fell off owing to price fluctuations, promising ill, and money shortage deterring small farmers from rearing and feeding pigs in consequence. This feature has been reflected in a pig shortage for the bacon factories and in diminished bacon exports. Sheep, also, fell off owing to the ravages last winter of "flu." The recuperation of the livestock trade may take some time yet, but conditions are everywhere more hopeful owing to the excellence of this year's harvest, which probably marks the turning point from depressing conditions. Of course, imports still largely exceed exports, but though, owing to the special circumstances, this tendency is more marked than usual, it is following its normal course, and the adverse balance of visible trade has begun to shrink as the year proceeds. From January 1st to July 30th it amounted to £11,581,000, or a total trade volume of about £50,000,000. The revenue is coming in satisfactorily, but with some shrinkage of Customs and Excise, which is not wholly due to remission of tea and sugar duties, but must be attributed to some extent to diminished consumption due to hard times.

Compulsory Insurance of Sea Passengers.—At the conference this week at Genoa of the Comité Maritime International, the principal subject discussed was a scheme, put forward by shipowners, under which all rights of action by passengers for death or injury would be abolished by law in every country, and passengers would instead be covered by insurance. As indicated in a note in the *Economist* on March 21st last, the discussion of questions as to the protection of emigrants led to shipowners putting forward this proposal of their own for ridding themselves of claims not only from emigrants, but from all passengers. Shipowners would become compulsorily insurers of passengers, receiving premiums as part of passage money, and reinsuring the liability. The obligatory cover would not extend beyond a minimum, and passengers who desired more protection would have to pay more. At the conference delegates from the principal maritime nations were present. The gathering, unofficial in character, was nevertheless representative of shipowners, underwriters, and financial and commercial interests. From preliminary papers circulated before the gathering it appeared that French objections to the proposed convention had been withdrawn, but American opinion was adverse to the compulsory insurance scheme or any similar plan by which the existing rights of passengers travelling by sea would be surrendered or limited. Any such limitation of the liability of shipowners, it was pointed out, was contrary to the traditional attitude of the American Government. From the discussion it appeared that Italian, Norwegian, Swedish, and German representatives were also opposed to the scheme, but eventually the draft convention was accorded a first reading, and was referred to a sub-committee for further examination and consideration of the criticisms levelled at the proposal. Delegates from Scandinavian countries were in favour of dismissing the project entirely, and the volume of opposition certainly appears to have much increased since it was first mooted, but apparently some further attempt at progress with it may be made. At the same conference it was acknowledged that a draft international convention, whereby it was proposed to unify divergent national laws as to maritime mortgages and liens, had proved unacceptable. This work of earlier gatherings, it was agreed, will have to be reconsidered before it can have any chance of general adoption.

Conditions in Finland.—Preliminary returns issued by the Statistical Office of the Finnish Customs estimate the total value (c.i.f.) of Finnish imports for January-August at 3,209.7 million marks and the total value (f.o.b.) of Finnish exports during the same period at 3,443.7 million marks. Exports thus exceeded imports by 234 million marks. The total value of the exported products of the paper industry amounted at the end of August to 99.4 million marks, against 86.9 million marks at the same date in 1924. During the period January-July, Germany, U.S.A., and Great Britain imported into Finland goods to the value respectively of 881.6 million Finnish marks, 454.2 million Fmk. and 452.3 million Fmk. During



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January-July Finland exported to Russia goods to the value (f.o.b.) of 211.4 million Fmk. Finnish exports during July established a record for any single month, amounting to 802.0 million Fmk.; the excess of exports over imports was 342.5 million marks, again a record figure. The revenue of the State Railways during July was 68.5 million marks, compared with 60 million marks during July, 1924. The present year (January-August) has witnessed a considerable expansion in seaborne trade to and from Finnish ports: the share of Finnish-owned tonnage in the export of timber and paper products is given at 9.9 per cent. (January-August). During July there was a marked improvement in the state of the money market, but this favourable tendency was hardly maintained in the following month. As foreshadowed by Mr Risto Rytö some time ago, the Bank of Finland reduced on August 15 the minimum rate of discount from 9 per cent. to 8 per cent. The Budget estimates for 1926 show the following items of expenditure and revenue:—

Ordinary expenditure	Fmk. 2,873,669,680
Extraordinary "	553,059,440
	3,426,729,120
Ordinary revenue	3,324,838,650
Extraordinary "	1,000,000
From State reserves	100,890,470
	3,426,729,120

Sales of timber aggregated at the end of August about 755,000 standards. On the whole Finnish exporters of timber express satisfaction with the results achieved at the meeting in Stockholm of delegates representing respectively the Finnish and Swedish timber industries which concluded on September 8th. On the one hand it was not found practicable to accept a proposal to stabilise the timber market by means of a general limitation of output (though a reduced production is anticipated during the coming winter from the operation of normal economic forces). On the other hand, the negotiators were successful in arriving at an understanding in regard to a proposal to fix minimum prices. The majority of Swedish exporters (75 per cent.) have since signed the agreement proposed. In spite of the continued depression on the timber market, it is predicted that the agreed minimum prices will be an effective means of stabilising the market, to the advantage alike, it is contended, of native producers and foreign buyers. The demand for chemical wood pulp for delivery in the autumn and in 1926 is brisk, the United States being the largest buyer in this market. A special commission has been appointed to consider and report upon proposals for the standardisation of paper sizes by Finnish paper manufacturers.

Brazilian Industries.—A correspondent writes:—The Brazilian Ambassador to the Court of St James's (Senhor Reges de Oliveira) has expressed the wish of his Government to see Brazilian headquarters established in London, with a view to increasing trade and commerce between the two countries. While for this, however, additional financial support is necessary, and at present is not forthcoming, those who have economic relations with the largest of the ten South American States will welcome the intelligence as a sign of progress. The products of Brazil manufactured in the country itself are now so great that it is difficult to see in which direction increased trade with the United Kingdom can be sought. Miscellaneous textiles, which formerly came largely from this country, overcoming all foreign competition, are now produced locally to the value of 1,075,612,278 milreis, forming, indeed, the leading industrial activity of the State. Sao Paulo plays the most important part in textile production, although the State of Rio de Janeiro runs it very close. Some fears are entertained that local textile productions are increasing too rapidly, and that a crisis, in the form of a glut, in the industry must ensue. Similarly, large manufactures are recorded of footwear (valued annually at 113,569,244 milreis). The centre of the industry, as in the case of textiles, is the State of Sao Paulo, where already the surplus output has caused a heavy fall in prices. Beverages (65,632,171), hats (42,372,576), and furniture (33,455,132 milreis) are being produced at the same excessive rates, and the Fathers of the City have expressed some concern at the economic precocity of the town. The increase in the value of textiles, including cotton, wool, silk, and jute manufactures, has been unprecedented—rising from 395,022,000 milreis in 1922 to 1,075,612,000 milreis in 1923. It is expected, however, that last year's figures (when published) will show some decrease in home production consequent upon the glut prevailing in these among other markets.

Conditions in Peru.—Information from Peru points to a less satisfactory economic position, owing largely to the cumulative effects of flood damages and the heavy losses occasioned both to railway property and agricultural products. In the Presidential speech, delivered to Congress three months before the usual date, slight reference only was made to the visitation, which, however, is bound to have a reflex action upon the present year's position. Last year's budget was framed on a probable expenditure of £P7,879,489, while additional credits brought up the total expenditure authorised by Congress to £P8,586,201. Revenue totalled £P9,213,533, thus leaving a surplus of £P631,559. Foreign commerce during the past twelve months reached the sum of £P43,143,795, of which £P18,029,418 were derived from imports, and £P25,114,377 from exports. The net increase over the previous year reached £P5,050,501, while comparing the figures for the last five years with the period 1915-1919, the increase has amounted to £P55,478,000. This year the Government will have to find a considerable sum for repairs to railways, roads, and compensation to agricultural interests. Repairs to the Peruvian Corporation's lines alone have entailed an outlay of about £P220,000, apart from the loss of receipts during the interruption of traffic; in February and March the decrease in gross receipts exceeded 1,077,000 soles, about £100,000, while resumption of normal traffic did not take place until June. Over 35,000 tons of guano along the Peruvian littoral were dissolved, involving about a 75 per cent. decrease in the total guano collection anticipated. This loss has been augmented by a diminution in nitrogen content of the remaining deposits. The disaster has proved the more disappointing since the State Treasury relied upon the profits of the guano industry exceeding during the current year those of the previous twelve months (£P280,584), the highest figures obtained to that date. As a counter-action to an otherwise disappointing position, the country has been considerably aided by the output from the petroleum districts. During the past year this amounted to 1,100,000 tons, an increase of 46 per cent. over the previous financial period. On the other hand, the sugar industry has been adversely affected, prices being low and the exportable supply considerably reduced. Cotton has also

suffered, and those engaged in these two industries have sustained considerable hardships. No increase is reported in the mineral output. The unfavourable agricultural conditions referred to have resulted in several commercial failures, while the banks and large import houses are curtailing the amounts of individual credits to local retailers. Few foreign orders are being placed at the present time owing to the decline in exchange. Under the management of the Marconi Company the postal, telegraph, and wireless services of the republic have greatly improved, and are now being worked more economically than heretofore. More punctual payment of liabilities and pensions to servants of the State has prevailed, while stricter economies have been introduced in the expenditure of each of the seven ministries. Even greater reductions are promised. It is expected that the new import-tax put into force will more than correspond to the calculations upon which it was based, and that Custom receipts will continue to show a healthy advance. Owing to the increase in the price of wild rubber, more attention has been given to this one-time predominant industry of Peru, which had been allowed to fall into an almost moribund condition. Shipments down the Amazon from Iquitos have sensibly improved during the past season, and a new organisation of the industry is imminent. Considerable building activities are now taking place, while it is possible to point to a slight reduction in the cost of living. This has already been aided by the reduction of the duties upon imported rice.

The Rise in Tin.—Experience has shown that market possibilities in tin hinge to a great extent on American absorbing capacity, as in the case of rubber, while in both commodities over two-thirds of the total world's resources are being taken up in order to meet American trade needs. A great deal more interest has been centred on developments in tin within the last few days. The statistics for the past month indicated the substantial shrinkage of over 2,400 tons in the visible supply to nearly 17,000 tons, this comparing with 19,388 tons a month ago. A much larger amount of buying has been effected of Straits tin by home and American importers, and this led to sharply advancing prices, helped by lively dealings in the open market for Standard tin. The strongest feature this week has certainly been the revival of American interest; this had been rather expected, as orders by America had been held back as long as possible in a somewhat doubtful market and in view of the American coal troubles. The price of forward Standard metal on Thursday actually reached £270, which is the highest on that basis a recovery of £17 a ton during the month. Straits tin has become very scarce at this end, a position which does not promise to be remedied for some time. The current price of Standard tin stands at approximately £20 a ton above the average figure recorded for last year of nearly £249; and as we have now started the months of usually heavier American consumption, there is little doubt that future demands from that quarter will play an important part in the future course of the market. Apart from this prospect, there should be a renewed improvement in the Continental and home outlet, while the Welsh orders than for months past. The total deliveries into American consumption for the 12 months to the end of September represent 73,520 tons, and American requirements so far this year have averaged roughly 6,500 tons, and there is good reason for believing that the deliveries of tin over the remainder of this year will continue on a very good scale.

Chenderiang Tin Dredging.—Our mining correspondent writes:—The shareholders in this Malayan enterprise will welcome the company's return to the dividend list, from which it has been absent some five years. In the twelve months ended March 31st last an increased quantity of tin was produced at a slightly lower cost ratio, and, of course, realised a higher average price than before. The two former features would appear to be mainly due to the new water supply, and to the resumption of operation on the part of the company of the hydraulic workings. The

mining profit of \$121,700 is the fourth best since the inception of the concern, and the manager observes that he sees no reason why this figure should not be improved upon for 1925-26. At £6,200, the net profit just about doubles the 1923-24 total; payment of 7½ per cent. will leave the somewhat reduced balance of £4,200 to go forward. Of the area of 1,675 acres, only 1,151 have so far been worked out. Hence the company still has a large extent of virgin ground.

Mining in Rhodesia.—For the greater convenience of stock-taking the new control of the Gaika Gold Company has decided to strike the balance at April 30th instead of June 30th; hence the report just issued covers only ten months. Allowing for this, and for the fact that the gold premium brought in £6,000 less than before, the profit has been well maintained; it figures at £26,500, as against £31,700. Once again a final dividend of 5 per cent. is proposed, making 10 per cent. for the period; but to maintain this rate it has been necessary to draw upon the carry-forward to some extent. Development scarcely maintained the ore reserves, which are now computed at 101,200 tons, value 9.2 dwts; the total, which includes an estimate of excess ore, represents no more than about two years' supply for the mill. An interesting point in the position is that various kinds of surface residues are now being turned to profitable account. Despite the outlay on additional plant, &c., the financial position remains fairly good, the balance-sheet showing a surplus of £38,000. An important development has been reported by that huge, low-grade proposition, the Shamva. From the various cables published, it appears that the incline shaft struck at 1,945 ft, near the tenth level, what is believed to be the main ore body. The first 5 ft gave 5½ dwts; the assay for the next 10 ft brought the average for the whole 15 ft up to 8 dwts; now it is advised that the average for the 30 ft exposed to date is 5 dwts. This means, of course, that the value in the second 15 ft has fallen away sharply. Still, if any considerable quantity even of 5 dwts ore should be opened up at the point in question, it will benefit the profits, as the average grade of the material treated for some time past has been no more than 3½ dwts. Such ore would not be payable but for the very low working cost ratio.

Lago Petroleum Corporation.—In discussing the sale of the British Mexican Petroleum Company by the Pan-American Eastern (controlled by Standard Oil Company of Indiana) to the Anglo-American Oil Company (controlled by Standard Oil Company of New Jersey), it was stated in the *Economist* of September 12th that the sellers reserved the foreign assets of the British Mexican Petroleum Company, including its holding in the Lago Petroleum Corporation and the Lago Oil and Transport Company, which operate in Venezuela. The Pan-American Eastern group has now put forward a plan of reconstruction for the two Lago companies. The British Mexican held, at the time of its sale, about 665,000 shares of no par value in the Lago Petroleum Corporation, and \$2,500,000 preferred stock and 51 per cent. of the 50,000 common shares of no par value in the Lago Oil and Transport. Under the plan of reconstruction, the new Lago Petroleum Corporation is to have a capital of 4,000,000 shares of no par value, and existing shareholders are to be offered one new Lago share for every two now held. The new shares are apparently valued at something over \$10. Messrs Blair and Co., bankers, have underwritten 250,000 new shares at \$10 per share, and have taken an option on 450,000 shares in addition at and have taken an option on 450,000 shares in addition at prices averaging about \$11. Apart from the 332,500 new shares which it obtains in exchange for the old British Mexican holding, the Pan-American is to receive 1,300,000 new shares as consideration for the return to the Lago Petroleum Corporation of 51 per cent. of the ordinary shares and \$2,500,000 preferred stock of the Lago Oil and Transport Company. Presumably the Pan-American Eastern will take up a due proportion of the shares under option to Messrs Blair, so that the Standard Oil

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HOLLAND

group has voting control of the new Lago Company. The immediate advantage of this reconstruction scheme is that the new company will obtain about \$700,000 working capital. Next, the agreement between the Lago Corporation and the Lago Oil and Transport Company, under which the former had to supply the latter with all its production up to 750,000 barrels a day for ten or possibly twenty-five years at market prices, less a discount of 5 per cent., has been cancelled. This means that the new Lago is put into a much better revenue-earning position. It will be free to dispose of its output on the best terms. Finally, the Lago will have the benefit on the field of Standard Oil personnel and supervision. The company has at present a production of 401,500 barrels a month from its wells in the La Rosa field. These wells are for the most part drilled along the foreshore of the Maracaibo Lake, and either off-set or are off-set by the V.O.C. wells drilled on the mainland. The competition between these two companies in the La Rosa field has been severe. The fire which broke out in the field in June last might have been disastrous on account of the close spacing of the rival wells. Oil from a broken flow line from one of the Lago wells was somehow ignited, and burning oil spread over the lake to an extent of twenty-five or thirty acres. Lago lost five derricks and a quantity of oil, while V.O.C. suffered the complete loss of one well, serious damage to two others, and the burning of about 50,000 barrels of oil. An agreement has now been reached between the two companies regarding the future spacing of wells. The Lago properties cover almost the entire bed of the lake, and it is significant that north of the La Rosa field a new producing area is being developed in the waters of the lake which cannot be off-set from the mainland. The vast area of the bed-of-the-lake concession gives the Lago a potentially strong field position, while the possession of an ocean-loading terminal at Aruba Island, the nearest oil field shipping point to Southampton, gives it unrivalled facilities for export.

Agwi Petroleum.—The announcement made by the Agwi directors with regard to the future of the Agwi companies is unfortunately obscure. An offer may be made to shareholders, it was stated, by one of the large oil companies. As was mentioned in the *Economist* of September 12th, the offer will come from the Anglo-American Oil Company, and it is difficult to understand why the Anglo-American has endeavoured to surround its movements with secrecy when they must be perfectly well known to its competitors, the Press, and the Stock Exchange. We understand that the offer may take the form of two new 5½ per cent. preference shares, guaranteed by the Anglo-American Oil Company, for every three held in the Agwi Petroleum Corporation, and one new 5½ per cent. preference, similarly guaranteed, for every one held in the Agwi Marketing Company. These new preference shares would presumably be issued by the Agwi Petroleum Corporation. It must, however, be realised by shareholders that the offer has not yet been definitely made by the Anglo-American. It is certainly a generous scheme for the Agwi shareholders, for if it went through the Agwi Marketing shares would be worth 20s on a 5½ per cent. basis, and the Agwi Corporation shares 13s 4d. The higher valuation of the Agwi Marketing shares is

due to the stronger cash position of that company. On the Stock Exchange the shares have already risen considerably, but this is mere speculation upon the happy result of negotiations which are now proceeding.

THE new session of lectures under the ægis of the Timber Trade Lectures Committee commences on Tuesday next, October 6th, at 6.30 p.m., at the offices of the Timber Trade Federation of the United Kingdom, Oxford court, Cannon street, E.C. 4. The first lecture of the session will be delivered by Mr A. E. Turner, of Messrs

G. P. Turner and Co., insurance brokers, on the subject of "Insurance of Timber Cargoes."

Mr P. D. Leake, F.C.A., will deliver an address to the London Chartered Accountant Students' Society on "Balance-sheet Values" at the Institute of Chartered Accountants on Wednesday, the 7th instant, at 6 p.m.

CORRECTION.—We regret that the letter in our last week's issue relating to Building Societies was signed Walter Harold instead of Walter Harvey.

THE REVENUE.

I.—An ACCOUNT of the TOTAL REVENUE of the UNITED KINGDOM in the undermentioned periods of the Year ending March 31, 1926, as compared with the corresponding period of the preceding Year.

	Quarter from July 1 to Sept. 30, 1925, compared with the corresponding Quarter of the preceding Year.				Period from April 1 to Sept. 30, 1925, compared with the corresponding Period of the preceding Year.			
	Quarter ending Sept. 30, 1925.	Quarter ending Sept. 30, 1924.	Increase.	Decrease.	Period ending Sept. 30, 1925.	Period ending Sept. 30, 1924.	Increase.	Decrease.
Customs	£ 25,896,000	£ 24,733,000	1,163,000		£ 50,077,000	£ 49,593,000	484,000	
Excises	32,378,000	32,592,000		214,000	61,905,000	62,872,000		967,000
Motor Vehicle Duties	2,005,000	1,710,000	295,000		4,838,000	4,106,000	732,000	
Stamps, &c., Duties	14,520,000	14,520,000		100,000	29,970,000	31,520,000		1,550,000
Land Tax, House Duty, and Mineral Rights Duty	5,670,000	4,830,000	840,000		10,160,000	8,810,000	1,350,000	
Property and Income Tax	30,000	90,000		60,000	170,000	840,000		670,000
Super Tax	54,692,000	59,532,000		4,840,000	94,840,000	104,074,000		9,234,000
Excess Profits Duties, &c.	8,060,000	7,360,000	700,000		26,730,000	24,530,000	2,200,000	
Corporation Profits Tax	2,720,000	3,950,000		1,230,000	6,040,000	8,530,000		2,490,000
Postal Service	8,900,000	8,500,000	400,000		16,250,000	15,000,000	1,250,000	
Telegraph Service	1,300,000	1,350,000		50,000	2,600,000	2,700,000		100,000
Telephone Service	3,950,000	3,850,000	100,000		7,750,000	7,700,000	50,000	
Crown Lands	240,000	210,000	30,000		460,000	480,000		20,000
Interest on Sundry Loans	4,616,228	1,798,316	2,817,912		8,407,931	5,809,081	2,598,850	
Miscellaneous—								
Ordinary Receipts	3,086,160	2,713,996	372,164		5,472,619	5,970,650		498,031
Special Receipts	6,684,237	4,438,686	2,245,551		18,264,185	15,576,684	2,687,501	
	174,747,625	172,277,998	2,469,627	6,494,000	343,934,735	348,509,395	10,852,371	15,427,031
			Net Increase, £2,469,627				Net Decrease, £4,574,660	

II.—An ACCOUNT showing the RECEIPTS into and ISSUES out of the EXCHEQUER in the Period ending September 30, 1925, as compared with the corresponding period of the preceding Year.

RECEIPTS.		Period ending Sept. 30, 1925.	Period ending Sept. 30, 1924.	ISSUES.		Period ending Sept. 30, 1925.	Period ending Sept. 30, 1924.
Balances in Exchequer on April 1—				Expenditure—			
Bank of England		5,341,778	5,069,613	National Debt Services—			
Bank of Ireland		1,215,322	1,562,001	Interest, &c.		155,409,406	155,892,594
		6,557,100	6,631,614	Sinking Fund		20,561,534	14,890,552
Revenue, as shown in Account I.		343,934,735	348,509,395	Road Fund		4,237,044	3,505,044
Temporary Advances Repaid—				Payments to Local Taxation Accounts, &c.		4,452,838	4,487,891
Under the Unemployment Insurance Acts, 1921		1,170,000	5,780,000	Land Settlement		2,350,617	2,308,737
Money Raised by Creation of Debt—				Other Consolidated Fund Services		1,298,663	1,133,704
(a) For Capital Expenditure Issues—				Total Consolidated Fund Services		188,549,944	181,942,806
Under the Telegraph (Money) Acts, 1922 & 1924		5,950,000	4,500,000	Supply Services—			
Under the Housing Act, 1914		6,000	4,000	Army, Navy, and Air Force		54,650,000	47,100,000
Under the West Indian Islands (Telegraph) Act, 1924		20,071	260,719	Civil Services		108,691,339	105,164,863
(b) Under the Unemployment Insurance Acts, 1921		1,675,000	140,000	Revenue Departments and Post Office		28,015,477	26,284,326
(c) For other Issues—				Total Supply Services		191,356,816	178,549,189
By Treasury Bills		1,240,448,000	1,198,714,000	Total Expenditure chargeable against Revenue		379,906,760	360,491,996
By 3½% Conversion Loan		25,079,550	13,350,000	Temporary Advances—			
By National Savings Certificates		15	10	Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904		36,891	36,891
By National War Bonds		235,000	13,521,620	Under the Unemployment Insurance Acts, 1921		1,675,000	140,000
By Treasury Bonds, 1925				Under the Telegraph (Money) Acts, 1922 & 1924		5,950,000	4,500,000
By 4 per Cent. Treasury Bonds, 1931-33				Under the Housing Act, 1914		6,000	4,000
(d) Ways and Means Advances		366,531,000	454,209,000	Under the West Indian Islands (Telegraph) Act, 1924		20,071	260,719
Anglo-Persian Oil Company—				Unemployment Insurance Acts, 1921			
Dividends on Shares Acquired			23,109	Repayment of Amounts borrowed		1,170,000	5,780,000
Repayments—				Redemption of Debt—			
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921		111,043	549,398	Treasury Bills		1,172,195,000	1,168,405,000
Do Issues under Section 59 (4) of the Finance Act, 1920		9,901,981		Principal of National Saving Certificates		14,950,000	15,850,000
Interest received under Section 59 (5) of the Finance Act, 1920		142,853		Principal of National War Bonds paid off		306,687	
				Principal of Treasury Bonds paid off		8,344,789	46,671
				Other Debt under the War Loan Acts, 1914 to 1919		23,645,865	
				Ways and Means Advances Repaid		401,845,000	485,118,000
				Anglo-Persian Oil Company			23,109
				Issued to the National Debt Commissioners			
				Balances in Exchequer—			
				Bank of England		8,655,965	4,882,597
				Bank of Ireland		704,360	653,823
						9,360,325	5,536,420
						2,019,412,368	2,046,192,855

Mem.—			
Floating Debt outstanding March 31, 1925	£ 742,195,000		
Ways and Means Advances outstanding—			
Advances by Bank of England	Sept. 30, 1925.	Sept. 30, 1924.	
Advances by Public Departments	131,271,000	155,246,500	
Treasury Bills outstanding	643,850,000	618,900,000	
Total Floating Debt outstanding	775,121,000	774,176,500	
Net Increase	32,926,000		

* Includes £25,000 the proceeds of which were not carried to the Exchequer within the period of the account.

Treasury, September 30 1925.

Oversea Correspondence.

LEAGUE OF NATIONS—RESULTS OF THE ASSEMBLY.

(FROM OUR CORRESPONDENT.)

GENEVA, Tuesday, September 29.

THERE is one outstanding fact of the sixth Assembly of the League which has just come to an end, namely, its deliberate and conscious exercise of its proper influence on the trend of international affairs. For those who seek only striking accomplishments, the Assembly's record may appear either disappointing or humdrum; but if one considers the general direction and character of this meeting, it presents a far more reassuring picture of the definite and stable guiding influence of the League than any previous Assembly. There are some far-reaching deductions to be drawn from this notable development in relation, also, to the proceedings of the Council on the Mosul dispute, but these matters enter rather into the philosophical domain of League discussion, and are rather outside the present considerations of this letter.

The two broad problems which face the world to-day, roughly described, are security and the general economic situation. Where does the Assembly stand in relation to these two things? There is no doubt that it has been the regular and continuous exploration of the League which has led up to the negotiations about to be held for a Western Pact, and though for various reasons the League's general draft scheme, as defined in the Protocol, has not come into practice, it is not to be denied that its general outline will be the basis of most of the achievements which may be looked for in the domain of arbitration, security and limitation of armaments. It may be, indeed, that the League's general tasks may more profitably be the production of general principles and ideas, not always generally applied in one convention, but used as a basis for action step by step, as circumstances permit.

It is rather in this respect that the sixth Assembly commands attention. Hitherto it has sometimes been content somewhat gingerly to touch upon reparations or other dangerous subjects and then to leave them aside; but not so now. Its general discussion and its resolution on security has more authority and more vigour than has previously been the case. It says, in effect, that while it is not possible to go ahead with the Protocol, its general principles remain as guiding lines of conduct. It regards favourably the efforts made by certain nations to attain these objects by concluding treaties of mutual security conceived in the spirit of the Covenant and in harmony with the principles of the Protocol. But it goes further still. It says quite definitely, "Go ahead and do your best on these lines, deposit any such conventions, as you must do, with the League, and the League, instead of automatically registering and publishing them, will examine them in order that the Council may report to the 1926 Assembly on the progress in general security brought about by such agreements." The British Government, as well as other Governments, when they speak about security pacts in accordance with the spirit of the Covenant and under the guidance of the League, will therefore have to give account to the League that they have kept their word, and such treaties as are concluded between now and next September will come into the full glare of international discussion. This is a more revolutionary change in international affairs than has been realised.

Meanwhile, the Council is to make preparatory study with a view to a conference for the reduction and limitation of armaments in order that as soon as satisfactory conditions have been assured from the point of view of general security a conference may be convened.

Some tentative efforts were made to push ahead with the development of arbitration as apart from security and limitation of armaments, but this was not found possible because Great Britain hesitated on arbitration, and because other States declined to consider it as a subject apart from security. But two resolutions were passed, one calling for a thorough study of the views expressed in the Assembly and the Council on the subject of pacific settlement of international disputes, and a report to the next Assembly upon the progress which might be made in

the matter; and the other recalling the guarantees provided in the Covenant, and calling the attention of States members of the League to the desirability, from the point of view of their security, of concluding particular conventions for arbitration, or for the judicial settlement of disputes.

Whatever other conclusion may be reached, one thing is clear, namely, that the sixth Assembly has made certain the importance of the seventh, which, to all appearances, will include Germany amongst its members.

The other aspect of importance, linked up as it was with the matter of security, was the decision taken regarding an economic conference. As one of the means of establishing peace, the Council was invited to consider at the earliest possible moment the expediency of constituting on a wide basis a committee to prepare for an international economic conference, the summoning of such a conference to be a matter for subsequent decision by the Council. The French, who initiated the discussion, wished to go straight ahead with a conference, but the more sober and more cautious procedure adopted was due to the British. The French intend to present proposals to the December meeting of the Council, and it may be just as well for the British to give equal consideration to the matter. It is difficult to foresee what may ultimately emerge. But the general intention seems to be that the conference, when summoned, shall comprise representatives on the widest possible basis, not necessarily to pass resolutions, but to provide a clearing house which may lead to the formation of economic public opinion—something like the Brussels Financial Conference of 1920 in the sphere of public finance. Then, as Brussels led to financial stabilisation in Austria, Hungary, and Germany, so the Economic Conference may lead from the general to the particular. There will be a good deal of discussion as to which subjects are or are not to be barred; but as to the general value of a free exchange of views, there should be no difference of opinion. The financial house of the world is now more or less in order, and as the consideration of Austria's economic position followed upon her financial re-establishment, so the consideration of the world's economic difficulties will follow on the settlement, almost completed, of its financial problems.

Apart from these two broad features of the sixth Assembly, a good many lines of progress were traced in financial, economic, transit, health, armaments, and other directions. The reports, under each of these and other heads, presented after detailed discussion by the Assembly Commissions, are valuable records of work accomplished, and of work being done or to be done. What is called with a certain amount of depreciation the routine work of the Assembly is, of course, one of its essential factors. Never, before the existence of the League, was there anything approaching this annual and thorough examination by an international body of Government representatives of so many fields of international activity.

UNITED STATES.—FRENCH DEBT—MOTOR SHARES

ACTIVITY—TRADE CONDITIONS—PRICES.

(FROM OUR CORRESPONDENT.)

NEW YORK, September 22.

A MARKED change has occurred in the general attitude toward the French debt question during the past few weeks. A month or so ago well-posted persons were hopeful but not optimistic. They saw the desirability of a settlement, and realised that the present was about as good a time to make one as might be had. But they feared that the margin between what the French would offer and what the Americans might accept would be too large to permit a reconciliation of the two points of view. In addition, what appeared to be inspired reports from Washington were not encouraging. Conclusion of the Belgian settlement was followed by strong intimations that the other debtors could expect no such easy terms. There also were stories that led the public to believe that terms equal to those of the British-American debt agreement would be required of France.

During the last week, however, the tenor of inspired utterances has undergone a distinct change. It has been made apparent that the Administration will insist on the repayment of the entire principal amount of the debt, but that capacity to pay will be taken into account when the matter of interest is taken up. The principle of the British settlement seems likely to be followed with regard to the French debt to this extent; the payments on account of principal may begin at half of one per cent., and increase gradually until the entire debt is extinguished in 62 years. This would involve no crushing burden on France, as the initial payments obviously would not amount to more than about \$20,000,000 a year. In fact, France already is paying that amount on account of the debt incurred for purchases, after the armistice, of surplus American war materials. As for the interest payments, present indications are that the American Debt Funding Commission is prepared to take a lenient attitude in its judgments of capacity to pay. It is no secret that the Debt Funding Commission and the Administration wish to arrive at a settlement that can be submitted to Congress when it reassembles. Well-posted observers believe that the public will endorse a settlement that carries the Administration's approval.

Further pronounced advances in motor shares have stirred the conservative critics of market activity afresh. They have not, however, precipitated a real break in stocks. Profit taking naturally has made its appearance, but the reactions have been comparatively small and brief. The critics maintain that speculation is extravagant. At the same time, they are forced to admit that a great volume of standard stocks, such as the good dividend-paying rails, have not participated in the recent advances. They then fall back on the declaration that it is precisely these sharp advances in specialties that characterise the last phases of a bull market. The bulls, on the other hand, rebut with the declaration that our market is becoming more like that at London in that different groups can move independently in response to factors peculiar to their situation. How difficult it is to arrive at simple characterisations of the position that are accurate may be seen when the case of the General Motors Corporation is cited. This organisation's common stock has had a rise this year from a low point of 64½ to a high record yesterday of 107½. Certainly this is a large advance. On some days the stock has moved up three points or so, thus stimulating talk of speculative manipulation. One must remember, however, that the corporation has no funded debt, has some \$140,000,000 in cash, and is earning about \$17 a share this year. The dividend rate is \$6 a share; one extra of \$1 was paid out of the first six months' earnings, and a similar extra probably will be paid out of the second six months' profits. Is 107 an extravagant price for this stock? An affirmative answer to this question is the more difficult when one learns that the corporation's new models have met with great success, that its August production far exceeded that in August last year, and that most of its plants are operating at capacity.

Not all the motor manufacturers are doing as well as General Motors, although several of the stronger companies are making really exceptionally good showings. One of the surprises of the year is the trouble that the Ford Company has encountered in bringing out its improved models. This organisation, which has stood for the last word in efficient mass-production methods for years, has run into a snag that has reduced production to a very low rate. Ford cars are assembled at assembling plants close to the great centres, the parts being shipped from the central factory at Detroit. It is reported that difficulties were encountered when attempts were made to fit the new parts together at the assembling plants. A stoppage of this kind is, of course, only temporary, but it is sufficient, because of the relative importance of the Ford interest, to have a marked effect on production statistics for the industry as a whole.

Current indications of business conditions reflect a continuance of active trade, and estimates of what the rest of the year will bring are optimistic. The steel industry is maintaining its moderate but consistent improvement, and the production apparatus is operating at slightly better than 75 per cent. of capacity. No signs of indus-

trial or business inflation are yet in sight. There has been a moderate firming in commodity prices, but this has been nothing more than a natural recovery from the slump that occurred in the second quarter of the year. For the month of August the price index of the Bureau of Labour Statistics stood at 160 per cent. of the 1913 average. This is precisely the figure that prevailed during January; it compares with a high point of 161 reached in February and March, and with 155 touched in May. As during this period the sharper fluctuations have occurred among farm products and foodstuffs, it will be seen that industrial prices have been relatively stable.

Cotton prices have maintained their firmer tone, with the trade paying considerable attention to the reports of the effects of the drought in the south-west. Wheat prices continue to fluctuate around the \$1.50 level. Altogether, the farmers are expected to have a satisfactory season. Yields in general are generous, and the prices of farm products are fully up to the average for all commodities.

FRANCE.—PUBLIC OPINION AND THE AMERICAN DEBT—A POOL SUGGESTED—NEW LOAN LISTS STILL OPEN.

(FROM OUR CORRESPONDENT.)

PARIS, September 30.

WHILE M. Caillaux and his colleagues are negotiating at Washington, and the world is reading eagerly the development of the pourparlers, it should not be overlooked that the Sub-commission of the French Chamber on the Financial Clauses of the Peace Treaty is at present engaged in drawing up a judicial and accountancy report on the whole question of inter-allied debts. This report may very possibly form the basis of an extremely important modification of the whole aspect of the question. Whatever formal pronouncements may have been made to the contrary, it may be taken for granted that French opinion, as a whole, has taken with very bad grace the demands of Great Britain and the United States for the settlement of the debts owing to them by this country. The vast majority of people in France, perhaps 99 per cent. of them, are convinced that the demands made upon them in this connection are unfair (1) because the money she is called to repay was spent in the common cause, (2) because France suffered infinitely more loss in men and property than her principal Allies, and (3) because the Allies, after having cut down the amount of reparations to be paid by Germany to a mere fraction of what is due to France, are now insisting that the latter shall pay in full. This state of mind has naturally resulted in the present negotiations in Washington being regarded by Frenchmen in general as having an air of unreality, and in a widespread conviction existing that the only practical solution of the problem will lie in the direction of a general, or at least a proportional, annulment of all existing debts, including that of Germany.

This feeling is strikingly reflected in the report which is now being drafted by the Sub-commission referred to. The report, which is being drafted by M. Louis Marin (whose remarkable Parliamentary speech on the debt question a few months ago was adjudged as so exactly expressing the mind of France as a whole that it was unanimously voted to be posted up in every commune in the country), is based on the following three fundamental principles which have been adopted by the Sub-commission:—

(1) That discrimination should be made between the "commercial" debts and the "political" debts. (M. Caillaux, it will have been noted, has been arguing at Washington that the two categories should be united in one whole.)

(2) That the charges born of the war should be pooled and divided equitably among the Allied and Associated Powers.

(3) That in no case shall France be called on to pay in any one year more than she receives from Germany. M. Marin's report will be completed within the next few days, and will be passed on to the Finance Commission of the Chamber. It is unnecessary to point out that it may possibly play an important rôle, both in crystallising French Parliamentary opinion on the whole interallied

debt question when it comes up for discussion by the full commission, in conjunction with the consideration of the provisional settlement arranged in London and of whatever agreement M. Caillaux may bring back with him from Washington. In any case, it may be taken for granted that, in view of the present state of mind of the French Chamber on the debt question, there is no probability that the solutions arrived at by M. Caillaux in London and Washington will be accepted here without at least a very stiff fight.

M. Marin himself is one of the financial experts of the Chamber, and he has undoubtedly an important following in all parts of the House, while the views he holds are shared by an infinitely larger proportion of the electorate. M. Marin's considered opinion is that the United States has been obsessed for the past six or seven years with the idea of "draining all the gold from Europe, as it drained, 30 years ago, all the gold from Latin-America." He fears that the Americans, in the event of their not being paid, will follow the classic precedent of securing control over the French railways and other national assets by pressing their claims as creditors, but he insists that no terms approaching those now being discussed in Washington will ever be ratified by any French Parliament. The report which he is now engaged upon, M. Marin insists, will bring the whole question to a head.

The closing of the subscription lists for the new 4 per cent. loan by which it is hoped to consolidate a substantial proportion of the floating debt, which was originally fixed for September 15th, and then postponed (in consequence of the bank clerks' strike) to the end of the month, has been again postponed until October 20th. The events of the past week have confirmed the suggestions made last week in this column. An important conference of presidents of Chambers of Commerce and leaders of the great trading, industrial, and agricultural associations was held at the Quai d'Orsay, under the presidency of M. Painlevé, when the whole question of stimulating subscriptions to the loan was discussed. The lists are to be kept open for another three weeks to enable the nation's financial and other leaders to exercise their influence with holders of National Defence Bonds and other floating debt descriptions, by the use of both patriotic and practical arguments.

There are many indications that M. Caillaux's project, excellent as it is in many ways in theory, is not proving as attractive to the generality of holders of Defence Bonds. Business men and the financial world in general are awaiting the result of the loan with a good deal of interest. With a view to assisting the operation, M. George Bonnet, the Under-Secretary of State in charge of the issue, has made the interesting announcement that the new Rentes may be stipulated in loan contracts as valid for the payment of both interest and principal, and may also be utilised in connection with the sale of property, leases, businesses, &c.

The amount of 6 per cent. Treasury Bonds (1922) deposited for reimbursement last Friday is understood to have amounted to 3,800 million francs, which, it was understood, the Treasury would meet by securing the necessary notes from the Bank of France. According to last week's bank statement, the total advances to the State were 28,900,000,000 (including a further 100,000,000 borrowed during the week). As the legal limit now stands at 32,000 millions, the Treasury has a margin of only 3,100 millions to meet the emergency, in the event of the holders of matured bonds all requiring to be paid in cash. As a matter of fact, however, a substantial proportion of the holders agreed to convert their bonds into the new Rentes, while others reinvested in National Defence Bonds the notes received in reimbursement of the securities that had come to maturity. By special arrangement between the Treasury and the banks, moreover, reimbursement payments have been spread over a period which will not expire until after the end of September. The payments that have to be made at the end of this month are always the most important of the year, hence it has been important that arrangements should be made so that the payments due on September 25th and September 30th should not weigh too heavily, not only on the Treasury, but also on to-morrow's Bank of France statement. The available margin in respect of the note

circulation is much larger than that left in regard to advances by the Bank to the State, there being (according to last Thursday's statement) power to issue a further 5,444 million francs of notes before the legal authorised limit of 51,000 millions is reached.

GERMANY.—CREDIT—REICHSBANK—INDUSTRY—FOREIGN TRADE.

(FROM OUR CORRESPONDENT.)

BERLIN, September 29.

THE revival of credit-giving by foreign countries, chiefly by the United States, has had no visible effect either upon business or upon the security market. Home business at the autumn fairs was hampered by the inability of manufacturers and merchants to give the long credits which buyers required. In dealing with East Europe, in particular with Russia, the unfavourable credit conditions offered sometimes result in loss of orders when tenders in other respects are satisfactory. The currency and credit questions are being discussed in connection with the Government's so far abortive price-reduction policy, a chief feature of which is cheapening of loans granted out of public moneys, as described editorially in the *Economist* of last week. There is a certain nervousness, which has not been dispelled by the foreign loans, which tend to increase the currency circulation in so far as the yields are spent here, and in general to increase the import surpluses. The Government, after long ignoring the once strictly regulated question of the use of foreign currencies, has been obliged to take measures against pricing in dollars, which is common in the textiles trade. Wool and cotton combines which persist in this practice are being threatened with compulsory dissolution under the Marx Cartels law. The Ministry of Industry holds that cartel rules enforcing reckoning in foreign currency imply a distrust of the native currency which is not justified. The industrials retort that they can only assume obligations in foreign exchange (as raw-textile importers must do, if they can acquire the same exchange; and that they could, therefore, sell for Reichsmarks only if they could buy exchange forward with Reichsmarks, which at present they cannot do. A market for Reichsmarks abroad at present hardly exists. Under present laws and regulations any German can, without official permission, buy as much foreign exchange as he likes. But there is no guarantee that this will always be so; and certain occurrences, such as the decline in the Reichsbank's exchange reserve (which will be more than made good by the new loans), and the sharp rise recently in the exchange of dollar notes as a result of Polish buying, are being exploited by the industrials as a reason for retaining the dollar calculation as a stand-by. The Rentenbank Institute loan, and the Bavarian, Bremen, and other foreign loans will bring in a large quantity of exchange, and will presumably prolong the period of import surpluses, which are officially regarded merely as a result of borrowing from abroad. According to the official theory, the import surpluses will decline if the borrowing declines. But even long-term loans must burden the foreign payment-balance with interest liabilities; and if the interest on the past loans can only be provided for out of the capital of the new (as must be concluded from the present foreign trade balance), it is hard to see whence money for this interest will come once foreign lending ceases. The yield of the Renten Institute loan, it is understood, will be put at the disposal of the agricultural credit and mortgage banks some time in November. According to newspaper statements, these institutions will get it at 87.1, to be repaid after ten years at par.

The Deutsche Verkehrs-Kredit-Bank, which conducts the banking affairs of the Railways Corporation, is increasing its capital from 2 to 4 million marks. A dividend of 12 per cent. is announced for 1924-25. Money is much in demand for the month-end settlements. The day money rate has risen in the last few days to 9½-11 per cent. Money for several days to carry over the month-end, and month money, are not to be had. The yield of the Renten Institute loan, it is understood, will not be put at the disposition of the money market while awaiting distribution to the agricultural banks; and the Rentenbank will probably invest the money tem-

porarily in bills from the Reichsbank's portfolio. The Reichsbank's return for September 23rd shows a decline of 73 million marks in discounts, of 2.8 million marks in advances, and of 101 million marks in circulation. Gold reserve increased by 30.2 million marks to 1,174,766,000 marks, but legal exchange-cover fell by 48 million marks, this being the second occasion on which the latter declined by more than the former increased.

The wholesale index number for September 23rd shows a slight drop. The year's movements of this index and of the cost-of-living index are:—

Average in—	Wholesale.	Cost-of-Living.
January	138.9	(different system)
February	136.5	135.6
March	134.4	136.0
April	131.0	136.7
May	131.9	135.5
June	133.8	138.3
July	134.8	143.3
August	131.7	145.0
September (23rd)	124.9	(not issued)

While the wholesale price level has been reduced by the drop in certain foodstuffs and textile raw materials, the rise in rents has affected the cost of living, and the drop in wholesale prices and raw materials has not yet fully affected retail and manufactured goods. A report by the Prussian Chamber of Agriculture shows that in Berlin the wholesale and retail traders' combined share in retail prices is larger, and the producers' share smaller, than before the war, but an inquiry by the Mayence Chamber of Commerce shows a contrary result. A rise in the price of potash is expected. The prices of iron, coal, and some other materials have been reduced by $\frac{1}{2}$ per cent., to correspond to the latest reduction of the Sales Tax. The Rhenish-Westphalian Coal Syndicate has fixed the standard coal price from October 1 at (Fördergruskohlen) 13.68 marks per metric ton, (Förderkohlen) 14.92 marks. The pig-iron Syndicate has reduced the prices of hematite and foundry pig consigned to West and South Germany by 2 marks per ton, to Central, North and East Germany hematite by 4 marks, foundry iron by 5 marks, Spiegeleisen and Luxemburg foundry iron to all districts by 3 marks.

Industrial activity is slowly declining. Unemployed in the metal workers' trades union on September 1st were 4.34 per cent., against 3.46 per cent. a month earlier; textiles unions, 2.99, against 2.8 per cent.; factory workers' union, 4.81 per cent., against 3.64 per cent.; bootmakers' union, 4.98, against 4.62 per cent. The decline in the coal output has for the moment ceased. Output of fuel in the first months of 1925 was:—

	Coal.	Lignite.	Coke.
	Metric Tons.	Metric Tons.	Metric Tons.
1925 (without Saar)	86,865,735	90,426,777	18,285,795
1924	73,576,392	77,781,152	14,581,793
1913 (present area)	94,580,845	56,658,980	19,629,283
" (then area)	127,318,665	56,658,980	21,418,997

The iron and steel market has not recovered, but the deterioration seems to have ceased. Large stocks of unsold pig-iron are on hand despite much reduced production. A further restriction of output by the Raw Steel Syndicate is expected. The present reduction is to 65 per cent. of the full quotas. Shipping is depressed, and the Federal Government and the State of Bremen have been obliged to give a joint credit to a Bremen yard to prevent the discharge of men.

The abolition of import and export prohibitions, with certain exceptions, from October 1st, is not expected to produce any marked change in foreign trade. Motor-car merchants declare that light, cheap cars, the kind wanted here, will be kept out by the greatly increased duties. It is expected that the maximum duties will be reduced in negotiations with France and Italy, and from this exporters in other countries that enjoy most-favoured-nation treatment would benefit. There is a great shortage of certain kinds of textiles, in particular unbleached cottons, a result of the import prohibitions, now abolished; of the cessation of duty-free Alsace-Lorraine deliveries; and of German sales to abroad; and in turn Germany is obliged to buy English and Czechoslovak goods, and, owing to the relatively high duties, to pay dearly for them. The new 100 per cent. increase in cotton duties is already being exploited. The *Textil-Woche* publishes comparisons

showing that unbleached cotton cloth, calicoes, and cretons cost from 20 to 27 per cent. more than abroad.

Latest foreign trade figures are:—

(000's omitted.)

	Jan.-Aug., 1925.	July, 1925.	August, 1925.
Imports—			
Livestock	87,255	14,063	12,891
Food and drinks	2,791,925	449,568	453,570
Raw and half-manufactured goods	4,456,426	533,459	552,372
Manufactures	1,381,976	156,977	150,608
Wares	8,716,582	1,154,067	1,178,511
Gold and silver	593,925	25,885	124,945
Totals	9,310,507	1,179,952	1,303,456
Exports—			
Livestock	10,310	483	416
Food and drinks	326,132	33,773	28,050
Raw and half-manufactured goods	1,006,732	140,442	143,440
Manufactures	4,241,237	568,162	552,679
Wares	5,584,411	742,860	724,585
Gold and silver	21,461	3,642	2,910
Totals	5,605,872	746,502	727,495

In the first "Dawes Year," ending August 31st, imports were 12,443 million marks, exports 8,138 million marks (precious metals omitted).

CZECHOSLOVAKIA.—ARBITRATION TREATY WITH GERMANY—1926 BUDGET—GENERAL CONDITIONS.

(FROM OUR CORRESPONDENT.)

PRAGUE.

THE recent exchange of Notes between Germany and the Allies has been followed, without any loss of time, by the opening up of negotiations between that country and Czechoslovakia. The instability of post-war conditions drove the latter to seek support in the West—particularly from France. Perhaps there were many who felt that French interests in Czechoslovakia were too great. But whatever may have been the actual state of affairs in 1919-1922, the careful observer must have been conscious of a distinct change in the attitude of the average Czechoslovak during the last three years. There has been a decided inclination towards independent development, together with a realisation of the direction in which his chief economic interest lay.

This is the first time that direct political contact has been established between Prague and Berlin, and the results, if successful, should not only influence the future relations between the Little Entente and Germany, but be productive of a better understanding between the Czechs and the Germans in Czechoslovakia.

That the economic interests of these two countries—Germany and Czechoslovakia—depend upon mutual understanding must be obvious. Germany easily leads the way as the chief importer of Czechoslovak goods, as the latest available statistics prove:—

(In Millions of Czech Kc.)				
Czechoslovakia Exported				
To—	In Aug., 1924.	In Aug., 1925.	Increase.	
Germany	204	315	+ 111	
Austria	260	229	— 31	
Hungary	87	96	+ 9	
Great Britain	85	92	+ 7	

Thus, while the exports to Austria fell by one-seventh, those to Germany rose by one-half.

The conclusion of such an Arbitration Treaty with Germany would also be but the logical sequence to the untiring efforts of Dr Benes during the last six years.

Probably the greatest claim which the Coalition Government will make to the continued support of the Czechoslovak people at the coming elections will be the fact that the 1926 Budget shows the first surplus since the war. Such an early publication of the new Budget is justified on the grounds that it will enable other urgent matters to receive their due attention, and give all parties equal opportunity to prepare for the elections.

The decision of the Government to do away with the old division of the Budget into two parts—a normal Bud-

get, and "a special Budget for expenditure upon extraordinary public works"—and to issue instead a simple all-inclusive statement of public expenditure and revenue, will enable the foreigner to arrive at the real state of financial affairs much more easily than in the past, and receive the approval of all economists.

A comparison between the 1925 and 1926 Budgets show:—

	(000's omitted.)		Surplus.
	Expenditure.	Receipts.	Kc.
1925	9,573,586	9,301,334	— 272,251
1926	10,070,271	10,085,753	+ 15,481

The "special budget expenses" are included in the 1925 figures, but not in those of 1926.

The chief items of expenditure are:—

	1925.	1926.
	Kc.	Kc.
Public Debt	2,096,547	2,050,698
National Defence	1,815,436	1,935,403
Social Welfare	794,142	853,590

While in the revenue we find:—

	1925.	1926.
	Kc.	Kc.
Receipts from Taxation	6,674,145	7,305,144
" State Monopolies	47,367	50,039
" Enterprises:—		
Tobacco	1,013,943	1,016,610
Post Office and Telegraphs	241,611	158,744
Railways	191,531	214,773
Estates	134,740	87,764
Mines	41,942	29,622

The national expenditure has been reduced since 1922, from 22 milliard Czech Kc. to 10 milliard.

Dr. Becka attributed the surplus to the stabilisation of the Czech crown (Kc.), which process was now complete, the commercialisation of the State enterprises, and the consolidation of the short-term debt which has strengthened the money market. (The reduction in the number of State employees will show itself in future budgets.)

Money tightness still continues on the Prague exchange, though the probability of an American loan, and the results of the harvests—especially of the record sugar-beet crop—give hopes of a larger supply of money in the immediate future. In connection with the new American loan, a Czechoslovak delegation will shortly leave for the United States to arrange for the funding of its debt to that country.

The sugar, glass and textile industries continue to show excellent export returns, and despite the statements of many textile manufacturers that this year's profits will be low, it is well known that many of the factories are so busy that they have had to refuse any more foreign orders for the immediate future.

ROUMANIA.—WAR DEBTS—LOAN NEGOTIATIONS—AGRICULTURE—EXPORTS—EXCHANGE.

(FROM OUR CORRESPONDENT.)

BUCHAREST, September 19.

INTER-ALLIED debt discussions are occupying a considerable amount of space in the Roumanian Press, the activities of Finance Minister Vintila Bratianu in Western Europe throughout the past month having raised hopes that a solution of the problem is in sight. Roumania is a war debtor to Great Britain, France, and Italy to the amount of (in round figures) £24,000,000, 1,000,000,000 and 120,000,000 lire respectively. In addition there is the post-war relief debt of some \$42,000,000 owing to the United States.

In respect to the British, French, and Italian debts, it is the general assumption here that Roumania will not be expected by her former Allies to repay more than she actually receives in cash from war reparations. This feeling has been strengthened since Mr Bratianu's return to Bucharest a day or two ago by the Finance Minister's announcement that he found the representatives of the British and French Governments, with whom he discussed the matter of Inter-Allied debts "very sympathetic to Roumania's viewpoint."

The situation in regard to the American debt does not seem so promising, but it is hoped that the commission headed by Mr N. Titulescu, the Roumanian Minister at London, and a former Minister of Finance, which leaves

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for the United States in the middle of October, will secure funding terms at least as favourable as those accorded to Belgium.

The attitude of the Washington Administration in respect to loans to European countries that have not arranged the funding of their war debts in the United States seems to be acting as a spur to the Roumanian Government to get the American debt satisfactorily arranged as promptly as possible. Roumania, of course, is in the market for foreign capital, and negotiations with an American group (important representatives of which are at present in Bucharest), which have been proceeding for several months, are now understood almost to have reached the point where the approval of the Washington Administration is all that is necessary before "signing up." The understanding is that substantial credits are to be granted by the American group for the purchase in the United States of equipment and supplies for the State railways, and perhaps also for other public utility enterprises. A hydro-electric plant for the City of Bucharest, to cost \$1,000,000, is one of the projects of this character now under discussion. There is a vast field here in which foreign capital can find employment, and what up to the present has been the principal obstacle in the way of its entry—i.e., inability to obtain acceptable guarantees—seems on the point of being removed by the present willingness, so it is stated, of Mr Vintila Bratianu to give American lenders some measure of control over the gross revenues of the State railways, and of other enterprises for which foreign credits are sought—and badly needed.

The midsummer optimism over the moderately satisfactory harvest prospects—moderately satisfactory meaning slightly better than last year, but still far behind pre-war yields—has now given way to considerable pessimism because of the complete stagnation in the grain export market since the present season's crops began to come in. The competition of Russia, and, in a lesser degree, of Yugoslavia and Bulgaria, is making impossible the export of Roumanian grain—handicapped as the latter is by the prevailing export tax of £3 per ton on wheat and £2 on other grains. The exchange market has sharply reflected this situation, lei having declined from 925 to 1,025 to the £ within the past month. If lei exchange cannot hold its own at what should be the height of the grain export season, the situation is indeed disquieting. Bankers and agricultural interests—in fact, the entire business community—are bringing strong pressure to bear on the Government to abolish, or drastically to reduce, export taxes. The banks presumably are tied up with a considerable amount of agricultural paper that they would like to get out of their portfolios. Any delay in the removal of obstacles standing in the way of grain exports may have serious consequences, since the present cold snap is a sharp reminder that the Danube will be closed to navigation within a few months, and then grain exports on a large scale will be out of the question until next spring. And, in the meantime, the autumn sowings will suffer if farmers cannot market their present crops.

The Government is in an unenviable situation, since the loss of export taxes will mean upsetting the Budget equilibrium which Mr Bratianu has worked so strenuously to attain—and retain—throughout the past three years. Budget equilibrium, however, if that has to be sacrificed, is a minor matter compared with the saving of agriculture, upon which the great mass of the Roumanian people depend for their existence.

Owing to declining grain exports, the foreign trade balance for the first quarter of the present year showed a deficit of approximately 600 million lei. The figures for the second quarter will probably be more adverse than this, since wheat was actually being imported during that period.

cerned might well consider their regular inclusion in future issues.

The Stanford University of California, U.S.A., is another body whose publications are of considerable value to the student and trader. The Food Research Institute of the University publishes a monthly series of wheat studies, giving a critical review of various aspects of the world's wheat situation. The most recent issue, dated August, 1925, deals with the disposition of American wheat supplies. Sources of statistical information are enumerated, and their reliability appraised. These studies would seem to be especially useful to those desiring to keep abreast with the results of modern scientific research in this branch of agriculture.

BOOKS RECEIVED.

- Foreign Exchange.** By Ernest H. Lever. (London) Charles and Edwin Layton. 8s 6d net.
- Loans of Local Authorities (England and Wales).** By J. R. Johnson. Second Edition. (London) Chas. Knight and Co., Limited. 3s 6d net.
- The Railways, 1825-1925.** By J. T. Walton Newbold. (London) Labour Publishing Company. 4s 6d and 2s 6d net.
- A National Rural Policy.** Prepared by a Special Committee on Rural Reconstruction. (London) Noel Douglas. 2s 6d and 1s net.
- International Crop Report and Agricultural Statistics.** September, 1925. (Rome) International Institute of Agriculture.
- Statistical Abstract for British India.** Statistics from 1914-15 to 1923-24. (Calcutta) Government of India Central Publication Branch. 2s 3d.
- Le Teorie Sociologiche.** By Filippo Carli. (Padova) Dott. Antonio Milani.
- La Restauration Financière de la Pologne en 1924.** (Varsovie) Banque de Commerce.
- Die Stellung Hamburgs in der Organisation des Welt-handels mit pflanzlichen Ölhstoffen und den Erzeugnissen der Ölmüllerie.** Von Dr. rer. pol. Arnold Otting. (Hamburg) L. Friederichsen and Co. 7.50 marks.
- The Empire Cotton Growing Review.** October, 1925. (London) A. and C. Black, Limited. 1s net.

OFFICIAL PUBLICATIONS RECEIVED.

The following may be obtained from H.M. Stationery Office, Adastral House, Kingsway, W.C. 2:—
Annual Report of the Progress of Civil Aviation.
 April 1, 1924-March 31, 1925. Cmd. 2489. 2s net.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET, October 7. ACCOUNT, October 8.

THE fall to 4 per cent. in the Bank rate is the chief amongst a number of interesting Stock Exchange features this week. No one in the House had looked for any change to be made. Stock Exchange authorities promptly declared that the reason must be political, and that the step had been taken with the intention of stimulating industry. It caused a series of rises amongst gilt-edged stocks, and emphasised a remarkable rally in Home Railway ordinary issues.

The block of new Conversion Loan was placed, as to the greater part, with subscribers who tendered at 6d per cent. above the minimum price of 76½. On the Bank rate announcement, the new scrip rose to 10s premium. The War Loan and other British Government descriptions were sharply advanced, and a few colonials strengthened.

French bonds were good, on the reported debt arrangements with the United States, but reacted sharply yesterday. A good deal of investment buying served to lift the prices of European reconstruction loans, Austrian, German, Greek, and Prague amongst them. Brazilians are rather better. Chinese and Japanese bonds show little change.

Home Railway stocks have experienced substantial rises. The upward movement began as a result of the Communists' defeat at the Labour Congress at Liverpool. The fall in the Bank rate helped to assist the rise, and prices have spurred by points apiece as regards all but the deferred stocks, which followed more calmly. Undergrounds have been prominent in the advance.

Cordoba Centrals exhibit material gains; a private meeting of large stockholders was held on Thursday, and proposals for a capital reorganisation are expected to appear very soon. Other Argentine railways improved. Leopoldinas have gone ahead noticeably.

The rubber market is in a condition of confident buoyancy. Business throughout the week has been on a tremendous scale. Tea shares are inactive, many of their supporters having gone over to the rubber market. Oil shares are being persistently "talked" better, but the public are indifferent to this market's claims upon attention.

Business remains quiet in shipping, banking, insurance, and trust companies' stocks. Tobacco shares have lost their recent power to charm the speculator, and are almost neglected in London. A little improvement occurred in Courtaulds, other textiles being easier on balance. Watney deferred appears to be bound for 400. Sudan Plantations had a further jump on anticipation of the report foreshadowing a rearrangement of capital. Wireless shares, particularly Canadian Marconis, have been better. Cable Construction varieties recovered from their previous dullness. Armstrongs fell back upon the postponement of the interim dividends on the company's junior preferences, and this caused depression in the iron and steel list as a whole. Later, however, the market rallied to a slight extent. Dunlops and other speculative favourites retain their popularity with their own friends, but attract no fresh public attention. Nitrates have hardly altered. Electricity shares and gas stocks failed to derive any benefit from the end of this year's "summer-time."

South African mining shares are dull. West Rand Consols, Langlaagte Estates, and Van Ryn Deeps underwent somewhat capricious changes. The platinum shares have been weak; vague talk of financial difficulties at the Cape is in circulation. Rhodesians are deserted by many speculators attracted by the magnetism of rubber shares. The Near East has been a buyer of various Straits tin companies' shares. Paris moods were reflected, as usual, in diamond and copper shares. West Africans seem to be waking up. The miscellaneous mining sections produced no special feature, and Friday's preliminary arrangement of the carry-over found the open account to be little altered from that of a fortnight ago.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded.....	£129,523,600	£129,523,600	£129,523,600	£129,523,600
ISSUES OF THE WEEK—				

£40,000,000 3½% Conversion Loan.....	£30,520,000.
Average price £76 6s.	

NATIONAL SAVINGS CERTIFICATES.			
NET RECEIPTS INTO THE EXCHANGERS ELEVEN DAYS SEPT. 30, 1925.			
April 1, 1925, to Sept. 30, 1925, £1,600,000	£	£	£

350,000	350,000	350,000	350,000
Total of all issues for nine months ended Sept. 30, 1925.....	£160,393,600	£160,393,600	£160,393,600

To the Public—				
Lennards Real Property Co., Limited, 50,000 Ord. Shares of £1, at 24s	50,000	60,000	10,000	50,000

Total offered to the public	50,000	60,000	10,000	50,000
To Shareholders—				

Anglo-Canadian Oilfields, 250,000 Ord. Shares of £1, at 25s	250,000	312,500	156,250	156,250
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Western Electric Distributing Corporation, 20,000 6% Cum. Pref. Shares of £1, at par	20,000	20,000	20,000	20,000
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Ditto 20,000 Ord. Shares of £1, at 25s 6d per share	20,000	25,500	25,500	25,500
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Gold Coast Explorers, 1,000,000 Shares of 1s each, at par	1,000,000	1,000,000	1,000,000	1,000,000
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Pernam bang Rubber, 39,000 Shares of £1, at 22s 6d per share	39,000	43,875	43,875	43,875
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Merchiston Rubber Estates, 15,000 Shares, of £1, at 30s per share	15,000	22,500	15,000	7,500
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Kuala Perang Syndicate, 60,000 Shares of 2s each, at 4s 6d per share	6,000	13,500	3,000	10,500
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Total offered to shareholders.....	487,875	313,625	174,250	174,250
Total offered for subscription to date in—				

1925.....	160,941,475	1924.....	208,386,100
1924.....	134,616,265	1923.....	271,393,173
1923.....	216,807,637	1922.....	573,675,650
1922.....	512,663,137	1921.....	388,978,203
1921.....	206,136,047	1920.....	367,549,556
1920.....	301,121,169	1919.....	1,036,069,951

Galeries Lafayette, Limited.—Share capital £250,000 in shares of £1 each, all of which have been issued. There is also £250,000 of 6 per cent. first mortgage guaranteed registered debentures, and in accordance with Stock Exchange regulations particulars are advertised of an issue of £200,000 of these debentures at £91 per cent. They are guaranteed as to principal and interest by the Société Anonyme des Galeries Lafayette, of Paris. It is stated that the debentures

will be repaid by means of a cumulative sinking fund of 3 per cent. per annum commencing in 1926, which, it is added, "will be sufficient to redeem the whole of the debentures by November 1, 1945. The sinking fund will be applied in the purchase of debentures below par, plus accrued interest, or by drawings at par, but the company reserves the right of repayment at £102½ per cent. on November 1, 1935, or any succeeding interest date on three months' notice. The debentures have been purchased in the first place at £89 per cent., and are being resold at £91 per cent. The company was formed to carry on in London the business of ladies' outfitters, and acquired in 1920 certain premises and assets. The cost price of the company's leasehold buildings, &c., appear in the balance-sheet at cost, namely, £423,285, but no independent valuation is given. The net profits are stated to have risen from £26,855 for the 10 months of 1922 to July 31st, to £59,513 for the 12 months ended July 25th last. The above figures are arrived at before charging interest on the original 6 per cent. debentures, loans, &c., and before allowing for depreciation. They do not, however, include £104,584 representing profit on exchange, which, together with £41,399 taken from net profits, has been used in writing down buildings, plant, goodwill, &c. The amount required to cover the interest and sinking fund on the debentures is £18,000 per annum. The original debentures, it is stated, have been paid off, and the outstanding bankers' loans will be paid off out of the proceeds of the present issue. According to the advertisement the French company (Société Anonyme des Galeries Lafayette), which will guarantee the principal, interest, and sinking fund of the debentures, has been in existence for 26 years. The capital is 100,000,000f. The company has issued long-term bonds amounting to 44,000,000f, and the total liabilities of the company, apart from the share capital and reserves, amount to 255,000,000f against assets amounting to 451,000,000f, of which 345,000,000f is in liquid form. Goodwill and preliminary expenses have been entirely written off. A prospectusless issue.

Lennards Real Property Company, Limited.—Authorised capital £400,000, all of which has been issued. This is an offer for sale of 50,000 ordinary £1 shares at 24s per share. The company was registered in 1920 to purchase 40 freehold shops and properties from Lennards, Limited, boot and shoe retailers, who acquired the whole of the ordinary shares in part payment of the purchase price and unconditionally guaranteed the preference dividend. According to the balance-sheet as at December 31st last, the properties are valued at £445,340. This, it should be noted, is an offer for sale, in which no details as to past profits are given.

Romana Petroleum Company, Limited.—Share capital, £200,000, in shares of 2s each, all of which have been issued. In addition there is outstanding £50,000 of 6 per cent. first mortgage convertible debentures. The debentures are repayable on December 31, 1929, but the company has power to redeem at par at any time on three months' notice, while the holder may exchange at any time before December 1, 1929, into 1,000 fully-paid shares. The debentures have been subscribed for at £80 per cent. The company owns oil properties of about 670 acres in Roumania, 418,600 2s shares, out of a total of 600,816 shares in the Anglo-Roumanian Oil and General Trust, and other oil investments at a total cost of £13,267. The wells on the company's properties were destroyed during the war, and the company's claim for 25,109,428 lei for loss suffered and damage done is still the subject of negotiation. The company has not been able to resume operations since the conclusion of the war. It is stated in the advertisement, from which the foregoing particulars are taken, and which is to comply with Stock Exchange regulations, that "it is intended to recommence as speedily as possible, and debentures have been issued to provide working capital. The company's prospects are difficult to forecast, and the published advertisement does not help us much.

Pita Fibre and Rubber Estates, Limited.—Share capital £60,000 in shares of 2s each, all of which have been issued. In addition £13,500 of 10 per cent. convertible debentures, out of a total authorised of £16,500, have been issued. The debentures are convertible into ordinary shares at par at any time until July 1, 1930, and if not converted the company has the right of redemption at £105 on six months' notice. The debentures constitute a first floating charge upon the undertaking and assets. The company, of which particulars are advertised in accordance with Stock Exchange regulations, was incorporated in January, 1924, to acquire a rubber estate in Sumatra of 9,303 acres, together with nurseries of pita fibre. The total planted area is stated to be 908 acres. The purchase price was £57,000, the whole of which was satisfied by the allotment of ordinary shares. The rubber crop harvested during the period from October 1, 1924, to March 31, 1925, was 116,339 lbs. It is stated that the intention is gradually to increase the area under rubber, but a great deal of additional planting will be necessary before the large capital is justified.

Zenebi Tin Mines, Limited.—Authorised capital, £60,000 in 2s shares, of which 500,007 have been issued. The company, particulars of which are advertised in order to comply with Stock Exchange regulations, was incorporated on July 31, 1925, to acquire and work mining properties in Nigeria and elsewhere. It owns prospecting licences and mining rights in Northern Nigeria over about five square miles. The purchase price of £35,000 was paid in cash.

ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Price	Week	Latest	Price	Week	Latest
War 5½%, 1925-28.....	97½	97½	97½	Aust. 5½% 1931-41.....	103	103
Loans 5½%, 1925-45.....	96½	96½	96½	India 5½% Stock.....	67½	67½
Loans 5½%, 1925-47.....	101½	101½	101½	Do 7½% 1926-31.....	103½	103½
Loans 4½%, 1925-42.....	93½	93½	93½	Do 5½% 1933.....	102	102
Funding Loan 4½%.....	92½	92½	92½	Do 4½%.....	90½	91
Consols 4½%.....	92½	92½	92½	N.S.W. 5½% 1922-32.....	102	102
Conversion Loan 5½%.....	76½	76½	76½	N. Zealand 5½% 1940.....	85	85
Consols 2½%.....	55½	55½	55½	Nigeria 6½% 1949-79.....	114	114
Irish Land Stock 2½%.....	59	59	59	U. of S.A. 6½% 1930-40.....	105	105
Local Loans 3½%.....	64½	64½	64½	Victoria 5½% 1924-34.....	100½	100½
				W. Aust. 6½% 1930-40.....	102	102

British Railways.

Great Western, Ord.....	32½	32½	32½	Southern, Ord. "A".....	36½	36½
London & North-Eastern.....	53½	53½	53½	Do Ord. "B".....	7½	7½
5% Pref. Ord.....	53½	53½	53½	Do Pref. Ord.....	7½	7½
Do Def. Ord.....	18½	18½	18½	Do Def. Ord.....	39½	39½
London, Mid., and.....	71½	71½	71½	Underground Electric.....	2½	2½
Scottish, Ord.....	64½	64½	64½	Do "A" (1).....	2½	2½
Metropolitan District.....	40½	40½	40½	Do Ino. Bds. (£100).....	94½	94½

Colonial and Foreign Railways.

Antofagasta Cons.....	91	91	91	Grand Trunk Pacific.....	44½	44½
B.A. and Pacific.....	86	86	86	4% Debs.....	35	35
B.A. G. Southern.....	91	91	91	Leopoldina.....	34½	34½
Canadian Great West.....	75	75	75	Mexican Railway.....	24	24
Canadian Pacific.....	155	155	155	Do 1st Pref.....	25	25
Central Argentine.....	76½	76½	76½	San Paulo.....	167½	167½
Cordoba Cen. Ord. Stk.....	18	18	18	United Havana.....	98	98

American Railroads.

Chesapeake & Ohio.....	113	113	113	Southern.....	110	110
Erie.....	33	33	33	Do Non-cum Pref. 97½.....	95½	95½
Do 4½% 1st Pref.....	43	43	43			

Banks.

Barclays B (£1, l.p.d.).....	24½	24½	24½	Nat. Bank of S. Africa.....	8	8
Chartered Bk of India.....	19½	19½	19½	National Provincial.....	11½	11½
Lloyds (£5 with £1 paid).....	3½	3½	3½	Standard of S. Africa.....	11½	11½
Midland (£12, with £2 paid).....	8½	8½	8½	Westminster Bank.....	18½	18½
Nat. Bank of Egypt.....	33	33	33	(£20, with £5 paid).....	18½	18½

Telegraphs.

Anglo-American "A" 2½%.....	25½	25½	25½	Marconi Canada.....	8½	8½
Marconi Wireless.....	1½	1½	1½	Marconi Marine.....	8½	8½

Foreign Government Securities.

Argentine 5½%, 1886-7, 100.....	99½	99½	99½	Greek 5½%, 1894.....	54	55
Austrian 5½% Guar.....	98½	98½	98½	Do 7½%, 1924.....	93½	94½
Belgian 3½%.....	74	74	74	Hungarian 7½%, 1924, 97½.....	98½	98½
Brazil 5½% Fund., 1914.....	79	79	79	Japanese 4½% 1910.....	63	63
Chilian 4½%, 1895.....	88	88	88	Do 6½% 1924.....	90	89
Do 7½%.....	105½	105½	105½	Mexican Cons., 1899.....	42	41
Chinese 5½%, 1912.....	66	64½	64½	Peruvian Corp. Pref.....	31½	33½
Egyptian 4½%.....	84½	84½	84½	P.L.M. 6½%.....	89½	89
French 5½%.....	17½	17½	17½	Portuguese (New).....	29	29
Do 4½%.....	14½	14½	14½	Russian 5½%, 1906.....	6	6
German 3½% Loan.....	101½	101½	101½	Spanish 4½%.....	84	84
Do 7½%, 1924.....	101½	101½	101½	Seine (Dept.) 7½%.....	100½	100½
				Siam 7½%.....	105	104

Miscellaneous.

Aerated Bread (£1).....	1½	1½	1½	Linggi Plantins (£1).....	2½	2½
Amal. Oils (£1).....	1½	1½	1½	Liver Bk (£1).....	1	1
Anglo Persian Oil (£1).....	3½	3½	3½	Do 8½% Cum. Pref. (£1).....	1	1
Armstrong (Sis. W.).....	1½	1½	1½	Do 8½% Cum. Pref. Ord. (£1).....	1½	1½
Ass. Plant. Cement (£1).....	1½	1½	1½	Lister (£1).....	1½	1½
Barker, John (£1).....	3	3	3	Lobitos Oilfields (£1).....	6½	6½
Bhammalal Arms (£1).....	1½	1½	1½	Lyons (J. & Co. (£1).....	3½	3½
Brazil Traction (£100).....	74½	74½	74½	Mexican Eagle (£10).....	1½	1½
British-American Tobacco (£1).....	5½	5½	5½	Nobel Industries (£1).....	1½	1½
British Cotton Control.....	1½	1½	1½	Pekin (2).....	1½	1½
Burmah Oil (£1).....	4½	4½	4½	Royal Dutch Petro- leum (£100).....	31½	31½
Coats (J. and F.) (£1).....	3	3	3	Rubber Plantations.....	2½	2½
Courtaulds (£1).....	6½	6½	6½	Investments (£1).....	2½	2½
Cunard (£1).....	1½	1½	1½	Shell Transport (£1).....	4½	4½
Dorman, Long (£1).....	1½	1½	1½	Smithfield & Argentine.....	1½	1½
Dunlop Rubber (£8).....	1½	1½	1½	Mest (£1).....	3½	3½
Fine Cotton Spinners (£1).....	2½	2½	2½	Union Cold Storage.....	1	1
Forest Land (£1).....	1½	1½	1½	6% Cum. Pref. (£1).....	1½	1½
Furness, Withy (£1).....	1½	1½	1½	Do 7½% Cum. Pref. (£1).....	1½	1½
Glaxo (£1).....	1½	1½	1½	United Dairies (£1).....	1½	1½
Highlands and Low- lands Rubber (£1).....	2½	2½	2½	United Dairies (2).....	4½	4½
Hudson's Bay (£1).....	5½	5½	5½	United Tobacco (£1).....	4½	4½
Imperial Tobacco (£1).....	4½	4½	4½	V.O.C. Holdings (£1).....	2½	2½
				Vickers (£1).....	1½	1½
				Watney Def. Bk. £1.....	358	358

Mines.

SECURITY FIRST

ROYAL

INSURANCE COMPANY, LIMITED

HEAD OFFICES: LIVERPOOL AND LONDON

COMPANY MEETINGS, &c.

THE ROYAL BANK OF IRELAND, LIMITED.

SATISFACTORY RESULTS OF PAST YEAR.

The eighty-ninth annual general meeting of the shareholders of the Royal Bank of Ireland, Limited, was held on September 25, 1925, at the Bank House, Foster place, Dublin.

Mr M. Barrington Jellett, J.P. (the chairman), presided.

The Chairman said:—Ladies and Gentlemen,—The accounts having been in the hands of the shareholders for the usual time, I will ask you to take them as "read."

It gives me great pleasure to preside at this meeting to-day, and to be able to put before you a satisfactory statement of accounts. There has been some shrinkage in our profits as compared with last year, which was a record year, but the result of the past year's working, notwithstanding this, has been quite satisfactory.

BALANCE-SHEET ITEMS.

Turning to the balance-sheet, it will be seen that, in common with other banks, there has been some decrease under the heading "Current, Deposit, and other Accounts." A large percentage of this is accounted for by some temporary deposits being made, which found their way, during the period under review, into channels for which they were intended, such as rebuilding and construction work.

RESERVE FUND.

I feel sure it is gratifying to you to see that your reserve fund has been further increased, and that it now stands at the figure of £200,000. Your directors a few years ago adopted the policy of strengthening the reserves of the bank by allocating each year a considerable percentage of the profits for this purpose; this policy they consider wise and prudent.

IMPROVED CONDITIONS IN FREE STATE.

At our meeting a year ago I stated that conditions in the Free State were becoming more settled, and that this forecast has been continued during the past 12 months is borne out by the number of cross-Channel firms who have secured and are looking for factory sites and warehousing accommodation. It is a gratifying and reassuring sign to see outside capital being invested in our country. It is a proof that people outside the Free State, in addition to ourselves, look forward with confidence to the ultimate prosperity of this country, which would be further increased should taxation, which we are glad to see has been somewhat lightened, be still further reduced.

NEW BRANCH.

As mentioned in the report, a branch has recently been opened at Annesley Bridge. Premises in every way suitable have been acquired at a very reasonable cost, and little expenditure has been found necessary to make them fit for our purpose. Your directors are fully alive to the rapid development of the Fairview district, and in the interests of the bank they considered the step they have taken a necessary one. A large number of the bank's customers reside in the neighbourhood, and the establishment of a branch there will add greatly to their convenience.

TRIBUTE TO STAFF.

In conclusion, I desire to take this opportunity of thanking the staff of the bank on behalf of myself and my co-directors for the whole-hearted support and interest they have shown in its welfare during the past year. The prosperity of the bank depends, to a very large extent, on the active co-operation and good will of the staff, and this has been cordially given by all.

You will be sorry to hear that our secretary and joint general manager, Mr Stanley, has just undergone a serious operation. I am sure you will join with me in wishing him a speedy recovery and return to duty.

I now beg to move the adoption of the report and statement of accounts, and will call upon Major Cusack, our deputy-chairman, to second the resolution.

Before formally putting the resolution, I shall be pleased to hear any shareholder, and will endeavour to the best of my ability to answer any question.

Major J. W. H. C. Cusack, J.P., D.L., seconded the resolution, which was carried.

THE SHEEPBRIDGE COAL AND IRON COMPANY, LIMITED.

NEW DEBENTURE ISSUE.

The annual meeting of shareholders of the Sheepbridge Coal and Iron Company, Limited, was held on September 28th at Sheffield.

The Right Hon. Lord Aberconway presided, and the other directors present were Mr W. H. McConnel; the Right Hon. Sir Henry Norman, Bart.; Colonel H. K. Stephenson, D.S.O.; and Mr W. B. M. Jackson, managing director.

The Chairman, in moving the adoption of the report, referred to the very serious crisis in all manufactures, and not least in the iron and coal trade.

FOREIGN FINANCE AND OUR COAL EXPORTS.

Looking back on the last four years, he asked himself whether we had sufficiently taken into account the international situation. We had seen other countries—our customers—altering their coinage, inflating their currency, and doing nothing to pay their debts, while this country, on the other hand, had pursued the opposite policy, which was, of course, theoretically sound. These were complicated questions of finance, but they had had a most drastic influence upon the state of trade in this country, and although he was not prepared to say that the financiers were wrong, he was not alone in believing, with a large number of other persons, that in practice we had made a big mistake in pushing things too far. Customers coming to this country to buy found they had to pay three or four times as much in their own money as they paid before the war, and were, perhaps, able to pay now. This was reflected in the figures for the coal exports, which were down this year by no less than 15 million tons.

COMMUNISM AND FOREIGN TRADE.

One thing the foreign customer wanted was certainty of delivery. An Italian or a Frenchman who bought 10,000 tons of coal for delivery next month expected to get it next month; but when he heard talks of strikes, communism, ships unable to leave port, he would not take the risk, and bought his coal elsewhere.

We had the spectre of communism, which was stalking about in this country. All that had its effect upon our foreign trade. He



The Anglo-South American Bank Limited.

Head Office:
117 Old Broad Street, London, E.C.2

Authorised Capital	£10,000,000
Reserve Fund	£4,000,000
Issued Capital	£3,734,660
Paid-up Capital	£4,367,330

The Bank, in addition to 7 Branches in SPAIN has with its AFFILIATED INSTITUTIONS THE BRITISH BANK OF SOUTH AMERICA, Ltd., and THE COMMERCIAL BANK OF SPANISH AMERICA, Ltd.

53 offices in the principal countries of

LATIN AMERICA

Auxiliaries Abroad:
ANGLO SOUTH AMERICAN TRUST CO.
(Incorporated under the laws of the State of New York), NEW YORK.
BANQUE ANGLO-SUD AMERICAINE, SOC. ANON., PARIS.
Northern District Office: 69, Market Street, BRADFORD.
Lancashire Branch: 18, Spring Gardens, MANCHESTER.

CURRENT YEAR'S PROSPECTS

But, dealing more particularly with the prospects of the Corporation in the current year, he anticipated a large delivery of timber at Bangkok this season, and mentioned that reports of the rice crop in Siam are not entirely satisfactory at the moment, whilst the serious condition of affairs in China affected business generally at Bangkok.

Owing to the higher prices now ruling for rubber and an increase in the turnover generally, he took a hopeful view of the prospects at Singapore, and, referring to the Indian branches, he reported an improved demand in India for goods generally, but said that the continued high price of cotton goods and yarns manufactured in Lancashire was standing in the way of business and largely responsible for the large imports of gold which takes the place of merchandise. Then in regard to the crops in India, he said that more rain was wanted, particularly for the grain crops, but added that in the meantime the corporation is doing its full share of the business in which it is interested.

RUPEE RATE AND INFLATION.

Mr. Ryrie then referred to the Royal Commission appointed to report on Indian currency and exchange, and expressed the opinion that, as for some time past the rupee had stood at about 1s 6d, a reversion to the old rate of 1s 4d would cause inflation of prices in India and disturb trade generally.

In conclusion, the Chairman paid a tribute to the loyal co-operation of the staff in London and in the East, and said that without hard work and initiative on their part the satisfactory results achieved in the past year could not have been obtained.

The directors' report and statement of accounts for the year ended March 31, 1925, were adopted, and final dividends of 3½ per cent. on the preference shares and 12½ per cent., together with a bonus of 10 per cent., on the ordinary shares were declared, making a total distribution of 30 per cent., less tax on the ordinary shares for the year.

Mr J. M. Ryrie was re-elected a director, and Messrs. Turquand, Youngs and Co., were appointed auditors for the current year.

GOVERNMENT RETURNS, &c.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £45,000,000 in Treasury Bonds and Treasury Bills were opened on Oct. 2, 1925, and the total amount applied for was £65,940,000. For bills at three months dated Monday to Friday, £99 2s 11d, and above in full; Saturday bills at £99 3s 2d, above in full—in bills at 3 months, £44,000,000; in bonds, £1,000,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.	4% Treasury Bonds. Average Price.
1925.	£	£	£ s d	£ s d
July 31.....	35,000,000	44,055,000	4 5 0-44	nil
Aug. 7.....	35,000,000	47,070,000	3 19 11-14	nil
Aug. 14.....	35,000,000	50,515,000	3 18 2-11	nil
Aug. 21.....	35,000,000	61,575,000	3 15 2-91	nil
Aug. 28.....	40,000,000	59,830,000	3 16 3-65	nil
Sept. 4.....	40,000,000	56,955,000	3 16 3-53	nil
Sept. 11.....	35,000,000	57,180,000	3 15 6-7	94 0 0
Sept. 18.....	40,000,000	67,255,000	3 10 1-05	nil
Sept. 25.....	45,000,000	62,900,000	3 10 4-96	94 8 0
Oct. 2.....	45,000,000	65,940,000	3 7 3-39	94 8 0

Tenders will be received on Oct. 9, 1925, for Treasury Bills and Treasury Bonds to be issued to the maximum amount of £40,000,000. The amount of Treasury Bonds issued will not exceed £4,000,000.

KANSALLIS - OSAKE - PANKKI

(National Joint Stock Bank).

Established 1889.

Head Office: Helsinki (Helsingfors), FINLAND.

134 BRANCHES at all important business centres in Finland.

Capital	...	Fmk. 150,000,000
Reserve Fund and Profits	...	" 115,000,000
Deposits, etc.	(31/12/24) ...	" 1,704,000,000

All descriptions of banking business transacted.

Telegraphic Address: KANSALLISPANKKI.

felt quite certain that unless the working man himself stamped out communism they would find out that they were on the road to ruin. He thought that the people who ought to be foremost in stamping it out were the working men, and above all, the miners of this country, who had everything to gain by pacific methods and by stable industry.

YEAR'S RESULTS.

Considering all these difficulties, he thought the company's collieries had shown very fair results.

The new sinking at Glapwell to the lower measures had been completed, and the screening plant and washery were also completed. At Dinnington, where they held the larger part of the shares, they had had a satisfactory year. At Rossington, where they held the majority of the shares, they had encountered considerable difficulties, and progress had not been up to their expectation. Newstead continued to show satisfactory results. At Blidworth the shafts were down 400 yards. Excellent progress had been made at Firbeck, where they were now turning out about 900 tons per week. The coal was of good quality, and commanded a ready sale. At Maltby the tonnage had increased. The costs showed a great decrease, but they were still suffering from the effects of the explosion.

The building of houses at all the collieries had continued.

With regard to the ironworks, in spite of reduced costs the results were disappointing, as prices had gone down in even greater proportion than the costs.

The Sheepbridge Stokes Centrifugal Castings Company, Limited, had got into fair swing.

NEW DEBENTURES.

When the Sheepbridge Company's new 6 per cent. debentures were issued they offered £250,000, which were subscribed. Having regard to the sinking at Glapwell, and the developments at Firbeck and Rossington, they would require a certain amount of money, and they, therefore, invited subscription for a further amount which would rank *pari passu* with those already existing. The pits in which they were interested were very fine properties, and of greater value than the figure at which they stood in the balance-sheet.

Lord Aberconway referred with regret to the death of Mr Reginald Fowler, a director of the company, and stated that Colonel H. K. Stephenson had joined the board in his place.

A final dividend, making a total of 5 per cent. for the year, less income-tax, on both preference and ordinary shares, was declared.

THE ANGLO-SIAM CORPORATION, LIMITED.

INCREASED PROFITS—DIVIDEND AND BONUS MAINTAINED.

The twenty-eighth annual ordinary general meeting of the Anglo-Siam Corporation, Limited, was held at 5, St. Helen's place, London, E.C., on Tuesday, September 29, 1925.

The Chairman, Mr J. M. Ryrie, presided, and in the course of his speech reviewed the results of the past year, and said the mere fact that the profits show an increase as compared with the previous year, and that the directors see their way to recommend the same dividend and bonus, is a matter for congratulation in these times.

After dealing with the balance-sheet and profit and loss account, he said the profits derived from the timber side of the business had been maintained, whilst, with another good rice crop in Siam, the results of the general trading at Bangkok disclosed a distinct improvement, and in spite of keen competition the turnover all round had increased, though it has been found necessary to work on a reduced margin of profit.

SIAM'S SOUND FINANCIAL POSITION.

Referring to some recent comments on Siamese finance and the strong currency position in Siam, the Chairman remarked that those responsible for Siamese currency and financial policy in the past deserve great credit for having maintained the gold exchange standard throughout a very difficult period when other exchanges were fluctuating wildly, whilst he pointed out that the total Budget deficits for the last three years, taken at the exchange of 1s 10d, the present sterling value of the tical, amount to less than £1,000,000, the public debt outstanding being only a little over £12,000,000.

Continuing his speech, Mr Ryrie said that with so much unrest and commercial depression prevalent it was difficult to be optimistic in regard to the outlook for trade generally, and, referring to the threatening attitude adopted by the extremists at the recent Trade Union Congress, when attacks were made not only against Capitalism but against the Empire, he remarked that it is high time the Government took drastic steps to stamp out the insidious propaganda the enemies of the British Empire are broadcasting.

NATIONAL DEBT—(Million £).

	Aug. 1, 1914.	Dec. 31, 1918.	Dec. 31, 1919.	Dec. 31, 1920.	Dec. 31, 1921.	Dec. 31, 1922.	Dec. 31, 1923.	Dec. 31, 1924.	Dec. 31, 1925.
Funded Debt	588	515	515	515	514	514	514	514	514
Term Annuities	30	30	18	16	14	14	14	14	13
3% Conversion Loan	..	..	..	266	84	666	666	709	734
4% Conversion Loan	..	..	..	..	..	..	..	210	210
4% War Stock	..	63	63	63	63	63	63	63	63
4% and 5% War Stock	..	15	15	15	15	15	15	15	15
National War Bonds	..	2,047	1,935	1,935	2,038	2,168	2,053	2,053	2,053
4% Funding Loan	..	1,509	1,413	1,201	953	820	813	771	771
4% Victory Bonds	..	409	406	401	399	396	396	396	395
Treasury Bonds	..	360	347	335	336	314	314	360	360
Exchequer Bonds	..	..	..	453	411	457	496	499	475
National Savings Certs.	..	267	285	242	354	368	364	370	370
Other Debt*	..	1,306	1,132	1,087	1,157	1,128	1,132	1,134	1,124
American Loan (Anglo-French)	..	15	51	1,121	978	618	588	576	544
Treasury Bills	..	1,107	1,154	1,147	1,194	1,186	1,220	1,167	1,131
Temporary Advances	..	1	243	..	..	..	..	726	81
Other Capital Liabilities	654	8,033	7,574	7,655	7,742	7,641	7,728	7,646	7,674
Total Liabilities	711	8,079	7,683	7,721	7,812	7,707	7,794	7,718	7,755

* Includes debt to American Government.

POSITION OF THE FLOATING DEBT.

Ways and Means Advances	Sep. 30, '24.	Mar. 31, '25.	Sep. 30, '25.	Sep. 30, '25.
Outstanding	155,246,500.	166,585,000.	131,271,000.	117,170,000
Advances by Bank of England	155,246,500.	166,585,000.	131,271,000.	117,170,000
Advances by Public Debt Office	618,830,000.	576,610,000.	643,850,000.	18,280,000
Treasury Bills Outstanding	774,176,500.	742,195,000.	775,121,000.	7,110,000
Total Floating Debt	1,548,253,000.	1,485,390,000.	1,550,242,000.	1,312,560,000

* Includes £25,000, the proceeds of which were not carried to the Exchequer within the period of the account.

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

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Redemption Account.	Notes in Circulation.	Notes in Bank.	Notes in Treasury.	Notes in Post Office.	Notes in Other.	Notes in Total.
Mar. 29, 1922.	300,351	14,255	5,000	28,500	19,450	159	261,479	177	300,351
June 28, 1922.	295,374	13,538	5,000	28,500	19,450	163	254,312	250	295,374
Sept. 27, 1922.	289,127	12,649	5,000	27,000	21,150	166	246,456	169	289,127
Dec. 27, 1922.	301,337	12,972	7,000	27,000	21,150	159	258,922	137	301,337
Mar. 28, 1923.	285,616	12,318	7,000	27,000	22,450	173	241,294	190	285,616
June 27, 1923.	286,503	12,516	7,000	27,000	22,460	173	242,446	123	286,503
Sept. 27, 1923.	282,784	12,401	7,000	27,000	22,450	175	238,595	140	282,784
Dec. 26, 1923.	299,070	12,571	7,000	27,000	22,450	166	255,032	159	299,070
Mar. 26, 1924.	281,538	11,908	7,000	27,000	22,450	176	236,867	130	281,538
June 25, 1924.	290,316	12,472	7,000	27,000	22,450	173	246,138	140	290,316
Sept. 24, 1924.	285,592	12,227	7,000	27,000	22,450	173	241,185	184	285,592
Dec. 31, 1924.	296,261	12,812	7,000	27,000	26,350	182	248,111	133	296,261
Mar. 25, 1925.	284,256	11,882	7,000	27,000	26,350	189	235,076	112	284,256
June 24, 1925.	292,278	12,365	7,000	..	53,950	185	243,474	119	292,278
Sept. 16, 1925.	293,773	12,291	7,000	..	56,250	191	242,661	153	293,773
Dec. 31, 1925.	291,731	12,235	7,000	..	56,250	193	240,566	150	291,731
Mar. 30, 1926.	293,004	12,555	7,000	..	56,250	191	244,188	121	293,004

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £320,500,000, for 1921 at £317,555,200, for 1922 at £309,988,400, for 1923 at £270,183,800, for 1924 at £248,190,900, and for 1925 at £248,145,400.

SCOTTISH UNION & NATIONAL INSURANCE COMPANY. **ASSETS £13,000,000.** **FIRE. LIFE. ACCIDENT. MARINE**

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

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, September 30, 1925.

ISSUE DEPARTMENT.

Notes issued	£	Government debt	£
178,391,230		11,015,100	
		Other securities	8,734,900
		Gold coin & bullion	158,641,230

BANKING DEPARTMENT.

Proprietors' capital ..	£	Government securities ..	£
14,553,000		36,772,772	
Reserve	3,732,257	Other securities	75,676,311
Public deposits	27,109,807	Notes	33,616,665
Other deposits	102,390,781	Gold and silver coin ..	1,825,483
Seven-day & other bills ..	5,386		
147,791,231			

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

The OCEAN ACCIDENT and GUARANTEE CORPORATION, Limited.

ASSETS £8,501,581
CLAIMS PAID £37,361,771

Accidents and illness.
Employers' Liability.
Burglary.
Fire, Motor Cars, Public Liability.
Insurance of Boilers, Engines, Electrical Plant and Lifts.
Executors and Trusteeships.

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

	Amount, Sept. 30, 1925.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Rest	3,732,257	+ £3,999	+ 17,430
Public deposits	27,109,807	+ 10,053,065	+ 9,725,900
Other deposits	12,390,781	+ 12,082,644	+ 161,500
Government securities	36,772,772	+ 36,772,772	+ 36,772,772
Other securities	75,576,311	+ 212,705	+ 2,960,671
Reserve	35,442,148	+ 2,057,087	+ 5,164,218
Note circulation	144,774,565	+ 1,863,725	+ 22,485,730
Coin and bullion	160,466,713	+ 193,362	+ 32,040,566
% of reserve to liabilities	278%	+ 14%	+ 78%

Date.	Coin and Bullion.	Circulation (excl. Bank Post Bills).	Deposits.	Securities in Banking Department.	Gold in or out of Bank.	Reserve and % of Reserve to Liabilities.	Ratio of Reserve to Liabilities.
1925.							
Aug. 19	164,032,705	144,183,875	126,771,149	105,312,346	227,000 out	39,598,830	312%
26	163,194,222	144,266,870	126,031,032	105,528,109	838,000 out	38,677,362	304%
Sept. 2	162,531,518	144,978,535	129,445,327	110,414,051	656,000 out	37,303,963	282%
9	161,377,764	144,195,765	129,003,788	110,342,967	1,599,000 out	36,331,963	282%
16	161,063,686	143,527,205	128,489,517	109,458,553	306,000 out	37,286,481	282%
23	160,660,076	142,910,840	131,520,187	112,297,428	394,000 out	37,499,235	282%
30	160,466,713	144,774,565	129,500,588	112,549,083	249,000 out	35,442,148	278%

BANKERS' CLEARING RETURNS (000's omitted.)

Week Ending—	Town.	Metropolitan.	Country.	Total.
1925.				
January 1 to September 16 ..	25,314,522	1,190,869	2,105,073	28,610,464
Sept. 23	570,709	27,211	50,061	648,001
30	673,447	28,112	48,862	750,421
Total to date 1925	25,558,678	1,246,212	2,205,996	30,011,886
Do 1924	26,174,641	1,187,652	2,153,271	29,515,564
Increase or decrease in 1925 ..	+ 384,214	+ 58,560	+ 47,725	+ 490,499
%	+ 1%	+ 4%	+ 2%	+ 1%
Total for year 1924	35,038,605	1,594,114	2,900,145	39,532,864
Total for year 1925	32,270,373	1,246,565	2,810,654	36,327,592
Increase or decrease in 1924 ..	+ 2,768,232	+ 347,549	+ 89,491	+ 2,905,273
%	+ 8%	+ 3%	+ 3%	+ 7%

PROVINCIAL CLEARING RETURNS.

	Month of September.	Aggregate Weekly Totals to Sept. 26.
	1924.	1925.
Number of Working Days	26	26
BIRMINGHAM	9,294,000	10,074,000
BRISTOL	4,971,000	4,847,000
DUBLIN	4,283,000	4,283,000
LONDON	20,922,000	198,346,800
LIVERPOOL	3,575,000	3,369,000
MANCHESTER	3,067,000	3,069,000
NEWCASTLE-ON-TYNE	37,248,000	35,958,000
NOTTINGHAM	66,167,000	59,927,000
SHEFFIELD	7,015,000	5,945,000
SHEFFIELD	2,587,000	2,654,000
Total	141,688,000	134,857,000

OVERSEAS BANK RETURNS.

NOTE.—The latest return of the Bank of Estonia appeared in the Economist of June 27. Romania and Greece in Sept. 3; Denmark, Slovakia, Bulgaria, Italy and Egypt in Sept. 28.

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

	Sept. 25, 1925.	Sept. 18, 1925.	Sept. 11, 1925.	Sept. 4, 1925.
Resources.				
Total gold reserves	2,775,550	2,772,680	2,770,690	2,776,700
Total bills discounted	640,730	487,940	639,190	676,890
Total U.S. Government securities ..	238,490	211,960	214,140	213,170
Total earning assets	3,254,770	3,272,580	3,270,020	3,266,760
Total resources	1,212,870	1,119,070	1,190,270	1,125,090
LIABILITIES.				
Federal Reserve notes in actual circulation	4,901,070	5,062,930	4,857,960	4,781,630
Deposits—Member bank—reserve ..	1,670,350	1,677,300	1,680,120	1,637,730
Capital paid in and surplus	2,207,090	2,197,660	2,195,650	2,186,590
Total liabilities	2,467,450	2,330,200	2,244,510	2,235,730
Ratio of total reserves to deposit and Federal Reserve note liabilities combined ..	4,901,070	5,062,930	4,857,960	4,781,630
%	72.9%	73.7%	73.4%	74.8%

NEW YORK FEDERAL RESERVE BANK.—In \$'s (000's omitted.)

	Sept. 25, 1925.	Sept. 18, 1925.	Sept. 11, 1925.	Sept. 4, 1925.
Total bills discounted	232,770	110,360	254,330	195,490
Bills bought in open market	27,150	11,860	22,150	25,040
Total U.S. Government securities ..	60,500	11,860	57,500	56,850
Total earning assets	322,610	265,210	336,010	279,400
Deposits—Member bank—res. acc't ..	859,460	833,870	846,380	840,290
Ratio of total res. to dep. and Federal Res. note liabilities combined ..	76.7%	78.7%	78.1%	79.7%

SOUTH AFRICAN RESERVE BANK.—In £'s (000's omitted.)

	Aug. 29, 1925.	Aug. 22, 1925.	Aug. 15, 1925.	Aug. 8, 1925.	Aug. 1, 1925.	Aug. 24, 1924.
ASSETS.						
Gold coin and bullion	3,585	2,838	2,769	2,776	3,284	549
Gold certificates	6,036	6,373	6,454	6,635	6,883	10,223
Subsidiary coin	60	50	60	50	50	50
Bills discounted	6,234	6,274	6,484	6,247	5,886	4,589
Loans & advances to Govt.	529	529	529	525	529	423
Investments	1,000	1,000	1,000	1,000	1,000	1,000
LIABILITIES.						
Capital	258	258	258	258	258	153
Reserve	9,519	9,122	9,260	9,654	9,863	10,587
Notes in circulation	5,234	4,963	5,731	5,319	5,286	5,033
Bankers' deposits	63.9%	62.6%	60.4%	61.9%	66.1%	67.5%
Ratio of cash reserves to liabilities to public ..	63.9%	62.6%	60.4%	61.9%	66.1%	67.5%

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

	Sept. 4, 1925.	Aug. 28, 1925.	Aug. 21, 1925.	Aug. 14, 1925.	Aug. 7, 1925.	Sept. 5, 1924.
ASSETS.						
Total securities	16,20,38	14, 6,79	13,77,75	13,28,77	13,18,20	16,75,31
Loans	13,59,01	14,53,78	14,11,39	15,35,28	15,51,01	18,53,19
Cash credits	27,50,94	27,86,92	27,23,86	27,74,78	27,47,20	41,08,02
Inland bills	4,33,73	4,20,46	4,50,56	4,26,57	4,49,01	5,59,83
Foreign bills	23,35	28,17	33,94	31,48	26,62	18,67
Dead stock	2,75,59	2,65,10	2,75,44	2,74,90	2,74,68	2,60,94
Bal. with other banks	4,20	19,86	10,99	9,91	10,55	33,37
Cash	39,82,29	42,78,90	44,54,81	44,09,63	44,37,07	27,41,22
LIABILITIES.						
Capital paid up	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50
Reserve	4,77,50	4,77,50	4,77,50	4,77,50	4,77,50	4,77,50
Total deposits	92,77,42	96,24,75	96,69,83	97,24,08	97,49,09	1,02,84,70
The above includes—						
Deposits in London	1,128	1,237	1,174	1,182	1,213	1,240
Advances in U'nd'n	1,157	1,155	1,148	1,169	1,164	1,477
Cash, &c., at other Banks in London	26	130	75	68	68	886

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

Assets.	Sept. 26, 1925.	Sept. 19, 1925.	Sept. 12, 1925.	Sept. 5, 1925.	Sept. 27, 1925.	Position May 30, 1924.
Gold.....	2,536,667	2,536,667	2,536,667	2,536,667	2,534,846	521,775
Silver.....	655,950	654,749	654,412	655,460	655,450	728,600
Loans & discounts.....	2,377,743	2,365,990	2,353,287	2,348,874	2,333,099	800,725
Spanish 4% stock.....	344,475	344,475	344,475	344,475	344,475	344,475
Treasury bills.....	150,000	150,000	150,000	150,000	150,000	150,000
LIABILITIES.						
Circulation.....	4,375,938	4,363,243	4,365,210	4,341,525	4,458,058	901,550
Deposits.....	974,409	974,040	978,990	970,970	901,735	477,500

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

Assets.	Sept. 2, 1925.	Aug. 26, 1925.	Aug. 19, 1925.	Aug. 12, 1925.	Sept. 3, 1924.
Coin and bullion ..	9,994	9,931	9,868	9,868	9,702
Of which gold ..	8,577	8,577	8,577	8,577	8,577
Balances abroad ..	225,733	213,222	208,582	199,908	175,851
Discounts ..	197,434	198,719	192,729	197,828	165,395
Government loans.....	1,543,215	1,530,901	1,522,823	1,518,269	1,488,060
LIABILITIES.					
Notes in circulation.	1,662,278	1,630,781	1,618,504	1,622,300	1,644,613
Deposits ..	56,591	54,099	51,718	51,331	32,647

LONDON RATES.

	Sept. 25, 1925.	Sept. 26, 1925.	Sept. 28, 1925.	Sept. 29, 1925.	Sept. 30, 1925.	Oct. 1, 1925.	Oct. 2, 1925.
Bank rate (changed from 4½% Oct. 1, 1925).....	4%	4½%	4½%	4½%	4½%	4%	4%
Market rates of discount—							
50 days' bankers' drafts.....	1 1/16	3/16	3/16	3/16	3/16	3/16	3/16
3 months' do.....	3/16	3/16	3/16	3/16	3/16	3/16	3/16
4 months' do.....	3/16	3/16	3/16	3/16	3/16	3/16	3/16
6 months' do.....	3/16	3/16	3/16	3/16	3/16	3/16	3/16
Discount (Treasury Bills)—							
2 months.....	3/16	3/16	3/16	3/16	3/16	3/16	3/16
3 months.....	3/16	3/16	3/16	3/16	3/16	3/16	3/16
6 months.....	3/16	3/16	3/16	3/16	3/16	3/16	3/16
Loans—Day to day.....	5	5	5	5	5	5	5
Short Deposits' allowances—Bankers.....	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
Discount houses at call.....	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
At notice.....	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

Week ended Sept. 25, 1925.	Miles Open.	Passenger-traffic.	Goods-traffic.	Total for Week.	Passenger-traffic.	Goods-traffic.	Total for Week.
at Western.....	3,765	290,000	322,000	612,000	1,071,700	1,253,700	2,325,400
o for 1924.....	3,754	294,000	357,000	651,000	1,078,500	1,314,800	2,393,300
d. & N. Eastern (o)	6,714	478,000	677,000	1,155,000	1,768,900	2,554,700	4,323,600
o same period 1924	6,714	495,000	705,000	1,200,000	1,790,000	2,640,000	4,430,000
Mid. & Scottish	6,950	673,000	864,000	1,537,000	2,546,400	3,268,000	5,814,400
o for 1924.....	6,950	685,000	896,000	1,581,000	2,571,000	3,326,000	5,897,000
thern.....	2,163	360,000	128,000	488,000	1,376,000	4,529,000	5,905,000
o 1924.....	2,142	370,000	131,000	501,000	1,355,700	4,535,000	5,890,700
opolitan (o).....	58	38,721	4,066	42,787	1,320,005	151,101	1,471,106
o for 1924.....	58	44,252	4,165	48,417	1,557,304	151,262	1,708,566
erground E.R. (o)	..	..	..	257,222	..	..	9,634,479
o for 1924.....	..	..	..	260,282	..	..	9,221,747
& Sub. Group (o)	..	..	..	38,466	..	..	1,468,140
o for 1924.....	..	..	..	42,322	..	..	1,515,558
ast & Co. Down (b)	80	3,429	1,157	4,586	161,464	41,537	203,001
at Northern.....(b)	562	17,300	17,700	35,000	78,800	655,450	1,344,250
at Southern.....(b)	2,181	40,989	45,565	86,554	1,517,613	1,676,719	3,194,332

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1925. + or -	1925. + or -
INDIAN.					
am Bengal.....	21 weeks	Aug. 22	1,072	3,28,000 + 28,546	62,43,362 + 8,66,415
al Lt. Ry.....	23 weeks	Sept. 5	118	17,000 - 4,700	7,35,300 - 1,09,200
al N. Western	23 weeks	Sept. 5	2,062	4,82,500 - 12,553	1,41,63,540 - 4,61,562
al Nagpur.....	18 weeks	Aug. 22	2,800	13,06,000 - 1,30,000	3,14,80,354 - 10,39,439
nbay, Bar., & C.I.	22 weeks	Sept. 26	3,033	21,86,000 + 3,33,000	5,60,02,000 - 7,19,000
ma.....	22 weeks	Aug. 29	1,342	7,23,278 + 1,55,887	1,65,92,736 + 19,74,497
hi, Umballa, Kalka	25 weeks	Sept. 19	239	85,400 - 9,464	2,25,01,115 - 3,15,400
dra & S. Malir.....	23 weeks	Sept. 19	3,029	13,52,000 + 37,643	3,55,97,118 + 1,98,485
am's Guarand (s)	23 weeks	Aug. 29	993	2,49,717 + 31,381	74,31,975 + 2,27,214
ilik'd & Kumaon	23 weeks	Aug. 29	259	43,855 + 6,150	12,13,682 - 92,454
o Lucknow-Breilly	22 weeks	Sept. 29	287	49,982 - 2,841	13,99,089 - 1,93,689
th Indian.....	23 weeks	Sept. 5	1,876	9,51,507 + 1,01,556	2,28,98,094 + 17,11,187

(a) Total receipts of all lines.

ARGENTINE (a).					
entine N.E.....	13 weeks	Sept. 26	754	15,500 + 1,900	181,900 + 22,700
entine Trans.....	13 weeks	Sept. 26	19	2,338 - 711	34,711 + 4,374
& Pacific.....	13 weeks	Sept. 26	2,611	130,000 + 5,000	1,648,000 - 130,000
Central.....	13 weeks	Sept. 26	27	14,405 + 402	175,650 - 2,946
A. St. Southern.....	13 weeks	Sept. 26	4,718	193,000 + 6,000	2,390,000 - 60,000
A. Western.....	13 weeks	Sept. 26	1,884	85,000 - 12,000	1,002,000 - 249,000
tral Argentine.....	13 weeks	Sept. 26	3,305	210,000 - 5,000	2,680,000 - 172,000
roba Central.....	13 weeks	Sept. 26	1,202	73,500 + 11,500	973,000 + 51,400
re Rio.....	13 weeks	Sept. 26	729	25,200 + 2,500	294,500 + 30,700

CANADIAN.					
adian National.....	38 weeks	Sept. 21	..	5,264,296 + 883,003	161,454,188 - 4,242,753
adian Pacific.....	38 weeks	Sept. 21	14,138	4,629,000 + 118,000	117,079,000 - 6,193,000

BRAZILIAN (b).					
West of Brazil.....	39 weeks	Sept. 26	1,011	14,100 + 4,000	514,700 + 178,300
spoldina.....	39 weeks	Sept. 26	1,856	47,609 + 11,961	1,222,768 + 80,672
Paulo.....	39 weeks	Sept. 26	1,534	70,066 + 25,561	1,703,287 + 301,467

CHILEAN.					
ofagata.....	39 weeks	Sept. 27	838	40,620 + 65	1,593,470 + 129,585
rate (monthly).....	37 weeks	Sept. 15	366	44,620 + 2,537	675,035 - 9,470

CUBAN.					
rana Central.....	13 weeks	Sept. 26	..	11,750 - 632	148,984 - 4,602
ted of Havana.....	13 weeks	Sept. 26	1,250	58,506 - 144	733,414 - 125,541

URUGUAYAN.					
tral Uruguay.....	13 weeks	Sept. 26	773	20,600 - 1,452	278,764 + 3,244
Urug. (East. Hrt.).....	13 weeks	Sept. 26	311	4,166 - 13	58,991 + 9,178
Urug. (North. Hrt.).....	13 weeks	Sept. 26	185	2,994 + 692	33,364 + 5,465
Urug. (West. Hrt.).....	13 weeks	Sept. 26	211	2,218 - 282	28,405 - 1,724

OTHER OVERSEAS.					
oy and Gandia.....	39 weeks	Sept. 26	33	Pa. 23,500 + 2,000	991,000 + 95,000
ypian Delta.....	23 weeks	Sept. 26	10	600 - 48,800	123,389 + 5,697
South. of Spain.....	38 weeks	Sept. 26	19	104 Pa. 106,531 - 14,733	4,034,826 + 129,900
rican Railway.....	11 weeks	Sept. 26	432	\$191,700 - 40,700	2,899,500 - 165,400
ragway Central.....	13 weeks	Sept. 26	274	\$5,900 + 1,360	74,780 + 19,030
rador.....	13 weeks	Sept. 26	100	\$2,607 + 478	34,354 + 1,274

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

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week.	Total Receipts.
				1925. + or -	1925. + or -
lo-Argentine.....	38 weeks	Sept. 23	329	\$26,558 - 2,777	3,306,535 + 10,447
Aires Leaozoe.....	13 weeks	Sept. 27	..	\$12,222 - 611	166,145 - 3,503
Amey Corporation.....	1 week	Sept. 26	12	\$3,268 - 23	..
louta Tramways.....	1 week	Sept. 26	354	\$131,745 - 3,905	..
atham & District.....	38 weeks	Sept. 26	15	\$1,617 - 20	57,055 + 1,425
gyptian Markets.....	37 weeks	Sept. 26	17	\$1,716 - 87	77,532 + 1,825
agow Corporation.....	17 weeks	Sept. 26	106	\$45,510 - 291	752,203 + 11,165
ool of Thanesi Term.....	38 weeks	Sept. 26	124	\$26,574 + 1,066	104,925 + 11,878
erpool Corp.....	36 weeks	Sept. 26	164	\$20,917 - 1,765	2,071,589 + 41,895
C.C. Tramways.....	37 weeks	Sept. 26	15	\$15,095 - 2,758	8,38,289 - 43,925
ndras Elec. (2 whe).....	37 weeks	Sept. 26	..	\$5,889 + 1,672	180,213 + 11,571
namboe Trams.....	34 weeks	Sept. 26	..	\$14,579 + 191	503,085 + 13,603

* Combined revenue.

RHODESIAN GOLD OUTPUT.

Month.	1922.	1923.	1924.	1925.
January.....	240,056	261,310	250,880	226,669
February.....	304,488	237,018	233,211	218,990
March.....	257,358	211,379	236,156	207,097
April.....	265,591	232,765	256,352	205,006
May.....	273,562	245,870	275,826	213,095
June.....	247,161	253,226	234,697	204,613
July.....	263,918	244,848	262,236	213,064
August.....	271,142	232,546	259,178	212,158
September.....	240,846	256,107	239,061	..
October.....	255,619	246,616	246,253	..
November.....	261,646	246,943	230,393	..
December.....	240,084	240,531	215,309	..
Total Gold.....	3,111,469	2,909,159	2,939,562	..

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

MINING OUTPUT STATISTICS FOR AUGUST, 1925.

	Tons Crushed.	Gold Recovered.	Value.	Profit.
	Mill.	Mill.	Total.	
Gold.				
British Platinum.....	343	..	..	..
Colombian Proprietary.....	4 weeks	..	..	..
Exploring Land.....	2,208	..	..	..
Frontino and Bolivia.....	2,350	..	..	..
Marmalito.....	580	..	..	..
Mexican Corporation.....	119,092	..	..	..
Freanillo Unit.....	5,400	..	..	..
Ouro Preto.....	..	..	1,438	6,100
Output.				
Other Notes in Return.				
Tin.				
Ex-Lands Nigeria.....	40	..	..	..
Chinese Engineering.....	47,058	..	..	..
Dundee.....	31,760	..	..	..
Copper.				
New Guinea.....	..	..	..	..
Miscellaneous.				
New Vaal River.....	..	..	..	..

THE STANDARD BANK OF SOUTH AFRICA, LIMITED

Bankers to the Government of the Union of South Africa; to the Imperial Government in South Africa; and to the Governments of Northern and Southern Rhodesia, Nyassaland Protectorate, and Tanganyika Territory.

AUTHORISED CAPITAL	£10,000,000
SUBSCRIBED CAPITAL	£8,916,660
PAID-UP CAPITAL	£2,229,165
RESERVE FUND	£2,893,335
UNCALLED CAPITAL	£6,687,495
	£11,809,995

Board of Directors.
 William Referson Arbuthnot, Esq.
 Sir David M. Barbour, K.C.S.I., K.C.M.G.
 Edward Clifton Brown, Esq.
 Stanley Christopherson, Esq.
 Robert E. Dickinson, Esq.
 James Fairbairn Finlay, Esq., C.S.I.

Senior General Manager in South Africa—J. P. Gibson.
 Joint General Managers in South Africa—John Jeffrey, James S. Shiel.
 Assist. Gen. Managers in South Africa—G. F. Le Sueur, W. K. Robertson.
 London Manager—Bertram Lowndes.
 Secretary—Herbert G. Hoey.

Head Office: 10, CLEMENTS LANE, LOMBARD ST., LONDON, E.C.4
 and 77, King William Street, E.C.4.
 London Wall Branch: 63, London Wall, E.C.2.
 West End Branch: 9, Northumberland Avenue, W.C.2.
 (Opposite the Royal Colonial Institute).
 NEW YORK AGENCY: 67, WALL STREET.

HAMBURG AGENCY:
 Bank of British West Africa, Ltd., 49-53, SCHAUBENBURGER-STRASSE.
 Over 320 Branches, Sub-Branche and Agencies in SOUTH AND EAST AFRICA.

BANKING BUSINESS TRANSACTED IN ALL PARTS OF THE WORLD.
 EXECUTORSHIPS AND TRUSTEESHIPS UNDERTAKEN.
 INCOME TAX.—Claims for recovery of Income Tax undertaken.

Every facility afforded for the Development of Trade with all parts of South and East Africa, the United States of America and the Continent of Europe.

DOCUMENTARY CREDITS ARRANGED. ENQUIRIES INVITED.

OIL OUTPUTS.

BRITISH CONTROLLED OILFIELDS, LIMITED.—By cable for the week ending September 23, 1925:—Production, 60,597 barrels; shipments, 6,790 tons. British Controlled Oilfields, Limited, have to-day received cabled information that Well No. 79, on the El Mene field, Venezuela, has been brought in with an estimated initial production at the rate of 1,400 barrels per day.

LAGO PETROLEUM CORPORATION.—Production for week ended September 5, 1925, 46,972 barrels.

Reports and Notices.

The address of the Great Indian Peninsula Railway Company and of the Annuity Trustees is now 4 Coleman street, E.C. 2. Messrs E. N. Vowler and Co. announce they have removed to 28 Throgmorton street, E.C. 2. The telephone numbers remain unchanged.

GOVERNMENT STOCKS, &c.

CZECHOSLOVAKIA 8 PER CENT. LOAN OF 1922.—Customs receipts for the second quarter of the year 1925 amounted to Kc. 168,638,852, against Kc. 211,351,841 for the corresponding period of 1924, and against Kc. 211,351,841 for the corresponding period of 1924, and in the net revenue from the tobacco monopoly was Kc. 346,000,000, in comparison with Kc. 286,621,714, making a total received from both sources for the first half of 1925 Kc. 940,440,516, compared with Kc. 943,591,238 received for the first half of 1924. In this connection attention is drawn to the fact that in the published figures of the return for the first quarter of 1925 the revenue figures of all Customs receipts and of the tobacco monopoly, amounting in all to Kc. 425,801,654, were transposed. They should have read:—Customs receipts, Kc. 194,801,654; tobacco monopoly, Kc. 231,000,000.

GREEK DEBT.—The Council of Foreign Bondholders issues the following information, compiled from figures published by the International Financial Commission at Athens, with regard to the revenues assigned under the Law of Control for the service of the Greek debt from January 1 to July 31, 1925, compared with those for the same period in 1924:—

	Monopolies, Tobacco, Stamps, Stamped Paper, Naxos Emery.	Piræus Customs.
Gross receipts, July, 1925.....	Drachmæ. 14,949,200.40	Drachmæ. 38,751,512.20
Do do do 1924.....	10,564,856.95	(d) 32,455,125.20
Estimated receipts for seven months (Law of Control)....	16,858,333.33	6,241,666.67
Actual receipts for 1925 (seven months).....	72,283,727.05	293,566,139.90
Actual receipts for 1924 (seven months).....	61,944,916.65	(e) 230,704,357.05

As regards receipts subject to the system of plus-values, increases in duties and prices are excluded therefrom in the above table. In addition to these amounts, import duties equivalent to (d) (e) In addition to these amounts, import duties equivalent to £99 in the case of (d) and to £6,197 in the case of (e) were paid in gold at the Piræus Customs.

BANKS.

COLONIAL BANK.—This bank is now known as Barclays Bank (Dominion, Colonial, and Overseas), the change of name having received the approval of shareholders and the Royal Assent on August 7, 1925. The former "A" shares become 8 per cent. cum-August 7, 1925. The former "B" ordinary shares become 6 per cent. preference shares, the former "C" shares become 6 per cent. "A" shares, all ranking for dividend from July 1, 1925, and the nominal capital is increased to £10,000,000. The net profit for half-year ended June 30, 1925, is £65,408, to which is added £27,621 brought in, making £93,029 available. This is utilised as follows:—To provision for bad and doubtful debts, £10,000; to write off bank premises, £10,000; to staff bonus fund, £13,000; dividend, 8 per cent. per annum, £28,350; relief to shareholders in respect of repayment of Dominion income-tax for year ended March 31, 1925, £4,350; leaving £27,329 to go forward to next account.

year. Total assets are £154,230. Cash stands at £10,616. The company has £21,053 in 5 per cent. War Loan at cost £20,930. The issued capital is £109,170 in £1 ordinary shares.

STRAITS PLANTATIONS, LIMITED.—The number of nuts harvested during the year ended June 30, 1925, was 6,700,720, which produced 1,604 tons of copra, costing £10 9s 1d per ton f.o.b. port of shipment. The average net price realised for the copra, shipped weight, after deducting freight, insurance, landing, and all scale charges, was £23 6s 2d per ton. Fifty-one acres were planted with coconuts during the year. Net profit was £19,371, against £17,067. The ordinary dividend is 15 per cent., against 12½ per cent. Income-tax will be deducted at rate of 4s 3½d in £. The carry-forward is £10,148, against £9,777 brought in. The sum of £1,000 has been put to reserve. Total assets are £169,442. Cash stands at £4,130. The company has £18,482 for investments, which are all in British Government securities at cost. The issued share capital is £120,000 in £1 shares, fully-paid. Reserve account stands in balance-sheet at £12,000.

SUNGEI DANGAR (MALAY) RUBBER.—The report for year ended June 30, 1925, shows total assets £93,695. Cash stands at £4,561. There are no investments. The issued capital of the company is £65,986 in £1 shares. The company has £20,000 in 7½ per cent. debenture stock, but negotiations are now in progress with debenture-holders for conversion of the debentures into shares at par. The directors do not recommend a dividend on the ordinary shares pending the conclusion of these negotiations. The accounts show a net profit of £7,040, against net profit £335 in preceding year. Deducting £3,427 debit balance brought in, a credit balance of £3,613 is carried forward. Crop was 266,000 lbs. Average net sale price was 1s 6.32d per lb, as against 1s 0.35d per lb.

SUNGKAI-CHUMOR ESTATES.—The rubber crop for year ended June 30, 1925, was 388,295 lbs, which is approximately the quantity exportable at the minimum rate of duty. Average net sale price was 1s 7.33d per lb. Cost of production was 9.72d per lb, against 10.22d per lb in preceding year. A net profit of £16,842 was secured, against a net profit of £5,059 in preceding year. Dividend has been raised from 5 per cent. to 17½ per cent., from which income-tax will be deducted at 4s 3.9d in £. The carry-forward is £24,732, against £29,888 brought in. Total assets are £148,120. Cash stands at £6,181. Investments in British Government securities at cost stand at £26,596. The issued share capital is £99,855 in shares of 2s, each fully paid.

VICTORIA (MALAYA) RUBBER.—The net profit for year ended June 30, 1925, is £12,948, against £5,507 in preceding year. The ordinary dividend has been raised from 10 per cent. to 20 per cent., from which income-tax will be deducted at 4s 4½d in £. The sum of £3,000 has been put to reserve, and £12,997 carried forward, against £13,078 brought in. The crop of rubber was 306,625 lbs. Average net sale price was 1s 8.10d per lb. Cost of production was 9.59d per lb, against 10.19d per lb in previous year. 32,000 coconuts were harvested, and sold locally at a profit. Total assets are £83,781. Cash is at £8,334. Investments in Government securities at cost stand at £7,859. The issued capital is £50,144 in 6d shares, fully paid. Reserve account stands in balance-sheet at £5,000.

MISCELLANEOUS.

BENGAL IRON CO.—The sixth report for year ended March 31 1925, shows a net profit of £156,986, as against £298,915 in previous year. The directors have appropriated the following sums:—Depreciation and colliery sinking fund, £62,125; debenture interest, £43,750; debenture redemption sinking fund, £14,000; amount written off debenture issue expenses, £2,400; transfer to taxation reserve, £35,010; preference share dividend, paid October 1, 1924, £18,750. This leaves £24,810, from which the directors have applied in payment of dividend on the preference shares for the half-year to March 31, 1925 (paid April 1, 1925), the sum of £18,750, and recommend carrying forward £6,060. The directors regret it is not possible to recommend a dividend on the ordinary share capital. In common with many companies in the iron and steel trades, the result of the year's working has been disappointing. Owing to fall in prices it has been necessary to reduce the value of stocks carried forward from last year by about £30,000. The agreement with the Indian Iron and Steel Company, Limited, sanctioned by the shareholders at the meeting held on March 9th last, has been completed, and came into operation on April 1, 1925.

SIR W. G. ARMSTRONG, WHITWORTH AND CO.—The board have had before them the question of paying the usual interim dividends on the various shares of the company, and have considered in the same connection the industrial situation in general and the trading and financial position of this company in particular. As a result more especially of the necessity for financing large current contracts, the cash requirements of the company have been very heavy; and

while the board hope that the profits on the year will not be less than those of the past few years, they are of opinion that in the interests of the company it is essential to conserve its resources. They have, therefore, decided to pay no interim dividends in respect of the current year except on the first (cumulative) preference shares.

STAVELEY TRUST, LIMITED.—The report to July 31, 1925, covering a period during which the capital was increased from £33,000 to £161,660, shows a gross profit of £9,767. After deducting general charges and reserve for income-tax and adding the amount brought forward from last year, there is available a total of £7,415. The directors recommend a dividend of 5½ per cent. on the ordinary shares, and the writing down of the expenses of the recent capital increase by £1,000, leaving £1,288 to be carried forward. The report states that approximately 7 per cent. of the company's capital was invested in ordinary shares and 10 per cent. in preference shares. Of the remainder of the investments, which consisted of gilt-edged and foreign (sterling) Government securities, debentures, and prior charges, approximately 50 per cent. were gilt-edged securities. Meeting, 11.30 a.m., October 7th, Falcon House, Aldersgate street, E.C.1.

SUDAN PLANTATIONS SYNDICATE.—The report for year ended June 30, 1925, reveals a net profit of £162,885, against £112,934 in preceding year. The ordinary dividend is 25 per cent. for the year, which absorbed £150,000. This compares with a dividend of 20 per cent. in preceding year, which absorbed £105,000. The carry-forward is £189,450, against £176,566 brought in to the accounts. The issued capital now stands at £600,000. It has been decided to increase it to £750,000 by the issue of 150,000 shares. These are to be offered to shareholders at £3 per share in proportion of one new share for every four held. Balance-sheet shows total assets £2,929,907. Cash totals £90,425. The company's holding of British Government securities stands in balance-sheet at £613,620. With regard to liabilities, the share premium account stands at £1,013,223 in the balance-sheet.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

A spell of fine weather during the past week has enabled farmers to push ahead in preparing the ground for winter sowings, and there is every indication of a larger area being put under the all-favoured cereal than was the case last year. The yield this season was fairly satisfactory from a reduced acreage, but owing to adverse climatic conditions, many samples marketed show inferior quality. Prices, however, have declined in sympathy with the general situation, with trading on a limited scale. In the floating and forward wheat cargo market buyers evinced little disposition to operate, in view of declining values, together with pressure to sell the Russian crop has been greatly over-estimated, but in the absence of definite news it is difficult to determine whether or not this may delay and difficulty is experienced in moving grain down to the Black Sea ports, and it is to be hoped that shipments are not seriously interrupted or curtailed, as the effect of such on future course of prices is obvious. A steamer of No. 1 Northern Manitoba a sailer cargo of Australian arrived 52s. Maize cargoes quiet, but fairly steady, and Plate steamers afloat sold 36s 3d, October-34s 9d, all per 480 lbs. A good business transpired in South Russian c.i.f. terms. Some 10,000 tons of Australian wheat, December-easier. No. 1 Northern Manitoba, ex-ship, quoted 57s 6d, No. 2 ditto 56s 6d, No. 3 55s 6d, No. 2 mixed Durum 47s, all per 496 lbs. London standard grade quoted 43s, patents 45s-46s, town whites 43s per sack delivered in the Home Counties, with 6d to 1s per sack less supply. Manitoba patents range from 45s 6d-48s, Minneapolis 46s-48s, Kansas patents 46s 6d, Australian 44s per 280 lbs ex store. Maize easier. Plate ex ship to arrive quoted 37s 6d, ditto landed 39s, white flat African landed 38s 6d per 480 lbs. Yellow African ton. Barley quiet. Californian new ex ship quoted 40s-50s, Chilean Chevalier 58s-70s, brewing 52s-54s, according to quality. Aus-

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Debenture Interest.	Amount Available for Distribution.	Appropriation.				Corresponding Period Last Year.	
					Dividend.		Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.	Dividend.
					Prefer.	Ordinary.				
					Amount.	Amount.	Rate.			
Banks.		£	£	£	£	£	%	£	£	%
Colonial Bank	June 30*	27,621	65,409	93,030	..	28,350 4,350	8	33,000	27,330	46,210 8
Financial, Land, &c.										
Rio Negro (Argentine) Land	June 30	29,797	40,419	70,216	..	30,000	10	12,000	28,216	57,856 10
Sudan Plantations	June 30	176,566	162,884	339,450	..	150,000	25	19,807	189,450	112,934 20
Trafalgar Park Estates	June 30	67,208	33,144	100,352	..	32,500	5	..	48,045	35,881 6
Iron, Coal, and Steel.										
Bengal Iron	Mar. 31	43,860	51,110	94,970	37,500	..	..	51,410	6,060	200,459 7
Rubber, &c.										
Karmen	May 31	..	7,798	7,798	..	3,828	5	2,863	1,107	.. ..
Lawas (Sarawak)	June 30	859	22,893	23,752	..	14,000	35	8,000	1,752	2,854 nil
North Labos (Johore)	June 30	17,356	18,123	35,479	..	13,646	12½	4,822	17,011	6,827 6
Straits Plantations	June 30	9,777	19,371	29,148	..	18,000	15	1,000	10,148	17,067 12½
Sungei Dangar (Malay)	June 30	Dr 8,427	7,040	3,613	..	..	..	..	3,613	335 ..
Sungkai Chumhor	June 30	29,888	16,842	46,730	..	17,474	17½	4,524	24,732	5,059 5
Uganda Plantations	Feb. 28	Dr 9,479	683	8,796	..	..	..	Dr 8,796	Dr 720	.. ..
Victoria (Malaya)	June 30	13,078	12,948	26,026	..	10,029	20	3,000	12,997	5,507 10
Telegraphs, &c.										
Direct West India Cable	June 30	28,026	Dr 489	27,537	..	6,000	10½	..	21,537	10,452 10½
Halifax and Bermudas Cable	June 30	43,626	6,164	49,790	..	5,000	10½	..	44,790	17,330 10½
Textiles.										
Robinson and Cleaver	July 31	23,392	39,629	63,021	7,831	13,500	5½	11,000	30,690	33,233 5½
Dobson and Barlow	June 30	18,220	78,898	97,118	..	40,040	10	35,000	22,078	.. ..
Trusts.										
Staveley Trust	July 31	829	6,586	7,415	..	5,126	5½	1,000	1,289	.. ..
Other Companies.										
Goode, Durrant, and Co.	July 20	7,662	51,377	59,039	11,550	25,125	10	10,000	12,364	58,403 10
J. Hepworth and Son	July 31	18,585	72,035	90,620	6,000	50,917	10	17,000	16,703	65,632 10
Lawes' Chemical Manure	June 30	..	3,676	3,676	..	..	..	1,000	2,676	Dr 4,469 ..
Yorkshire Amalgamated Products	Mar. 31	1,086	25,089	26,175	..	9,705	5	10,500	5,970	.. ..

† Tax free.

tralian 57s-61 ex store, Polish and Swedish ex-ship 44s-53s per 448 lbs. American malting ex-ship, September, 28s 6d, No. 3 Canadian Western ex-ship October 30s 3d, No. 4 ditto October 28s 9d, Russian ex-ship 27s 9d per 400 lbs. English new quoted 8s 9d-20s 6d, the latter for finest malting quality per 112 lbs. Oats quiet. Plate landed 26s 6d, No. 2 Canadian Western ex-ship September 27s, landed 30s 3d, No. 2 Canadian feed ex-ship 23s, landed 24s 6d, Chilean Tawny landed 27s, No. 2 white clipped American ex-ship to arrive 23s, landed 24s 3d, all per 320 lbs. English new quoted 8s 4d-10s per 112 lbs, free on rail. Millers' offers quietly steady. Broad bran quoted 8s 3d, middlings 8s 9d, fine ditto 10s 9d, bags included ex-mill, powdered oat husks 6s 3d, feed oatmeal 8s 9d, ground oats 12s 3d per cwt free on rail. Oatmeal in moderate demand. London made flaked 17s 6d, rolled oats 16s 6d, medium also fine cut 16s 6d, coarse also medium pinhead 16s 6d ex-mill, ordinary Scottish oatmeal 18s 6d, American ditto 16s 6d per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest years 1925-26, 1924-25, 1923-24, 1922-23.

	1925-1926.	1924-1925.	1923-1924.	1922-1923.
Estimated sales of home-grown wheat—	Owts. 442,262	Owts. 259,678	Owts. 452,342	Owts. 351,578
1 week to Sept. 26	1,539,696	650,000	1,652,316	1,160,191
4 weeks to Sept. 26	..	..	..	..
Average price of English wheat per cwt.	11 3	12 1	8 9	8 9½

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1921 to 1924:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1925.	Owts. 423,262	Owts. 277,845	Owts. 85,415	11 6	13 7	9 8
Sept. 19	423,262	351,052	98,932	11 3	13 4	9 7
Sept. 26	442,262	527,696	56,851	13 3	17 3	10 4
1921	436,564	168,536	63,988	8 9	10 5	8 10
1922	351,579	388,291	110,315	8 9	10 11	8 10
1923	452,342	561,480	90,449	12 1	18 0	9 8
1924	259,678	..	..	..	..	..

AMERICAN WHEAT MARKETS.

In the early part of the week prices declined, owing to liquidation, bearish foreign news, and in particular to an increase in the visible supply of wheat in Canada, which is now estimated at 14,672,000 bushels, against 6,118,000 bushels at this time last year. A slight rally took place when it was rumoured that the Russian crop estimates had been exaggerated, but the inactivity of export business caused a further decline. Recent quotations:—

	Oct. 3, 1924.	Jan. 2, 1925.	Sep. 17, 1925.	Sep. 24, 1925.	Oct. 1, 1925.
Winnipeg (No. 1 Manitoba)—Cents per 60 lbs	156½	183	(a) 134½	(a) 125½	119½
Chicago (No. 2 Winter)—Cents per 60 lbs	146	177	(b) 151½	(b) 144½	(c) 135

(a) October delivery. (b) September delivery. (c) December delivery.

COAL.

CARDIFF.—The depression in the coal trade continues unrelieved. This week, on the Cardiff market, business has been extremely quiet, and prices have remained saggy. On Tuesday the Commercial Committee of the Monmouthshire and South Wales Coal-owners' Association met to consider the expediency of reintroducing a scheme for the stabilisation of prices. To-day the conditions in the export trade are abnormally difficult in consequence of the increasing competition of Yorkshire, north country, and Scottish and foreign coals. Steam coals are being shipped for bunker purposes at the North-East Coast ports, and particularly on the Tyne, at from 5s to 6s per ton less than current f.o.b. prices for best Cardiff steam coals. Under these circumstances it was decided at the meeting of the Commercial Committee of the Monmouthshire and South Wales Coalowners' Association last Tuesday that extensive enquiries must be made before the members of the association can be asked to commit themselves to any hard-and-fast price system.

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AGENTS AND CORRESPONDENTS THROUGHOUT THE WORLD.

respectively. Calfskins were steady to firm, best selling from 7½d for heavy to 13½d for lights. Woolskins made from 7s to 11s 6d, and hoggs 3s 3d to 12s each.

The demand for imported hides remains good, although buyers are reserving business for next week's Shoe and Leather Fair, to be held in London. Argentine ox have sold on a basis of 8½dths, and several thousand afloat at about 8½ c.i.f. Prices for dry hides are well maintained, and Germany has paid 12d for dry Americanos 10-11 kilos.

Latest cables from New York report the Chicago market as steady, with heavy packers still selling at the old rate of 17½ cents.

Business in sole leather shows a decided improvement, a feature of the trade being the demand for both medium and lightweight bends. Though prices all round are very firm, a fair turnover has been done in most directions. Repairers are busy, and are taking 12-14 lb bends so freely that some firms are short of stock.

In upper leather the tone is better, although the trade is still handicapped by low-priced German chrome leather. Patent and coloured glacié kid are best sellers, although the propaganda of the Glacié Kid Association is having a decided effect on the demand for black glacié. Curriers are better employed, as orders for fair-sized deliveries of wax butts, semi-chrome, and lining leather have come in of late.

There is still a good deal of unemployment in the shoe trade, but manufacturers are confidently looking forward to more orders at next week's Fair at the Agricultural Hall.

CHEMICALS AND FERTILISERS.

The chemical market is rather steadier, with some lines at higher levels. Lead salts are better in sympathy with the metal. White acetate of lead dealer at £43 10s to £44, with good business. Red and white lead also higher at £44 to £44 10s, and £44 10s, c.i.f. London, respectively, with a firm market. Formaldehyde, 40 per cent., again dealer at £39 15s to £40 10s, with better trade. Cream of tartar, 99-100 per cent., dealer at £3 16s to £4 per cwt, less 2½ per cent. Citric acid has eased to 1s 3d, less 5 per cent.; dull and unsteady. White powdered Cornish arsenic again reduced, with business non-existent; nominally quoted at £17, f.o.r. mines. Carbolic acid crystals quieter and slightly cheaper at 4½d in bulk. Barium chloride, £9 5s on spot and cheaper to arrive. Epsom salts in little request and easier at £4 5s to £4 7s 6d in bags. Glauber salts a shade cheaper at £3 10s to £3 12s 6d in bags. Sal ammoniac further reduced to £33 in casks for dog-tooth crystals. Fertiliser materials in better demand, with ammonium sulphate dealer at £12 9s delivered home areas, and £11 15s f.o.b. in single bags for export. Nitrate of soda unchanged and quiet at £12 7s 6d. Superphosphate, 30 per cent., in little call at £3. Basic slag, 30 per cent., in good request at £2 15s. Kainit dealer at £2 15s for 14 per cent.

VEGETABLE OILS AND OILSEEDS.

Linseed oil has been a fluctuating market. The tendency has been downward, current value being about £39 10s on spot, and £39 5s for October-December delivery. Consumers are content to fill immediate requirements. Crude Egyptian cotton oil is now being supplemented by oil crushed from the first arrivals of this season's seed, and is held for £41 10s per ton naked ex-Hull mill. Edible refined has been in better demand, and technical is steady around £42 5s. A good trade in palm kernel oil has been done for export to America, and values are firmer at £43. Other vegetable oils are in slow demand. First pressure castor oil has been reduced to £54 per ton (barrels free). In the oilseed section Plate linseed in the absence of demand has further declined to £19 on spot, which figure has also been accepted for October-November shipment. Russian linseed is offering at prices relatively below those for Plate and Indian seed, but crushers are by no means active. A better trade is reported in Egyptian cottonseed, £11 17s 6d being current value of black for October loading.

OVERSEAS PRODUCE.

FOODS, BEVERAGES, &c.

SUGAR.—A steady tone prevailed for refined parcels, and a fair spot business transpired in British makes at the lower prices recently ruling. Imported kinds, however, met with quiet attention, but late rates were generally maintained. Mr Licht's revised estimate for Continental crops totalled 7,605,000 tons, against 7,078,000 tons last year. Germany is placed at 1,680,000 tons, against 1,576,000; Czechoslovakia 1,600,000, against 1,410,000; France 780,000, against 830,000; Belgium 380,000, against 400,000; Holland 300,000, against 330,000; and Russia 950,000, against 480,000 tons. Czechoslovakia, also "J" Dutch, November-December, sellers, 14s 4½d; January-March, 14s 6d, f.o.b. terms. American granulated, spot, 27s 1½d; afloat, 15s; London outports, 15s 2½d, c.i.f. and i. terms. White Java, spot, quoted 26s 3d to 27s. Polish crystals, October-December, 13s 6d, f.o.b. Danzig. Cuban basis, 96 per cent., October-November, 10s 6d, c.i.f., U.K. Indian market remains dull, and quotations unaltered. White terminal market opened firm, but quieter since. October, sold, 13s 6d; November, 13s 8½d; December, 13s 10½d; March, 14s 3½d to 14s 3d; May, 14s 6½d to 14s 6d; August, 14s 10½d per cwt.

COFFEE.—Spot market remained quiet, though late rates were

maintained, especially for the finer qualities, which continue in light supply. Mountain-grown Jamaica good middling at 17s; Kenya fair bold, 130s to 132s 6d; peaberry, 129s 6d to 134s; new crop Kilimanjaro good middling, 120s to 128s 6d; Costa Rica ditto, 171s; Vera Paz good bold, 155s 6d; Colombian greenish maragogipe, 189s 6d. Futures pursued a quiet course, and prices tended easier.

COCOA.—Spot market steady, with moderate sales. Guayaquil summer Arriba sold, 79s to 80s; forward positions steady. Trinidad, December-February shipment, sellers, 68s; Bahia, September-October, 55s; Guayaquil Epoca, September-October, 78s; Machala, 76s; Caraquez, 76s, c. and f. terms; St. Thome, September-October, 55s, c.i.f. and i. Accra F.F. grade, November-January, sold, 43s 6d; and Lagos, October-December, sellers, 41s per cwt., f.o.b. terms. Cocoa butter maintained. C.F.R., spot, also prime English, quoted 1s 5½d per lb.

TEA.—Indian offerings at public sale this week were on a much larger scale, and comprised 66,200 packages, while large quantities will also be available next week. The tone was rather quieter than of late, and common to low medium descriptions often marked a decline of ¼d per lb. Medium and finest sorts were also less in request, general run of quality being less attractive, though recent rates were maintained. Pekoe sold from 11½d to 12½d; broken orange pekoe, common to fine, 1s 0½d to 2s 4d; finest to choice, 2s 8d to 4s 7d. Ceylon offerings amounted to 23,132 packages, which met an active demand for fine to finest descriptions, and some high averages were recorded for the best invoices. Good medium kinds were also accorded steady support, particularly leaf grades, which were in request for export. Common sorts, however, moved with some irregularity and occasional weakness. Pekoe, sold, 1s 0½d to 2s 2d; broken orange pekoe, 1s 7½d to 2s 10d per lb, in bond. There was 2s 8d per lb for finest quality, with old season's Keemuns at 1s 1d to 1s 3d, and which show comparatively good value. Common Monings were taken up at 5½d to 6½d per lb, chiefly on export account. 6,000 packages of Java and Sumatra were offered in auction, and all fine grades were in request at full rates. Leaf kinds, however, ruled quieter, while common sorts marked a decline of ¼d per lb. Pekoe, sold, 1s 1d to 1s 1½d; broken pekoe, 5d to 1s 3½d; orange pekoe, 1s 2½d to 1s 5½d; broken orange pekoe, 9½d to 1s 9½d; pekoe souchong, 11d to 1s 0½d per lb, in bond.

RICE. steady, but trade remains without improvement. Rangoon, two stars, spot, 16s; forward, 15s 6d, c.i.f. and i., London. No. 3, Spanish, for shipment, September-October, 22s 9d to 23s 3d; oil, 25s; Italian, spot, 22s to 23s, as to quality, per cwt. Burma rice, bran, October, £6 5s; November-December, £6 7s 6d, ex ship, per September-October, 14s 9d, f.a.q.; September-October, 13s 3d. Madagascar butter beans, spot, 35s to 37s 9d, as to quality. Japanese peas, spot, sellers, 26s; October-November, 24s 6d per cwt, c.i.f.

SPICES.—Pepper easier forward, with moderate inquiries. Black Lampung, October-December, sold, 10½d; January-March, 10½d per lb. Tellicherry, February-April, 9s 6d; Aleppy, 9s 4s per cwt. White Muntok, October-December, sold, 1s 2½d; January-March, 1s 2½d. Cloves dull. Zanzibar, October-December, sellers, 10½d per lb. Tapioca steadier. Singapore, fair flake, to Havre, buyers, 18s 6d. Sago flour dull. September-October, to U.K., sellers, 15s 9d; October-December, 15s 6d. Desiccated coconut steady. Halves, spot, quoted 42s 3d; October-November, 40s 6d per cwt, c.i.f.

FRUIT (Dried).—Currants: New crop in quiet demand, and values barely steady. Amalia, quoted 36s to 37s; Gulph, 38s to 41s; Pyrgos, Australian, 68s to 70s; South African, 33s to 40s. Sultanias steady. Natural, in bags, quoted 28s to 30s; September shipment, 29s; tions firmer. First tide Hallowee, 23s 6d; second, 22s 6d; Siam, 28s to 36s; Lexias, 30s to 42s. Evaporated fruits steady, with a fair Californian apricots, standard new extra choice, 120s; fancy, 130s; choice, 70s; fancy, 78s. Plums in better support. Oregon, size 30/40, quoted 72s; 40/50, 53s; Californian, 40/50, 59s; 50/60, 52s 6d; 70/80, 46s 6d. Pears, choice Californian, 90s; extra choice, 102s to 103s. Apple rings, Californian, extra choice, 67s 6d to 75s; Canadian, 62s 6d per cwt.

CANNED GOODS.

CANNED FRUITS.—Spot stocks move off slowly, but prices show no material alteration. Singapore pines, 48-1½s quoted 86s 6d to 87s 6d; cubes, 2½s, 13s to 13s 6d; slices, 2-2½s, 12s 6d to 13s 6d.

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South African are moving off quietly on former terms. Californian pears, 15s to 17s; peaches, 12s to 14s; cherries, 13s to 14s; apricots, 10s 10 to 13s 3d; loganberries, 13s 9d to 16s. Fruit salad, 1½s, 12s 3d to 14s; 2½s, 21s to 22s; Australian pears, 2-2½s, 16s to 16s 6d; Canadian, 14s to 14s 6d. Italian tomatoes firm, as supplies will be smaller than anticipated.

CANNED MEATS.—Corned beef in quiet request, but there is a fair inquiry for Danish lunch tongues, at steady rates.

GENERAL.—Sardines firm for small fish on scanty offerings, but large sizes move off slowly. Portuguese, ½ flats quoted 4s 3d; clubs, 5s; 12 ozs, 7s 6d; 18 ozs, 12s per dozen tins. Salmon firm on light supplies. Red tall, 1 lb, 64s to 65s; ½ lb pink, 38s to 40s; tall pink, 27s to 28s. Lobsters met with good support at firm rates. Halves quoted 16s, and quarters 9s to 10s. Condensed Milk.—Market steady for both full-cream sweetened and machine-skimmed.

TEXTILES.

JUTE.—Market strong under higher Calcutta advices, combined with a good demand and sellers adopted reserved measures. Firsts to Continent all positions up to the end of the year sold at £51 per ton. Hessians and twills quiet, but firmly held.

REMP.—Manila dull and easier. J grade, October-December, sellers, £41; K, ditto, £36 10s; L, £37; and M, £31 15s per ton. New Zealand, also African sisal, slow, unaltered.

COMMERCIAL TIMES—WEEKLY PRICE CURRENT.

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

LONDON, FRIDAY.		DYE STUFFS, &c.		METALS—B. Copper		SUGAR—per cwt duty, 11s 8d.	
COCOA—Duty, British grown,	50 0 0	Galls, China, per cwt	60 0 0	Best selected	64 10 0	per cent. polarisation	50 0 0
9s 4d, foreign, 14s cwt	50 0 0	Turmeric, Bengal	nom	Sheets (strong)	39 0 0	B.W.L. muscovado	nom
Trinidad, per cwt	70 0 0	Madras, finger	55 0 0	Crystallised	61 10 0	Crystallised	22 0 27 0
Greenada	60 0 110 0	Gambier, block	60 0 0	Standard	41 0 0	Java, white	spot 26 9 0 0
Ceylon, plantation	70 0 80 0	Cutch, ord. to fair	55 0 0	Soft Foreign	39 15 0	Refined—London—	
Guayaquil	70 0 80 0			Spelter G.O.B.	38 17 6	Yellow Crystals	25 7 0 0
Bahia, fines	53 0 55 0	DYEWOODS—		Tin—English ingots	269 5 6	Cubes	32 6 33 6
COFFEE—British grown,		Brass	18 0 0	Do do bars	270 5 6	Crushed	30 6 0 0
9s 4d, foreign, 14s cwt	115 0 140 0	Fustic, Jamaica	15 0 0	Standard cash	269 10 0	Granulated	28 7 29 1 1
India, fine ord. gd. mid	115 0 140 0	Cuba	20 0 0			Crystals, No. 3	28 6 0 0
Do good to fine	150 0 150 0	Logwood, Campeachy	9 0 0			Castor	30 9 32 10 1
Costa Rica, ord. to mid	150 0 150 0	Honduras	10 10 0			Flores	22 9 27 0 0
Good to fine	170 0 199 0	Jamaica	7 15 0			SPICES—Pepper, lb—	
Central American, gd. ord.	115 0 138 0	Red Sanders	12 0 0			Muntok, fair White	1 2 0 0
Do mid	140 0 150 0	Sapang Ceylon	15 0 0			Black Singapore	0 5 0 0
Mid to fine	140 0 150 0	FLAX—spot—c.i.f.	77 0 0 0			White Sumatra	1 3 1 3
Colombian, ordinary	115 0 117 0	Riga ZK	77 0 0 0			Pimento	0 5 0 0
Do gd. ord. to low mid	120 0 132 0	Pernau HD	77 0 0 0			Cinnamon—lat sort	1 9 0 0
Do mid to fine	135 0 150 0	Slanes U/A Medium	93 0 0 0			Do 2nd	1 8 0 0
CHEMICALS—						Do 3rd	1 7 0 0
Acid, citric	per lb 1 4 2 0	FRUIT—				Cassia lignea	55 0 0 0
Nitric	per lb 0 2 0 0	Oranges, Murcia & Val. 300	0 0 0 0			Cloves—Zanzibar	0 11 0 11 1
Oxalic	per lb 0 6 0 6 1	Do	350 0 0 0			Penang	2 2 4 4
Tartaric, English	1 0 0 0 0	Do Cape	0 0 0 0			Madagascar	1 3 1 6
Foreign	0 11 1 0	Lemons, Naples	15 6 49 0			Ginger—per cwt	
Cream of Tartar	per cwt 80 0 0 0	Do Sicilian	15 6 49 0			Cochin, small rough	105 0 0 0
99% 100% per cwt	80 0 0 0	Do Malaga	25 0 0 0			Do wormy	0 0 0 0
Alum lump	per ton 110 10 0 0	Do	25 0 0 0			Japan	90 0 0 0
Do ground	110 10 0 0	Do	25 0 0 0			Jamaica, ord. to good	80 0 120 0
Ammonia, carb.	per ton 110 10 0 0	Grapes, Lisbon	9 0 18 0			Mace	3 11 4 6
Muriate, White	per ton 35 15 31 15	Almeria	10 0 2 0			Nutmegs, 65's	2 8 0 0
Sulphate	per ton 14 0 15 0	Val. Ona	8 0 0 0			110's and 80's	2 4 2 7
Arsenic, lump	per ton 75 0 80 0	Egyptian Ona	0 0 0 0			Chillies—per cwt	36 6 97 6
Powder	per ton 75 0 80 0	Agaves, Tamaulipas	0 0 0 0			TALLOW—per cwt	
Ashes, pot	per cwt 65 0 70 0	Sturmer Pippin	0 0 0 0			Good mutton	50 6 0 0
Pearl do	per cwt 65 0 70 0	HIDES—Wet salted				Beef	47 0 0 0
Bleaching powder, per ton	9 0 0 0	Australian	0 5 0 6 1			TAPIOCA—per lb—	
Borax, gran.	per cwt 25 0 0 0	West Indian	0 4 0 7 1			E.I. Flake, fair, spot	0 2 0 0
Do crystal	25 0 0 0	Cape	0 6 0 7 1			Medium Pearl	0 2 6 28 0
Do powder	25 0 0 0	Lisbon	0 5 0 7 1			Seed	15 6 28 0
Calomel	per lb 4 0 1 1	Oporto	0 4 0 7 1			TEA—duty 3½d, British,	
Iodine, dry	per oz 1 0 1 1	Dry & Dry salted Cape	0 8 0 12 1			foreign, 4d per lb—	
Nitrate of Soda	per ton 12 15 0 13 0 0	Madagascar	0 6 0 12 1			Indian and Ceylon—	
Potash—Chlorate, net.	0 4 2 0 4 1	Central American	0 7 0 12 1			Pekoe	0 11 1 10 1
Prussiate	0 8 0 9	Buffalo, Singapore	0 7 0 12 1			Broken Pekoe	0 5 3 3
Do Foreign	per lb 11 0 12 0	Penang	0 5 0 10 1			Orange Pekoe	1 2 1 3
Sulphate	per lb 1 10 2 3	E.I.	0 5 0 10 1			Broken Orange	9 4 7 7
Sal-Ammoniac	per cwt 47 6 52 6	Market Hides, London—				Pekoe Souchong	0 11 1 7 1
Sal-Bicarb.	per ton 5 0 0 10 10 0	Best hyv. ox & heifer	0 8 0 8 3			TIMBER—ex. yd—	
Sulphate	per ton 5 0 0 10 10 0	Do light do	0 7 0 8 3			Swedish u/s 3 x 8, Pt. Std.	19 0 0
Sulphate	per ton 5 0 0 10 10 0	Do light do	0 7 0 8 3			Do 2 x 4	19 0 0
Alkali	per ton 6 15 0 0 0 0	Best cow	0 5 0 6 1			Do 1 x 4	19 0 0
Caustic	per ton 14 12 6 17 0 0	Best calf	0 5 0 6 1			Can'd Spruce, Dis.	17 10 0
Sugar of lead, white	per ton 0 0 0 0 0 0	2nd do	0 4 0 12 1			Pitchpine	per load 9 0 0
Foreign white	per ton 0 0 0 0 0 0	INDIGO—per lb—				Rio Deals	per std. 32 0 0
Sulphate Quinina	2 3 0 3	Bengal, good red violet to fine	2 11 0 0			Teak	per load 20 0 0
English do	2 2 0 3	Plantation sheet	3 6 0 0			Honduras Mahg. logs, c.i.f.	0 11 6
Foreign do	2 2 0 3					African	0 6 6
Sulphate Copper per ton	25 10 0 25 10 0					American Oak Boards	0 6 0
Zinc, cut	9 0 0 9 10 0					Do Ash	0 6 0
Sulphur Flour	8 0 0 8 10 0					English Oak Planks	0 7 0
Do Roll	8 0 0 8 10 0					Do Ash	0 6 6
Vermillion, Chinese, per lb	4 6 4 9					TOBACCO—	
English	nom					Duty 8/2-10/4 per lb. Empire	
Oil Peppermint, H.G.H.	nom					growths, 5/12 per lb.	
COPRA—per ton, c.i.f.	nom					Virginia leaf—	
Malabar, Sept.-Oct.	31 10 0					Common to fine	1 3 2 3
Ceylon	30 10 0					Strips	2 0 2 6
FMS Singapore	29 10 0					Kentucky leaf—	
FM Straits	29 10 0					Common to fine	1 0 1 6
COCHINEAL—per lb	2 3 3 6					Strips	1 3 1 8
DRUGS—						China	0 9 2 6
Aloes, fine E.I.	per cwt 150 0 150 0					Borneo and Sumatra	1 0 7 0
Cage, good to fine	41 0 42 6					Nyasaland	0 8 2 8
Balaam Peru	per lb 7 0 0 0					Seedleaf	1 6 4 8
Capivi	2 0 2 3					Havana	1 8 6 0
Camphor	2 9 0 0					Greek	0 10 1 8
Cardamoms, Ceylon	6 0 8 3					East Indian	0 8 1 3
Cantharides, China, per lb	4 0 0 0					Cigars, duty 15/7 per lb.	2 0 0 0
Castor-oil	85 0 95 0					TURPENTINE, p. cwt.	77 3 0 0
Gum Benjamin Sumatra	5 0 0 10 0 0					WOOL—per lb—	
Olibanum, drops, fair to good	60 0 105 0					English, Southdown, washed	25
Ipecacuanha	9 0 10 0					" Lincoln hog	53
Jalap	2 0 0 0					Queensland, sold, super embg.	67
Musk pod, China	0 75 0 77 6					N.S.W. grossy, super	23
Oil, Cassia	per lb 9 6 9 6					N.Z. raw, half-bred, 50-55	18
Aniseed	3 5 3 6					Crushed 40-44	1

54s; second pressure, 52s; and pharmaceutical, 59s per cwt. Hull with London, 2s per cwt extra. Cotton easier. Crude Egyptian, spot, 42s; Bombay, 39s; common edible, 47s; deodorised, 49s. China-wood steady. Hankow, spot (barrels), 65s; September-October, 66s 5d. Coconut quiet. Ceylon, spot, 47s 6d; September-October, 45s 9d; Cochin, ditto, ordinary packages, 59s 6d. Soya quiet. Oriental, barrels, October-November, 45s 3d; bulk, 40s. Cod quiet. English, spot, 35s to 36s. Ground-nuts easier. English, crushed, naked, spot, 48s 6d; deodorised, barrels, 56s. Turpentine irregular, and easier. American, spot, 77s 3d; November-December, 77s 9d; January-April, 79s 9d. Rosin firmer. American, grade B/D, 33s; E, 33s 3d; F/G, 33s 9d; W/G, 34s 3d; W/V, 34s 9d per cwt. French F/G, nominal; W/V, 30s 3d per cwt. Petroleum steady. American, standard white, spot, 1s; and water white, 1s 1d per gallon.

GENERAL.

SHELLAC quiet. Fair T.N., spot, quoted 215s; October, 207s 6d; December, 200s per cwt.

COPRA quiet and tendency easy. F.M.S. Straits to Rotterdam, August-October quoted, £30 10s; October-December, £30 7s 6d. Dutch E.L., October-December, £30 5s; Ceylon, September-October, £31 10s; South Sea, F.M.S., ditto, £29 17s 6d; F.M. Straits to Marseilles, September-October, £30; Cebu ditto, £30. Palm kernels to Liverpool, November-January, sold, £21 17s 6d per ton.

EGG PRODUCTS quiet. Liquid hen yolk, spot, sellers, 80s to 82s 6d; forward, 85s per cwt, c.i.f. Albumen, spot, 3s 9d to 3s 10d per lb.

MISCELLANEOUS.—Cocoanuts quoted 25s per 100. Coir yarn: Ceylon, £32 to £40; Cochin, £30 to £34. Ceylon bristle £17 10s to £22 10s; cinnamon leaf oil, 44d; citronella, Ceylon, 1s 11d; Java, 3s 4d.

TALLOW.—Messrs Colchesters and Woolner write on September 30th

as follows: The tallow market was quiet during the week, but prices were mostly unchanged to-day. While shipments to the United Kingdom are held up in the Colonies, they are selling their supplies to Japan and the United States. At auction to-day 777 casks tallow were offered, and 250 were sold. Quotations are:—Australian mutton: Fine, 51s 6d; good to fair, 50s 6d to 48s; dull to dark, 43s 9d to 40s 3d; hard, 50s 6d. Australian beef: Fine, 49s; good to fair, 47s to 44s 6d; dull to dark, 42s 6d to 38s 6d; sweet, 50s 6d. Present shipment from Australasia: Good mixed, 46s, nominally. Present shipment from South America, 46s 6d. The market letter is unchanged. Town tallow, 43s 6d per cwt. Rough fat, per 8 lbs, 5d; melted stuff, 33s 6d per cwt. Quotations are:—Town, 42s 6d, net cash, naked, ex works. Country: Frail casks, 42s 6d; home melted, shipping casks, net, f.o.b., good coloured, 46s; fair to dull, 43s to 42s. Bone fat: white, none; pale, none; benzine, 39s; melted stuff, 38s 6d, f.o.b.

METROPOLITAN CATTLE.—OCT. 1.

British Beasts, per stone of 8 lbs to sink the offal.				Sheep, per stone.			
Beasts—Devons.....	s	d	q	Beasts—Heavy Bulls ..	s	d	q
Shortfords	7	0	7	Canadian	..	..	..
Norfolks	6	8	7	Sheep—Downs (clipped)	9	6	10
Scottish	6	8	7	Ewes	6	2	6
Irish	6	4	6	Crossbred	..	..	..
Fat Cows	..	..	..	Scottish	..	..	..
				Lamb—Downs	10	0	11

LONDON POTATO MARKETS.—OCT. 1.

Per Cwt.				Per Cwt.			
Lincoln—King Edwards	s	d	q	Eclipse	s	d	q
Sharps Express	6	6	0	Blackland—King Edwards	5	6	0
	4	6	5		5	0	0

The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor:

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Vol. CL.

SATURDAY, OCTOBER 10, 1925.

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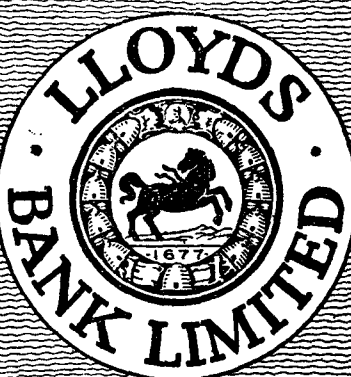
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THE MONEY MARKET.

MONEY has been plentiful throughout the week, and the
discount market had an easy tendency, the influence of
large gold exports being balanced by expectations of still
more extensive arrivals. Fine bank bills were scarce
and in demand, with exceptional inquiries at 3½ per cent.



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Warrants due 1st December, 1925, the
BALANCES will be STRUCK on the evening
of the 2nd November, 1925, after which date
the Stock will be transferred ex-dividend.
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(Saturdays excepted), three clear days prior
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1st October, 1925.

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	Oct. 9, 1925.	Oct. 2, 1925.	Sept. 25, 1925.	Sept. 18, 1925.	Previous Rate and Date Changed.
Bank Rate	4	4	4½	4½	(Oct. 1, '25)
Banks' Deposit Rate	2	2	2½	2½	(Oct. 1, '25)
Discount (Call)	2	2	2½	2½	(Oct. 1, '25)
Houses (Noties)	2½	2½	2½	2½	(Oct. 1, '25)
Market rate (3 months' bills) ..	3½	3½	3½	3½	..

The Bank return showed a decrease of £2,550,000 in the coin and bullion, nearly all of which had been announced as withdrawn for export, the note circulation had contracted by £814,000, and so the reserve was £1,736,000 lower, though its proportion to liabilities had risen 1 per cent. to 28.3 per cent., owing to reduction in the deposits. Public deposits declined by £17½ millions, and Government and Other securities by £3,030,000 and £6,339,000 respectively. These changes left the Other deposits seven millions higher. Currency notes outstanding were increased by £1,474,200 to £294,478,400, which includes £1,325,100 for notes called in but not yet cancelled. The fiduciary issue is £236,903,300, or £11,242,100 below the maximum for the year.

The monthly statement of the London Clearing Banks of average weekly balances for September, printed in detail on another page, shows a slight increase in deposits, as may be seen in the table below summarising the aggregate figures of the nine English banks:—

	June, 1924.	Dec., 1924.	June, 1925.	July, 1925.	Aug., 1925.	Sept., 1925.
Capital and reserves	119.2	119.4	119.6	120.1	120.7	120.7
Acceptances	85.3	109.9	90.2	84.5	85.0	85.7
Deposits (incl. undiv. profits, &c.) ..	1,651.9	1,656.1	1,624.5	1,633.2	1,611.5	1,613.7
Total liabilities	1,856.4	1,885.4	1,834.3	1,837.8	1,817.2	1,820.1
Coin, notes, balance at bank, and cheques in course of collection ..	249.2	259.7	253.9	244.0	240.1	237.2
Money at call	108.1	112.8	113.0	113.6	117.4	111.5
Investments	349.3	328.8	292.6	282.5	282.6	281.5
Discounts	245.0	234.4	205.5	228.5	223.6	240.2
Loans and advances	791.7	811.2	850.5	851.0	839.0	834.5
Cover for accept., premises, &c.	113.2	138.5	118.8	113.4	114.5	115.2
Total assets	1,856.4	1,885.4	1,834.3	1,837.8	1,817.2	1,820.1

A significant feature of the table is the further decline in the total of loans and advances and the large increase in bills discounted—presumably in Treasury Bills. Cash and money at call also declined, and there was a further small reduction in investments.

NEW YORK MARKETS.

Our New York correspondent cables:—The surprise occasioned by the Government cotton crop estimate of 14,759,000 bales was shown in the break in prices of \$8 per bale. It is believed that the latest estimate will come nearer the actual outturn than its predecessors. Heavy trading in stocks on the cut in your Bank rate was followed by much realisation, but the market is again firm, and an advance in the Federal Reserve Rate is considered unlikely. The country banks are in a very liquid position, and money is expected to remain fairly easy. The Federal Reserve statements reveal a moderate increase in the circulation, but other changes are unimportant, the Reserve ratio being 71.8 per cent. The market is reconciled to the French debt arrangement, its virtue being that it allows evidence to accumulate of capacity to pay.

THE STOCK MARKETS.

Cheaper money, increasing confidence in the situation at home and abroad, and intense activity in the rubber market, have contributed to make a heavy settlement. Gilt-edged stocks have drooped in face of the triple municipal loan, and the prospect of similar issues to come. Mexicans have declined, in marked contrast to other foreign bonds. New York has again been an active buyer of Brazilians. Home rails have lost some of last week's sharp rise, but satisfactory dividends and reports account for the continued firmness in Argentine rails. Little interest has been taken in oil and mining shares, though prices of the chief shares have been steady. Tin shares have risen briskly, and a good deal of trade has been done. The volume of business in rubber shares has been huge, though profit-taking has led to some irregularity in prices. It is probable that the reinvestment of funds from this source has benefited Courtaulds, Dunlops, and other leading industrials.

THE COMMODITY MARKETS.

Business as a whole continues to show slight expansion, which is not, unfortunately, common to all branches of industry. The position on the Cardiff coal market, for instance, remains unsatisfactory, quotations having been weak for all classes. In iron and steel, however, a rather better tone has obtained this week, although business is still quiet, the pig-iron section remaining depressed, while demand for semi-finished materials is dull. In the cotton trade nervousness as to future values and restriction of credit continue to check any general expansion. The strong demand for wool during the last week of the London auctions has occasioned some surprise. Business in tops has been better, and inquiry in the woollen textile trade as a whole is expanding. The wheat markets have been dull, offers on Russian account being a noteworthy feature. Demand for sugar is on a restricted scale. Offerings of tea have been keenly competed for, but the coffee market is quiet generally. Rubber is active, and prices have advanced. Among metals tin is firm, copper irregular, and lead slightly easier.

FOREIGN EXCHANGES.

In the foreign exchange market, although business has not been heavy, there was considerable movement and interest throughout the week. The dollar rate, which weakened to \$4.83½ on the 2nd, and closed on that day at \$4.84, showed a decided improvement on the news of gold being shipped to New York, the rate moving up to \$4.84½, and by yesterday morning reaching \$4.84½. In view, however, of the monetary position in the two centres, it is unlikely that this improvement will go much further for the time being, and further gold movements may be expected. As was natural, forward quotations have again widened a little, from 1½ to 11-32 cent per month above spot. The French franc, as the result of M. Cail- laux's visit to America was gradually digested, showed a strong tendency to depreciate, the rate moving up from 104.25 on the 2nd to as high as 105.50 on the 7th. The further increase in note circulation and the rapid approach to the Bank of France's present maximum gave additional justification to this movement, which, however, was pulled up sharply by an official statement that the Government was determined, when it judged necessary, to use the Morgan credit to prevent any further running away of the rate. On this announcement the quotation receded to 104.45 on Thursday, and yesterday morning stood at 104.50. The most important factor in the immediate future of the franc, the effect of the recent negotiations on the question of the issue of a new French loan in New York, is at present obscure. Brussels, which stood at 108.10 on the 2nd, showed no decided movement until heavy buying in America, on the prospects of a new loan in London and New York, brought down the quotation sharply on Thursday to 106.70, the rate standing yesterday morning at 106.75. Forward rates in Paris have widened again to 47-50 centimes per month over spot. In Brussels they have moved from 5 centimes to 17-20 at 33.61½, as compared with 33.64, a slight reflection of announcements of improvements in Government finances Britain, has moved up from 120½ to 120½, probably as the result of uneasiness at the new outbreak of Fascist fervour. Copenhagen, at 19.97, as compared with 20.03, shows a slight improvement; Oslo at 23.95, as compared with 23.92½, a slight depreciation on the week. Of the more stable currencies, Amsterdam has moved from 12.04½ to 12.05½, Stockholm from 18.03 to 18.05½, Switzerland from 25.09 to 25.11½, Berlin from 20.33 to 20.34, Prague, Vienna, and Budapest remaining unchanged. Warsaw remains at 29, the recent strain being to a large extent removed, as the central bank now sells freely at the same rates as the market. Bucharest, at 1,010, pressed as to the sale of this year's harvest. In the East the rupee is unchanged at 1s 6½d, as is also the yen at 1s 8 9-32d. For the greater part of the week the silver market has been quiet, until a strong Indian demand on Wednesday drove up prices, but this was again followed

by a reaction. Hong Kong stands at 2s 5d, as compared with 2s 5½d, Shanghai at 3s 2½d, as compared with 3s 3d. In the South American market the main feature has been the further rise in Brazilian currency, reflecting the improved financial position of the country, the Rio rate moving up again from 7½d to 7½d. Buenos Aires has also improved from 45½d to 46½d, and Monte Video from 49½d to 50½d, Valparaiso, however, is unchanged at 39.70 pesos.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the three days ended October 3rd:—

EXPENDITURE.	(000's omitted.)	RECEIPTS.	£
Supply Services	4,350	From Revenue	7,936
Interest, &c., on Debt	20,737	Increase in Debt	10,844
Sinking Fund	157	Decrease in Balances	6,539
Sundries	75		
	25,319		25,319

Revenue for the three days ended October 3rd totalled £7,935,700, against £12,303,800 for the four days to October 4th last year. Property and income-tax yielded £4,397,000, against £5,050,000. Super-tax produced £270,000, against £310,000. Customs yielded £985,000, against £1,245,000, and Excise £519,000, against £865,000. The three days' operations increased the National Debt by £10,844,200, and caused the following changes:—

	(000's omitted.)	£
Public Department Advances ..	+ 14,500	
Bank of England Advances	+ 10,000	
	+ 24,500	
Treasury Bills	— 13,371	
National Savings Certificates ..	— 250	
Sundries	— 35	
	— 13,656	

The floating debt was increased by £11,145,000 to £786,266,000.

FINANCIAL YEAR, 1925-1926 (April 1st to Oct. 3rd).

	£		£
Total Expenditure ..	405,225,629	Raised by Revenue ..	351,870,418
		Decrease in Balances ..	3,735,761
		Amount borrowed ..	49,619,450
Total	405,225,629	Total	405,225,629

ESTIMATES for FINANCIAL YEAR 1925-1926.

	£		£
Expenditure	799,400,000	Revenue	801,060,000
Surplus			£1,660,000.

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies.—Clerical, Medical, and General Life Assurance Society, Goode, Durrant, and Co., and Sungkai Chumor Estates.

ECONOMIST INTELLIGENCE BRANCH.

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

THE PRIME MINISTER'S COMPLACENCE.

THE task which faced the Prime Minister when he rose to address the annual Conservative Party Conference on Thursday evening was not an easy one, but a careful reading of his speech shows it to be just the kind of situation which Mr Baldwin's particular gifts enable him to meet adroitly. His problem had several facets. He had first of all to soothe the growing uneasiness in his own party over four separate questions—Iraq policy, the Government's attitude towards Communism, the coal subsidy, and the lack of an unemployment policy (in connection with which there was an instinctive and unexpected protest at the opening meeting of the conference). For the benefit of the country at large, he had to put the best face upon a disquieting budget outlook, make the most of Mr Chamberlain's efforts for European peace, and generally to draw up a profit-and-loss account of his Government's operations satisfactory enough to satisfy

the great body of shareholders that their business was in the best possible hands. In the wide field of home and foreign affairs which he had to traverse there are many pieces of treacherous ground. But those who know best the weaknesses of Mr Baldwin's position will be the first to admit that his speech was as good, both in tone and in substance, as could be expected under the circumstances. It has glaring weakness, it is true, for his opponents to enjoy. But his Party, at any rate, even if disappointed, will realise with a sigh of relief that complacency is safer than the tariff panic with which the same speaker hustled them to the country so disastrously just two years ago.

Mr Baldwin struck at the very outset the note of complacency which ran through the whole utterance, for he started with a bold assertion of the Government's achievements:—"We work better than we talk. We are not even first-class window-dressers, but we do deliver the goods." They had appointed a Food Commission, in accordance with which they set up a Food Council which was bringing cheaper food. They had delivered pensions for widows. They were delivering houses. They were pursuing with success the policy of the pacification of Europe. It is easy to retort that the Government inherited the housing problem at a moment when the main difficulties had been solved, that any other Government would have tackled the pensions question, that the work of the Food Council is an almost negligible contribution in comparison with the sum total of national problems, and, finally, that Mr Chamberlain has yet, if we borrow Mr Baldwin's phrase, to "deliver the goods." We would, however, willingly concede this: that if Mr Chamberlain can come home with a really satisfactory agreement in his pocket, or even if he does nothing more than secure the entry of Germany into the League of Nations, then the Government will be able to claim an achievement which will outweigh minor criticisms, dwarf the Mosul issue—over which Mr Baldwin was at great pains to dispel anxiety—and induce the country to look with a lenient eye on the sundry blunders and weaknesses of Mr Baldwin's administration.

Of some of these blunders and weaknesses Mr Baldwin's speech forcibly reminds us; others are discreetly ignored. It is a sign of grace, perhaps, that the speech contains no boasting of the merits of the Government's futile flirting with Protection. Perhaps the Party managers, remembering 1923, recommended him to resist the temptation. The nearest approach to tariff talk in the speech was a benediction of the campaign for buying British goods, which incidentally is the only idea in the whole statement of a cure for unemployment. But the blunder of the coal subsidy, hailed by his supporters as a surrender to industrial threats, and recognised by all as a death-blow to Budget equilibrium, Mr Baldwin could not avoid. His defence is a very thin one:—

Now I dislike a subsidy as much as anybody in this room. But if I might sum up in two or three words what made the Government take the line it did—it was not cowardice, it was not want of preparation—it was because they knew that an industrial struggle on a large scale, leaving out every other issue, would cost the country what the country to-day could but ill afford, and would set back the trade of the country, bad as it is in many places, by months and perhaps years.

The final choice, it is true, was between a subsidy and a great and costly strike. But that terrible dilemma might never have arisen had the Government been alive at an earlier date to the approach of the crisis. Pace Mr. Baldwin, as clear a case of unpreparedness as could be imagined. But that is past history. The important fact at the moment is that Mr Churchill risked a Budget with a precarious balance, and that the coal subsidy has upset it. What is the Government going to do? The answer is "economy." Mr Baldwin, having analysed the Budget, and narrowed the target for the axe, spoke of the work of the Cabinet Retrenchment Committee, and concluded:—"The Chancellor of the Exchequer is determined to make substantial reductions in the estimates next year." We welcome the words, and look to Mr Baldwin and Mr Churchill to fulfil them, even in the face of the unpopularity which the former correctly anticipates.

In one other direction Mr Baldwin's complacency seems to us to be dangerous. Following for once the lead of Mr Ramsay MacDonald, he assumed that Mr Lloyd

George's land campaign has been stillborn. Indeed, in one of those picturesque, but mixed metaphors that seem naturally to spring to the minds of politicians when they think of Mr Lloyd George, he described the policy as having "fallen as flat as a cold linseed poultice." It may be so; but we are by no means certain. Mr Baldwin had probably not had time to read the report of the Liberal Land Committee, which has been issued this week. If he had done so he would, we think, have realised that the report is a very forceful and serious political document, written with full knowledge of the arguments in favour of the present system which it meets temperately and with careful analysis; and that while it contains some traces of a propaganda document, it makes a very strong case for a drastic agricultural policy. On the detailed schemes which the report itself suggests, we shall have something to say later. The Committee do not themselves put their plan forward as final or "as though it were not capable of amendment and improvement." Indeed, on the very first page of the report "constructive criticism and practical alternatives are invited." But Mr Lloyd George's proposals cannot be ignored or brushed aside—least of all by the party which has always prided itself on being the friend of agriculture. They may be met with an alternative policy; the Conservative party will make a profound mistake if they think they will be safe in doing nothing.

Possibly, however, of all the subjects touched upon by the Prime Minister, the one in which his particular audience was most interested was Communism. On this point we find Mr Baldwin's statement correctly balanced. Freedom of speech is a prized possession. But seditious utterances, where dangerous to the community, will be dealt with. It is the Government's duty to maintain law and order and to protect the interests of the community in times of industrial trouble. But, just as the country will not be "Russianised," so it will not allow itself to be "Prussianised." Indeed, Mr Baldwin's position might be described as "maintenance of law and order, but no Mussolini tactics for Britain." This statement does something to remove the bad impression created by the Home Secretary's flirtations with Fascists. It is the common-sense view; and commonsense, provided it is not too much diluted by complacency, is perhaps the first quality the country looks for in a Conservative Prime Minister. When far-reaching reform or hustle are in demand it usually looks elsewhere.

THE WEEK AT LOCARNO.

THE ban of silence has been rigidly imposed at Locarno, and the cohort of special correspondents assembled there is reduced to mere columns of speculative comment on the fact that M. Briand visited Dr Luther at Ancona, or that Dr Stresemann called on Mr Chamberlain at his hotel and talked with him for two hours. The official communiqués are equally barren, though one of the latest, by recording that at the fourth meeting of the conference there were discussed "questions raised by the participation in the League of Nations of the eventual signatories of the Security Pact," indicates that one of the turning-points of the whole negotiation has been reached. A certain confidence, for which there is no very visible ground, has appeared to exist in official circles here that Germany had no real intention of insisting on her objections to Article XVI. of the Covenant. Articles in the German Press lend no colour to that theory, and the early reports from Locarno, so far as they suggest anything at all, suggest that there is still a serious obstacle to be surmounted in the "right of passage" question.

If German exigencies were pressed beyond a certain point there would be nothing but deadlock pure and simple in prospect, for the three or four Allied Powers gathered at Locarno have no power, even if they had the will, to give any reliable assurances as to an amendment of the Covenant. One obvious way round the difficulty would be to undertake to co-operate with Germany, once the latter is a member of the League, in remodelling Article XVI.—no very difficult task—and another still

simpler, would be to acquiesce in a declaration by Germany that under certain circumstances she might feel it necessary to use her right of veto as a council member against any proposal involving the passage of foreign troops across her territory. Since the danger she fears is hypothetical, for no Power would ever dream of trying to cross Germany without Germany's full concurrence, such a general declaration would be open to no real objection.

The second obstacle, the relation between the Eastern and Western treaties, has also apparently been reached. It has certainly been raised in the personal conversations, if not in the formal sessions of the conference. Here real difficulties emerge which may need more hard thinking yet. It is reported, on no particular authority, that the French thesis that the Eastern treaties must be concluded at the same time as the Western has been accepted by the German delegation. That is probable enough, for there has never been the smallest prospect that France would consent to bind herself in the West till a settlement had been arrived at in the East, and, if there really existed on the German side, as the original Note of February indicated there did, a willingness to conclude treaties in the East there can be no reason why they should not be concluded forthwith.

With Dr Benes and Count Skrzynski both at Locarno, the character of the Eastern treaties and the question of their guarantee by France must come under immediate discussion, if, indeed, that has not happened already. The situation has its interest from more than one aspect. What, for example, will be the attitude of Mr Chamberlain regarding these Eastern treaties? They cannot fit adequately into the Locarno scheme of things at all unless they are of the comprehensive type, providing, that is to say, for the peaceful settlement of any kind of difficulty that may arise. Binding arbitration on justiciable questions only would go a very short way towards ensuring peace, for it is precisely those broader questions which the Germans propose to submit to a conciliation process without binding effects that threaten peace in Eastern Europe. The British Foreign Minister can hardly fail to share the view of his French and Polish and Czechoslovakian colleagues on that point, and it may be hoped that no considerations of mere consistency will prevent him from pressing on others arbitration obligations which he declared at Geneva he would never permit his own country to incur.

There remains the question of guaranteeing the Western Treaties. All things considered, it will be a misfortune if France insists on pressing her demands in regard to this. Germany may well object to an arrangement which gives her traditional enemy the unfettered right to decide whether or not a *casus foederis* under a treaty to which France herself is not a party has arisen. On the other hand, there is something to be said for the contention of France and her Eastern allies that the ordinary operation of the League Covenant is not enough, in that decisions by the Council might not be sufficiently rapid, and in any case a single adverse vote could invalidate them. The best course for the Locarno negotiations would be to try and find some basis for a temporary compromise. More and more all such questions as this must be brought directly under the League, and, despite the fate of last year's discussions at Geneva it is becoming increasingly evident—that some agreement going a little beyond the Covenant, if not so far as the Protocol, must be worked out. With Germany as a member of the League, there will be a better prospect of progress in that direction than there ever was before. In the meantime, some individual guarantee, limited both in scope and in duration, of the Eastern Treaties might be possible.

On the whole, the omens at the end of the first week's discussions at Locarno look reasonably favourable. No one could have expected rapid progress, in spite of the useful preparatory work done by the jurists in London. Two elements of uncertainty still remain, the extent of the influence of German public opinion on Drs Luther and Stresemann and the effect of M. Tchitcherin's rather mysterious interventions. As to the latter point, there may not be so much mystery after all. There is no reason to accept the unlikely story that the Soviet Commission

had captured Count Skrzynski, who agreed to propose at Locarno that Russia be forthwith brought into the discussions. What is manifest is that M. Tchitcherin has done everything possible to make trouble at Berlin, but the signs are that he has achieved only very limited success in that endeavour. Germany is certainly violating neither the spirit nor the letter of the Treaty of Rapallo in any agreements she contemplates with the Allies, and though the German Nationalists seem ready to welcome any ally, there is too violent a contrast between their tenets and M. Tchitcherin's to make them permanent or congenial bedfellows.

The chief ground for misgivings about Locarno is the fact, if it be a fact, that the German Ministers, unlike most negotiators who go into conference, can quite well afford to go home without any agreement at all. Such an outcome of the discussions would be hailed with satisfaction by the Nationalists, and there is no decisive evidence so far that it would provoke an outcry in other quarters. On the other hand, the Chancellor and Foreign Minister are not Nationalists themselves, and nothing would suit their general policy less than to go home and have to cast themselves on the support of the Right. Germany, moreover, there seems reason to believe, is at heart more anxious for the success of the Locarno negotiations than the Press as a whole would indicate. For the industrialists in particular an agreement at Locarno means credits, and credits mean employment. While, therefore, none of the Locarno reports give much solid ground for optimism, the balance-sheet of the first week comes out on the whole on the right side, and the imponderables are telling in the main in favour of agreement.

THE FOREIGN LOAN EMBARGO AND THE NATION'S SAVINGS.

THE question whether the so-called "embargo" on foreign loans should be modified or removed has become an absorbing topic of discussion in City circles. The light which this unofficial censorship throws on the "balance of power" in Lombard street makes it one of the most interesting episodes of post-war history. Neither the Government nor the Bank have a shred of authority to prevent the issue of any loan whatever; yet the issuing houses—appreciating in the main the reasons for the policy of restriction—have followed so completely the wishes of the Bank, in spite of the loss to themselves, that our record of new issues shows not a single foreign issue this quarter, and for a long time past has only included those loans approved by the Bank. The embargo is, however, by no means a purely City affair. If the general opinion in favour of its removal prevails, on the one hand, a stimulus will undoubtedly be given to our export industries; but, on the other, there may be a shortage of capital, and interest rates rise to the prejudice of home industrial borrowers. The public is much interested in the balance of these advantages and disadvantages, while the City has the added interest of wishing to see financial business returning to London. It is, therefore, very pertinent to inquire to what extent the nation's savings are sufficient to enable us to resume the lending of money abroad.

It is not easy to make an estimate of post-war savings. Before the war, estimates were based upon information obtained in the Census of Production of 1907. Until we have a new census we cannot make a direct calculation with the same degree of assurance. A comparative estimate may, however, be attempted. The Census of Production estimated the total national income at about £2,040 millions, and savings at £335 millions, i.e., about 16½ per cent. saved and 83½ per cent. consumed. Assuming these percentages still applied in 1913, the figures for the year were about £2,300 millions, of which £380 millions were saved. We have from time to time given reasons in the *Economist* for thinking that last year the production of goods and services in the country was about equal in real values to the production of 1913; it was, of course, deficient in not having increased in pro-

portion to the increase of population. Consumption, on the other hand, certainly rose with the growth of numbers. If consumption *per head* was as great as before the war, the 83½ of 1913 would have become nearly 90 in 1924. In view of the large amount of unemployment, it is possible that consumption *per head* was not quite up to the pre-war figure (statistics of consumption of tea and sugar *per head* have risen, beer is down, meat, according to the Food Commission, slightly down); it cannot be far below it. If production is still only 100 compared with 1913, the margin of saving cannot be more than, say, 11 per cent. We may estimate the national income in money in 1924 as slightly over £4,000 millions. Savings last year must, therefore, have been in the neighbourhood of £450 millions. They ought to have been £650 millions if they had kept pace with the higher level of prices and the increase in population. This method of calculation is, of course, very rough. The pre-war estimate had wide margins of error—the Census of Production figures, for example, being quoted as between £320 and £350 millions—and the margin of error of the above figure is naturally much wider. But the general result is confirmed from other sources.

(a) The premium income figures of the life insurance offices, a very important form of saving, have risen from £48½ millions in 1913 to £82½ millions in 1923, and are probably £85 millions in 1924, an increase of over 75 per cent.—i.e., they have risen a little more than in proportion to the fall in the value of money.

(b) New capital issues, excluding Government issues (which in recent years have usually been conversions, and not new borrowing), have for the last two years been at the 1913 level—viz., £194 and £196 millions respectively in 1923 and 1924, against £196 millions in 1913. Out of this total, however, the percentage issued in respect of the Dominions, Colonies, and foreign countries has fallen, the actual analysis of the figures (excluding British Government borrowing) being as follows:—

	(Million £.)			
	1913.	1923.	1924.	1925 (9 months).
Home issues (other than British Government) ..	36	56	71	81
Dominion and Colonial ..	76	93	72	35
Foreign	84	45	53	6
Total	196	194	196	122

(c) Resources placed to reserve by public companies in the quinquennium since the war have increased in money; but the ratio of these reserve allocations to total capital remains nearly the same as in the quinquennium before the war. They have, of course, varied considerably from year to year, as the following figures show. The figures are from our quarterly figures of company profits, and the figures for each year (which refer to reports issued in the year in question and not on the profits made in that year) are based on the total of the companies' reports available to us:—

Year.	Proportion of Profits Added to Reserves.	Ratio of Reserve Allocations to Total Capital.
Annual Average, 1909-13.....	24½	2.3
Whole year 1919.....	33½	4.3
" " 1920.....	34½	6.0
" " 1921.....	19	2.0
" " 1922*.....	— 9½	— 3
" " 1923.....	20	2.0
" " 1924.....	21	2.3
1925 (6 months).....	21½	2.3

* The withdrawals from reserve in this year exceeded the additions.

It is not possible to generalise as to how far the nominal capital of the joint-stock companies of the country has been written up in proportion to the fall in the value of money; it seems likely that it has risen, but not quite as fast as average prices. The increase has occurred through the issue of bonus shares; through the fact that when amalgamations take place the companies which are absorbed are bought at their current market value, which takes into account the appreciation of property, &c., and not on the basis of their nominal capital; and as a result of the fact that large numbers of private concerns have formed themselves into joint-stock companies, and have, therefore, been capitalised on a post-war, and not on a pre-war,

valuation of their assets. In all these and other ways there has doubtless been some writing up of nominal capital in relation to real assets in joint-stock companies as a whole. When, therefore, we find that the amount placed to reserve remains a constant proportion of nominal capital, it follows that the total placed to reserve has also increased in total amount, but not as fast as the fall in the value of money. It is to be observed that the total savings made by companies and firms, which are, of course, much more than those shown in the published balance-sheets as having been added to reserves, are undoubtedly the largest item of saving in the country. Judging from these three items, it seems reasonable to assume some increase in the money value of the total savings of the country.

Subject to all necessary qualifications as to the method of calculation, we may take the figure of £450 millions as the basis of discussion. Before the war home investment took rather more than half of our savings—probably £200 millions out of £375 millions. If home industry requires capital on the same scale as before the war, it should get at least half of £650 millions, i.e., £325 millions a year. This would mean we should only have £125 millions to lend abroad—a figure which would seem to justify a stringent refusal of applications by foreign and colonial borrowers.

This argument, however, overlooks certain facts. National production is not expanding as fast as before the war. Even the rate of increase of population is reduced. Again, our plant and machinery is more adequate for present production than in 1913. Indeed, many trades have excessive equipment. The reduction of costs which is needed to enable us to regain our export trade will not come mainly from new capital investments but from increased output per worker, improved administration in the factories, the prevention of unnecessary overlapping between firms, and arrangements which would enable firms to specialise and get maximum outputs from the best factories. This does not mean that electrical development and the use of power, &c., is not urgently needed; but it is a mistake to suppose that our first necessity is to rebuild or expand all our equipment. The conclusion from this is that we can make a great industrial recovery with a much smaller investment than the £325 millions a year just mentioned, and that our total available for foreign investment is substantially larger than the £125 millions referred to.

But there are certain other important considerations regarding the embargo. In the first place, it is not necessary to put on an embargo to ensure that capital flows into industry at home. Industry in the main feeds itself. The enormous sums placed to reserve by businesses which build up capital out of profits are in no danger of going abroad. Foreign competition for capital only comes in to the extent that our industries are compelled to go on the market to make public new issues of capital. It is not likely that our industrial development will be checked by lack of capital. The danger of a great increase of foreign borrowing is of a different kind, namely, its upset to the money market if it came too suddenly. Again, our most depressed trades are the export industries. Foreign investments would give them a direct stimulus and produce a better balance in the economic activity of the country. There is much to be said for giving them this fillip even if it limits the expenditure of new capital for internal purposes such as road building, the erection of distributing emporiums, &c.

The strongest argument against an embargo is, however, its inefficiency, for as at present administered there is no means of preventing our capital going abroad by the purchase of existing foreign securities. The flotation of loans in New York and their subsequent sale in England gets round the intentions of the embargo and merely denies to English issuing houses their profit on the issues. For these various reasons there is general expectation that before long the embargo will be relaxed, or lifted altogether. There is something to be said for the argument that this should be done by degrees. But this would put the Bank of England in the invidious position of having to decide between conflicting borrowers and to allocate the opportunity of profit to various issuing houses. On the whole, therefore, the probabilities are that it will soon be lifted altogether.

THE COMMERCIAL WAR IN UPPER SILESIA—I.

(BY A SPECIAL CORRESPONDENT.)

KATTOVICE.

THE commercial war which has been raging in this industrial area of Poland for several months is increasing in severity. It threatens to cause much distress during the coming winter, and set up forces which will produce reactions beyond the borders of Upper Silesia. In the extent of its mineral resources and industrial wealth, Upper Silesia, when intact, was comparable to Alsace-Lorraine and the Ruhr. Its population, before partition, was over 2,000,000.

To appreciate the present complications it is necessary to give some explanation of the contributory causes, which also serve to illustrate some of the economic drawbacks brought about by the Peace Treaty. Germany was absolutely convinced that Upper Silesia was necessary for her economic existence. She could not pay Reparations if deprived of her cherished province. Poland was equally certain that without Upper Silesia she could never hope to attain an independent industrial existence. These material claims were backed up in each case by the assertion that the majority of the inhabitants would prefer in the one case to remain with Germany, and in the other to join Poland.

Although President Wilson and M. Clemenceau were against submitting the future of the province to self-determination by the people, Mr Lloyd George succeeded in getting provision introduced in the Treaty for a plebiscite, although resistance to this course was kept up by the representatives of France and Poland, who stoutly maintained that the decision of the people was a foregone conclusion and the plebiscite a waste of time.

After much delay over preliminaries, followed by intrigue, local disturbances and insurrections, the plebiscite took place a year after it had been decided upon. The result was that 60 per cent. of the population voted in favour of remaining with Germany and 40 per cent. in favour of joining Poland. As the races were inextricably mixed, and the voting was by communes, new disputes and difficulties arose, and another struggle began in regard to fixing the dividing line, with more riots, more insurrections and general ferment. It is not necessary here to go into the means by which the partition was ultimately arrived at, but only to point out that in the end Poland was allotted 80 per cent. of the coal, all the zinc, representing one-sixth of the world's output, all the lead mines, 90 per cent. of the iron ore mines, and the chief industrial centres, although these had given a majority in the plebiscite in favour of Germany. In the largest and richest industrial centre of the province, containing the towns of Königshutte and Kattowitz, there was a German vote of 129,000, and a Polish vote of 99,000, but the whole area was assigned to Poland. The future interests of Poland were also well looked after, as 90 per cent. of the coal reserves fell to the new State.

Referring to the allocation of the preponderating share of mineral wealth which was allocated to Poland against the popular vote, Mr H. J. Paton, the Oxford professor, who was on the British staff in Upper Silesia during the plebiscitary period, in a paper read before the British Institute of International Affairs, says that "no German can ever believe that this decision is in accordance with justice or with the provisions of the Treaty of Versailles." This feeling rankles in the minds of the Germans to-day.

The new redistribution of mines and industrial establishments need not necessarily have been fatal to the continued prosperity of the area, but accompanying conditions have to be reckoned with. The new frontier line, besides dividing a district which had always been an economic unit, did something more. It cut particular establishments in two, with the result that you find the shaft of a coal mine in one country while the pits are in another; smelting works on one side of the border and refining works on the other; steel works and engineering works cut away from their source of electric power and separated from their administrative offices and residences of managers,

&c. The area was served by a network of narrow-gauge railways; they were cut in 17 places. Lines had to be diverted and new roads constructed. A town was cut off from its source of water, and had to find a new supply, and so on.

An elaborate Convention, almost as long as the Peace Treaty itself, was entered into in the hope of overcoming the difficulties produced by partition, so as to maintain the means of communication and inter-exchange of goods with as little interruption as possible. There were optional clauses which, in every case, have been taken advantage of to enable one or other of the countries to escape from the conditions in the Convention. One most important optional condition was that Germany would be able to draw coal supplies from Polish Upper Silesia; but in the middle of June last, when the optional period expired, Germany declined to accept any more Polish coal.

With a large amount of goodwill on both sides, the necessary expense involved by these changes might have been met and the inconveniences caused overcome, but, as has happened all over the new Europe, tariff barriers have been raised in order to make the interchange of commodities as difficult as possible. In the frontier of about 200 miles there are, I believe, 50 Custom Houses. You cannot drive any distance without being held up by Custom officers. Passengers in the tramcars which run between Beuthen, just over the border, and this town are held up at the frontier, and must submit to a strict examination, and sometimes a search.

Another factor bearing on the commercial war should not be overlooked. The economic conditions in Europe have completely changed in perspective since the plebiscite took place. Germany is no longer so dependent on Upper Silesia. She has a stable currency and a rapidly reviving industry. She is able to penalise Poland without injuring, to any great extent, her own interests. We have, therefore, this contrast—that, whereas before the war there was an easy and profitable interchange of products between Upper Silesia and the rest of Germany, that commerce, so far as the Polish section of the territory is concerned, has to a large extent been cut off, and Poland is unable to find new markets capable of absorbing her surplus coal and manufactured articles. Formerly the commercial intercourse was chiefly with the West. Germany took the bulk of the Upper Silesian coal and coke, all its zinc and lead. As the local iron mines were becoming exhausted, Upper Silesia drew supplies from other parts of the Empire, including large quantities of scrap, which Germany, under the Treaty, is obliged to supply for two more years. Machinery came from other parts of Germany. It was expected that until such time as Poland was able to establish her own industries and develop her territory the dependency of Germany on Upper Silesia would continue.

I have indicated briefly the circumstances which led to the disruption of Upper Silesia and the dislocation of some of its industries. Besides these political and economic sources of friction and loss, there are racial and psychological elements to be taken into account. Political differences between the two races—German and Poles—before the war did not interfere with efficiency of production. Now they are divided into four hostile camps—two on each side of the new frontier, and the Mixed Commission set up by the League of Nations under the chairmanship of an exceptionally able Swiss, M. Colander, whose impartiality every one recognises, is occupied in protecting the interests of the minorities. In many localities on the Polish side the Germans are frequently in a majority, but they are governed by Poles as towns are still denied self-government. Everywhere there is an atmosphere of suspicion; there are plots and counterplots, and frequent disturbances.

The big estates, the mines, and the industrial undertakings in Polish Upper Silesia remain in German hands. The landowners and the directors of companies have become Polish citizens. They have changed their nationality without changing their sympathies. They remain Germans, and are far from being reconciled to the new régime. The miners and other workers, while maintaining their separate political and trade organisations, are not such violent racial partisans as are the officials and politicians. The Polish Government, while it recognises that it has an

insuperable task to turn the present generation of Germans into loyal Poles, carries on a Polonising campaign with great vigour. It is extending the Polish language in all official matters, and insists on Poles being introduced in all German-owned undertakings as directors, managers, engineers, foremen, &c. The Poles tell me that it is necessary in the interests of the State to have loyal Polish citizens inside all private enterprises. The Germans dislike having Poles foisted upon them as directors or in responsible positions. They have no alternative but to give way to official pressure, otherwise their interests would be prejudiced as the Government has various ways of making things uncomfortable for them. They declare, however, that the Poles whom they are obliged to introduce into the management of their works are not efficient, and that production suffers. Although there has been a little introduction of Polish and French capital in Upper Silesian undertakings, 80 per cent. of the total capital in registered enterprises is German.

In another article I will describe the unfortunate results which have overtaken Upper Silesian industries from the accumulation of causes which I have outlined.

LONDON PROPERTY COMPANIES.

THE war produced sad havoc with our ideas of values. And nowhere could more chaotic conditions be found than in the land and property market. Grievous restrictions were laid upon those who possessed real estate. It is no place of ours, in this article, to discuss the rights or wrongs of these restrictions. It is sufficient to say that probably these restrictions put the housing problem in this country back many years. The reflex action of these restrictions was to discourage people generally from investing in anything appertaining to bricks and mortar. It is generally considered that it was in the nature of a liability to be compelled to buy a house to live in, and it was usually looked upon as a bad investment. Naturally, in these circumstances there have been few companies formed since the war with the object of building and letting.

Those London companies, however, which carried on through the period of high building costs and other adverse circumstances are now beginning to show a steady improvement. Repairing costs are lower, and if in some cases there is not a continuity of the heavy demand for housing and office accommodation, and people are no longer paying heavy premiums, conditions have become sufficiently good to enable us to look back with satisfaction over the past twelve months. In the group of representative London property companies which we examine in the following tables, it will be seen that the steady progress which has been going on since 1921 is, on the whole, well maintained.

Our first table shows gross receipts and net profits, after payment of debenture interest, in the past four years:—

Name of Company.	Gross Receipts.				Net Profit After Payment of Debenture Interest.			
	1921.	1922.	1923.	1924.	1921.	1922.	1923.	1924.
Artisans', &c.....	339,350	345,989	338,014	336,164	121,663	128,954	145,870	146,148
City Offices.....	77,168	80,622	80,688	84,942	13,668	15,890	17,382	19,951
City of London.....	437,571	520,243	574,743	647,689	369,640	450,083	484,792	544,429
Cons. London.....	132,418	136,239	147,141	153,229	20,311	26,020	26,200	32,176
Law Land Association.....	194,726	198,624	202,041	206,132	39,317	43,559	47,899	52,436
Metrop. Association.....	50,131	38,856	38,258	38,258	6,909	7,706	8,053	8,648
Met. Indus. Dwellings.....	55,945	51,420	51,614	51,967	15,535	15,452	15,896	20,341
Pinner Hall.....	20,307	21,198	21,295	24,152	11,485	11,784	11,829	14,194
Warner Estate.....	169,667	172,569	170,336	170,486	29,068	30,019	43,312	46,620
Wembley Park Estate.....	6,039	5,378	6,562	8,644	3,264	3,156	4,718	6,522

In the majority of cases gross receipts are higher than in 1923, notably as regards the City of London, the Consolidated London, and the Wembley Park companies. The principal decline took place in the figures of the Artisans, Labourers', and General. In only three instances—the Metropolitan Industrial, the Metropolitan Association, and the Artisans', Labourers', and General, were the 1924 receipts less than those of 1921. As regards net profits, however, they are better in every case,

compared with 1923. Here again the City of London has done very well, its net profit having advanced from £484,792 in 1923 to £544,429 last year. The Consolidated, too, had a good experience, while, in spite of the reduction in its gross receipts, the Artisans' net figure rose from £145,870 to £146,148. The Law Land's profits show a satisfactory increase of from £47,899 to £52,436, while City Offices continues to progress well, and the Wembley Park Estate appears to be developing satisfactorily. The gross receipts of the last-named concern amounted in 1924 to £8,644, compared with £6,562 twelve months previously, and the net profit increased from £4,718 to £6,522.

Our next table shows the total available balance after payment of debenture interest, and how it was utilised:—

Name of Company.	Available Balance, After Payment of Deb'ture Interest.	Distribution of Available Balance.			
		Preference Dividend.	Ordinary Dividend.	To Reserve, &c.	Carried Forward.
Artisans', &c., 1923.....	158,813	40,840	67,598	31,000	19,375
Dwellings 1924.....	165,526	41,172	81,778	20,000	22,576
City Offices 1923.....	22,528	1,238	15,835	3,000	2,355
1 24.....	26,466	1,238	17,555	5,000	2,573
City of London April 12, '24.....	552,798	24,339	250,000	169,669	120,690
Consolidated, March 31, '24.....	665,119	37,439	341,000	150,000	136,680
London March 31, '24.....	45,747	..	22,000	12,969	10,778
1923.....	57,946	..	24,200	20,253	13,493
Law Land.....	54,073	12,596	116,800	14,000	10,677
1924.....	63,113	12,596	117,299	19,334	13,284
Metropolitan Mar. 31, '24.....	12,194	..	7,327	800	4,067
Association, &c. Mar. 31, '25.....	12,714	..	7,447	1,000	4,267
Metropolitan Sept. 30, '23.....	39,878	2,862	4,000	2,849	30,167
Industrial Sept. 30, '24.....	47,405	2,862	4,888	..	39,655
Pinner's Hall Sept. 30, '24.....	19,622	..	9,333	3,500	6,593
Warner Estate Mar. 31, '24.....	46,297	12,500	18,125	13,000	6,789
Wembley Park June 30, '24.....	49,323	12,500	22,500	12,000	2,323
Estate June 30, '25.....	4,718	..	9,328	Dr 6,000	1,390
1924.....	6,522	..	7,462	Dr 2,500	1,560

† Also 3 ordinary shares for every 100 held. (d) Also 4 ordinary shares for every 100 held.

There is little need for comment on the foregoing figures. The Consolidated London has increased its reserve appropriation from £12,969 to £20,253. On the other hand, the Artisan's reduced its allocation to reserve from £31,000 to £20,000, while the Metropolitan Industrial, which in 1923 reserved £2,849, on the present occasion makes no provision. The Law Land's reserve was augmented by £19,934, against £14,000. In 1923 the Wembley Park drew upon its realisations suspense account to the extent of £6,000, but the better results achieved last year enabled the withdrawal to be lowered to £2,500, leaving the total of the fund at £14,058. In the report of the Pinner's Hall it is stated that "The Inland Revenue authorities have served upon the company a further notice of assessment to income-tax under Schedule D, since the issue of the last report, and the total claims now amount to £17,310. There is no change in the attitude of the directors towards these assessments, which is that they dispute any liability." It is obviously impossible to say whether, in the interval, any agreement has been reached, but shareholders will probably be acquainted with the full facts of the case when the next report is issued at the end of the year.

The following table shows balance-sheet totals for the past two years, together with an analysis of principal liabilities and assets of a number of property companies:—

Name.	Balance-sheet Total.	Analysis of Principal Liabilities and Assets.					
		Share Capital and Reserves.	Debentures and Loans.	Creditors.	Properties.	Debtors.	Cash and Investments.
Artisans' 1923.....	3,439,795	3,323,228	..	40,411	3,295,235	947	126,157
Dwellings 1924.....	3,480,916	3,351,765	..	35,696	3,290,909	5,259	168,313
City Offices 1923.....	651,599	243,000	372,494	24,262	639,101	..	2,631
1924.....	644,908	248,000	355,235	28,773	632,992	..	5,992
City of London Realty Pro. April 12, '24.....	11,998,930	9,775,745	1,795,376	197,507	11,418,167	209,819	364,263
April 12, '25.....	12,045,839	9,952,633	1,686,559	151,492	11,540,336	216,226	289,267
Consolidated Mar. 25, '24.....	637,499	296,897	240,575	61,305	453,414	45,884	138,150
London Prop. Mar. 25, '25.....	673,464	333,064	237,230	70,925	450,069	45,544	177,802
1923.....	1,439,930	849,426	518,998	51,089	1,403,398	25,224	6,748
Law Land 1924.....	1,451,725	873,259	501,751	53,338	1,414,106	20,442	5,169
Metropolitan Mar. 31, '24.....	317,151	244,270	63,881	..	310,286	..	3,822
Assoc. Mar. 31, '25.....	331,806	226,043	62,254	7,006	310,000	2,213	7,074
Met. Indus. (Sep. 23, '23).....	345,328	229,834	65,354	6,223	310,000	2,677	14,476
Dwellings (Sep. 23, '24).....	327,429	177,626	126,563	5,114	252,500	21,411	42,166
Pinner's Hall (Sep. 23, '24).....	331,905	182,029	126,563	5,691	252,000	20,155	49,581
Warner Mar. 31, '24.....	925,827	639,000	244,888	28,641	913,063	933	11,831
Wembley Park Mar. 31, '25.....	898,039	651,000	211,059	21,782	880,638	66	17,135
Estate June 30, '24.....	111,270	97,029	..	8,379	46,552	567	63,963
1924.....	110,768	89,679	..	12,917	45,827	638	63,762

During the year the City Offices increased its obligations under the heading of loans by means of a bank loan of £12,000, but the City of London reduced deposits and loans from £241,794 to £156,327. The Law Land capitalised a portion of its reserves, and distributed four new ordinary £1 shares to holders of every hundred ordinary shares. This entailed the issue of 8,340 ordinary shares. Mortgages have been reduced from £501,848 to £481,047, although an increase occurred in temporary loans from £17,150 to £20,705. The Warner Estate reduced mortgages from £236,882 to £211,059, and wiped off £8,006 on account of temporary loans.

Changes in the value of properties have been of only small amount, though the Warner Estates' figure has declined from £913,063 to £880,638, the result, presumably, of the sale of some of the company's properties which, we are told, were of a type entirely different from its standard, and which have always been considered as outside its general scheme. The report (dated May last) also states that "it is intended to take power to subdivide the preference shares, which will enable the company to convert its preference capital into shares of the nominal value of £1 each, a form of share now generally accepted as being more convenient than any other, also to increase the company's capital to £600,000 by the creation of 75,000 ordinary shares of £1 each, and 25,000 preference shares of £1 each." It is further proposed to capitalise a portion of the accumulated reserve, and to distribute the new ordinary shares to the present ordinary shareholders in proportion to their respective holdings. Movements under the heading of creditors are by no means uniform, but the majority of movements in debtors is downward, although there was an advance from £947 to £5,259 in the case of the Artisans.

Our concluding table shows the dividends for the past three years, also comparative prices of ordinary shares and stocks and present yields:—

Name.	Dividends Last Four Complete Years.				Prices of Shares or Stock End of September.				Present Yield.
	1921.	1922.	1923.	1924.	1922.	1923.	1924.	1925.	
Artisans', Labourers', &c., Dwellings Ord. Stock.....	4 1/2	5	5	6	65 1/2	70 1/2	73 1/2	85	7 1/2
City Offices (14 shares) 14/p.s. 15/p.s. 18/p.s. 21/p.s.	2 1/2	2 1/2	3 1/2	3 1/2	8 1/2	8 1/2	12	15 1/2	6 15 6
Consolidated Prop. (£1) 10/p.s. 10/p.s. 10/p.s. 10/p.s.	2 1/2	2 1/2	3 1/2	3 1/2	1 1/2	1 1/2	1 1/2	1 1/2	5 4 0
Law Land Co. (£1) 10/p.s. 10/p.s. 10/p.s. 10/p.s.	5	5 1/2	6	6	5 1/2	5 1/2	6	6	8 16 0
Metro. Assn. Ord. Stk. 5/p.s. 5/p.s. 5/p.s. 5/p.s.	5	5 1/2	6	6	5 1/2	5 1/2	6	6	5 1 0
Met. Indus. Dwlgs. (£5) 5/p.s. 5/p.s. 5/p.s. 5/p.s.	5	5 1/2	6	6	5 1/2	5 1/2	6	6	7 5 0
Pinner's Hall (£1) 10/p.s. 10/p.s. 10/p.s. 10/p.s.	8	6	7	7	1 1/2	1 1/2	1 1/2	1 1/2	8 21 3
Wembley Park Est. (£1) 10/p.s. 10/p.s. 10/p.s. 10/p.s.	10	12 1/2	12 1/2	10	1 1/2	1 1/2	1 1/2	1 1/2	9 12 9

* Mean price between high and low. † Free of income-tax.

The only instance in which shareholders have had to suffer a reduction is the Wembley Park, on whose £1 shares the dividend was 10 per cent., against 12 1/2 per cent. for 1923, and at which the yield is £8 per cent. Judging by the balance-sheet figures, the dividend cut was more a matter of precaution than of necessity. The Artisans paid an additional 1 per cent. at 6 per cent.; City Offices declared 21s per share, compared with 18s per share; while both Consolidated London and Metropolitan Industrial distributed 1 per cent. more at 11 and 6 per cent. respectively. Pinner's Hall paid 8 per cent., against 7 per cent. for 1923. During the 12 months share values have risen all round, but some of the yields, it will be seen, are still very generous.

London property companies form an excellent sphere for consideration by careful and conservative investors. There are certainly no big plums ripe enough to fall into investors' mouths. But against this has to be placed the steady and practically assured income which property produces. Indeed, for many years to come fresh companies will not be able to compete with the existing ones owing to building costs. It may be possible that some enterprising speculators will purchase a few of the more modern blocks of buildings and float public companies. Indeed, it is perhaps surprising that London property trusts in the form of public companies are not on a much larger scale. We, of course, have the recent strange combination of pills and property, but a financial Napoleon of London property has yet to arise.

THE CO-OPERATIVE POSITION.

(BY A CORRESPONDENT.)

FOLLOWING the estimates as to co-operative trade for 1924 given in our issue for June 6th, we are now able to give the exact returns, which closely confirm the earlier figures. There are now 1,314 retail co-operative societies of all types in Great Britain, the membership of which was increased by 133,817 to 4,752,636 at the end of last year, this being the largest increase since 1920. The share capital is £91,926,203, and the trade stocks totalled £34,267,027, while the retail trade of the movement rose by nine and a-half millions to £175,077,825.

Of the 1,314 retail distributive societies, two have memberships of over 100,000, and the average number of members per society is 3,579. 872, or 66 per cent. of the total have less than 2,000 members each, and 643 have less than 1,000 members. 36 per cent. of the total membership is in the 45 societies, with more than 20,000 members each. The largest societies—our figures are for the end of 1924—are London (117,266 members); Woolwich, 109,535; Leeds, 94,299; Barnsley, 70,636; Edinburgh, 66,765; Liverpool, 63,874; Plymouth, 62,266; Birmingham, 55,247; and Newcastle-on-Tyne, 55,096.

The whole co-operative movement now has 111,820 workers engaged in distributive departments and 95,391 in its productive departments and works, the salaries and wages for the twelve months being £14,650,696 and £10,946,291 respectively. The percentage of total employees to the membership of the retail distributive societies is now 4.16 per cent., as compared with 4.13 per cent. at the end of 1921 and 4.08 per cent. in 1923. So that, roughly, the co-operators are employing rather less than 5 per cent. of their own members. The retail societies, as distinct from the wholesale and the productive societies, had 134,419 workers, whose aggregate wages bill was £17,534,892. Of these, 34,658 were engaged in production—bread making, boot repairing, &c.—and their wages were £4,772,260, or an average of £137.7. There were 99,761 engaged in distribution, and their wages were £12,762,632, an average of £127.93. The average sales per distributive employee were £1,755, as compared with £1,690 in 1923 and £1,741 in 1922, while the distributive wages cost per £ of sales has decreased from 19.14d in 1922 to 18.47d in 1923 and 17.5d in 1924.

Looking at the trading results, the total retail sales in Scotland were £34,428,938, the average purchases per member being £52. In Lancashire and Yorkshire the sales were £36,289,651, or £35 7s 6d per member. In the counties of Durham and Northumberland for the month the purchases rose to £43 10s per member, while in the Western counties of Wiltshire, Dorset, Devon, and Cornwall they fell to £26 11s, and in London and the Home Counties to £28 11s. Taking the country through, the average purchases per member were £37 5s, this being £1 higher all round than in 1923, but slightly below the average for 1922.

There are 105 co-operative productive societies (exclusive of the wholesale societies). They have a share capital of £1,590,089 and loan capital of £1,481,784. The wages bill of their 11,368 workers was £1,338,353, and the trade for the year £5,425,660, upon which a surplus of £363,734 was made. The average wages of their workers was £117.73 last year, as compared with £140.95 in 1920 and £125.25 in 1922. Similarly the value of the output per worker has fallen from £777 in 1920 to £493 in 1922 and £477 in 1924, while the wages cost of production per £ of sales rose from 3s 7.5d in 1920 to 5s 0.9d in 1922, and dropped to 4s 11.2d in 1924.

In the English and Scottish Co-operative Wholesale Societies the output per productive worker fell from £1,057 in 1920—the year of high values—to £790 last year, this being £323 in excess of the average output of the people engaged in the productive societies, and affords an illustration of the difference between small and large institutions, while the wages cost of production per £ of production was 3s 2.81d in 1924, as compared with

2s 9.52d in 1920 and 3s 5.74d in 1922—an equally significant illustration of the lessened cost of production on a large scale.

On its aggregate trade—retail, wholesale, productive societies, distributive federations, and supply associations—amounting to £281,950,901, there was a net profit of £21,396,596, £3,959,674 was paid as interest on capital, £150,250 devoted to educational purposes, and £119,596 donated to hospitals, charitable institutions, and the like. There have been steady increases in the output of the productive works and a more sustained loyalty on the part of the bulk of members. Share capital has increased, and the debts owing to societies by members for goods supplied have declined from £2,828,034 in 1923 to £2,800,110 at the end of 1924, an average of 12s per member. In this connection the South of England has the clearest record, with an average of 3s 4d per member, while in South Wales it has risen to £3 1s 6d—mainly owing to the last miners' dispute and the present industrial depression. This prospering review of distributive and manufacturing operations is in striking contrast to the results of the farming by co-operative societies. There are 157 societies carrying on farming and supplying milk, meat, and vegetables to their members, as well as doing general farming work. They own 64,206 acres and rent 8,590 acres. £2,130,610 is the amount of the capital invested in land; another £931,880 is invested in implements, stock, &c., and £19,193 is paid in rent. After paying £124,520 as interest on the capital involved, there was a surplus of £14,305 on some of the farms and a deficiency of £86,236, leaving a net loss on the year's transactions of £65,931. Now, for the first time, the Co-operative Union is seriously examining the position, and has set up an agricultural department to advise societies as to the practical work of organising the market, as well as securing the harvest.

THE OLD LADY OF THREADNEEDLE STREET.

(FROM A CORRESPONDENT.)

OF the many curious nicknames current in the City of London by far the most famous is the title of "The Old Lady of Threadneedle Street," by which the Bank of England is familiarly described. To most of those who pass their daily lives close to its walls, it has perhaps never occurred to investigate the origin of the nickname. To some again it may appear easy of explanation. For those who from time to time find themselves in sharp disagreement with the policy of the Governor and the Court of Directors, may incline to see in it nothing more than a natural expression evolved from a supposed record of weakness or incapacity. The majority, however, who regard the history and administration of our central bank with the respect which it deserves, will look farther than this for the true derivation of the nickname which has become a household word.

How it originated, it must be confessed, has not yet been determined with finality. Various ingenious explanations have been offered. One of these is given by Brewer. "The directors of the Bank of England," he says, "were so called by Wm. Cobbett because, like Mrs Partington, they tried with their broom to sweep back the Atlantic waves of national progress." Who Mrs Partington was, or where the incident occurred, are still matters of dispute. The lady was, however, immortalised by Sydney Smith in his brilliant attack upon the House of Lords in 1834 for their refusal to accept the Reform Bill. It is at least possible that Cobbett, who had no love for bankers and their works, may have borrowed the phrase for a last jibe at the Bank of England.

Another writer lends plausibility to the case for Cobbett's authorship by suggesting that he owed it to an actual incident which occurred during his life-time. In 1809 a bank clerk was hanged for forging the signature to a transfer warrant. His sister, with whom he had lived, was so deeply affected by his dishonourable end that her mind became unhinged. For long she paid daily visits

to the bank's pay counter, always inquiring: "Is my brother, Mr Frederick, here to-day?" The clerk invariably replied: "No, miss, not to-day." At this she departed, always adding: "Oh, well, give him my love when he returns. I will call again to-morrow." She was known, from the style of her dress, as "The White Lady of Threadneedle Street." "I am inclined to think," says this writer, "that it was from her accepted nomenclature that Cobbett improvised his now well-known reference to the bank itself as 'The Old Lady of Threadneedle Street.'"

But, still assuming that Cobbett first gave currency to the phrase, there is indisputable evidence that it was in use at least twelve years before this clerk was hanged. At the beginning of 1797 Parliament, at the instance of Pitt, passed a Bill suspending cash payments at the bank. This moved Gilray to draw his famous cartoon, which shows an old lady, seated on a chest labelled "Bank of England," being savagely attacked by Pitt. It was published on May 22, 1797, and is entitled: "Political Ravishment, or The Old Lady of Threadneedle Street in danger!"

At this point the more recent authorities ignore the case for Cobbett's authorship of the phrase; nor do they inquire into the immediate circumstances in which it came to be used in Gilray's cartoon; for they put forward evidence which, they declare, suggests that it was current notably before Cobbett's and Gilray's time. As early as 1695 a medallion appeared, and still appears, on the Bank's notes. It consists of a seated, draped figure, with the head uncovered, holding a sprig in one hand and a spear in the other; and throughout more than 200 years it has remained substantially the same. "In this medallion," says a writer in a recent number of the Bank's staff magazine, "if only by reason of the extraordinary persistence of the essential details, we have a perfectly reasonable explanation of the origin of the phrase, 'The Old Lady of Threadneedle Street.'" Moreover, he adds that it is not unlikely that the medallion was the Bank's sign when signs were universally used, and that in the archives there are old letters addressed to the Bank "at ye sign of the (Old) Lady in Threadneedle (or Threadneedle) Street." On the whole, the medallion provides the most acceptable explanation of the origin of the familiar phrase so often attributed to Cobbett. So prolific in new departments has the "Old Lady" become under the stress of new functions forced upon her by war and post-war financial developments, that her children became too numerous to be housed under the roof of the old name. Now the famous premises are being rebuilt in magnificent fashion to provide all necessary accommodation. When the new imposing structure has arisen may we not expect the old nickname to give way to a new one—perhaps "The Belle of Threadneedle Street"?

Notes of the Week.

The Morocco Operations.—The point of importance that emerges from the welter of details into which despatches from Morocco enter is the fact that a definite junction has been established between the French left wing and the Spanish right, and the two forces are preparing to move southward in unison. Some progress has already been made, though rains have impeded the operations, and there is little prospect of any definite result being achieved before the campaigning season ends. That makes it the more desirable that peace negotiations should be resumed. To speak of resumption, indeed is perhaps hardly accurate, for there have so far been no real negotiations worthy of the name. M. Painlevé, however, in his speech of last Sunday gave a *résumé* of the terms Abdul Krim refused. Whether they be considered reasonable or not—and in all the circumstances there is little to criticise in them—they are as favourable as the Riff leader is ever likely to get. The military operations may be prolonged over the winter, but there can only be one end to them, and Abdul Krim is little likely to serve his own cause by pursuing a resistance which must in the end be hopeless, for the sake of

the narrow difference between the limited independence he claims and the large autonomy France has offered. Meanwhile M. Steeg, Minister of Justice in the present Cabinet, has been appointed to the post of Resident vacated through General Lyautey's more or less enforced resignation. The personal significance of the appointment remains to be demonstrated, for there is not much in the new Resident's past career to form a criterion of his fitness for the difficult task now entrusted to him. The real interest of the change is that it means the substitution of a civilian for a soldier in Morocco.

The Fascist Record.—Having regard to the risk of transmitting anti-Fascist news from Italy, it may safely be assumed that most messages of that character which do get through are substantially accurate. In any case, there is sufficient objectivity about the narrative in Thursday's *Times* of the outrages at Florence during last week-end to carry its own conviction. Fascism is at present in full campaign against Freemasonry, and last Saturday a local Fascist leader at Florence, named Luppadorini, called on a prominent Freemason, Cavaliere Bandinelli, to demand a list of the Freemasons in the city. Being refused the list, he struck Bandinelli violently in the face, whereon one of the latter's companions shot him with a revolver. The inevitable reprisals followed. Luppadorini's assailant was dragged out and killed and Bandinelli's house was set on fire. Shops and houses were then sacked all over the city, the police being ordered not to interfere. According to a Paris telegram, 18 persons had lost their lives "already," and a reign of terror prevailed in Florence. Meanwhile, constitutional reform is proceeding apace at Rome. The decree abolishing the mayor and municipal council of the capital, and substituting a nominated Governor, has been issued, while the Bill substituting nominated "Podestas" for elected mayors in more than half the municipalities in the country has also been approved. Minority rule based on force is still firmly riveted in Italy, and little evidence of any effective revolt against it is visible yet. The Aventine Opposition is breaking up, and, in any case, its ranks contain no one who has so far revealed himself of the calibre of a national leader. But Fascism is too blatant an anachronism to make belief in its permanence possible.

West Ham and the Government.—It was expected that the dispute between the West Ham Guardians and the Minister of Health would have been ended early this week. But the former have not climbed down from their position, and with the lapse of time the position becomes more serious. The point at issue is a fairly simple one. There are in various parts of the country a number of particularly necessitous areas, and the Ministry of Health has a scheme under which it comes to the aid of Guardians where the burden of poor law relief is beyond the local capacity to meet. West Ham is a necessitous area, and the Guardians, having come to the end of their available funds, applied to the Ministry of Health for a loan. Mr Neville Chamberlain replied expressing willingness on certain conditions, of which the principal were that the rates of relief which the Guardians had been paying should be reduced, and that in granting relief to the head of a family the Guardians should in future take into consideration earnings of other members of a family. The maximum scale which the Guardians have been paying is 59s per week, and Mr Chamberlain insists on 55s. The Minister's position is surely beyond criticism. He displays readiness to help West Ham in the same way that other distressed areas are helped, but he makes it a condition that West Ham should conform to the scale of relief prescribed for other similar unions—a scale devised, for one thing, to secure that poor law grants should not exceed the level of unskilled wages in a particular area. The whole country will approve these conditions, including, as is obvious from a meeting held this week, the principal ratepayers of West Ham. The prolongation of opposition by the Guardians is both foolish and useless, for it is to which they object. The destitute cannot be left indefinitely without relief, and the Ministry of Health, which has prepared a temporary system of vouchers cashable

at shops, may have to take over completely the functions of the Guardians. We anticipate, however, that the comparatively small majority on the Board of Guardians against Mr Chamberlain's conditions will be turned into a minority before much more time has been wasted. The recalcitrant majority appear to base their persistence on the fact that they have taken steps to ascertain the views of those in receipt of relief. This, surely, is the strangest form of restricted referendum. Anyone could foresee the answer to be obtained by asking those who were in receipt of 59s a week whether they would like to have 55s instead, plus a scrutiny of other earnings in the family. If they really wished to justify themselves with the views of those whom they represent, the Guardians would surely consult the whole body of electors concerned.

Home Crops.—The monthly report of the Ministry of Agriculture and Fisheries states that the forecasts given last month of the production of this year's crops have been revised in accordance with the later information, and the revised figures are set out in the table below. It is to be borne in mind, however, that these forecasts are based on estimates made at the beginning of October, and are consequently subject to modification:—

	1924.	1925.	Production, 1924.	Forecast, 1925.
	Acres.	Acres.	Cwts.	Cwts.
Wheat	1,545,000	1,499,000	27,262,000	26,432,000
Barley	1,314,000	1,318,000	20,278,000	18,875,000
Oats	2,037,000	1,868,000	29,974,000	25,379,000
			Tons.	Tons.
Potatoes	452,000	493,000	2,696,000	2,963,000
Turnips and swedes ..	831,000	806,000	11,538,000	9,028,000
Mangolds	388,000	359,000	7,823,000	6,966,000

Wheat is generally a good sample as regards quality, and winter barley and oats are usually good, plump grain. Spring barleys are variable, being often of inferior quality and discoloured. Samples of really good malting barley are scarce. Spring oats are also variable, but are mostly of very fair quality. Wheat is threshing out better than anticipated, and the yield is now estimated at 17.6 cwts per acre, or $\frac{1}{2}$ cwt above the 10 years' average. The barley and oats estimates are little altered on the month, barley at 14.3 cwts per acre being $\frac{1}{2}$ cwt below average, and oats at 13.6 cwts per acre being about $\frac{1}{2}$ cwt above average. The estimates of beans and peas are slightly above those of last month, beans being estimated at 17 cwts per acre, or $1\frac{1}{2}$ cwts above average, and peas at $13\frac{1}{2}$ cwts, or slightly above average. The potato crops have improved considerably during the growing weather of the past two months, and the yield per acre over the whole country is now forecast at 6 tons, or practically the 10 years' average.

American Cotton Crop.—Mr Arno S. Pearce, the General Secretary of the International Federation of Cotton Spinners' and Manufacturers' Associations, who has just returned from a tour of the American cotton belt, has issued a statement in which he condemns very strongly the methods of the United States Government in compiling returns on the cotton crop. He alleges that in connection with the report of August 24th the officials expected the returns to show an indicated yield of about 13,800,000 bales. When the calculators announced 13,990,000 bales as the final figure there were several attempts to reduce it, but the officials could not very well do so in the presence of Mr Pearce. In his opinion the whole result was "dressed" according to the average of guesses, influenced, of course, by the opinions, written or verbal, of the fieldmen of the Department, but the huge mass of farmers' reports was of secondary importance. He adds further: "The list of guesses certainly formed a matter of primary importance to the board, whilst the pile of statistical information supplied by the 20,000 or 30,000 correspondents was considered of lesser value.....Whilst I have been an ardent supporter of last year's system, I cannot help but express my disappointment that the previous methods seem to have been abandoned, and that the officials seem more guided by the average guesses of merchants, who are

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BUSINESS WITH SCANDINAVIA.

often interested parties, than by their accumulated statistical evidence." Our Manchester correspondent writes:—On Thursday the Bureau published further statistics on the cotton crop. Owing to Mr Pearce's recent disclosures as to the methods adopted by the Bureau, there was much interest in trade circles in the figures. The reports were of a sensational character, as the indicated yield was given as 14,759,000 bales, against 13,931,000 bales a fortnight earlier, and 12,499,000 bales same time last year. Operators expected a slight increase on the previous report, but scarcely anyone anticipated an advance of 800,000 bales. The ginning figures were also very big, the amount up to the end of September being given as 7,102,000 bales, against 4,276,000 bales a fortnight earlier, and 4,526,000 bales at the same time last year. Naturally these very bearish statistics brought about a distinct fall in prices, there being an immediate drop in Liverpool of 40 points. It is generally believed that in earlier reports the Agricultural Bureau has been influenced by the vested interests of farmers and merchants, and has not indicated the excellent conditions. The truth, however, is now being revealed, as it is impossible to ignore the heavy ginning returns. As things stand at present, there is a possibility of an American cotton crop this season, including linters, of about 16,000,000 bales, which, if realised, will be a record. Needless to say, supplies this season will be more than sufficient to meet the needs of users, and there is bound to be a big carry-over to the following season.

Trade in Northern Ireland.—Our Belfast correspondent writes:—Trading conditions in Northern Ireland show little signs of improvement. At the end of last month the number of unemployed in the two principal industries was as follows:—Shipbuilding, engineering, &c., 10,025; linen industry, 19,667, the total unemployed being 35,017 men and 20,399 women, whilst no fewer than over 7,000 were employed on systematic short time. These latter are employed mainly in the linen industry, where short-time working in many mills and factories is prevalent. The vessels launched by the Belfast shipbuilding yards during the current year total 10, with a tonnage of 57,240 tons, as compared with 92,028 tons during the same period last year. Included in these launchings is that of the 22,000-ton motor ship, the "Asturias." Seven ships are on the stocks, one of them a 22,000-ton motor ship, similar to the "Asturias," for the Union-Castle Line, and two 9,000-ton motor vessels. In addition to the new vessels that have been launched, a large amount of repair work has been carried on, and, taken all round, conditions here are not so bad as in other shipbuilding centres. The linen industry shows no real improvement. Production is at a low level, both in spinning mills and weaving factories. Many of the spinning mills are still closed, whilst linen cloth production is heavily curtailed, either by stopped machinery or short-time working. Irish new crop flax is now being placed on the market, and is averaging about 12s 6d to 14s a stone, which is about 5s to 6s a stone less than prices ruling at this time last year. Growers, however, believe that higher prices will obtain in the near future. As matters are at present, the selling price of linen yarns and cloth is not in harmony with the price of raw material, and this is the most disturbing factor in the linen trade situation. Linen goods are said to be too expensive to allow of any expansion of trade, yet both

yarns and cloth are being sold at a basis below that warranted by the cost of raw material, and the margin for both spinners and manufacturers has been cut to the limit.

Shipping Freight Index Number.—The upward movement in freights, as measured by our index number of whole cargo charter rates, continued during September, the figure for the month being 114.24, a net rise of 2.42 per cent. compared with August. The figure, however, represents an average level of freights 11 per cent. below that registered for September, 1924, and over 4 per cent. lower than that for the same month of 1923. The movements of the various groups in the index are summarised as under:—

Date.	European Waters.	North America.	South America.	India.	Far East and Pacific.	Australia.	Total.
Basis (Average, 1898-1913).....	100	100	100	100	100	100	100
Average, 1913.....	110.03	113.09	123.37	106.29	117.38	127.89	116.34
February, 1920.....	814.31	529.89	757.52	744.81	587.02	712.16	690.95
December.....	268.90	277.17	244.10	256.79	286.72	347.18	280.14
December, 1921.....	160.06	164.07	163.72	144.43	141.25	166.47	156.67
December, 1922.....	137.09	135.15	129.19	122.61	136.08	159.34	136.57
December, 1923.....	134.04	132.72	120.09	124.35	125.07	144.21	130.08
December, 1924.....	117.44	129.18	119.45	119.76	129.29	161.13	129.38
January, 1925.....	115.26	134.60	120.38	123.83	132.44	172.70	133.20
February.....	114.92	146.54	118.04	121.95	129.99	178.04	134.91
March.....	116.34	130.81	110.41	116.99	118.42	151.33	124.05
April.....	114.18	133.39	110.62	115.95	114.60	138.87	121.27
May.....	109.86	124.85	110.97	108.43	105.16	126.41	114.28
June.....	109.25	104.78	108.24	105.53	100.43	112.17	106.73
July.....	119.02	111.96	113.42	106.15	94.43	117.51	110.41
August.....	107.22	113.46	110.79	112.24	99.14	126.41	111.54
September.....	103.22	117.25	109.09	113.38	101.83	140.65	114.24

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

	Index No.	Inc. or Dec. Points.		Index No.	Inc. or Dec. Points.
Home trade.....	90.65	- 1.35	S. America—outwards.....	125.51	+ 11.36
Bay—outwards.....	111.93	- 7.34	" homewards.....	92.67	- 4.75
" homewards.....	111.29	- 4.84	India—outwards.....	105.27	- 9.82
Mediterranean—outwards.....	105.66	- 7.71	" homewards.....	121.50	+ 12.21
" homewards.....	109.13	- 1.42	Far East, &c.....	101.83	+ 2.19
North America.....	117.25	+ 3.79	Australia.....	140.65	+ 14.24

There was no outstanding feature in chartering developments during September. The seasonal movement of Northern Hemisphere crops, which last year at this time occasioned a temporary burst of activity for "tramp" shipping, and which, it had been hoped, would again revive the market after an extremely depressed summer, has so far had only a restricted effect on autumn freights. So far as North America is concerned, some expansion in the demand for grain-carriers was recorded during the month, but pressure to charter was insufficient to produce any marked rise in rates. A fair inquiry for winter loading from Australia took place at the beginning of the month, but the condition of the Plate market proved most disappointing to owners, shippers' requirements being small, and rates throughout the month registering a substantial fall compared with August. As regards other homeward markets, business was no more than moderate. Outward coal freights continued dull, with the exception that for South American destinations owners held for higher figures in view of poor homeward prospects. The relation of the index to the average for 1913 may be seen from the following table:—

Month.	(1913 = 100.)	1922.	1923.	1924.	1925.
January.....	131.60	..	114.05	..	114.49
February.....	135.76	..	112.73	..	115.96
March.....	135.63	..	115.23	..	106.63
April.....	129.46	..	115.45	..	104.24
May.....	125.12	..	114.55	..	98.23
June.....	117.45	..	106.82	..	91.74
July.....	114.52	..	103.39	..	94.90
August.....	113.16	..	100.16	..	95.87
September.....	110.37	..	103.04	..	98.19
October.....	114.42	..	107.86	..	..
November.....	119.43	..	111.21	..	..
December.....	117.39	..	111.81	..	..
Mean for year.....	122.02	..	109.69	..	113.44

The material improvement this year in European harvests would appear to be restricting the demand for overseas grain, and while sufficient tonnage should be taken up by North and South America during the winter to ensure a continuance of moderate business for "tramp" shipping, it is difficult to foresee any signs of a marked revival in rates of freight for grain. Coupled with the present paucity of coal cargoes, this circumstance renders prospects for the remainder of the year not over-encouraging for owners, and it is to be feared that a considerable quantity of tonnage must continue to fail to find remunerative employment.

The Coal Subvention.—The details published by the Mines Department, showing the amount of subvention paid to the various coalfields in respect of the month of August, furnish material for some interesting calculations. The total amount paid was £1,517,678, of which £321,915 was allocated to South Wales, £293,541 to Scotland, £271,889 to the Eastern Division, £268,404 to Durham, £168,630 to Lancs, North Staffs and Cheshire, and £111,907 to Northumberland. The district figures have little significance unless they are brought into relationship with some factor such as output, which measures the relative importance of each coalfield. The actual output for the calendar month of August is not available, but figures have been published for the four weeks ended August 29th. From these it is possible to compute the approximate amount of the subvention per ton of coal raised in the various districts. The details are as follows:—

Northumberland.....	s d
Durham.....	2 9
Eastern Division.....	2 7
South Wales.....	1 0
Scotland.....	2 7
Lancs, Cheshire, N. Wales, and N. Staffs.....	2 5
Other districts.....	2 3
	1 6

For the country as a whole the average works out at a little over 1s 11d per ton. The subvention was paid in all districts owing to the fact that the minimum percentage addition to basis rates guaranteed to the miners was appreciably in excess of the additions warranted by the proceeds of the industry calculated in accordance with the terms of the 1924 agreement. In three districts, however, the Eastern Area, Lancashire, Cheshire and North Staffs, and South Wales the amount payable was modified by the provision that profits in excess of 1s 3d per ton should be transferred to wages in relief of the subvention. The percentage additions to basis rates warranted by the proceeds, and including the effects of the transfer of excess profits, and the minimum percentages payable in August, were as follows:—

	Minimum Percentage.	Percentage Warranted by Proceeds.
Northumberland.....	100.00	50.63
Durham.....	110.00	62.84
Eastern Area.....	46.57	35.34
Lancs, Cheshire, and N. Staffs.....	46.57	25.94
South Wales and Monmouthshire.....	42.22	17.96
Scotland.....	133.33	84.11

The range of these figures is remarkably wide.

The Popularity of Rubber.—The rubber boom, like all other movements of this kind, will tend to degenerate into a wild gamble unless there should be something in the nature of a sharp shake-out to demonstrate the fact that prices may fall as easily as they can rise. The fortnightly account which has just been settled in the Stock Exchange turned out to be the heaviest on record so far as rubber shares are concerned, and there are indications, writes a Stock Exchange correspondent, that the next settlement will prove of still greater dimensions. Even in the midst of the excitement, however, people are still exercising a certain measure of discretion, asking for shares in companies that are of good standing, and in whose cases the capitalisation per planted acre is not excessive. Six months ago rubber shares, priced on the basis of £100 per planted acre, were looked on as being expensive. The recent rush has raised quotations to a level at which the capitalisation works out to something between £150 to £180 per acre. Those who are watching the industry

with the eyes of experience are impressed with the conviction that, when the fever of speculation has abated, and the rubber share market settles down to more normal business, the public will be willing to support shares in good companies on the basis of £150 per acre. It is hardly necessary to say that various other considerations should enter into the calculations of those who are putting money into rubber shares, and that the capitalisation per planted acre is only one of quite a number of factors which must be taken into account in making intelligent purchases. Some of the Stock Exchange brokers are advising their clients to sell part of the rubber shares upon which proprietors can take big profits, and to utilise the money thus obtained in the purchase of first-class securities, though up to the present the public tendency has swung in the other direction. According to Stock Exchange convention, the checking of any upward movement produces a condition that, nine times out of ten, leads to the market relapsing into a quiet condition. Everyone thought that when the rubber excitement of July was suddenly chilled by an unexpected arrival of rubber, and the outlet of several thousand tons of uncoupled produce, this would finish the rise. In point of fact, all that happened was a temporary lull. The activity became resumed with greater intensity than ever. The flame of buying has been fed, of course, by the rise in price of the raw stuff. If rubber went back to 3s per lb, there would be a general scramble to get out. But so far as the industry is concerned, it is manifest that for this year and next the rubber-producing companies are likely to do extraordinarily well, as the recent dividends suggest. Eighteen months is considered long enough for anyone to look ahead when he is engaged in speculation in a tropical industry. One word of caution which may prove of practical service is that the prospective buyer of rubber shares, or the present holder, should pay particular attention to the forward contracts which have been made by various companies, the prices of which are likely to have a very marked effect upon the profits of this year and of 1926.

Cotton Manufacture in India.—A Calcutta correspondent writes:—According to a list compiled by the Bombay Millowners' Association there are 48 new cotton mills in course of erection in India. Concurrently a crisis has arisen, of which various aspects are wage-cuts, strikes, large accumulation of stocks, agitation for removal or suspension of the Excise duty—which it is sought to ascribe wholly to Japanese competition. It is not advisable to underrate the growing importance of the latter factor, and it is evident that labour conditions in the Japanese mills, which work 22 hours daily and employ women and children on night shifts, constitute a serious handicap to competing countries which, unlike Japan, not only signed the Washington labour agreements, but honoured their signatures by putting the necessary legislation into practical operation without resorting to shifty and evasive delays. Despite the report of the Snowden Committee, however, an effective method of achieving international conformity to common labour standards has yet to be evolved. But, apart from that point, Japanese competition in the Indian market is less responsible for the current difficulties of Indian cotton mills than their own lack of efficient management and provident finance, notably the excessive expansion of cloth production in a period of high prices, with its inevitable corollary in India, namely, a sharp and persistent contraction in demand. The following figures (in millions of yards) are instructive:—

	Indian Mills.	Net Imports.	Japanese Imports.
Average, 1911-14.....	1,064	2,819	5.2
1921-24.....	1,719	1,319	107.0
1924-25.....	1,970	1,771	145.0

	Exports of Indian Cloth.	Handloom Production.	Total Indian Production.
Average, 1911-14.....	85	1,284	2,348
1921-24.....	164	933	2,658
1924-25.....	181	1,402	3,372

There may be a case for abolishing the Excise duty when more urgent financial demands (including complete remission of provincial contributions to central revenues in

India) have been met, but to contend, in face of the above figures, that this impost has exerted a crippling effect upon the development or profitable working of Indian cotton mills is hardly justifiable. Taxation, however, or Japanese competition, has exerted less influence in producing the present *impasse* than a too rapid increase in output. Taking 1924-25, while Indian mill production increased 250 million yards, and hand-loom production 470 million, a total of 720 million yards, imports increased only 450 million yards, including an additional 38 million yards from Japan, so that, while Indian production increased 50 per cent. more than all foreign imports, Indian mill production increased approximately seven times as much as Japanese imports. The relative importance of the Japanese imports (145 million yards) in relation to a total consumption in India of 6,000 million yards is fairly evident. The latter total is based upon the following estimates:—Indian mills, 1,970; net imports, 1,771; hand-loom production, 1,402; handspun, 900; minus 181 exports of Indian cloth. If, therefore, Indian mill stocks have increased in the past two years by 360 million yards, the increased production in India, plus the larger foreign imports, without stressing Japanese goods in particular, amply account for the larger holdings, which Indian mills are now finding it so extremely difficult to finance. It is a fact worth emphasising that, while European looms have not increased in number at all recently, and American looms have increased but slightly, Indian looms have increased since the Armistice approximately 40 per cent. The increase in the Indian looms exceeds, indeed, the expansion in Japanese and Chinese mills combined. It will also be noted that the exports of Indian cloth exceed the imports of Japanese cloth. In the immediate post-war period Indian mills distributed dividends ranging as high as 200 per cent. In addition, they embarked upon extensions now proved premature. (That, perhaps, in those buoyant days was an easy miscalculation to fall into.) Obesity is not an uncommon industrial complaint in India to-day, and it is an ill for which neither tariffs nor subsidies provide an effective remedy. In view of the large accumulation of mill-made goods, it may be inferred that, to some millowners, the strike now in progress, provoked by a 1½ per cent. cut in wages, is not wholly unwelcome. The real solution, as in Lancashire, is lower prices, a benefit in the gift of Nature, but not of Governments; in a word, Bombay, like Manchester, needs, above all else, cheaper cotton.

Australian Tariff Changes.—Our Melbourne correspondent writes:—In introducing the proposed tariff alterations in the Commonwealth Parliament on September 2, the Minister for Trade and Customs, Mr Pratten, stated that wherever possible, without injuring industries, reductions have been made consistent with revenue needs, but wherever it has been demonstrated that it is necessary to protect local industries action has been taken, and wherever it has been deemed advisable the Ministry has not hesitated to make drastic changes "in order to put some of our valuable basic industries in no uncertain position." He foreshadowed future tariff revisions on urgent items "from year to year, or, at least, more frequently than is done now." The ratio of British preference has been maintained or increased, but the duties actually chargeable under the British preferential scale are frequently higher than those hitherto in force. Thus the British preferential rate on woollen yarns is raised from 10 to 20 per cent., the rate under the general tariff being raised from 20 to 35 per cent. Woollen piece-goods (not elsewhere included) are raised from 30 per cent. to 35 per cent. British, and from 45 per cent. to 50 per cent. general tariff. Machines and machinery are raised from 27½ per cent. to 45 per cent. British, and from 40 per cent. to 60 per cent. general tariff. Iron and steel plate and sheet, galvanised, is altered under the general tariff from 30s to 60s per ton, but the British preferential rate in this instance is unchanged at 20s per ton. A considerable increase is proposed in maize, which will mean additional protection against the South African article. Where duties are reduced, the effect is estimated to relieve the taxpayer to the extent of £750,000 per annum, but the effect of increases is not shown. The value of imports last

financial year affected by the proposed increases was over £30,000,000, and the value of imports affected by the proposed reductions was over £10,000,000.

The Distribution of Capital in U.S.—Figures published by the Bureau of the Census at Washington show that an economic revolution by the redistribution of capital in the United States is taking place silently and swiftly, without violence or political disorganisation, though with momentous consequences. Industrial ownership is passing from the few to a large section of the population. Between 1902 and 1924 the number of stockholders trebled, and the number of employee stockholders doubled. The largest increase was in that section of the population whose individual incomes do not exceed 5,000 dollars. Since 1916 there have been substantial decreases in the totals of stock dividends paid to persons having incomes of 20,000 dollars a year, moderate increases in those of 5,000 to 20,000 dollars, the largest increase being to persons receiving less than 5,000 dollars, a group including the wage-earners. Stock dividends received by persons in this income class in 1917 were 9.5 per cent. of the total for all persons filing returns under the Federal income-tax law. Since then the proportion has risen to 22.7 per cent. We can rely upon the statistics of railroad stockholders, since complete reports are filed with the Inter-State Commerce Commission. Class I. railroads in 1915 had only 511,000 stockholders, with an average holding of 13,361 dollars. At the beginning of this year there were 807,000, the average holding being 9,110 dollars. Standard Oils are representative securities. In 1911 the Standard Oil Company of New Jersey, with its 33 subsidiary companies, was owned by 6,078 persons, half of the stock being in the hands of eight of these. To-day these same corporations have over 300,000 stockholders. In the oil industry as a whole the total of stockholders has been multiplied by six within the last eight years. Taking a number of large industrial corporations, we find that between 1917 and 1925 the number of stockholders grew from 2,537,100 to 5,951,500, and of the new stockholders, 1,310,880 were members of the general public, 864,750 were customers of the enterprises concerned, and 338,760 employees of them. Only a part, moreover, of the capital involved in these corporations is represented by stock. There are bonds, mortgages, liens of various kinds, and if the ownership of these were also taken into account, the increase in the number of owners would be still more striking. Nor are all these the only form of invested capital. The savings deposits in five classes of banks were 98 dollars per capita in 1914, 186 dollars in 1924. The members of the large agricultural co-operative societies, contributors of capital, have increased from 650,000 in 1916 to 2,490,000 early this year. Those of building and loan associations increased in the decade 1914-1924 from 3,103,935 to 7,202,880, while the assets were trebled. Adding premiums paid to life insurance companies during the last five years to deposits in savings banks and assets of building and loan associations, one gets an aggregate of nearly 35,000 million dollars. As Professor Carver, of Harvard, puts it, the process of the blending of the working and the owning classes is proceeding rapidly. The combined resources of the more than 30 trade union banks approach 150 million dollars. It is estimated that each year 25,000 million dollars are paid to industrial workers, 6,000 to 7,000 millions of which are saved and invested.

Conditions in the Cameroons.—It is explained in the introductory paragraph of the Report for 1924*, issued by the Colonial Office, on the administration, under Mandate, of the British Cameroons (Colonial 16, price 2s 9d), that a wrong impression had been given by an error in drafting, in the previous Report, where it was stated that the area had "become an integral part of Nigeria." As a matter of fact, the mandated area is administered, in accordance with Article 9 of the Mandate, "as though it formed an integral part of Nigeria, but this administrative arrangement implies neither fusion nor incorporation." The present Report might well be read by any of those numerous sceptics who doubt whether the British Empire performs any useful service; for it gives, in its quiet way,

* H.M. Stationery Office.

a very striking picture of the sort of lonely, difficult, patient, and far from showy work that is being done by British Civil Servants in many of the most unilluminated regions of the globe. The Cameroons cover a vast area, inhabited by natives of very varying degrees of civilisation, including tribes of none; primitive pagans, who practise witchcraft and employ slaves, would resort to cannibalism if they were allowed to, and have hardly emerged from the "family" stage of tribal life. About many of them little or nothing was previously known. The method being employed by our officers can best be set out in the words of the Report itself, where it is stated that:—"The main political work of a constructive nature during the past two years has been to take each ethnic group separately, inquire into its past organisation and institutions, and accept them as far as possible as the basis of future administration, without too sudden or violent a break with the past. No stereotyped system of government has been laid down to which each native administrative district must conform. Such a method would not be suitable for so wide a field or conditions so various. For, on the one hand, there is the autocratic, semi-monarchical system found in the districts of the bigger chiefs, and, on the other hand, democratic, almost Socialistic, groups of families with little or no cohesion. Whereas in the former the government is now through a single salaried chief, assisted by a Council of elders, holding ancient offices, in the latter there was less to build upon, so that the native Court has become the executive as well as the judicial authority, and is composed of heads of family groups, of whom all are more or less on an equal footing. Progress on these lines must necessarily be slow, as exhaustive research into the history and customs of each tribal district takes place before proposals for future administration are formulated. So far five districts have been treated in this way, with results which entirely justify the policy pursued." To summarise, in any detail, a report which covers so large and varied a sphere of administrative, judicial, and practical activity is impossible; one can only note that the spirit expressed in it, so far as it is permissible to judge from that, suggests that the Mandate idea is here being carried out with the utmost faithfulness. One or two small points may be mentioned. The notion that anything of the nature of forced labour prevails is rebutted with emphasis. Employment in the plantations, for example, is purely voluntary. The rate of pay—4½d per diem, plus 1½d per diem for rations—"may seem low, but as the estates have to be worked with very little supervision it has not been possible to obtain anything like full tasks." Arms traffic, it is stated, is "practically non-existent." In the Cameroons Province there are some 3,000 old guns, licensed under German rule. "They are used for protecting crops from damage by wild animals, and also for making a noise at funerals, weddings, and other feasts." In their use of lethal weapons it would seem that these natives have something to teach us. On alcohol the remarks in the Report are rather curious. Thus, it is stated that "the importation of trade spirits is forbidden by the regulations under the Customs ordinance. For the purpose of these regulations, all spirits are regarded as trade spirits except the following"—then follows a formidable list, including whisky, rum, brandy, gin (each being defined); spirits for scientific purposes, drugs, alcoholic bitters, liqueurs, cordials, and mixtures; spirits in miniature bottles; methylated and similar spirits "totally unfit for use as potable spirits." What, one asks, is excluded?

Bradford Dyers' Capital.—At an extraordinary general meeting of the Bradford Dyers' Association, Limited, to be held on October 19th, the directors will recommend that the sum of £813,886 out of the amount standing to the credit of the reserve fund be capitalised by the application of the same in paying up in full ordinary shares of the company (part of its unissued capital); and that such fully-paid ordinary shares be distributed among the holders of the existing ordinary shares of the company whose names are registered in the books of the company on that date at every five fully-paid ordinary shares in respect of held by such shareholders respectively. If this recommendation is agreed to, the shares to be issued will carry

dividend for the year to December 31, 1925, but without any right to participate in the interim dividend of 1s per share paid in September, 1925. Shareholders will also be recommended to agree to an increase in the authorised capital of the company to £6,000,000 by the creation of 500,000 preference shares of £1 each and 500,000 ordinary shares of £1 each, although it is not intended that any of these shares should be issued at present.

Harrisons and Crosfield.—To the accounts of Harrisons and Crosfield many investors are inclined to turn for an indication of conditions in the rubber industry. This year their hopes are likely to be satisfied, since the improved results shown in the report to June 30th last may be taken, to some extent, as an indication of the better position of rubber plantation concerns. A comparison of results for the last pre-war year and for a number of years past reads as follows:—

	1913-14.	1919-20.	1920-21.	1921-22.	1922-23.	1923-24.	1924-25.
Net profit.....	£134,269	249,204	164,466	149,138	192,711	242,475	276,902
Brought forward.....	23,879	36,147	37,873	44,525	45,114	66,526	70,707
Preference dividend ..	158,148	285,351	202,339	193,663	237,825	309,001	347,609
Prof. ord. div. (10%) ..	27,500	37,230	37,800	37,800	37,800	37,800	37,800
Management shares ..	30,000	80,000	100,000	100,000	100,000	100,000	100,000
Reserves, &c.	35,118	45,344	5,941	1,250	2,500	22,000	30,000
Deferred ord. shares ..	59,922	14,073	9,499	18,999	47,497	60,944	75,736
Carried forward.....	35,530	37,873	44,525	45,114	66,526	70,706	75,736

The net profit has advanced from £242,475 to £276,902, so that, with a balance of £70,707 brought forward from the previous year—which compares with £66,526 twelve months before—there is an available surplus of £347,609, in contrast with £309,001. Dividends on the preference and preferred ordinary shares absorb the same as a year ago, but the distribution on the management shares requires on this occasion £43,129, against £30,998, while the deferred ordinary dividend, being raised from 25 to 30 per cent. for the year, absorbs £60,944, in comparison with £47,497. The general reserve again receives an appropriation of £10,000, making the total of the fund £463,000, while the allocation to income-tax reserve is increased from £12,000 to £20,000. It is stated that the sum of £13,000, which has appeared in previous balance-sheets under the heading of "Property Reserve," is now included in the general reserve, as the directors consider that the provision otherwise made for depreciation is ample. The report, it is true, does not contain any reference to operations, but this omission will, there is every reason to believe, be remedied at the forthcoming meeting by the chairman, Mr Eric H. Miller, whose comprehensive annual survey of conditions in the plantation industries is looked forward to by most people interested in rubber.

Clerical, Medical, and General Life Office.—This life assurance society makes up its accounts to June 30th in each year, and the year which ended on June 30th last is the fourth of the current quinquennium. Although the detailed valuation will not be made until next year, there are sufficient indications that the prospects for bonuses continue to be highly favourable. The society's funds have been earning an average rate of £4 12s 8d per cent. per annum net, as compared with a rate assumed for valuation purposes of 2½ per cent., a profit margin of more than 2 per cent. per annum. The mortality rate experienced has been very low; the claims by death were 61 per cent. last year of the amount expected by the tables, and the average for the past four years has been 60 per cent. The annual investigation of the assets showed a profit on securities realised of £25,287, and on June 30th last the value of the Stock Exchange securities then held showed an excess over the book values of £142,023. In view of these circumstances the avowed confidence with which the directors look forward to the next bonus distribution is well justified. New business kept up well last year. The net amount of new policies issued was £1,389,369, as compared with £1,324,691 in 1923-24. The popularity of life assurance by single premiums continued, the amounts of new premiums being £76,466 single and £42,791 renewable. The total premium income was £672,332, an increase of £62,840, and the net rate of interest yielded by the funds was £4 15s 4d

per cent., as compared with £4 13s 2d in the previous year. The life assurance fund increased by £503,646 to £8,464,681. This is the largest increase in the funds and the largest net yield from interest in any year in the society's history.

Tin and Tin Shares.—Our mining correspondent writes: An outstanding feature of Stock Exchange business during the past week has consisted in the strength and activity in the shares of tin-producing companies. For this physical factors are responsible, as well as the advance in the price of the metal. The Malay States, although contributing a smaller proportion of the world's total than in years gone by, still supply something like one-third. Here several schemes for water supply or the provision of hydro-electric power have been carried through, and others are approaching completion. Both the Malayan Tin Dredging and the Sungei Besi companies are executing important hydro-electric power installations which will increase their outputs and reduce expenses. A big scheme on the part of the Armstrong-Whitworth people for a station on the Perak river is in prospect, and if it goes through will give a fillip to tin production in the entire district. Then as regards Nigerians, also; one concern has lately started up a hydro-electric plant, which, besides reducing working costs, will enable the company to treat ground of a grade otherwise not profitable. Towards compensating for the shortage of labour which has so long hindered operations in this field, many of the companies are installing machinery of various kinds. The overdue rains have fallen. As a result of these factors in combination, the outputs of the past two months show a marked expansion. Finally, we have the general influence of an advance in the price of tin to over £270 per ton—the highest of the present year. From the standpoint of recent dividends the Nigerians do not make a particularly good showing, but some very encouraging distributions have been made by Eastern companies. Thus the Kamunting last interim distribution was at the rate of 1s 6d per quarter, instead of 1s, while the Renong has just declared a balance dividend of 20 per cent., making 30 per cent. for the past year, as against 10 per cent. in respect of 1923-24. This from the operation of two dredgers; a third should be running early next year.

Obersea Correspondence.

UNITED STATES.—FRENCH DEBT NEGOTIATIONS—STOCK MARKET REACTION—CREDIT POSITION—INDUSTRIAL MOVEMENTS.

(FROM OUR CORRESPONDENT.)

NEW YORK, September 29.

WHILE the wave of optimism that attended the opening of the negotiations for the funding of the French debt has given way to something that resembles pessimism, well-posted bankers still believe that Caillaux will not go home empty-handed. The French Finance Minister's first offer, which apparently contemplated payments starting at about \$25,000,000 a year, and rising to a standard payment of about \$80,000,000 in the course of 20 years, and continuing at that rate for 42 years more, was followed by intimations from American quarters that such a proposal was quite unacceptable. The Washington correspondents represented that this offer would mean practically no payments on account of interest; that the payments would serve merely to extinguish the principal of the debt. While the actuaries do not agree with this view, the fact remains that the American commission did nothing to dissuade the public from the idea that the French proposals were a distinct disappointment. In any event, the putting aside of the French offer was quickly followed by reports that the American Commissioners proposed to the French that the payments should be quite on the same scale with those Great Britain has agreed to make. With this proposal, which would, of course, make the payments very much higher than in the French proposal, the French delegates were reported to be shocked. Any such sums would be, they were represented as maintaining, quite beyond them.

There followed conferences on French capacity for payment, and, it seems, a new American proposal of a less severe character. To-day, Tuesday, the spokesmen of the two Commissions are hopeful, although the public assumes that the differences in point of view are quite serious. Meanwhile, it is noted that M. Caillaux is preparing to leave Washington on Thursday evening in order to sail at the week-end.

While the circumstances as set forth above do not seem too encouraging, experienced observers point out that, in the nature of the case, a good deal of scenery, for inspection on both sides of the ocean, has to be set. M. Caillaux needed to make a substantial offer upon his arrival; it would not have done, however, for him to have made an offer that would have been accepted forthwith. Critics in France easily could say that he had offered more than he needed to. The American demand for payments on the full Anglo-American basis would obviate that possibility. Similarly, it might be argued that our negotiators need to be able to show the American public that they have sought to obtain the maximum from the debtor. It is recalled that the successful Belgian negotiations passed through similar stages. At one juncture it was intimated that the Belgians might have to go home with nothing accomplished. Meanwhile, our experienced observers maintain that the competent experts on both sides should be able to agree fairly closely on what French capacity for payment is, and that they should be willing to make allowance for the limitations that must apply to estimates of this kind.

Assuming that the Commissions are able to agree, and that the President approves of the settlement, the sole responsibility for the final adjustment rests with Congress. Will it ratify the conclusions of the President and of the Debt Funding Commission? Good judges believe that it cannot do otherwise. They say that Congress cannot reject a payment of, say, \$80,000,000 or \$90,000,000 a year into the coffers of the United States Treasury, and say that it prefers to receive nothing. Congress, according to this view, may think that a better settlement should have been made, but it will accept a half or a three-quarters loaf rather than nothing. After all, the settlement must be negotiated; there is no method by which Congress could collect a greater amount, even if it were convinced that it were entitled to it.

The possibility of a settlement with France has started much talk of the great volume of foreign financing in this market that might be released by the event. Sums running from several hundred millions to a billion dollars have been mentioned. This talk probably embodies a large measure of exaggeration, both as to the volume of borrowers that would like to avail themselves of the resources of this market, and as to the volume of applications that would be favourably acted on by our investment bankers. As for French financing, it is thought that an experienced financier like M. Caillaux would be sure to appreciate the necessity for an orderly market and for the restriction of borrowing to real necessities.

A severe reaction on the Stock Exchange during the latter half of last week caused a material unsettlement in speculative sentiment. Its cause could be found in the rapidity with which motor shares and certain specialties had been advanced, and in fears lest the Federal Reserve Bank might raise its discount rate. Perhaps the market had a little something on its conscience. In any event, the reaction has been followed by a sharp recovery this week. In this rally the motors again resumed the lead, advancing to new high levels. The conservative critics continue to have much to say about the "extravagant marking up of values," and declare that the end of the bull market is clearly foreshadowed. The bulls reply that the good motor shares are earning from 15 to 20 per cent. on their market valuations, and have been selling to yield from 7 to 9 per cent. on the market valuations. They declare that the good motors, which are without funded debt, and which are very strong in cash, are simply being brought in line with the reasonable levels at which common stocks should sell.

It is fairly clear, however, that the stock market has reached a stage at which public speculation is a much greater factor. Perhaps this statement should be modified so as to read public speculation in certain groups of stocks. Nevertheless, market observers realise that the

season of year is approaching at which the commercial demands for credit increase, and that this increase could result in a withdrawal of funds from stock market operations. As for the Federal Reserve position, it is realised that the member banks are increasing their dependence on the system, and that certain factors, such as the volume of securities speculation and the level of rates in the open market, suggest an advance in the discount rate. On the other hand, it is felt that the Federal Reserve authorities are likely to give appropriate attention to the requirements of the international situation.

In an excellent analysis of the credit position on this side of the water, the National City Bank's monthly bulletin will say on October 1st that "Money rates have been firmer in the past under increasing demands, and some shifting of funds. 'Other loans and discounts' in reporting member banks increased from \$8,022,000,000 on July 29th to \$8,296,000,000 on September 16th, the latest date for which a statement has been made. This is the classification in which commercial loans are included, and the increase is normal for the season of the year. Moreover, it is notable that it compares with \$8,222,000,000 on January 7th last, which is proof that there has been no speculative increase of borrowing for ordinary business purposes. It is to be considered also that all unsecured loans, for whatever purposes, are in this classification. When it comes to loans secured by stocks and bonds, however, there is proof to the contrary, as they have increased from \$4,698,000,000 on January 7th to \$5,124,000,000 on September 16th, and it is interesting to find that this increase was entirely among banks outside of New York City. The loans of New York City banks on stocks and bonds aggregated \$2,002,000,000 on January 7th and \$1,985,000,000 on September 16th. This indicates that country banks have supplied the funds for the activity on the Stock Exchange in recent months. Apparently they have had an increasing supply of credit as the result of better prices for farm products and the clearing up of old debts, and in the absence of home demand to absorb it have sent more or less of it to this market. However, stock speculation in Wall Street cannot be charged with absorbing all of this increase of \$426,000,000 borrowed on stocks and bonds since January 7th, for money is borrowed on this kind of security for use in business, for real estate investment and other purposes. Total investments of all reporting member banks on January 7th were \$5,555,000,000, and on September 16th \$5,464,000,000. They were \$5,506,000,000 on July 29th. Total loans and investments of these banks were \$18,661,000,000 on January 7th, and \$19,061,000,000 on September 16th."

As for the discount rate, the bulletin will say:—"The money market is not 'tight,' or likely to be, and there is nothing in the commercial situation to call for an increase of the reserve discount rate. However, the increase of \$468,000,000 in member bank loans on stocks and bonds since January, and of \$768,000,000 since September, 1924, represents a tie-up of funds that is not viewed with favour. The increase since July 29th has been \$88,000,000, which is fully proportionate for the time. The situation as a whole indicates that the member banks have been financing this increase by resorting to the reserve banks, and, of course, there is inducement to do this when the reserve rate is below the rate on Stock Exchange loans. This is the situation which has led to the surmise that the discount rate may be raised. The one very close to the point where there would be a profit in gold exports, and the Reserve Bank of New York is holding such exports in check. It is not certain, however, how far the Bank of England would object to a moderate outflow of hand. Its reserves are about \$20,000,000 larger than when gold payments were resumed."

Industrial news continues favourable. There is noticeable in business a tendency to contract for somewhat longer distances ahead. There is not, however, any distaste to bid up prices or speculate in commodities. The steel industry is operating at slightly better than 75 per cent. of capacity, and seems to be booking new business somewhat faster than it is shipping out its products. Car

loadings on the railroads are running excellently high, and the August returns show that the Class I. roads earned close to \$122,000,000, which is slightly more than 5½ per cent. on the Interstate Commerce Commission's valuations.

GERMANY.—LOCARNO—CURRENCY AND CREDITS —PRICE REDUCTION—TRUSTS—INDUSTRY— BOURSE.

(FROM OUR CORRESPONDENT.)

BERLIN, October 7.

THE opening of the Locarno Conference had no visible effect upon the securities market or upon business. It is expected that an agreement will be come to, but doubt is felt whether the agreement will fully realise the original aims of the Conference, whether it will not rather be attained by a compromise which will partly sacrifice the aim. The visits of M. Tchitcherin to Warsaw and Berlin are regarded as a Russian counter-move. They came simultaneously with the conclusion of the Russo-German Commercial Treaty, which has been under negotiation since last year. This, with its supplements, constitutes the most complete treaty that Soviet Russia has so far contracted, covering navigation, rights of settlement, railways, taxation, industrial protection, commercial arbitration courts, and property of deceased persons. At the same time, the Berlin "D" banks have agreed to grant a credit of 75 million marks to finance machinery and other exports to Russia of a total value of 100 million marks; and a despatch from Moscow speaks of a second German credit of 62 million marks. As a borrower country, with a heavy import surplus, Germany could not from her own resources finance export on credit; but the foreign loans granted to her enable her to do this; so that countries which themselves shrink from granting direct credits to Russia grant them indirectly, with the difference that Germany takes the risk and reaps the profits. M. Tchitcherin's visit to Warsaw is represented as aiming at detaching Poland from the vaguely constituted Baltic group, and also as being directed against Great Britain, the financial support of which Poland, with her newly shaken currency, badly needs. The visit to Berlin is supposed to have brought Russian assurances to Germany that she has no interest in any anti-Russian policies of the Western Governments.

German commercial relation with Russia are becoming more important. It is reported that a five years' agreement has been come to between the General Electricity Company and the Russian Electro-Trust, putting the former's technical experience and patents at the disposal of the latter, in exchange for which the Electricity Company will be granted better selling conditions for its wares in Russia. Co-operation, also, with the American General Electrical Company is spoken of. Germany's exports to Russia in the first half of this year were nearly three times as large as in the corresponding half of 1924. The absolute total—under 100 million marks—is small; but the total exports to Russia and to the new national States which were formerly Russian provinces (including all of Poland) is at the rate of about 900 million marks a year, and exceeds German exports to any other single country. The German commercial Press emphasises this fact. As Russia's programme of imports in the new business year 1925-26 is double that of 1924-25, being in all 972 million roubles, German sales to all the former Russian territories will probably far exceed her sales to the Netherlands or Great Britain, which come next. In trade with the Baltic States, Germany has for years had very large export surpluses; and since the currency stabilisation she has also become an important buyer, though still falling far behind Great Britain.

The foreign loans which have so considerably helped Germany in this export trade are still being frowned upon by authority. Several new American loans to German municipalities are reported. Dr Schacht has again emphasised the danger of this to the foreign payment balance. Further measures are being taken to control municipal borrowing abroad. All local loans, home or foreign, other than those required for meeting current expenditure, need the sanction of the State Governments. The president of the Gutehoffnungshütte heavy industry concern, condemns

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the system of increasing production and trade by means of running into debt. He prefers "lower production and a smaller turnover without debts." The Berlin money market during the month-end settlement days was severely strained, day money rising to 12 per cent., the highest rate this year, and after the settlement the strain relaxed more slowly than usual. Day rates rose temporarily over month rates. The Reichsbank's return for September 30th also shows a heavy strain, discounts increasing by 189 million marks to 1,717 million marks, advanced by 48 million marks to 56½ million marks, and circulation by 337½ million marks to 2,649 million marks. The circulation increase in the last week of August was 302½ million marks. About 30,000,000 marks of gold came from abroad, but the whole gold reserve for the first time since the spring of 1924 dropped, though only by 57,000 marks. The gold cover percentage dropped sharply from 50.8 to 44.3; combined gold and exchange cover from 63.1 to 56.4. The exchange cover increased by 34½ million marks.

Official figures are issued of the foreign payment-balance during the first "Dawes Year," ending August 31st. These figures show that incomings of exchange from private business practically balanced outgoing, so that the exchange supply from the Reparations Loan was not trenching upon. This is not the result of an active payment-balance by German business, but is the result of borrowing; there was what Germans call a "borrower's activity" (*geborgt-aktive Zahlungsbilanz*). The official account of the monthly movement of exchange to the note banks is:—

	From.				From.		
	Dawes Loan.	Busi- ness.	Total.		Dawes Loan.	Busi- ness.	Total.
1924-25.				1925.			
September..	..	39.7	39.7	March	..	19.1	19.1
October ..	..	3.8	3.8	April	59.9	100.8	40.9
November..	14.9	86.1	101.0	May	100.3	80.3	20.0
December..	266.1	94.3	360.4	June	40.0	139.6	99.6
January ..	104.1	125.5	229.6	July	60.1	64.7	124.8
February..	84.5	168.6	253.1	August	70.1	66.3	136.4
				Totals..	800.0	21.2	778.8

The Cabinet has received a new demand from industry for a reduction of taxation, as part of the official move to reduce the price-level. The cotton manufacturing industry has decided to calculate prices in future in reichsmarks instead of gold marks. The Government has taken measures under the Marx Cartels Law against the brick cartel, by authorising members to secede from it without giving notice, as is required by their agreements. In this case the abuse was compelling buyers to agree to pay any price, that is the *freibleibend* system which was universal and necessary in the paper-mark time. The cost of living index number (month's average) for September was 144.9, against 145.0 in August. The official wholesale number for September 30th was 124.1, against 124.9 one week earlier. The *Frankfurter Zeitung's* wholesale number for September 30th is 144.47, against 144.25 on August 31st, and 146.94 on December 31, 1924. Wages in August rose further, the average weekly skilled rate in eleven industries (including railways) being 44.13 marks against 43.61 marks in July. The Federal Debt (old paper

mark loans omitted) on August 31st was 2,582.1 million marks, against 2,632.6 million marks one month earlier. The decline is mainly due to the repayment of maturing "F" Treasury bills.

There is renewed talk of a great foreign loan with the aim of financing the Trust—from which will be seen that the official and other warnings against borrowing have little effect. Borrowing abroad by private concerns cannot be officially prevented or controlled. The fusion agreement in the Aniline concern has been finally come to. The existing *Interessengemeinschaft* consists of:—

	Present Quotas in Profits of Intern. Gemeinschaft.	Share Capitals.	
		Ordinary.	Preference.
Badische Aniline	24,820	Miln. Mks. 176	1-2
Leverkusen	24,820	176	1-2
Höchst	24,820	176	1-2
A.G. fuer Anilin	8,082	57-6	0-4
Griesheim-Elektron	6,000	44	0-32
Weiler ter Meer	1,645	12	0-08
Cassella	9,813	..	..
Kalle und Co.	..	6	..
Totals	..	647-6	4-40

The six fusing companies have reserves totalling 105 million marks. As the companies have a common dividend policy, their shares are quoted at almost the same rates on the Bourse, at present around 116. The aim of the fusion is rationalisation and economy. The Cassella and Kalle companies will not form part of the trust, but their shares are largely held by the other members. Formally, the five companies will be absorbed in the Badische Aniline Company, which will increase its capital sufficiently to enable it to exchange shares. The new company will bear the title *Interessengemeinschaft Farbenindustrie A.G.*, though it will not any longer be an *Interessengemeinschaft* but a single company. Headquarters will be at Frankfurt-on-Main. The factories will necessarily remain scattered, but they will be reorganised in four regional groups, and the numerous selling organisations will be reorganised in five groups for dyes, nitrates, pharmaceutical products, photographic materials and artificial silk, and inorganic products and intermediates.

The industrial situation has not materially changed. Unemployed on September 15th increased further to 251,271, against 230,727 half a month earlier. The Prussian Trade Ministry's monthly report describes the situation as "not unfavourable." The Frankfurter Fair opened dull.

The Bourse has been very weak, but it recovered slightly yesterday. The chief depressing influence was the financial difficulties of the Stumm heavy industry concern. The Stumm concern, like the Stinnes, consists of family interests, not of a single company. The difficulties have been overcome by assistance from the banks for a term of two years. The Prussian State is expected to buy two of the Stumm coal mines. The *Frankfurter Zeitung's* stocks index (100 on January 2nd) for October 3rd shows 67.45, against a former low point in August of 67.29, but the heavy drop in quotation which took place on October 5th probably brought the average below the August figure. As the index figure for January 31st was 111.37, stocks are within sight of a 50 per cent. drop. Yesterday's revival was largely caused by foreign buying. Paper mark loans have further receded.

ITALY.—THE CAMPAIGN OF THE LIRA—FUTURE POLICY—SLUMP IN STOCK EXCHANGES—PRICES—WAGES AND COST OF LIVING.

(FROM OUR CORRESPONDENT.)

TURIN, September 26.

THE months of August and September have seen in full swing the so-called "campaign of the lira," with which Signor Volpi successfully lowered the exchange to 115 lire to the £, and maintained it between 115 and 120 lire. The phases of the campaign seem to have been as follows:—(1) Italian Treasury agents buying up all disposable accumulation of lire existing in foreign centres, especially at New York, and utilising to this end a part of the

American credits; (2) foreign speculative sellers of lire scared out of their bearer position and forced to cover, when it appeared that the usual accommodation of lire for prolonging the selling operation were not forthcoming; (3) after the rate of discount was raised to 7 per cent., money went every day more dear, banks were instructed to restrict credits to those customers who were known to have deposits in pounds sterling or dollars in foreign places. With a minimum of effort, speculative sellers of lire were thus obliged to cover, and prospective Italian holders of foreign money obliged to sell in order to finance their new acquisition of raw materials, coal, &c. Both these movements operated in favour of the lira. (4) In the days of the flight from the lira, Italian industry and trade had bought enormous quantities of raw materials and half-finished goods, well in anticipation of current needs. Prices mattered not, in face of the feared collapse of the lira. When exchanges bettered, industry found herself loaded with immense stocks, partly paid for, and it seems that at present we are consuming these same rate. This produces an easing of the market situation, very much in favour of the lira.

If the betterment of the foreign exchanges is a first step toward stabilisation, what will be the rate of stabilisation has never been officially stated. It is doubtful if a definite policy has been settled. Until negotiations about inter-parity of the lira will be fixed.

Signor Zuccoli, director of the Banque Franco-Italienne pour l'Amerique du Sud, advocates a sort of gold exchange system, with the present paper-lira remaining for internal use and a Caisse de Conversion on the Argentine model, which should be obliged to give one pound sterling for every 100 or 120 lire and, respectively, to give 100 or 120 for every pound sterling offered to it.

Whichever we prefer, stabilisation at a new parity, or return to the old parity, one common effect of both is already making itself felt—namely, scarcity of money. We are at present in much the same plight as Great Britain after the adoption of the Cunliffe Report, as Germany after the collapse of the paper-mark and the adoption of the Renten-mark, as Czechoslovakia when Raisin attempted the valorisation of the crown. We have little unemployment, industry is busy, but the stock markets are going from bad to worse. It is clear to-day that the Stefani decrees of which I wrote you were but the forerunners of a period of dear money, which is playing havoc among operators. A few figures may suffice to give an idea of the slump after the maximum prices reached in February, 1925:—

Denomination of Share.	Maximum Prices, February, 1925.	Settlement Prices, July, 1925.	Current Prices, September, 1924-25.
Bank of Italy	2110	1690	1600
Banca Commerciale	1770	1438	1380
Credito Italiano	1185	870	840
Navigazione Generale Italiana (shipping)	890	741	650
Cosulich (shipping)	530	315	270
Otonificio Turati (cotton)	1235	780	800
Snia (artificial silk)	530	265	270
Cascami seta (silk waste)	2400	1800	1690
Sugar refining Ligure-lombard Co.	918	600	640
Beni stabili (House property, Rome) ..	1285	803	675
Fiat (motor)	617	497	475
Edison (electricity)	910	780	680

The truth is that industrial development has been more rapid than the increase of national savings; the new or increased capital, net, of the joint stock companies was: In 1922, 1,045 million lire; in 1923, 2,128 million lire; in 1924, 4,839 million lire; and in the first six months of 1925, 5,152 million lire. In all these years the lira was not depreciating, the average exchange rate being between 20 and 25 gold centimes to the lira. If we add to the enormous demands by private companies and individual firms, building and agricultural requirements, it was calculated that the total savings required amounted to about 21,000 million lire annually, against an offer of new savings of about 15,000 million lire. We are bound, therefore, to reduce the rate of progress, and an outward sign

of the situation is the lowered quotations of shares in the stock exchanges. It is commonly felt that at present many Italian shares are truly tempting, and that foreign capital could, in due time, reap good profits if it came to Italy. Reports of interest taken by foreign capital in the Snia (artificial silk) and Sip (electricity) companies are current.

The lowering of exchanges should have had a favourable influence on the level of prices. Instead of that, indexes of wholesale prices mark continuous increases: Bachi's number index (basis 1913) was 562 for the average of the year 1922, 575 for 1923, 584 for 1924. In December, 1924, it was 640; in January, 1925, 657; in February, 660; in March, 659; in April, 658; in May, 660; in June, 692; in July, 707; in August, 731. Perhaps there is operating an increasing equalisation of internal and external prices. The average index number of 584 for 1924 corresponded, when the paper lira was valued at 23 gold centimes, to a gold number index of 134; whereas in Great Britain and the United States the index numbers were respectively 159 and 149. The August index number of 731, converted, at the exchange of 21 per cent., into a gold index number of 153, is much more similar to the current indexes in the gold countries. Retail prices are slower to move. The usual figures for a working-class family of five of Turin are as follows (basis first six months of 1914):—

	Food.	Clothing	Housing	Light & Heat.	Miscel- laneous.	Total.
July, 1920	409	479	100	415	456	384
December, 1920	510	547	110	529	514	466
" 1921	537	447	120	433	578	471
" 1922	517	437	120	416	576	467
" 1923	505	470	200	460	577	467
" 1924	577	503	250	449	577	518
June, 1925	602	532	250	384	644	541
July, 1925	610	544	312	384	642	555
August, 1925	618	554	312	389	654	562

There has been much talk of raising wages in relation to the increase in the cost of living, and various arrangements are being made. Opinions are at variance as to whether wages are below the pre-war standard, taking into account the intermediate variations in the value of money.

HOLLAND.—THE BUDGET.

(FROM OUR CORRESPONDENT.)

AMSTERDAM, September 25.

ON September 15, the opening day of the Netherlands Parliament, the Government was still deeply engaged in the difficult work of trying to make the Budget balance. This effort has been crowned with success.

The following statement gives the credit and debit balances for the last 20 years:—

Service Years.	Credit or Debit Balance of the Regular Service.		Credit and Debit Balance of the Extra- ordinary Service.		Credit and Debit Balance of the Entire Service. (— = Deficit, + = Surplus)	
	Fl	Fl	Fl	Fl	Fl	Fl
1905 to and including 1914 ..	+ 61	— 74-0	—	—	—	67-8
1915	+ 15-5	— 12-5	—	—	—	28-1
1916	+ 20-2	— 20-1	—	—	—	0-1
1917	+ 36-3	— 30-0	—	—	—	6-3
1918	+ 4-3	— 67-9	—	—	—	72-2
1919	+ 22-2	— 107-7	—	—	—	85-4
1920	+ 0-6	— 175-8	—	—	—	175-2
1921	— 12-8	— 284-0	—	—	—	296-9
1922	— 33-3	— 173-5	—	—	—	206-9
1923	— 14-1	— 78-1	—	—	—	92-3
1924	— 28-6	— 67-5	—	—	—	96-1
1905-1924	— 23-1	— 1,091-7	—	—	—	1,114-8

The figures for the year 1925 are, of course, not yet known. Originally a deficit was assumed of 19½ million florins. In the meantime, however, the Excise tax on tobacco has been increased, and the new tariff law has become effective, from which, together, receipts are expected for 1925 of 12½ million florins. The remaining

deficit of 7 million florins is, however, entirely covered by the considerable increase in receipts from taxes, which have in the first seven months of 1925 already brought in 18 million florins more than estimated. A deficit for 1925 is, therefore, improbable.

Expenditure for 1926 is estimated at 644,411,264.81 florins, a decrease of 15,662,281.77 florins. Some noticeable differences require further explanation. A decrease of over 41 millions under the head of Public Works is accounted for by the fact that the State mining industry is no longer included in the Budget. This has been the case so far, for the estimates of all receipts and expenditure items of this industry. In view of the fact that by such an estimate, which does not tally with the requirements of the industry, no proper insight is obtained of the business results, there has only been included in the Budget the estimate of the receipts for interest due. By this means, in comparison with 1925, expenditure has been reduced by 44.8 million florins, and the receipts by 46.9 million florins. An increase of 30½ million florins under Labour, Commerce, and Industry, is a result of the intended payments in the matter of disablement (pensions) and old age insurance, which were left out the previous year for reasons of economy.

The regular receipts for 1926 are estimated at 592.2 million florins. If the estimates of receipts and expenditure are placed in comparison, the result is found to be as follows:—

	Regular Service. Fl.	Extraordinary Service. Fl.	Total. Fl.
Expenditure	583,025,924-81	61,385,340	644,411,264-81
Receipts	592,200,745-30	3,368,200	595,568,945-30
Surplus	9,174,820-49	58,017,140	48,842,319-51
Deficit	..	..	..

There should, therefore, be a surplus from the regular service of 9 million florins. This, however, is to be applied:—

(a) To an increase in salary for some officials (among others, those of the legal authority), estimate 3 million florins.

(b) To a more rapid execution of draining the Zuider-Zee (Southern Sea), estimate 4 million florins.

(c) To improvements in the large highways, estimate 2 million florins.

Calculated in this manner, the Budget for 1926 will just balance. This is satisfactory, but, as will be seen from the table below, the level of the Budget has been forced up much too high:—

Year.	REGULAR SERVICE. (In Million Guilders).		Expen- ditures.	Balance.
	Receipts.	Expen- ditures.		
1913	205-6	197-5	..	+ 8-1
1918	329-1	333-4	..	- 4-3
1919	466-4	444-1	..	+ 22-3
1920	613-7	613-0	..	+ 0-7
1921	608-3	621-2	..	- 12-9
1922	599-0	632-4	..	- 33-4
1923	597-5	611-7	..	- 14-2
1924	580-3	609-0	..	- 28-7
1925 (estimate)	611-4	611-4	..	..
1926 (estimate)	637-0	637-0	..	(see note)

NOTE.—To the figures for 1926 we have added, in order to make the comparison correct, the amount of 45 million florins for the government mines, which amount has now, as already mentioned above, been deducted from the Budget, but for the previous year was included.

With an index figure of 150 (1913 = 100) the Government expenditure amounts to more than three times the figure reached in 1913. The figure for expenditure for 1926 exceeds by about 4 millions that of 1922, which was the highest record reached before or since. A normal and sound financial condition will only be reached, when the regular expenditures have been brought back to such a level that the taxes no longer prevent capital accumulating. For the present, any appreciable reduction of taxes cannot be thought of. A beginning, however, has been made by discontinuing the so-called "defence tax" as from May 1, 1926. An amount of 26½ million florins in receipts will be lost in this way, which, however, will be found from the surplus of the amounts that are available for payment of the loans made during the crisis period. For the present, no further reduction may be expected.

At the end of the Budget speech the Minister has given

a statement of the condition of the Treasury, and of the expenditures during the so-called "crisis period," which is considered as officially closed as at the end of the year 1924. From this statement it appears that the floating debt, not covered by assets, amounted to 43.6 million florins on September 7th last. As to the "Crisis Expenditures," these have from 1914, to and including 1924, amounted to 1,281.8 million florins. To cover the deficits from the "crisis period," 1,350.2 million florins have been obtained from loans, so that there is still available 68.3 million florins, which amount must be reduced by the amounts loaned to Austria as relief credits, amounting to 16.7 million florins, for which postponement of payment of capital and interest has been granted for the period of 20 years.

The total impression of the Budget is that a point has been arrived at where there is no longer any danger of a dislocation of the balance, or of injury to the currency, but that concentrated efforts must be made to strive for a gradual but decisive reduction of expenditure.

AUSTRIA.—POLITICAL POSITION—BUDGET AND STATE WAGES—LABOUR CONDITIONS—MONEY AND EXCHANGE—NATIONAL BANK.

(FROM OUR CORRESPONDENT.)

VIENNA, October 1.

Now that Parliament is reopened it is probable that the peaceful relations which have existed between the parties during recent months will be disturbed, as some questions have arisen the settlement of which may lead to serious differences. The greatest conflict will occur over the debate on the result of the last League of Nations' conference; but the general feeling is that Parliament will eventually agree, against the votes of the Social Democrats, to the resolution of the League of Nations' finance committee regarding the extension of amended control and the retention of the Adviser at the National Bank. Another difficulty is created by the pressing claims of the State employees for increased salaries, a very serious problem, the solution of which rests on the ability of the Government to find additional sources of revenue. Further, owing to the failure of the Government's plan regarding preferential tariffs with Italy and Czechoslovakia it will become necessary to alter the Austrian commercial policy. Also, the Christian Socialist party is alarmed by the fact that the Social Democrat party has compiled a big agricultural programme, which includes the nationalisation of the large estates, and aims at capturing new votes for the party amongst the peasants, who up till now have always been ardent supporters of the Christian Socialist party.

The most insistent question at the moment is the finding of a way to meet the claims of the State employees for higher salaries. The number of these employees is 95,030, whose total salaries and wages amount to about 600 million Austrian schillings. A 20 per cent. increase, as asked for by the employees, would, of course, mean an unendurable burden for the country in its present financial situation. The Budget for 1926 shows a deficit of 85 million schillings, and although it is true that this is the result of the inclusion in the Budget of an extraordinary expenditure of 120 millions for investments (without which there would be a favourable balance of 35 millions), it is obvious that such a Budget could not stand the burden of any big extra expenditure. In some quarters the question has been raised as to whether the moment is ripe for the floating of an internal loan. It must, however, be borne in mind that the classes which previously formed the investing public are now impoverished, and have not forgotten their losses sustained through the holding of State securities during the inflation period. Besides this, such a loan would not be feasible unless money conditions become much easier, as otherwise the rate of interest would have to be very high in order to attract subscribers.

Unemployment has practically not changed, as the number in receipt of the dole amounted in September to 116,439 as against 117,187 in August. At the moment a delegate of the Austrian Government is negotiating in New York to obtain an increase in the quota for Austrian emigrants; some Austrian workmen have emigrated to

France as well as to Germany, and some hundreds recently even to Russia. The Government had mooted a plan to subsidise with part of the money now paid out in doles firms which would absorb unemployed workmen, but the majority of manufacturers have energetically protested against such a scheme because they cannot see any outlet for increased production. During the last month there have been several strikes, and that in the Alpine Montan-Gesellschaft, the largest engineering concern, is still unsettled. In general, however, workmen realise the difficulties with which industries have to contend at the present time, and, as a matter of fact, the strike in the Alpine was the outcome, against trade union's instructions, of extreme radical elements.

The National Bank reduced the bank rate on September 2nd from 10 to 9 per cent., and in consequence the banks reduced their deposit rates from 7 to 6 per cent. Towards the end of the month the margin between unofficial discount rate and bank rate became much smaller than usual, which shows that money is tightening. The National Bank does not seem inclined further to reduce the bank rate for the time being, as it fears the withdrawal of foreign credits. Although there are still sufficient offers of short-term credits, especially from the United States, it is very difficult to obtain credits for long periods. This is evidenced by the failure of the negotiations of the Municipal Councils of Salzburg and Linz to obtain loans from American firms. Business on the Stock Exchange is completely stagnant, there is practically no speculation, and in consequence the fluctuations of prices are very limited.

The latest returns of the National Bank do not show a very remarkable change as compared with August. The following table shows the way in which the bank has succeeded in steadily improving its position during the course of about a year:—

(In Million Austrian Schillings.)

	1924.		1925.				
	Aug. 7.	Oct. 31.	Jan. 7.	April 15.	July 15.	Sept. 23.	
Cash reserve	335	414	352	343	432	502	
Banknote circulation	772	821	791	741	770	755	
Bills discovered	333	238	182	101	84	69	
Security of banknotes	37%	48%	47%	52%	60%	65%	

Business on the foreign exchange market was much more lively during last month than usual owing to the great fluctuations of the Polish currency, which led to considerable transactions on the Vienna market for the account of speculators of all the Succession States. During some days there was such a demand for dollar notes on the part of Polish speculators that not a single note was to be had in Vienna.

AUSTRALIA.—OVERSEAS TRADE—BANK RETURNS—BUDGET FOR 1925-26.

(FROM OUR CORRESPONDENT.)

MELBOURNE, August 21.*

THE Commonwealth trade statistics for the financial year ended June 30, 1925, show an increase of £16,479,172 in gross imports as compared with the preceding year, and an increase of £41,618,947 in gross exports. Of this increase in imports nearly 6 millions is in merchandise, and nearly 10½ millions is due to the gold brought by the banks from America and South Africa early this year. The increase in exports is the net result of an increase of £43,474,814 in merchandise and a decrease of £1,855,867 in gold. A comparison for the last three financial years is as follows:—

	1923-24.	1924-25.	1925-26.
Imports—			
Merchandise	131,733,323	140,593,551	146,586,586
Gold	24,512	24,742	10,510,879
Total imports	131,757,835	140,618,293	157,097,465
Exports—			
Merchandise	115,642,121	116,674,894	160,149,708
Gold (inc. prem.)	2,228,026	2,812,270	956,403
Total exports	117,870,147	119,487,164	161,106,111

* Delayed by shipping strike.

Exports for 1924-25 were the largest on record, and would have been still greater if the whole of the wool clip had been sold and shipped within the financial year, instead of half-a-million bales being carried over. Imports are second only to the total of £163,801,826 in 1920-21. After allowing, on the one hand, for interest and other payments to be remitted abroad to an amount now approaching 30 millions per annum, and, on the other hand, for fresh public borrowings, the scale of imports has been fully equal to Australian purchasing power for the time being. A comparison of some principal exports is as follows:—

	1922-23.	1923-24.	1924-25.
Wool and tops	57,138,764	56,197,158	63,196,388
Wheat and flour	12,991,550	19,297,139	40,599,661
Butter	6,133,864	4,919,664	10,006,081
Frozen beef, mutton, and lamb	6,116,652	2,472,729	5,627,677
Lead	2,561,616	3,323,463	4,154,448
Zinc	846,054	1,057,895	1,135,787
Zinc concentrates	1,461,016	1,166,424	1,055,632
Silver	1,117,145	1,080,872	1,123,865
Dried fruits	1,232,124	1,242,272	1,939,826

The Commonwealth Budget speech, delivered by the Treasurer, Dr Earle Page, on August 13th, shows that the net revenue available for Commonwealth purposes for the 1925-26 financial year, after deducting payments to the States (but including the gross receipts, as in former years, from such sources as the Post Office, railways, and Northern Territory revenue), is estimated at £61,075,050, against which is expenditure, £60,959,336, leaving an estimated surplus of £115,714. The revenue includes £51,310,000 to be collected by the Commonwealth in taxation, after allowing for reductions of £2,510,000 represented by a reduction of 12½ per cent. in individual income-tax rates and certain minor alterations in entertainment and other taxes. The Commonwealth income-tax will then stand at 20 per cent. above the scale introduced in 1915. The Customs revenue is estimated at £26,500,000, against £26,405,161 collected in 1924-25; and a continuance of imports on a heavy scale is thus relied upon as the means for enabling the income-tax to be reduced. The expenditure includes interest on Commonwealth debt, £20,526,035, and sinking fund, £3,032,000. The gross Commonwealth debt at June 30, 1925, was £430,947,591, against £415,600,098 at June 30, 1924, but the increase of £15,347,493 during the year is nearly all due to loans issued by the Commonwealth on behalf of the States.

JAPAN.—A BUDGET SURPLUS—NEXT YEAR'S ESTIMATES—AUGUST TRADE—A TRADE UNION BILL.

(FROM OUR CORRESPONDENT.)

TOKIO, September 7.

THE national accounts for the fiscal year closed March 31st, which were published last week, disclosed a surplus of 502,367,000 yen, the revenue amounting to 2,127,391,000 yen, and the expenditure to 1,625,024,000 yen. The yen, and the expenditure to 1,625,024,000 yen. The revenue shows an increase of 467,314,000 yen, in comparison with the estimate for that year, and of 82,338,000 yen with the previous year. This has been mainly due to an all-round increase in tax revenue and larger profits of State monopolies. Income-tax, sugar duty, and Customs produced 43, 11.7, and 36.9 million yen respectively more than was anticipated, while the profits of State monopolies exceeded the estimate by over 39 million yen. On the expenditure side there is a decrease of 197,411,000 yen, as compared with the estimate for the 1924-25 year, and of 103,974,000 yen with the previous year. This is accounted for largely by economy in Civil Services, reduction of the sinking fund allowances, and postponement of reconstruction works in the quake-damaged districts. Despite, however, a huge surplus (which in our practice does not automatically go to the reduction of debt), there is a rather thin margin which will be available for the next year's expenditure. Of the surplus of over 500 million yen, half the amount has already gone for the current year, and the remaining half can only be used for the next year.

By the latter part of last month all the spending departments had prepared and submitted their estimates of ex-

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penditure for 1926-27 to the Treasury, which has now begun to scrutinise them. These departmental estimates bring up the total national expenditure to 1,740,144,000 yen, including new items of expenditure of 230,000,000 yen. The sums claimed by each department are set out below:—

Departments.	Estimates for 1925-26.	Estimates for 1926-27.
Imperial Household....	4,500,000	4,500,000
Army	192,191,000	215,000,000
Navy	224,875,000	270,000,000
Foreign Office	16,819,000	16,600,000
Home Office	247,156,000	241,200,000
Treasury	317,605,000	351,341,000
Justice	30,536,000	35,000,000
Education	98,750,000	133,341,000
Agriculture	41,460,000	51,900,000
Commerce and Industry	10,789,000	32,785,000
Communications	339,705,000	388,000,000
Total	1,524,396,000	1,735,644,000

This shows an increase of 215,748,000 yen upon the current year, mainly due to larger outlay on Navy, Education, Communications, and Debt Service. Besides the above, there are other new charges totalling some 68,000,000 yen, which will be submitted afterwards as supplementary estimates. Against the excess, amounting to 300 million yen for new items, the funds to be drawn upon to meet these expenses are estimated at 70 or 80 million yen out of the remaining half of the surplus of the year 1924-25. The departmental estimates, therefore, should be axed accordingly by the Finance Minister, if the Budget is to be balanced, and it seems that in particular the programme for cruiser construction must suffer.

The trade returns for August show a favourable balance of 37,279,000 yen, imports amounting to 191,109,000 yen, exports to 228,388,000 yen. As compared with the corresponding month of last year, both imports and exports disclose a comfortably large expansion, imports increasing by 48,893,000 yen, and exports by 515,000,000 yen. The expansion is largely due to imports of raw cotton and export of raw silk, which have increased in value by 53 and 26.5 millions respectively. And the huge adverse balance since the opening of the year has now diminished to 442 million yen. Despite the encouraging returns of the trade, however, foreign exchanges have developed a weak tendency during recent weeks. The Treasury officials are studying assiduously "how to minimise our international payments and to improve the exchanges." They have lately laid down the general principle of taking all the conceivable remedial measures into consideration. But they seem to have no good effective plan to suggest.

A draft Trade Union Bill has been published recently by the Home Office, and is being submitted to the discussion of the Administrative Committee. Besides providing for legislation of labour organisation and conferring upon it several advantages of incorporation, which incorporation carries with it, the Bill gives an explicit guarantee of the worker's right to join a union and the union's right of collective bargaining. The employer, on his part, does not like to be statutorily enjoined not to discharge his employee because of a member of a union, and to come into contact directly with union officials in negotiation of the conditions of employment. The Japan Industrialists' Club and other similar bodies are strongly opposed to the provisions of the Bill which embodied the above two rights, denouncing them as an unwarrantable interference with freedom of contract and the indi-

vidual worker's liberty to dispose of his labour at his will. Meanwhile, not a few trade disputes now in progress centre round the question of the establishment of those rights.

Books and Publications.

INDIAN ECONOMIC PROBLEMS.*

MR BHATNAGAR'S little book is rather of the nature of a plea for the better teaching of what is usually called "Indian Economics," and is, therefore, largely intended for Indian readers and especially those who teach economics. He rightly objects to the term "Indian Economics," which implies "that the books written by Western economists are not applicable to India at all," and would substitute the new title "Indian Economy" on the grounds that "Indian Economics is not a separate science." He then proceeds to develop his ideas as to the method of teaching, and strongly condemns the old methods which are still largely employed. The author's procedure is to base the teaching on a geographical foundation and to then show how social, religious and legal institutions affect the general problem. His method commends itself as quite sound provided we can find the right teachers—and, after all, the teacher is more important than the method—and provided also that one wishes to lecture on "Indian Economy" at all. The great fault of the subject, as understood at present, is that it is too encyclopædic, being supposed to treat of all economic activities affecting Indian life. It is high time that writers devoted themselves to specific subjects, and that students should not be expected to read so widely. Much of the so-called Indian economics is merely general information, much geography, and both should be taught in the schools. This would allow of more time for real economics.

From this we pass to "Economic Conditions in India" and "Indian Currency and Exchange." The only criticism of the former is that it attempts what has been premised as impossible. But if we do admit of such works, it must be acknowledged to be a scholarly production which shows promise of even better things. Parts I. and II. are much better than Part III., which is necessarily sketchy. The author begins with a short survey of conditions prior to the coming of the British, and disposes of the common error that India was once rich and prosperous. This leads up to a study of the agriculture of the country. Here again the author uses old facts to emphasise certain very important facts—that agriculture must always remain the staple industry of the country and must, therefore, be developed in every way; also that any industrial development must depend ultimately upon a prosperous agriculture. The last part contains a number of chapters dealing with industry. These, although inferior to the previous chapters, are still interesting. Throughout the author shows an admirable judgment. Mr Chabliani's book is also to be commended for the restraint with which a very difficult and controversial problem is handled. Indian currency is not to be mastered easily, and is always difficult. This little book is admirably clear. It is based on lectures delivered to Indian students, and is intended "primarily for candidates for a degree in economics." But one hopes it will be more widely read. English readers might find very much that is really useful. Even when in disagreement one has to admit that the author has stated his case with great impartiality. It is a book that can be commended to both Indian and English readers.

* "The Bases of Indian Economy." By B. G. Bhatnagar, M.A. Ram Narain Lal, Allahabad. Rs.2. Pp. 144. "Indian Currency and Exchange." By H. L. Chabliani, M.A. Oxford University Press. 7s 6d. Pp. 184. "Economic Conditions in India." By P. P. Pillai. Routledge. 12s 6d. Pp. xviii + 330.

MUNICIPAL FINANCE.*

THE financial statement of the City of Birmingham for the year ended March 31, 1925, shows that the total outstanding debt of the city at that date was £33,526,894, to which must be added a sum of £5,611,532 standing to the credit of depositors at the Municipal Bank, making in all £39,138,426. The population was 952,766, and thus the loans and deposits outstanding amount to upwards of £41 per head against £33 15s 3d per head at March 31, 1923. At March 31, 1919, the net outstanding debt of the city was £20 millions (apart from Municipal Bank depositors). In six years, therefore, the city's debt has increased by £13½ millions, or 67.5 per cent. In addition to this, there is the large amount standing to the credit of depositors at the Municipal Bank, which is now about double what it was at March 31, 1923. The accounts show that 45 per cent. of the city's outstanding debt is funded debt—i.e., with a minimum life of fifteen years; 20 per cent. is partly funded debt—i.e., with a life of five to fifteen years; and 35 per cent. is floating debt—i.e., with a maximum life of five years. It is difficult, of course, to lay down any hard and fast rule as to the relationship which should be maintained between these three classes of debt, but as a general practice of local finance a floating debt should no doubt be kept within the narrowest limits possible. It is claimed that experience has proved that the proportions of two-thirds funded or partly funded debt and of one-third floating or short-dated debt are such as to be both reasonable and prudent, and that such proportions might advantageously be adopted in the case of other municipal authorities. That the credit of the City of Birmingham stands high in public estimation is evidenced by the recent issue of stock when the city was able to obtain a large block of three millions 4½ per cent. stock at the price of 99. There is issued with this volume a pamphlet containing general statistics and an epitome of the city's accounts. The treasurer, Mr J. R. Johnson, F.S.A.A., is to be congratulated on the completion and publication of this great volume of accounts, which necessarily involves a vast amount of detail relating to the operations of the year as well as to statistics of past years.

BOOKS RECEIVED.

- Jamsetji Nusserwanji Tata.* By F. R. Harris. (London) Oxford University Press. 15s net.
- Social Aspects of the Business Cycle.* By Dorothy Swaine Thomas. (London) George Routledge and Sons, Limited. 10s 6d net.
- Fights for Freedom.* By Francis William Soutter. With a Preface by Rt. Hon. John Burns. (London) T. Fisher Unwin. 6s net.
- Annual Summary of Tax Cases.* Volumes I. and II. By Raymond Needham. (London) Gee and Co., Limited.
- Statistics and Their Application to Commerce.* By A. Lester Boddington. 3rd Edition. (London) H. F. L. (Publishers), Limited. 12s 6d net.
- Russische Wirtschaftsgeschichte.* Von Dr Josef Kulischer. Erster Band. (Jena) Gustav Fischer. 24 marks.
- Agricultural Statistics of India, 1922-23.* Volume II. (Calcutta) Government of India Central Publication Branch. 1s 3d.
- The Restoration of Belgian Public Finance.* By Albert E. Janssen. (London) University of London Press, Limited. 1s net.
- Bulletin of the Imperial Institute.* October, 1925. (London) John Murray. 3s 6d net.
- The Liberal Magazine.* October, 1925. (London) Liberal Publication Department. 6d.
- International Labour Review.* September, 1925. (London) George Allen and Unwin, Limited. 2s 6d.
- Includes articles on:—Unemployment in Hungary: its Causes and Cure, by Josef Vagó; Trade Union Investment Funds in Belgium, France, Germany, and Spain, by Max Turmann, &c.
- The Cost of American Almshouses.* By Estelle M. Stewart. Bureau of Labour Statistics. (Washington) Government Printing Office. 10 cents.

* "City of Birmingham Financial Statement, 1924-25."

OFFICIAL PUBLICATIONS RECEIVED.

The following may be obtained from H.M. Stationery Office, Adastral House, Kingsway, W.C. 2. :—

Reports of the Chief Registrar of Friendly Societies for the Year 1923: Part A—Appendix (A). Statistics and Other Information Relating to Friendly Societies, Orders and Branches, Workmen's Compensation Schemes, &c. 4s. net.

In connection with our review under the heading, "Agricultural Statistics," appearing on page 543 of the *Economist* of October 3, 1925, we are asked to state that copies of the *International Year Book of Agricultural Statistics* for 1924-25, issued by the International Institute of Agriculture, Rome, can be obtained from the Ministry of Agriculture and Fisheries, 10, Whitehall place, S.W. 1, at the price of 8s.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET, October 21. | ACCOUNT, October 22.

No reduction in the Bank rate came on Thursday to stimulate the markets in gilt-edged stocks, nor to infuse a throb of cheery bullishness into the speculator's veins. The fortnightly settlement which was finished, nominally, on Thursday night proved a heavy and cumbersome affair, owing to the colossal amount of detail work demanded by the rubber market's share of the account. A small failure on Thursday had no material influence upon markets.

War Fives, Conversion, and other British Government securities are disposed to droop a little. The appearance of a triple municipal loan led to a surmise as to whether the new-issue truce is going to be broken in earnest. The effect of the easy 4 per cent. Bank rate is seen in a quiet strengthening amongst Colonial and Home Railway prior-charge stocks.

Brazilian, Chinese, and the mid-European bonds are noticeably higher. New York continues to be a persistent buyer of Brazils. The French issues have hardened in two or three cases. Argentines improved; Japanese remain in the back-ground. Only Mexicans are weak.

Home Railway stocks are swayed by political tendencies on the one hand and a cautious speculative demand on the other. The market retains a fair proportion of the rise achieved last week. Argentine rails are firm, with Cordoba Centrals again a good feature. United of Havana is nearly up to par. The dividend declaration, making 8 per cent. for the year, fulfilled anticipation, but the deferred stock fell heavily, as the company is paying nothing on this issue.

Rubber shares continue to monopolise much public interest. The volume of trade is huge, and the remarkable dividends, in numerous daily announcements, act as a continual stimulus to the buoyancy. The tea market is a little more hopeful. Oil shares have lost attraction for the time being. Courtaulds are once more animated and strong. Some of the other textiles, spurred, on hopes of bonus distributions. Sudan Plantations, in one section, and Maynards in another, have benefited by the new capital proposals. Nitrate shares are very quiet. The insurance group is steady, with the exception of Consolidated shares, whose weakness increased. Banks are better, reflecting the influence of the 4 per cent. rate. Several iron and steel shares have hardened, and Dunlops, with motor shares, received favour and advertisement from the opening of the Olympia Show. Piccardos have been flat in the tobacco market, where otherwise the tendency is hard. Benzol and By-Products preference fell away, as a result of the dividend being passed. Watney deferred led a few other brewery issues to better prices. Spiers and Ponds have been a good spot in the catering and hotel list. Canadian Marconis show further recovery.

Kaffir gold-producers are stronger in tendency, with business in them limited. Professional dealing, French and Belgian notably, kept on the bull tack in diamond, copper, and Rhodesian land shares.

Tin shares are enjoying a very unusual sparkle of activity. The Middle East group has sprung into popularity, and there is a good deal of trade afoot in the principal shares. West Africans participated, though in much milder manner, and Mexican business in the Cornish descriptions is scrappy. Mexican mining shares have had something of a flip, but Canadians, Indians, and Russians failed to arouse any public interest.

We are officially informed that Mr Charles Arthur Rolfe (trading as H. A. Redford and Co.) was declared a defaulter upon the Stock Exchange on Thursday.

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NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded.....	..	..160,941,475	..	..
ISSUES OF THE WEEK—				
Treasury Bonds sold	..	944,000	..	..
Oct. 2, £1,000,000 at 294 8s per cent.	..	..	..	..

NATIONAL SAVINGS CERTIFICATES.

NET RECEIPTS INTO THE EXCHANGERS THREE DAYS OCT. 3, 1925.

April 1, 1925, to Oct. 3, 1925, £1,350,000	Dr250,000	..	Dr250,000	..
To the Public—				
Birkenhead Corp'n., £1,000,000 4½ % Stock (red. at par 1940-60), issued at 97 %	1,000,000	..	970,000	.. 50,000 .. 920,000
City of Bradford, £1,000,000 4½ % Sdk (red. at par 1940-60), issued at 97 %	1,000,000	..	970,000	.. 50,000 .. 920,000
Walsall Corporation, £600,000 4½ % Stock (red. at par 1940-60), issued at 97 %	600,000	..	582,000	.. 30,000 .. 552,000
Brisbane Tramway Trust, £500,000 5½ % Sdk. (red. at par 1944-54) issued at 98 ¾ % ..	500,000	..	492,500	.. 25,000 .. 467,500
Simpson & Godlee, Lim., 200,500 7 % Cum. Pref. Shares of £1 each, at par	200,500	..	200,500	.. 25,063 .. 175,437
Bank Rubber Estates, 125,000 Ord. Shares of £1 each, at par ..	125,000	..	125,000	.. 31,250 .. 93,750
Total offered to the public	..	..	3,340,000	.. 211,313 .. 3,128,687
To Shareholders—				
Sudan Plantations Syndicate, 150,000 £1 Shares, at £3	150,000	..	450,000	.. 150,000 .. 300,000
Hinde (Fras.) and Hardy, 62,500 Ord. Shares of £1, at 40s	62,500	..	125,000	.. 31,250 .. 93,750
Kuala Goh Rubber, 150,000 Shares of 2s, at 2s 6d per Share	15,000	..	18,750	.. 18,750
Rubber and Industrial Trust, 67,500 Pref. Shares of 2s, at 3s	6,750	..	10,125	.. 10,125
Do 68,668 Def. Shares of 2s, at 3s	6,867	..	10,300	.. 10,300
Total offered to shareholders ..	..	..	614,175	.. 220,425 .. 393,750
Total offered for subscription to date in—	1925	165,589,650	1924	209,326,100
1925	138,761,265	1923	271,333,173	
1924	226,901,987	1922	573,675,650	
1923	513,881,637	1921	388,978,203	
1921	216,326,547	1920	367,549,656	
1920	313,575,105	1919	1,036,069,361	
Total offered for subscription for whole year—				
1925	165,589,650	1924	209,326,100	
1924	138,761,265	1923	271,333,173	
1923	226,901,987	1922	573,675,650	
1922	513,881,637	1921	388,978,203	
1921	216,326,547	1920	367,549,656	
1920	313,575,105	1919	1,036,069,361	

Birkenhead Corporation.—Issue of £1,000,000 of 4½ per cent. redeemable stock, 1940-1960, at 97 per cent. The stock is a trustee security, and will, it is stated, be redeemed at par on July 1, 1960, unless previously purchased in the open market or by agreement with holders, but the corporation has the option of redemption at par on or after July 1, 1940, on three months' notice. The stock is secured upon the funds and revenues of the corporation, and will rank *pari passu* with all other outstanding issues, except in respect of securities amounting to £2,400. The rateable value is £894,919, and a rate of one penny in the pound will produce £3,248. The total outstanding debt is £4,450,398, of which £3,538,220 is in respect of reproductive undertakings. The proceeds of the issue will be applied to the extent of £502,346 in repayment of existing loans, and the balance for ferries, water, and other purposes.

Bradford Corporation.—Issue of £1,000,000 of 4½ per cent. redeemable stock, 1940-1960, at 97 per cent. The stock, which is a trustee security, is secured upon all the property, rates, and revenues of the corporation. The rateable value of the city is £2,414,710, and a rate of one penny in the pound produces £9,360; the amount which may be levied in rates is unlimited. The estimated population of Bradford is 290,000. The borrowing powers of the corporation total £25,328,915, of which £21,998,833 has been exercised; the total outstanding debt is £15,071,548, of which £7,776,452 is stated to be in respect of reproductive undertakings. The gross profit upon the trading undertakings of the corporation for the year ended

March 31st last was £723,930, which, after providing for interest and sinking fund charges, left a net surplus of £106,700. The proceeds of the present issue will be applied for waterworks, electricity works, tramways, street improvement and other purposes. At the price of issue the flat yield is approximately £4 18s. If redemption is effected in 1940, the average yield, including profit on redemption, works out at about £5 1s, and if at the later date—1960—the yield is £4 18s 6d per cent. As the terms and yields of this and the two simultaneous issues are similar, apparently the credit of our home corporations is to be rated by a rule-of-thumb rather than on merit or individual development.

Walsall Corporation.—This is an issue of £600,000 of 4½ per cent. redeemable stock, 1940-1960, at £97 per cent. This is a trustee stock. It will be redeemed at par on July 1, 1960, unless previously cancelled by purchase in the market or by agreement with holders. The corporation retains the option of redemption at par on or after July 1, 1940, on three months' notice. The stock will be charged on the rates and revenues of the corporation, and will rank *pari passu* with all other issues. The total assets of the corporation as at March 31st last were £2,938,024, and liabilities £1,683,655, leaving a surplus of £1,254,369. The rateable value is £369,709, the total outstanding net debt £1,346,400, of which £910,500 is in respect of reproductive undertakings, and a rate of one penny in the pound produces £1,360. The proceeds of the issue are required for housing, street improvements, electric supply, gas works, and general sanitary works.

The Brisbane Tramway Trust.—Incorporated in Queensland. This is an issue of £500,000 5½ per cent. Brisbane Tramway stock, 1944-1954, at 98½ per cent. Interest is payable on April 1st and October 1st in each year, and a coupon for £1 12s 6d per cent. payable April 1st next, representing interest on instalments, will be attached to the scrip. The principal is repayable at par on October 1, 1954, the option of redemption in whole or in part on or after October, 1944, being retained. Principal and interest are unconditionally guaranteed by the Government of Queensland. In addition, they constitute a first charge, and are secured upon the revenues of the trust, and any deficiency in such revenues may be made good, after recourse to available reserves, by a proportional charge on the rates of each local authority within the district of the trust—namely, the city of Brisbane. The trust consists of eight members, of whom two, including the chairman, are appointed by the Queensland Government and six are elected by the aldermen and councillors of the several cities, towns, and shires. The proceeds are required for the erection of new tramway sheds and for the necessary extensions to the system. Earnings in 1923 showed an increase of £32,000 over 1922, and those in 1924 an increase of £34,000 over the 1923 figures. After paying interest on capital and charging a further £221,000 for depreciation, renewals, reserve, sinking fund, &c., there was a surplus of £11,499 during 1923 and 1924, the figures for which were combined on account of difficulties in allocating values, in view of the lump sum paid over as compensation for the system. Owing to the lease of the property upon which the power house, workshops, and stores are situated expiring next year, these assets demanded special provision being made from revenue, while the condition of the tracks necessitated expenditure from the revenue of £120,000 in 1924, as against £46,000 in 1922. The expenditure per car mile was lower in 1924 than in 1922. A well-secured issue.

Rainham Waterworks Company, Limited.—Tenders are invited for £6,000 of 6 per cent. new irredeemable preference shares of £1 each, the minimum price of issue being par. The authorised share capital is £48,000, of which £36,000 has been issued, while of the authorised loan capital of £24,000, £6,275 has been raised. The company was established in 1881, and supplies water in Rainham and district. The net revenue for the year ended September 30, 1924, was £2,010. The interest on the debenture stock requires £251 per annum, leaving a balance of £1,759 available for the dividends on the preference and ordinary shares. The shares will rank *pari passu* with the existing 12,000 6 per cent. preference shares as regards dividend, and next after the existing 4 per cent. preference shares, of which £6,000 have been issued. Subject to the drawback of the small size of the issue, the investment is well secured.

Simpson and Godlee, Limited.—Authorised share capital £550,000, of which £299,500 has been issued. There is also 4½ per cent. debenture stock of £55,650 outstanding. The company is interested in the cotton industry at Manchester, and this is an issue at par of 200,500 7 per cent. cumulative preference shares of £1 each. There are ordinary shares issued amounting to £250,000. The latter are held by directors and others associated with the company. The new capital is required for extensions to meet the company's increasing business. It is provided that a preference dividend reserve fund equal to twice the sum required to pay one year's preference dividend shall forthwith be created and maintained. Figures are supplied from the last balance-sheet (at September 10, 1924)

showing that the net assets at that date amounted to £413,885. To this may be added the share capital of the Know Mill Printing Company, £200,000, which is "held by or on behalf of the company," and the proceeds of the present issue, £194,000. The assets of the Know Mill Printing Company at the date of the last balance-sheet (September 13, 1924) exceeded liabilities by £308,188. Profits are shown from 1915, and the prospectus appears to be a reasonably favourable statement of affairs.

Malayan Tinfields, Limited.—Capital £100,000, in shares of £1 each, all of which have been issued, 5,000 being fully paid and 95,000 being 10s paid. The company was incorporated in June last to prospect and develop tin properties in the Federated Malay States, Siam, &c., and has purchased one property in Perak, F.M.S. In the advertisement, which is published in order to comply with Stock Exchange regulations, it is stated that "here a tin mine has for some years given very profitable returns to its Chinese owner, who has been working only a small part of the property in a primitive manner. An option has also been acquired over a dredging proposition in the neighbourhood of Ipoh. Certain property, acquired from the Renong Tin Dredging Company, Limited, is to be transferred to a subsidiary company.

Ledang Rubber Plantations, Limited.—Authorised capital £400,000 in £1 shares, of which 310,000 shares have been issued. The company, particulars of which are advertised "for information only," has been incorporated to work and develop certain rubber estates in Johore, Malay. The estates comprise 8,640 acres, of which 5,517 acres are planted, but it is not stated what acreage is in bearing. The purchase price is £174,839, and although it is not stated, this is, presumably, payable in cash. In addition, the company has agreed to repay to the vendor concern all payments made by the latter in connection with the acquisition, upkeep, management, and financing of the estates, &c., together with all preliminary expenses and underwriting commission, and grants to the vendor company an option to subscribe at par for 50,000 unissued shares for a period of five years from October 1st last. The capitalisation per planted acre is £56 3s 9d, which is a fair average.

Banir Rubber Estates, Limited.—The authorised share capital is £150,000, in ordinary shares of £1 each. This is an issue of 125,000 ordinary shares at par. The company has been formed to acquire and develop certain plantations in Perak, Federated Malay States. The total planted area is 1,200 acres, out of a total of 1,620 acres, but it is not stated what acreage is in bearing, nor are details given of past output. The purchase price is equal to £105,000, payable, presumably, in cash, although this is not specifically stated.

ACTIVE SECURITIES.

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

British and Colonial Government Securities.				
	Price Last Week.	Latest Price.	Rise or Fall.	
War 3½, 1925-28 .. 97½	97½	97½	—	Aust. 6½, 1931-41 .. 105
Loans 4½, 1925-45 .. 96½	96½	96½	—	India 3½, 1931-41 .. 103
Loans 5½, 1925-47 .. 102½	102½	102½	—	Do 7½, 1925-31 .. 68
Funding Loan 4½, 1925-48 .. 99½	99½	99½	—	Do 5½, 1932-31 .. 104
Victory Bonds 4½ .. 83½	83½	83½	—	Do 4½, 1932-31 .. 91
Conversion Loan 3½, 1925-48 .. 76½	76½	76½	—	N.S.W. 5½, 1922-32 .. 100
Consols 2½ .. 65½	65½	65½	—	N. Zealand 3½, 1940 .. 85
Irish Land Stock 2½ .. 59	59	59	—	Nigeria 6½, 1949-79 .. 114
Local Loans 3½ .. 65½	65½	65½	—	U. of S.A. 6½, 1930-40 .. 103
				Victoria 5½, 1924-34 .. 100
				W. Aust. 6½, 1930-40 .. 102
British Railways.				
	Price Last Week.	Latest Price.	Rise or Fall.	
Great Western, Ord. .. 84½	84½	84½	—	Southern, Ord. "A" .. 38
London & North-Eastern .. 58	58	58	—	Do Ord. "B" .. 37½
Do Pref. Ord. .. 19½	19½	19½	—	Do Pref. Ord. .. 75½
London, Mid., and .. 75½	75½	75½	—	Do Def. Ord. .. 40½
Scottish, Ord. .. 75½	75½	75½	—	Underground Electric (10) .. 2½
Metropolitan .. 68½	68½	68½	—	Do "A" (1) .. 96½
Metropolitan District .. 44½	44½	44½	—	Do Inc. Bds. (£100) .. 96½
Colonial and Foreign Railways.				
	Price Last Week.	Latest Price.	Rise or Fall.	
Antofagasta Cons .. 91	91	91	—	Grand Trunk Pacific, 4½ Debs. .. 43½
B.A. and Pacific .. 87	87	87	—	Leopoldina .. 35
B.A. & G. Southern .. 92	92	92	—	Mexican Railway .. 8
Buenos Ayres West .. 75½	75½	75½	—	Do 1st Pref. .. 25
Canadian Pacific .. 155	155	155	—	San Paulo .. 171
Central Argentine .. 76½	76½	76½	—	United Havana .. 98½
Cordoba Cen. Ord. Stk. 192 .. 21½	21½	21½	—	
American Railroads.				
	Price Last Week.	Latest Price.	Rise or Fall.	
Chesapeake & Ohio .. 111	111	111	—	Southern .. 110
Erie .. 33	33	33	—	Do Non-cum Pref. 95½ .. 95
Do 4½ 1st Pref. .. 43	43	43	—	
Banks.				
	Price Last Week.	Latest Price.	Rise or Fall.	
Barclays B. (£1, 1p.d.) .. 21½	21½	21½	—	Nat. Bank of S. Africa 8 .. 8
Chartered Bk of India .. 19½	19½	19½	—	National Provincial, (£30 with 4½ paid) .. 11½
Lloyds (£5 with 1 paid) .. 34½	34½	34½	—	Standard of S. Africa (£30 with 4½ paid) .. 11½
Midland (£1, 1p.d.) .. 8½	8½	8½	—	Westminster Bank (£30 with 4½ paid) .. 18½
Nat. Bank of Egypt (£10) .. 33	33	33	—	
Telegraphs.				
	Price Last Week.	Latest Price.	Rise or Fall.	
Anglo-American "A" .. 23½	23½	23½	—	Marconi Canada .. 33
Marconi Wireless .. 17½	17½	17½	—	Marconi Marine .. 33

Foreign Government Securities.				
	Price Last Week.	Latest Price.	Rise or Fall.	
Argentine 5½, 1886-7 .. 99½	99½	99½	—	Greek 5½, 1884 .. 55
Austrian 5½ Guar. .. 98½	98½	98½	—	Do 7½, 1924 .. 94½
Belgian 3½ .. 74	74	74	—	Hungarian 7½, 1924 .. 98½
Brazil 5½, 1914 .. 79	79	79	—	Japanese 4½, 1910 .. 65
Chilian 4½, 1886 .. 86½	86½	86½	—	Do 5½, 1924 .. 89½
Do 7½ .. 105½	105½	105½	—	Mexican Cons. 1899 .. 41
Chinese 5½, 1912 .. 64½	64½	64½	—	Peruvian Corp. Pref. .. 33½
Egyptian 4½ .. 84½	84½	84½	—	P.L.M. 6½ .. 89
French 5½ .. 17½	17½	17½	—	Portuguese (New) .. 29
Do 4½ .. 14½	14½	14½	—	Russian 5½, 1906 .. 6
German 3½ Loan .. 102½	102½	102½	—	Spanish 4½ .. 64
Do 7½, 1924 .. 102½	102½	102½	—	Seine (Dept.) 7½ .. 100½
				Siam 5½ .. 104
Miscellaneous.				
	Price Last Week.	Latest Price.	Rise or Fall.	
Aerated Bread (£1) .. 1½	1½	1½	—	Linggi Plantns. (£1) .. 2½
Amal. Cottons (£1) .. 3½	3½	3½	—	Lipton (£1) .. 1½
Anglo Persian Oil (£1) .. 3½	3½	3½	—	Liver Br 7½, Cmp (£1) .. 1½
Armstrong (Sir W.G.) and Co. (£1) .. 3½	3½	3½	—	Do 8½, Cmp A Pr (£1) .. 1½
Ass. Plind. Cement (£1) .. 2½	2½	2½	—	Do 20½, Cmp F Ord (£1) .. 1½
Barker, John (£1) .. 2½	2½	2½	—	Lobitos Oilfields (£1) .. 6½
B'ham Small Arms (£1) .. 75½	75½	75½	—	Lyonns (J.) & Co. (£1) .. 3½
Brazil Traction (£100) .. 75½	75½	75½	—	Mexican Eagle (£10) .. 1½
British-American .. 5½	5½	5½	—	Nobel Industries (£1) .. 1½
Tobacco (£1) .. 5½	5½	5½	—	Pekin (2½) .. 1½
British Controlled Oil (£5) .. 5½	5½	5½	—	Royal Dutch Petroleum (100 f) .. 31½
Burmah Oil (£1) .. 5½	5½	5½	—	Rubber Plantations Investment (£1) .. 2½
Coats (J. and P.) (£1) .. 6½	6½	6½	—	Shell Transport (£1) .. 4½
Courtauld (£1) .. 6½	6½	6½	—	Smithfield & Argentine Meat (£1) .. 3½
Cunard (£1) .. 1½	1½	1½	—	Union Cold Storage 6½ Cum. Pref. (£1) .. 1½
Dorman, Long (£1) .. 1½	1½	1½	—	Do 7½, Cmp. Pr. (£1) .. 1½
Dunlop Rubber (6½) .. 1½	1½	1½	—	United Dairies (£1) .. 1½
Fine Cotton Spinners (£1) .. 1½	1½	1½	—	United Tobacco (£1) .. 4½
Forestral Land (£1) .. 1½	1½	1½	—	W.O.C. Holding (£1) .. 2½
Furness, Withy (£1) .. 1½	1½	1½	—	Vickers (£1) .. 3½
Highlands and Lowlands Rubber (£1) .. 2½	2½	2½	—	Watney Def. Stk. .. 368
Hudson's Bay (£1) .. 5½	5½	5½	—	
Imperial Tobacco (£1) .. 5½	5½	5½	—	
Mining.				
	Price Last Week.	Latest Price.	Rise or Fall.	
Ashanti Gold (4) .. 8	8	8	—	Modderfont. "B" (5) .. 1½
Brakpan (£1) .. 3½	3½	3½	—	Modderfont. Deep (5) .. 2½
Broken Hill Prop. (£1) .. 1½	1½	1½	—	Mount Lyell (£1) .. 1½
Burma Corp. (Rs.10) .. 2½	2½	2½	—	New State Areas (£1) .. 2½
Cam & Motor (£1) .. 2½	2½	2½	—	Randfontein Est. (£1) .. 3½
Central Mining (£8) .. 14½	14½	14½	—	Rand Mines (5½) .. 3½
Chartered (15) .. 1½	1½	1½	—	Selkwa (2½) .. 1½
City Deep (£1) .. 1½	1½	1½	—	Shamva (£1) .. 1½
Cons. Gold Fields (£1) .. 1½	1½	1½	—	Sio Tinto (£5) .. 42½
Crown Mines (10) .. 2½	2½	2½	—	San Francisco de Mexico (10) .. 1½
De Beers Def. (£24) .. 13½	13½	13½	—	Spring Mines (£1) .. 2½
East Rand Prop. (£1) .. 3½	3½	3½	—	Tanganyika Cons. (£1) .. 2½
Geduld (£1) .. 3½	3½	3½	—	Trans. Cons. Lond (10) .. 4½
Gov. Gold Areas £1 .. 2½	2½	2½	—	Zambesia Expl. (£1) .. 2½
Johannesburg Cons. .. 2½	2½	2½	—	
Modderfontein (10) .. 4½	4½	4½	—	

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

COMPANY MEETINGS, &c.

CLERICAL, MEDICAL, AND GENERAL LIFE ASSURANCE SOCIETY.

SUCCESSFUL RESULTS OF THE YEAR.

The 101st annual meeting of the Clerical, Medical, and General Life Assurance Society was held, on the 9th instant, at the chief office, 15 St. James's square, London, Mr Francis E. J. Smith, chairman, presiding.

The general manager and actuary (Mr Arthur Digby Besant), having read the notice convening the meeting and the auditors' report,

The Chairman, in moving the adoption of the report, said the net new life business of £1,389,369 was some £65,000 larger than that of the previous year, which, in its turn, was about £100,000 ahead of 1923. The amount of new business last year had, in fact, been only once exceeded in their history, and that was in 1920, when our armies had just returned from the war, and there was a belated crop of life assurance to be garnered, of which they naturally obtained their full share.

POPULARITY OF LIFE ASSURANCE.

Of the new business this year, no less than 62 per cent. was effected under the whole-life tables, while endowment assurances represented only about 32 per cent. These were somewhat surprising figures in these days when endowment assurance was so popular, and it had given him great pleasure to find how substantial a proportion of their policyholders still preferred the old-fashioned whole-life assurance. For the purpose of family provision there was no better or cheaper mode of assurance than their whole life with profits policy. In common with most other life assurance offices, they had received an unusually large amount of new single premiums. The sum received from this source was £76,466, whereas the average amount of single premiums during the previous 10 years was only about £6,000 per annum. The large increase in their premium income had been mainly brought about by the demand for a special type of life assurance policy under which the assured paid only 10 per cent. of the single premium in cash, and borrowed the remaining 90 per cent. from the society as a loan secured upon the policy.

The death claims continued to be very moderate in amount. As the volume of the society's business grew there must naturally be a normal expansion in the amount paid as death claims, and they must expect this item to increase steadily as the years went on.

The interest income, and more especially the net interest income, showed an unusually large expansion. The net rates earned, namely, £4 15s 4d per cent., after deduction of income-tax, was higher than anything that they had achieved during the first 100 years of their history.

GENERAL REVERSIONARY AND INVESTMENT COMPANY.

There was one other item in the balance-sheet to which he especially wished to direct attention. They purchased the shares of the General Reversionary and Investment Company in 1912 in the expectation that the transaction would be an advantageous investment and bring them new legal and other connections. They purchased these shares for the sum of about £770,000, and on this basis it was estimated that the investment would yield about 4½ per cent. As the result of depreciation due to the war, they found it necessary to write off about £45,000 from the value of this security—a very small percentage of loss relatively to that incurred upon their holdings of Stock Exchange securities. During the past five years the business of the General Reversionary Company had not only greatly expanded, but had proved extremely profitable. They had contented themselves with a very moderate scale of dividend each year, and had retained much of the profits for the purpose of strengthening the valuation bases of the company. Their actuary made a revaluation as at June 30th last, and the result of his calculations showed that despite the severity of the valuation standard adopted, the value of this security to-day exceeded £300,000 as compared with the £726,000 at which it still stood in the books. It was to his predecessor, Mr John Coles, that they owed the purchase of these shares. In addition to the excess of £75,000 in the value of these shares, the value of the Stock Exchange securities showed an excess of £142,000 over the book value. That was the position on June 30th; to-day the excess value had risen to £190,000. They were now considering the extension of their mortgage policy on the lines which had proved so successful in their reversionary policy, and were contemplating the possibility of forming a small company managed by local experts

ARCOS LTD.

Sole Purchasing and Selling Agency in Great Britain for the Government of the U.S.S.R.

TURNOVER TO
MARCH 31, 1925, £56,000,000.

Exports from Russia to Great Britain include timber, flax, furs, ores, metals, crude drugs, petroleum products, etc., to a total value of £18,000,000.

The more important items of import to Russia are agricultural machinery, locomotives, tools, motors, scientific apparatus, drugs, clothes, boots, etc., to a total value of £38,000,000.

49, Moorgate, London, E.C.2

Telegrams: "Arcosarcos, Ave. London."
Cables: Arcosarcos.
Telephone: A.B.C., 8th & 9th edition.
London Wall 6626. Marconi, Bantley & Zebra.

to advise them with regard to mortgages secured upon suitable town properties in Canada.

With regard to their bonus prospects, to-day there was a great change as compared with the previous valuation. Interest ran high, mortality was favourable, appreciation had replaced depreciation, taxation was reduced, surplus was accruing at a rate unsurpassed in all their long history; no shadow of doubt existed as to their capacity not only to maintain but to strengthen their valuation reserves, and, need he add, as to their capacity and intention to pay in October, 1926, a scale of bonus larger than anything that they achieved in the first 100 years of their history.

The report and accounts were unanimously adopted.

GOODE, DURRANT, AND COMPANY, LIMITED.

SATISFACTORY RESULT—DIFFICULT TRADING CONDITIONS.

The twenty-seventh ordinary general meeting of Goode, Durrant and Co., Limited, was held, on the 8th instant, at the registered office of the company, 27 Milton street, London.

Mr J. Albion Williams (chairman of the company) presided.

The secretary (Mr D. M. Jackson, F.C.I.S.) having read the notice convening the meeting and the auditors' report, the Chairman suggested that the directors' report and the audited balance-sheet, which had been in the hands of the shareholders for several days, should be taken as read.

This was agreed to.

The Chairman said:—The directors' report and balance-sheet presented to you do not call for very much comment from me, although it is with very natural regret that we have to show a profit which is £10,000 less than that recorded last year, being £51,377 17s 4d, as against £61,403 8s 4d a year ago. In view of all the circumstances that existed in Australia during the period under review, your directors feel that the result of the year's trading is one for which we can be thankful.

FALL IN PRICE OF WOOL.

Although Australia enjoyed considerable prosperity during the period, the heavy fall in the price of wool which came about at the end of last year and the beginning of this, together with the labour disputes, has tended to make the conditions of trading anything but easy, and, according to reports received, we believe this has been the general experience of the wholesale textile trade throughout Australia.

The extension of the company's factories, which we mentioned at the annual meeting last year, is nearing completion, and we hope to reap the benefit of the additional output at an early date.

You will notice a slight increase in the fixed assets of the company by the addition of £9,300 to freeholds, which represents part of the extension of the factories, but I would like to mention that all the company's assets have been adequately depreciated, following on the custom which we have adopted for many years past.

I now beg to move:—"That the directors' report and the audited balance-sheet for the financial year ended July 20, 1925, be received and adopted."

Mr W. Lowe seconded the resolution, which was carried unanimously.

ALLOCATION OF THE PROFIT.

On the motion of the Chairman, seconded by Mr Stuart G. Durrant, it was unanimously agreed that the profit available for distribution, amounting to £59,039 10s 2d, including the sum of £7,661 12s 10d brought forward from last year, should be dealt with as under:—

	£	s.	d.
To pay a dividend at the rate of 7 per cent. per annum on the preference shares, including interim dividend paid in April last	11,550	0	0
To pay a dividend at the rate of 10 per cent. per annum on the ordinary shares, including interim dividend paid in April last	25,125	0	0
To place to the general reserve fund, making the total reserves £270,000	10,000	0	0
To carry forward to next year the sum of	12,364	10	2

The Chairman proposed that Mr William Lowe and Mr A. T. Wreford be re-elected directors of the company. This was seconded by Mr W. E. Pennick and unanimously agreed to.

Mr George P. Schooler, who has been a local director in Perth, Western Australia, since September, 1915, was unanimously elected a director of the company, on the proposition of Mr W. Lowe, seconded by Mr J. Albion Williams.

On the proposition of Mr Gait, seconded by Mr Rose, Messrs Newman Ogle, Ashworth and Co. were elected auditors to the company for the ensuing year.

Hearty votes of thanks were accorded to the chairman and the staffs of the company in London and the various branches.

SUNGKAI-CHUMOR ESTATES, LIMITED.

GREATLY IMPROVED RESULTS.

The nineteenth ordinary general meeting of the Sungkai-Chumor Estates, Limited, was held, on the 5th inst., at the registered office, 1-4 Great Tower street, London, Mr Thomas Ritchie (the chairman) presiding.

Mr E. Martin, F.C.I.S., the representative of the secretaries (Messrs Harrisons and Crosfield, Limited), read the notice convening the meeting and the report of the auditors.

The Chairman, in moving the adoption of the report and accounts, said: Last year I commenced by saying that the results then under review compared somewhat unfavourably with those of the preceding year. To-day the position is entirely reversed, and we are able to submit accounts which show a profit more than three times that earned in the previous year.

The total book cost of our property, &c., stands at £101,244, against an issued capital and reserve of only £100,330. Reserve account it is proposed to make up to £5,000 by transferring £4,524 from profit and loss account. This, and perhaps more, will be needed for the development of the immature areas, and the gradual planting up of the remaining 200 acres of reserve land on Sungkai Estate. The crop harvested was 423,015 lbs, of which 388,295 lbs only were exportable, and it is on this amount that the profits for the year are based. The f.o.b. cost of production of the rubber exportable was 9.72d, against 10.22d last year. The average net sale price, including the estimated value of the unsold exportable portion, was 1s 7.33d per lb, against 1s 1.13d, the net result being a profit of 8.77d per lb, against 2.03d.

The profit was £17,217, against £5,059 a year ago. We propose a final dividend of 12½ per cent., less tax, making 17½ per cent. for the year. There will remain £24,732 to be carried forward.

With regard to the present year under the recent alteration in the maximum allowed per acre for standard production from 400 lbs to 500 lbs, we were able to obtain an increase in our standard of 36,322 lbs as from August 1st. The new figure is 736,984 lbs, and appears in the directors' report.

We have sold forward a proportion of our outputs as follows:—Out of the 1925-26 crop we have sold forward 300,160 lbs at an average net price of approximately 1s 9d per lb, and out of the 1926-27 crop 76,160 lbs at an average of 1s 8.18d.

A great change has developed in the outlook for the rubber producing industry since our last meeting, mainly owing to two causes. First the restriction scheme, in which our worthy colleague, Mr H. E. Miller, took, as we all know, such a prominent part, the wisdom of which has been more than justified by results, and more recently by the enormous increase in consumption, which, to judge by statistics available for the present and future years, must continue to increase. An eminent authority, Mr A. W. Still, of the *Straits Times*, in a paper read recently at a meeting of the Incorporated Society of Planters at Kuala Lumpur, expressed his view, in support of which he gave carefully worked-out statistics, "that though shortage of supply may not come before 1928, it will most certainly come before 1932." We can look to the future of the industry with equanimity and many prosperous years in store.

The report and accounts were unanimously adopted.

GOVERNMENT RETURNS, &c.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1925-26. (See Note)	Total Receipts into the Exchequer from		RECEIPTS.	
		Apr. 1, 1925, to Oct. 3, 1925.	Apr. 1, 1924, to Oct. 4, 1924.	Oct. 1 to Oct. 3, 1925.	Oct. 1 to Oct. 4, 1924.
	£	£	£	£	£
Balances in Exchequer on 1st April:—					
Bank of England...	..	5,341,778	5,069,613	..	..
Bank of Ireland....	..	1,215,322	1,562,002	..	..
REVENUE.	..	6,557,100	6,631,614	..	..
Customs.....	102,040,000	51,062,000	50,838,000	985,000	1,245,000
Excise.....	137,220,000	62,424,000	63,737,000	519,000	865,000
Motor Vehicle Duties ..	17,500,000	4,838,000	4,106,000	..	..
Estate, &c., Duties ..	66,500,000	30,390,000	31,970,000	420,000	450,000
Stamps ..	24,000,000	10,280,000	9,190,000	120,000	380,000
Land Tax, House Duty & Mineral Rights Duty	1,000,000	170,000	650,000	..	10,000
Property & Income Tax	262,000,000	99,237,000	109,122,000	4,397,000	5,950,000
Super-Tax ..	63,300,000	27,000,000	24,840,000	270,000	510,000
Excess Profits Duties, &c.	4,000,000	..	..	..	..
Corporation Profits Tax	9,000,000	6,120,000	8,800,000	80,000	170,000
Post Office ..	57,000,000	27,100,000	26,900,000	500,000	1,800,000
Crown Lands ..	900,000	460,000	460,000	..	..
Interest on Sundry Loans ..	12,600,000	8,458,677	8,059,896	50,746	2,260,835
Miscellaneous—	..	..	..	..	..
Ordinary Receipts...	14,000,000	5,952,067	6,462,750	479,448	492,100
Special Receipts....	30,000,000	18,378,674	15,657,508	114,489	80,824
Revenue ..	801,060,000	361,870,418	360,813,154	7,935,683	12,303,759
Total Inc. Balance.....	..	368,427,518	367,444,768	..	..

	Total Receipts into the Exchequer from		RECEIPTS.	
	Apr. 1, 1925,	Apr. 1, 1924,	Oct. 1	Oct. 1
	to	to		
	Oct. 3, 1925.	Oct. 4, 1924.	Oct. 3, 1925.	Oct. 4, 1924.
	£	£	£	£
OTHER RECEIPTS.				
Temporary Advances Repaid:—				
Under the Unemployment Insurance Acts, 1921	1,170,000	5,780,000	..	..
Money Raised by Creation of Debt:—				
(a) For Capital Expenditure Issues:—				
Under the Telegraph (Money) Acts, 1922 and 1924	5,950,000	4,500,000	..	..
Under the Housing Act, 1914	6,000	4,000	..	..
Under the West Indian Islands (Telegraph) Act, 1924	20,071	260,719	..	..
(b) Under the Unemployment Insurance Acts, 1921	1,675,000	140,000	..	..
(c) For other Issues;—				
By Treasury Bills	1,265,677,000	1,220,980,000	25,229,000	22,266,000
By 3½% Conversion Loan	25,079,550			
By National Savings Certificates	17,900,000	13,850,000	250,000	500,000
By Exchequer and National War Bonds	15		..	..
By Treasury Bonds, 1925	10		..	..
By 4% Treasury Bonds, 1931-33	235,000	13,521,620	..	..
(d) Ways and Means Advances	391,531,000	489,159,000	25,000,000	34,950,000
Anglo-Persian Oil Company—				
Dividends on Shares Acquired ..	..	23,109	..	..
Repayments:—				
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921	116,243	562,521	5,200	13,123
In respect of Issues under Section 59 (4) of Finance Act, 1920	9,301,981	..	..	..
Interest received under Section 59 (5) of the Finance Act, 1920	142,853	..	..	..
Total	2,077,832,251	2,116,235,737	58,419,883	70,032,882

	Estimate for the Year 1925-26. (Including Supplementary Grants.)	Total Issues out of the Exchequer to meet Payments from	Issues	Issues
	Apr. 1, 1925, to Oct. 3, 1925.	Apr. 1, 1924, to Oct. 4, 1924.	Oct. 1 to Oct. 3, 1925.	Oct. 1 to Oct. 4, 1924.
EXPENDITURE.				
National Debt Services:—				
Interest, &c.	305,000,000	176,145,996	177,577,876	20,736,590
Sinking Fund ..	50,000,000	20,718,813	14,440,352	157,279
Road Fund ..	16,900,000	4,237,044	3,505,044	..
Payments to Local Taxation Authorities, &c. ..	13,329,000	4,452,838	4,687,891	..
Payments to Northern Ireland Exchequer ..	4,000,000	2,425,617	2,383,737	75,000
Land Settlement ..	700,000	238,842	324,484	..
Other Consolidated Fund Services ..	2,000,000	1,299,663	1,133,704	..
Supply Services ..	418,085,000	195,106,816	184,149,189	4,350,000
Expenditure ..	810,015,000	405,225,629	388,202,277	25,318,869
OTHER ISSUES.				
Temporary Advances:—				
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 ..	36,891	36,891	..	..
Under the Unemployment Insurance Acts, 1921 ..	1,715,000	220,000	40,000	80,000
Issues to meet Capital Expenditure:—				
Under the Telegraph (Money) Acts, 1922 and 1924 ..	5,950,000	4,500,000	..	..
Under the Housing Act, 1914 ..	6,000	4,000	..	..
Under the West Indian Islands (Telegraph) Act, 1924 ..	20,071	260,719	..	..
Unemployment Insurance Acts, 1921 ..	1,170,000	5,780,000	..	..
Redemption of Debt:—				
Treasury Bills ..	1,210,795,000	1,206,230,000	38,500,000	37,825,000
Principal of National Savings Certificates ..	15,450,000	16,400,000	500,000	550,000
Principal of Exchequer Bonds paid off ..	306,667	..	..	..
Principal of National War Bonds paid off ..	8,344,789	5,854,373	..	5,807,702
Principal of Treasury Bonds paid off ..	23,645,865	..	..	..
Other Debt under the War Loan Acts, 1914 to 1919 ..	..	60	..	..
Ways and Means Advances Repaid ..	402,345,000	486,118,000	500,000	1,000,000
Anglo-Persian Oil Company—				
Issues to the National Debt Commissioners ..	..	23,109	..	..
Total ..	2,075,010,912	2,113,629,419	64,958,869	72,972,984
Balance in Exchequer—				
Bank of England ..	1,140,644	1,946,527	6,515,321	2,936,070
Bank of Ireland ..	680,695	649,791	23,655	4,032
Total ..	2,821,339	2,596,318	6,538,986	2,940,102

NOTE.—Budget Estimate as in H.C. No. 84 of 1925.
Treasury, October 5, 1925.

	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.	4% Treasury Bonds. Average Price.
Date.	£	£	£ s d	£ s d
Aug. 7, 1925.	35,000,000	47,070,000	3 19 11-14	..
Aug. 14, ..	35,000,000	50,515,000	3 18 2-11	..
Aug. 21, ..	35,000,000	61,575,000	3 15 2-91	..
Aug. 28, ..	40,000,000	59,830,000	3 16 3-65	..
Sept. 4, ..	40,000,000	56,955,000	3 16 3-53	..
Sept. 11, ..	35,000,000	57,180,000	3 15 6-7	..
Sept. 18, ..	40,000,000	67,255,000	3 10 1-05	94 0 0
Sept. 25, ..	45,000,000	62,900,000	3 10 4-28	..
Oct. 2, ..	45,000,000	65,940,000	3 7 3-39	94 8 0
Oct. 9, ..	40,000,000	66,420,000	3 6 5-79	94 9 1-48

Tenders will be received on Oct. 16, 1925, for Treasury Bills and Treasury Bonds to be issued to the maximum amount of £35,000,000. The amount of Treasury Bonds issued will not exceed £3,000,000.

NATIONAL DEBT—(Million £).

	Aug. 1, 1914.	Dec. 31, 1919.	Mar. 31, 1921.	Mar. 31, 1922.	Mar. 31, 1923.	Mar. 31, 1924.	Dec. 31, 1924.	Mar. 31, 1925.	Oct. 4, 1925.
Funded Debt ..	588	315	315	315	314	314	314	314	314
Term Annuities ..	30	18	18	18	14	14	14	14	13
5% Conversion Loan ..	..	..	..	268	684	666	666	666	734
4% Conversion Loan ..	..	..	..	..	..	..	210	210	210
3% War Stock ..	..	63	63	63	63	63	63	63	63
4% and 5% War Stock ..	..	13	13	13	13	13	13	13	13
National War Bonds ..	..	2,047	1,995	1,953	2,095	2,166	2,017	2,052	2,052
4% Funding Loan ..	..	1,509	1,413	1,201	953	820	813	778	771
4% Victory Bonds ..	..	409	406	401	399	396	396	396	396
Treasury Bonds ..	..	360	347	335	326	314	314	350	350
Exchequer Bonds ..	..	20	223	289	185	150	150	499	475
National Savings Certificates ..	..	..	..	..	..	..	..	..	..
Other Debt ..	..	1,306	1,132	1,087	1,157	1,128	1,132	1,124	1,124
American Loan (Anglo-French) ..	..	..	..	..	..	..	..	..	..
Treasury Bills ..	..	15	1107	1,121	878	616	688	626	630
Temporary Advances ..	..	1	243	154	147	186	220	167	156
Other Capital Liabilities ..	654	8,033	7,574	7,655	7,742	7,641	7,726	7,646	7,685
Total Liabilities ..	711	8,079	7,623	7,721	7,812	7,707	7,794	7,718	7,766

* Includes debt to American Government.

POSITION OF THE FLOATING DEBT.

	Oct. 4, '24.	Mar. 31, '25.	Oct. 3, '25.	3 days ended Oct. 3, '25.
Ways and Means Advances				
Outstanding				
Advances by Bank of England	10,500,000..		10,000,000..	10,000,000
Advances by Public Deposits.	178,695,500..	166,585,000..	145,771,000..	14,500,000
Treasury Bills Outstanding	603,985,000..	575,610,000..	*830,495,000..	13,355,000
Total Floating Debt	792,281,500.	742,195,000.	786,265,000..	11,145,000
* Includes £41,000, the proceeds of which were not carried to the Exchequer within the period of the account.				

MONTHLY STATEMENT OF LONDON CLEARING BANKS.

(000's omitted.)

Average Weekly Balances, SEPTEMBER, 1925.	Bank of Liverpool and Martins, Limited.	Barclays Bank, Limited.	Coutts and Co.	Glyn, Mills and Co.	Lloyds Bank, Limited.	Midland Bank, Limited.	National Bank, Limited.	National Provincial Bank, Limited.	Westminster Bank, Limited.	Wills' & Sons, Limited.	Total.
ASSETS.											
Coin, bank and currency notes, and balances with the Bank of England ..	5,993	33,501	1,388	2,606	38,137	51,620	3,780	27,344	26,674	3,854	194,897
Balances with and cheques in course of collection on other banks in the United Kingdom ..	1,869	7,214	515	1,158	7,939	10,761	141	7,288	8,326	1,061	46,272
Items in transit ..	4,972	22,175	2,247	4,657	19,085	16,063	3,317	16,736	22,810	2,806	114,868
Money at call and short notice ..	3,485	37,396	1,540	1,498	54,139	55,940	2,682	35,394	48,381	2,418	242,873
Bills discounted ..	8,675	58,307	4,289	8,246	54,086	30,760	15,925	39,454	46,977	4,611	271,330
Investments ..	34,406	147,709	7,629	9,148	173,223	195,039	16,401	131,370	116,573	19,325	850,823
Advances to customers and other accounts ..	3,484	12,022	10	1,763	17,252	30,011	..	9,022	10,530	1,568	85,662
Liabilities of customers for acceptances, endorsements, &c.	1,541	5,154	346	695	5,797	6,431	755	4,466	4,219	908	30,312
Bank premises account ..	..	7,456	..	..	6,581	6,238	..	2,754	..	..	26,021
Investments in affiliated banks ..	64,425	330,934	17,964	29,771	376,239	402,863	43,001	273,828	287,482	36,551	1,863,058
LIABILITIES.											
Ratio of cash to current, deposit, and other accounts ..	10.53	11.35	8.48	9.92	11.39	14.84	10.18	11.12	10.3	12.09	11.87
Capital paid up ..	2,349	15,592	800	1,060	14,372	12,560	1,500	9,479	9,052	1,875	68,639
Reserve fund ..	1,700	8,250	800	530	10,000	12,560	1,250	9,479	9,052	1,250	54,871
Current, deposit, and other accounts ..	56,892	295,070	16,354	26,244	334,615	347,733	37,126	245,848	258,836	31,859	1,650,577
Acceptances, endorsements, &c.	3,484	12,022	10	1,763	17,252	30,010	..	9,022	10,530	1,567	85,660
Notes in circulation ..	..	..	..	..	..	..	3,125	..	12	..	3,137
Reduction of bank premises account ..	..	..	..	..	..	..	..	..	..	..	174
	64,425	330,934	17,964	29,771	376,239	402,863	43,001	273,828	287,482	36,551	1,863,058

	Amount, Oct. 7, 1925.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Best ..	1,071,462	— 660,795	— 8,632
Public deposits ..	9,547,367	+ 17,562,440	+ 1,319,140
Other deposits ..	109,508,232	+ 7,117,451	+ 4,377,693
Government securities ..	33,742,304	+ 3,030,468	+ 10,991,139
Other securities ..	69,237,587	+ 6,338,724	+ 4,674,037
Reserve ..	33,705,549	+ 1,736,499	+ 9,959,060
Note circulation ..	143,961,040	+ 813,525	+ 19,465,555
Coin and bullion ..	157,916,689	+ 2,550,024	+ 29,435,615
% of reserve to liabilities ..	28.8%	+ 8%	+ 9%

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Gold in or out of Bank.	Reserve and % of Reserve to Liabilities.	Bank Rate.
1925.							
Aug. 26	163,194,222	144,266,870	126,031,032	105,528,109	838,000 out	38,677,359	2.5%
Sept. 2	162,631,518	144,078,535	129,445,327	110,414,051	656,000 out	37,302,983	2.5%
9	161,377,764	144,195,765	129,003,788	110,342,967	1,159,000 out	36,931,999	2.5%
16	161,063,686	143,527,205	128,489,517	109,458,553	306,000 out	37,286,481	2.5%
23	160,660,075	142,910,840	131,520,167	112,297,428	394,000 out	37,499,235	2.5%
30	160,467,713	144,774,565	129,500,588	112,249,083	249,000 out	35,442,148	2.7%
Oct. 7	167,916,689	143,961,040	119,055,599	102,979,891	2,547,000 out	33,705,649	2.8%

BANKERS' CLEARING RETURNS (000's omitted).

Week Ending—	Town.	Metropolitan.	Country.	Total.
1925.				
January 1 to September 25 ..	25,885,231	1,818,100	2,152,134	29,855,465
Sept. 30 ..	673,447	28,112	48,862	750,421
Oct. 7 ..	707,000	36,334	67,718	811,052
Total to date 1925 ..	27,265,678	1,884,546	2,274,714	30,824,938
Do 1924 ..	26,788,379	1,823,755	2,227,789	30,839,923
Increase or decrease in 1925 ..	+ 477,299	+ 60,791	+ 46,925	+ 585,015
% ..	+ 1.7%	+ 3.3%	+ 2.1%	+ 1.9%
Total for year 1924 ..	35,038,605	1,594,114	2,900,145	39,532,864
Total for year 1923 ..	33,970,373	1,546,565	2,810,654	38,327,592
Increase or decrease in 1924 ..	+ 2,768,232	+ 47,549	+ 89,491	+ 2,905,272
% ..	+ 8.5%	+ 3.0%	+ 3.1%	+ 7.9%

PROVINCIAL CLEARING RETURNS.

	Month of September.	Aggregate Weekly Totals to Oct. 3.
	1924.	1925.
Number of Working Days ..	26	26
BIRMINGHAM ..	9,292,000	10,072,000
BRISTOL ..	4,971,000	4,847,000
DUBLIN ..	4,686,000	4,680,000
LONDON ..	3,575,000	3,589,000
LIVERPOOL ..	3,067,000	3,059,000
MANCHESTER ..	37,248,000	35,958,000
NEWCASTLE ..	65,167,000	59,327,000
NOTTINGHAM ..	7,015,000	5,945,000
PLYMOUTH ..	2,587,000	2,654,000
READING ..	4,200,000	4,365,000
SHEFFIELD ..	4,200,000	4,365,000
Total ..	141,688,000	134,857,000

OVERSEAS BANK RETURNS.

NOTE.—The latest return of the Bank of Estonia appeared in the *Economist* of June 27; Greece Sept. 3; Canada, Bulgaria, and Egypt in Sept. 26; Finland, Poland and Spain in Oct. 3.

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

	Oct. 2, 1925.	Sept. 25, 1925.	Sept. 18, 1925.	Sept. 11, 1925.
RESOURCES.				
Total gold reserves ..	2,758,970	2,765,550	2,772,680	2,770,690
Total bills discounted ..	633,190	640,730	487,940	639,190
Bills bought in open market ..	26,310	318,490	211,960	214,140
Total U.S. Government securities ..	342,910	328,130	409,250	327,110
Total earning assets ..	1,257,020	1,212,870	1,190,370	1,200,270
Total resources ..	4,905,540	4,901,070	5,062,930	4,857,960
LIABILITIES.				
Federal Reserve notes in actual circulation ..	1,685,110	1,670,350	1,677,300	1,680,120
Deposits—Member bank—reserve account ..	2,209,940	2,207,090	2,197,660	2,195,650
Capital paid in and surplus ..	334,280	2,267,450	2,230,200	2,244,510
Total liabilities ..	4,905,540	334,270	334,260	334,220
Ratio of total reserves to deposit and Federal Reserve note liabilities combined ..	72.5%	72.9%	73.7%	73.4%

NEW YORK FEDERAL RESERVE BANK.—In \$'s (000's omitted).

	Oct. 2, 1925.	Sept. 25, 1925.	Sept. 18, 1925.	Sept. 11, 1925.
RESOURCES.				
Total bills discounted ..	229,060	232,770	110,360	125,330
Bills bought in open market ..	28,750	27,150	11,960	22,150
Total U.S. Government securities ..	79,230	60,500	141,860	57,500
Total earning assets ..	336,860	320,420	266,210	305,010
Deposits—Member bank—res. acc't ..	863,180	859,460	833,870	846,380
Ratio of total res. to dep. and Federal Reserve note liabilities combined ..	75.6%	76.7%	78.7%	75.1%

SOUTH AFRICAN RESERVE BANK.—In £'s (000's omitted).

	Sept. 12, 1925.	Aug. 29, 1925.	Aug. 22, 1925.	Aug. 15, 1925.	Aug. 8, 1925.	Sept. 1, 1925.
ASSETS.						
Gold coin and bullion ..	4,526	3,585	2,838	2,776	2,776	551
Gold certificates ..	5,474	6,036	6,373	6,454	6,435	10,223
Subsidiary coin ..	50	50	50	50	50	50
Bills discounted ..	5,948	6,234	6,274	6,484	6,247	3,909
Loans & advances to Govt. ..	..	..	..	..	..	1,100
Investments ..	529	529	529	529	525	423
LIABILITIES.						
Capital ..	1,000	1,000	1,000	1,000	1,000	1,000
Reserve ..	258	258	258	258	258	153
Notes in circulation ..	8,943	9,519	9,122	9,260	9,654	10,083
Bankers' deposits ..	5,823	5,234	4,963	5,731	5,319	4,579
Ratio of cash reserves to liabilities to public ..	63.6%	63.9%	62.6%	60.4%	61.9%	71.9%

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

	Sept. 11, 1925.	Sept. 4, 1925.	Aug. 28, 1925.	Aug. 21, 1925.	Aug. 14, 1925.	Aug. 7, 1925.
ASSETS.						
Total securities ..	15,36,37	15,20,38	14,36,79	13,77,75	15,28,77	16,76,74
Loans ..	12,31,38	13,59,01	14,53,78	14,11,39	15,35,28	18,00,94
Cash credits ..	27,91,12	27,50,84	27,86,92	27,23,86	27,74,78	41,53,49
Inland bills ..	4,26,40	4,33,73	4,20,46	4,50,56	4,26,57	5,73,73
Foreign bills ..	26,30	25,35	28,17	33,94	31,48	19,23
Dead stock ..	11,82	2,75,59	2,76,00	2,75,44	2,74,90	2,61,74
Bal. with other banks ..	37,74,58	39,82,29	42,78,60	44,54,81	44,09,63	26,53,48
LIABILITIES.						
Capital paid up ..	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50
Reserve ..	4,77,50	4,77,50	4,77,50	4,77,50	4,77,50	4,77,50
Total deposits ..	91,00,68	92,77,42	96,24,76	96,69,83	97,24,08	1,02,09,28
The above includes—						
Deposits in Lond'n ..	1,143	1,128	1,137	1,174	1,182	1,289
Advances in Lond'n ..	1,082	1,157	1,155	1,148	1,189	464
Cash, &c., at other Banks in London ..	79	26	130	75	..	955

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

	Sept. 5, 1925.	Aug. 29, 1925.	Aug. 22, 1925.	Aug. 15, 1925.	Sept. 6, 1924.	Position June 30, 1914.
ASSETS.						
Cash and bullion ..	1,127,807	1,127,351	1,128,031	1,128,731	1,114,883	221,320
Discounts ..	274,130	388,224	188,089	192,049	219,799	41,740
Advances ..	152,268	138,972	132,288	128,845	269,361	70,540
LIABILITIES.						
Notes ..	1,271,584	1,371,880	1,160,032	1,155,654	1,199,175	362,270
Govt. deposits ..	677,440	694,505	690,582	686,565	963,651	87,340
Other deposits ..	82,234	74,682	78,475	76,42	78,037	11,440

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

	Oct. 8, 1925.	Oct. 1, 1925.	Sept. 24, 1925.	Oct. 9, 1924.	Position May 28, 1914.
ASSETS.					
Gold coin and bullion ..	5,647,300	5,547,230	5,547,176	5,544,234	3,730,625
Of which held abroad ..	1,864,321	1,864,321	1,864,321	1,864,321	..
Silver coin and bullion ..	309,986	309,908	309,741	301,716	633,650
Discounts and advances ..	5,594,628	6,373,823	6,058,142	7,848,942	2,327,775
Advances to the State ..	30,800,000	30,350,000	28,900,000	22,900,000	..
LIABILITIES.					
Notes ..	47,165,205	46,353,859	45,556,691	40,648,504	5,811,875
Government deposits ..	35,523	23,164	23,164	15,475	183,700
Private deposits ..	2,281,604	2,518,561	2,133,672	1,876,550	845,950

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

	Oct. 1, 1925.	Sept. 24, 1925.	Sept. 17, 1925.	Sept. 10, 1925.	Oct. 2, 1924.	Position May 28, 1914.
ASSETS.						
Coin (gold & silver and bullion)	388,766	388,892	388,430	388,241	355,307	322,650
Securities	1,401,500	1,264,058	1,242,632	1,318,155	1,235,849	697,600
LIABILITIES.						
Notes in circulation ..	7,760,205	7,581,724	7,602,477	7,645,895	7,687,893	834,150
U.S. currency	307,803	246,025	207,518	225,802	283,936	112,125

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

Assets.	Sept. 5, 1925.	Aug. 29, 1925.	Aug. 22, 1925.	Sept. 6, 1925.	May 12, 1925.
Gold	565,414	565,414	565,414	562,957	546,275
Silver, &c.	6,168	6,233	6,280	2,493	776
Government loan	11,293,769	11,277,576	11,274,154	11,560,203	12,585,130
Other advances	9,686,363	10,019,810	9,826,806	7,456,967	5,037,432
LIABILITIES.					
Notes in circulation	20,329,639	20,152,753	19,988,447	18,757,069	15,845,496
Deposits	7,525,002	7,966,161	7,894,728	6,543,926	7,077,350

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

Assets.	Sept. 16, 1925.	Sept. 9, 1925.	Sept. 2, 1925.	Aug. 26, 1925.	Sept. 17, 1925.
Coin and bullion	10,278	10,195	9,994	9,931	9,563
Of which gold	8,577	8,577	8,577	8,577	8,577
Balances abroad	235,172	235,373	225,753	213,222	185,375
Other advances	191,109	196,281	197,434	198,719	179,060
LIABILITIES.					
Government loans	1,553,893	1,553,269	1,543,215	1,530,901	1,500,613
Notes in circulation	1,653,217	1,670,318	1,662,278	1,630,781	1,665,725
Deposits	65,480	54,284	56,591	54,099	35,447

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

Assets.	Sept. 10, 1925.	Aug. 31, 1925.	Aug. 20, 1925.	Aug. 10, 1925.	Sept. 10, 1924.	Position May 31, 1924.
Total cash	1,530,752	1,549,470	1,564,748	1,521,542	1,585,491	1,221,678
Inland bills	5,104,623	5,285,097	4,796,227	4,691,430	3,241,614	418,400
Advances to the Treasury	5,378,370	5,378,370	5,377,445	5,378,475	5,600,376	nil
Other advances	3,216,913	3,231,603	3,155,428	3,114,297	1,706,903	79,175
LIABILITIES.						
Securities	366,397	367,130	367,190	367,190	400,903	205,700
Note circulation	15,280,168	15,412,289	15,015,903	15,345,012	13,180,640	1,556,929
Deposits & drafts	1,455,872	1,551,107	1,731,909	1,485,962	1,722,060	193,975

LONDON RATES.

	Oct. 9, 1925.	Oct. 8, 1925.	Oct. 7, 1925.	Oct. 6, 1925.	Oct. 5, 1925.	Oct. 4, 1925.	Oct. 3, 1925.	Oct. 2, 1925.	Oct. 1, 1925.
Bank rate (changed from 4½% Oct. 1, 1925)	4	4	4	4	4	4	4	4	4
Market rates of discount—									
60 days' bankers' drafts	3½	3½	3½	3½	3½	3½	3½	3½	3½
3 months' do	3	3	3	3	3	3	3	3	3
6 months' do	2½	2½	2½	2½	2½	2½	2½	2½	2½
Discount (Treasury Bills)—									
2 months	3½	3½	3½	3½	3½	3½	3½	3½	3½
3 months	3	3	3	3	3	3	3	3	3
6 months	2½	2½	2½	2½	2½	2½	2½	2½	2½
Loans—Day to day	2½	2½	2½	2½	2½	2½	2½	2½	2½
Short	2	2	2	2	2	2	2	2	2
Deposit allowances: Banks	2	2	2	2	2	2	2	2	2
Discount houses at call	2	2	2	2	2	2	2	2	2
At notice	2	2	2	2	2	2	2	2	2

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

Comparison with previous weeks:—

		Short Loans.	Bank Bills.			Trade Bills.		
			3 Months.	4 Months.	6 Months.	3 Months.	4 Months.	6 Months.
1925.		%	%	%	%	%	%	%
Sept.	18	3 3/4	3 3/4	3 3/4	3 3/4	4 1/4	4 1/4	4 1/4
	25	3 3/4	3 3/4	3 3/4	3 3/4	4 1/4	4 1/4	4 1/4
Oct.	2	2 3/4	2 3/4	2 3/4	2 3/4	3 3/4	3 3/4	3 3/4
	9	2 3/4	2 3/4	2 3/4	2 3/4	3 3/4	3 3/4	3 3/4

RATES OF EXCHANGE.

London on	Usance	Par.	Oct. 10, 1925.	Oct. 2, 1925.	Oct. 9, 1925.
Paris	francs to £1	T.T.	25-22½	86-15-20	103-50-55
Berlin	marks to £1	T.T.	20-45	183-19 bins.	20-32-34
Vienna	schillings to £1	T.T.	34-59½	315-30-00	34-32-35
Prague	krone to £1	T.T.	24-02	1509-151½	1334-153½
Warsaw	zloty to £1	T.T.	25-22½	23-25-45	284-29
Riga	latas to £1	T.T.	25-22½	1750-1800	1810-1815
Kovno	litas to £1	T.T.	48-66	23-15-37	24-95-25-20
Bukarest	lei to £1	T.T.	25-22½	835-845	1,017-1,022
Budapest	forints to £1	T.T.	24-02	340/350,000	345/347,000
Constantinople	piastres to £1	T.T.	110	835-840	855-875
Sofia	levas to £1	T.T.	25-22½	608-617	655-675
Belgrade	dinars to £1	T.T.	25-22½	310-315	270-275
Amsterdam	florins to £1	T.T.	12-107	1149-49½	12-04½-94
Brussels	francs to £1	T.T.	25-22½	93-45-55	107-50-60
Oslo	kroner to £1	T.T.	18-159	31-35-40	23-95-24-00
Stockholm	kronor to £1	T.T.	18-159	16-86-89	18-02-03
Copenhagen	kroner to £1	T.T.	18-159	25-48-53	20-00-05
Helsingfors	F. marks to £1	T.T.	25-22½	1788-178½	1914-1924
Greece	drachmas to £1	T.T.	25-22½	257-260	334-337
Italy	lire to £1	T.T.	25-22½	103-105½	120½-21
Switzerland	francs to £1	T.T.	25-22½	83-40-43	25-08½-94
Madrid	pesetas to £1	T.T.	25-22½	33-44-47	33-64-67
Lisbon	pence to escu.	T.T.	53½	118-24	23-28½
Alexandria	piastres to £1	Sight	97½	97½-97½	97½-97½
New York	dollars to £1	Cable	4-49	4-49	4-49
Montreal	dollars to £1	Cable	4-49	4-49	4-49
Buenos Aires	pence to peso	T.T.	47-62	4-49	4-49
Rio de Janeiro	pence to mil.	90 days	45-45½	45-45½	45-45½
Montevideo	pence to peso	T.T.	15	68	74
Valparaiso	pence to £1	90 days	13-31	40-48	49-49
Lima	Eng. to Per. \$1	90 days	par	79½ prem.	22½ prem.
Calcutta	ster. to rupee	T.T.	10 to	1s 6½d-6d	1s 6½d-6d
Bombay	ster. to rupee	T.T.	10 to	1s 6½d-6d	1s 6½d-6d
Madras	ster. to rupee	T.T.	10 to	1s 6½d-6d	1s 6½d-6d
Hong Kong	ster. to dollar	T.T.	2s 6½d-5d	2s 6½d-5d	2s 6½d-5d
Shanghai	ster. to taels	T.T.	2s 6½d-5d	2s 6½d-5d	2s 6½d-5d
Singapore	ster. to dollar	T.T.	2s 6½d-5d	2s 6½d-5d	2s 6½d-5d
Yokohama	ster. to yen	T.T.	24-58	1s 8½d-8d	1s 8½d-8d
Manila	ster. to peso	T.T.	24-06	12s 2½d	12s 2½d
Mexico	pence to do.	T.T.	24-06	24½d-24½d	24½d-24½d

† Rate for previous day. (b) Represents krone to £1, at a par value of 1 schilling=10,000 paper crowns.

OVERSEAS BANK RATES.

Changed.	%	Changed.	%
Amsterdam	Oct. 3, 1925	Oslo	Sept. 14, 1925
Athens	Feb. 5, 1925	Paris	July 9, 1925
Berlin	Feb. 26, 1925	Prague	Mar. 25, 1925
Brussels	Jan. 24, 1925	Riga	Feb. 16, 1924
Bucharest	Sept. 4, 1925	Rome	June 18, 1925
Budapest	May 28, 1925	Sofia	Oct. 8, 1925
Calcutta	Sept. 24, 1925	Stockholm	Oct. 8, 1925
Copenhagen	Sept. 8, 1925	Swiss Bank	places
Danzig	Mar. 6, 1925	Tokyo	July 14, 1923
Helsingfors	Aug. 14, 1925	Vienna	April 15, 1925
Lisbon	Sept. 12, 1923	Warsaw	Sept. 2, 1925
New York Federal Reserve	Feb. 26, 1925		(See note below)
Madrid	Mar. 23, 1923		

The Bank Rate of the South African Reserve Bank is 5½% for first-class commercial bills (90 days), and 6% for agricultural bills (of not more than six months).

Warsaw (Poland).—From August 12, 1925, discount rate, gold francs, 12%; loans on collateral security, gold francs, 14%.

We are informed that the head office of the De Javasche Bank at Batavia as from October 20th, has increased its discount rate for bills from 3½ per cent. to 4½ per cent.

MOSCOW QUOTATIONS FOR CHERVONETZ.

According to advices received in London, the following are the Moscow quotations for chervonetz:—

£1,000 sterling equals 940 chervonetz.

£1,000 " " 194½ "

CURRENT RATES IN NEW YORK.

The Irving Bank—Columbia Trust Company cable the following money and exchange rates in New York:—

	Oct. 9, 1925.	Sept. 10, 1925.	Sept. 17, 1925.	Sept. 24, 1925.	Oct. 1, 1925.	Oct. 8, 1925.
Call money	2½	2½	2½	2½	2½	2½
Time money (90 days' mixed coll)	3	3	3	3	3	3
Bank acceptances:—						
Members—eligible, 90 days	2½	2½	2½	2½	2½	2½
Non-mem.—eligible, 90 days	2½	2½	2½	2½	2½	2½
Intelligible, 90 days	2½	2½	2½	2½	2½	2½
Commercial accept., 90 days	2½	2½	2½	2½	2½	2½

Rates of Exchange.	Par Level.	Oct. 9, 1925.	Sept. 24, 1925.	Oct. 1, 1925.	Oct. 8, 1925.
London—					
60 days					
Cable					
Cheques					
Dollars for £1	4-8666	4-8666	4-8666	4-8666	4-8666
Paris—					
Cheques					
Brussels—					
Cheques					
Switzerland—					
Cheques					
Italy—					
Cheques					
Berlin—					
Cheques					
Vienna—					
Cheques					
Madrid—					
Cheques					
Amsterdam—					
Cheques					
Copenhagen—					
Cheques					
Athens—					
Cheques					
Montreal—					
Cheques					
Yokohama—					
Cheques					
Hong Kong—					
Cheques					
Shanghai—					
Cheques					
Calcutta—					
Cheques					
Buenos Aires—					
Cheques					
Rio de Janeiro—					
Cheques					
Valparaiso—					
Cheques					

GOLD MOVEMENTS.

The following table shows arrivals and withdrawals of gold during last week:—

1925.	ARRIVALS.	1925.	WITHDRAWALS.
Oct. 3	nil	Oct. 3	nil
" 5	nil	" 5	bars sold 268,000
" 6	nil	" 6	bars sold 18,000
" 7	nil	" 7	bars sold 1,566,000
" 8	nil	" 8	bars sold 76,000
" 9	500,000	" 9	bars sold 45,000
Total	500,000	Total	3,053,000
			Net withdrawals, £2,533,000.

CENTRAL AMERICAN EXCHANGE RATES.

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

Country.	Par Value	Usance.	1925.	Rate.
Ecuador	Sucres to £	10-00	Sight London	Oct. 3 21-30
Venezuela	Bolivares to £	25-25	"	Oct. 6 25-10
Colombia (Bogota)	Pesos to £20	100	"	Oct. 6 25-10
Nicaragua	Corobas to £	4-8666	"	Oct. 6 25-10
San Salvador	Colonos to £	33-61-63	"	Oct. 6 25-10
Guatemala	Colonos to £	9-73	"	Oct. 6 25-10
Costa Rica	Colonos to £	90-23	"	Oct. 6 25-10
Bolivia	Pence to Boliviano	10-45	"	Oct. 6 25-10
		19-20	"	Oct. 6 25-10

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.	Buying.	Selling.	Buying.	Selling.
London on Australia and New Zealand.				
Australia.	New Zealand.	Australia.	New Zealand.	Australia.
T.T.	99½	100½	99½	100½
Demand	99½	100½	99½	100½
30 days	99½	100½	99½	100½
60 days	99½	100½	99½	100½
90 days	99½	100½	99½	100½

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates:—

	Union of South Africa.	Union of South Africa.
	From close of mail, Oct. 2, 1925.	From October 3, 1925.
	London on South Africa.	South Africa on London.
	Buying.	Selling.
T.T.	18 ½ dis.	1 ½ dis.
Demand	2 ½ dis.	1 ½ dis.
30 days	2 ½ dis.	1 ½ dis.
60 days	2 ½ dis.	1 ½ dis.
90 days	2 ½ dis.	1 ½ dis.
120 days	2 ½ dis.	1 ½ dis.

BULLION.

IMPORTS AND EXPORTS OF GOLD.

Week ended October 7, 1925.

Imported into Great Britain and Northern Ireland.		Exported from Great Britain and Northern Ireland.	
From—	£	To—	£
Poland	411,453	Germany	230,129
Anglo-Egyptian Sudan	2,423	Netherlands	1,713
Other countries	280	France	12,030
		Switzerland	243,639
		Spain	1,690
		Gibraltar	3,000
		British India	118,829
		Straits Settlements	83,300
		Other countries	272
Total declared value of imports	414,556	Total declared value of exports	594,602

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended Oct. 2, 1925.	(c) Week ended Oct. 3, 1925.	Miles Open.	Passengers, &c.	Goods, &c.	Total for Week.	Passengers, &c.	Goods, &c.	Total for Week.	Aggregate 40 Weeks, 1925.
£	£	£	£	£	£	£	£	£	£
Great Western.....	3,765	271,000	330,000	601,000	1,032,000	1,032,000	1,032,000	2,064,000	23,855,000
Do for 1924.....	3,754	269,000	351,000	620,000	1,050,000	1,050,000	1,050,000	2,100,000	24,533,000
London & N. Eastern (c).....	4,477	447,000	707,000	1,154,000	1,831,000	1,831,000	1,831,000	3,662,000	44,500,000
Do same period 1924.....	6,714	465,000	734,000	1,199,000	1,838,000	1,838,000	1,838,000	3,676,000	45,000,000
Lon. Mid. & Scottish.....	6,950	651,000	930,000	1,581,000	2,262,000	2,262,000	2,262,000	4,524,000	59,678,000
Do for 1924.....	6,950	651,000	930,000	1,581,000	2,262,000	2,262,000	2,262,000	4,524,000	60,934,000
Southern.....	2,163	340,000	126,000	466,000	1,391,000	1,391,000	1,391,000	2,782,000	18,571,000
Do for 1924.....	2,142	344,000	121,000	465,000	1,390,000	1,390,000	1,390,000	2,780,000	18,557,000
Metropolitan (c).....	58	37,889	3,949	41,838	1,357,894	1,357,894	1,357,894	2,715,788	1,512,944
Do for 1924.....	58	41,273	4,055	45,328	1,598,577	1,598,577	1,598,577	3,197,154	1,753,894
Underground E.R. (c).....	..	..	..	..	263,837	263,837	263,837	527,674	9,904,316
Do for 1924.....	..	..	..	..	262,758	262,758	262,758	525,516	9,484,505
Lon. & Sub. Group (c).....	..	..	..	..	40,438	40,438	40,438	80,876	1,508,578
Do for 1924.....	..	..	..	..	42,131	42,131	42,131	84,262	1,557,689
Belfast & Co. Down (b).....	80	3,498	1,356	4,854	164,962	164,962	164,962	329,924	207,855
Great Northern.....	562	19,050	21,950	41,000	697,850	697,850	697,850	1,395,700	13,852,250
Great Southern.....	2,181	41,446	47,361	88,807	1,559,059	1,559,059	1,559,059	3,118,118	32,833,139

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
1925.	1925.	1925.	1925.	1925.	1925.
INDIAN.					
Assam Bengal.....	23 weeks	Sept. 5	1,072	3,72,000 + 27,222	69,69,362 + 9,48,026
Barri Lt. Ry.....	24 weeks	12	1,178	15,500 - 1,500	7,50,800 - 1,10,700
Bengal & N. Western.....	24 weeks	12	2,062	4,62,520 - 43,442	1,46,26,060 - 5,05,004
Bombay, Bar., & O.I. (c).....	23 weeks	Sept. 5	2,800	13,79,000 + 9,000	3,40,88,354 - 12,45,758
Bombay, Bar., & O.I. (c).....	23 weeks	Sept. 5	3,033	22,32,000 + 3,77,000	5,82,34,000 - 3,42,000
Burma.....	23 weeks	Sept. 5	1,349	6,40,313 + 72,622	1,73,33,049 + 20,47,119
Delhi, Umballa & Kalke.....	26 weeks	30	239	1,40,300 - 5,160	23,82,677 - 2,26,753
Madras & S. Mahr.....	24 weeks	12	3,029	13,78,000 + 28,268	3,69,75,118 + 4,09,975
Nizam's Guaranteed (s).....	24 weeks	12	939	2,54,898 - 213,982	76,90,873 - 4,09,975
Rohilk'd & Kumaon.....	23 weeks	5	259	41,667 - 876	12,55,849 - 93,330
Do Lucknow-Breilly.....	23 weeks	12	287	23,697 + 6,707	14,44,917 - 1,85,393
South Indian.....	24 weeks	12	1,876	10,00,161 - 1,851	2,38,98,255 + 17,09,336

(a) Total receipts of all lines.

ARGENTINE (a).

Argentine N.E.	14 weeks	Oct. 3	754	17,100 +	1,600	199,000 +	24,300
Argentine Trans.	12 weeks	Sept. 19	..	2,338 -	711	34,711 +	4,374
B. A. and Pacific.....	14 weeks	Oct. 3	2,611	134,000 +	..	1,782,000 -	130,000
B. A. Central.....	13 weeks	Sept. 27	..	14,405 +	402	175,650 -	2,946
B. A. Gt. Southern.....	14 weeks	Oct. 3	4,718	196,000 -	13,000	2,586,000 -	73,000
B. A. Western.....	14 weeks	Oct. 3	1,883	84,000 +	..	1,086,000 -	260,000
Central Argentine.....	14 weeks	Oct. 3	3,305	210,000 +	15,000	2,890,000 -	187,000
Cordoba Central.....	14 weeks	Oct. 3	1,202	76,000 +	18,000	1,049,000 +	69,400
Entre Rios.....	14 weeks	Oct. 3	729	26,500 +	5,200	321,000 +	35,900

CANADIAN.

Canadian National.....	39 weeks	Sept. 30	14,138	7,814,072 + 102,638	169,268,260 - 3,216,363
Canadian Pacific.....	39 weeks	Sept. 30	14,138	6,578,000 + 103,700	124,081,000 - 5,278,000

BRAZILIAN (b).

BRAZILIAN (%)									
				£	£	£	£		
Gt. West. of Brasil..	40 weeks	Oct. 3	1,011	19,300	+ 8,400	534,000	+ 186,700		
Leopoldina	40 weeks	3	1,856	45,580	+ 5,650	1,268,618	+ 86,322		
San Paulo	40 weeks	4	1,534	68,102	+ 22,406	1,771,389	+ 323,863		

CHILEAN.

Antofagasta.....	39 weeks	Sept. 27	838	40,620 + 65	1,593,470 + 129,585
Nitrato (4-monthly).....	39 weeks	Sept. 30	366	43,408 + 7,759	718,523 - 1,712

CUBAN.

Havana Central.....	13 weeks	Sept. 26	..	11,760 - 633	148,984 - 4,602
United of Havana.....	14 weeks	Oct. 3	1,250	56,562 - 9,157	789,976 - 134,698

URUGUAYAN.

Central Uruguay.....	14 weeks	Oct. 3	273	25,062 + 977	303,826 + 4,221
C. Urug. (East. Bxt.).....	14 weeks	Oct. 3	311	4,468 + 61	63,459 + 54,220
C. Urug. (North. Bxt.).....	14 weeks	Oct. 3	185	3,137 + 1,002	36,501 + 6,467
C. Urug. (West. Bxt.).....	14 weeks	Oct. 3	311	2,403 - 140	30,808 - 1,864

OTHER OVERSEAS.

Alcoy and Gandia.....	40 weeks	Oct. 3	33	Pa. 18,000 - 350	1,009,000 + 94,650
Egyptian Delta.....	24 weeks	Sept. 20	600	Pa. 49,483 - 1,435	137,972 + 4,262
Gt. Southern of Spain.....	39 weeks	Sept. 26	104	Pa. 89,520 - 29,344	4,124,346 + 100,556
Mexican Railway.....	12 weeks	Oct. 3	432	Pa. 266,400 - 116,800	3,165,900 - 282,300
Paraguay Central.....	14 weeks	Oct. 3	274	Pa. 25,555 + 1,140	80,330 + 20,170
Salvador.....	14 weeks	Oct. 3	100	Pa. 22,882 + 728	37,216 + 2,002

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

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week.	Total Receipts.
1925.	1925.	1925.	1925.	1925.	1925.
ANGLO-ARGENTINE.....					
Anglo-Argentine.....	39 weeks	Sept. 30	329	£22,624 - 1,765	3,390,159 + 8,689
B. Aires Lacrosse.....	13 weeks	Oct. 27	12	£12,222 - 611	166,145 - 3,503
Burnley Corporation.....	1 week	Oct. 3	12	£3,229 - 146	..
Calcutta Tramways.....	1 week	Oct. 3	154	£11,199 - 31,215	..
Chatham & District.....	1 week	Oct. 3	154	£1,631 - 56	58,586 + 1,359
Egyptian Markets.....	39 weeks	Sept. 26	106	£45,618 - 183	79,294 + 1,809
Glasgow Corporation.....	13 weeks	Oct. 3	106	£2,511 + 214	107,436 + 12,367
Isle of Thanet Trams.....	39 weeks	Sept. 30	194	£27,060 + 1,078	714,317 + 12,092
Liverpool Corp.....	36 weeks	Oct. 3	164	£28,48 + 112	2,155,336 + 42,975
Lyons Tramway.....	27 weeks	Oct. 3	8	£44,165 - 1,282	8,724,454 - 45,207
Moscow Elec. (3 wks).....	39 weeks	Sept. 30	..	£5,152 + 1,427	186,365 + 12,939
Perth & Argyll.....	40 weeks	Oct. 4	..	£14,575 + 191	503,085 + 13,623
Singapore Trams.....	34 weeks	Sept. 26	..	..	..

* Combined revenue.

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per annum, except where marked % or stated in Cash.			Dividend for Whole Years.	
	Interim or Final.	Date of Payment.	Method of Payment.		
Banks.					
Anglo-South American.....	5%+	..	Less tax	10	10
Northern Banking, "A" Shares	..	..	..	17 1/2	17 1/2
Do "B" Shares	..	..	..	8 1/2	8 1/2
Queensland National.....	10*	Nov. 12	Less tax	..	..
Insurance.					
Commercial Union.....	7/3 p.a.	Nov. 3	Tax free	..	..
Licenses and General.....	6%*	Oct. 24	Less tax	..	..
London and Lancashire.....	7 p.s.*	..	Less tax	..	..
Royal.....	13 p.s.*	Nov. 16	Less tax	..	..
Railways.					
Antofagasta (Chili) and Bolivia.	3%*	Nov. 2	Less tax	7	7
Buenos Ayres and Pacific.....	3%+	..	..	6	6
Buenos Ayres Western.....	3 1/2%+	..	..	10	10
Burma.....	2%+	(& bonus 3%)	Less tax	8	8
Central Argentine.....	2%+	..	..	10	10
Madras and Southern Mahratta	5%+	..	..	6	6
Nitrato.....	4%*	Nov. 4	Less tax	9	9
United of Havana.....	4%+	..	Less tax at 4/3s	8	7
Mining.					
Gold Coast Amalgamated.....	2 1/2%*	Oct. 27	Less tax	..	..
Kaduna Prospectors.....	10%*	Oct. 26	Less tax	..	..
Kaduna Syndicate.....	10%*	Oct. 26	Less tax	..	..
Renong Tin.....	20%*	..	Less tax	..	..
Rio Tinto.....	15 p.s.*	Nov. 2	..	30	10
Union Corporation.....	1/6 p.s.*	..	..	..	..
Tea and Rubber.					
Alor Pongsu Rubber.....	7 1/2%*	Oct. 28	Less tax	..	..
Asahan Rubber.....	..	..	Less tax at 4/4	20	10
Bandarjarsari (Java) Rubber.....	7 1/2%*	Oct. 28	Less tax	..	..
Batu Matang Rubber.....	7 1/2%*	Oct. 28	..	..	..
Bogawantawata Tea.....	7 1/2%*	Oct. 15	..	7 1/2	nil
British Malay Rubber.....	7 1/2%*	Oct. 26	..	..	..
Brocklands Selangor Rubber.....	7 1/2%*	Oct. 26	Less tax	..	..
Central Sumatra Rubber.....	10%*	..	Less tax	20	10
Changkat Balak Rubber, Def. Ord.	20%*	Oct. 30	..	..	..
Cheras Rubber.....	7 1/2%*	..	..	..	..
Edinburgh Rubber.....	4%*	..	Less tax	..	..
Java Para Rubber.....	15%*	..	Less tax	..	..
Labu (F.M.S.) Rubber.....	7 1/2%+	..	..	..	..
Letheny Tea.....	2 1/2%*	Oct. 17	Less tax	..	..
Mambau Rubber.....	21%*	(on account of arrears)	..	15	nil
Marudu Rubber, Pref.	10%+	..	Less tax	..	..
Monerakelle Rubber.....	10%+	..	..	..	..
New Sylhet Tea.....	10%*	Oct. 21	..	15	nil
Oriental Rubber.....	7 1/2%*	Oct. 26	Less tax	..	..
Panawai Tea.....	10%*	..	..	..	..
Pataling Rubber.....	5%*	Nov. 2	Less tax at 4/1 1/2	..	..
Rani Travancore Rubber.....	6%*	Oct. 27	..	..	..
Ratanui Rubber.....	7 1/2%*	Oct. 19	Less tax	..	..
Rubber Estates of Johore.....	5%*	Oct. 31	..	..	..
Seaford Rubber.....	7 1/2%*	Oct. 22	..	..	..
Singapore United Rubber.....	12 1/2%*	..	Less tax	17 1/2	6
Singel Purun Rubber.....	7 1/2%*	..	Less tax	..	..
Tebelang Rubber.....	7 1/2%*	..	Less tax	..	..
Toerange (Sumatra) Rubber.....	10%*	Oct. 31	..	10	nil
Yatiantota Tea.....	7 1/2%*	Oct. 21	..	..	..
Other Companies.					
Aome Tea Chest.....	4 p.s.	..	Less tax	26	20 (a)
Alexandria Water.....	4%*	Nov. 1	Less tax	..	..
Anglo-American Deb. Corp'n.	7 1/2%+	..	..	10	10
Argentine Land and Investment	..	..	..	2 1/2	nil
Argentine Light and Power.....	..	..	..	8	8
Argentine Southern Land.....	..	..	Less tax	6	6
Associated Fire Alarms.....	..	..	Less tax	15	15
Australian Mercantile Land.....	5%+	(& bonus of 2 1/2%)	Tax free	..	..
Ben Evan.....	2 1/2%*	..	..	..	..
Benger's Food.....	10 p.s.*	Nov. 1	Tax free	..	..
Borax Consolidated, Pref. Ord.	5%*	..	..	..	..
Bradley's (Chepstow Place).....	7 1/2%*	Oct. 26	Less tax at 4/1 1/2	..	..
Bryant and May.....	4%*	Oct. 31	Tax free	..	..
Caledonian Property Invest.....	10	Oct. 26	Less tax	4	32
Canada Comp. Y.....	7 1/2%+	(& bonus of 2%)	..	12	12
Carlton Hotel.....	2%*	Oct. 31	Tax free	..	..
City of Santos Improvements	10	..	..	..	..
D. and W. Murray.....	10	..	Tax free	..	..
Dobson and Barlow.....	7%*	..	..	..	..
Eastern Produce and Estates.....	12 1/2%*	Oct. 31	Less tax	..	..
Elder, Smith.....	..	..	..	..	..
Empress Brewery.....	3 1/2%*	..	Less tax	10	10
Fortnum and Mason.....	..	..	Less tax	7 1/2	7 1/2
Frederick Goringe.....	7%*	Oct. 7	..	..	..
Freehold Assets.....	12 1/2%*	Oct. 21	Less tax	..	..
Furness, Withy, and Co.....	5%*	..	Tax free	..	..
Heppells.....	..	..	..	..	..
Hickleton Main Colliery.....	6 p.s.*	..	Tax free	7	..
Highland Distilleries.....	16 1/2%+	(& bonus of 16 1/2%)	Less tax	21 1/2 p.s.	..
Hurst, Nelson.....	..	..	..	..	..
Indo-European Telegraph.....	5%*	Nov. 2	Tax free	..	..
Jabez Johnson, Hodgkinson, and Pearson, Pref. Ord.....	5%+	..	..	..	..
Do Def. Ord.....	7 1/2%+	..	Less tax	10	10
John C. McKellar.....	..	..	Less tax	10	15
Kingsley and Thackeray Hotels	10%*	..	..	4	2 1/2
Lawson's.....	1 p.s.*	Nov. 2	Tax free	..	..
London, Australian, and General	..	..	..	..	..
Exploration					
London & S. Africa Invest. Trust	6 p.s.*	Oct. 19	..	5	5
London Trust Co.....	12%*	..	..	..	..
London United Landlords.....	7%+	..	Less tax at 4/1	..	..
Manchester Liners.....	..	..	..	12	11 1/2
Maynards.....	..	..	Tax free	10	10
North of Scotland Reversionary	15%+ (& bonus 6 p.s.)	..	..	60	45
Parsons Marine Steam Turbine.	..	..	..	6	6
Piccardo Tobacco.....	..	..	..	5	7 1/2
Raphael Tuck.....	10%*	..	..	6 1/2	8
San Paulo Coffee, Def.	5 1/2%+	..	..	8	8
Second Edinburgh Investment	..	..	..	12 1/2	15
Second Industrial Trust.....	9%+	..	Less tax	15	15
Stock Convention & Invest. Trust	7 p.s.*	..	..	6 1/2	8
Stock Exchange.....	..	..	..	..	..
Spillers Milling.....	23 p.s.*	Nov. 3	Less tax	..	..
Thompson and Shackell.....	24%*	Oct. 31	Less tax	..	..
Weaver and Co.....	24%*	..	Less tax	4	6
William Edwards (Swansea).....	6%*	..	Less tax	..	..

The totals include almost the whole of the Northern Hemisphere. In the case of Russia the 1925 figures are preliminary. The European harvest is the best of recent years, but the North American crops are below the total of recent years, an increase in Canadian wheat having failed to counterbalance a decline in the United States. In the aggregate the wheat crop of the Northern Hemisphere may be classed as a plentiful one, even with the exclusion of the Russian estimates.

COAL.

Our Cardiff correspondent writes:—The position on the Cardiff coal market is unaltered. The proposal to introduce a scheme for the stabilisation of prices is hanging fire, and current business is still under the depressing influence of a tonnage shortage and a great scarcity of inquiry. Quotations have been weak for practically all classes of coal, and the output for the week is estimated at only about two-thirds the normal weekly average in 1923. The most notable event of the week has been a visit from a representative body of French importers, who have been in conference with local exporters and shipowners in regard to the conditions governing the sale and shipment of coals to France. As a means of improving trade with France, it is suggested that longer credits may be given and stricter regulations enforced in regard to the condition in which the coal is shipped and the certified weights of cargoes. The Cardiff Chamber of Commerce has promised to give the representations of the French importers their consideration. In view, however, of the fact that the collieries are refusing more than seven days' credit to the shippers, the latter will find it extremely difficult to grant extended credits to French buyers, but it is a fact that one or two of the leading exporting firms have recently been accepting contracts on the basis of a 30 days' credit. The following are the current approximate quotations:—Best Admiralties, 23s 6d to 24s 6d; seconds, 22s to 23s; best dries, 23s 6d to 24s; black veins, 21s to 22s; Western Valleys, 20s 6d to 21s; Eastern Valleys, 20s to 20s 6d; best bunker smalls, 19s 3d to 19s 9d; ordinary cargo smalls, 9s 6d to 10s; coking smalls, 10s 6d to 11s; anthracite best large, 45s to 47s 6d; red vein large, 30s to 35s; machine-made cobbles, 52s 6d to 55s; French nuts, 55s to 57s 6d; stove nuts, 55s to 57s 6d; rubbly culm, 12s 6d to 13s; coke (special qualities), 35s to 40s; patent fuel, 20s 6d to 24s; pitwood, ex ship, 26s to 26s 6d.

Our Sheffield correspondent writes:—Conditions in the coal trade are a shade more active, demand from the public and the manufacturers of certain of the export markets being brisker. South Yorkshire steams are quoted at 18s 6d to 19s 6d per ton f.o.b.

IRON AND STEEL.

We have extracted the following from the weekly report of the London Iron and Steel Exchange:—Although business in the iron and steel trades is still rather quiet, there is a steady flow of orders, which in the aggregate must amount to a considerable tonnage. The improvement in market conditions, although slight, has created a better feeling. Probably the pig-iron department is the most depressed section of the British market. The gradual decline in the price of pig-iron which has extended over several months has shaken the confidence of buyers in the stability of the market, so that even the branches of the consuming trades which are fairly well off for work continue their policy of covering only their immediate needs. Business in semi-finished materials has been dull for the past week or two, largely because consumers bought considerable quantities of foreign material recently, and have since shown little interest in the market. Some activity has developed in the finished steel branches; but this is principally confined to the manufacturers of structural steel, who are reaping the benefit of the extensive constructional building which is now going on in this country.

Our Middlesbrough correspondent's report, dated October 8th, is as follows:—Pig-iron: Since our last week's report there has been a further decline in values, and No. 3 Cleveland pig-iron is now no more than 66s 6d per ton. Even this price can be shaded for a good order. There has been a better enquiry for hematite, and good sales are reported both on home and export account. Prices are consequently firmer, and nothing less than 74s per ton is named for East Coast mixed numbers. Manufactured iron and steel: The local works are only kept going on a "hand to mouth" basis, and the following quotations show very little change. Steel ship plates, £8; steel ship angles, £7 15s; iron bars, £11 12s 6d; steel rails, £8 10s. Iron ore: There is no new feature to report. Best Bilbao Rubio is nominally at 20s per ton c.i.f. Tees.

Our Sheffield correspondent writes:—From various parts of the country one hears of bookings of valuable engineering contracts, and the report that the Argentine and Chilean Governments have decided upon a larger programme of naval construction has the effect of raising the spirits of people in Sheffield, which is certain to secure a good share of such work when it is given out. Conditions in the pig-iron, bar iron, steel billets, and wire rod departments, however, are no better. The business passing consists of small lots, which cannot be executed at a profit. Prices keep on the easy side. Makers of wrought iron can scarcely keep their works going in the face of the heavy shipments of Belgian bars,

rods, and sections, purchasable at several pounds per ton less than British. The steel foundries speak of a falling off of new business, but are fairly well supplied at present with work of a special character. The light foundries are kept busy by the brisk demand for builders' ironwork, but there is a large importation of structural steel for large buildings. The motor and general engineering shops are buying freely of high-speed steel cutters of every kind. The demand for twist drills is, however, greatly below capacity, although rather better than it has been. The activity of the file branch is being fairly well maintained. Taking the local industries as a whole, however, a lethargic condition has developed at a period of the year which is generally associated with expansion, but severe economies are being carried out in the administrative departments of most of the factories and works, which in some cases have converted loss into a small profit. In other cases losses, too, have been reduced appreciably during the present year. An action in the County Court to enforce the payment of heavy rate arrears owing by Cumberland ore concerns owned by United Steel Companies, Limited, has excited interest in the iron and steel world. The Court ordered these arrears to be paid within 21 days, and it will be interesting to see what happens at the expiration of that period. Work in the cutlery and electro-plate branches has increased somewhat this week, owing to buying in connection with the Christmas season trade, but the volume of orders is greatly below normal. There is keen competition between Birmingham and Sheffield for electro-plate orders, and an undue share of the work coming to the cutlers is for cheap and unprofitable lines.

Our Glasgow correspondent writes:—The pig-iron position here is less hopeful. Notwithstanding low values, buyers are still holding off. Shipments this week show a considerable drop, the total from Glasgow Harbour being only 252 tons. For the corresponding week of last year the shipments were 1,249 tons. In the iron and steel trade there is little change. Structural material is in steady demand, but this accounts for only a small section of the output capacity of the works. A few orders for export are to hand for plates. Re-rolled steel is in fairly steady request, chiefly for export. Malleable iron makers are finding increasing difficulty in keeping works going. The official price was reduced this week by 7s 6d per ton, the price now being £11 5s per ton. Orders for black sheets are coming in fairly steadily. Galvanised and corrugated sheets have been booked very heavily this week, and makers are now comfortably placed for work for the remainder of the year.

OTHER METALS.

TIN.—The market for tin displayed firmer features, in view of liberal buying orders, combined with higher Eastern advices, though dealings were attended by a good deal of irregularity, especially regarding forward positions. Standard cash sold £268 10s, £271 15s, and £274 5s, and three months £268 15s, £272 2s 6d, and £275 2s 6d. Sales in the East were reported on the basis of £275 10s to £279 per ton, c.i.f. terms. COPPER commenced with an easier tone, but values subsequently improved, with buyers more prominent. Standard cash sold at £61 17s 6d, £61 5s, and £62; three months £62 12s 6d, £63 7s 6d, and £63. LEAD easier, but irregular forward, with sales on a fairly liberal scale. Good soft foreign pig, October, sold £39 15s to £38 15s and £39 10s, November £37 15s to £38, £37 17s 6d, £38 8s 9d, December £37 10s, £36 17s 6d, £37 10s, January £37 5s to £36 10s, £36 10s 3d. SELLER firmer, and a good business transpired. October sold £39 5s to £39 15s and £39 10s, November £38 10s, £38 17s 6d, and £38 12s 6d, December £38 2s 6d to £38 6s 3d, £38 7s 6d, January £37 16s 3d to £38 5s ton. ANTIMONY firm. English specials quoted £75 to £80 as to make and quantity, foreign refined £66 10s-£67, ex warehouse. ALUMINIUM quiet. Home trade nominally quoted £120, export £125 ton. QUICKSILVER quiet. Spot quoted £13 per bottle. WOLFRAM firm, and forward quoted 20s 3d to 20s 6d per unit, c.i.f.

In the Cardiff tinplate market the position is slightly improved. Business is a little more active, and recent prices have been firmly maintained.

THE COTTON TRADE.

MANCHESTER, October 8.

Business in the market this week has been irregular. The turnover in some sections has been rather larger, but it is not possible to record any general improvement. There is still nervousness as to future values, and restriction of credit continues to check important developments. For India, piece-goods have been in increased request, and more contracts have been arranged for Calcutta, with a tendency for inquiry to broaden for Bombay, Madras, and Karachi. According to cables just to hand, dealers are in more urgent need of quick shipments. The China news has been rather disappointing, as the auction sales in Shanghai have not been restarted. For Egypt and the Near East trade continues to drag, but moderate lines have been booked for South America and West African outlets. Steady buying continues to support has been given by home trade buyers. American yarns in the trade passing in quotation, with some improvement not attracted much attention. Export numbers have been reported in Egyptian spinnings.

(I.) Comparative Statement of the Cotton Trade.

	Price, Oct. 8, 1925.	Price, Oct. 1, 1925.	Price, Sept. 24, 1925.	Price, Sept. 17, 1925.	Price, Sept. 10, 1925.	Price, Aug. 27, 1925.
Raw Cotton—Mid. American	12-33	12-62	12-84	13-63	12-89	12-69
— Sakellaridis Fully Good Fair Egyptian	27-75	28-20	28-00	29-00	28-05	28-40
Yarns—32's twist	19 1/2	20 1/2	20 1/2	21 1/2	21 1/2	20 1/2
— 40's twist	20 1/2	20 1/2	21 1/2	21 1/2	21 1/2	20 1/2
— 60's twist (Egyptian)	35 1/2	35 1/2	35 1/2	35 1/2	35 1/2	35 1/2
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	30 9	31 0	31 3	32 0	31 9	31 3
36-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	35 3	35 3	35 6	36 3	35 9	35 3
38-in. ditto, 38 yds, 18 by 16, 10 lbs	17 7 1/2	17 7 1/2	17 9	18 1 1/2	17 9	17 9
39-in. ditto, 37 1/2 yds, 16 by 15, 8 1/2 lbs	15 9	15 9	15 10 1/2	16 1 1/2	15 9	15 10 1/2

(II.) Compared with Previous Years.

	Price, Oct. 8, 1925.	Corresponding dates in	1924.	1923.	1922.	1921.	1920.
Raw Cotton—Mid. American	12-33	14-17	16-56	13-15	13-64	17-02	
— Sakellaridis Fully Good Fair Egyptian	27-75	25-00	18-35	17-40	27-50	46-00	
Yarns—32's twist	19 1/2	21 1/2	22 1/2	20 1/2	22 1/2	42	
— 40's twist	20 1/2	22 1/2	23 1/2	21 1/2	23 1/2	39	
— 60's twist (Egyptian)	35 1/2	35 1/2	31	28	45	60	
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	30 9	36 9	32 6	30 0	37 0	67 0	
36-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	35 3	31 6	36 0	30 6	37 0	68 0	
38-in. ditto, 38 yds, 18 by 16, 10 lbs	17 7 1/2	20 3	19 3	17 6	22 6	39 0	
39-in. ditto, 37 1/2 yds, 16 by 15, 8 1/2 lbs	15 9	18 6	17 9	15 9	21 6	30 0	

LIVERPOOL OFFICIAL QUOTATIONS—October 2, 1925.

Descriptions.	G.O.	S.G.O.	L.M.	S.L.M.	M.A.	S.M.	G.M.	S.G.M.	M.F.
American.....	11-22	11-82	12-22	12-52	12-72	12-87	13-07	13-32	13-52
	110	60	10	20	40	60	75	100	150
	off	off	off	on	on	on	on	on	on
Brazilian—									
Pernambuco, Macao, & Paráhyba, Rio Grande	12-07			12-07			14-07		
Ceara, & Sao Paulo	11-82			12-57			13-12		
	11-32			12-07			12-82		
Peruvian—									
Rough	M.F.	Fair.	Gd. Fr.	Good.			Fine.	Ex. Fine.	
Moderately rough	..	..	..	..	..	..	..	..	..
Smooth	12-57	13-32	14-32	14-82			15-07		
Tanguis	13-32	13-82	15-82	17-57			19-82		
Mitah	19-00	19-00	22-00				23-60		
Egyptian—									
Upper	Fair.	Gd. Fr.	F.G.F.	Good.			Fine.	Ex. Fine.	
Sakellaridis	16-95	17-90	18-45	18-85			19-25	19-95	
Brown	21-10	25-20	28-20	30-30			31-80	33-70	
Soudan	17-00	17-95	19-80	21-60			22-45	23-55	
West Indian	Mid.	M.F.	Fair.	Gd. Fr.	Good.		Fine.	Ex. Fine.	
Do Sea Island	..	..	..	..	..	..	..	..	..
East African	Nom.	Nom.	14-65	15-15	15-90		16-90	Nom.	
	L.M.	S.L.M.	Mid.	S.M.	G.M.		S.G.M.		
	(Native Seed).	(Native Seed).	(Native Seed).	(Native Seed).	(Native Seed).		(American Seed).		
West African	11-72	11-97	12-32	12-57			13-82		
Australian	G.Fr.	F.G.Fr.	Gd.	F. Good.	Fine.		S'fine.	Choice.	S'Ch.
East Indian—									
Surtee	..	..	..	..	..	..	..	..	..
Brooch	..	11-35	11-75	11-60	11-55		11-40	11-80	11-30
Tinnivelly	..	11-15	11-55	11-55	11-55		11-35	11-35	..
Amer-Bind/Punjab	..	11-40	11-80	11-20	11-20		11-20	11-20	..
*Western	..	11-65	11-05	11-45	11-45		11-45	11-45	..
*Northern	(Fair, 11-05)	..	..	..	..		..	..	..
Cococada	11-90	11-00	11-30	11-20	11-20		11-60	11-20	11-40
Comptah	11-90	11-00	11-40	11-20	11-20		11-60	11-20	11-40
Oomra, No. 1	..	11-05	11-15	11-15	11-15		11-15	11-15	..
Oomra, No. 2	..	11-05	11-15	11-15	11-15		11-15	11-15	..
Khandelsh	..	11-50	11-30	11-30	11-30		11-30	11-30	..
Bengal	..	11-80	11-20	11-20	11-20		11-20	11-20	..
Sind	..	11-80	11-20	11-20	11-20		11-20	11-20	..
China	(No. 2, 11-75)	..	..	..	..		..	..	..

* Hand-ginned 30 points less.

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—The strong demand for wool in London during the fourth and last week of the series has occasioned considerable surprise. Many members of the trade expected values to ease after the first two weeks, but the keen French demand has been maintained throughout, and the shipping strike has also contributed in no small measure to the firmness of values for wool on the spot. Business in tops has certainly been better during the past week, for although individual orders have not been large, there has been a good turnover in most descriptions, and prices have been advanced all round. Fine merinos are especially scarce. Of course, the "fly in the ointment" is that prices here are still well below the London level. For instance, it will cost something like 4s 7d to make a good warp 64's out of wool bought in Coleman street, but it is difficult to make more than 4s 3d for the tops on this market. Topmakers' quotations have been advanced to-day in sympathy with the continued strength of the raw material markets, and a market price for a super 60's is now about 46d. 56's average are firm at 30d to 31d, 46's average 22½d, and in prepared 46's are quoted at 22½d and 40's at 21d. The lower qualities in prepareds are moving freely. Spinners are in a somewhat better position, especially those engaged on botanics. Particulars

are coming to hand on a larger scale, and inquiry is expanding. Most spinners are quoting higher prices for botanics, but crossbred yarns do not show much change. The demand for piece goods is well maintained, and manufacturers are very firm in their quotations.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

The heaviest September series of London wool sales for many years closed on Thursday, with values at a higher level than anybody expected. The chief factors were the French and German demand for merinos to replace those bought in Australia, and some American demand for medium greasy crossbreds. The home trade has bought scoured and slip crossbreds freely, and has taken nearly all the scoured New Zealand merinos and Australian lambs. A few lots of merinos have gone to home spinners, but in these and in every class of wool other than those above mentioned, the home trade has been mostly a spectator. Without the shipping strike there is very good reason to think that no real difficulty would have arisen over the 64's tops sold a month or six weeks ago at 3s 9d for November delivery.

Specialities like New Zealand scoured merinos at up to 58½d are about 1d to 2d above July rates. Superior scoured N.Z. crossbreds are about firm. Australian skin crossbreds have been rather bigger wools this series than last. They are mostly now of Continental combing length, but too short for Bradford. France has taken most of them at July rates to 5 per cent. more, on account of the extra length. New Zealand greasy crossbred lambs in the first and second weeks of the sales were frequently 5 to 7½ per cent. above July, but at the close are all steady. Coarse and medium merinos are 5 per cent. dearer, fine merinos firm, coarse and medium crossbreds often 7½ per cent. dearer, and fine crossbreds 5 per cent. cheaper. All good merinos from 60's to 70's are a good 5 per cent. above July rates.

Amongst users and sellers in general—even the users who have been buying most heavily—there is a feeling that lower wool values in a month or two are probable. The New Zealand sales will open shortly, and the new B.A. and Cape clips will be coming on to the market. Bradford so far this season has been extremely cautious. Many firms suffered so severely in the recent slump that they feel compelled to wait until they can buy with a minimum of risk. A market such as London has been for the last few weeks scarcely fulfils that condition. London and Bradford have been quite out of agreement with each other over the last four weeks in any quality of combing wool. London has helped topmakers to obtain about 1d rise on medium crossbred tops over the pre-sales level, but it has put average wool so that costs are 3d above the recent selling price. More than ever it seems that a genuine topmaking business is impossible.

An International Service

THE Central Union Trust Company of New York is equipped with every facility for the prompt and efficient handling of financial transactions throughout the world. Foreign banks and business houses with banking interests in the United States are invited to avail themselves of this service, which includes the purchase and sale of foreign exchange, collections, and the issuance of commercial and travelers letters of credit. In addition, the Company conducts a general banking business and acts as Executor, Trustee, Transfer Agent, Registrar of Stocks and in every other Fiduciary capacity.

ESTABLISHED 1864

Central Union Trust Company of New York

80 BROADWAY, NEW YORK

Capital, Surplus and Undivided Profits over 38 Million Dollars

MEMBER FEDERAL RESERVE SYSTEM

Correspondents

BARCLAYS BANK, LTD. MIDLAND BANK, LTD.
WESTMINSTER BANK, LTD. HAMBROS BANK, LTD.

HIDE, LEATHER, AND ALLIED TRADES.

The hide market remained steady to firm at the Bermondsey auctions on Thursday. Best ox hides sold from 7d to 9d per lb, and seconds from 6½d to 8½d, a few advances of ½d being noted. Best cows sold from 6½d to 7d, and seconds at 6½d. Best calf sold from 7½d to 13½d, showing no alteration in last week's prices. Wools sold from 7s 3d to 12s, and hogs from 3s 3d to 12s each. Imported hides remain steady, and trading has been done in S.A. frigorifics on a basis of 8½d. Dry hides are firm in price. Dry B.A. Americanos have been selling to the Continent as high as 12d, and there is a brisk demand for dry Capes of light weights. The Chicago market is steady, with best heavy packers still selling at 17½ cents. The leather business of the week has been transferred to the Shoe and Leather Fair. There was no weakening in the price of either hides or leather. Light bends were very scarce, and brought higher prices. Little imported sole leather was on sale. British tanners seem to have matters much their own way. Quite a large turnover has been done in upper leathers, large contracts for patent, coloured, and glacé kid, box and willow calf having been made at prices firm to an advance. A feature has been the demand for leather suitable for high-leg Wellington boots for ladies. The collection of footwear at the Fair attracted much attention, and although some exhibits were of the "fancy" variety, British manufacturers appear to have little to learn from overseas competitors. Orders for spring shoes in light shades were freely given in some cases, and report has it that several large orders for ladies' Wellingtons were turned down, owing to the inability of firms to take more orders.

VEGETABLE OILS AND OILSEEDS.

Markets have been fairly active. Linseed oil has continued easy, and values have further declined in sympathy with lower seed prices and owing to the competition of Dutch linseed oil. Consumers have made fairly considerable purchases at the lower level of value, which is now around £39 for spot and for delivery to April next (naked per ton ex Hull mill). Very little has been passing in cotton oils. Most of the old oil has been cleared, and crude Egyptian crushed from the new season's seed is now offering at £42 ex Hull mill prompt, with ordinary refined (old) at the same figure. Palm kernel oil, which of late has been in good request for export, is not so firm, and offers at £43. In the oilseed section Plate linseed has been affected by favourable reports of the growing crop. Seed for October-November loading has declined to £18 15s, while a fair trade has been done in new crop, January-February, at £18 5s to £18 7s 6d. Egyptian cottonseed is firmer, current value for shipment being £11 10s (sellers).

OVERSEAS PRODUCE.

FOOD, BEVERAGES, &c.

SUGAR.—The market for actual sugar presented a dull tone, the demand both on grocery and manufacturing account being strictly confined to immediate wants. Prices of British standards were reduced 6d per cwt, while imported tended in buyer's favour, both spot and forward. Czecho granulated, November-December, sellers, 13s 10½d, f.o.b. Hamburg. Dutch "J" granulated ditto, 14s 1½d; January-March, 14s 4½d, f.o.b., Rotterdam. American granulated, spot, 26s 10½d; forward, 14s 6d, c.f. and i., London. White Java, spot, 26s 9½d. Crystallised West Indies, 22s to 27s 6d, as to sample. Raw refining kinds dull. Cuban basis, 96 per cent., October-November, 10s 3d, c.f. and i. terms. Indian market quiet, with sellers of Java, January-March, 14s 1½d, c. and f., Calcutta. White terminal market flat, October, sold, 13s 6d; December, 13s 8½d to 13s 4½d; March, 14s 2½d to 13s 9d; May, 14s 4½d to 13s 10½d; August, 14s 8½d to 14s 3½d per cwt.

COFFEE.—Spot market generally quiet, but late rates were maintained for all the more attractive qualities. Kenya, fair to good bold, sold, 12s 5d to 12s 6d; peaberry, 14s to 15s. Matagalpa, fine bold, 15s 6d. Colombian, good to fine bold color, 14s 6d to 15s; peaberry, 14s to 15s per cwt. Futures quiet, and tendency easier.

COCOA.—Spot parcels in quiet request, and limited sales include fine Grenada at 70s; New Britain, good, 63s; Ceylon plantation, 98s; and Samoa, good to fine, 65s to 67s 6d. West Coast, African, 47s to 48s. Accra quiet for shipment, and F.F. quality, November-January shipment, sold, 42s 6d; Lagos, October-December, 41s, f.o.b.; Trinidad, December-February, 68s; Bahia, September-October, 52s; Guayaquil, Epoca, 76s; Caraquez, 74s per cwt, c. and f. Cocoa butter steady. C.F.R., spot, also prime English, quoted 1s 3½d per lb.

TEA.—Indian offerings at public sales this week amounted 66,790 packages, which encountered a generally good demand. A feature was provided by the keen competition for common descriptions, which frequently marked an advance of ½d to 3d per lb. Other grades also sold well, though amongst plain liquoring and medium kinds late rates were not always maintained. Finest teas, however, continued to meet with strong support at full rates. Pekoe, however, continued to be choice, 2s 7½d to 4s, with outstanding lots up to 4s 9½d. Ceylon sales comprised 16,532 packages. With smaller supplies available and generally attractive quality, the demand proved very brisk for all descriptions, and prices showed a rise of ½d to 1d per lb. Pekoe, sold, 1s 1d to 2s 2½d; broken orange pekoe, good to fine, 1s 7½d to 2s 9½d per lb, in bond. China kinds were in rather better request, and new season's

Kintucks sold up to 2s 9d per lb, with old season's Keemuns realising 1s 2d to 1s 4d lb. Common kinds, however, lacked support, with a small business in Monings at about 6½d per lb. In auction 3,000 packages of Java and Sumatra were offered, and met a good demand at firmer rates. Common and medium sorts ruled ½d to ¾d dearer, while finest realised extreme rates. Pekoe, sold, 10½d to 1s 2½d; broken pekoe, 10½d to 1s 2½d; orange pekoe, 1s 3½d to 1s 8d; broken orange pekoe, 10½d to 1s 9½d; pekoe souchong, 11½d to 1s 10½d per lb, in bond.

RICE dull and rather featureless. Rangoon, two stars, spot, quoted 15s 9d; forward, 15s 6d, c.f. and i., London. Spanish, also Italian, quiet, unaltered. Japanese peas quiet. Spot, quoted 26s 6d; afloat, 25s 9d; September-October, 25s 1½d; October-November, 25s; November-December, also December-January, 24s 10½d per cwt, c.f. Beans slow, unaltered.

SPICE.—Pepper fully steady forward, with a fair demand. Black Lampong L.S., October-December, sold, 9½d; January-March, 10½d to 10½d; white Muntok, October-December, sellers, 1s 1½d; January-March, buyers, 1s 2½d. Zanzibar cloves, October-December, buyers, 10½d per lb. Tapioca quiet. Singapore flake, December-January, to Havre, quoted 18s 6d. Sago flour steadier, and October-November sold at 15s 6d cwt, c.f. and i. terms.

FRUIT (Dried).—Currants: New crop in quiet demand, but values steady. Amalia, quoted 35s to 36s; Gulph, 38s to 42s; Pyrgos, 34s; Patras, 37s to 38s; Australian, 33s to 40s. Sultanias firm. Australian, 68s to 90s; South African, 65s to 80s. Figs quiet. Naturals, in bags, quoted 28s to 30s; September shipment, 29s; October, 26s 6d to 27s. Dates, spot trade quiet, but forward positions firmer. First tide Hallowee, 35s; second, 23s 6d; Siar, first, 15s; second, 14s 6d, landed terms. Raisins: South African, 28s to 36s; Lexias, 30s to 42s. Evaporated fruits firm, with a fair demand for best apricots and peaches. Californian apricots, standard new extra choice, 120s; fancy, 130s; Australian, 117s 6d to 130s; Californian peaches, choice, 67s 6d; extra choice, 72s 6d; fancy, 78s. Plums in better support. Oregon, size 30/40, quoted 72s; 40/50, 52s 6d; Californian, 40/50, 59s; 50/60, 52s 6d; 70/80, 46s. Pears, choice Californian, 80s; extra choice, 95s. Apple rings, Californian, extra choice, 67s 5d to 75s; Canadian, 62s 6d per cwt.

CANNED GOODS.

CANNED FRUITS.—Demand continues quiet, both spot and forward Singapore pines, 48-1½s quoted 86s 6d to 87s 6d; cubes, 2½s, 13s to 13s 6d; slices, 24-2½s, 12s 6d to 13s 6d. South African are moving off quietly on former terms. Californian pears, 15s to 17s; peaches, 12s to 14s; cherries, 13s to 14s; apricots, 10s to 13s 3d; loganberries, 13s 9d to 16s. Fruit salad, 1½s, 12s 3d to 14s; 2½s, 21s to 22s; Australian pears, 24-2½s, 16s to 16s 6d; Canadian, 14s to 14s 6d. Italian tomatoes are held for full to dearer rates. Supplies of small fish remain short, and a steady tone prevails. Portuguese,

CONSOLIDATED MAIN REEF

MINES AND ESTATE, LTD.

(Incorporated in the Transvaal.)

Extracted from the Annual Report for the Year ended 30th June, 1925.

Capital £1,247,602 in 1,247,602 Shares of £1 each (all issued).
NOTE.—Of the above Issued Capital 35,267 ex-Enemy Shares are held by the Company.

DIRECTORATE.

F. RALEIGH (Chairman).
MAJOR C. S. GOLDMAN. J. L. JOURDAN. P. DREYFUS.
A. A. AURET. J. MUNRO. E. G. IZOD, M.B.E.
SIR EVELYN SIR ABE BAILEY, Bart. J. H. L. MANISTY.
WALLERS, K.B.E. K.C.M.G.

Tonnage Milled, 680,800.

Total Working Revenue	£ 920,777 10 7	Per ton milled.	£ 1 7 1
Total Working Costs	794,757 17 9		1 3 4
Working Profit	£ 126,019 12 10		£ 0 3 9

Total Profit for the year	£ 146,404 7 2
Balance unappropriated at 30th June, 1924	207,215 3 2
Unclaimed Dividends Forfeited	267 14 8
	£ 353,887 5 1

This amount has been dealt with as follows:—
Expended on Equipment and Property £ 27,790 9 1
Government and Provincial Taxes 22,017 2 1
49,807 11 2

Dividends declared during the year:—
No. 31 of 6½ per cent. and No. 32 of 2½ per cent. each on 1,212,335 Shares £ 106,079 6 3
Leaving a balance unappropriated of £ 198,000 7 8

The Ore Reserves at 30th June, 1925, were estimated as follows:—1,104,200 tons, having an average value of 7.6 dwts. over a stopping width of 49 inches.

The Full Report and Accounts (with Plan of Workings) may be obtained from the London Secretaries, A. MOIR AND CO., No. 1, London Wall Buildings, London, E.C.2.

½ flats quoted 4s 3d; clubs, 5s; 12 ozs, 7s 6d; 18 ozs, 12s per dozen tins. Salmon strong on light supplies. Red tail, 1 lb, 6s to 6s 5s; ½ lb pink, 3s to 40s; tall pink, 27s to 28s. Lobsters in good demand, at full rates. Halves quoted 16s, and quarters 9s to 10s.

TEXTILES.

JUTE.—Market strong at an advance of 30s per ton, sellers being reserved on stimulating advices from Calcutta, combined with sustained buying orders. Firsts to Continent, August-September, sellers, £54 10s; September-October, £54 10s; October-November, £54 10s; November-December, sold, £53 10s to £54 10s; December-January, £54 10s. Lightnings, September-October, £52 per ton. Hessians firmly held. 10 oz, spot, quoted 45s; October-December, 43s; 8 oz, spot, 35s 6d; January-March, 35s 3d per 100 yards. Twills, A, spot, 145s; October-December, 134s; B, spot, 120s; October-December, 119s 6d per 100 bags.

HEMP.—Manila ruled firmer, owing to higher rates for freightage. J grade, October-December, buyers, £43; K, ditto, £37; L, ditto, £38; and M, £32 ton. New Zealand largely nominal. African sisal steady. No. 1, Tanganyika, October-December, quoted £45; and Kenya, ditto, £44 10s ton.

RUBBER.

RUBBER.—Market active and dearer, though slightly irregular at times. Plantation, standard sheet, spot, sold, 3s 11½d to 4s 1d; October, 3s 11d to 4s 1d; November, 3s 9½d, 3s 10½d, 3s 10d, and 3s 11½d; December, 3s 9½d to 3s 10½d; January-March, 3s 4½d to 3s 7d, 3s 6d; April-June, 3s 4½d to 3s 1½d and 3s 2d; January-December, 2s 11½d to 3s per lb.

OILS, FATS, &c.

OILSEEDS.—Linseed quiet and tendency easier. Calcutta to London, October-November, quoted £21 2s 6d; bold Bombay, ditto, £22 2s 6d. Plate to Hull, October-November, sold, £18 17s 6d; November-December, £18 18s 9d; January-February, £18 7s 6d. Rapeseed easier. Toria to Continent, September-October, £20 15s. Cottonseed irregular. Egyptian black, to Hull, new October, sold, £11 7s 6d to £11 10s; November-January, £11 10s; white, new October, £10 17s 6d; November-January, sold, £10 15s to £10 16s 3d; Bombay, October-November, £9; and new, December-January, £9 5s. Castorseed easier. Bombay, September-October, £20 2s 6d. Gingly seed dull. Chinese to Continent, September-October, £27 15s; large Bombay ditto, £25 17s 6d. Ground-nuts easier. Coromandel machined, September-October, £23 10s; Nigerian, September-October, £24 5s per ton.

OLDS.—Linseed quiet. Spot, net, naked, 40s 3d; September-December, 39s 3d; January-April, 39s 3d. Rape quiet. Crude, spot, 48s 6d; refined, 51s 6d. Castor-oil easier. First pressure, spot, quoted 53s 6d; second pressure, 51s 6d; and pharmaceutical, 58s 6d per cwt. Hull with London, 2s per cwt extra. Cotton quiet. Crude Egyptian, spot, 41s; Bombay, 39s; common edible, 47s; deodorised, 40s. Chinawood inactive. Hankow, spot (barrels), 65s; September-October, 66s 6d. Coconut quiet. Ceylon, spot, 47s 6d; September-October, 45s 9d; Cochin, ditto, ordinary packages, 59s 6d. Soya quiet. Oriental, barrels, October-November, 45s 3d; bulk, 40s. Cod quiet. English, spot, 35s to 36s. Ground nuts dull. English, crushed, naked, spot, 48s 6d; deodorised, barrels, 56s. Turpentine irregular. American, spot, 78s; October-December, 78s; January-April, 80s 9d per cwt. Rosin firmer. American grade B.D., 33s; E., 33s 3d; F.G., 39s 3d; N., 34s; W.G., 34s 3d; W.W., 34s 9d; French F.G., nominal; W.W. 31s 6d.

TALLOW.—Messrs Colchesters and Woolner write on October 7th as follows: The tallow market was quiet during the week, and prices were unchanged to 6d lower to-day. The activity usually expected at this time of year shows no sign of coming. The stock in London on September 30th, as returned by the wharves, amounted to 19,230 packages, showing an increase during the month of 7,030 packages. At auction to-day 940 casks tallow were offered, and 124 were sold. Quotations are:—Australian mutton: Fine, 51s 6d; good to fair, 50s 6d to 47s; dull to dark, 43s to 40s; hard, 50s 6d. Australian beef: Fine, 48s 6d; good to fair, 46s 6d to 44s; dull to dark, 42s to 38s 6d; sweet, 50s. Present shipment from Australasia: Good mixed, 46s, nominally. Present shipment from South America, 46s. The market letter is lower. Tallow, 1s; stuff, 1s. Town tallow, 42s 6d per cwt. Rough fat, per 8 lbs, 4½d; melted stuff, 32s 6d per cwt. Quotations are:—Town, 42s 6d, net cash, naked, ex works. Country: Frail casks, 42s 6d; home melted, shipping casks, net, f.o.b., good coloured, 46s; fair to dull, 43s to 42s. Bone fat: white, none; pale, none; benzine, 39s; melted stuff, 38s 6d, f.o.b.

GENERAL.

SHELLAC maintained. T.N., fair, spot, quoted 215s; October, 202s 6d; December, 195s; March, 190s per cwt.

MISCELLANEOUS.—Cocoanuts quoted 25s per 100. Coir yarn, Ceylon, £32 to £40; Cochin, £30 to £54. Ceylon bristle £17 10s, to £22 10s; cinnamon leaf oil, 4½d; citronella, Ceylon, 1s 11½d; Java, 3s 4d.

METROPOLITAN CATTLE.—OCT. 8.

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

Beasts—Devons	7 2 to 7 6	Beasts—Heavy Bulls	.. ..
Shorthorns	6 10 7 2	Canadian	.. ..
Herefords	6 10 7 4	Sheep—Downs (clipped)	9 6 to 10 0
Scottish	6 6 6 10	Rwes	6 2 6 6
Irish	.. ..	Crossbred	.. ..
Fat Cows	.. ..	Scottish	.. ..
		Lamb—Downs	10 0 11 0

LONDON POTATO MARKETS.—OCT. 8.

Lincoln—King Edwards	6 6 to 7 0	Per Cwt.	.. ..
Sharps Express	4 6 5 0	.. ..	.. ..
Ellipse	4 6 to 5 0	.. ..	.. ..
Blackland—King Edwards	5 0 6 0	.. ..	.. ..

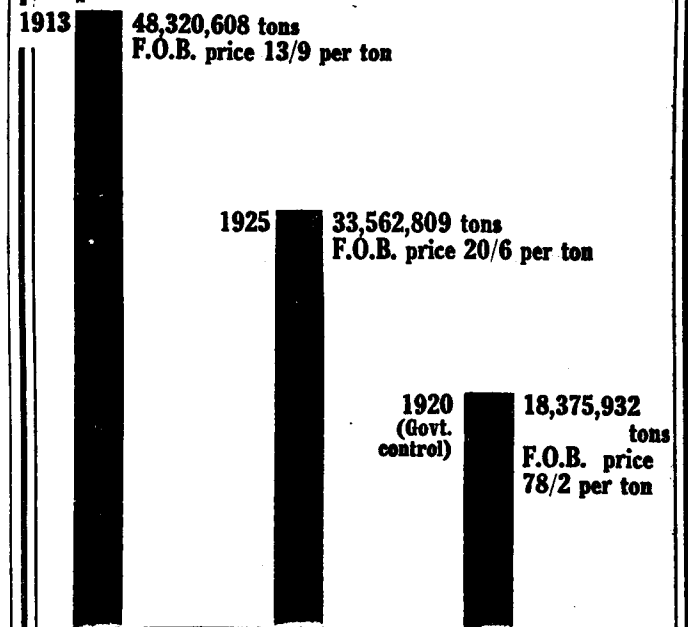
No. 4.

COAL and the TAXPAYER

Lost Markets

Nationalisation would not cure this.

THE following diagram shows the tonnage of coal (excluding bunkers) exported from Great Britain during the eight months ended August 31st in the years 1913, 1920, and 1925, together with the average price, free on board. The figures are taken from the Trade and Navigation returns issued by the Board of Trade.



About 400,000 mineworkers depend upon our coal export trade for their livelihood.

Our export trade has fallen because our prices have been too high for our foreign customers.

Prices depend upon cost of production per ton, which depends upon output.

Socialist speeches will not compel foreign customers to pay more for our coal.

Nationalisation would not restore our lost exports of coal.

And in 1920, under Government Control, those exports were not much more than one-third of what they were in 1913 and the price was more than five times as high.

FACE THE FACTS

Issued on behalf of the Colliery Owners of Great Britain by Philip Gee, 40, King Street, Covent Garden, London, W.C.2, from whom further information about the Coal Mining Industry can be obtained.

COPRA firmer, and sellers more reserved in face of improved inquiries. F.M.S. Straits to Rotterdam, August-September, quoted £30 5s; September-November, sold, £30 2s 6d; October-December, £30 1s 3d to £30 2s 6d. Dutch E.I., October-December, sellers, £30 1s 3d to £30 2s 6d.

Ceylon, October-November, £31 10s; F.M.S., South Sea, ditto, £29 15s; ditto, smoked, to Marseilles, £29 10s, and F.M. Straits, afloat, £29 17s 6d. Palm kernels to Liverpool, October-December, quoted, £21 12s 6d per ton.

COMMERCIAL TIMES—WEEKLY PRICE CURRENT.

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

LONDON, FRIDAY.		DYE STUFFS, &c.		METALS—B. Copper		SUGAR—per cwt, duty, 11s 8d	
COCOA—Duty, British grown, 9s 4d, foreign, 14s cwt	d 83 0	Galls, China, per cwt	60 0 0	Best selected	64 10 0	per cent. polarisation	d 0 0
Trinidad, per cwt	77 0 0	Turneric, Bengal	nom	Sheets (strong)	91 0 0	B.W.I., muscovado	nom
Grenada	60 0 0	Madras, finger	35 0 0	Standard	62/2/6	Crystallised	22 0 27 0
Ceylon, plantation	90 0 110 0	Gambier, block	57 0 0	Lead Eng. Pig per ton	40/15/0	Java, white	spot 26 9 27 0
Guayaquil	70 0 80 0	Cutch, ord. to fair	55 0 0	Soft Foreign	39/10/0		
Bahia, finest	53 0 55 0	DYEWOODS—		Spelter G.O.B.	39/10/0		
COFFEE—British grown, 9s 4d, foreign, 14s cwt	d 83 0	Brass, per ton	18 0 0	Tin—English ingots	274/5/6		
E. India, fine ord. gd. mid. 11s	0 140 0	Fustic, Jamaica	8 10 0	Do do bars	275/5/6		
Do good to fine	150 0 158 0	Cuba	15 0 0	Standard cash	274/2/6		
Costa Rica, ord. to mid.	120 0 150 0	Lima Wood	20 0 0				
Good to fine	170 0 199 0	Logwood, Campeachy	9 0 0				
Central American, gd. ord.	115 0 138 0	Honduras	10 10 0				
Mid to fine	140 0 150 0	Jamaica	7 15 0				
Colombian, ordinary	115 0 117 0	Red Sanders	15 0 0				
Do gd. ord. to low mid.	120 0 132 0	Sapang Ceylon	15 0 0				
Do mid to fine	135 0 156 0	FLAX—spot—s.l.f.	£ 79 0 0				
CHEMICALS—		Riga ZK	77 0 0				
Acid, citric, per lb	1 42 0 0	Pernau HD	77 0 0				
Nitric	0 24 0 0	Slanets UJA Medium	93 0 92 0				
Oxalic, net	0 6 0 0	FRUIT—					
Tartaric, English	1 09 0 0	Oranges, Murcia & Val. 300	0 0 0 0				
Foreign	0 11 1 0	Do	360 0 0 0 0				
Cremona of Tartar	0 0 0 0	Do Cape	0 0 0 0				
92% 100% per cwt	80 0 0 0	Lemons, Naples	0 0 0 0				
Alum lump, per ton	10/10/0	Do Sicilian	0 0 0 0				
Do ground	11/10/0	Do cases	25 0 25 0				
Ammonia, carb. ton	37 0 39 0	Do Malaga	0 0 0 0				
Muriate, White	25 15 31 15	Grapes, Lisbon	0 0 0 0				
Sulphate	14 0 15 0	Almeria	10 0 24 0				
Arsenic, lump	75 0 80 0	Val. Ona	8 0 9 0				
Powder	0 19 0 0	Egyptian Ona	0 0 0 0				
Ashes, pot	0 65 0 0	Apples: Tasmanian	0 0 0 0				
Pearl do	nom	Burmer Pippin	0 0 0 0				
Bleaching powder, per ton	9/0/0	HIDES—Wet salted—					
Borax, gran	24 10 0 0	Australian	0 58 0 68				
Do crystals	25 0 0 0	West Indian	0 4 0 78				
Do powder	26 0 0 0	Cape	0 6 0 78				
Calomel	4 0 4 3	Lisbon	0 52 0 78				
Iodine, dry	1 0 1 1	Oporto	0 4 0 78				
Nitrate of Soda	12/15/0	Dry & Drysalted Cape	0 68 0 78				
Potash—Chlorate, net	0 42 0 48	Madagascar	0 78 0 128				
Frassiate	0 78 0 8	Central American	0 78 0 128				
Sulphate	0 78 0 8	Buffaloes, Singapore	0 4 0 12				
Sal-Acetone	11 0 12 0	Penang	0 5 0 102				
Sal-Ammoniac	47 6 52 6	E.I.	0 5 0 148				
Soda Bicarb.	5/0/0	Market Hides, London—					
Crystals	5/0/0	Best hy. ox & heifer	0 88 0 88				
Alkali	6/15/0	Do light	0 88 0 78				
Caustic	14/12/6	2nd ox, heavy	0 58 0 68				
Sugar of lead, white	0/0/0	Do light	0 68 0 68				
Foreign white	0/0/0	Best cow	0 58 0 68				
Sulphate Quinine	2 3 0 0	2nd do	0 58 0 68				
English Brands	2 3 0 0	Best calf	0 98 0 138				
Foreign do	2 2 2 3	2nd do	0 88 0 118				
Sulphate Copper	per ton 24/10/0	INDIA RUBBER—lb—					
Zinc, out	nom	Para, fine hard spot	3 1 0 0				
Sulphur Flour	9/0/0	Plantation sheet	4 1 0 0				
Do Roll	8/0/0	INDIGO—per lb—					
Vermillion, Chinese, per lb	4 6 5 0	Bengal, good red violet to	6 8 7 0				
Oil Peppermint, H.G.H.	nom	fine	6 8 6 6				
COPRA—per ton, c.i.f.	£ 8 8	Mid. ord. vio. to good	5 0 6 0				
Malabar, Sept-Oct.	nom	Low to good ord.	5 0 6 0				
Ceylon	31 7 6	Madras, dry leaf, good	3 0 4 0				
FMS Singapore	30 5 0	Do low to ord.	1 0 3 0				
FM Straits	29 12 6	Kurpah, gd. mid. to gd.	4 0 6 0				
COCHINEAL—per lb	2/9 3/6	Low to mid.	3 0 4 0				
DRUGS—		HEMP—per ton—					
Aloes, fine E.I.	per cwt 130 0 150 0	Italian P.C.	80 0				
Cape, good to fine	41 0 42 6	Manila, Oct-Dec, "y"	42 10				
Balsam Peru	per lb 7 0 0 0	Grade	39 10				
Capivi	2 0 2 3	N.Z., high point, fair,					
Camphor—		Oct-Dec.					
Japan, refined	2 8 2 9	JUTE—					
Cardamom, Ceylon	6 0 8 3	Native first marks, Sept-Oct.	54/15/0				
Cantharides, China, per lb	4 0 0 0	LEATHER—per lb—					
Castor-oil	cwt 85 0 95 0	Sole Bends 5/9 lb.	1 4 1 11				
Gum Benjamin Sum.	cwt 5/0/0	Do do 10/12	1 3 1 10				
Olibanum, drops, fair to	good	Do do 12/14	1 4 2 6				
Ipecacuanha	12 0 0 0	Do do 14/16	1 5 2 8				
Salap.	2 0 0 0	Do do 17 lb and up.	1 6 3 0				
Musk, pod, China	75 0 77 6	Bark Tanned Sole	0 9 0 11				
Oil, Cassia	per lb 10 0 10 6	Shoulders fm DB Hides	1 0 1 8				
Aniseed	3 5 3 6	Do Eng. or WS do	0 7 0 8 1/2				
Peppermint, Wayne		Bellies from DB do	0 8 1 1 1/2				
County	70 0 75 0	Do Eng. or WS do	0 8 1 1 1/2				
Rhubarb, China, fr to fn	3 0 3 3	Dressing Hides	1 8 2 2				
		Ro. Eng. Calf, 20/30 lb.	4 0 5 6				
		Aust. Sides	1 0 1 3				

The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor:

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. CI.

SATURDAY, OCTOBER 17, 1925.

No. 4,286.

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THE MONEY MARKET.

MONEY has been decidedly scarce and recourse has been necessary to the assistance of the Bank of England, while rates ranging up to 4½ per cent. have been paid for overnight loans in order to avoid this necessity; discount rates, under the influence of dear money, gold announced and expected, and the continued dullness of

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The transfer books will be closed from October 16th to October 31st, both days inclusive.
FRANK HAY, Secretary.
Toronto, September 21st, 1925.

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the New York exchange, in spite of the very large amount of gold on the way thither, moved up appreciably, and 3½ per cent. was the usual quotation for three months' bank bills, the market being in a very unreceptive mood.

	Oct. 16, 1925.	Oct. 9, 1925.	Oct. 2, 1925.	Sept. 25, 1925.	Previous Rate and Date Changed.
Bank Rate	4	4	4	4½	(Oct. 1, '25)
Banks' Deposit Rate	2	2	2	2½	(Oct. 1, '25)
Discount Call	2	2	2	2½	(Oct. 1, '25)
Houses' Notice	2½	2½	2½	2½	(Oct. 1, '25)
Market rate (3 months' bills)	3½	3½	3½	3½	..

The Bank return showed a decrease of £2,073,000 in the stock of coin and bullion, £2,163,000 having been announced as withdrawn for export; the Note circulation had declined by £827,000, and so the decrease in the Reserves was reduced to £1,246,000, and its proportion to liabilities had risen by .7 per cent. to 29 per cent. Government and Other securities had declined by five millions and one million respectively, and Public and Other deposits by one million and six millions respectively. Currency notes were reduced by £743,700 to £293,734,700, which includes £1,324,600 for notes called in but not yet cancelled. The fiduciary issue is £236,160,200, or £11,985,200 below the maximum for the year.

NEW YORK MARKETS.

Our New York correspondent cables:—Pronounced buoyancy in share prices gives the appearance of a broad and active bull market. Buying is encouraged by excellent business news, and the feeling that money will remain fairly easy and by the success of bull operations. The idea that an advance in the Federal Reserve rate is likely has been abandoned in view of the cut in the Bank of England rate and gold arrivals. The steel industry is operating at 80 per cent. of capacity, with prices firm and buying increasing. The building industry continues active. The Federal Reserve statements show only slight changes, with reserves up \$7 millions, discounts unchanged, Government securities up \$12 millions, and circulation up \$14 millions. The reserve ratio is 71.7.

THE STOCK MARKETS.

The Stock Exchange has shown a more thoughtful mood in the past week. Rubber, platinum, and leading industrial shares have dropped back from the heights to which they had soared, while more attention has been given to tea, brewery, insurance, and cable stocks that have been neglected of late. British Government stocks are feeling the effect of firmer monetary conditions. Home Rail prior charge stocks have regained a little ground. Doubts as to the future price of raw rubber has prompted many holders to realise their rubber shares. Textiles have improved, and rumours of Protection have strengthened iron and steel shares. Tin shares have been in good demand, otherwise the mining market has been quiet.

THE COMMODITY MARKETS.

The general tone of the markets continues slightly more hopeful. Though no material expansion is recorded in the coal trade, inquiries are a shade more active, and the low range of prices now prevailing is expected to stimulate demand. The pig-iron market is firmer, but competition remains keen among iron and steel manufacturers generally. The downward trend of raw cotton prices following a large increase in the last official estimate of the American crop has had a disturbing influence in Lancashire, but buyers are already tending to place orders on a freer scale. Bradford markets have been active throughout the week, with an all-round advance in prices. Wheat has been slightly firmer after the recent weakness. Sugar is in better demand, though imported descriptions are quiet, coffee finds a moderate sale, and tea is a stronger market. Rubber has been slightly easier, with sales, however, of fair extent. In the metal markets, tin and copper have shown increased firmness, and a fair business has been done in lead.

FOREIGN EXCHANGES.

Apart from activity in French francs and in the Scandinavian exchanges the week on the Foreign Exchange market has been a quiet one. From a closing quotation of 105.05 on the 9th, the Paris rate began to move upward in the early part of the week, and on Wednesday rose sharply to about 108, on Thursday to 108.45, and was quoted yesterday morning at 108.65. The main cause of this movement is increasing apprehension as to Government finance, following on the recent *exposé* of the position by M. Caillaux, and an increasing fear that trouble over the proposed compromise with the American Government may prevent the hoped-for issue of new French loans on the New York market. This week's Bank statement also, although better than last, did not show sufficient recovery to justify any optimistic feeling, and there is surprise that the publicly announced policy of utilising the Morgan credit has apparently not yet been resorted to. The Belgian franc, on the other hand, shows a slow but steady improvement on the further progress of loan negotiations, and stood yesterday morning, in spite of rumours that the loan in London was to be postponed, at a premium of 2f 30c over Paris at 106.35, as compared with 106.95 a week ago. Forward francs in Paris stand as before at a discount of 45 to 50 centimes per month; in Brussels the rate has narrowed from 17-20 centimes to 3-8 centimes over spot. After their recent relative steadiness both the Copenhagen and Oslo rates show a renewed improvement, moving down on the week from 19.98½ to 19.29½, and from 24.05 to 23.77½ respectively. It is understood that this movement is due to further bull operations in New York. Sterling during the greater part of the week has been unmoved at \$4.84½, but on Thursday moved down to \$4.84½, at which figure it was also quoted yesterday morning. For the time being there would seem to be no reason to expect any recovery above the present gold export point. Forward quotations at 1½ cent per month over spot are 1-32 cent narrower than a week ago. Among other stable currencies Amsterdam has moved from 12.04½ to 12.04½, Berlin from 20.33 to 20.32½, but Switzerland has gone in our favour from 25.10 to 15.10½, and Stockholm from 18.04½ to 18.09½. The lira, after depreciating in the middle of the week in sympathy with the franc, has recovered again, and at 120½ shows the same quotation as on the 9th. Among the Central European currencies there are no changes of any importance, except a slight improvement in the zloty to 29. Athens has again depreciated from 346 to 369½. In the East the rupee is practically unchanged at 1s 6½d, while the yen is also the same at 1s 8 9-32d. The silver market was at first firm, with Indian and Chinese buying on a restricted market, but prices have later weakened again. Hong Kong has moved up from 2s 5½d to 2s 5½d, but reacted again to 2s 5½d, Shanghai from 3s 2½d to 3s 3d, and later back to 3s 2½d. In South America the improvement in Rio has received a slight check, the quotation moving down from 7½d to 7½d. Buenos Aires has also reacted slightly from 46 17-32d to 46 17-32d, while Monte Video is unchanged at 50½d, and Valparaiso at 39.70 pesos.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended October 10th:—

EXPENDITURE.		REVENUE.	
(000's omitted.)		(000's omitted.)	
Supply Services	9,934	From Revenue	11,226
Interest, &c., on Debt	3,792	Increase in Debt	3,533
Sinking Fund	551		
Sundries	475		
Increase in Exchequer Balances	7		
	14,759		14,759

The Revenue for the week amounted to £11,226,100, as compared with £10,151,600 in the corresponding week last year. Customs and Excise were both slightly higher at £2,219,000 and £1,744,000, against £2,076,000 and £1,377,000 respectively. Property and Income-tax brought in £2,919,000, as compared with £3,359,000, while Super-tax amounted to £550,000, against £460,000. Ordinary receipts were higher at £333,500, against £641,000, while Special receipts were £819,200 higher at

£830,000. The week's operations increased the National Debt by £3,532,900, and caused the following changes:—

(000's omitted.)	
Public Department Advances	£ 150
Treasury Bills	944
National Savings Certificates	5,225
4% Treasury Bonds	100
3½% Conversion Loan	2,900
	+ 9,319
	— 5,786

The floating debt was reduced by £125,000 to £786,141,000.

FINANCIAL YEAR, 1925-1926 (April 1st to Oct. 10th).

£		£	
Total Expenditure ..	419,977,945	Raised by Revenue ..	363,096,491
		Decrease in Balances ..	3,729,079
		Amount borrowed ..	53,152,375
Total	419,977,945	Total	419,977,945

ESTIMATES for FINANCIAL YEAR 1925-1926.

£		£	
Expenditure	799,400,000	Revenue	801,060,000
Surplus	£1,660,000.		

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—Buenos Ayres and Pacific Railway, Central Argentine Railway, Stock Conversion and Investment Trust, City of San Paulo Improvements and Freehold Land Company, Harrisons and Crosfield, and Insulind (Sumatra) Rubber Estates. At the meeting of Harrisons and Crosfield Mr Eric Miller gave an interesting review of the tea and rubber plantation industries. He suggested that price movements of rubber during the past two years indicate that manufacturers have not, in the main, accurately gauged their future requirements.

ECONOMIST INTELLIGENCE BRANCH.

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

GERMANY AND THE LEAGUE.

LOCARNO has apparently achieved complete success. Mr Chamberlain's early warning against too great expectations, wise and salutary though it was at the moment, is, after all, superfluous, for the Conference ends with achievements representing everything that any reasonable politician could have hoped for, and Mr Chamberlain merits the thanks of the nation for the leading part that he has played in bringing to pass the most important international agreement since the Treaty of Versailles, and one that repairs many of the shortcomings of that document. The Western Pact is signed; the difficulties in the path of its Eastern counterpart are rapidly disappearing; there appears to be an understanding regarding the evacuation of Cologne; and, finally, Germany's objections regarding her entry to the League of Nations have been dispelled. In the long run the last of these developments may well be discovered to be the most important, for Germany's entry into the League, unlike her acceptance, however sincere, of any mere paper obligations, opens at last a chapter of continuous month-to-month, and almost week-to-week, co-operation with those other nations of Europe who have increasingly in the last two years demonstrated their resolve to pivot their foreign policy on Geneva. If, as seems likely, a special Assembly is held in December for Germany's formal admission, the year 1925 will have seen the last of that division of Europe into the categories, which have far too long persisted, of the Allied, the enemy, and the neutral States.

The appearance of German delegates at Geneva may, no doubt, be hailed a little too light-heartedly as the dawn of a new era. The attitude of Germany towards the League of Nations in the past is worth a little study in its bearing on the probable attitude of Germany to the League of Nations in the future. Down to comparatively recent

months the hostility of almost the whole of Germany to the League as an institution has been very real. Germany, of course, has seen the League only from the outside, and that, as those who have seen it from the inside know, is not very many degrees better than not seeing it at all. The League was brought into being by an instrument which Germany has signed, but an ingenious clause was inserted to prevent her signature from making her a member of the League itself at the outset. When she might have been glad to join, that is to say, she was excluded as a penalty. Later, when her application in the ordinary way might have been practical from the domestic point of view, she was given clearly to understand that certain nations which possessed the right of veto would not have her in the League. It is only in the last eighteen months that the parts have been reversed, and it has become an integral part of the policy of France, as well as Britain, to bring a palpably reluctant Germany into the League by any means that offer.

That there were some grounds for Berlin's mistrust of Geneva is not to be denied. Germany looked on the League as largely an Allied instrument, and any other nation in her position would have done the same. It so happened, moreover, that it fell to the League early in its history to give two or three decisions naturally unwelcome to the German Government and people. One was in regard to the transfer to Belgium of the districts of Eupen and Malmédy, events which stirred feeling in Germany to a quite unintelligible degree. Here, as in other cases, no distinction was drawn in the popular mind between the defects of the Treaty of Versailles and the League's discharge of its rigidly prescribed task under the Treaty. As a matter of fact, the League acted in regard to Eupen and Malmédy with strict propriety and in the only way in which it had a right to act, the Treaty being what it was. To say the same about the Upper Silesian decision thrown on the League by the Supreme Council of the Allies appears inevitably dogmatic in view of the controversies that decision has raised. However that may be, Germany's feelings on the subject are not surprising. Probably nothing, in point of fact, has done more to alienate her from the League than the partition decided on by the Council as an interpretation of Article 88 of the Treaty of Versailles. One more count against Geneva was the veto conferred by the Treaty, not merely on the League Council, but on any single member of it, on any project of union between Germany and Austria. Then, of course, there are always the Saar and Danzig and the complaints of German minorities, particularly in Czechoslovakia. In all those cases there have been rights and wrongs on either side, but it is obvious enough that if anyone in Germany wanted to make capital against the League of Nations, as many people in Germany did, there was material enough lying ready to his hand. There might have been more still if certain proposals made in connection with the League's assumption of responsibility for supervising German armaments had materialised. As it is, that question will now be discussed by a Council at whose table Germany occupies a permanent seat.

With that rather unfortunate history to efface, Germany may be expected at first to assume at Geneva an attitude, at the best, of suspended judgment. The opinion has gradually been growing among all responsible Germans in the last twelve months that their country could no longer afford to be outside the League. The change of opinion that has made entry possible is therefore more negative than positive in character, though the obvious fact has at last been slowly grasped that if Germany had good causes of complaint against the League for its handling of questions affecting Germans, the chances of effecting an improvement are about ten times as great if the voice of Germany is raised at Geneva than if it merely thunders from Berlin. A year or more ago one of the wisest of European statesmen gave it as his view that the attitude of Germany's representative on the Council, so far from being obstructionist, would be correct in the last degree. In the matter of disarmament, for example, there would be no greater evangelist of progress, for the thoroughly sound reason that Germany, disarmed herself, has a manifest interest in seeing that nations fulfil their pledge to follow a course which her disarmament has at last made possible. As regards the technical work of the League, German co-operation will no doubt be of the

greatest value. Germany already sits on the health, the transit, and other organisations, but now her representation will, of course, be equal to that of any other State. On the Secretariat, moreover, she will gradually acquire her full quota of officials. How far the demand for the assignation to her of a colonial mandate will be pressed can hardly be foreseen till it is known whether any expectations regarding this have been held out to her at Locarno; but the difficulties of transferring mandates at this stage are great, and things seem likely to remain substantially as they are, though Germany will no doubt ask for, and be accorded, a place on the Permanent Mandates Commission.

It is in regard to the more specifically German questions arising in the Saar, at Danzig, and in respect to minorities, that German representations may be expected to be most zealous, and so long as they are kept within reasonable bounds, they are likely to cause little embarrassment, at any rate, to Great Britain, who has for the most part been fighting Germany's battles in such matters in the past. In respect both to the Saar and Danzig, Germany's advent will obviously make for justice, for hitherto while France and Poland have always had the ear of the Council, the inhabitants of the Saar have never appeared before it, and although representatives of Danzig have and do, they will no doubt gain by the championship of a permanent member such as Germany will henceforward be. More important, however, than Germany's appearance in that capacity should be the opportunity given to her herself to see two sides of questions of which she has been accustomed rather frequently in the past to see only one. Rather fortunately the purge of the Saar Commission, which is understood to be contemplated for next March, will come just at the moment when Germany will have begun to assert herself in the Council, a fact that should be very useful to the German Government for domestic purposes.

It need not be expected that Germany's admission to the League is going to remove all difficulties. On the contrary, it will undoubtedly create a good many, and both Council meetings and Assemblies may for a while run with something less than their accustomed smoothness. But manifestly Germany's presence at Geneva will far outweigh such drawbacks. The effect of her presence there on America will, so far as it goes, be beneficial, though American psychology in regard to the League is too uncertain, and is subject to such unexpected influences that it is idle to attempt to forecast it. As to Russia, the ultimate result should be equally good, despite M. Tchicherin's undisguised endeavours to prevent an agreement on this subject from being reached. Even Russia herself is co-operating in one or two of the less important of the League's technical committees, and unless she means to break her associations with Europe altogether, that kind of co-operation must develop. On the day when Germany is definitely admitted, there will be some ground for speaking, still hesitantly, for the first time since the war, of a consolidated Europe.

FINANCE OR INDUSTRY?

MR KEYNES'S speech before the Manchester section of the Federation of British Industries last Tuesday proved that he is not merely a great economist, but also that he has little to learn of the arts of the politician. The subtle skill with which he shepherded his audience into the pen bearing the flattering label, "the sensible school" (shortly defined as those who think as he does), in contrast with the "pious" or "strait-laced" pundits who happen to have controlled our financial policy, could not have been excelled by Mr Lloyd George himself. The members must have been even more gratified at Mr Keynes's certificate that British industry is not inefficient. Seriously, however, we doubt whether Mr Keynes is doing a public service in fostering the widely prevalent idea that there are real divergences of interest between "finance" and "industry," and that our monetary policy has been carried out in the interests of the latter alone. Where there are so many issues at

stake, different people will inevitably give different weight to various considerations. But the policy of a return to the gold standard would not have received general support if it had not been realised that it was in the interests of our own industries that the world's international trade should be resumed on a common monetary basis, that the disturbing effects of exchange fluctuations should as far as possible be eliminated, and that the nations of Europe and of the world beyond should be restored to health by re-establishing their finances on a firm basis. As the world's chief trading nation, it was a matter of self-interest no less than an international responsibility for us to take the lead in this matter.

It is unfortunate that Mr. Keynes should constantly give the lead to those critics in the Press and elsewhere who keep on harping on the theme that the return to the gold standard last spring was premature. This attitude does no good, but merely serves to make harder the task of those responsible for our monetary policy. The fact of the matter is that the action of last April was the inevitable result of the trend of our monetary policy for the last five years, a policy endorsed by Governments of all views. The Federation of British Industries itself in the spring sent memorials to the Government urging that the uncertainties of the situation, which were bound to arise so long as we were not on a specific and permanent policy, should be ended, and Mr. Keynes is well aware of the extreme difficulties that would have arisen and the damage that would have been done to British credit if Mr Churchill had attempted to resist the pressure from the Dominions or to disappoint the expectations of Europe and America, or to delay his action.

We have said that this country has a great interest in and has earnestly striven to get the world's international trade back on to a common monetary basis. In doing this it has thrown into relief the disparity in various rates of wages and in the profits of this or that industry. The economic life of the country will not be healthy until these are eliminated. The action of last April needs to be followed, not by bickering and controversy, but by a combined effort to hasten all the necessary internal adjustments in prices and wages with the least possible effort. In this connection the recent action of the Food Council is a step in the right direction.

If Mr Keynes's speech was fairly reported, his diagnosis of the general trade situation was not as complete and as balanced as we should expect from him. He contrived to give the impression that in his view England alone of the countries of the world, with the possible exception of China (can it be that for the moment Mr Keynes forgot Russia?) was suffering from unusual depression. This is not the case. The volume of production in Germany and Central Europe is very considerably below pre-war level, and in terms of foreign trade is even worse. The figures for France are good, but France now includes Alsace-Lorraine. A study of the figures given from time to time of exports of France and Germany are taken together they are to-day very substantially below the pre-war level. Moreover, in spite of the recovery of the economic situation in Australia, India, and to a less extent in South America, the volume of the world's seaborne commerce—still below pre-war level, and until the general exchange of goods between nations has revived, no policy on our part will lift the depression from all that group of trades which centre round the shipping industry. Nor do the figures indicate that in the export of general merchandise other European countries have been gaining ground at our expense during the last eighteen months.

The coal trade is in a different position. Its exports are chiefly responsible for the sickly look of our foreign trade returns. The country will have occasion to examine this problem in detail in the next few months. But with all respect to Sir Josiah Stamp we do not think that the Thursday, will find that its problems could be solved by a different monetary policy. Its troubles, unfortunately, are of a more intractable nature. On Wednesday, in a discussion held under the auspices of the National Move-

ment towards a Christian Order in Industry and Commerce, Sir Adam Nimmo and Mr Frank Hodges made a preliminary canter over the field of inquiry. It cannot be said that either of them contributed anything to a possible solution of the problem, but Mr Frank Hodges very clearly brought out the fundamental point that the situation of Britain's coal export industry had been definitely changed for the worse by the use of oil in ships, the increased generation of electricity by water power, particularly in Europe, and the development of new coal fields in distant countries. Unless there is a very phenomenal increase in the volume of the world's shipping these facts mean that our export coal fields may have to curtail their activities and reorganise on a lower level of production. This is the first and biggest feature of the problem. The second was not really faced by Mr Hodges, but was promptly brought out in the first day's evidence before the Commission by Sir William Beveridge. It arises out of the miners' claim that whatever may be the commercial conditions their real wages should be the same as in 1913. The difficulty is that, whatever the cause, they are not producing the same real output per head. If in other coal-producing countries labour conditions are such as to produce an equivalence between coal and other prices we must do the same or close down. All the evidence points to the fact that we cannot produce coal at prices properly related to the general price level and keep the mines in a solvent condition with the present level of output. The miners will have much to say on the question of organisation in this connection. But fundamentally it is a production problem rather than a monetary one.

NINE MONTHS' OVERSEAS TRADE.

THE Board of Trade returns of overseas trade in September do not suggest any important change either in the volume or trend of our international commerce. As compared with August the import excess is larger by some £9 millions, imports being nearly £6 millions higher, British exports a trifle more than stationary and re-exports nearly £3 millions lower. The value figures for September compare as follows with those for September a year ago:—

	MONTH OF SEPTEMBER.			
	1924.	1925.	Increase (+) or Decrease (—) in September, 1925.	
Imports	£ 100,854,706	£ 97,925,034	— 2,929,672	— 2.9
British exports	63,282,376	60,734,868	— 2,548,008	— 4.0
Re-exports	9,565,535	10,525,830	+ 960,295	+ 10.1
Total exports	72,848,411	71,260,698	— 1,587,713	— 2.2
Excess of imports over total exports	28,005,295	26,664,336	— 1,341,959	— 4.8

For the decline in British exports as compared with a year ago, coal is almost entirely responsible, as the following figures show:—Coal exports, September, 1923, £7.8 millions; 1924, £5.7 millions; 1925, £3.6 millions; British exports, excluding coal, September, 1923, £56 millions; 1924, £57.5 millions; 1925, £57.1 millions. The manufactured class of British exports last month were within £100,000 of the value recorded a year ago. A detailed summary of September import and export figures for this year and last will be found in the commercial section of this issue.

The publication in the same volume of the nine months' figures affords an opportunity of examining the general trend of the year's foreign trade, so far as it has gone, in comparison with previous periods. A comparison of the value figures of imports and exports for the first nine months of this year and last reads as follows:—

	FIRST NINE MONTHS.			
	1924.	1925.	Increase (+) or Decrease (—) in 1925.	
Imports	£ 909,272,228	£ 965,477,025	+ 56,204,797	+ 6.2
British exports	589,319,261	579,258,406	— 10,060,855	— 1.7
Re-exports	102,838,324	112,850,815	+ 10,012,491	+ 9.7
Total exports	692,157,589	692,109,221	— 48,368	— .
Excess of imports over total exports	217,114,639	273,367,804	+ 56,253,165	+ 25.9

As regards the balance, the position is briefly that a £10 millions fall in British exports is balanced by a £10 millions rise in re-exports (mainly due to rubber), and the visible import excess is increased by just the £56 millions by which imports have expanded. If the balance for the full year is to be proportionate to that recorded for nine months, last year's figure of £346 millions will be largely exceeded. Fortunately, however, the outlook in this respect is not quite so bad as it seems. In 1924 the second half of the year showed a big increase in the import excess. This year it has fallen so substantially in the September quarter that, if the same tendency continues, the 1925 merchandise balance may, after all, be little worse than that for 1924. How this balance has moved quarter by quarter since 1919 is shown in the following table:—

(In Millions of £.)					
Quarters.	Imports.	British Exports.	Re-exports.	Total Exports.	Excess of Merchandise Imports.
1919—1st	347	147	18	165	— 182
2nd	370	187	37	224	— 146
3rd	450	207	43	250	— 200
4th	467	257	66	323	— 144
1920—1st	530	294	75	369	— 161
2nd	504	342	61	403	— 101
3rd	469	370	44	414	— 55
4th	436	328	42	370	— 66
1921—1st	308	228	27	255	— 53
2nd	264	141	23	164	— 100
3rd	256	150	28	178	— 78
4th	259	184	29	213	— 46
1922—1st	234	186	29	215	— 19
2nd	254	166	27	193	— 61
3rd	241	183	22	205	— 38
4th	276	185	26	211	— 65
1923—1st	273	185	29	214	— 57
2nd	266	197	35	232	— 34
3rd	248	184	23	207	— 41
4th	311	201	32	233	— 78
1924—1st	301	193	39	232	— 69
2nd	297	195	35	230	— 67
3rd	311	201	28	229	— 82
4th	371	206	37	243	— 128
1925—1st	352	209	40	249	— 103
2nd	325	183	37	220	— 105
3rd	288	187	35	222	— 66

* For nine months.

From these figures it will be seen that the figure of £66 millions for July to September is the lowest quarterly figure for the past two years.

The decline for the nine months as compared with 1924 of £16 millions in British exports will give a wrong impression unless the part played by the coal figures is clearly understood. Separating off coal exports we get the following result:—

January to September.	Coal.	All Other British Exports.
	Million £.	Million £.
1923	75.4	490.7
1924	55.8	533.5
1925	38.2	541.1

The severe slump in the coal figures obscures the fact of some slight progress in exports as a whole. A corrective to excessive pessimism may be derived from an examination of the exports of leading industries in the past few years. The following table contrasts the experience of coal and iron and steel with two other leading industries which show a very different record:—

	Exports of			
	Coal.*	Iron and Steel.	Machinery	Cotton Piece G'ds.
January to September—	Mln. Tons.	Mln. Tons.	Th's. Tons.	MLsq. Yds.
1920	30.6	2.55	316.1	3,540
1921	20.3	1.15	386.9	1,866
1922	59.6†	2.34	282.5	3,068
1923	72.9	3.18	321.0	3,097
1924	60.0	2.93	337.9	3,341
1925	49.7	2.70	381.2	3,359

* Including bunkers.

† Decline caused by strike.

Iron and steel and cotton both reached the bottom of the depression in 1921. In 1923 iron and steel, like coal, enjoyed a temporary fillip from the Ruhr occupation. Machinery reached its zenith after the slump had set in elsewhere, and has now again recovered to the neighbourhood of its 1921 total. Cotton piece goods exports recovered strongly in 1922, and remained steady in 1923, then recorded in 1924 a gain that has just been held in 1925. The iron and steel figures deserve closer examination, and the facts brought out by the following table are instructive:—

IRON and STEEL EXPORTS.				
Nine Months, Jan. to Sept.	Tons.	Value. £	Value per Ton. £	
1923	3,181,175	54,946,605	17.2	
1924	2,929,162	56,842,609	19.6	
1925	2,699,187	50,342,361	18.6	
Full year 1913....	4,933,704	54,291,768	11.0	

IRON and STEEL IMPORTS.				
Nine Months, Jan. to Sept.	Tons.	Value. £	Value per Ton. £	
1923	1,010,833	10,297,072	10.2	
1924	1,753,659	16,476,897	9.4	
1925	2,041,078	18,129,112	8.9	
Full year 1913....	2,220,366	15,231,633	6.8	

The average export price is considerably more and the average import price considerably less than 50 per cent. above the pre-war level. A higher average of export than of import prices is natural, because, roughly speaking, we import more of the unfinished material or cheap goods and export more of the expensive or highly finished goods. Moreover, a relatively greater advance in export prices is explicable by the fact that we are, in comparison with pre-war days, exporting less pig-iron and a larger proportion of highly finished manufactures. Nevertheless, it is not altogether satisfactory to find that, whereas the average import price has fallen substantially in the past two years, the average export price has risen by about the same amount.

It is impossible in the space available to examine all the leading export industries. But the following figures are worthy of attention:—

EXPORTS of MOTOR CARS.				
Nine Months, Jan. to Sept.	Number.	Value. £	Value per Car Exported. £	
1920	3,135	2,340,729	746	
1921	2,148	1,822,585	849	
1922	1,391	933,301	671	
1923	2,421	1,148,310	474	
1924	8,846	2,546,957	286	
1925	13,646	3,681,556	270	

A long-needed wave of enterprise in the motor industry, involving economical production and rapidly falling prices, which was fostered in 1924 by the removal of the protective duty, and happily not killed as yet by its wanton restoration by Mr Churchill, has produced amazing results. Concentration upon efficient production of the cheap car has led to so large an increase in the number of cars exported that the total export value is far larger than when our exports consisted mainly in high-price units. If we may again point a contrast the experience of the ship-building industry is less encouraging:—

EXPORT of NEW SHIPS.				
Nine Months, Jan. to Sept.	Number.	Gross Tonnage.	Value. £	Value Per Ton. £
1920	679	292,245	16,123,040	51
1921	874	402,383	20,433,640	50
1922	476	390,660	24,994,426	61
1923	575	157,838	9,000,136	59
1924	514	100,736	3,841,230	38
1925	708	81,570	2,756,835	34

Here the reduction in average export prices has, unfortunately, not led to increased export totals. That the reverse has taken place may be attributed in the first place to the general slackness of world demand; but it is worth pointing out that, substantial though the decline in tonnage export values has been, it still has a long way to go. In 1913 the average value per ton of new iron and steel ships exported was no higher than £13 per ton, against £34 per ton in the present year.

Just two millions are added to the merchandise import excess by the bullion and specie figures, whereas the first nine months of 1924 saw an export excess of nearly £14

millions under this head. The figures for the past three years are as follows:—

BULLION and SPECIE.			
Nine Months, Jan. to Sept.	Imports.	Exports.	
1923	42,543,488	48,682,379	
1924	36,762,075	50,421,119	
1925	38,818,343	36,814,716	

The figures of shipping engaged in foreign trade reveal a decline due mainly to the fall in coal exports. The total of tonnage cleared with cargoes from British ports was 5,234,074 for September, as compared with 5,708,576 and 6,079,300 for the corresponding months of 1924 and 1923 respectively. The nine months' figures for the three years have been (in the same order) 46,383,884, 48,724,964, and 52,582,726. One word in conclusion about the re-exports. The results are dominated by rubber. In the past nine months we have re-exported 1,592,098 centals of rubber to the value of £14,187,488, the comparable figures for the first nine months of 1924 being 774,690 centals and £6,208,612. Rubber has, indeed, made good nearly half the fall in coal exports.

THE COMMERCIAL WAR IN UPPER SILESIA.—II.

(BY A SPECIAL CORRESPONDENT.)

KATTOVICE.

It is difficult to fix the precise date when the commercial war between Poland and Germany began, and also to allocate the responsibility. The origin of the trouble arose out of other than economic causes, and was due to the clash of interests and racial enmity provoked by the plebiscite, which left a sense of injustice on the side of Germany and of disappointed hopes on the part of the Poles. The crisis would have occurred before this year had not the French occupation of the Ruhr given a temporary stimulus to the coal and iron industries of Upper Silesia, affecting particularly 1923 and 1924. There had, however, been a steady decline of production in the Polish part of Upper Silesia from the time it became a Polish possession. The following are a few comparisons between production in 1913 and 1924 in the Polish section of the country:—

	1913. Tons.	1924. Tons.
Coal	31,997,906	23,701,873
Pig iron	613,283	263,115
Ingot iron and steel	1,116,663	526,931
Rolled iron and steel and other finished products	1,053,287	467,759
Crude zinc	169,439	77,669
Rolled zinc sheets	42,453	25,449
Sulphuric acid	255,589	150,698

Making allowances for the fact that 1913 was a prosperous year, this decline of an average of 50 per cent. is due to other than normal causes.

Since June 15th, when Germany exercised her option and declined to admit more Polish coal, there has been a rapid fall in production, and thousands of miners are out of work. The daily average output of coal in July tons, compared with 71,561 tons in June, during the latter two weeks of which the embargo was in force. The miners employed averaged during the year 1913, 89,581; in 1920, 125,538; in 1923, 150,850; and in 1924, 124,450. The working hours were longer in 1913, and the production per man was greater. By the end of June last the conditions 45,900 men would only have been required for the production. Social legislation compels the State to employ a larger number than would otherwise be necessary.

Before the war, and up to 1923, Germany took more than one-third of the total production of Upper Silesian coal, and nearly two-thirds of the exports from the Silesian coalfields now included in Polish territory. Various reasons operated to hamper the industry when it passed under the Polish Government. There was greater difficulty in controlling labour, there was less expert management, as, in the three Prussian State mines

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taken over, the chief German managers were displaced, and collieries under private ownership were forced to admit the participation of Poles to the directorate for no other reason than that they were Poles. The mines were dependent on Germany for machinery and supplies, which had to be imported at increased cost owing to the new tariff. There was the general inconvenience and delay caused by the existence of a new frontier cutting through a highly industrialised area. On the German side the miners worked eight hours a day instead of seven and a-half on the Polish side. There was every inducement for the German mine owners to develop their properties in German Upper Silesia, about 20 per cent. of the total, while it is probable that the German owners in the area now in Poland are curtailing development and limiting capital expenditure. There are other adverse comparisons: taxation is higher in Poland, while the wages of the miners are less, and the output per man is less. Bearing all these factors in mind, it is not surprising that Polish production should decline, and that the output of the mines on the German side should increase. The following is the production of German mines during the last three years:—

	Tons.
1922	8,834,868
1923	8,744,679
1924	10,900,259

This output was higher than in any year since 1913. During the first six months of the present year the production reached 5,916,412 tons, and will greatly exceed that amount in the second half of the year.

The effect of the price of coal and managerial capacity is reflected on other industries. Take the comparative figures for raw iron, as follows:—

	Production in Polish Upper Silesia.		Production in German Upper Silesia.		Total.	
	Tons.	%	Tons.	%	Tons.	%
1921	383,100	64.0	215,870	36.0	598,970	100
1922	401,071	58.0	290,512	42.0	691,583	100
1923	408,601	52.6	368,182	47.4	776,783	100
1924	263,038	50.1	262,264	49.9	525,302	100

The same downward tendency is apparent in all metallurgical and other leading industries in Polish Upper Silesia. So many companies and firms are drifting towards insolvency that the Polish Government is reported to have issued instructions that bankruptcy proceedings should be delayed as long as possible.

A tragic phase of the commercial war is the distress which it is causing among the unemployed. Every day one reads in the local Press that the unemployed are increasing, and that relief is altogether inadequate. In this town, which has a population of about 45,000, the average weekly increase of unemployed is from 800 to 1,000 per week, including chiefly foundry and metal workers and unskilled men.

No tariff war is one sided, and certain German industries are also sufferers. The glut of coal is making Germany

independent of Polish coal just now, but certain local industries are hard hit. I read in a local paper, for instance, that the wire industry situated chiefly in Gleiwitz and Hindenburg, in German Upper Silesia, is depressed, and that workmen are being dismissed.

The first step in the tariff war was begun by Poland in May last, when there was a general revision of duties. Generally speaking, there were three categories. The duties fell lightly on imports from France, on luxuries such as wine, silk, motor cars, perfumes, and liquors. As one writer puts it, "Rouge and face powder, whose introduction into the country is not necessary, as it really does not matter much to one's welfare whether ladies make up their faces or powder their noses daily; but these things have been put in the category of articles in daily use, while food products, including herrings and dried fruit, are heavily taxed." Duties on goods coming from Czechoslovakia were increased from 10 to 15 per cent., but many articles from Germany were faced with practically prohibitive duties, although Poland is not in a position itself to produce substitutes or get equal value from other countries.

The German retaliatory tariffs hit Poland harder. Besides coal, of which Germany took one-third of the production, almost the whole of the naphtha produced in Upper Silesia went to Germany, and is now excluded. It was also the market for refined zinc. The importation of zinc manufactured articles is now stopped, although raw zinc is admitted. Ninety per cent. of sulphuric acid, which formerly went to Germany, is now barred. The mischief now done by the new duties showed itself with telling effect in the July trade returns. The imports exceeded the value of exports by 90 per cent., and showed an increase of 86 million zlotys over June. There was a large increase in the importation of flour and cereals at increased prices. The export of coal was 200,000 tons less than in June, so that Poland did something to meet the loss of the German purchases.

There was also an increase in coal exports during August. Coal sent to Austria, above the average, was 12,000 tons, to Czechoslovakia under the new treaty 19,000 tons, Hungary 21,000 tons, Rumania 1,000 tons, and Latvia 5,000 tons. There was a drop of 4,000 in the exports to Yugoslavia. These quantities are a long way off from making up the monthly supply formerly taken by Germany. The curtailment of production, including closing of some pits, means permanent and overhead charges, and adds to the cost of production per ton.

New business was opened up with Italy. The high cost of transport will check expansion in distant markets. Under the heading of "The search for new markets," a recent issue of a local journal contains the following:—

"The representative of the Polish Upper Silesian mining industry has recently been in negotiations with the Austrian and Italian Governments with regard to the purchase and transport of Upper Silesian coal. The negotiations, however, have been broken off because the Austrian Government could not see its way to make any further transport reductions for Polish coal. The existing tariff for Polish coal is already very low, and any further diminution in the rates would result in a loss to the Austrian

Exchequer and railways. It was at one time thought it would be possible to send coal to Italy via Danzig, but it has been found that the transport this way would be even higher than by land, and, in any case, there is no immediate prospect of Italy taking any considerable quantity of Polish coal."

The Poles, while doing their best to open up new markets abroad, are also encouraging the consumption of coal at home. The Government have been advocating the use of coal instead of wood in East Poland, and the introduction of central heating in public buildings. It is hoped to develop the export through Danzig to Sweden and the Baltic States, but the country is faced with the problem of prices in a world overstocked with coal. There is reason to believe that a good deal of the new business is now being carried on at a loss.

Hitherto the marketing of Upper Silesian coal outside the territory has been in the hands of two German wholesale firms, whose organisation is not now being utilised to the same extent. The Poles are hopeful that the conditions will improve in the near future, because of this year's bounteous harvest—25 per cent. above the normal—but the key to the whole problem is the production and marketing of coal, and I fear that the autumn returns will mark a further decline.

INDUSTRIAL PROFITS.

OUR quarterly analysis of the results disclosed by industrial undertakings reveals an increase in net profits, a decrease in the percentage of profits set aside to reserve, and an increase in the average rate of ordinary dividend in comparison with those of a year ago. During the past three months the profit and loss accounts of 233 industrial companies have been analysed in a weekly table, and these show aggregate net profits, after payment of debenture interest, &c., of £18,626,800, representing an increase of £854,300, or 4.8 per cent. over the profits disclosed by the same companies in their preceding financial year. This increase is substantially smaller than the average for the four preceding quarters, but is an improvement on that shown at this time last year, as may be seen from the following table:—

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

	Number of Companies.	Reports Published in		Increase.	
		1923-24.	1924-25.	£	%
		£	£		
Third quarter	214	17,667,060	18,069,800	402,740	2.3
Fourth quarter	312	26,142,899	29,616,628	3,473,729	13.3
First quarter	425	41,542,740	45,306,319	3,763,579	9.1
Second quarter	492	51,283,944	56,985,863	5,701,919	11.1
	1,443	136,636,643	149,978,660	13,342,017	9.7
Third quarter	233	17,772,534	18,626,799	854,265	4.8

The bulk of the reports examined in the last quarter cover the financial year ended March 31st last. A fair proportion of those appearing in September cover the year to June 30th, but, on the other hand, many refer to the calendar year 1924, or to an even earlier period. Moreover, company reports do not all appear with equal regularity from year to year, and this explains the disparity between the number analysed in the third quarters of 1924 and 1925, and also the discrepancy between the net profits figure shown at the top of the third column and that shown at the bottom of the second. While the increase in the past four quarters may appear to be rather large in view of the persistence of trade depression, it has to be remembered that declines shown in the two years following the post-war boom have by no means yet been made good. This is shown in the following list of quarterly increases or decreases in net profits since the beginning of 1919:—

	1919.	1920.	1921.	1922.	1923.	1924.	1925.
First quarter	+10.4	+26.9	+3.5	-43.4	+41.4	+8.7	+9.1
Second quarter	-5.1	+37.8	-8.4	-33.7	+22.1	+3.0	+11.1
Third quarter	-3.4	+41.9	-42.4	-23.5	+65.2	+7.3	+4.8
Fourth quarter	+10.5	+27.1	-52.9	+3.9	+11.4	+13.3	..

The changes in profits shown by several different classes of undertaking in the past quarter are set out in the next table:—

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

		Number of Companies	Reports Published in Quarter Ended September 30.		Increase.		Decrease.	
			1924.	1925.				
			£	%	£	%	£	%
Breweries	15	5,064,389	6,402,189	1,337,800	26.4	..	..	
Gas	12	203,888	215,861	11,973	5.8	..	..	
Hotels, restaurants	3	140,337	136,034	..	..	4,303	3.1	
Iron, coal, and steel	19	1,601,172	854,942	..	..	746,230	46.7	
Land, mortgage, &c.	16	594,004	755,908	161,904	27.2	..	..	
Rubber, &c.	52	911,369	1,289,801	378,432	41.5	..	..	
Shipping	6	559,535	315,615	..	..	243,920	43.5	
Shops and stores	3	600,778	461,462	..	..	139,316	23.2	
Tea	15	541,264	553,945	12,681	2.3	..	..	
Telegraphs	2	2,857,858	309,176	51,318	19.9	..	..	
Textiles	10	2,122,942	1,554,623	..	..	572,319	27.0	
T. ut. ut. Companies	6	315,429	324,984	9,555	3.0	..	..	
Waterworks	9	31,248	30,857	..	..	391	1.3	
Miscellaneous	65	4,828,321	5,425,402	597,081	12.4	..	..	
	233	17,772,534	18,626,799	854,265	4.8	..	..	

Conspicuous features of this table are the substantial decreases recorded by the iron, coal and steel, shipping and textile groups, and the large increases in the rubber and brewery sections. The latter more than accounts for the aggregate increase for the quarter. Good increases are shown by the land and telegraph groups, but shops and hotel companies show declines. The two companies in the telegraph group are Marconi's Wireless Telegraph and Marconi International Marine. Only three of the 19 iron, coal and steel companies can show higher profits than they did a year ago, and some of the declines recorded are very heavy, but in the shipping group the bulk of the decline is accounted for by one concern, two companies showing a slight improvement.

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

DISTRIBUTION OF PROFITS.

	Net Profits.	Ordinary Dividend.	Preference Dividend.	To Reserve, &c.
1924.	£	£	£	£
Third quarter	18,626,800	10,737,274	3,295,099	4,037,427
Fourth quarter	29,616,628	17,201,568	5,096,814	7,318,146
1925.	£	£	£	£
First quarter	45,306,319	26,590,348	7,859,682	10,856,359
Second quarter	56,985,863	32,673,351	12,997,105	11,315,407
	149,978,660	87,202,641	29,248,680	33,527,339
Third quarter	18,626,799	11,930,751	3,435,529	3,260,519

The last column includes the amount by which the aggregate balance carried forward to next year exceeds the sum brought into the accounts in addition to specific allocations to reserve funds of various kinds. In the last quarter a larger proportion of profits has been paid to ordinary shareholders, and this has been done at the expense of allocations to reserve or of the balances carried forward. From the table below, which gives the figures for the individual groups, it will be seen that entrenchments upon reserves were made by three groups:—

	Net Profits.	Ordinary Dividend.	Preference Dividend.	To Reserve, &c.
1924.	£	£	£	£
Breweries	6,402,189	4,247,922	459,065	1,695,202
Gas	215,861	185,352	19,189	11,320
Hotels & restaurants	136,034	110,849	6,125	19,060
Iron, coal, and steel	854,942	723,918	84.7	19,060
Land, mortgage, &c.	755,908	411,192	221,575	122,121
Rubber, &c.	1,289,801	1,080,013	83.8	166,090
Shipping	315,615	315.8	0.0	18.5
Shops and stores	461,462	170,000	36.9	137,680
Tea	553,945	394,241	71.2	97,764
Textiles	309,176	389,460	126.0	31.7
Trust companies	1,554,623	1,053,375	69.9	408,266
Waterworks	30,857	206,248	63.5	24,428
Miscellaneous	5,425,402	2,582,749	47.5	1,063,215
	18,626,799	11,930,751	3,435,529	3,260,519

In the matter of reserve allocations most of the ratios are below the average of previous quarters. In the shipping and telegraph groups the amounts paid in ordinary dividends actually exceed net profits, while in the iron and steel group the payment of ordinary and preference dividends necessitates a withdrawal from reserves or balances in hand equivalent to over 10 per cent. of net profits. These figures afford some excuse for Sir George Hunter's statements in his recent letter to the Prime Minister, but our other figures show the danger of drawing general conclusions from special cases. The largest percentage allocation to reserve is shown by shops and stores, but this

figure of 29 per cent. is, as a rule, exceeded by several groups.

Turning to earnings on capital we show below the ratio to total ordinary and preference capital of net profits and of amounts reserved in each of the past five quarters:—

	Total Ord. and Pref. Capital.	Net Profits.	Carried to Reserve, &c.
1924.	£	£	£
Third quarter	186,170,600	18,069,800	4,037,427
Fourth quarter	260,143,703	29,616,628	7,318,146
1925.	£	£	£
First quarter	404,283,51	45,306,369	10,856,359
Second quarter	554,033,191	56,985,863	11,315,407
	1,404,615,845	149,978,660	33,527,339
Third quarter	189,651,020	18,626,799	3,260,519

The ratio of profits to capital, though well below the average shown in the reports published in the four preceding quarters, is slightly better than it was in the accounts analysed twelve months ago, but the ratio of amounts placed to reserve shows a sharp fall in both cases.

The average rates paid on debenture, preference, and ordinary capital in each quarter since the beginning of 1921 have been as follows:—

AVERAGE RATES PAID.

	On Debenture Capital.				On Preference Capital.				On Ordinary Capital.			
	1921.	1922.	1923.	1924.	1921.	1922.	1923.	1924.	1921.	1922.	1923.	1924.
	%	%	%	%	%	%	%	%	%	%	%	%
1st quarter	4.70	4.61	4.67	4.43	5.3	5.7	5.3	5.3	8.8	9.9	10.1	9.9
2nd "	5.00	5.08	5.17	5.40	5.3	5.4	5.5	5.8	8.8	9.9	10.1	9.9
3rd "	5.21	4.90	4.77	4.96	4.5	4.3	4.9	5.0	7.6	8.9	9.0	9.9
4th "	4.83	5.03	4.94	..	5.6	5.4	5.8	..	8.6	9.6	10.0	..
Year	4.91	4.99	4.92	..	5.2	5.3	5.4	..	8.4	9.3	9.8	..

The average rate of ordinary dividend for the past quarter is substantially higher than in the corresponding quarters of the three preceding years, and is slightly higher than the average for the year 1924.

The final table gives the average rates paid by each of the groups, together with the average rate on ordinary capital shown in our analysis a year ago:—

	Debenture Capital.	Preference Capital.	Ordinary Capital.	Rate of Dividend.	Rate of Div. a Year Ago.
1924.	£	£	£	%	%
Breweries	11,460,116	8,680,186	23,415,462	18.1	4.9
Gas	871,254	3.1	3,302,041	5.6	6.1
Hotels and restaurants	456,109	125,000	1,032,829	10.7	9.8
Iron, coal, and steel	4,570,229	4,730,205	12,586,161	5.8	7.5
Land, mortgage, &c.	4,389,167	2,926,776	4,646,792	8.9	6.8
Rubber, &c.	955,008	371.1	9,740,053	11.4	7.3
Shipping	..	2,147,945	6,394,563	4.9	5.3
Shops and Stores	1,100,000	2,450,000	2,250,250	7.6	12.7
Tea	121,597	355,670	3,942,791	29.0	22.3
Textiles	1,485,505	250,000	3,942,791	9.9	10.0
Trust Companies	6,151,514	4.7	9,682,935	11.2	11.0
Waterworks	550,000	1,672,000	3,640,000	5.7	5.4
Miscellaneous	105,580	80,114	398,779	6.4	6.5
	11,148,674	36,929,169	38,683,301	6.7	6.8
	43,378,753	5.0	68,954,911	5.0	6.96

The high rate of preference dividend shown in the rubber group is entirely due to payment of arrears by one company. A large increase in the average ordinary dividend in this group will be noted. Seven of the groups show decreases in the average rate of ordinary dividend, and seven show increases, the most prominent of the latter being the brewery and tea sections.

THE MOTOR INDUSTRY.

(BY A CORRESPONDENT.)

EVEN to the close student of the motor industry and trade, the present situation has its puzzling features. The motor show has been a phenomenal success, and, putting aside all extravagant claims and estimates, it is certain that the volume of assured business has exceeded all previous records. So suddenly has the rush of new orders come that many manufacturers have been taken by surprise.

When we consider that this prosperity occurs in a year of general trade depression, and at a time when we are burdened with a large army of unemployed, and with

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a big excess of import trade against our export trade, one may well wonder where all the money for motoring is found.

Nor is this a momentary development. Here are figures which show the remarkable progress made in the last five years. It is not possible to go further back with any fair degree of accuracy, as no effective system of registration was in force:—

MOTOR VEHICLES LICENSED IN GREAT BRITAIN.

Year.	Private Cars.	Increase Over Previous Year.	Motor Cycles.	Increase.	Commercial Motors.	Increase.	Hackney Motors.	Increase.
		%		%		%		%
1921	250,000	17	355,000	..	135,000	17	76,000	..
1922	293,000	17	352,000	..	138,000	17	72,000	..
1923	324,000	10	391,000	11	181,000	15	77,000	8
1924	474,000	24	410,000	12	209,000	15	83,000	6
1925	580,000	23	571,000	30	224,000	7	99,000	19
5 years' increase	330,000	132	216,000	60	89,000	65	23,000	30

We see from these figures that a very rapid growth has taken place, and the cumulative effect in the short period of five years has been astounding. Judging by the results of the orders taken at Olympia this year, we shall see more than the normal number of new vehicles placed on the roads in 1926. This year, with figures only up to August 31st, it is shown that over 277,000 additional vehicles were brought into use, as compared with 1924. The vast majority of these were new vehicles, although we must make allowance for the big array of second-hand motors which are licensed occasionally.

If next year we allow that at least 300,000 more vehicles come into use, and if the increase from 1921 to 1925 be taken at 650,000 vehicles, we have the remarkable circumstance that in six years about 1,000,000 extra motors will have come on our roads.

Well may people ask how long this state of things will last, and whether we are being led. The whole situation must be reviewed with the utmost caution, for the motor industry has a long history of disastrous expansions and "slumps" behind it.

We may disregard the view that the motor is merely a luxury, and that in the national or economic interest a check should be placed on this luxury by prohibitive taxation. As a matter of fact, the British motor-user is very highly taxed, the rate on a 20 h.p. car being about four times as high with us as in America. But no Government would dare apply a prohibitive tax or repressive measures to this industry, even if it could be proved that the motor were a useless luxury.

In one form or another motors are used by most of the community. The matter must be accepted that the motor to-day is in great and ever-growing public demand. The view that it is a luxury, or that it is merely a pleasure vehicle, will no longer explain the situation. Those who hold up their hands in horror at the growth of motoring can do no good by their lamentations. We must admit the fact that under modern conditions of life there is an ever increasing demand for transport facilities.

It may seem utter futility that a youth should tear along on his motor-cycle at 50 miles an hour, or that week-end motor cars should fill our roads. These are but surface manifestations of the vast change which is taking place in our habits, our outlook, our health, our towns, and our mode of life. The motor is tending to break up the

huddling habit of the community, and but for mechanical road transport to-day our towns would be in a very bad way. We are only at the commencement of a new era in town planning, and in distribution of population based on the facilities afforded by motor transport. This will be as much the facility afforded by the private car or cycle as that provided by developments of public service vehicles. Indeed, the private vehicle is a marked reversion to individualism.

If we look at the table of increases in motor licences, we see that the most notable advance has taken place in the private cars. In five years they have increased by over 130 per cent., and during the last few years they have gone ahead of motor-cycles. The car is thus the main line of progress, and this year's Olympia show has given certain proof of another great car increase.

This wider interest in motoring is not a passing fad or craze. It is the practical demonstration that the people of to-day want more and more travel facilities, and the motor, by its wide range of action, its speed, and its handiness, is superior to every other vehicle or method of transport.

But a word of caution is necessary here. Unthinking people seem to believe that we can draw level with America in our density of cars per 1,000 people. This is a dangerous fallacy. We are a poor country now, whilst America is very rich. Cars in America are far cheaper than with us. Fuel costs the American less than half our price, and American motor taxation is only a trifle compared with our scale. Wages and money-earning powers are far lower with us, and, furthermore, America is a big continent, with a widely-spread population, whilst we are a little island with a crowded population.

Thus it would be great folly for the British motor industry to expand recklessly on account of the increased trade of 1925 and 1926. We shall reach the saturation point far more quickly than America, but we have a good way to go yet, and the rate of expansion will be determined by the general progress of the country. Until our trade as a whole is good, we must go warily with motor developments.

We must not overlook the replacement trade, however, as this is really the backbone of the home business. A car has a theoretical life of ten years, and inside that period its capital value is well-nigh extinguished. Thus, a car costing £100 will within 10 years have a market value of less than £10. To-day we have nearly 600,000 cars in existence. Their capital value is at least £120,000,000. It is a staggering fact that within ten years that immense capital sum will have wasted away almost to nothing. But assuredly every old car will be replaced, and thus the motor industry has a secure business in supplying new cars for old.

Moreover, the motor industry has set a splendid example by its policy of ceaseless progress in design, and by its enterprise in selling cars to-day which are virtually cheaper and are incomparably better than the cars of 1914.

But as a nation we cannot live by selling cars to each other, and we do not want to encourage impecunious people to rush into owning cars which they cannot afford. Our main reliance for trade expansion must be on the improved condition of the country as a whole and on the increase in motor exports.

In this latter respect the British motor industry is showing a good lead, for we are now within sight of British motor exports exceeding imports in money value. There was a time when all the cars on our roads were foreign made. For many years more than 50 per cent. of our cars were foreign, but that proportion is rapidly declining, and now the British car is finding new markets abroad.

We have boldly followed the line of developing the small-engined high-efficiency light car, and this is ousting the big-engined American car on our home market. It is also challenging the American in other markets, and as roads improve we shall see a vastly increased demand for the British type of light car. If we were courageous enough we might even invade the American market, just as the Rolls-Royce firm has done with the big British car. There is a market for large and medium-sized cars

as well as for the small car, but the great market is with the last-named type.

Many dangers and pitfalls may await the British motor industry, and its past history has been one of ups and downs. But with wise administration and judicious enterprise it should attain to great and lasting prosperity in the coming years. It has been brought up in a hard school, open to competition from all parts of the world.

ARGENTINE RAILWAYS.

THE Argentine railways are striking tribute to English effort overseas. They are British exports in the best sense of the term. It would be difficult to measure in exact terms the beneficial influence which they have had on our present cordial relations with the great South American Republic. But that they have acted as missionaries of British trade and prestige few, we think, will deny.

At this week's meeting of the Buenos Ayres and Pacific Railway, the chairman, Viscount St. Davids, had some interesting information to give regarding his recent visit to the Argentine. In the past year, he said, the cereal crop was less favourable. Weather conditions were not good, locusts did a good deal of damage, and altogether the crop came out much below a normal one. A gratifying feature in the Cuyo Provinces is that irrigation is being extended, though, unfortunately, only slowly.

"Another feature which struck me on my visit," he continued—"and I may remind you that my previous visit was paid only a year before—was the difference in those twelve months in the amount of building that was going on all over the country. There was hardly a town or village one passed through where one did not see new houses going up—good-class houses. In some cases it simply means that people who have lived in very poor shanties and have got better off are building themselves good houses; in others it means that new population is coming in. At any rate, it is a very gratifying sign, and it is going on generally."

The directors of the Buenos Ayres Western state that encouraging results for the first half of the financial year were neutralised during the second six months by the failure of the wheat, oats, linseed and barley crops in the Pampa districts owing to drought and by the holding back of wheat for higher prices. Nevertheless, they consider that conditions in the Republic are favourable; there is still a large quantity of grain awaiting transport, and the exchange position is more stable. As regards fuel supplies, the report of the Great Southern records that the supply of fuel oil from the property of the Cia Ferrocarrilera de Petroleo at Comodoro Rivadavia, in which the company holds a one-third interest, has greatly increased, the net production for the year amounting to 70,435 tons, as compared with 36,187 tons for the previous year. "The development of this enterprise," it is observed, "continues to be satisfactory." The report of this company intimates that in order to meet current outlay in connection with extensions and enlargements, and other to the ordinary and preference shareholders 291,000 of vertible, when fully paid, into 6 per cent. preference stock. This is the first time any capital has been issued by the company since 1913.

First of all we submit for notice a record of dividend distributions over recent years:—

Company.	1913-14.	1919-20.	1920-21.	1921-22.	1922-23.	1923-24.	1924-25.
B.A. and Pacific, ord. ...	nil	5	nil	nil	7	7	7
Do 5% 2nd non-cum. pref.	5	5	nil	5	5	5	5
B.A. Great Southern ...	5	7	4	4	7	7	7
B.A. Western ...	5	7	4	4	7	6	6
Central Argentine, ord. ...	5	6	4	4	6	6	6
Do deferred	5	6	nil	nil	6	6	6

Distributions are kept at the previous year's level in each case, so that little comment is needed.

In the next table the results for 1924-25 are set out:—

	Pacific.	Southern.	Western.	Central.
	£	£	£	£
Gross receipts	7,876,140	11,577,596	4,753,600	11,567,907
[Ditto for 1923-24] ..	9,130,939	10,859,175	4,935,470	11,360,047
Working expenses	5,366,153	7,752,295	3,091,156	8,063,515
[Ditto for 1923-24] ..	(5,869,682)	(6,562,843)	(3,090,758)	(7,520,674)
[Ditto for 1922-23] ..	(5,485,808)	(5,942,967)	(3,072,917)	(7,210,763)
[Ditto for 1921-22] ..	(5,318,508)	(6,259,563)	(3,226,063)	(7,389,951)
Net receipts	2,509,987	3,825,301	1,662,444	3,504,394
[Ditto for 1923-24] ..	(3,261,257)	(4,296,331)	(1,844,712)	(3,839,373)
[Ditto for 1922-23] ..	(3,186,426)	(3,643,913)	(1,570,265)	(3,445,056)
[Ditto for 1921-22] ..	(2,146,604)	(2,160,273)	(871,967)	(2,052,611)
[Ditto for 1920-21] ..	(981,397)	(1,368,254)	(377,884)	(1,966,865)
[Ditto for 1919-20] ..	(2,487,990)	(2,938,813)	(1,603,196)	(3,164,809)
Other income (less charges)	Dr 79,529	Dr 179,694	123,843	Dr 250,307
Net income	2,430,458	3,645,607	1,786,287	3,254,087
Fixed charges	1,546,246	1,145,106	524,785	908,908
Balances	884,212	2,500,501	1,261,502	2,345,179
Preference dividends ...	110,000	400,000	129,855	436,306
Ordinary dividends	700,000	2,036,300	1,040,860	1,739,926
Reserves	7	(7 %)	(6 %)	(6% ord&df)
Inc. (+) or dec. (—) in carry-forward	+ 69,482	+ 64,201	— 9,212	— 31,053

With regard to the figures of the Buenos Ayres and Pacific it is pointed out in the report that in October last the law approving the transfer of the lease of the Bahia Blanca and North-Western line from this company to the Buenos Ayres Great Southern Railway was duly promulgated, and the working of that line was accordingly transferred to the Southern Railway on November 1, 1924, so that only four months' results of the Bahia Blanca line are included in this year's figures. The remaining eight months' figures of the Bahia Blanca line are included in the accounts of the Buenos Ayres Great Southern. The gross receipts of both the Pacific and the Western are lower than twelve months ago, but those of the Southern and Central companies are higher. Working expenses are higher, though the figure of the Western under this heading shows only a very small advance, being £3,091,156, against £3,090,156. Thus in every case net receipts are below those of 1923-24, and net income shows a similar movement.

The next table distinguishes the receipts from passenger train traffic and goods traffic, giving a comparison with the figures for 1923-24:—

	Passenger Train Traffic.			Goods, Merchandise, and Live Stock.			Total (Including Miscellaneous).		
	1924-25.	Inc. or Dec.	%	1924-25.	Inc. or Dec.	%	1924-25.	Inc. or Dec.	%
B.A. Pacific	1,809,742	— 42,686	2·3	5,340,605	— 962,036	14·1	7,150,347	— 1,254,799	13·7
B.A. Gt. Sthn.	3,953,421	+ 259,828	7·0	6,869,576	+ 460,166	7·2	10,822,997	+ 718,422	6·6
B.A. Western	1,434,320	+ 9,645	0·7	3,164,507	+ 184,700	5·9	4,598,827	+ 181,870	3·7
Central	3,465,190	+ 159,410	4·6	7,635,742	+ 8,017	0·1	11,100,932	+ 207,859	1·8

Apparently passenger traffic has been the most remunerative during the year, although the B.A. Pacific shows a decline of £42,686. In contrast the Gt. Southern's passenger traffic increased by as much as £259,828, or 7 per cent., which, added to the gain of £460,166, or 7·2 per cent. in goods traffic, gives a total advance of £718,422, or 6·6 per cent. The Central also increased both its goods and passenger traffic, the increase representing 1·8 per cent. of the total, but although the Western's passenger figures were 0·7 per cent. better, there was a drop of 5·5 per cent. in passenger traffic, so that the net result was a falling off of total traffic receipts of £181,870, or 3·7 per cent. The only concern which has to record declines in traffic receipts in both instances is the B.A. Pacific, those in the passenger department having fallen away by 2·3 per cent., and those in the goods section by 14·1 per cent., so that the total is 13·7 per cent. below that of a year previously. The ratio of expenses to receipts has gone up in each case.

The changes in total receipts are compared in the table below with those of recent years:—

	1913-14.	1918-19.	1919-20.	1920-21.	1921-22.	1922-23.	1923-24.	1924-25.
	%	%	%	%	%	%	%	%
B.A. Pacific	— 12·7	+ 19·0	+ 30·8	— 16·4	+ 8·9	+ 15·1	+ 15·9	— 13·7
B.A. Great Sthn.	— 16·8	+ 25·6	+ 30·1	— 8·4	+ 3·6	+ 13·3	+ 13·3	+ 3·6
B.A. Western	— 13·0	+ 30·3	+ 41·0	— 21·1	+ 1·1	+ 13·3	+ 6·3	+ 3·7
Central Arg.	— 6·6	+ 12·0	+ 41·1	— 0·2	+ 3·1	+ 12·8	+ 6·6	+ 1·8

RATIO OF EXPENSES TO RECEIPTS.

	1913-14.	1918-19.	1919-20.	1920-21.	1921-22.	1922-23.	1923-24.	1924-25.
	%	%	%	%	%	%	%	%
B.A. and Pacific	67·63	71·51	69·69	85·68	71·24	63·26	64·28	68·13
B.A. Great Sthn.	58·56	77·96	69·19	81·33	74·34	61·99	62·06	66·96
B.A. Western	58·82	75·08	69·48	80·88	78·72	66·18	62·62	65·24
Central Arg.	58·54	84·60	67·66	79·82	78·26	67·66	66·20	69·71

The smallest advance is shown by the Western, and the largest by the Gt. Southern. Although the year's figures are better than those both of 1921-22 and 1918-19, they are still not so satisfactory as in 1913-14.

The next table shows a classification of expenditure:—

(00's omitted.)

	Running Expenses.		Maintenance.		General and Miscellaneous.	
	1923-24.	% of Revenue.	1924-25.	% of Revenue.	1923-24.	% of Revenue.
	£	%	£	%	£	%
Pacific	3,100,8	33·9	2,890,3	36·7	2,109,5	23·1
Great Southern	3,320,9	30·5	3,744,5	32·3	2,295,8	21·1
Western	1,671,4	33·9	1,636,9	34·4	1,033,2	20·9
Central	3,940,6	34·4	4,003,2	34·6	2,676,4	23·5

The Western, in commenting upon the percentage of working expenses to gross receipts, points out that the difference "is negligible, bearing in mind that they are always very closely watched, and that at all times it is almost an impossible feat suddenly to reduce expenses proportionately to the falling off in earnings, and nowadays, betwixt service regulations, higher wages, and higher cost of materials necessary for the working of the railway, it is all the more difficult."

Our final table shows the gross receipts for the first 15 weeks of the year 1925-26, together with prices of ordinary stocks compared with a year ago and the present yield:—

	Gross Receipts, 15 Weeks to Oct. 10, 1925.	Increase or Decrease.	Prices of Ord. Stks. End of Oct., 1924.	Oct. 15, 1925.	Present Yield.
	£	£	£	£	%
Buenos Ayres and Pacific	1,912,000	— 145,000	82½d	87	8 1 0
Buenos Ayres Great Southern	2,782,000	— 770,000	88½d	92	7 12 3
Buenos Ayres Western	1,171,000	— 266,000	82½d	78½	7 12 9
Central Argentine	3,109,000	— 197,000	76½d	76	7 18 0

These yields appear to be exceptionally generous when compared with those recorded in the early part of 1914. In February of that year Buenos Ayres and Pacific ordinary stock stood at 69, giving a yield of £4 7s, the dividend distribution being a modest 3 per cent. Buenos Ayres Great Southern was quoted at 116, returning just over 6 per cent. Buenos Ayres Western is recorded as 117, with a yield of £5 19s 9d, while the respective figures for Central Argentine ordinary were 105 and £5 14s 3d. Fortunately, this does not denote any sensational departure from the present faith in the future of the Argentine. There are, of course, the economic changes common to most of the prosperous younger States which may have caused conservatively-minded people to pause before taking the plunge in foreign investment. But probably the real cause is the expectation of higher yields when money is sent overseas.

LORD GREY AND THE WAR.

Books on the war litter the world "thick as autumnal leaves in Vallambrosa." The bulk of them will perish more or less speedily. Here and there one will survive, and among these we may confidently predict will be Lord Grey's "Twenty-five Years, 1892-1916." It will survive not merely in virtue of the authority with which the author speaks upon the vast complex of events in which he played so conspicuous a part, but in virtue also of its intrinsic merits. It reveals, as we might expect it to reveal, a character of rare beauty and nobility, and an outlook as disinterested as it is spacious. But it does more than this. It discovers a literary gift of a quite unusual order. The narrative moves from beginning to end with a simple dignity and lucidity that holds the mind with epic power, while convincing the judgment by its trans-

* "Twenty-five Years—1892-1916." By Viscount Grey of Fallodon, K.G. 2 vols. 42s net. Messrs Hodder and Stoughton, London.

parent fairness. Much of this effect is achieved by the severe limitations that Lord Grey has imposed upon himself. He never strays beyond his own personal knowledge of events. He tells the story from his own angle of vision, and does not pretend that it is the whole story. He tells it in the terms of his contemporary view of events, and not in the light of subsequent impressions. If those subsequent impressions have modified his contemporary view, he says so, and the book is entirely free from any suggestion of special pleading and from any desire to win a verdict other than that which is implicit in the facts.

What will that verdict be? So far as the character and intentions of Lord Grey are concerned, it cannot fail to acquit him of any share of responsibility for the war. Among the principals of the European drama it may safely be said that no one struggled with such single-minded devotion to save Europe as he did. He came on to the stage in 1892, when the loom of fate had already begun to weave its pattern. The Triple Alliance had called into being the counter alliance of France and Russia. England stood aloof. It was the period of "splendid isolation," with its complementary idea of the concert of Europe. In so far as England had sympathies they were German sympathies, inspired in part by an unbroken historical amity, in part by the sentiment of the Victorian Court. If there was fear—and there was fear—it was fear of France and Russia. Twice during the nineties we were on the brink of war with France. We were only less uncomfortable with Russia. If "splendid isolation" was to be sacrificed and we were to come down definitely into the European theatre, it seemed inevitable that we should come down on the side of Germany. There was no party dissension on this point, and it was Chamberlain who in 1899 made the famous overture to Germany suggesting an Anglo-Teutonic understanding which would cover not only England and Germany, but, if she were so disposed, also America.

We do not think it can be doubted that the diversion of that current into a contrary direction was due to German policy. While the hostility of France was open and flagrant, there was no compensating spirit of friendship from Germany. Bismarck had fallen, the young Kaiser was in the saddle, and the Bismarckian tradition of Continental dominance had given place to the dream of world power. That dream had changed the orientation of Germany. "Our future is on the sea," said the Kaiser in 1897; and then began that development of sea power in which the challenge to British security was implicit. Almost at the time that Chamberlain was making his overture, Bülow, the German Chancellor, was writing a private memorandum, quoted by Grey, in which he said that "opinion in England is far less anti-German than opinion in Germany is anti-English," and was warning his colleagues against the presence in Berlin of those English observers who knew "the depth and bitterness of German antipathy against England." Even so late as 1902, in spite of the significant cold-shouldering of the Chamberlain proposal, British opinion was still unsuspicious, and we were involved by the Kaiser in the mischievous debt-collecting expedition to Venezuela which was intended to test the Monroe doctrine, and which brought us to the brink of a grave rupture with the United States.

From that false step, and the startled reaction from it, may be dated the definite turn of the tide and the birth of the Entente with France. When Lord Grey became Foreign Secretary in 1906 the Entente was in being, had been ratified by the Moroccan understanding, had led to the first Moroccan episode, the Kaiser's visit to Tangiers, and the fall of Delcassé. "I re-entered office," says Lord Grey, "with the fixed resolve not to lose the one friendship we had made, not to slip back again into the friction of 1892-95. With Germany I wanted to be as friendly as I could be without sacrificing friendships already made." It is clear that henceforth the dominating emotion was fear—fear of the great storm that he saw gathering over the sky of Europe, and fear of our being isolated if and when that storm burst. It is difficult to avoid the suspicion that this haunting fear hampered his thought and action. He was not the author of the Entente, but he profoundly approved of it, not because he had Francophil sympathies, but because

his experience in the 'nineties of the open hostility of France and the unfriendliness of Germany had convinced him that isolation was no longer a safe policy. That he hoped to reconcile the two armed camps and to restore something like the concert of Europe is clear. He was conscious that Germany had grievances, and confesses to the discomfort in his mind "of finding us somehow engaged in blocking Germany's projects in other parts of the world. We were bound to oppose her plans when they were inimical and dangerous to British interests, but was it necessary to assume that everything everywhere that Germany wanted was dangerous to us?" He ingenuously admits that in 1906, when he came into office, he was anxious to concede a coaling station to Germany in West Africa, but discovered that in the previous year his predecessor, Lord Lansdowne, had encouraged France to resist pressure from Germany for the concession of a coaling station in Morocco.

The impartial historian will find it difficult to deny, on the large survey of events from 1906 to 1914, that British policy consistently aimed at making an accommodation with Germany possible. We stopped building capital ships; Germany went on building more. We offered a ten years' naval holiday: Tirpitz produced a more formidable naval programme. We sent Haldane to negotiate privately with the Kaiser: he returned with the confession of failure. Incident after incident increased the tension. With the Balkan war in 1912, and the success of the London Conference, there came a momentary lift of the cloud. It was Grey's hour of triumph. He seemed to have restored the concert of Europe, and for a few brief months the sky was clearer than it had been for seven years. Then, almost out of the blue, came the catastrophe. Grey fairly emphasises the refusal by Germany to accept a conference as the crucial test of the responsibility for the war. Only a little more than a year before the London Conference of Ambassadors had saved Europe. All the members of that conference were still in London. Their intervention would have checked the mad torrent of events—perhaps changed the atmosphere, perhaps even averted the disaster. But Germany said "No," and, in saying "No," precipitated war.

If criticism is directed against Lord Grey it will not be in respect of his intentions, but on the ground that his fear made him unduly subservient to France. His mind moved with a certain official rigidity, and it is difficult to resist the conclusion that the initiative throughout was surrendered to the more subtle diplomacy of our ally. The extent of Lord Grey's fear of hurting the susceptibilities of France is illustrated by his handling of President Wilson's peace overture in February, 1916. Colonel House told Grey that the President, on hearing from France and England that the moment was opportune, would propose a conference to put an end to the war. Should the Allies accept this proposal, and should Germany refuse it, the United States would probably enter into the war against Germany. As to the conditions of peace, House, speaking for Wilson, expressed an opinion favourable to the restoration of Belgium, the transference of Alsace-Lorraine to France, and the acquisition of an outlet to the sea by Russia, with certain compensations to Germany outside Europe. This overture was disregarded—it was forwarded through the French Ambassador to M. Briand, but without comment or a request for comment. Grey, fearing to give France the impression that we were weakening by mentioning the word "peace," left the initiative, if initiative there was to be, to Briand. Briand remained silent, and it was not until nine months later, on the eve of the fall of the Asquith Coalition, when the collapse of Russia seemed imminent, that Grey contemplated the communication of the House memorandum to the Cabinet, with the cautious suggestion that in certain circumstances the Wilson overture should be considered. This revelation—perhaps the most striking in the book—can hardly fail to leave behind grave doubt as to whether, in the diplomacy of Lord Grey, "I dare not" was not too often allowed undue precedence of "I would."

But in the large view of events the impression left is that the war came inevitably from the conditions of Europe. This view runs like a dominant motive through

the story, giving it coherence, unity, and something of the quality of cosmic tragedy. Given the same conditions, the same result must follow. Lord Grey does not seek to justify himself or to secure a verdict. He tells the story in order to utter a warning to the world out of the agony of his own terrific experience. "Learn or perish" is the alternative before human society. Not in better preparation for a state of things similar to that of 1914, but in a world reconciliation that shall prevent that state of things recurring, is the only hope of mankind. The talk about new and old diplomacy is useless chatter. A new diplomacy will not save us. Only a new world relationship and a new world vision can save us. Science has changed the whole basis of civilisation, and that civilisation cannot co-exist with war. If the competition in armaments is not destroyed, civilisation itself is doomed. It is with that sombre challenge to the wisdom of mankind that the book closes.

Notes of the Week.

The Price of Bread.—The Food Council is justifying its existence. As our readers are aware the harvest situation is bringing down the price of wheat, and flour, after a little hesitation, is following with it. In such circumstances bread must also come down, but there is a tendency for the baker to postpone the fall until he has got rid of the stocks bought at high prices. The action of the Food Council in making a public declaration of what they consider that bread prices ought to be, in appealing to public opinion, and in particular, to house-wives to support their view, and in taking steps to draw up a list of bakers who undertake to sell bread at what they consider the reasonable price, has undoubtedly hastened the fall in bread prices. They are, however, not satisfied that prices have gone low enough, for in their view, as in that of the Food Commission, the margin between flour and retail bread prices has been too wide. It still remains to be seen whether the Council will succeed in narrowing it. The bakers' organisations have taken this unwelcome but very welcome display of energy by an official body with a bad grace. One of them even committed the mistake of issuing a bad-tempered manifesto in which it called upon the trade to present a united front to "the undercutter, the Press, the Food Council, and the carping housewives alike." But Lord Bradbury is not the sort of man to be diverted from his course by noisy opposition. There is no doubt that since the war conditions have enabled the distributing trades of the country to retain for themselves a very comfortable margin, and that the numbers engaged in them are unnecessarily large. If the Food Council is able to show that distribution on a large scale and with economical management can cheapen the cost of living, it is in the public interest that the distributing trades should be compelled to adjust themselves to these narrower margins. This is part of the process by which the sheltered industries must come into line with those subject to foreign competition, and by so doing help to restore our international competitive power. To Messrs Catchpole and Noyes these efforts appear to be nothing but unjustified baker-baiting; in our view they are an example of the proper use of publicity and public opinion. The trade has fortunately for itself realised the effectiveness of these weapons, and has agreed to submit its costs to the examination of the Food Council's experts.

"Safeguarding" the Worst Industry.—Fortified by the strongly Protectionist atmosphere of the party conference at Brighton, the Government have ventured to set up a Committee to inquire into and report upon Bradford's demands for import duties on foreign worsted tissues or fabrics. The Committee consists of Sir Arthur Whinney (chairman), Dame Helen Gwynne-Vaughan, and Mr Ernest Bevin. This is the first Committee set up under the famous White Paper to examine the demand for protection from a considerable industry—the iron and steel application has been conveniently shelved—and it is the fruit of a long agitation. Bradford's chief grievance is

against the competition of French makers of ladies' dress goods. In 1923 a claim was made for a Committee of inquiry under Part II. of the Safeguarding of Industries Act, but came to nothing because the Baldwin Government of that day made its hurried leap into general protection, suffered defeat at the General Election, and the clauses of the Safeguarding Act under which the claim was made were permitted to lapse by the Labour Government in 1924. But with the return of Mr Baldwin to power, and the issue of the White Paper, Bradford came forward again, and the result of its persistence is now seen in this Whinney Committee. In the official notice sent out by the Board of Trade, the scope of the inquiry is confined to tissues or fabrics "of any weight from two ounces per square yard up to and including seven ounces per square yard made wholly or partly from wool or hair." These limits are rather wider than appear necessary to cover the worsted range while excluding the woollen range. They have no doubt been arranged so as fully to include within the Committee's terms of reference all those French dress materials from which come the alleged "abnormal competition" with Bradford's industry. The Committee will, of course, sit in public.

Progress in Labour Disputes.—The week has been fruitful in developments concerning labour disputes and wage negotiations. The shipping strike is, to all intents and purposes, over. In this country it had become so great a farce that Mr Shinwell and its other promoters have "called it off." In South Africa, too, it has been declared at an end. In Australia certain difficulties persist, but even there an end of the trouble is said to be close at hand. Thus ends a strike which should never have taken place; one which, had it been successful, would have struck a serious blow at the roots of the system of collective bargaining; one which, though ending in failure, has been serious enough to cause some degree of trade losses and delay, and to lessen in some slight degree the contribution made by the mercantile marine to the nation's invisible exports. Secondly, an agreement has been reached in the building trade, following the refusal of the building trade employers to ratify an agreement of which the National Federation of Building Trade Operatives had notified acceptance, on the ground that the Federation is no longer able to represent the bricklayers and plasterers, a further agreement has been considered and has received approval, after a protracted discussion on Wednesday. The main features of this agreement are that wages are to be stabilised till August 1, 1926, and that steps are to be taken to formulate a settlement of the various outstanding questions by February next. The agreement thus removes the prospect of any immediate disturbance, but it makes very little contribution towards a final settlement, apart from a suggestion that it may be necessary to abandon the principle of a national agreement in favour of area agreements, a step which is a reversion to the practice observed in 1920. It is to be noted that the bricklayers' and plasterers' unions are not a party to the settlement. These unions are at present faced by the contention of the employers that as their secession from the operatives' federation was subsequent to the date of the last settlement they are bound by the stabilisation provisions till February, but there are indications that they may endeavour to obtain increases in wage rates in the early part of next year. The outstanding difficulty which confronts the industry is not that of wages, however, but the question of hours of labour. The hours at present are 46½ in the statutory summer period and 44 in the remainder of the year, except in any area or district in which the employers and operatives agree locally to work 44 hours all the year round. In a number of districts, including Scotland, the 44-hour week has been agreed upon, but in other districts the workers generally were very restive when the longer week came into force in the spring of this year. More than one attempt has been made to settle the hours question on a national basis in the last two or three years, but the trouble remains. It is probable, however, that area negotiations may be more successful, and for this reason the most satisfactory feature of the latest settlement is the opening of the door to the resumption of district agreements. Finally the dispute over

railway wages is proceeding along normal lines. The Central Wages Board for the railways—on which the unions and the companies are equally represented—met in London on Wednesday. The companies seek an all-round reduction, while the unions put forward an "all-grade" programme. The gulf between the two positions was so wide as to make this meeting merely formal, and after several hours of discussion the expected disagreement was recorded. This does not, however, mean that a crisis has arrived. The next stage is the submission of the issues to the National Wages Board, on which the users of railways as well as the unions and the companies are represented under the chairmanship of a neutral. There is an impression that the atmosphere in regard to this dispute has undergone some slight improvement, though the gulf to be bridged remains as wide as ever.

Russo-German Trade Treaty.—On Monday at Moscow a treaty was signed between Germany and Soviet Russia. It is subject to ratification by the respective legislatures, and its text has not been published. It is said to consist of a number of special agreements and one covering document. According to the Berlin correspondent of the *Times* the special agreements deal with the right of establishment and legal protection, railways, shipping, taxation, trade marks protection, commercial arbitration courts, and consular privileges. The guiding principle of the covering agreement is the "most favoured nation" treatment, but, apparently, the Soviet State monopoly of foreign trade is not touched by the treaty. Pending the publication of its text, it must be assumed that the effect of the treaty is more political than economic. It is a gesture, and the fact that Germany has turned her eyes to the East at the very moment that she is signing the Pact at Locarno cannot be without significance. But on the practical side there is no reason to believe that Germany will find it easier than other countries to bridge the wide gulf between conflicting economic systems, or that, with the sole exception of the geographical factor, German business men will find the obstacles in the way of satisfactory trade with Russia any less formidable than they have been found by the business men of other Western nations. The news of the agreement does not seem to have created any enthusiasm in Berlin.

Oom Paul Kruger.—The outstanding personalities of Generals Botha and Smuts, and their signal contributions towards the conduct of the affairs of the British Empire, have accustomed the people of this country to accept the South African miracle as a commonplace fact. So much so that when we read the speech of a South African statesman our minds are no longer actively conscious of the fact that less than a quarter of a century ago the speaker was in arms fighting in the bitterest of struggles against British, Canadian, and Australian troops. But an event took place a week ago to-day which is calculated to remind us vividly of the ripe harvest which has sprung from the seed of faith sown by Sir Henry Campbell-Bannerman in 1909. Saturday, October 10th, was the centenary of the birth of the late President Kruger. The day was celebrated at Pretoria by the unveiling of a memorial, and a feature of the ceremony was the laying at the foot of the statue of a wreath from the King of England. If there was any one influence, beyond that of religion, which guided the policy of Kruger, it was hatred of the British. If there is any name that has ever rivalled those of Napoleon or the ex-Kaiser Wilhelm in the execrations that it aroused among the British public, it is Oom Paul Kruger. Yet within a quarter of a century we find the head of the British people paying tribute to his "sacred memory," while among those who actually suffered at his hands the grievances which led up to the Boer war, are good men who acclaim Kruger as a "great South African." Controversy as to his share of responsibility for a terrible war is stilled, and we are content to salute him as one of the great leaders of a brother nation. This surely is an example of the healing of international wounds

of which history holds few examples. Can one picture in 1941 a tribute from the French people being laid upon a memorial at Potsdam to William Hohenzollern?

The Chinese Tariff Conference.—The Tariff Conference in China, which opens in ten days' time, is being heralded by various rumours of the intention of the United States to force the pace in case European countries or, what is perhaps more probable, Japan, should show undue reluctance to recognise the Chinese claim to theoretic, if not immediate, tariff autonomy. That claim has, of course, in effect, been recognised in the Washington Agreements of 1922, but in such case there are infinite possibilities of delay in adjectives like "ultimate" and "eventual," and a danger, no doubt, exists that the Conference may end by emphasising more what is being denied to China than what is being conceded. On sentimental grounds, apart from any others, America is disposed to take a lead in China, and on more solid grounds than those of sentiment it will be a bad thing for Great Britain if our representative adopts an attitude visibly less friendly to the Chinese. The prospects, unfortunately, do not in any case look very hopeful. The increase in the Customs duties is conditional on the abolition by China of "likin," or the duties levied on no very regular or settled principle on goods in internal transit in China. Whether that abolition is possible under existing conditions may well be doubted. The likin duties levied by a province in Central China, for example, go to the province itself, and not to Peking, and there is little to justify the supposition that in the present state of relationships between the provinces and the capital, the former will be prepared to give up the bird in the hand on the chance of obtaining a bird in the bush, in the shape of a proportion of the new Customs duties handed on to them by the Central Government. But a rupture, as all the negotiators are well aware, would play straight into the hands of Russia. There should, therefore, be every disposition to attempt a compromise based on a substantial immediate increase of the tariff, coupled with definite assurances as to its subsequent abolition.

Amalgamation of the Note Issues.—The current number of the Midland Bank's monthly review brings forward the subject of the amalgamation of the Bank of England and currency note issues. The Cunliffe Committee, in its interim report in 1918, recommended that the note issue in England and Wales should be entirely in the hands of the Bank of England, but that the two existing issues, currency notes and Bank notes, should not be combined until the benefit of at least a year's experience of satisfactory working of the exchanges, with a normal minimum of gold reserve of £150 millions had been obtained. The Committee on the Currency and Bank of England Note Issues, which reported in February of this year, upheld the recommendations on this point of the Cunliffe Committee, and they have since been adopted by the Government. The Bank of England now holds gold to the extent of £160 millions, and there has been no continued large-scale movement of gold, either inwards or outwards. Provided this situation persists, it is suggested, the amalgamation of note issues might take place some time next year, if it has been found possible to set up the necessary organisation and provide the required machinery. Various changes in existing legislation will have to be made. Under the terms of the Bank Charter Act of 1844, the fiduciary issue is at its maximum at the present figure of £19,750,000. This will require material alteration. The Act of 1826 prohibited the issue of Bank notes below £5, and if the Bank of England is to take over the issue of £1 and 10s notes hitherto circulated under the authority of the Treasury, the denomination of its notes. Again, most of the Currency and Bank Notes Act of 1914 will have to be repealed. It is to be assumed, in view of the careful consideration given to the matter by the two committees, that the principle of the fixed fiduciary issue will be maintained. What the figure will be has yet to be decided, but the Midland Bank tentatively suggests a figure "somewhere above £150 millions." If, with the consolida-

tion of the note issue, the fiduciary circulation is fixed, subject only to special safeguards for special emergencies, the issue of notes and volume of credit will be dependent, as before the war, upon gold movements. If and when the note issue becomes convertible into gold coin, as distinct from bars, which is all that can be obtained under the Gold Standard Act of 1925, gold coin will again become available for public use in this country. The Midland Bank suggests that even then it is doubtful whether any large amounts would be drawn for circulation. "The note, by reason of its convenience, has become firmly entrenched in the habits of the people, and it would probably be found that individual preferences for gold coin would show themselves in the circulation of only very limited sums."

The Quarter's Shipbuilding.—Lloyd's Register Shipbuilding returns for the quarter ended September 30th show that the tonnage under construction in Great Britain and Ireland—1,009,155 tons—is over 84,000 tons less than at the end of June, 1925, and about 459,000 tons less than the tonnage building twelve months ago. The tonnage on which work was suspended at the end of September, 1925, amounts to 81,000 tons, as compared with only 37,000 tons at the end of September, 1924. The present totals are the lowest recorded since December, 1909, and are 881,000 tons below the average tonnage building during the twelve months immediately preceding the war, i.e., 1,890,000 tons. An increase is shown in the tonnage commenced during the quarter, namely, 260,551 tons, as compared with 189,805 tons during the second quarter of 1925, but the tonnage launched during the present quarter—225,236 tons—is 72,925 tons lower than that for the previous three months. The total merchant tonnage building in other countries—1,197,750 tons—is about 78,000 tons less than at the end of June, 1925. The figures for the leading countries abroad are:—Germany, 306,626 tons; Italy, 269,802 tons; France, 150,220 tons; and Holland, 127,775 tons. The tonnage commenced abroad was 244,002 tons, and 250,378 tons were launched, an increase, as compared with the previous quarter, of 11,693 tons in the tonnage commenced, and a decrease of 44,748 tons in the tonnage launched. The total world tonnage under construction—2,206,905 tons—shows a decrease of 162,926 tons as compared with the previous quarter, and is 1,239,653 tons below the highest pre-war record reached on June 30, 1913, viz., 3,446,558 tons. There are at the present time under construction in the world 21 vessels of between 10,000 and 20,000 tons each and 10 of 20,000 tons and upwards. Twelve out of the 21, and five of the larger vessels, are building in Great Britain and Ireland. The returns show that there are at the present time 48 steamers and motorships, each of over 1,000 tons, with a total tonnage of 344,136 tons, under construction in the world for the carriage of oil in bulk. Of these tankers, 19 of 135,224 tons are under construction in Great Britain and Ireland, 10 of 89,600 tons in Germany, and 11 of 65,900 tons in Holland. The tonnage of vessels now building in the world, which are to be fitted with internal combustion engines, amounts to 1,088,888 tons, while the tonnage of steam vessels under construction is 1,090,456 tons. The motor tonnage thus practically equals the steam tonnage, showing the remarkable development which is taking place in the adoption of this system of propulsion. The tonnage of motorships building at the end of September in Great Britain and Ireland—356,480 tons—amounts to 55 per cent. of the steam tonnage under construction. In Denmark, Germany, Holland, Italy, and Sweden the motor tonnage under construction greatly exceeds the steam tonnage; the combined totals for these five countries being 207,955 tons of steamers and 636,542 tons of motorships. The world figures include 103 motorships each of between 5,000 and 10,000 tons; five of between 10,000 and 15,000 tons; six of between 15,000 and 25,000 tons; and one of about 33,000 tons. The interim report on the subject of foreign competition by the Federation of Engineering and Shipbuilding Trades to the executives of the trade unions concerned comes to the conclusion, with reference to the contract for five large motor-ships placed in Germany by Furness, Withy and Co. last March, that there was no substance

in the claim made that the difference between the British price and the German price was due to the German system of inter-association of firms controlling all the processes from the raw material to the finished article, since the lowest British tender was submitted by a firm who had interests in iron and steel and coal in much the same manner as the German firm. The report gives a table of wage rates, which seems to afford a good explanation for the loss of the contract. Weekly time rates for skilled men at Hamburg are given as 35s 8d to 37s 10d, against 44s 6d at Rotterdam and 55s 6d on the Tyne; for unskilled men, 28s 1d to 30s 3d at Hamburg, against 33s at Rotterdam and 38s 6d on the Tyne.

Iron, Steel, and Coal Production.—From the September production figures just issued by the National Federation of Iron and Steel Manufacturers the decline in production of iron and steel appears to have been checked, though whether permanently or not remains to be seen. The production of pig-iron in the 30 days of September amounted to 448,700 tons, or 4,200 tons more than in the 31 days of August, in spite of the fact that there was a net loss of seven furnaces in operation during the month—the three furnaces which were blown in being of much greater average capacity than the ten which were blown out or damped down. Steel production showed a marked rise over the holiday month of August, and registered 638,900 tons, the highest output since May, and within 6,000 tons of the output in September, 1924. Imports and exports were in each case lower than any previous month this year, imports possibly on account of the Belgian strike; imports amounted to 199,000 tons and exports to 273,200 tons. A further fall took place in prices, and the Board of Trade's index number for September stood at 21 per cent. above 1913, compared with 23 per cent. in August and 40 per cent. in September, 1924. The unemployment percentage in August was 20.7 in pig-iron manufacture and 25.9 in steel rolling mills and puddling furnaces. Now that German figures of production are once more available, it is interesting to compare the production in the U.K. with France, Germany, Belgium, and Luxembourg:—

(In Thousands of Gross Tons.)

Average Monthly.	U.K.		Germany.		France.		Belgium.		Luxembourg.	
	Pig-iron.	Steel.	Pig-iron.	Steel.	Pig-iron.	Steel.	Pig-iron.	Steel.	Pig-iron.	Steel.
1923	620.0	706.8	404.9	517.2	445.6	419.1	179.1	186.2	115.4	98.3
1924	609.9	685.1	640.9	806.8	625.2	566.0	230.3	234.7	177.0	154.3
1925—										
1st quarter.....	574.8	647.4	910.1	1,163.4	654.7	585.4	254.8	247.5	187.9	166.2
2nd "	551.6	611.5	918.1	1,078.8	687.7	585.1	247.9	229.8	186.1	165.8
July	492.7	590.4	872.0	1,014.9	712.8	615.6	165.8	152.7	199.4	179.1
August.....	441.5	477.1	753.9	885.4	781.4	607.1	163.4	147.9	198.7	170.8
September.....	448.7	638.9								

The effect of the metallurgical strike in Belgium will be noticed, but apart from that all countries show steady progress, and Great Britain will be the only country in which production for 1925 will be less than for 1924. Small wonder that the condition of the industry is causing concern to the Government, and that the Prime Minister was himself present at a meeting of the Civil Research Committee on Monday last at which the position was considered. The output of coal in the four weeks ending September 26th averaged 4,301,800 tons per week, compared with an average of 3,899,000 tons per week in August, when output was affected by the holidays. Exports of coal increased and amounted to 3,902,000 tons, compared with 3,272,100 tons in August and 5,098,400 tons in September, 1924. Of the total exports 725,600 tons went to France, 567,400 tons to Italy, 377,900 to Germany, and 278,300 tons to Sweden.

Iron and Steel Production in Germany.—The issue of *Stahl und Eisen* for October 8th contains the welcome announcement that in future production statistics of iron and steel will be published regularly—the production of pig-iron and crude steel monthly, and of rolled products at longer intervals. The results for the years 1910 to 1924 were published in *Stahl und Eisen* of February 12th and 26th last, and summarised in our issue of March 28th. The current issue gives the monthly production of pig-

iron and of steel from January, 1924, to August, 1925; pig-iron is analysed according to the kinds of pig-iron produced, and also according to the producing districts, while steel is also divided as between the bessemer and open-hearth processes, and as between acid and basic. Since the figures have not yet appeared in any English journal, we give in the table below the number of furnaces in blast and the production of pig-iron and steel monthly from January, 1924:—

GERMANY—FURNACES IN BLAST AND PRODUCTION OF PIG IRON AND STEEL MONTHLY, JANUARY, 1924, TO AUGUST, 1925.

1924—	Furnaces in Blast.	Production—	
		Pig Iron.	Steel Ingots & Castings.
		(In Metric Tons.)	
January	80	377,800	486,900
February	86	492,000	622,900
March	98	649,100	843,700
April	107	698,400	943,000
May	94	520,000	670,400
June	103	559,500	723,000
July	99	719,300	912,600
August	90	681,200	808,900
September	90	696,700	866,400
October	96	759,200	939,600
November	101	786,000	968,600
December	106	873,000	1,049,200
		7,812,200	9,835,200
1925—			
January	113	909,800	1,180,900
February	120	873,300	1,155,400
March	122	990,600	1,209,300
April	119	896,400	1,064,400
May	120	960,500	1,114,700
June	119	941,200	1,108,800
July	108	885,900	1,031,000
August	101	765,900	899,400

It will be seen that the production rose fairly steadily from the beginning of 1924 until March of this year, when a maximum was reached, both in the case of pig-iron and of steel. Since that date there has been a decline of practically 25 per cent. in each case. Of the total production of pig-iron in the first half of this year (5,571,900 tons), 79 per cent. was produced in the Rhenish-Westphalian district, and of the output of steel (6,833,500 tons) approximately 81 per cent. also was produced in the Rhenish-Westphalian district.

After the Rubber Boom.—A Stock Exchange correspondent writes:—The flame of excitement which has been burning so brightly during the past few weeks in the rubber market suffered an extinguisher a few days ago when it was reported that negotiations were on foot which, if completed, might result in a considerable addition being made to the exportable allowance of rubber permitted under the Stevenson Restriction Scheme. As everyone is aware, the companies will be allowed automatically to increase their exportable allowance by 10 per cent. on November 1st next, and for this the market was quite prepared. According to cables received from unofficial sources, there is a possibility of the allowance being raised by another 10 per cent., making it 95 per cent. of the standard production total. Without stopping to inquire into the likelihood of this report being true, or to discuss the effect which, if correct, it might have upon the rubber industry, speculators rushed helter-skelter to sell their rubber in Mincing lane and their shares in Throgmorton street, with the result that there has been a very noticeable setback in the prices of the raw stuff and of shares. The loss was partially regained, but the boom, as such, has suffered a check. There has been a good deal of scattered selling, people coming in from all parts of the provinces as well as London with a view to lightening their commitments and taking the remarkably fine profits which, in the majority of cases, they are still able to secure. By unanimous consent, the position and outlook for the industry are as promising as ever. It is not thought likely that raw rubber will fall back to any material extent. Only the hyper-cautious take into consideration the fact that the Americans have recently started to plant rubber, and that, in five or six years' time, they may be able to supply from their own fields a good proportion of the rubber that they will require. But what may be called the technical position in the Stock

Exchange is the reverse from what it was a week ago. Experience shows that every boom is succeeded by reaction, and, what is less well recognised, that once a check has been administered to a furiously rising market, it takes a good deal to relight the fires of enthusiasm whose flames sent prices soaring. In spite of the fact that contango facilities have been neither extensively granted nor demanded, the fact remains that people are left bulls of rubber shares which they bought more or less as a speculation. Behind these, however, there stands a solid phalanx of speculative investors who have been attracted by the extraordinary change in the position of the rubber industry, and who are impressed by the bumper dividends being declared every day. They know that the results for the periods just finished are likely to be greatly exceeded by those to come in a year's time, and that the dividends for 1926 can be trusted to outstrip those of 1924-5.

Bunker Oil.—The fall in the prices of bunker coal has been followed by a reduction of 5s per ton in the price of fuel oil and of 10s per ton in that of Diesel oil. This brings back fuel oil and Diesel oil nearly to the price-level ruling at the beginning of 1924. It is somewhat remarkable that bunker oil prices up to this point should have remained stable for a little more than a year, seeing that the balance between supply and demand in the fuel oil business is almost impossible to maintain. The fluctuations in prices since "bottom" prices were reached in July, 1922, have been as follows:—

U.K. PRICES PER TON, EX TANK.					
	Fuel Oil.			Diesel Oil.	
	s	d		s	d
July 15, 1922	60	0	.....	80	0
February 12, 1923	65	0	.....	80	0
March 9, 1923	70	0	.....	85	0
January 4, 1924	72	6	.....	87	6
February 2, 1924	77	6	.....	92	6
March 4, 1924	82	6	.....	102	6
April 7, 1924	87	6	.....	107	6
July 4, 1924	82	6	.....	102	6
September 22, 1924	77	6	.....	97	6
October 3, 1925	72	6	.....	87	6

These prices are "ex tank" at the bunkering depôts. For inland consumers there is an extra charge of 5s per ton, except in the case of Diesel oil, which is explained, no doubt, by the fact that Diesel oil for ships' bunkers has to be of a specially high grade. This reduction in bunker oil prices can hardly be taken as another attack on the coal bunkering trade. The price of fuel oil, having regard only to calorific values, is still above its parity with that of coal. Shipowners who use fuel oil are using it for the indirect savings it brings and the increased efficiency that is gained. Industrial plants are converted from coal to fuel oil burning for the same and other advantages, such as cleanliness in the case of bakeries, food factories, hotels, and stores. In all cases it is not merely the question of comparative prices that decides the type of fuel consumed. It should, of course, be appreciated that the volume of fuel oil consumed in place of coal in industrial plants is a negligible, and in the case of ships' bunkers still a very small, percentage of the total volume of coal consumed. For example, for the eight months ending last August only 670,000 tons of fuel oil were shipped as bunkers for vessels engaged in foreign trade as compared with nearly 11 million tons of coal. The recent reduction in oil bunker prices can, therefore, be regarded not as an attack on coal, but as an indication that fuel oil supplies are on the increase, and that the stocks of the large oil companies are becoming swollen. The rapid development of the Venezuelan oilfields this year, which are big exporters of fuel oil, and the exceptional increase in the heavy oil production of the American fields are the chief causes of the over-supply of fuel oil prevailing in the world's markets.

Conditions in Cuba.—Late advices received from Cuba writes a correspondent, give the estimated yield of sugar, from the 170 mills that have been grinding this season, at 5,100,000 tons (a not inconsiderable contribution to

the world's entire consumption of between 18,000,000 and 21,000,000 tons), and forming a production well in advance of 1924. The size of the output has occasioned some surprise, in view of the unsettled labour situation and the several mill strikes that characterised the beginning of the season. The trouble was only temporarily quelled by the offer of higher wages. It is recognised that before the next sugar season comes round a considerable change in the labour position will have to be met and surmounted. This must have no small bearing upon the expense-ratio of the principal sugar-carrying railway, the United Railways of the Havana, with its highly-organised system of 1,250 miles of track, mainly dependent upon the fortunes of the sugar industry. It is not thought possible that the present moderate ratio of 62.58 per cent. working expenses can be for long maintained. The margin of profit realised upon sugar sales is regarded at present as no more than ample to finance operations, and but little surplus remains available to liquidate old balances. The low selling prices of the cane product—falling in December last to \$0.03 per lb—greatly disheartened planters, who have received little encouragement since the news of large crops swamping the market from Hawaii, British India, and Java, which has suddenly become an important factor in the market. In Europe, also, heavier beet supplies are now forthcoming, Bulgaria, France, and Hungary being contributors to the estimated production of over 8,000,000 tons, this year, or about 25 per cent. above that of last season. While the Cuban Budget for the fiscal year 1925-1926 exhibits an increase in expenditures and revenues—\$83,787,590 and \$84,791,649 respectively—these advances are likely to prove more apparent than real. The 1924-1925 Budget (expenditure \$65,138,643, and revenue \$71,048,200) was merely a continuation of the Budget of 1923-1924, and showed little vraisemblance to the actual revenue and expenditure, both of which were swollen by unexpected and unanticipated amounts. The floating debt is being satisfactorily settled, however, in accordance with the law specially passed providing for the same in the form of instalments over a period of four years. The close of the year threatens trying times for many Cuban industries, which, kept in a state of continual unrest by the labour and political situation, find it difficult to shake off the partial paralysis that has befallen them. The building trades would appear to be an exception, but even here financing new projects has become exceptionally difficult. In Eastern Cuba, which is always affected by conditions on the sugar plantations, several proposed undertakings have been temporarily abandoned, and a close time in such luxuries as motor-cars and pianos, costly garments, &c., has been declared. There has been a heavy increase in unemployment, while one report has it that some food-importing firms, hard pressed, and in order to secure funds to meet maturing bills, have been compelled to dispose of their stock at prices much below cost.

Uruguayan Railways.—The report for the year ended June 30, 1925, of the Central Uruguayan Railway and its extensions shows that, in spite of a fall of 9.78 per cent. in net receipts, it has been found possible to pay increased dividends. The much smaller loss on exchange, £84,476, as against £167,392, has prevented any fall in the balance available for distribution. In Uruguay railway receipts depend closely upon the prosperity of the meat trade. This industry has in the past year suffered severely from a dry spring, followed in May and June by torrential rains, from a plague of locusts, and from the diminishing demand for animals of the Continental type owing to a new French and Belgian liking for prime meat. Trade with Brazil has been curtailed by the unsettled condition of the State of Rio Grande (Brazil). It is interesting to hear the complaint of the general manager that "the short distance traffic of the Central Railway proper was prejudiced by the competition of road transport." Results for the combined system for the past 12 years are summarised in the following table:—

LEGAL & GENERAL ASSURANCE SOCIETY LIMITED

Established 1836.

LEASEHOLD REDEMPTION POLICIES

Head Office: 10, FLEET STREET, LONDON, E.C.4.
near Temple Bar.

Assets Exceed - - £16,750,000

General Manager: W. A. WORKMAN, F.I.A.

Year.	Gross Receipts.	Expenses.	Profit.	Percentage of Expenses to Receipts.
	£	£	£	%
1913-14	1,103,229	622,727	480,502	56.44
1914-15	946,767	562,684	384,083	59.43
1915-16	1,088,956	669,208	419,748	61.45
1916-17	1,178,602	771,433	407,169	65.45
1917-18	1,542,320	1,010,288	532,041	65.50
1918-19	1,792,804	1,219,680	573,113	68.03
1919-20	1,892,902	1,245,944	646,958	65.82
1920-21	1,879,630	1,504,995	374,635	80.07
1921-22	1,891,302	1,207,917	683,385	63.87
1922-23	1,989,203	1,172,769	816,434	58.96
1923-24	2,102,656	1,252,765	849,891	59.58
1924-25	2,074,710	1,307,709	766,803	63.04

The decline of 1.3 per cent. in gross receipts is due to smaller receipts from livestock. Cattle traffic yielded a total of £385,528 (fall of 8 per cent.), and sheep traffic yielded £34,869 (fall of 42 per cent.). Goods traffic, on the other hand, produced £46,024 (5 per cent.), and passenger traffic £2,712 (1 per cent.) more than in the previous year. Total working expenses were 4 per cent. higher than last year. Analysis of this increase shows that salaries and wages were responsible for £45,579, fuel for £3,456, general material and sundries for £998, and "other expenses" for £6,975. More men have been employed on stations and trains in order that working hours might be reduced to the legal eight hours' day. Expenditure on fuel oil has risen by £27,171, and expenditure on coal has fallen by £23,669. Exceptional expenditure for the repair of damage by floods in the northern extension totalled £11,822, and was debited to the renewal fund. Separate figures for the main line and the extensions are given below:—

	Gross Receipts.	Working Expenses.	Profit.	Percentage of Expenses to Receipts.
	£	£	£	%
Central Uruguay	1,448,169	1,003,348	444,821	69.28
Eastern Extension ..	315,628	145,423	170,205	46.07
Northern Extension ..	158,212	75,150	83,061	47.5
Western Extension ..	152,700	83,985	68,715	55.0

The decrease in net profits on the Eastern Extension was £1,022 and on the Northern £3,274. On the Western Extension there was an increase of £270. After paying fixed charges and interim dividends on preference ordinary shares the main line accounts shows a balance of £146,123. Payment of a final 2½ per cent. on the 5½ per cent. preference shares and of 3½ per cent. on the ordinary shares (making 6 per cent. in all, as against 5 per cent. last year) absorbs £92,000, and a balance of £54,123 is carried forward. The Northern Extension paid 6 per cent., as against 5½ per cent. last year, and the eastern 9 per cent., as against 8½ per cent.

The Scarcity of Zinc Supplies.—There has been an intense run of demand on G.O.B. zinc, just lately, on clear indications of a serious shortage of supplies on a rather deficient world's output, combined with a steady increase in consumption. The price for near delivery this week has risen to about £40 15s a ton in the open market—the two extreme points reached last year were £39 and £29 15s—but it is to be feared that consumers will be faced with a serious state of scarcity over the end of the

year, which will render the establishment of still higher prices almost inevitable. In fact, the position threatens to become acute and almost similar to that experienced about five years ago, when the scarcity which followed the war period enabled the American producers practically to dictate their own terms for European purchases. From the lowest point seen this year, current values indicate an appreciation of, roughly, £9 10s a ton, but the world's stocks have dwindled fast within the last two months, being estimated at well under 20,000 tons, or only about one-half the estimates current about six months ago, when consumption was on a more restricted scale owing to decreased activity in the galvanised sheet industry. This industry across the Atlantic has been very active lately, and the mills in this country are doing much better. In addition to this, there has been a large expansion in the outlet for zinc sheets, an order coming to hand this week from the River Plate for 1,000 tons. There has been a shortage of zinc ores for some time past, which partly accounts for the backward state of the metal output. The latter has been practically stationary in America for months past, and at a diminished rate in Belgium. The American statistics cabled this week for September are certainly very striking. Smelter's production was 47,384 short tons, against total deliveries of 52,620 tons (including shipments to Europe of about 4,000 tons), so that stocks were reduced by 5,236 tons to 11,796 tons, this being the lowest record for years. Stocks in Belgium are said to be small, and there is no large surplus in Germany. An increased output is badly needed if current needs are to be adequately met; this country's consumption now calls for imports at the rate of about 12,000 tons a month. It may be recalled that the top price touched in 1920 was about £64 a ton.

Band Reports.—Our Mining correspondent writes:—The annual statements are now available of the four "Corner House" companies whose accounts are made up to June 30th. Of these, by far the most important, of course, is the New Modderfontein. This company continues its record-breaking career. Although the gold premium during the period covered brought in only £68,100, as against £229,500 in 1923-24, the working profit came out more than £100,000 up at £1,939,000. An increased tonnage was crushed for a yield of 9.9 dwts, or about $\frac{1}{2}$ dwt more than previously. The working expenses were inflated by outlay in connection with the equipment of the mine with improved appliances, and also by the performance of a substantially increased development footage. Nevertheless, the ratio remained at the former level of 17s 1d per ton. The final dividend of 60 per cent. raised last year's total to 110 per cent., as against the round 100 per cent. paid in respect of the two preceding periods, and still left the increased balance of £263,200 to be carried forward after providing nearly £300,000 for taxation, as well as a net outlay of £121,700 upon capital account. On the whole, the development work was not quite so productive as before, the ore reserves at 9,090,000 tons, value 8.5 dwts, showing little change. It is interesting to note that in addition to the work on the main reef leader, a considerable amount of prospecting was done on upper leaders in the north-west section of the mine. It is not yet possible to gauge the extent of these ore bodies, but results so far are encouraging; of the distance sampled, 60 per cent. exposed payable reef. The greater part of last year's capital expenditure was incurred in the sinking of the No. 2 circular shaft and incidental work. The consulting engineer intimates that further heavy outlay will be necessary during the current year in the same connection. Nevertheless, there appears every prospect that the company will be able to maintain its improved results. The full statement of the Modderfontein East adds little to the summary of salient particulars cabled some weeks ago, and commented upon in our columns. The report of the Consolidated Mine Reef confirms the impression based upon the quarterly reports that developments during the year had taken a turn for the better from the standpoint of values. At 1,104,200 tons the ore reserves show only a small expansion over those at the end of June, 1924; but the value, 7.6 dwts, is $\frac{1}{2}$ dwt up. Even now, however,

the company is not in a position to keep its mill going with ore from the estimated reserves; hence it will be necessary to continue the policy of obtaining as much material as possible from reclamation and other sources. From the financial standpoint last year's results display a considerable falling off, the effect of a fair increase in the quantity of ore milled, and of a reduction of 1s per ton in costs, being more than offset by the great decline in the revenue from gold premium. Hence the working profit figures at no more than £126,000, as compared with £189,400; and after providing for capital expenditure and taxation only 8 $\frac{1}{2}$ per cent. could be paid, as against 12 $\frac{1}{2}$ per cent. in respect of 1923-24. Even now the credit balance has had to be drawn upon to some extent. The shares have lately been in demand for Johannesburg account, from which the inference may be drawn that developments have at any rate not shown any falling off since the close of the financial year. The report of the Nourse Mines, one of the older main reef propositions, does not make at all a good showing. An increased quantity of ore was milled at a smaller lower cost ratio than before, but the grade of the ore fell away somewhat, and the revenue from gold premium amounted to only £15,500, or about a quarter of the amount for the preceding year. Hence the total working profit figures at no more than £29,700, in place of £98,000, the average per ton being 1s, as against 3s 5d. Accordingly, the dividend had to be cut down from 8 $\frac{1}{2}$ per cent. to 2 $\frac{1}{2}$ per cent., leaving the slightly increased balance of £80,400 to go forward. The development footage totalled 27,700, in place of 21,400; nevertheless, the ore reserve tonnage of 1,001,200 tons shows a small decline, and enhances the necessity of conserving the reserves. Operations were to some extent hindered by shortage of native labour during the latter half of the period. Altogether, unless some drastic change has taken place in the meantime, it is difficult to understand the recent improvement in the price of the shares.

Transvaal Output in September.—The output of gold from the mines of the Transvaal amounted to 797,247 ounces of fine gold during the month of September, which compares with 808,218 ounces produced in August and 799,422 ounces in the month of September last year. The following table shows the monthly output for the past six years:—

	1919.	1920.	1921.	1922.	1923.	1924.	1925.
January..	676,069	670,503	651,593	639,728	764,469	796,768	823,692
February..	636,728	625,330	558,137	639,728	704,370	760,617	753,925
March ..	712,379	707,036	671,123	639,728	761,526	795,671	825,479
April	694,944	686,979	681,382	511,338	743,651	768,923	787,519
May	724,995	699,041	687,776	629,786	786,564	808,003	813,949
June	702,379	715,957	678,490	675,697	755,309	773,053	780,251
July	725,497	736,099	689,565	730,635	754,306	829,437	818,202
August	706,669	702,083	711,526	752,490	769,371	809,571	808,218
September	698,558	682,173	691,026	747,089	739,504	799,422	797,247
Total 9 months	6,278,208	6,225,201	6,021,508	4,686,763	6,779,730	7,142,465	7,207,782
October..	723,722	662,472	707,825	778,159	753,843	827,581	778,159
November	677,970	633,737	704,236	764,476	780,639	802,313	780,639
December	650,791	632,215	661,847	790,712	778,849	825,273	778,849
Total	8,330,091	8,153,625	8,114,516	7,020,110	9,133,060	9,597,634	9,597,634

The following table shows the number of natives employed at the end of the last few months by members of the Witwatersrand Native Labour Association and Contractors:—

	Feb., 1925.	Mar., 1925.	Apr., 1925.	May, 1925.	June, 1925.	July, 1925.	Aug., 1925.	Sept., 1925.
Gold mines	182,099	179,061	176,198	172,982	169,810	169,433	168,900	169,365
Coal mines	15,530	15,634	15,823	16,180	16,474	16,582	16,420	16,874
Diamond	3,187	2,969	3,071	3,72	2,989	3,166	3,068	3,224
Total	200,816	197,664	195,092	192,334	189,273	189,181	188,388	189,463

The number of natives employed in all sections of mining shows an improvement during this month.

International Statistical Institute.—The sixteenth session of the International Statistical Institute was held at Rome from September 27th to October 2nd. But for the war—when its operations were necessarily suspended—this would have been the twentieth session, as the Institute was founded in London in 1885, and, under its rules, meets biennially. This was the second meeting

of the Institute at Rome, the first having been held in 1887. The local arrangements were made by an Organising Committee, of which Professor Panteolone was chairman up to the time of his death. He was succeeded by Professor Benini. Up to a few days before the meeting, the secretaryship of the local committee was held by Signor Aschieri, Director-General of Italian Statistics, who was succeeded on his death by Signor Antonucci. The work of the session was divided between three sections, dealing respectively with (1) Demography and Method, (2) Commercial Statistics, and (3) Social Statistics. Reports were presented to the Second Section from the Joint Committee of the Economic Section of the League of Nations and the Institute on the Classification of Industries, Censuses of Production, Statistics of Production of Excisable or Dutiable Commodities, and Statistics of Stocks; and to the Third Section from the Joint Committee of the International Labour Office and the Institute on Statistics of Cost of Living, Industrial Accidents, Unemployment, and Wages. Those reports aroused animated discussions, not only in the sections, but again when submitted with amendments to the General Assembly. Arising out of the report on wages, a committee of the Institute was appointed to study the question of the relationship of wages to cost, quantity, and value of production. The question of statistics of stocks of commodities was referred back to the Joint Committee for further examination. The membership of the Institute, which is limited to 200, was much depleted by death during the war period, but elections held since then have resulted in raising the present number to 169, in addition to eight honorary members. About one-third of these have been elected since the war, and they include many of the younger generation of official and unofficial statisticians of all countries. In view of the large influx of new members, and of the establishment of various international organisations in recent years, it was decided to consider a revision of the rules for submission to the next session of the Institute, which will be held in 1927 in Egypt.

SIR JOHN FERGUSON, President of the Institute of Bankers, will deliver his presidential address in London on Wednesday, October 28, at the Skinners' Hall, Dowgate hill, near Cannon street Station, at 5.30 o'clock. He will also address the local centres at Newton Abbot and Plymouth on October 21st, and the Institute of Bankers in Ireland at Belfast on Tuesday, November 3rd.

Oversea Correspondence.

UNITED STATES.—FRENCH DEBT NEGOTIATIONS—EFFECT OF BRITISH BANK RATE CUT—COMMODITY PRICES.

(FROM OUR CORRESPONDENT.)

NEW YORK, October 6.

THE rather sudden collapse in the French debt negotiations, which came just after hopefulness had turned to optimism, caused a wave of disappointment that has been followed by a feeling that the outcome, perhaps, was not so bad after all. Just what the cause of the collapse was is not entirely clear. Some went so far as to say, and with a certain air of what is, perhaps, misleading plausibility, that indiscreet publicity killed the settlement. According to this view, the French delegation gained the idea that a section of the American commission favoured the acceptance of M. Caillaux's offer; but premature publicity from French sources not only upset the American commission, but allowed the irreconcilables to rush to the President with strenuous protests before the American commissioners were able to reach the executive. However, it probably is nearer the truth to say that a difference in opinion over French capacity for payment, and hence in opinion over French capacity for payment, and fear, on both sides, of troubles with the legislative branches of the two Governments, were the real obstacles. One may assume that the readers of this letter are

familiar with M. Caillaux's first and second offers, and with the counter proposals of the American commission. The difference in the two theories of French payment capacity that were embodied in these different positions may be explained, perhaps, by, on the one hand, the French conception of their country as an old one with a stationary population, and, on the other, the American idea of natural French recovery and natural French growth. The contrast in these conceptions is not unnatural when the experiences and psychologies of the two peoples are taken into account. In any event, it led to a somewhat paradoxical situation in that the Americans were inclined to argue what they would have considered to be the French position—that is, small early payments and comparatively large ones later on, while the French were placed in the position of arguing what might have been regarded as what the Americans would want, that is, relatively large payments at once.

The final proposition, with France paying M. Caillaux's offered \$40,000,000 for five years, does not, of course, provide the final settlement that had been hoped for. It thus fails to provide that element of stability in international finance that had been considered as one of the chief benefits that would accrue from the negotiations. It makes more difficult the settlements with other debtors, and it leaves French credit still somewhat in the air. It also leaves the question of the French debt to plague the politicians and their publics afresh. These are fairly clear disadvantages. On the other hand, the final arrangement does have this considerable merit. Neither side really has a very clear idea of what France will be able to pay five or ten years from now. Such being the case, the temporary settlement, which constitutes a partial moratorium, will provide a period during which evidence on the point of capacity will accumulate. At the end of five years, so many of our bankers reason, we shall have a great deal better idea of what France can pay than at present. Some of our bankers and economists point out, in fact, that it would have been unfortunate for M. Caillaux to have signed up for amounts that France could not pay, perhaps amounts as large as he offered. The French Finance Minister's reply probably would be that his offers were contingent on the much-discussed safeguard clause.

The next steps in the matter are, of course, with the two legislatures. If the French legislature accepts the arrangement, it is assumed that the American prohibition on French loans will be removed. Meanwhile it is taken for granted that our bankers would, in any event, wish to watch the trend of developments before pushing ahead with any important loan negotiations. Before leaving the subject, it may not be amiss to emphasise one useful purpose that the negotiations have served. The French have acknowledged their debt in unequivocal terms, and have made a serious and sincere effort to fund it. That certainly is an important gain. So is the fact that the negotiations were conducted with frankness and good feeling. Nothing happened to shake the negotiators' confidence in each other; on the contrary, it is altogether probable that both sides had a much fairer appreciation of each other's position when the negotiations were over.

The surprise over the collapse at Washington was equalled by that occasioned by the reduction in your Bank rate. For some weeks our market had been giving a great deal of attention to the possibility of a rise in the Federal Reserve Bank's discount rate. The advance in open market rates and the speculation in securities that had been going on on this side of the water had made many of our observers feel that a higher Bank rate here was more or less inevitable. Preoccupation with this line of thought led our people to overlook what was going on in the London money market. The idea of a cut in your Bank rate never occurred to them. When the cables did bring the news from London there was a sharp revulsion in feeling with regard to our own Bank rate. Market followers quickly assumed that with sterling close to the gold point and with the exchange under pressure on account of autumn needs, our central banking authorities hardly would take a step that would add to the difficulty of your position. In addition, it was pointed out that a higher Bank rate here would simply serve to attract more gold and balances from your side, and so furnish the basis

for a further expansion of credit here. An advance of the discount rate would also, it was argued, provoke liquidation in securities and, perhaps, check the not too insistent industrial revival. In both cases the effect would be to restore cheap money, just as your higher Bank rate of the early spring attracted the funds that finally lowered rates in your open market. The conclusion of this line of argument was that an advance in the discount rate now would check the present speculation and prepare the way for a new one. As a matter of fact, the market now thinks much less of the possibility of an advance in the Federal Reserve rate.

Following the cut in your Bank rate, activity in the share market increased sensibly. In the ensuing week the turnover has been very heavy, sales passing the two million share a day mark. Prices have not, however, advanced sharply except in relatively few instances. The new buying that was released by the change in ideas on the money market has been met by rather heavy profit taking from more conservative holders. It remains to be seen whether a new set of buyers will succeed in adding to the profits of the old. That sort of thing has been going on for some time, many "insiders" having been bearish on their shares from much lower levels. Market loans undoubtedly are very high; but this situation finds an offset in the fact that the banks hold an unusually large volume of high-class collateral against these loans, and that brokers' customers seem to be maintaining unusually large margins.

Current indices of commodity prices give no clear line on the question of whether an inflation is likely to develop. At present the movement of prices is irregular, with agricultural commodities reacting and industrial commodities firming up slightly in sympathy with the recent recovery in industrial activity. During September, Dun's index fell half of 1 per cent., this decline following one of 1.2 per cent. during August. On the other hand, Bradstreet's index rose 0.4 of 1 per cent. during September after having fallen 1.1 per cent. in August. There have been sharp declines in the prices of breadstuffs. Textiles and metals rose slightly. As yet there is little tangible evidence of an inflationary tendency in commodities. Perhaps our securities market is absorbing the money that might have been expected to set commodity inflation in motion.

FRANCE.—M. CAILLAUX'S RETURN—THE DEFT QUESTION—THE ECONOMIC POSITION—POLITICS AND FINANCE.

(FROM OUR CORRESPONDENT.)

PARIS, October 14.

M. CAILLAUX has returned from Washington ostensibly unsuccessful, but it would not be going too far to say that his non-success has been received by French opinion with a deep sigh of relief. France has made an offer to pay her debts both to Great Britain and to the United States, and has thereby shown her goodwill. Her offer to Great Britain ended in a tentative agreement being come to, but it cannot be said that the outcome of the London negotiations was greeted with any enthusiasm. The nation, as a whole, is convinced that it is not in a position to liquidate its debts to its two great war allies, and its attitude to the Caillaux missions to London and to Washington was certainly nothing more than one of benevolent neutrality, coupled with a barely concealed apprehension that the Finance Minister might really come to an agreement that would involve the country henceforward in substantial additional annual burdens. The feeling experienced when the failure of the two Governments to come to an agreement in Washington became known was exactly expressed by one of the newspapers, which remarked that, as the acceptance of any of M. Caillaux's offers would have been disastrous for France, his failure can only be regarded as a distinct diplomatic victory. Satisfaction is therefore felt at the fact that, now a much better offer than would be likely to be ratified by the Chambers has been rejected, the settlement of the whole inter-Allied debt question may be regarded as having been postponed for at least a few months.

We may now expect to witness a vigorous campaign, with the object of demonstrating to the world the inability of France to carry out even the tentative offers made to London and Washington. This campaign, indeed, has already begun, and will undoubtedly grow increasingly insistent in the near future. Behind it, as was suggested here a fortnight ago, is the doctrine that the only practical solution of the inter-Allied debt question is mutual annulment; and it must be admitted (ignoring for the sake of argument, the fact that annulment, in the end, would mean direct cash sacrifice by the Americans, with only indirect benefit to the United States in the shape of the restoration of the world as a whole to economic health) that a very strong case is presented by the French thesis. At present, however, the annulment idea is not being given marked prominence. What is being emphasised is the actual situation of France, for the purpose of manifesting her impotence to satisfy her British and American creditors. In this connection a striking article is published this morning from the pen of M. Henry Bérenger, the president of the Senate Finance Commission, who was one of M. Caillaux's principal lieutenants at Washington.

M. Bérenger points out that the Budget for 1926 calls for the payment by the French people of 37,000,000,000 of taxation, which for a total population of 39,200,000 works out at an average of 940f per head. The average income per head being 3,830f in 1925, this is equivalent to saying that the average Frenchman pays 25 per cent. of his total income in taxation, compared with 23 per cent. by the Englishman, 19 per cent. by the Italian, 17 per cent. by the Belgian, and 11½ per cent. by the American, "while the German statistics are so well camouflaged that it is impossible to get at the facts in regard to that country." M. Bérenger quotes Mr Winston, the Under-Secretary of the United States Treasury, as having told him in Washington that he was convinced the limit of taxation had been reached in this country. (M. Caillaux insisted on the truth of this view in his statement to the Finance Commission of the Chamber yesterday.) Dealing with the charge brought by Senator Borah and his friends in the United States, that France is wasting her resources on militarism, M. Bérenger asserts that whereas in 1913 this country's expenditure on her army and navy was equivalent to \$87 per head of the population, it is now only \$68.

To the accusation that France is flourishing economically, and has enriched herself since the war, M. Bérenger states the total nominal value of the whole of the French Rentes, and the Credit National, State Railway, Treasury, and National Defence bonds is 173,000,000,000f, and had a real value at issue prices of 158,000,000,000f. Their present cash value on the Bourse is only 110,000,000,000f. Calculated in gold francs, the real value of these securities at the time of issue was 90,000,000,000f, while their present value is only 28,000,000,000f, equivalent to a loss by French investors of 62,000,000,000f. M. Bérenger asserts that if to the issues quoted above be added the floating debt, which is not included in the foregoing figures, the total lost by French investors in these descriptions alone since 1913 may be placed at 70,000,000,000f, or \$13,000,000,000. To this must, of course, be added an equally heavy loss on the capital value of all kinds of banking, shipping, mining, railway, and other industrial securities. The favourable balance on French foreign trade (which, by deducting the amount due to exchanges with the colonies, M. Bérenger brings down from 3,238 millions to 2,273 millions) he dismisses as precarious, while he insists that the revenue derived from "invisible exports," in the form of the large amount spent by foreign visitors to France, is counterbalanced by the exodus of capital represented by the sums sent out of the country by the 2,000,000 foreign workers who have replaced the 1,300,000 Frenchmen killed and the 700,000 disabled during the war. Certain of M. Bérenger's assertions are agreed that the widespread view that France has substantially improved her situation since the war is so completely an "absurd and dangerous legend" as he asserts it to be. The ill-considered boast of the American states-

man who recently proclaimed that the workmen in the Western Republic carry more gold in their teeth than that represented by the whole of the French savings, however, finds a good deal of indirect confirmation in some of M. Bérenger's statements.

Attention here is now focussed on two quite different problems, each of which has become of prime importance. The one concerns the situation of the Treasury and the other the repercussion that recent domestic and foreign events may have on the position of the Painlevé Government. So far as the life of the Ministry is concerned, much depends upon what happens at the forthcoming Congress of the Radical and Socialistic Radical Party at Nice. The importance of this fixture may be gauged by the fact that M. Painlevé, although not a member of the party himself, intends to speak in the Congress by reason of the fact that the group to which he belongs is one of the elements of the Cartel des Gauches, whose revival or definite dissolution will be the crucial subject of discussion. In many quarters it is believed that the fate of the present Ministry is already sealed, and that the Nice Congress will bring matters to a climax. It is a matter of common knowledge that M. Caillaux's Budget proposals have proved distasteful to a substantial proportion of the Chamber—to the Left because they do not go far enough in the direction of increased taxation of wealth, and to the Right because they err in the contrary sense—and his disappearance is anticipated. Should the new Conversion Loan, the lists for which will close next Tuesday, prove more successful than is at present expected, M. Caillaux's position will be to some extent strengthened, but even then a change of Ministry is regarded as inevitable, and for many reasons. Prognostications are widespread to-day that the present Cabinet will be replaced in the near future—either just before or just after the reassembly of the Chambers in two or three weeks' time—by a Government headed by M. Briand, or perhaps by M. René Renoult, with M. Briand as Foreign Minister.

The financial situation, now that the Locarno conference appears to have resulted in a satisfactory solution of the problem of war or peace, more than ever dominates the whole situation, and must do so for some time to come. Both the negative outcome of the Washington Conference and the threat issued by the White House yesterday not to consent to any future loans to countries which, like France, are not liquidating their foreign debts, have left opinion in this country quite cold. French opinion generally is distinctly averse to any proposal for further loans from America, through what is believed to be a more or less well-grounded belief that the American objective is to secure economic domination here. The problem of the moment is that of furnishing the Treasury with funds to meet the heavy calls that are imminent, without involving recourse to further inflation. Requirements to meet the maturity on July 1st of the second issue of 1922 Crédit National Bonds, amounting to 3,290,000,000f, were assured, it will be recalled, by increasing the authorised limits of the advances that can be made to the Treasury by the Bank of France and of the note issue. On September 25th 8,236,934,000f of 1922 Crédit National three or five-year bonds became due for repayment or renewal. M. Caillaux stated that 2,250,000,000f of these have been presented for repayment. The operation, by arrangement with the banks, has not yet been actually completed, but this is only a matter of a few days, and the necessary funds are known to be available. This, however, will leave the Treasury with an available margin of only 1,200 millions before the limit of the amount it is authorised to borrow from the Bank will be reached, as shown by last week's Bank statement. Sales of Treasury Bonds, M. Caillaux stated last night, continue satisfactory, and he was justified in pointing to the comparatively small percentage of bonds for which repayment has been asked as evidence that the revival of confidence which marked his return to office still continues. Taxation is coming in satisfactorily, and the new loan, whatever its ultimate result may prove, can only result in an appreciable relief to the Treasury.

The principal obstacle lies in the fact that on December 31st the first series of 1922 three, six, and nine-year Credit

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National Bonds come to maturity, representing a total of 10,090,088,000f, by far the heaviest amount this year (the grand total for which is 21,617,022,000f). The proposal has been mooted that steps shall be taken to provide for this heavy call by authorising a further, but temporary, substantial increase in the note issue. The limit was raised last spring from 41 to 45 milliards, as a sequel to the Herriot Government's troubles, and further raised at the end of June to 51 milliards. According to the last statement there were 47,000,000,000f in circulation, so that there is still a margin of 4,000,000,000f. It has to be remembered that, in addition to the forthcoming Crédit National repayments, money will have to be found shortly to cover requirements connected with the Riff and Syrian operations, which were not provided for in the current year's Budget. On the other hand, important results may be expected from the closing subscriptions to the loan, which cannot but have a happy effect on the Treasury. In view of the whole situation, however, it is difficult to see how a further increase in the note issue can be avoided.

DENMARK.—PRICES AND EXCHANGE—BALANCE OF TRADE—MONETARY CONDITIONS.

(FROM OUR CORRESPONDENT.)

COPENHAGEN, October 3.

THE economic situation in Denmark is still dominated by the problems arising out of the krone rate. However, generally speaking, developments have taken the right direction. First and foremost prices are continually declining in accordance with the rise of the krone. In August the index of the *Finanstidende* dropped from 189 to 168, and during September the figure has dropped still farther to 163. The index of the Statistical Department, which is to a greater extent based upon articles of consumption, and consequently is slower to be affected by the decline of prices, has at the same time declined from 212

to 197 in August, and subsequently to 186 in September. It is believed here that the wholesale price level ought to be 178 if the present value of the krone is maintained. The index of the *Finanstidende*, as per October 1st, showed a level even 15 per cent. below this figure, while that of the Statistical Department is 8 per cent. higher. It should be remembered that such computations are always subject to sources of error, and therefore cannot give absolute and completely certain results.

After the decline during September it may be assumed—states the *Berlingske Tidende*—that the retail price level has been reduced still further in the course of the month, and will progressively decline. The Danish retail price level is ascertained semi-annually only, in order to compute the official price-figure on which is based the wages and salaries of labourers and officials, but just now the quarterly collection of material for use in this connection is in progress.

In the balance of trade is likewise found an indication of the present economic conditions. In June the deficit of the balance was Kr.13,000,000, in July the figure was Kr.10,000,000, but in August the deficit was Kr.1,000,000 only, the imports amounting to Kr.163,000,000, against exports of Kr.162,000,000, which represents a considerably reduced turnover as compared with July. Clearly this movement is connected with the decline of prices, which tends both to limit the transactions of the merchants and also reduces value figures. The trade statistics, therefore, further indicate the present difficulties of industry, which are responsible for an unemployment figure of about 28,000 men, or 12,500 more than at the same time last year.

That a certain abundance in money supplies is apparent under these conditions is not surprising. Accordingly the Nationalbank reduced its rate of discount for the second time on September 8th, and the Bank rate is now 5½ per cent., against 6 per cent. since August 24th, before which date the rate was 7 per cent. The balance-sheets of the private banks at the end of August showed that loans had been reduced during the month by Kr.21,000,000, while deposits were increased by Kr.13,000,000. The reduction of the total loans is due to the items, "Cash-credits" and "Current accounts," and must no doubt be ascribed to reduced drawings by import merchants against cash-credits and documentary credits, owing to the strong rise of the krone during July and August. As far as the Nationalbank is concerned, the loan items have once more been somewhat reduced in the course of September, while the note circulation, which at the end of September last year was Kr.473,000,000, has now declined further from Kr.442,000,000 to Kr.430,000,000. During September the average note circulation was Kr.415,000,000, as against Kr.424,000,000 in August this year and Kr.455,000,000 in September, 1924.

During September the sterling quotation has fluctuated between Kr.19.30 and Kr.20.08 as highest and lowest figure, while the dollar rate has moved between the limits of Kr.3.99½ and Kr.4.15½. There appears to be a certain tendency for quotations to remain at the present level for the time being, corresponding to a gold value of the krone of about 90 per cent., but nothing definite can yet be said with regard to the policy of the Government and the Nationalbank, as these two parties are at present negotiating with regard to an amendment of the Exchange Act in force, including presumably the establishment of new minimum rates for the krone, the rates previously agreed upon being long ago passed by actual developments. The comparative stagnation of the exchange market lately is no doubt due to temporary inactivity of speculative investors abroad—and possibly even in some cases to profit-taking. In Denmark it is fully realised that it will be important to retain part of the floating capital placed in this country, and if possible to endeavour to lead it into the bond market. It is not considered unlikely that a result of this kind may be attained if in future the krone rate is raised in a steady manner towards the final goal, which all quarters now agree should be the old parity.

IRISH FREE STATE.—PUBLIC WORKS AND STRIKES —WAGE RATES—SHANNON ENTERPRISE

(BY OUR CORRESPONDENT.)

DUBLIN, October 15.

THERE are certain signs of a reviving activity which will relieve the depression from which the Free State has been suffering since internal peace was restored. But in common with its neighbours, the Free State has labour difficulties to cope with. Last week Dublin was faced with an imminent strike of all its municipal employees, involving a possible suspension of important services, including water supply, lighting, and cleansing. A year and a-half ago the Local Government Department summarily suspended the Dublin Corporation—under statutory powers—and appointed three Borough Commissioners to administer the business of the city in its stead. The experiment has given general satisfaction, except to some of the dispossessed and certain of the employees. The rates were reduced by 2s in the £1 last January, and a further reduction of the like amount is probable next January. Housing schemes have been successfully pushed forward, as well as other schemes of work in relief of unemployment. Much of the road surfacing has been remodelled, macadam and granite square sets giving way to asphalt. The latter work, done by contract, was performed by labourers at 50s per week where the Corporation had been paying unskilled labour 63s per week, with allowances, privileges, &c., which were estimated as an equivalent to 9s or 10s per week extra. The Commissioners, turning their attention to street cleaning, eschewing direct labour, entered into a contract with an expert from Paris, a M. Bondeville, at a price said to represent a saving to the ratepayers of £15,000 per annum. This renders redundant some 208 temporary labourers, who were, however, guaranteed other work for a year. Thereupon the regular municipal employees, who have pension rights forfeitable on any discontinuance of service, announced an immediate strike as from the ensuing week-end, unless the Commissioners agreed forthwith to cancel the contract. Fortunately, the Commissioners, with the Local Government Department behind them, refused to be intimidated and their firmness prevailed. Now Dublin will have its streets properly and methodically cleaned for the first time in a generation, and, saving money in the process, will enjoy improved amenities and a really valuable boon from the public health standpoint. Another strike or quasi-strike is embarrassing the opening work of Messrs Siemens-Schuckert on the great Shannon scheme. These contractors offer for unskilled work in rural areas rates substantially better than those willingly accepted by unskilled labourers employed by County Councils on road works, which in turn are better than the rates paid to farm labourers. There is a good deal of effervescence and turmoil, though practically no violence, in Limerick, where the claim appears to be that the urban wage rates should be paid by the contractors on all the work in the rural area. The contractors profess to be able to get as much labour as they need at the rates offered, and the Government is prepared to prevent interference with the labour so engaged. As the German contractors almost certainly protected themselves in respect of such matters in their contract, the issue arises whether the taxpayers' money is to be used to push wages up above normal levels and to positively uneconomic levels, subversive of all further enterprise.

Belgian contractors, under M. Lippens, are starting operations for the erection of a sugar-beet factory in Carsooner or later. Attempts to raise an anti-foreigner cry over these enterprises make little headway, as it is realised that if there is to be a substantial and prompt increase of industry, Ireland must necessarily get a good deal of the earlier stages. There is an increasing tendency in this view to send large deputations of farmers to Denmark to study modernised agricultural methods. Proposals are being mooted for limited tariffs on imports into Ireland of agricultural products, such as barley,

wheat, oats, meal, flour, and bacon, and to apply the produce in subsidising tillage. They are being received with hesitation, as it is seen that there might be difficulties in converting the produce of the tillage into money, and that cost of living would also be sensibly affected. If agriculture is to be helped, it would probably be well to subsidise the struggling railways to provide a much improved service for produce for export—particularly for livestock, which suffers huge losses through delays and rough handling at present. But the problem of the relations between the Government and the railways involves other matters which must soon come up for consideration or reconsideration.

CANADA.—CROP CONDITIONS AND ESTIMATES— THE CO-OPERATIVE POOLS—RAILWAY RATE PROBLEM—GENERAL BUSINESS CONDITIONS— TRADE FIGURES—FEDERAL GOVERNMENT FINANCE—NEW IMMIGRATION POLICY.

(FROM OUR CORRESPONDENT.)

OTTAWA, September 21.

THE grain harvest is practically completed except in a few more northerly, and therefore backward, districts of the West, but threshing operations have been hampered by heavy rains and indifferent weather conditions. There are substantial differences between the various estimates of the Western wheat crop, but the threshing process is revealing it as substantially better than was expected. President Beatty, of the C.P.R., places the figure at 391 million bushels, but the Bureau of Statistics and the *Manitoba Free Press* are practically in agreement with 363 and 368 million respectively, although they attain it by different computations, the latter giving 21 million bushels more to Saskatchewan and 19 less to Alberta than the Bureau. The detailed figures of the Bureau's last survey, together with the comparative figures for 1924, are appended:—

ESTIMATED YIELD OF GRAIN.			
Field Crops.	1924.	1925.	
Canada.	Bush.	Bush.	
Fall wheat	22,294,000	23,697,000	
Spring wheat	239,803,000	368,122,000	
All wheat	262,097,000	391,819,000	
Oats	405,976,000	514,827,000	
Barley	88,807,080	111,709,000	
Fall rye	12,330,000	12,967,000	
Spring rye	1,420,900	2,560,000	
All rye	13,750,900	15,527,000	
Flax	9,694,700	9,453,000	

In some areas rust and drought have seriously lowered the grade, but most of the grain crop will be garnered in good condition, and a large proportion of it will be out of the farmers' hands before winter comes. Already the shipments to seaboard have been abnormally large, and the Canadian National officials state that whereas in the first half of September, 1924, they only shipped about two million bushels of wheat to the Lake ports, in the parallel period of this year they have shipped 15 million. As the result of the better crop reports all over the world prices have been falling on the Winnipeg Grain Exchange, but despite this, the prairie provinces ought to secure for their wheat crop at least half a billion dollars, and be able not merely to advance the process of debt liquidation, but to show much greater purchasing power than in recent years.

The co-operative wheat pools found themselves able to declare a final dividend to their members of 11 cents, and the total payment on the basis of No. 1 Northern at Fort William for wheat has been \$1.66. The farmers are evidently well satisfied with the result of the experiment, for there has been a large recruitment of fresh members for the pools, and their officials claim that they will this year control the export of half of the Western wheat crop. The *Manitoba Free Press* gives the wheat pool managers the credit for foiling a desperate effort to break the market on the part of a clique of rich American speculators, who had sold short 35 million bushels of December wheat. Their main strategy was to flood the country with propaganda to the effect that Russia would have an enormous

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quantity of wheat available for export this year; the wheat pool officials, however, commanding as they did a large proportion of North America's exportable surplus, kept firm control of it, and the result has been an easy decline in prices, and not the swift slump which was planned.

There is great disappointment in Alberta and British Columbia at the result of the recent abolition of the special mountain railway rate. The Canadian Pacific Railway have appealed against the order, and meanwhile they have interpreted it in a manner which makes the reduction per bushel from Calgary to Vancouver only 1½ cents instead of the 5 cents anticipated. Simultaneously, the shipping companies, trading out of the Pacific ports of Canada, have raised their rates on grain to Europe just enough to absorb whatever gain might have accrued to the grain grower, and the latter finds himself in exactly the same position as before.

The atmosphere of a general election in Canada is rarely conducive to brisk business, but the absence of any clear-cut issues is responsible for a marked popular indifference about the contest, and accordingly there are hopes that the decided revival of trade, which has been visible during the last two months, will not be halted. Eastern Canada has rarely known a better average crop, and as both the mines and forestry industries are very busy, there should be during the autumn months a steady demand for commodities of all kinds. Country storekeepers are buying much more freely than a year ago, and retail trade is picking up in the cities as the result of the return of people from holiday resorts. The number of American tourists who spend holidays in Canada has exceeded all previous records, and it is estimated that they have spent at least 75 million dollars in Ontario alone, while Quebec must have benefited to an equal extent.

The foreign trade figures for August, which are given below, are very encouraging, and bring the total for the first five months of the present year up to a very creditable figure:—

	August, 1924.	August, 1925.
Imports	61,969,577	81,947,474
Exports	73,821,631	111,409,525
	Five Months Ending August 31, 1924.	Five Months Ending August 31, 1925.
Imports	333,223,163	374,057,565
Exports	401,131,225	462,817,429

In August there was a remarkable gain in the exports of agricultural and vegetable products, which jumped from roughly 20 to 38 million dollars in value.

The Federal Government's financing operations for 1925 have now been successfully completed. The domestic issue of \$75,000,000 of 4½ per cent. bonds maturing 1940 was exceedingly well received, although it transpires that American investors took a substantial amount of the issue. But the demand in Canada was also good, and it was found necessary to scale down the subscriptions of corporations in order that there might be sufficient bonds for allocation to private investors. The fact that out of \$90,000,000 worth of bonds which matured in New York on September 15th only \$70,000,000 worth were renewed, and these only for a year, indicates that the policy of the King Government is to obtain short-term money in the United States, and gradually concentrate its debt under long-term bonds held at home. The result of recent financial operations is that an indebtedness of 25 million dollars formerly held by British investors, which was paid off in cash, has been transformed into a debt held at home, and that some 20 million dollars owed in the United States has been paid off out of savings.

Announcement has just been made of a new immigration policy, under which the Dominion Government and the Canadian Pacific and Canadian National Railways will pool their activities in a common campaign for the attraction of immigrants to Canada. The immigration figures for the present year are so unsatisfactory that the Government have been withholding them, and without a large

annual influx of population Canada's chances of solving her railway problem are poor. However, complaint is made about the terms of the new policy that it indicates an intention to draw heavily upon the sources of population in Continental Europe, and a fear is expressed that the doors may be opened for a dangerously large flood of the same sort of non-British elements as the United States has failed to assimilate after 50 years. On the other hand, it is contended that if the agricultural lands of the West are ever to be thickly settled, recourse must be had to the peasantry of Europe, because Britain has few agricultural workers to spare, and her industrialists are not easily transformed into efficient cultivators of the soil.

UNION OF SOUTH AFRICA.—HEAVY MAIZE MOVEMENT—PASSENGER SERVICES CURTAILED—ECONOMIC COMMISSION—MINING INDUSTRY'S CAPITAL.

(FROM OUR CORRESPONDENT.)

JOHANNESBURG, September 2.

THE Railway Administration has suddenly become perturbed by the deficiency of rolling stock, both wagon and locomotives, revealed by the freight demands owing to the simultaneous movement of the citrus and maize crops. To provide haulage power for the latter traffic, two trains between Cape Town and Pretoria and three between Durban and Johannesburg weekly have been cancelled until further notice, while curtailment already announced of mid-day suburban services in the Durban district will probably be followed by similar "cuts" in other suburban districts. The Durban Elevator is not yet ready to receive maize, consequent upon the serious delays accompanied by heavy excess cost, in building the foundations in an area reclaimed from the sea, but that at Cape Town is said to be working double shift. The bringing into complete operation of the electrification of the Natal section of the S.A. Railways between Glencoe and Maritzburg only slowly, and much behind the programme, has precluded the anticipated release of locomotives for freight work on other sections of the system. Lt.-Col. Carr, one of the assistant general managers, who is about to retire, is staying on to co-ordinate rolling-stock matters, and to devote himself to the movement of the citrus and maize crops. A special service of maize trains has been inaugurated between De Aar, half-way between the maize-growing districts of the Free State and Cape Town, on which port the outpourings of 25 inland elevators are being concentrated. Bagged maize is being diverted to East London and Port Elizabeth. The "caboose" system of drivers and firemen is being introduced, as has been in vogue for many years between Vryburg and Bulawayo, mostly Rhodesian railways, but worked by the S.A.R., administering to save delays at depots. Extra hands are being employed to expedite matters. A generally accepted estimate places the season's maize yield at 20,000,000 bags, about 2,000,000 tons, but more cautious men in the grain business place the figure somewhat lower.

As part of the scheme to deal with movement of traffic, the railways have ordered ten locomotives of the Mountain type and five of the Pacific type from the Baldwin Locomotive Company, of Philadelphia. Delivery was specified for 90 days, which is presumably much less than British builders would have guaranteed. It is said, indeed, that the President has given his personal assurance that shipment will commence within two months, and be completed in two and a-half.

The Economic and Wages Commission, of which Mr. Stephen Mills is chairman, and Professor Clay, of Manchester, one of the prominent members, has commenced its sittings. It is fortunate that these are being held with open doors, as evidence given by authoritative bodies has much public educational value. The Transvaal Chamber of Mines has been giving evidence, through its general manager, Mr. W. Gemmill, F.S.A., and Mr. P. M. Anderson, president. The evidence is very lengthy, and an interesting argument put forward was that even the workmen had expressed their dislike of compulsory arbitration; and in the opinion of the latter witness the proposed Wages Board would be, in effect, compulsory

arbitration, with the additional disadvantage of a political rather than an impartial composition of its members.

An elaborate annexure to the usual monthly statistics of the Department of Mines and Industries for the month of July deals with capital statistics as at December 31, 1924. The total net issued capital in respect of gold, diamonds, coal, and miscellaneous mines of the Union is £73,258,823, of which the gold mines account for £51,603,094, the Rand's share being £46,673,097. Of the latter, however, only £31,083,711 applies to dividend-paying mines, there being £8,722,497 embarked on mines, which, though producing, are not profitable—at least, to the extent of being dividend-paying; the figure for non-working gold mines is almost as great—namely, £6,379,895—while developing mines represent just under half-a-million. Rand properties, equipment, shafts development and other assets account for £28,130,408, and cash for £18,542,689. The actual amount of cash paid in respect of issued capital of the Rand gold mines was the surprisingly small figure of £18,542,689, explained by the fact that much of the capital was actually issued at a substantial premium, both in the earliest and middle periods of the Rand's history. In the cases of the companies working solely leased areas—e.g., Government Areas, New State Areas, and West Springs—the issue was at par, 20s, with a commission to the guarantors of 10 per cent. On the other hand, companies which increased their areas by leasing ground issued shares in respect of the additional working capital, issued their shares at a premium, of £4 in the case of Brakpan Mines, and of £2 in that of Springs Mines. The total premiums received throughout the Rand's history were £18,839,711, of which £17,629,308 were in respect of producing mines of the Rand. Mines of the Witwatersrand have written off £11,942,034 from these premiums.

Debentures issued in respect of Rand gold mines have totalled £9,900,415, but the amount now subject to redemption has been reduced to £4,021,240. Inclusive of £1,840,390 in respect of temporary advances, the total amount of cash invested in the gold-mining industry of the Rand would appear to be £31,302,000. The net value of gold-mining property is set down at £27,990,827, of shafts and mine development £20,611,357 (net), and of equipment at £30,562,591, these figures including mines in the outside districts.

Transvaal coal mines have an issued capital of £4,687,368, diamond mines of £200,960, and miscellaneous mines of £2,204,018. All but a million of the issued capital of mining concerns in the Cape Province is in respect of diamond mines. The Free State total is £3,419,172, and for mines of Natal £4,218,806. Taking the totals for the whole Union, outstanding debentures are given at £6,929,406, with a similarly described amount of premiums on shares of £7,602,255. Temporary advances figure at £4,214,054. Net present book value of property is just over 40 millions sterling, of shafts and development nearly 22 millions, and of equipment 36½ millions. Of the 10½ millions of investments, those of the Kimberley diamond mines account for over six. The aggregate of the balance sheet is 142 millions, and there is a deficiency of assets amounting to 3½ millions. Dividends declared were 12½ millions.

Letters to the Editor.

MONETARY POLICY.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Most people, I venture to state, approved of the Government's decision to restore the gold standard in this country, but a considerable difference of opinion prevails as to the manner and to the various steps taken by the Government to give effect to their policy. At the time when the Gold Standard Bill was before the House of Commons the executive committee of this association, of which I have the honour to be chairman, condemned some of the provisions contained in that Bill, now an Act of Parliament, as likely to defeat the object of the restoration and to retard the revival of trade and commerce in this country. The Act provides power for the Treasury to borrow for exchange operations. According to an Exchange telegram, this is now being done, and "the weekly report of the (New York Federal) Bank

indicates that England drew \$639,000 for this purpose." The effect of this pegging the exchange is to withdraw a legitimate advantage, which would accrue to our coal, steel and iron, and other export traders through a fall in the exchange. No one wishes to see the exchanges permanently depreciated, but to support them artificially is bad and unsound finance. If gold is withdrawn as a result of an unfavourable exchange, we have a reserve of over £150,000,000, and can afford to part with some of it. The stimulus given to our export trades will do good, and will help to correct the exchange, and should credit become dearer as a result of a considerable efflux of the precious metal, that in itself may prove beneficial eventually by bringing about lower values and a reduction in the cost of living. We suffer and continue to suffer from these interferences with the freedom of exchange, witness the embargo on the issue of foreign loans, and it is due to these artificial movements and restrictions rather than to the restoration of the gold standard that the long-hoped-for revival of our foreign trade is being delayed.—I am, Sir, your obedient servant,

D. M. MASON,

Chairman Executive Committee, Sound Currency Association. October 13, 1925.

Books and Publications.

FRANCE IN 1924.

IF we had held a competition among our readers and asked them to place in order the countries which had received the largest influx of migrants in the last few years, we do not suppose that one in a hundred would have put France at the top of the list. Yet such is the case. It is true that M. Bourdon, who writes in "La France Economique" for 1924 on the subject of population, modestly puts France second on the ground that the numbers that slip across the Mexican and Canadian borders and escape registration are enormous. But on the official returns France comes first with a net influx in three years of three-quarters of a million persons. This is but one of many striking facts brought out in a symposium which is now published for the third year in succession by leading French authorities on various aspects of the economic life of France. The 28 chapters cover the topics of population, wages and prices, finance, commerce, production, transport, labour, co-operation. This survey, organised by the Revue d'Economie Politique, is peculiarly worthy of study at a time when there is special need to understand the situation across the Channel. The 15 pages by Professor Rist on Reparations cover the epoch-making Dawes Plan, and the important negotiations that followed in the summer of 1924. To cover so large a field in so short a space is a masterpiece of compression which leaves the author practically no space for comment. But he briefly concludes his discussion on the London Conference with a reference to those who complain that the French Government lost an opportunity on the one hand of driving a bargain with the Germans for future commercial concessions, and, on the other, of linking the question of security and inter-Ally debts with a reparations settlement. But if the London Agreement was not a triumph from the French standpoint the fault lay with those who embarked her upon a policy which they should have seen could not be sustained in the long run. It fell to M. Herriot to terminate an epoch and start France along new lines. But the new agreements "can never save France from the consequences of holding up during four long years the solution of a problem which required for its successful handling two qualities not often found in statesmen, namely, promptitude and moderation."

* "La France Economique." Annuaire pour 1924. (Paris) Recueil Sirey, 22 Rue Soufflot.

COLLECTIVIST ECONOMICS.*

MR HALDANE SMITH has evolved a provocative and original programme for the complete reorganisation of our economic structure on collectivist lines. It is original, because, unlike many contemporary architects of the socialist commonwealth, its author shares with the *Morning Post* a hearty hatred of Communism in the sense of distribution "unto each according as he has

* "Collectivist Economics." By J. H. Smith. Routledge, pp. xiv + 216. 8s 6d.

need." Effective output of exchangeable wealth is to him the determining factor in the division of the product of nationalised and democratically operated industry. And his elaborately devised mechanism of taxation, currency control, international exchange, and wage-determination is cunningly adjusted to the stimulation of an economic incentive whose effectiveness has been regarded as unimpeachable since the days of Adam Smith. Thus (metaphorically speaking, since our author has no place in his scheme for bloodshed or violent upheaval), the freely-educated school-fed child marches to the scaffold side by side with the royalty owner, the rent receiver, and the profit-maker. In this manner does he spike, at the outset, the hardest-worked gun in the anti-socialist battery—distrust of the continuous operation of any economic incentive other than that of enlightened self-interest. Nor does he, like many of his fellow collectivists, understress the complications connected with the socialisation of a highly industrialised State existing in commercial rivalry with capitalistic neighbours. Upon these matters he does, indeed, bestow much ingenious consideration. One anti-socialist gun he does not, however, in our opinion, so effectively spike. He presumes very greatly upon the vigorous moral response which human nature will make to the new arrangements; he counts the eliminated wastage of capitalism as so much net gain, optimistically assuming that no alternative sources of wastage will evolve in the new organism; in fine, he assumes the probability of a very great expansion in the volume of the national income. And, indeed, without such an expansion, what is to become of the rising generation, seeing that he foreshadows no source of academic or physical sustenance for the family other than the just price of the individual wage-earner's labour power?

BOOKS RECEIVED.

- The Economic Situation in Austria. Report presented to the Council of the League of Nations.* By W. T. Layton and Charles Riste. (London) Constable and Co. 6s net.
- Memorials of Alfred Marshall.* Edited by A. G. Pigou. (London) Macmillan and Co., Limited. 12s 6d.
- Borderlands of Economics.* By Radhakamal Mukerjee. (London) George Allen and Unwin, Limited. 12s 6d net.
- Social Psychology.* By Robert H. Thouless. (London) University Tutorial Press. 5s 6d net.
- Current Economic Problems.* By Walton H. Hamilton. 3rd edition. (Chicago) University of Chicago Press. \$4.00.
- Municipal Audits and Finance.* By J. H. McCall. (London) Gee and Co. 7s 6d net.
- Cost Accounting for the Timber Industries.* By Reginald Attewell. (London) Gee and Co. 11s.
- The Death Duties.* By Raymond W. Needham. (London) Gee and Co. 4s net.
- Comparative Depreciation Table.* By Lawrence R. Dicksee. (London) Gee and Co. 3s.
- Foreign Exchange.* By A. B. E. Cutforth. (London) Gee and Co.
- Die Zukunft des Goldes.* Von Dr Kurt A. Hermann. (Berlin) Verlag von Speyer and Peters. Rmk. 3.80.
- The Second Annual Bulletin of the Financial and Economic Statistics of Japan, 1913-1924.* (Kobe) The Institute for Commercial Research.
- Report on an Enquiry into the Wages and Hours of Labour in the Cotton Mill Industry.* (Bombay) Government Central Press. 3s.
- Developments in the Wheat Situation, April to July, 1925.* (California) Stanford University Food Research Institute.
- Latvia's Economic Life.* By Percy Meyer. (Riga) "The East Service."
- Movimento della Navigazione del Regno D'Italia. 1922.* Volume Primo. (Roma) Carlo Colombo.
- Steel.* By J. T. Walton Newbold, C. S. Stevens, and M. Philips Price. (London) Labour Publishing Co. 2s 6d or 1s net.

Revolution by Reason. By Oswald Mosley. (London) Labour Literature Department. 6d.

OFFICIAL PUBLICATIONS RECEIVED.

The following may be obtained from H.M. Stationery Office, Adastral House, Kingsway, W.C. 2. :—

Department of Overseas Trade:—

Report on the Commercial and Economic Situation in the Republic of Colombia. May, 1925. 2s net.

Report on the Industrial and Economic Situation in Greece for the Years 1923 and 1924. 2s net.

Fifth Annual Report of the Controller of the Clearing Office, the Administrator of German, Austrian and Hungarian and Bulgarian Property and the Director of the Russian Claims Department. 1925. 1s 6d net.

Report of the Committee of the Privy Council for Scientific and Industrial Research for the year 1924-25. Cmd. 2491. 3s net.

Appendices to the Report by H.M. Britannic Majesty's Government on the Administration under Mandate of Palestine and Transjordan for the year 1924. Colonial No. 17. 1s net.

Colonial Reports—Reports for 1924: No. 1261, Swaziland; No. 1262, Cayman Islands (Jamaica); No. 1263, Grenada; No. 1266, Gibraltar. 6d each respectively.

BARCLAYS BANK LIMITED.

Head Office: 54 Lombard Street, London.

AUTHORISED CAPITAL - £20,000,000
ISSUED CAPITAL - £15,592,372
RESERVE FUND - £8,250,000
DEPOSITS (30th June, 1925) - £298,947,270

FOREIGN EXCHANGE TRANSACTIONS ARRANGED.

CHIEF FOREIGN BRANCH:
168 Fenchurch Street, London, E.C. 3.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET, October 21. | ACCOUNT, October 22.

STOCK EXCHANGE markets have fallen into a quieter trend. Instead of there being a wild rush on the part of everybody to buy rubber shares, Dunlops, Courtaulds, and some of the other popular industrials, there has come a more chastened feeling. Some of the bulls are shortening their commitments and taking profits, as they are able to do in most cases. The industrial section of the Stock Exchange continues to attract the principal amount of interest throughout the House, and the investor, as shown by the recent issues made by Bradford, Birkenhead and Walsall, requires to be tempted for him to subscribe with alacrity to gilt-edged stocks. The Brisbane Trams issue, guaranteed by the Queensland Government, proved a substantial success, but the opening price of $\frac{1}{4}$ discount showed the trail of the stag, and it was not until the profit-snatchers got out that the quotation rose to a small premium. The new Victoria and South Australia issues act as conversion loans.

War Fives and other British Government stocks are somewhat heavy, owing to the slightly firmer conditions that have ruled in regard to money. Noticeable point has not been borne by the advice, tendered by many Stock Exchange brokers, that clients who had made substantial profits from the purchase of rubber and other industrial shares should purchase first-class investments with the money realised. A few Colonials are better, and there is a firmer tendency about the market for home railway prior-charge stocks.

French Government bonds have given way in consequence of the disappointing movements of the exchange. Brazilians have halted in their upward march. Portuguese bonds show strength, and in the mid-European issues a few small reactions have occurred. Mexicans are weak, because of the uncertainty which still continues to surround the financial position of the country, notwithstanding the British Government recognition of Mexico.

The home railway market moves within narrow limits. Undergrounds are moderately firm. The Heavy stocks have once more fallen into neglect. Cordoba Centrals are the principal object of interest in the foreign railway list, and have

further improved. Madeira Mamoré bonds, a very outside stock, gained several points. Nitrates are a little dull.

The boom in rubber received an abrupt check, on the idea that there may be an early release of a further 20 per cent. of raw rubber. Pourparlers have been taking place between the Colonial Office and the authorities in the rubber-producing countries, and these negotiations led to a shiver of apprehension lest such a step, if taken, might lead to a fall in the price of the commodity, and, therefore, of share values. A good deal of realisation has been in progress, and the effervescence is out of the market. Tea shares reflected the better prices now being obtained for the companies' outputs, and the oil market came into a little favour, on professional buying based upon the presumption that the public may take a hand in oil shares if rubber should lose its attraction. Iron, coal and steel shares have been prominently strong, because of the expectation that the Safeguarding of Industries Act will be applied more closely than it is at present to the heavy industries of the country. There is a better tendency amongst insurance shares, Consolidated Assurance being the only exception to general strength in this list. The banking market is quiet. Courtaulds have been a very volatile and excited market throughout the week. The price touched $\frac{7}{8}$, on heavy American purchases, to revert below 7 on fairly heavy profit-taking by British speculators. Several of the other artificial silk shares are better, and textiles as a whole enjoy favour, on the hope that there will be melon-cutting proposals from two or three of the leading companies. Dunlops were rushed up to 27s 6d, on excited and rather ragged buying. A sharp reaction followed a warning from Sir Eric Geddes against undue optimism in respect of estimates of the company's profits.

The brewery market is good as a whole, and tobacco shares, after a brisk rise, lost part of their resiliency. Cable stocks are better, the Eastern group more especially showing improvements, while wireless attracted a little notice this week. The volume of business in industrial shares is still on a liberal scale, and next week's Stock Exchange settlement is bound to be a heavy one.

Platinum shares underwent a violent reaction from the best. Some of the shares in which gambling has been most pronounced at the Cape, and in a lesser degree over here, became difficult to negotiate. Prices of the Kaffir-producing shares are steady. Rhodesians have been quiet. The main interest in mining shares focussed upon the tin share markets, where the Malayan group stood out with especial buoyancy. West Africans also are beginning to wake up, and a trifling amount of attention is being paid to Cornish tin. Mexican mining shares, after a little spurt, relapsed into quietude. Rio Tintos had a brisk rise on Paris support, and although the fall in the franc served to bring down Tintos in company with French Government bonds, the corporation shares contrived to give their holders cause for satisfaction with the week's work.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amounts previously recorded.....	£	£	£	£
ISSUES OF THE WEEK—	£	£	£	£
Treasury Bonds sold Oct. 9, £2,825,000 at 94 9/16 1/4 per cent.	2,825,000	2,668,385	..	..
NATIONAL SAVINGS CERTIFICATES.				
NET RECEIPTS INTO THE EXCHANGERS WEEK TO OCT. 10, 1925.				
April 1, 1925, to Oct. 10, 1925, £1,450,000	£	£	£	£
	Dr100,000	..	Dr100,000	..

To the Public—				
Government of Victoria, 5% Conversion Loan, red. at par 1945-1975, issued at 98 3/4% ..	£4,904,720	11s 6d 3/4% Stock maturing Jan. 1, 1926.		
Government of South Australia, 5% Conversion Loan, red. at par, 1945-July 1, 1975, issued at 98 3/4% ..	£283,000	Offer of conversion to holders of £283,000 South Australian Government 3% Stock maturing Jan. 1, 1926.		
City of Pretoria, £350,000 5% Inscribed Stock, issued at 99%, red. at par, Jan. 1, 1957 ..	350,000		346,500	17,500
Pettigrew and Merriman (1925), 125,000 7 1/2% Cum. Pref. Shrs., £1, at par ..	125,000		125,000	..
Vauxhall Motors, Ltd., £155,990 7% Mort. Deb. Stk. (repayable at 103%, 1928-52), issued at 95% ..	155,990		148,190	15,599
Glen Muir Rubber, 1,192,493 Shares of 2s, at par ..	119,249		119,249	29,812
Kulein Rubber Estates, 200,000 Shares of £1, at par ..	200,000		200,000	25,000
Total offered to the public ..	..	938,939	..	87,911
To Shareholders—				
Broome (Selangor) Rubber, 3,588 Shares of £1, at par ..	3,588		3,588	897
Bukit Tamban Estates, 15,000 8% Cum. Pref. Shares of £1, at par ..	15,000		15,000	1,875
North Labeis (Johore) Rubber and Produce, 21,834 Shares of £1, at 30s ..	21,834		32,751	32,751
Singapore Para Rubber Estates, 700,000 shares of 2s ..	70,000		70,000	..
United River Plate Telephone, 152,000 Ord. Shares of £5, at par ..	760,000		760,000	..
Total offered to shareholders..	..	881,339	..	865,523
				15,816

Total offered for subscription to date in—	Total offered for subscription for whole year—
1925.....	1924.....
1924.....	1923.....
1923.....	1922.....
1922.....	1921.....
1921.....	1920.....
1920.....	1919.....

Government of Victoria.—This is an offer of conversion to holders of £4,904,721 of 3 1/2 per cent. stock, maturing in January next into 5 per cent. inscribed stock, 1945-75, at £98 3/4 per cent. Those who convert will receive a cash payment of £1 10s per cent. on January 1, 1926, being the difference between the nominal amount of the stock maturing and the issue price of the 5 per cent. stock. A full six months' interest will be due on January 1st. In addition, cash subscriptions are invited for an amount of the stock sufficient to make up with the stock converted the total of £4,904,721. The price of issue in this case also is £98 3/4 per cent. It is pointed out in the prospectus that "the revenues of the State of Victoria alone are liable in respect of this stock and the dividends thereon and the Consolidated Fund of the United Kingdom and the Commissioners of the Treasury are not directly or indirectly liable or responsible for the payment of the stock or of the dividends thereon, or for any matter relating thereto. Principal is repayable in London at par on July 1, 1975, the Government of Victoria having the option to redeem the stock, in whole or in part, at par, on or after July 1, 1945, on giving three calendar months' notice."

Government of Southern Australia.—This is an offer of 5 per cent. Conversion Loan, 1945-75, at £98 3/4 per cent., to holders of £839,000 of 3 per cent. stock, maturing in January next. It is stated that principal is repayable at par on July 1, 1975, the right of redemption being reserved at par at any time on or after July 1, 1945, on three months' notice. This is a trustee security. A cash payment of £1 10s per cent. will be made to those who convert, being the difference between the par value of the maturing stock and the issue price of the new stock. Cash subscriptions are also invited for the issue to an amount sufficient to make up, with the stock converted, a total of £839,000. The prospectus states that under the Sinking Fund Act, 1924, of the State of South Australia, it is provided that the Treasurer shall pay to the Commission for the Public Debt Sinking Fund: (1) In each financial year, commencing with the financial year 1924-25, the sum of £183,000, being at the rate of 5s per cent. of the Debt, which is deemed to be, as on June 30, 1925, £73,200,000. (2) In each financial year, commencing with the financial year 1925-26, a sum equal to 10s per cent. of such portion of the Debt as is in excess of the said sum of £73,200,000. The revenues of the State of South Australia alone are liable in respect of this stock and the dividends thereon, and the Consolidated Fund of the United Kingdom and the Commissioners of the Treasury are not directly or indirectly liable or responsible for the payment of the stock or of the dividends thereon, or for any matter relating thereto.

City of Pretoria.—Issue of £350,000 of 5 per cent. inscribed stock, 1957, at £99 per cent. A cumulative sinking fund, it is stated, will be provided sufficient to redeem the stock at maturity, and will be applied to the purchase of the stock when obtainable at or under par. Any stock not so purchased will be repayable on January 1, 1957. The assets of the council amount to £4,017,901, and, it is said, exceed the liabilities by £1,400,000. The valuation of rateable property is £9,509,814, and other property exempt from rates is valued at £4,942,814, making a total of £14,451,920. The stock will rank *pari passu* with all existing loans, and is secured on the rates, revenues, rents and assets of the Council.

British Celanese, Limited.—Share capital £6,000,000, of which £5,400,000 has been issued. There is outstanding £700,000 of 7 per cent. first mortgage debenture stock and £286,000 6 1/2 per cent. income bonds. In order to comply with Stock Exchange regulations, particulars are advertised of an issue of £300,000 7 per cent. first mortgage debenture stock at £93 1/4 per cent. The stock is redeemable at £110 by means of a cumulative sinking fund commencing in October, 1927. The company has covenanted in each year after 1927 to pay to the trustees for the debenture-holders as a sinking fund for the redemption of stock the sum of £46,000 and a further sum equal to the interest which would have been payable during the then current year on all stock redeemed out of the sinking fund previous to the commencement of such year if such stock had remained outstanding. This sum will be utilised in each year, commencing in October, 1927, in redemption of stock. It is stated that any stock not previously redeemed by drawings will be repaid on December 31, 1942, at a premium of 10 per cent.

Vauxhall Motors, Limited.—Authorised and issued share capital £300,000, in shares of 10s each. In addition there is outstanding £350,000 of 7 per cent. mortgage debenture stock, of which, it is stated, £104,010 has been reserved and will be applied in exchange for £104,010 of 10 per cent. short-term notes. This is an issue of £155,990 of 7 per cent. mortgage debenture stock at £95 per cent., repayable at £103 per cent. by means of a cumulative sinking fund, commencing

in 1927, to be applied at any time in purchasing the stock at or under £103 per cent., plus accrued interest, or in drawings commencing in November, 1928, and ending in 1952. The proceeds of the issue will, it is said, be applied towards repayment of loans from the company's bankers. It is certified that, according to the balance-sheet as at December 31st last, the assets upon which the debenture stock is secured total £829,757, nothing being included for goodwill. Profits are given for the past eleven years, before allowing for taxation and interest on the notes and bank loans. In 1914, on an issued capital of £200,000, they were £21,173. In 1921 there was a loss, on a capital of £600,000, of £189,725, but a recovery ensued, and the figure last year was £77,652, on an issued capital of £300,000. Total liabilities other than bank loans and the notes about to be funded are £87,578.

Pinner Gas Company, Limited.—Authorised share capital £162,800, of which, including £17,840 of premiums, £92,800 has been issued. Of the authorised loan capital of £81,400, £32,850 has been borrowed. This is an issue by tender of £25,000 of 6 per cent. irredeemable preference shares of £5 each the minimum price being par. The net revenue of the company, which was established in 1881, for 1924-25 was £9,322, so that after loan interests requiring £1,989 had been satisfied, there remained a balance of £7,333. The preference dividend, including the present issue, requires £3,107. After the payment of ordinary dividends of £14 5s per cent. and £9 19s 6d per cent. on the "A" and "B" issues respectively, there remained a surplus of £2,829 to be carried forward. If tendered for at par, the shares yield, of course, 6 per cent.; if at £5 10s the return is £5 9s 1d, and if at £6 £5 per cent.

International Tea Company's Stores, Limited.—Authorised and issued capital £1,950,000. This is an issue of £250,000 of 7 per cent. cumulative "A" preference shares of £1 each at 22s 6d per share. The company was formed in 1895 to acquire and develop the business of tea importers and general produce distributors formerly carried on by Kearley and Tonge. It is stated that since the formation of the company business has steadily increased, and trading profits have risen from £62,607 for 1895-96 to £439,121 for 1924-25. Assets are certified to amount to £2,359,989, including freehold property of £848,845, which is taken at cost, nothing being allowed for goodwill. Liabilities are put at £702,490, making an excess of assets of £1,657,499. Both gross and net profits are given for the past five years. It is shown that the latter, before charging income-tax, have advanced from £186,323 in 1920-21 to £349,721 in 1924-25. It is also stated that during the three years ended April 25, 1925, additions have been made to the reserve account out of current profits totalling £300,000. The issue has been underwritten for a commission of 6d per share and an overriding commission of 1 1/2d per share.

Harbens (Viscose Silk Manufacturers), Limited.—Authorised share capital £371,300, in shares of £1 each, of which 250,000 are 8 per cent. first cumulative participating preference, 10,000 are second cumulative preference, and 111,300 are ordinary shares. The whole of the share capital has been issued, together with £60,000 of debentures, of which details are not given. Particulars of the undertaking are advertised in compliance with Stock Exchange regulations. It was incorporated in 1920 as a private concern under the title of Harbens, Limited, but in August last was converted into a public company. The original issued capital was £221,300. No particulars of past results are included in the advertisement.

Kaleri Tin Mines, Limited.—Authorised capital £50,000 in shares of 2s each, of which 44,007 have been issued. The company has acquired "the benefit of certain applications for exclusive prospecting licences and mining leases in respect of tin areas approximating to 15 square miles and 74 acres respectively." The purchase price of £40,000 was payable in cash. These particulars are advertised in accordance with Stock Exchange regulations.

Kulim Rubber Estates, Limited.—Capital £250,000, in shares of £1 each, all of which are now offered for subscription at par. The company has been formed to acquire rubber estates in Kedah, Malay Peninsula, having a total area of 3,016 acres, of which 2,563 acres are planted with rubber. It is not stated what acreage is in bearing. The purchase price of £153,306 is payable in cash, and is equal to £59 16s 3d per planted acre. In addition, the vendors have been allotted the option until June 30, 1928, of subscribing at par for 50,000 £1 shares.

Jabi Rubber Plantations, Limited.—Share capital £65,000 in shares of 2s each, all of which have been issued, 1s per share having been paid up and the balance being payable on 20th inst. The company has been incorporated to acquire rubber properties in Kedah, Malaya, having a total area of 1,280 acres, practically all of which is planted with rubber. The purchase price is £53,550, "or such less sum as shall be equivalent to £42 10s per acre of the total area transferred." The foregoing particulars are advertised in compliance with Stock Exchange regulations.

Glen Muar Rubber Estates, Limited.—Capital £120,000 in shares of 2s each. This is an issue at par of 1,192,493 shares, the balance having already been subscribed for at par. The company has been formed to acquire and develop a rubber estate in Johore of 1,530 acres, of which 1,443 acres are planted. The purchase price is £60 per planted acre, equal to a total of £86,580. The issue has been underwritten for a commission of 4 per cent.

Tonghurst Rubber Estates, Limited.—Authorised capital £55,000, in shares of 2s each, all of which have been issued. The company has been incorporated to acquire a rubber estate in Kedah, Malaya. The total area is about 803 acres, of which 709 are planted. The purchase price is £52 10s per acre, equivalent to about £42,577, or approximately £60 per planted acre, and is payable in cash. Particulars are advertised in compliance with Stock Exchange regulations.

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

ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Price Last Week.	Latest Price.	Rise or Fall.
War (3½%, 1925-28) ..	97½	97½	—
4½%, 1925-45 ..	96½	96½	—
Loans (4½%, 1929-47) ..	102½	102½	—
4½%, 1929-47 ..	99½	99½	—
Funding Loan 4½% ..	87½	87½	—
Victory Bonds 4½% ..	93½	93½	—
Conversion Loan 3½% ..	76½	76½	—
Consols 2½% ..	55½	55½	—
Irish Land Stock 2½% ..	58½	58½	—
Local Loans 3% ..	65½	65½	—
Aust. 6% 1931-41 ..	103	103	—
India 3½% Stock ..	68	67½	—
Do 7% 1926-31 ..	104	105	—
Do 5½% 1933 ..	102½	102½	—
Do 4½% ..	91½	88½	—
N.S.W. 5% 1922-32 ..	100	100	—
N. Zealand 3½% 1940 ..	85	85	—
Nigeria 6% 1929-79 ..	114	114	—
U. of S.A. 6% 1930-40 ..	103	103	—
Victoria 5½% 1924-34 ..	100	100	—
W. Aust. 6% 1930-40 ..	102	102	—

British Railways.

	Price Last Week.	Latest Price.	Rise or Fall.
Great Western, Ord. ..	83½	83	—
London & North Eastern ..	78½	78½	—
6% Pref. Ord. ..	57	55½	—
Do Def. Ord. ..	23½	20	—
London, Mid., and ..	76	74½	—
Scottish, Ord. ..	70½	70	—
Metropolitan ..	44	44½	—
Metropolitan District ..	44	44½	—

Colonial and Foreign Railways.

	Price Last Week.	Latest Price.	Rise or Fall.
Antofagasta Cons ..	89	89	—
B.A. and Pacific ..	87½	87	—
B.A. & Southern ..	92½	92	—
Buenos Ayres ..	79	78½	—
Cal. & Pacific ..	153	153	—
Central Argentine ..	171	171	—
Cordoba Cen. Ord. Stk. ..	21½	22½	—

American Railroads.

	Price Last Week.	Latest Price.	Rise or Fall.
Chesapeake & Ohio ..	110	110	—
Erie ..	33	33	—
Do 4% 1st Pref. ..	41	42	—

Banks.

	Price Last Week.	Latest Price.	Rise or Fall.
Barclays B. (£1, l.p.d.) ..	233	233	—
Chartered Bk of India ..	20	20	—
Lloyds (£5 with £1 paid) ..	3½	3½	—
Midland (£12, with £3 paid) ..	8½	8½	—
Nat. Bank of Egypt (£10) ..	33½	33½	—
Anglo-American "A" 23½ ..	24½	24½	—
Marconi Wireless ..	1½	1½	—

Telegraphs.

	Price Last Week.	Latest Price.	Rise or Fall.
Marconi Canada ..	1½	1½	—
Marconi Marine ..	1½	1½	—

Foreign Government Securities.

	Price Last Week.	Latest Price.	Rise or Fall.
Argentina 5%, 1886-7-100 ..	100	100	—
Austrian 6% Guar. 99½ ..	98½	98½	—
Belgian 3% ..	74½	74½	—
Brasil 5% Fund., 1914 ..	80	80	—
Chilian 4½%, 1896 ..	86	86	—
Do 7½% ..	105½	105½	—
Chinese 5% 1913 ..	84	84	—
Egyptian 4% ..	68½	68½	—
French 5% ..	17	15½	—
Do 4% ..	14½	12½	—
German 3% Loan ..	103½	103½	—
Do 7%, 1924 ..	103½	103½	—
Greek 5%, 1884 ..	54	54	—
Do 7%, 1924 ..	93½	92½	—
Hungarian 7½%, 1924 ..	99½	99½	—
Japanese 4%, 1910 ..	63½	63½	—
Do 6%, 1924 ..	90	90½	—
Mexican Cons. 1899 ..	41	40	—
Peruvian Corp. Pref. ..	34½	35	—
P.L.M. 6% ..	88½	88½	—
Portuguese (New) ..	29	29½	—
Russian 5%, 1906 ..	58	58	—
Spanish 4% ..	61	61	—
Seine (Dept.) 7% ..	100	100	—
Siam 5% ..	103½	103½	—

Mines.

	Price Last Week.	Latest Price.	Rise or Fall.
Ashanti Gold (4) ..	1½	1½	—
Broken Hill (A1) ..	3½	3½	—
Brokers Hill Prop. (A1) ..	1½	1½	—
Burns Corp. (A1) ..	2½	2½	—
Cam & Motor (A1) ..	2½	2½	—
Central Mining (A1) ..	14½	14½	—
Chartered (A1) ..	14½	14½	—
City Deep (A1) ..	28	28	—
Cons. Gold Fields (A1) ..	14½	14½	—
Crown Mines (A1) ..	2½	2½	—
De Beers Def. (A1) ..	15½	15½	—
East Rand Prop. (A1) ..	1½	1½	—
Goldfield (A1) ..	3½	3½	—
How Gold Areas ..	8½	8½	—
Johannesburg Cons. ..	2½	2½	—
Modderfontein (A1) ..	4½	4½	—
Modderfontein, "B" (5) ..	1½	1½	—
Modderfontein, Deep (5) ..	2½	2½	—
Mount Lyell (A1) ..	1½	1½	—
New State Areas (A1) ..	2½	2½	—
Randfontein East (A1) ..	3½	3½	—
Rand Mines (A1) ..	3½	3½	—
Selkwa (2/6) ..	3½	3½	—
Shamwa (A1) ..	1½	1½	—
Rio Tinto (A1) ..	43½	42½	—
San Francisco of Mexico (A1) ..	1½	1½	—
Spring Mines (A1) ..	2½	2½	—
Tanganyika Cons. (A1) ..	2½	2½	—
Trans. Cons. L. (A1) ..	4	4	—
Zambesia Expl. (A1) ..	2½	2½	—

Miscellaneous.

	Price Last Week.	Latest Price.	Rise or Fall.
Aerated Bread (A1) ..	1½	1½	—
Amal. Cottons (A1) ..	3½	3½	—
Anglo Persian Oil (A1) ..	3½	3½	—
Armstrong (Sir W.G.) ..	2½	2½	—
Ass. Ind. Cement (A1) ..	2½	2½	—
Barker, John (A1) ..	2½	2½	—
B'ham Small Arms (A1) ..	2½	2½	—
Brasil Traction (A100) ..	75½	82	—
British-American Tobacco (A1) ..	5½	5½	—
British Controlled Oil (A1) ..	5½	5½	—
Burmah Oil (A1) ..	5½	5½	—
Coass (J. and P.) (A1) ..	5½	5½	—
Courtaulds (A1) ..	6½	7½	—
Cunard (A1) ..	6½	6½	—
Dorman, Long (A1) ..	1½	1½	—
Dunlop Rubber (A1) ..	1½	1½	—
Fine Cotton Spinners (A1) ..	2½	2½	—
Forestral Land (A1) ..	1½	1½	—
Furness, Withy (A1) ..	1½	1½	—
Highlands and Lowlands Rubber (A1) ..	2½	2½	—
Hudson's Bay (A1) ..	5½	5½	—
Imperial Tobacco (A1) ..	5½	5½	—
Linggi Plantins (A1) ..	2½	2½	—
Lipton (A1) ..	1½	1½	—
Lever Bros 7% Cum. Pref. (A1) ..	1½	1½	—
Do 8% Cum. Pref. (A1) ..	1½	1½	—
Do 8% Cum. Pref. Ord. (A1) ..	1½	1½	—
Lester (A1) ..	1½	1½	—
Lobitos Oilfields (A1) ..	6½	6½	—
Lyons (J.) & Co. (A1) ..	3½	3½	—
Mexican Eagle (A10) ..	1½	1½	—
Nobel Industries (A1) ..	1½	1½	—
Pekin (A1) ..	1½	1½	—
Royal Dutch Petro-leum (A1) ..	32½	31½	—
Rubber Plantations Investment (A1) ..	1½	1½	—
Shell Transport (A1) ..	4½	4½	—
Smithfield & Argentine Meat (A1) ..	3½	3½	—
Union Cold Storage 6% Cum. Pref. (A1) ..	1	1	—
Do 7% Cum. Pref. (A1) ..	1½	1½	—
United Dairies (A1) ..	1½	1½	—
United Serdang (A1) ..	4½	4½	—
United Tobacco (A1) ..	2½	2½	—
V.O.C. Holding (A1) ..	2½	2½	—
Vickers (A1) ..	3½	3½	—
Wanney Def. Stk. ..	375	380	—

MINING OUTPUT STATISTICS FOR SEPTEMBER, 1925.

	Tons Crushed.		Gold Recovered.		Value.	Profit.
	Mill.	Cyanide Works.	Mill.	Cyanide Works.		
Gold.	Tons.	Tons.	Ozs.	Ozs.	£	£
Ashanti ..	7,392	..	..	..	32,080	11,919
Gabaii Tributing ..	340	270	746	134	43,247	..
Globe and Phoenix ..	6,092	..	..	..	4,819	..
Lonely Reef ..	5,100	..	..	..	2,922	3,398
Oriental Consolidated ..	..	..	..	(clear up)	882,000	..
Oroya Links ..	3,141	..	..	..	10,338	..
Rhombia ..	954	770	401	56	457	..
Shamva ..	55,200	..	..	..	31,383	7,231
Tomboy ..	13,000	..	..	..	52,000	..
Vipond Consolidated ..	5,254	..	..	..	46,000	..

	Output.	Other Notes in Return.	
		Tons.	Value.
Tin.	Tons.		
Aramayo ..	303	Silver, 168,000 ozs.	
Batura Mongana ..	4		
Briscoe River ..	11	Black tin clean up ..	
East Pool and Agar ..	83	Black tin; 120 tons arsenic.	
Geovor ..	37	Black tin.	
Gurum River ..	5		
Naraguta ..	48		
Nigerian Base Metals ..	124		
Tin Fields of N. Nigeria ..	7		
Copper.			
Messina (Transvaal) ..	1,202	Concentrates, containing 450 tons copper.	
Namaqua ..	234		
New Guinea ..	165	(Matte) est. contain 30 tons copper and 54 ozs gold.	
South American ..	467	(Matte) assaying 27½ per cent.	
Zinc.			
Zinc Corporation ..	..	4,940 lead concentrates, 3,502 zinc concentrates.	
Miscellaneous.			
Burma Ruby ..	..	Value of rubies produced, Rs25,000.	
Keeley Silver ..	..	124,873 ozs silver.	

NORTH BROKEN HILL, LIMITED.—For the month of Sept. the production was as follows:—38,810 tons of crude re were treated, producing 6,980 tons lead concentrates, averaging 63.4 per cent. lead, 30.2 ozs silver per ton, and 7.4 per cent. zinc; also 6,140 tons zinc concentrates, averaging 47.7 per cent. zinc, 7 per cent. lead, and 8 ozs silver per ton.

OIL OUTPUTS.

BRITISH CONTROLLED OILFIELDS, LIMITED.—By cable for the week ending October 7, 1925. Production, 55,841 barrels; shipments, 4,455 tons.

LAGO PETROLEUM CORPORATION.—Production for week ended September 19, 1925, 91,650 barrels. Note.—Figures for oil shipments and storage on hand have not been received from Venezuela.

TAMPICO OIL, LIMITED.—The total production on the company's properties in Mexico during September was 47,998 barrels, in respect of which the royalty due to Tampico Oil, Limited, amounted to 3,600 barrels.

UNITED BRITISH OILFIELDS OF TRINIDAD, LIMITED.—The combined production for the week ending Wednesday, October 7, 1925, amounted to 857 tons.

VENEZUELAN OIL CONCESSIONS, LIMITED.—Production for the week ended October 10, 1925, was as follows:—La Rosa, 5,475 metric tons (previous week ended October 3rd, 8,576 metric tons). Maracaibo district, 2,944 metric tons (previous week ended October 3rd, 3,421 metric tons).

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

SECURITY FIRST ROYAL INSURANCE COMPANY, LIMITED

HEAD OFFICES: LIVERPOOL AND LONDON

COMPANY MEETINGS, &c.

BUENOS AYRES AND PACIFIC RAILWAY COMPANY, LIMITED. YEAR'S RESULTS—SOME GRATIFYING FEATURES.

The ordinary general meeting of the Buenos Ayres and Pacific Railway Company, Limited, was held, on the 13th instant, at Winchester House, London, Viscount St Davids (the chairman) presiding.

The secretary (Mr C. E. Rich) read the notice convening the meeting and the report of the auditors.

The Chairman, in moving the adoption of the report and accounts, said that he was out in Argentina the other day on the occasion of the visit of the Prince of Wales. They had expected very great things of the Prince, and he did as brilliantly as he always did. The great British colony in Argentina was intensely proud of him.

The year under review compared with a record year, and in the past year the cereal crop was less favourable, weather conditions were not good, locusts did a great deal of damage, and altogether the crop came out much below a normal one, and because the grain crop was not as good as usual, the wine sales were also affected. When there was a poor grain crop the farmers were not so well off, and could not buy so much wine. Also there were not so many harvesters employed. With regard to what their revenue came from, to begin with they got 25½ per cent. from wine and empty casks, passengers gave 17½ per cent., cereals and empty boxes 12½ per cent., general merchandise 9½ per cent., livestock 7 per cent., parcels and excess luggage 6½ per cent., foodstuffs 4 per cent., fresh fruits 2½ per cent., firewood 1½ per cent., timber 1½ per cent., hay 1½ per cent., potatoes 1½ per cent., flour and mill by-products 1½ per cent., charcoal 1 per cent., hides and hair 1 per cent., machinery ½ per cent., and lime ½ per cent.; that made up 95½ per cent., and the rest was in small miscellaneous items. They were coming very near to that desirable day when they would not be a crop line only, and that was what they wanted to get to. Their passenger traffic was increasing on the local section because Buenos Ayres was growing out their way rapidly. There was also an increase in international passengers. Last year they carried through to Chile 14,000 people, against 12,500 in the year before.

A gratifying feature was that immigration was going on, though not very rapidly. Another gratifying feature was that in the Cuyo province the irrigated zone was extending. During the 12 months since he was there before the amount of building that had been going on was very striking. There had been a great increase in the export and also of stone, while a new product was the carriage of 1,000 tons of lead, from a lead mine which had been found about 45 miles from San Rafael. Oil shale had also been discovered about three miles from Mendoza.

With regard to the future there was a slightly increased area under cultivation, crop prospects were satisfactory, though rain would soon be needed, and the immediate prospects were good. If there was anything like an average crop they should have as good a result as in the present year. They had a very great property, and one that was capable of immense development.

Mr Percy Cross seconded the motion, and, after some congratulatory remarks by Sir William Fry, Mr Reginald Woodward, and Mr John Hedges, it was carried unanimously.

CENTRAL ARGENTINE RAILWAY, LIMITED.

INSURANCE AND IMMEASURABLE POTENTIALITIES.

The ordinary general meeting of the Central Argentine Railway, Limited, was held, on the 15th instant, at River Plate House, London.

The Chairman (Sir Joseph White Todd, Bart.) said that in the year under review exchange had cost the company £322,255, against £817,575 in the preceding year—an improvement of no less than £495,320. Last year they had an unexpended balance on capital account of £417,600, while this year they had overspent that account by £241,700. There was no present intention of making any issue, but they were bound to go ahead with the railway. They had many works in hand which could not be longer postponed, except to the serious detriment of the concern as

a whole. On the occasion of his visit to the Argentine in February last he was most kindly received once again by H.E. the President of the Republic, Dr Marcelo Alvear. The conversations which he had with the President had been mutually helpful, and he was persuaded that Dr Alvear was impressed with the continued efforts of the company to aid the development of his country. In whatever direction they looked, the future of the country and the potentialities of this railway were as immense as they were immeasurable.

THE FUTURE.

The growth of railway communications would foster immigration, and the colonist would continue to migrate to those hospitable shores, because he had there none of the drawbacks to contend with which detracted from some of the other cereal-producing and cattle-rearing countries. If they, as a railway company, but continued doing their part steadfastly they must reap the reward of their labours and of their faith. One year might prove less remunerative than another, but, as a whole and on the average, their future was certain and secure. The Chairman concluded by reading the following telegram:—"Area sown with cereals slightly greater than last year, and due to favourable weather conditions the outlook as regards the growing crops is satisfactory in all zones served by the company. Yield from sugar harvest highest ever obtained. Cereals on hand at farms and stations estimated at 1,000,000 tons, chiefly maize, against 800,000 tons last year. Movement of cereals since commencement of present financial year has been slow, due to reduced demand for export, with consequent temporary check to earnings of the company, but with the prospect of bountiful harvests and large tonnage of grain still to be raised augmented receipts are to be anticipated."

The report was unanimously adopted.

STOCK CONVERSION AND INVESTMENT TRUST, LIMITED.

"A PERFECTLY SOUND AND HEALTHY POSITION."

L.M. AND S. INTERESTS.

THE L.M. AND S. TRUST.

Well, gentlemen, I thank those gentlemen for their unanimous support. It was only because I had got such unanimous support that I could ever have attempted to get the Act which was finally passed. That Act has been carried out. It has constituted the London Midland and Scottish Stock Conversion Trust—a trust in which we are greatly interested, and, I hope, will for long continue to be greatly interested. It has given the shareholders of the London Midland and Scottish Railway an organisation whereby such of them, including trustees, as may desire to join that trust, if we can agree upon terms, will be enabled to come into it. We do not think it would be proper to allow any very large inrush of holders of London Midland and Scottish ordinary stock into our new trust if it was to have the effect of damaging the value and the price of the preference stock and preferred stock which have been issued to our former holders. So far as that is concerned it will not have support from us. We recognise that London Midland and Scottish ordinary stock and our stocks can, by the public, be said to be one and the same thing. I venture to say that the new trust stocks are the better thing. I am perfectly certain—and I pay no attention to the quotations of some foolish people—that the 4 per cent. preference stock and the 5 per cent. preferred stock which are being issued by the new trust, authorised, as I have said, for investment by trustees who are authorised to invest in the parent company, are each well worth the £70 at which we state that we hold them in our books.

RESULT OF THE YEAR'S OPERATIONS.

We have parted with regret from those interested in our own issues in respect of railway stock, but, after all, we have done this on terms which, I hope, will benefit them. We have, as a whole, on the year's working, come out quite satisfactorily, and we are able, therefore, to distribute the amount of dividend which we recommend you to take to-day—in fact, which we are bound to pay if we have these results. We have also been able to add a considerable sum to our general reserve, taking off £2,000 of losses—some £9,000, a substantial amount when you remember that our open ordinary capital is only £56,000 in all—not that it represents £56,000, because it is an eighth part of what it used to be. But the results, on the whole, are satisfactory.

I think the fact that we have paid our £35,000 a year for three years—and I hope we will continue to pay it—indicates that our capitalisation, which was written down to £253,000, is not now

the real value of our securities. If I had to put an assessed value upon our securities I would say that our preference stock ought to be worth—mind you, I am not optimistic, though people will say I am—I think that our preference stock, judging by the preference stocks of other trust companies, ought on its dividend rights to be worth about £120, our annuity shares about 75, and our ordinary stock certainly much more than the price at which it is standing in the books now. That is my idea of the company.

PAST STATEMENTS BORNE OUT.

I always like to tell shareholders what my ideas are, and I do not mind being judged by them, because I think that if you look back on what I have said to you during the terrible times that we have had to pass through I may congratulate myself upon having said many things which have been proved true to the letter. Whether it was to warn you against trusting German marks or not to worry too much about exalted dollars, or whether it was to look with hope to things getting brighter, I have proved true on every occasion. I am getting old now. I am thankful to have the company in what I think to be a sound position. I hope I may be spared to look after its fortunes for some time longer, but were I not I feel that I have done the work which five years ago I laid myself out to do, namely, to restore the Stock Conversion and Investment Trust to a perfectly sound and healthy position. With these remarks I beg to move the resolution which I have already read to the meeting.

The motion was seconded by Captain Bowyer, put to the meeting and passed unanimously.

Mr R. W. Shire, the retiring director, was re-elected, as were also the auditors. The proceedings terminated with votes of thanks to the chairman and to the staff.

N.B.—A FULLER STATEMENT OF THE POSITION OF THE TRUST WILL BE FOUND IN THE REPORT OF THE MEETING PUBLISHED IN "THE TIMES" AND "THE FINANCIAL TIMES" OF OCTOBER 12, 1925.

HARRISONS AND CROSFIELD, LIMITED.
A SUCCESSFUL YEAR.

MR H. ERIC MILLER'S REVIEW OF THE TEA AND RUBBER POSITION.

Presiding at the seventeenth ordinary general meeting of Harrissons and Crosfield, Limited, held on the 15th instant, in London, the Chairman, Mr H. Eric Miller, reviewed the balance-sheet, referring to the record profit shown and to the spirit of goodwill which had been developed during the 80 years of Harrissons and Crosfield's existence; he stated that the intrinsic position of the company's business had never been better.

TEA DUTY—SHIPMENTS TO RUSSIA.

As regards the present position of the tea industry, he said: "One of the most encouraging features of the market has been the progressive increase shown in shipments to Russia. During the nine months January to September re-exports from this country totalled 8½ million lbs, in comparison with 2 million lbs in the corresponding period last year. Russia has also been buying in China, Ceylon, India, and the Dutch East Indies. This revived outlet should be a sufficient guarantee of a remunerative level of prices for many years, if only producers will realise that their interests will be best served by confining their attention to the manufacture of a crop of sound, useful, and good tea, and avoiding the temptation to snatch an additional but temporary benefit by indulging in coarse plucking and the manufacture of inferior and undesirable tea."

RUBBER.

Reviewing the rubber industry, Mr Miller said: "Without being hypercritical, the price movements of rubber during the past two years indicate very clearly that the manufacturers themselves have not, in the main, accurately gauged their future requirements."

"The strength of the position at the present time prompts one of my somewhat conservative temperament to search for causes which may bring about a reaction, but I candidly confess that it is not easy to conjure them up. On dead reckoning, however, it is well to be prepared for some natural reaction in the course of next year, but, when supplies become available in excess of immediate needs, the wise manufacturer will increase his holding of crude rubber."

"The well-organised and proven plantations in the East are quietly but definitely adding extensions to their present planted areas, using first-class planting material, and I am sure that these extensions will prove to be a very sound investment. British predominance has not diminished in any sense as a result of the legislation regulating exports from Malaya and Ceylon, and all my inquiries convince me, as I have repeatedly stated during

recent years, that the estates which have been restricting exports, under legislation or voluntarily, are in excellent condition to derive the maximum benefit from the period of prosperity which may be looked for during the next few years.

PRESENT WORLD STOCKS.

"Present world stocks represent less than 3½ months' current absorption. Under normal conditions comfortable working stocks should be the equivalent of about six months' absorption. It is only a matter of time until we reach the point when the annual increase in production will be less than the annual increase in absorption, and, provided a steady and far-sighted view of the position is maintained, any excess of production over absorption in the meantime could be and should be carried without difficulty."

"Now that so much public attention is being attracted to the shares in rubber-producing companies, I would give a word of advice to intending investors. Reliable information may easily be obtained, and proper regard should be paid to the relative intrinsic merits of the companies whose shares are being dealt in. The plantation rubber industry is not a gambling industry; it is one of the great primary industries of the world to-day, and, as long as it is conducted on that footing, and not with an eye to share speculation, it well merits the confidence of the investor."

The report was unanimously adopted, and a final dividend of 20 per cent. was declared on the deferred ordinary shares, making 30 per cent. for the year.

CITY OF SAN PAULO IMPROVEMENTS AND FREEHOLD LAND COMPANY, LIMITED.

CHAIRMAN OPTIMISTIC OF THE FUTURE.

The thirteenth ordinary general meeting of the City of San Paulo Improvements and Freehold Land Company, Limited, was held, on the 15th instant, at Winchester House, Old Broad Street, London, Mr Herbert Guedalla, F.C.A. (chairman of the company), presiding.

The secretary (Mr F. S. Tomkins) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said that when they last met at the end of October, 1924, he referred to their balance-sheet as a clean balance-sheet, and it certainly had been greatly simplified. This year, however, they had been able to go still further, and present the accounts in a form which he trusted every shareholder would understand. In the accounts presented all the assets and liabilities in Brazil, which practically represented the whole of the company's undertaking, had been taken at the exchange of 6d per milreis for the purpose of conversion into sterling. The directors would adopt the system in future, so that it would not be difficult to estimate the effect of the rise or fall in exchange as against this value of 6d per milreis. Formerly they had always taken the liquid assets and liabilities in Brazil at the rate ruling at the date of the balance-sheet, and the fixed assets, such as land, at 1s per milreis, and it so happened that by force of circumstances the date of the meeting was always about six months after the date on which the accounts were closed, so that the exchange was often materially different when the accounts came to be presented. It was not an easy matter, therefore, to form any estimate as to the intrinsic position of the company in sterling values.

FREEHOLD LAND.

The main asset of the company, the Chairman continued, was their freehold land. This stood in their books at the end of the previous year at £1,473,539, and during the year under review previous sales to the amount of £9,892 had been cancelled—he might add incidentally that these properties had been resold at a good profit—whilst the cost price of the land sold during the year was £75,062, so that in the ordinary way, taking the milreis at 1s exchange, they were left on February 28th last with a net cost of £1,408,368 in their books for their freehold land. The sales during the year were entirely satisfactory. The selling values of their main estates had been continuously increasing, with the result that at the end of the year they were getting about double the price obtained in the previous year. In all, about 91½ acres were sold, so that they were left at the date of their balance-sheet with 1,158½ acres of what they termed "saleable land."

The difference in milreis between the book value of the land and the prices being realised was becoming so large that the directors felt that they must get a correct up-to-date view of the situation. In that connection they were fortunate in securing the services of Sir Arthur Du Cros, who was one of the largest shareholders, and who consented to go out to San Paulo at the beginning of this year, and to make a report with the assistance of independent experts. One of the main features of this report was the valuation introduced into the balance-sheet. In the

opinion of the board there was no other sound method of accomplishing their decision to place before the shareholders a balance-sheet with all their assets and liabilities in Brazil taken at an exchange of 6d to the milreis. Further, it formed an absolute basis upon which they could formulate the future policy of the company with regard to their respective estates. They considered they were quite safe in adopting the valuation of £2,750,000, and the result was that they had an increment in value over the book figure of £1,341,631, which they had transferred to valuation reserve account. Since the date of the balance-sheet it had been the policy of the board to concentrate on the development of the Pacaembu estate, and the first sales, held about two months ago, resulted in an amount of about £70,000, the land realising almost twice the figure at which this estate was taken in the balance-sheet now submitted.

RETURN TO SHAREHOLDERS.

As to the question of making some return to the shareholders, on the basis of their present development policy they would have nothing to spare for the current year ending February next, but after due consideration of the financial estimates carefully prepared by their management in Brazil, the directors considered they should be in a position to make some return from sales in the ensuing year. The amount of the return was naturally dependent on realisation of the anticipated sales, which, as far as he could see, had been estimated on a conservative basis. In these days it was dangerous, perhaps, to look a year ahead, but the figures showed that they should be able to make a return of, say, 5 per cent., for their financial year 1927, and he trusted thereafter that this amount could be increased from year to year if nothing abnormal occurred.

The report was unanimously adopted.

INSULINDE (SUMATRA) RUBBER ESTATES, LIMITED.

QUESTION OF PUBLICITY.

The fifteenth annual general meeting of this company was held, on the 15th instant, at Winchester House, London, Sir Ivor Philipps, K.C.B. (the chairman), presiding.

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

The Chairman, in moving the adoption of the report and accounts, said that the company's financial position showed a still further improvement, the liquid assets amounting to £22,606. The net profit was £13,037, against £6,327 in the previous year. The dividend warrants for the 12½ per cent. dividend would include an interim dividend of 5 per cent. on account of the current year. The estimated output for the current year was 430,000 lbs. The company possessed valuable reserve land to the extent of about 10,000 acres, and the visiting agent recommended that extensions should be made as soon as possible. The margin between the company's nominal and issued capital was now but £13,818, and as £20,000 should be earmarked for new extensions, proposals would shortly be submitted to increase the company's nominal capital to £200,000.

Mr E. H. Parry seconded the motion.

In reply to a shareholder, the Chairman said that the company had sold forward for 1926 21 tons of rubber at an average price of about 2s 4½d per lb. Speaking personally, he never thought it was to the advantage of the planter to have all the details of his business given to the public, and he was not alone in taking that view. In this respect directors were in a very difficult position.

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Capital	...	Fmk. 150,000,000
Reserve Fund and Profits	...	" 115,000,000
Deposits, etc.	...	" 1,704,000,000
(31/12/24)		

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The Anglo-South American Bank Limited.

Head Office:
117 Old Broad Street, London, E.C.2

Authorised Capital	£10,000,000
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Issued Capital	£8,734,660
Paid-up Capital	£4,367,330

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AMERICA, Ltd., and
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(Incorporated under the laws of the State of New York),
NEW YORK.
BANQUE ANGLO-SUD AMERICAINE, SOC. ANON.,
PARIS.
Northern District Office: 69, Market Street, BRADFORD.
Lancashire Branch: 19, Spring Gardens, MANCHESTER.

If they could get reciprocation that would be a different matter. If the large buyers would tell them how much rubber they used, how much they had bought, and how much they had still to buy, and if the financial Press would help them with that information, then he thought it would be a fair "give and take." This was the only trade of which he was aware that gave everything away, and where directors were made by the shareholders to give it away. No board wanted to give the information away; but shareholders demanded it, and as long as they demanded it he thought the boards could not refuse.

The motion was carried unanimously.

The retiring director (Mr H. L. Coghlan) was re-elected, and Messrs Wyatt Williams and Co. were re-appointed auditors.

A cordial vote of thanks to the chairman and directors, as well as to the staff, both in the East and in London, concluded the proceedings.

GOVERNMENT RETURNS, &c.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

Estimate for the Year 1925-26. (See Note)	Total Receipts into the Exchequer from		Receipts.	
	Apr. 1, 1925, to Oct. 10, 1925.	Apr. 1, 1924, to Oct. 11, 1924.	Week Ended Oct. 10, 1925.	Week Ended Oct. 11, 1924.
Balances in Exchequer on 1st April—				
Bank of England...	5,341,778	5,069,613	..	..
Bank of Ireland...	1,215,322	1,562,001	..	..
REVENUE.	6,557,100	6,631,614	..	..
Customs...	102,040,000	52,914,000	2,219,000	2,076,000
Excise...	137,220,000	64,168,000	1,714,000	1,377,000
Motor Vehicle Duties...	17,500,000	5,018,000	447,000	371,000
Estate, &c., Duties...	66,500,000	31,120,000	730,000	710,000
Stamps...	24,000,000	10,680,000	950,000	310,000
Land Tax, House Duty & Mineral Rights Duty	1,000,000	170,000	660,000	10,000
Property & Income Tax	262,000,000	102,156,000	2,919,000	3,359,000
Super Tax...	63,300,000	27,550,000	550,000	460,000
Excess Profits Duties, &c.	4,000,000	1,000,000	..	..
Corporation Profits Tax	9,000,000	6,320,000	200,000	400,000
Post Office...	57,000,000	28,000,000	900,000	1,000,000
Crown Lands...	900,000	430,000	..	..
Interest on Sundry Loans...	12,600,000	8,679,220	220,543	3,750
Miscellaneous—				
Ordinary Receipts...	14,000,000	6,285,597	333,530	64,064
Special Receipts...	30,000,000	19,208,674	830,000	10,753
Revenue...	801,060,000	363,064,991	11,226,073	10,151,567
Total, inc. Balance...	369,653,591	377,596,335	..	..
OTHER RECEIPTS.				
Temporary Advances Repaid—				
Under the Unemployment Insurance Acts, 1921...	1,170,000	5,780,000	..	..
Money Raised by Creation of Debt—				
(a) For Capital Expenditure Issues Under the Telegraph (Money) Acts, 1922 and 1924...	5,950,000	4,500,000	..	..
Under the Housing Act, 1914...	6,000	4,000	..	..
Under the West Indian Islands (Telegraph) Act, 1924...	20,071	260,719	..	..
(b) Under the Unemployment Insurance Acts, 1921...	1,675,000	140,000	..	..
(c) For other issues; By Treasury Bills...	1,323,327,000	1,271,807,000	57,650,000	50,827,000
By 3½% Conversion Loan...	27,979,560	2,900,000	..	..
By National Savings Certificates By Exchequer and National War Bonds...	18,500,000	14,400,000	600,000	550,000
By Treasury Bonds, 1925...	15	..	..	..
By 4% Treasury Bonds, 1921-23...	1,179,000	13,521,620	944,000	..
(d) Ways and Means Advances...	397,581,000	496,303,000	6,050,000	7,150,000
Anglo-Persian Oil Company—Dividends on Shares Acquired...	..	23,109	..	..
Repayments—				
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921...	116,243	562,521	..	..
In respect of Issues under Section 59 (4) of Finance Act, 1920...	9,901,981	..	..	..
Interest received under Section 59 (5) of the Finance Act 1920...	256,778	..	113,925	..
Total...	2,157,316,249	2,184,904,304	79,483,981	68,678,567

EXPENDITURE AND OTHER ISSUES.

Estimate for the Year 1925-26 (including Supplementary Grants).	Total Issues out of the Exchequer to meet Payments from		Issues.	
	Apr. 1, 1925, to Oct. 10, 1925.	Apr. 1, 1924, to Oct. 11, 1924.	Week Ended Oct. 10, 1925.	Week Ended Oct. 11, 1924.
EXPENDITURE.				
National Debt Services—				
Interest, &c.	305,000,000	179,938,123	3,792,197	2,995,475
Sinking Fund	50,000,000	2,269,392	15,053,855	613,503
Road Fund	16,900,000	4,237,044	550,579	..
Payments to Local Taxation Accounts, &c.	13,329,000	4,683,474	4,877,891	230,636
Payments to Northern Ireland Exchequer	4,000,000	2,425,617	2,403,737	20,000
Land Settlement	700,000	257,342	327,083	2,599
Other Consolidated Fund Services	2,000,000	1,526,398	226,735	223,115
Supply Services	418,086,000	205,640,565	191,370,512	9,933,739
Expenditure	810,016,000	419,979,495	399,278,292	14,752,316

OTHER ISSUES.	Total Issues out of the Exchequer to meet Payments from		Issues.	
	Apr. 1, 1925, to Oct. 10, 1925.	Apr. 1, 1924, to Oct. 11, 1924.	Week Ended Oct. 10, 1925.	Week Ended Oct. 11, 1924.
Temporary Advances—				
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904...	36,891	36,891	..	..
Under the Unemployment Insurance Acts, 1921...	1,715,000	250,000	..	30,000
Issues to meet Capital Expenditure—				
Under the Telegraph (Money) Act, 1922 and 1924...	6,350,000	4,750,000	400,000	250,000
Under the Housing Act, 1914...	6,000	..	..	2,030
Under the West Indian Islands (Telegraph) Act, 1924...	20,071	310,719	..	50,000
Unemployment Insurance Acts, 1921—				
Repayment of amounts borrowed—	1,170,000	5,780,000	..	..
Redemption of Debt—				
Treasury Bills	1,263,220,000	1,248,440,000	52,425,000	42,210,000
Principal of National Savings Certificates...	15,950,000	16,950,000	500,000	550,000
Principal of Exchequer Bonds paid off	306,667	..	..	..
Principal of National War Bonds paid off	8,344,789	6,104,373	..	250,000
Principal of Treasury Bonds paid off	23,645,865	..	..	..
Other Debt under the War Loan Acts, 1914 to 1919	..	50	..	..
Ways and Means Advances Repaid	413,745,000	500,280,500	11,400,000	14,162,000
Anglo-Persian Oil Company—Issued to the National Debt Commissioners	..	23,109	..	..
Balance in Exchequer—				
Bank of England	2,154,488,228	2,182,209,934	79,477,316	68,580,515
Bank of Ireland	2,006,440	1,916,579	134,204	29,948
Total	821,581	777,791	140,886	128,000
	2,828,021	2,894,370	6,682	98,052

NOTE.—Budget Estimate as in H.C. No. 84 of 1925.
Treasury, October 12, 1925.

NATIONAL DEBT—(Million £).

	Apr. 1, 1925.	Apr. 1, 1924.	Mar. 31, 1925.	Mar. 31, 1924.	Mar. 31, 1923.	Mar. 31, 1922.	Mar. 31, 1921.	Mar. 31, 1920.	Oct. 10, 1925.
Funded Debt	588	515	515	515	514	514	514	514	514
Term Annuities	30	30	18	16	14	14	13	13	13
3½% Conversion Loan	..	..	266	684	666	666	709	737	737
4½% Conversion Loan	..	..	63	63	63	63	63	63	63
4½% War Stock	..	..	13	13	13	13	13	13	13
4½% War Stock	..	..	13	13	13	13	13	13	13
4½% and 5½% War Stock	2,047	1,995	1,953	2,006	2,107	2,107	2,052	2,052	2,052
National War Bonds	1,509	1,413	1,401	953	830	813	778	778	778
4½% Funding Loan	..	..	409	406	399	396	396	396	396
4½% Victory Bonds	..	..	360	347	335	325	314	314	314
Exchequer Bonds	..	..	453	411	457	496	499	476	476
Treasury Bonds	20	323	289	185	150	150	69	69	69
National Savings Certificates	..	..	267	285	342	354	366	368	370
Other Debt*	..	1,306	1,138	1,087	1,157	1,132	1,124	1,124	1,124
American Loan (Anglo-French)	..	..	51	..	..	..	..	..	..
Treasury Bills	15	1,107	1,121	878	616	588	626	576	635
Temporary Advances	1	243	154	147	194	186	220	167	150
Other Capital Liabilities	654	8,033	7,574	7,655	7,742	7,641	7,726	7,646	7,688
Total Liabilities	711	8,079	7,623	7,721	7,812	7,707	7,794	7,718	7,769

* Includes debt to American Government.

POSITION OF THE FLOATING DEBT.

	Oct. 11, '24.	Mar. 31, '25.	Oct. 10, '25.	Week ended Oct. 10, '25.
Outstanding	3,250,000	..	4,500,000	5,500,000
Advances by Bank of England	17,974,000	166,585,000	145,921,000	150,000
Advances by Public Deposits	611,705,000	575,610,000	*635,720,000	5,425,000
Treasury Bills Outstanding	..	..	..	..
Total Floating Debt	793,889,000	742,195,000	786,141,000	125,000

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

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

Date.	Notes and Certificates Outstanding.	Redemption Account.			
		Investments Reserve Account.	Silver Coin.	Gold and Bullion.	Bank of England Notes.
Mar. 29	300,351	14,255	5,000	28,500	19,450
June 28	295,374	13,338	6,000	28,500	19,450
Sept. 27	289,127	12,648	7,000	27,000	18,500
Dec. 27	301,357	12,872	7,000	27,000	18,500
Mar. 28	285,616	12,318	7,000	27,000	18,500
June 27	285,503	12,516	7,000	27,000	18,500
Sept. 27	282,784	12,401	7,000	27,000	18,500
Dec. 26	299,070	12,571	7,000	27,000	18,500
Mar. 28	281,538	11,882	7,000	27,000	18,500
June 25	290,316	11,908	7,000	27,000	18,500
Sept. 24	285,592	12,227	7,000	27,000	18,500
Dec. 31	296,261	12,812	7,000	27,000	18,500
Mar. 25	284,256	11,882	7,000	27,000	18,500
June 24	292,278	12,365	7,000	27,000	18,500
Sept. 30	293,004	12,565	7,000	27,000	18,500
Oct. 7	294,478	12,416	7,000	27,000	18,500
Oct. 14	293,735	12,199	7,000	27,000	18,500

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £200,000,000, for 1921 at £217,555,200, for 1922 at £202,988,400, for 1923 at £270,183,800, for 1924 at £248,180,900, and for 1925 at £246,146,400.

TREASURY BILLS AND BONDS BY PUBLIC TENDER

Tenders for £35,000,000 in Treasury Bonds and Treasury Bills were opened on Oct. 16, 1925, and the total amount applied for was £41,885,000. For bills at three months dated Monday to Friday, £99 1s 5d, about 38 per cent., and above in full; Saturday bills at £99 1s 9d, above in full—in bills at 3 months, £35,000,000; in bonds, nil.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.	4% Treasury Bonds. Average Price.
Aug. 14, 1925.	35,000,000	50,515,000	3 18 2-11	nil
Aug. 21	35,000,000	61,575,000	3 15 2-9	nil
Aug. 28	40,000,000	59,830,000	3 16 3-65	nil
Sept. 4	40,000,000	56,955,000	3 16 3-53	nil
Sept. 11	35,000,000	57,180,000	3 15 6-7	94 0 0
Sept. 18	40,000,000	67,255,000	3 10 4-26	94 0 0
Sept. 25	45,000,000	62,500,000	3 7 3-39	94 8 0
Oct. 2	45,000,000	65,940,000	3 6 5-79	94 9 1-48
Oct. 9	40,000,000	66,200,000	3 12 7-86	nil
Oct. 16	35,000,000	41,885,000	..	..

Tenders will be received on Oct. 23, 1925, for Treasury Bills and Treasury Bonds to be issued to the maximum amount of £40,000,000. The amount of Treasury Bonds issued will not exceed £4,000,000.

ESTABLISHED OVER ONE HUNDRED YEARS

SCOTTISH UNION & NATIONAL INSURANCE COMPANY.

ASSETS £13,000,000.

FIRE. LIFE. ACCIDENT. MARINE

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

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, October 14, 1925.

ISSUE DEPARTMENT.

£	£
Notes issued	173,808,495
Government debt	11,015,100
Other securities	8,734,900
Gold coin & bullion	154,058,495
173,808,495	173,808,495

BANKING DEPARTMENT.

£	£
Proprietors' capital ..	14,553,000
Reserve	3,084,469
Public deposits	8,455,108
Other deposits	103,412,929
Seven-day & other bills ..	4,026
129,509,532	129,509,532

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

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Gold in or out of Bank.	Reserve and % of Reserve to Liabilities.	Bank Rate.
1925.							

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

Assets.	Oct. 8, 1925.	Oct. 1, 1925.	Sept. 24, 1925.	Sept. 17, 1925.	Oct. 9, 1924.	Position May 28, 1914.
Gold (gold & silver and bullion)	389,542	388,766	388,932	388,430	356,134	322,650
Securities	1,337,133	1,401,500	1,264,058	1,242,632	1,222,033	697,600
LIABILITIES.						
Notes in circulation	7,731,003	7,760,205	7,581,724	7,602,477	7,623,602	934,150
Current accounts	278,120	307,801	246,025	207,518	219,362	112,126

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

Assets.	Oct. 10, 1925.	Oct. 3, 1925.	Sept. 26, 1925.	Sept. 19, 1925.	Oct. 11, 1924.	Position May 30, 1914.
Gold	187,000	175,750	176,000	175,750	156,841	29,785
Silver	185,000	180,500	180,000	179,000	170,467	77,567
Discounts, advances, and other investments	334,000	327,500	323,500	324,500	275,671	109,499
LIABILITIES.						
Notes in circulation	70,000	61,000	67,000	59,000	119,005	11,260
Deposits and bills payable						

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

Assets.	Oct. 7, 1925.	Sept. 30, 1925.	Sept. 23, 1925.	Sept. 15, 1925.	Oct. 11, 1924.	Position May 31, 1914.
Gold	480,431	490,560	490,512	490,284	504,857	171,175
Silver	88,337	88,401	89,082	88,319	92,609	18,350
Assets & advances	286,088	289,928	289,830	295,126	303,780	103,000
LIABILITIES.						
Notes in circulation	812,053	844,549	780,811	789,534	861,732	275,925
Deposits	101,085	86,798	136,745	139,845	110,930	33,750

THE REICHSBANK.—In Reichsmarks (000's omitted).

Assets.	Oct. 7, 1925.	Sept. 30, 1925.	Sept. 23, 1925.	Sept. 15, 1925.	Sept. 15, 1924.	Position May 15, 1914.
Reichsbank shares not yet issued	177,212	177,212	177,212	177,212	177,212	177,212
Gold and bullion	1,174,661	1,174,709	1,174,709	1,174,709	1,144,423	1,144,423
Of which deposited abroad	94,551	98,620	98,620	98,620	98,620	98,620
Reserve in foreign currencies	321,386	318,923	318,923	318,923	328,605	328,605
Bills of exchange and cheques	1,636,106	1,717,304	1,528,495	1,528,495	1,601,596	1,601,596
Silver coin and bullion	65,349	65,349	65,349	65,349	68,254	68,254
Notes of other German banks	23,150	23,150	23,150	23,150	23,150	23,150
Advances	11,721	12,319	12,319	12,319	12,319	12,319
Investments	207,106	202,257	202,257	202,257	202,257	202,257
Other assets	555,408	460,002	460,002	460,002	612,869	612,869
LIABILITIES.						
Reduced capital	122,788	122,788	122,788	122,788	122,788	122,788
Increased capital (shares not yet issued)	177,212	177,212	177,212	177,212	177,212	177,212
Reserve	185,807	175,807	175,807	175,807	185,807	185,807
Notes in circulation	2,677,784	2,649,135	2,649,135	2,649,135	2,311,710	2,311,710
Other daily maturing obligations	645,096	620,235	620,235	620,235	881,490	881,490
Other liabilities	435,322	429,944	429,944	429,944	473,887	473,887

* Equal to one billion paper marks or one Rentenmark.
The gold reserve is calculated in accordance with the new legal prescription one pound of fine gold equals 1,392 Reichsmarks.

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

Assets.	Oct. 7, 1925.	Sept. 30, 1925.	Sept. 22, 1925.	Oct. 7, 1924.	Position May 31, 1914.
Gold and bullion—Gold	147,226	147,226	147,226	147,227	44,224
Balance abroad and foreign bills	65,345	66,258	64,157	36,245	28,533
Norwegian and Foreign Government securities	12,587	12,528	12,528	8,999	8,816
Discounts and loans	307,144	309,353	310,256	419,450	75,911
LIABILITIES.					
Notes in circulation	369,937	371,875	363,788	387,441	113,494
Deposits at notice	91,865	93,540	99,392	120,896	7,188

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

Assets.	Oct. 10, 1925.	Oct. 3, 1925.	Sept. 26, 1925.	Sept. 19, 1925.	Oct. 11, 1924.	Position May 31, 1914.
Gold	251,127	251,663	251,748	251,829	245,202	104,918
Balance abroad and foreign bills	169,216	168,932	168,636	160,084	60,945	112,172
Swedish and foreign Gov. securities	47,265	47,745	47,534	47,904	55,571	32,465
Discounts & loans	259,716	286,072	248,617	256,351	369,758	112,668
LIABILITIES.						
Notes in circulation	501,079	544,264	489,387	489,690	514,957	226,550
Deposits at notice	129,118	112,819	121,937	131,921	145,941	369,660

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

Assets.	Sept. 30, 1925.	Sept. 23, 1925.	Sept. 15, 1925.	Sept. 8, 1925.	Position May 30, 1914.
Gold	43,286	43,286	43,286	43,285	35,091
Balance abroad and foreign bills	1,156,780	1,100,972	1,046,611	450,147	90,379
Finland and Foreign Government securities	403,296	403,296	403,296	498,642	21,826
Discounts and loans	377,541	413,412	455,346	835,071	106,151
LIABILITIES.					
Notes in circulation	1,279,458	1,242,408	1,268,356	1,278,847	123,941
Deposits at notice	562,992	568,646	538,255	274,200	21,225

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

Assets.	Oct. 7, 1925.	Sept. 30, 1925.	Sept. 23, 1925.	Oct. 8, 1924.	Nov. 22, 1922.
Gold bullion and coins	23,552	23,551	23,548	23,591	12,993
Silver coin	2,656	819	1,087	1,087	3,085
Foreign currency	34,060	33,967	33,918	42,357	22,466
Treasury notes & small change	8,698	8,189	9,880	18,143	6,639
Short term bills	61,694	61,594	61,245	43,300	8,912
Loans against securities	48,149	48,479	48,259	40,066	9,912
Other assets	10,466	9,385	9,018	4,470	1,359
LIABILITIES.					
Notes in circulation	28,979	29,441	28,862	25,800	4,085
Capital paid up	11,659	11,659	11,659	10,260	8,000
Reserve	1,522	1,522	1,522	962	..
Special reserve	1,000	1,000	1,000	..	..
Deposits	6,606	6,725	6,673	4,544	61
Current accounts	47,392	46,092	46,931	42,469	16,933
Government accounts	71,638	70,864	71,732	18,119	12,891
Government deposits	20,470	18,620	18,577	8,791	3,757
Other liabilities					

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

Assets.	Oct. 9, 1925.	Oct. 2, 1925.	Sept. 26, 1925.	Sept. 19, 1925.	Oct. 11, 1924.	Position May 30, 1914.
Gold	2,536,670	2,536,670	2,536,667	2,536,667	2,534,882	521,775
Silver	646,756	652,471	655,950	654,749	646,739	728,600
Loans & discounts	2,472,977	2,474,405	2,377,743	2,366,990	2,307,666	800,725
Spanish 4% stock	344,475	344,475	344,475	344,475	344,475	344,475
Treasury bills	150,000	150,000	150,000	150,000	150,000	150,000
LIABILITIES.						
Notes in circulation	4,484,992	4,435,583	4,375,938	4,363,243	4,546,844	801,550
Deposits	967,671	964,439	974,409	974,040	929,700	477,500

BANK OF POLAND.—In zloty (000's omitted).

Assets.	Sept. 30, 1925.	Sept. 20, 1925.	Sept. 10, 1925.	Aug. 31, 1925.
Gold	132,807	131,978	131,950	131,852
Foreign currencies	71,733	69,009	65,969	62,974
Silver and bullion	10,883	3,106	6,408	..
Bills discounted	292,300	292,330	285,403	285,412
Loans against securities	47,312	48,917	41,840	32,013
Short-term discounts	18,309	18,107	18,102	17,898
Liability of the Treasury	50,000	50,000	50,000	50,000
LIABILITIES.				
Share capital	100,000	100,000	100,000	100,000
Reserve funds	1,197	1,197	1,197	1,197
Notes in circulation	396,529	396,074	417,805	439,531
Current accounts	104,991	99,375	78,436	45,100
Liability in foreign exchange	34,359	32,697	24,643	22,697

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

Assets.	Oct. 7, 1925.	Sept. 30, 1925.	Sept. 23, 1925.	Oct. 15, 1924.
Metal reserve	14,830	14,830	14,830	10,920
Gold in coin & bullion	496,848	503,358	487,311	383,211
Foreign bills	72,011	72,617	72,456	..
Other foreign bills	82,639	82,702	69,324	265,233
Bills discounted	196,130	196,640	197,102	220,960
Advances to the Treasury	..	..	..	..
LIABILITIES.				
Reserve fund	2,679	2,679	2,679	487
Notes in circulation	816,595	840,698	755,851	766,657
Deposits	45,955	29,537	85,260	112,998

† Contains such foreign bills and balances as bought from customers against kronen under the agreement that the same amount of foreign currency shall be supplied to the customers at fixed terms on condition of such sums in kronen being returned by them as were paid by the bank for the foreign currency delivered.

NATIONAL BANK OF HUNGARY.—In Hungarian crowns (000's omitted).

Assets.	Oct. 7, 1925.	Sept. 30, 1925.	Oct. 7, 1924.
Metal reserve	702,740,642	630,615,078	504,084,483
Gold coin and bullion	2,373,284,103	2,314,151,811	1,452,712,813
Drafts and notes	12,543,828	12,178,795	13,300,554
Silver coin and bullion	1,716,117,467	1,734,290,859	1,818,257,007
Inland bills, warrants, and securities	1,955,878,312	1,956,720,789	1,976,454,877
Advances to the Treasury	..	..	..
LIABILITIES.			
Share capital (gold crowns 30,000,000)	432,186,664	432,186,664	432,186,664
Notes in circulation	4,992,378,182	5,102,506,888	4,097,745,446
Current accounts, deposits, &c.	2,493,505,299	2,200,067,712	1,598,562,976

* Calculated at pre-war parity of exchange.

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

Assets.	Sept. 26, 1925.	Sept. 19, 1925.	Sept. 9, 1925.	Sept. 27, 1924.	May 12, 1922.
Gold	565,879	565,786	565,414	562,957	546,275
Silver, &c.	5,856	5,859	5,618	2,375	775
Government loan	11,301,409	11,298,211	11,297,769	11,554,490	12,585,130
Other advances	10,225,814	9,849,239	9,688,369	7,693,859	5,037,432
LIABILITIES.					
Notes in circulation	20,649,037	20,597,559	20,329,063	18,871,020	15,845,426
Deposits	7,830,160	7,509,760	7,625,001	6,688,538	7,077,350

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

Assets.	Aug. 15, 1925.	July 31, 1925.	July 15, 1925.	June 30, 1925.	Aug. 15, 1924.
Gold and balances abroad	2,576,640	2,528,409	2,400,874	2,366,951	2,643,227
Government loans and securities	3,795,877	3,795,877	3,795,957	3,793,734	3,951,680
Discounts and loans	3,215,932	3,313,275	3,317,668	3,276,992	1,968,839
LIABILITIES.					
Notes in circulation	5,286,642	5,302,758	5,222,104	5,181,699	4,473,429
Government deposits	544,386	562,510	565,436	592,119	778,652
Private eight debts	2,111,529	2,114,967	2,118,928	1,999,226	1,779,427
Private deposits at fixed dates	1,010,165	1,015,955	1,021,507	1,028,114	1,073,609

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

	Sept. 23, 1925.	Sept. 16, 1925.	Sept. 9, 1925.	Sept. 2, 1925.	Sept. 24, 1924.
ASSETS.					
Coin and bullion ..	10,382	10,278	10,195	9,994	9,526
Of which gold	8,577	8,577	8,577	8,577	8,577
Balances abroad	231,125	235,172	235,373	225,733	19,535
Discounts	192,864	194,109	196,281	197,434	175,438
Government loans...	1,548,769	1,553,893	1,553,269	1,543,215	1,506,249
LIABILITIES.					
Notes in circulation.	1,651,890	1,653,217	1,670,318	1,662,278	1,661,949
Deposits	60,740	65,480	54,284	56,591	40,374

Messrs Samuel Montagu and Co. write on October 14th as follows:—

GOLD.

There have been large shipments of gold to New York, and withdrawals from the Bank of England have been made for this purpose. A large proportion of the gold offered in the open market was also taken for the United States, and some purchases were made on behalf of India and the Continent. The following movements of gold to and from the Bank of England have taken place since those reported in our last issue:—

	Received.	Withdrawn.
Oct. 8.....	£	£
8.....	nil	38,000
9.....	500,000	1,037,000
10.....	nil	nil
11.....	nil	784,000
12.....	nil	749,000
13.....	nil	55,000
14.....	nil	55,000

£10,000 sovereigns were withdrawn for India. During the week under review £2,163,000 on balance has been withdrawn. From May 20th last, when the total amount of gold received by the Bank of England since the resumption of an effective gold standard first exceeded the total withdrawals, movements of gold showed a net influx until yesterday. The withdrawal of £749,000 on that day made a net efflux of £68,000, increased to-day to £123,000 by the further withdrawal of £55,000.

SILVER.

Silver has been a steady market during the week, purchases having been made both for account of China and the Indian bazaars. Inquiry for silver for cash delivery has been well maintained, as the Indian demand has been mostly for silver for shipment by this week's steamer, which is due to arrive in Bombay in time for the November settlement. America has not been inclined to sell, but the Continent has disposed of a little silver in this market. The following table shows the imports and exports of silver to and from the United Kingdom during the week ending the 7th instant:—

	Imports.	Exports.
£	£	£
Norway.....	72,000	Germany..... 22,130
Mexico.....	50,000	Spain..... 9,539
Other countries.....	4,945	Austria..... 27,880
		China..... 20,700
		British India..... 92,426
		Other countries..... 2,144
Total.....	126,945	Total..... 174,819

INDIAN CURRENCY RETURNS.

(In Lacs of Rupees.)

	Sept. 22.	Sept. 30.	Oct. 7.
Notes in circulation.....	18,833	18,951	18,961
Silver coin and bullion in India ..	8,890	9,009	9,018
Silver coin and bullion out of India ..	..	..	..
Gold coin and bullion in India.....	2,232	2,232	2,232
Gold coin and bullion out of India ..	..	..	..
Securities (Indian Government) ..	5,711	5,711	5,711
Securities (British Government) ..	2,000	1,999	2,000

No silver coinage was reported during the week ending the 7th inst. The stock in Shanghai on the 12th inst. consisted of about 53,400,000 ounces in sycee, 66,500,000 dollars, and 3,680 silver bars, as compared with about 51,200,000 ounces in sycee, 63,500,000 dollars, and 2,500 silver bars on the 3rd inst.

GOLD AND SILVER PRICES.

1925.	Gold Per Ounce.	Silver—Per Ounce.	Date.	Silver.
		Cash. Forward.		Cash.
Oct. 10....	84 11 1/2	32 1/2	Oct. 24, 1919	64 1/2
12....	84 11 1/2	33	22. 19. 0	53 1/2
13....	84 11 1/2	33 1/2	21. 19. 21..	40 1/2
14....	84 11 1/2	32 1/2	20. 19. 22	33 1/2
15....	84 11 1/2	32 1/2	19. 19. 23	31 1/2
16....	84 11 1/2	32 1/2	17. 19. 24	35 1/2

PURCHASE OF STERLING IN INDIA.

The Government of India have announced that £20,549,000 has been remitted to the Secretary of State for India during the half-year ended September 30, 1925, by means of purchases of sterling in India.

NOTICES.

We are informed that Mr D. H. S. Howard, who has been associated with the company for the past thirty-four years, has resigned his directorship of Baker, Duncombe and Co., Limited, as from September 30, 1925. Mr Harry J. Martin has been appointed a director of the company as from that date.

A branch of the Commercial Bank of Australia, Limited, has been opened at 173 King street, Melbourne.

Barclays Bank, Limited, announce that they have opened a new sub-branch at 5 The Broadway, Thorpe Bay, under the management of Mr Chas. Foster, also manager of 24 High street, Southend-on-Sea branch. Their office at Douglas, Isle of Man, has been transferred to new premises at 30 Victoria

The Chartered Bank of India, Australia, and China announce that an agency of the bank has been opened at Tsingtau, China.

The Standard Bank of South Africa, Limited, announce the opening of an agency at Karino, near Nelspruit, in the Transvaal.

The Midland Bank announces the opening of new branches at 1 North terrace, Cockerton, near Darlington, and 121B High street, West Bromwich, under the management of Mr Trevor Morris and Mr S. Harwood respectively. The office at Glyn Ceiriog, Wrexham, Denbighshire, has been converted into a full branch under the management of Mr H. I. Williams.

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended Oct. 9, 1925.	Miles Open.	Passengers &c.	Goods &c.	Total for Week.	(c) Week ended Oct. 10, 1925.	Miles Open.	Passengers &c.	Goods &c.	Total for Week.	Aggregate 41 Weeks, 1925.	Total Receipts.
Great Western.....	3,765	260,000	330,000	590,000	1,124,000	3,765	260,000	330,000	590,000	1,124,000	24,445,000
Do for 1924.....	3,754	252,000	348,000	600,000	1,130,000	3,754	252,000	348,000	600,000	1,130,000	25,153,000
Lond. & N. Eastern (c).....	6,714	4,800,000	674,000	1,102,000	18,564,000	6,714	4,800,000	674,000	1,102,000	18,564,000	45,492,000
Do same period 1924.....	6,714	4,800,000	674,000	1,102,000	18,564,000	6,714	4,800,000	674,000	1,102,000	18,564,000	45,492,000
Lond. Mid. & Scottish.....	6,904	626,000	881,000	1,507,000	2,741,000	6,904	626,000	881,000	1,507,000	2,741,000	61,185,000
Do for 1924.....	6,904	626,000	881,000	1,507,000	2,741,000	6,904	626,000	881,000	1,507,000	2,741,000	61,185,000
Southern.....	2,163	319,000	127,000	446,000	1,235,000	2,163	319,000	127,000	446,000	1,235,000	18,992,000
Do for 1924.....	2,142	310,000	125,000	435,000	1,221,000	2,142	310,000	125,000	435,000	1,221,000	19,017,000
Metropolitan (c).....	58	39,148	3,939	43,087	1,397,042	58	39,148	3,939	43,087	1,397,042	18,992,000
Do for 1924.....	58	40,361	4,056	44,417	1,638,938	58	40,361	4,056	44,417	1,638,938	1,556,031
Underground E.R. (c).....	..	..	..	266,235	..	..	..	..	266,235	..	10,170,551
Do for 1924.....	..	..	..	251,355	..	..	..	..	251,355	..	9,735,860
Lond. & Sub. Group (c).....	..	..	..	39,329	..	..	..	..	39,329	..	1,547,907
Do for 1924.....	..	..	..	40,174	..	..	..	..	40,174	..	1,597,863
Belfast & Co. Down (b).....	80	3,054	1,177	4,231	168,016	80	3,054	1,177	4,231	168,016	44,070
Great Northern.....(b).....	562	16,900	17,700	34,600	714,700	562	16,900	17,700	34,600	714,700	1,419,850
Great Southern.....(b).....	2,181	38,181	49,480	87,661	1,597,240	2,181	38,181	49,480	87,661	1,597,240	3,370,800

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1925. + or -	1925. + or -
INDIAN.					
Assam Bengal.....	24 weeks	Sept. 12	1,072	Rs. 3,80,000 + 37,702	73,49,362 + 9,85,728
Barsi L. Ry.....	25 weeks	19	118	19,700 + 3,900	7,70,500 - 1,6,800
Bengal & N. Western.....	25 weeks	19	2,062	4,81,420 + 7,650	14,17,074 - 7,03,700
Bengal N. Ry.....	19 weeks	12	2,800	14,03,000 + 59,000	3,54,97,354 - 11,86,794
Bombay, Bar., & C.I.....	27 weeks	Oct. 10	3,033	21,83,000 + 3,26,000	6,04,17,000 - 16,000
Burma.....	24 weeks	Sept. 12	1,342	6,64,927 + 82,810	1,79,97,976 + 21,29,929
Delhi, Umballa & R. Ry.....	25 weeks	30	239	1,40,300 - 5,160	23,84,677 - 3,48,098
Madras & S. Mahr.....	25 weeks	19	1,049	13,74,000 + 22,170	3,84,92,998 + 3,92,809
Nizam's Guaranteed.....	25 weeks	19	993	2,62,726 - 12,804	79,71,063 - 4,13,479
Rohilk'd & Kumaon.....	23 weeks	5	287	41,667 - 876	12,55,849 - 93,330
Do Lucknow-Breilly.....	23 weeks	15	1,876	9,72,393 - 2,547	2,48,70,648 + 17,06,787
South Indian.....	25 weeks	15	1,876	9,72,393 - 2,547	2,48,70,648 + 17,06,787

(a) Total receipts of all lines.

ARGENTINE (a).						
				£	£	£
Argentine N.E.	15weeks	Oct. 10	754	14,500 +	1,100	2,13,500 +
Argentine Trans	12weeks	Sept. 19		2,338	7.1	-3,711 +
B.A. and Pacific	15weeks	Oct. 10	2,611	130,000 -	15,000	1,91,20,000 -
B.A. Central	15weeks	11		3,270 +	2 1	202,511 -
B. A. Gt. Southern	15weeks	10	4,718	196,000 -	4,000	2,782,030 -
B. A. Western	15weeks	10	1,882	8,000 -	6,000	1,171,000 -
Central Argentine	15weeks	10	3,305	819,000 -	10,000	3,10,40,000 -
Cordoba Central	15weeks	10	1,202	77,000 +	23,000	1,126,030 +
Entre Rios	15weeks	10	729	23,900 +	4,900	344,901 +

CANADIAN.

Canadian National.....	40 weeks	Oct. 7	21,893	5,788,613 + 905,250	175,056,873 - 2,310,115
Canadian Pacific.....	40 weeks	7	14,136	4,777,000 + 379,000	12,858,000 - 4,899,000

BRAZILIAN (b).

Gt. West. of Brazil.....	41 weeks	Oct. 10	1,011	16,700 + 4,600	550,700 + 19,300
Leopoldina.....	41 weeks	10	1,856	46,236 + 9,632	1,314,854 + 95,954
San Paulo.....	41 weeks	11	1,534	67,312 + 13,988	1,838,711 + 337,851

CHILEAN.

Antofagasta.....	39 weeks	Sept. 27	838	40,620 + 65	1,593,470 + 129,585
Nitrate (1-monthly).....	39 weeks	30	366	43,408 + 7,759	718,523 - 1,712

CUBAN.

Havana Central.....	14 weeks	Oct. 3	..	11,602 - 834	160,586 - 5,436
United of Havana.....	15 weeks	10	1,250	53,159 - 4,843	843,135 - 139,541

URUGUAYAN.

Central Uruguay.....	15 weeks	Oct. 10	373	22,297 - 58	26,123 + 9,021
C. Urug. (East. Ext.).....	15 weeks	10	211	4,031 - 218	57,490 + 6,558
C. Urug. (North. Ext.).....	15 weeks	10	185	2,408 + 87	50,300 + 1,819
C. Urug. (West. Ext.).....	15 weeks	10	211	2,715 + 451	33,523 - ..

OTHER OVERSEAS.

Alcoy and Gandia.....	41 weeks	Oct. 10	33	Pa. 23,000 - 2,000	1,032,000 + 92,650
Egyptian Delta.....	26 weeks	Sept. 30	600	£11,184 - 1,647	149,056 + 2,615
Gt. Southn. of Spain.....	40 weeks	Oct. 3	104	Pa. 76,922 - 55,773	4,201,268 + 44,783
Mexican Railway.....	13 weeks	7	432	\$224,607 - 30,600	3,390,500
Paraguay Central.....	15 weeks	10	274	\$5,230 + 750	85,560 + 20,920
Salvador.....	15 weeks	10	100	\$5,041 + 553	40,957 + 2,555

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

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week.	Total Receipts.
				1925. + or -	1925. + or -
Anglo-Argentine.....	40 weeks	Oct. 7	329	£90,231 - 2,025	3,49,393 + 6,657
B. Aires Lacroze.....	15 weeks	11	12	£14,405 + 437	193,645 - 4,000
Burnley Corporation.....	1 week	10	12	£3,301 + 31	..
Calcutta Tramways.....	1 week	10	359	Rs. 16,538 - 15,240	67,127 + 1,343
Obatham & District.....	38 weeks	1	15	£1,541 - 51	81,147 + 1,863
Egyptian Markets.....	40 weeks	1	106	£47,113 - 205	844,733 + 11,562
Glasgow Corporation.....	19 weeks	7	124	£2,192 + 133	105,528 + 12,225
Isle of Thanet Trams.....	40 weeks	7	124	£2,192 + 133	105,528 + 12,225
Liverpool Corp.....	37 weeks	10	124	£2,192 + 133	105,528 + 12,225
L.C.C. Tramways.....	27 weeks	8	164	£4,165 - 1,282	8,74,454 - 45,207
Madras Elec. (2 wks).....	19 weeks	Sept. 30	8	Rs. 44,165 - 1,282	8,74,454 - 45,207
Pernambuco Trams.....	41 weeks	Oct. 11	..	£6,511 + 1,743	192,883 + 14,682
Singapore Trams.....	34 weeks	Sept. 25	..	£14,573 + 191	503,085 + 13,633

* Combined revenue.

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per annum, except where marked % or stated in Cash.	Interim div.	Date of Payment.	Method of Payment.	Lat'st Year.	Pre-vious Year.
Banks.						
Anglo-South American.....	10*	..	..	..	10	10
Bank of Adelaide.....	10*	..	..	..	..	..
Imperial Bank of Canada.....	4%	Nov. 2	Quarter	..	8	10
Industrial Bank of Japan.....	10*	..	..	..	..	..
National Bank of Australasia.....	3% (& bonus of 2%)	Nov. 2	Quarter	..	14	14
Royal of Canada.....	3%	Nov. 2	Quarter	..	..	..
Standard Bank of Canada.....	3%	Nov. 2	Quarter	..	..	..
Insurance.						
City Fire Office.....	10%*	Oct. 17	Less tax	..	..	..
Motor Union.....	4/ p.s.*	Oct. 30	Less tax	..	..	..
Northern Assurance.....	8/ p.s.*	Nov. 5	Less tax	..	..	..
Royal Exchange.....	10%*	..	Less tax	..	..	..
South British.....	11/p.s.*	..	Less tax	..	21 p.s.	11
World Marine and General.....	5%*	Oct. 16	Tax free	..	..	..
Railways.						
Argentine Great Western.....	3 1/2%*	..	..	..	6	6
Bengal Dooar.....	4 1/2%*	..	..	..	10	10
Northern Pacific.....	1 1/2%	Nov. 2	Quarterly	..	..	..
Mining.						
Broken Hill Proprietary.....	1/ p.s.	Nov. 11	..	..	2 1/2	8
Nourse.....	50c. p.s.	Oct. 28	..	..	30	10
Oriental Consolidated.....	20%*	..	..	..	..	..
Renong Tin.....	20%*	..	..	..	..	..
Tea and rubber.						
Alliance Tea.....	20%*	Oct. 27	..	..	..	..
Anglo-Malay Rubber.....	7 1/2%*	Dec. 8	..	..	..	..
Bagan Serai.....	5%*	..	..	..	..	..
Bah Lias Rubber.....	7 1/2%*	Nov. 10	..	..	..	..
Beverley Tea and Rubber.....	5%*	Oct. 30	Less tax at 4 1/2	..	12 1/2	5
Briik Rubb.....	12 1/2%*	..	Less tax	..	..	..
Bukit Jlok (Selangor) Rubber.....	7 %	..	Less tax	..	40	30
Bukit Sembawang Rubber.....	25%*	..	Less tax	..	..	..
Ceylon and Indian Planters.....	7 1/2%*	Nov. 17	Less tax 4 1/2 in £	..	..	..
Golden Hope Rubber.....	15 1/2%*	Nov. 2	Less tax at 4 1/2	..	30	15
Heawood Lin and Rubber.....	10%*	Nov. 2	Less tax at 4 1/2	..	..	..
Hidden Streams Rubber.....	18 1/2%*	Nov. 11	Less tax	..	..	..
Hornsey Tea.....	7 1/2%*	Oct. 28	..	..	..	..
Huns-garia Tea.....	15%*	..	..	..	20	7
Imperial Ceylon Tea.....	12 1/2%*	..	Less tax at 4 1/2	..	27 1/2	15
Jong Lander Rubber.....	10%*	Oct. 31	Less tax	..	..	..
Juru Estates.....	10%*	Oct. 22	Less tax	..	25	20
Kintyre Tea.....	15%*	..	Less tax at 4 1/2	..	..	..
Kirby Rubber.....	10%*	Oct. 31	Less tax	..	..	..
Krian Rubber.....	10%*	Oct. 22	Less tax	..	..	..
Lanka Plantations.....	15%*	..	Less tax at 4 1/2	..	..	..
Lindoola Tea.....	10%*	..	..	..	..	..
Lingdi Plantations.....	7 1/2%*	Nov. 18	Less tax	..	..	..
Lunga Tea and Rubber.....	10%*	Nov. 17	..	..	..	..
Malaysia Rubber.....	12 1/2%*	Nov. 2	..	..	..	..
Manchester N. Borneo Rubber.....	7 %	Oct. 28	Less tax	..	55	53
Mayfield (Dimbulu) Tea.....	10%*	Oct. 28	Less tax	..	..	..
Namunakula Tea.....	25%*	..	Less tax	..	..	..
Nordana (Johore) Rubber.....	5%*	Nov. 11	Less tax	..	..	..
Ouvah Ceylon Estates.....	12 1/2%*	Oct. 30	Less tax	..	12 1/2	n
Parambe Rubbe and Tea.....	10%*	..	Less tax	..	7 1/2	n
Patani Para Plantations.....	..	..	Less tax	..	..	..
Permas Rubber.....	..	..	Less tax	..	..	..
Raja Mu-a Rubber.....	..	..	Less tax	..	..	..
Rubber Plantations Invest.Trust.....	5%*	Nov. 30	..	..	20	15
Sapong Rubber.....	10 %*	Oct. 30	..	..	..	..
Spring Valley Ceylon Estates.....	15%*	Nov. 1f	Less tax	..	..	..
Straits Rubber.....	5%*	..	..	..	..	..
Sungei Buaya (Sumatr.) Rubber.....	15%*	..	..	..	..	..
Sungei Choh Rubber.....	5%*	Nov. 3	Less tax	..	..	..
Sungei Rejila (E. Mal.) Rubber.....	5%*	Nov. 10	Less tax	..	..	..
Sungei Rinchoh Rubber.....	5%*	Nov. 2	Less tax	..	20	n
Sungei Tamer Rubber.....	12 1/2%*	..	Less tax	..	22 1/2	15
Tanjong Rubber.....	15%*	..	Less tax at 4 1/2	..	..	..
Tjilhoeng Java Pl ntations.....	4%*	Nov. 30	Less tax	..	..	..
United Planters of Ceylon.....	10%*	Nov. 3	Less tax	..	..	..
United Sae Betong Rubber.....	15%*	..	..	..	..	..
Vel.ikellie Tea.....	10%*	..	..	..	..	..
Other Companies.						
African City Tram-ries Trust.....	3%*	Nov. 2	Less tax at 2/	..	..	..
African Steamship.....	2 1/2%*	Oct. 20	..	..	9	..
Aird and Coghill.....	..	..	..	..	12 1/2	1
A. J. Stevenson.....	..	..	Less tax	..	7 1/2	1
Alliance Eco.omic Investm.....	..	..	..	..	..	..
Amal. Anti-ractie Coallice.....	..	..	..	..	..	..
Anglo-American Telegraph.....	15/ p.s.*	Oct. 21	Less tax	..	6	n
Anglo-British Columbia Packing.....	..	..	Tax free	..	..	..
Babcock and Wilcox.....	5%*	..	..	..	..	..
Bankers' Investment Trust, Def.....	2 1/2%*	Nov. 14	Less tax	..	..	..
Birrell, Investment.....	7 1/2 %	..	..	..	..	..

£28,049,200. The profits for the half-year amount to £200,943, an increase of £67,330 as compared with last half-year. One-half of these profits is applied to the Australian national debt sinking fund, the other half going to the reserve fund, which now amounts to £606,608. The profits of the note issue department, amounting to £578,578, have been paid over direct to the Commonwealth Treasury. The bank's capital in hand is £4,000,000, with an authorised Commonwealth Government subscription of £6,000,000, and an authorised debenture issue of £10,000,000, so that the total is £20,000,000.

RAILWAYS.

ARGENTINE GREAT WESTERN.—Report for year ended June 30, 1925, shows that 3,105,537 passengers were carried, as against 3,049,871. Total goods and livestock traffic was 1,878,220 tons, against 1,826,760 tons in preceding year. In January last an issue of £1,000,000 5 per cent. debenture stock was made, and the proceeds applied towards repayment of this company's indebtedness for capital expenditure to the Buenos Aires and Pacific Railway. The preferred and ordinary stockholders received a dividend of 6 per cent. for the year.

RUBBER, &c.

AMALGAMATED (RUBBER) FINANCE COMPANY, LIMITED.—This finance company was only formed towards the end of last year, with a cash subscribed capital of £100,000. Its first profit and loss account for the period ended September 30, 1925, shows a net profit of £33,978. The directors propose to appropriate £12,500 of this by the payment of a dividend of 12½ per cent., less tax, starting a reserve account with £10,000, and carrying to reserve for taxation, directors' additional remuneration, and other contingencies £8,000, the carry forward being £3,478. An issue of a further £100,000 by way of "rights" to the present shareholders is proposed, these working out at share for share. The total assets are £134,086. Cash is at £48,969. Investments at cost amount to £19,642.

CENTRAL SUMATRA ESTATES.—The net profit for year ended June 30, 1925, is £11,619, as against £4,014 in preceding year. A dividend of 10 per cent. is paid on the ordinary shares, against nothing in preceding year. Income-tax will be deducted at rate of 4½d in £. The carry forward is £6,349, against £5,239 brought in. Crop of rubber amounted to 252,894 lbs. Average net sale price, including estimated value of unsold portion, was 1s 10.94d per lb, as compared with 1s 3.56d per lb for previous year. Cost of production was 11.94d per lb, as against 9.91d per lb. Total area of estates is 3,927 acres. Balance-sheet shows total assets £121,888. Cash is at £7,406. The company's investments are in British Government securities at cost, i.e., £28,559.

CEYLON AND INDIAN PLANTERS' ASSOCIATION.—The tea crop for year ended June 30, 1925, was 907,475 lbs, an increase of 123,177 lbs. In addition, 117,793 lbs of tea have been dealt with in the Kandaloya Factory. Gross profit is £37,566. The ordinary dividend is 40 per cent. for the year, against 30 per cent. for preceding year. The sum of £2,500 has been placed to income-tax account, and £8,000 to general reserve. The carry-forward is £6,852, against £3,768 brought in. Total assets are £153,866. Cash is at £14,849. Investments are all in British Government securities at cost, totalling £28,176.

KINTYRE TEA ESTATES.—This company has secured a net profit of £17,401 for year ended June 30, 1925, and is paying a dividend of 27½ per cent. on its ordinary shares. The profit in the preceding year was £10,212, and the ordinary dividend 15 per cent. The tea crop was 331,860 lbs for season 1924-25 at a cost of 10.74d per lb, compared with 9.94d per lb for previous season. Average yield per acre was 625 lbs. Net average price realised was 18.86d, against 17.82d for 1923-24. Rubber crop was 161,936 lbs at cost of 12.18d per lb, against 12.335d for 1923-24. Net average price realised was 22.57d, as compared with 14d per lb for 1923-24.

PATANI PARA PLANTATIONS.—This company has increased its net profit from £2,744 to £15,302 for year ended June 30, 1925. The ordinary shareholders are to receive a 10 per cent. dividend against nothing for preceding year. The company propose to write off underwriting commission £3,500 and £1,500 preliminary expenses, and to carry forward £2,051, subject to extra remuneration to directors. Crop was 345,516 lbs. Average gross price was 1s 9.190d per lb. London and cost of production was 8.371d. Total assets are £112,640. Cash is at £5,705. Investments are all in British Government stock at cost £4,996.

MISCELLANEOUS.

AMALGAMATED ANTHRACITE COLLIERIES.—The net profit for year ended September 30, 1925, amounted to £151,831, as compared with £255,988 in preceding year. The ordinary shareholders receive 7½ per cent., against 11½ per cent. The carry-forward is £45,104, against £11,952 brought in. It is stated in the report that the demand for the company's anthracite was well maintained throughout the year, and the collieries were generally fully employed, but, owing to the advance in wages under the wages agreement of May, 1924, working costs were considerably higher than in previous year, while selling prices were somewhat lower. Consequently trading results of the subsidiary companies show a decrease when compared with those for the comparative period. The issued capital is £2,010,507, in £1 ordinary shares, fully paid. There are no preference shares or debentures.

ANGLO-CHILEAN CONSOLIDATED NITRATE.—We are informed that a syndicate headed by Lehman Brothers, Goldman, Sachs and Co., and Blair and Co. Inc., have purchased \$16,500,000 7 per cent. debenture 20-year sinking fund bonds from the Anglo-Chilean Consolidated Nitrate Company, together with some of the stock of that company. The company was formed by Guggenheim Brothers interests to consolidate various purchases of nitrate-pro-

ducing properties in Chile. The engineering organisation of Guggenheim Brothers that brought their Chilean copper properties to such a highly successful position will be in charge of construction and operation of the nitrate plants. A public offering will be made in the near future.

FREDERICK HOTELS.—Net profit for year to June 30, 1925, after payment of debenture interest is £67,472, against £64,369 in previous year. The ordinary dividend is raised from 10 per cent. to 15 per cent. The sum of £9,000 is put to reserve fund, and £45,179 carried forward. The mortgage of £30,000 on the freehold of the Hotel Russell has been paid off. £150,000 debenture stock purchased by the company has been cancelled. The sale of the shares in the Hotel Bristol, Beaulieu, Limited, realised a profit of £18,010, and this sum has been transferred to reserve, together with an amount of £47,990, being the difference between the price paid for the £150,000 debenture stock bought and cancelled by the company and its nominal value. Total assets are £1,751,353. Cash is at £57,245.

IMPERIAL AND FOREIGN CORPORATION.—A profit of £4,729 was made on operations for year ended June 30, 1924, and a further profit of £16,344 on operations for the eleven months to May 31, 1925, making a total profit of £21,072 for 23 months. The making of this profit has enabled them to reduce their debit balance from £43,783 to £22,711.

LAMBERT BROTHERS, LIMITED.—This concern made a net profit of £124,359 on operations for year to June 30, 1925, against £142,809 in preceding year. The ordinary shareholders receive a dividend of 5 per cent., against 17½ per cent., but the carry forward has been increased from £92,500 to £165,609. A circular issued with the report states that the directors, feeling satisfied that the financial resources of the company will be amply sufficient with the addition of the trading profits for the year to June 30, 1925—which they propose to carry forward—for the requirements of its business, have decided to make a further distribution amongst the holders registered on October 13, 1925, of the 750,000 ordinary shares of the company of the sum of £75,000, being realised proceeds of capital accretions, to which (as stated in the board's circular of May 23, 1923, on the occasion of a similar distribution) counsel advised no liability for income-tax or super-tax attaches. The balance-sheet shows total assets £2,224,836. Cash is at £77,041. Investments in British Government securities at cost amount to £1,044,709 of the total assets.

MONTEVIDEO TELEPHONE.—The net profit for year ended July 31, 1925, amounted to £32,831, against £22,700 in preceding year. The ordinary dividend is raised from 5 per cent. to 7 per cent. The sum of £15,000 has been put to reserve, and the carry-forward has been increased from £11,951 to £14,583. The number of stations was increased by 839 during the year, making a total of 13,462 stations as at July 31, 1925.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

A spell of colder but dry weather has facilitated field work, and good progress was made in preparing the land for sowing operations. With threshings on a lighter scale supplies of native wheat were somewhat restricted, but with no appreciable improvement in demand prices for the most part remained unaltered. In the floating and forward wheat cargo section buyers showed rather more disposition to operate, and the general tone was steady apart from Plate descriptions, which were more freely offered. Steamers of No. 1 Northern Manitoba December sold 49s 6d, ditto November 1st-15th 49s 3d, and part cargoes of white Pacific afloat at 51s. Maize cargoes depressed, while influenced by liberal shipments from South Africa and a lack of Continental demand, together with cheap offers of South Russian barley. Steamers of No. 2 480 lbs, while cargoes of South Russian barley afloat sold to Bristol Channel at 26s 3d per 400 lbs, c.i.f. terms. Wheat steadier. No. 1 Northern Manitoba ex-ship arrived quoted 52s 9d, No. 2 ditto 51s 9d, No. 3 50s 9d, No. 2 mixed Durum ex-ship to arrive free on rail. Flour quietly steady. London standard grade in the home counties, with 6d to 1s per sack less for deliveries in the London districts. Imported easier. Manitoba patents range from 43s to 45s 6d, Minneapolis 44s to 45s 6d, Australian 44s per tons. Plate ex-ship to arrive quoted 35s 6d, landed ditto 37s, African maize meal ex-ship to arrive £8 10s, white ditto ex-ship quoted 38s to 49s, Chilean Chevalier 57s to 70s, brewing 52s and Danish ex-ship 44s to 54s per 448 lbs. American malting ex-ship 28s, landed 29s 3d, No. 3 Canadian Western ex-ship 31s 6d, No. 4 ditto 30s 3d, Russian ex-ship 27s to 28s per 400 lbs. English 112 lbs. Oats firmly held, especially for Canadian, which are reservedly offered. Plate ex-ship near quoted 24s, further distant 23s 6d, landed 26s 6d, No. 2 Canadian Western ex-ship near 28s 6d, October shipment 27s 3d, landed 30s 9d, No. 2 Canadian

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Debenture Interest.	Amount Available for Distribution.	Appropriation.				Corresponding Period Last Year.	
					Dividend.			Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.
					Prefce.	Ordinary.	Rate.			
		£	£	£	Amount.	Amount.	%	£	£	%
Banks.										
Anglo-South American Bank	June 30	350,101	431,022	781,123	..	341,198	10	25,000	414,925	425,908
Breweries.										
Highland Distilleries	Aug. 31	23,346	96,273	119,619	..	50,469	46	36,700	32,450	69,326
William Longman and Co.	Sept. 30	6,040	12,006	18,046	..	7,000	20½	4,000	7,046	11,733
Financial, Land, &c.										
Argentine Southern Land	June 30	18,580	56,234	74,814	..	42,520	8	13,000	19,294	69,599
Imperial and Foreign Corporation	May 31	Dr 43,783	(v) 21,072	Dr 22,711	..	..	..	..	22,711	..
Hotels, &c.										
Frederick Hotels	June 30	45,144	67,472	112,616	27,500	30,937	15	9,000	45,179	64,369
Iron, Coal, and Steel.										
Amalgamated Anthracite Collieries	Sept. 30	11,952	151,831	163,783	..	118,679	7½	..	45,104	255,988
Lambert Brothers	June 30	92,500	124,359	216,859	13,750	37,500	5 (n)	..	165,609	142,809
Rubber, &c.										
Amalgamated (Rubber) Finance Co.	Sept. 30	..	33,978	33,978	..	12,500	12½	18,000	3,478	..
Central Sumatra Estates	June 30	5,239	11,619	16,858	1,500	8,009	10	1,000	6,349	4,014
Jong-Landor	June 30	12,427	18,757	31,184	..	17,900	20	..	13,284	6,243
Kamuning (Perak)	June 30	9,268	31,020	40,288	..	25,125	12½	3,000	12,163	13,811
Patani Para	June 30	949	15,302	16,251	..	9,200	10	5,000	2,051	2,744
Singapore Para	June 30	422	15,318	15,740	..	11,719	10	..	4,021	3,147
Shops and Stores.										
Heppells	April 30	..	21,587	21,587	9,001	3,525	7	3,600	5,461	..
Tea.										
Ceylon and Indian Planters'	June 30	3,768	32,684	36,452	1,500	17,600	40	10,500	6,852	22,437
Hornsey Estates	June 30	946	7,054	8,000	600	3,600	30	2,747	1,053	2,306
Kintyre	June 30	9,287	17,401	26,688	1,000	13,166	27½	6,000	6,522	10,212
New Dimbula Co.	June 30	15,693	54,676	70,369	..	49,348	50 (t)	5,000	16,021	54,029
Telegraphs, &c.										
Montevideo Telephone	July 31	11,951	32,831	44,782	..	15,199	7	15,000	14,583	22,700
Tramways.										
Dundee, Broughty Ferry, &c.	July 31	463	5,106	5,569	2,349	1,575	7	1,500	145	4,724
Trusts.										
British Canadian Trust	Aug. 31	7,149	16,900	24,049	4,529	8,078	8	4,000	7,442	19,034
Second Industrial	Sept. 30	9,350 (m)	40,407	49,757	9,435	20,005	17 (ps)	10,000	10,317	..

† Free of tax. (m) 15½ months.

(n) Also a distribution of 10 per cent. being realised, proceeds of capital accretions.

(t) Paid on a larger capital. (v) For 23 months.

feed ex-ship near 24s 6d, landed 26s 3d, No. 2 white clipped American ex-ship to arrive 23s 9d, landed 25s 3d, all per 320 lbs. English new quoted 8s 8d to 10s per 112 lbs free on rail. Millers' offers quiet. Broad bran quoted 7s 9d to 8s 3d, middlings 8s 6d to 8s 9d, fine ditto 10s 9d, bags included, ex-mill, powdered oat husks 6s 3d, feed oatmeal 8s 9d, ground oats 12s 3d per cwt free on rail. Oatmeal steady. London-made flaked 17s 6d, rolled oats 16s 6d, medium also fine cut 16s 6d, coarse also medium pinhead 16s 6d ex-mill, ordinary Scottish oatmeal 18s 6d, American ditto 16s 6d per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest years 1925-26, 1924-25, 1923-24, 1922-23.

	1925-26.	1924-25.	1923-24.	1922-23.
Estimated sales of home-grown wheat—	Cwts.	Cwts.	Cwts.	Cwts.
1 week to Oct. 10	316,275	300,308	487,436	488,610
6 weeks to Oct. 10	2,257,390	1,220,010	2,558,005	2,076,781
Average price of English wheat per cwt.	10 4	12 3	8 11	9 0

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1921 to 1924:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1925.						
Oct. 3	Cwts. 401,417	366,236	103,951	10 11	12 9	9 6
Oct. 10	316,275	443,689	89,713	10 4	12 5	9 4
1921	368,259	465,718	50,469	12 2	15 1	9 8
1922	488,614	282,482	91,073	9 1	10 8	9 0
1923	487,436	513,930	100,203	8 11	10 6	8 8
1924	300,308	576,301	120,182	12 3	17 3	10 1

AMERICAN WHEAT MARKETS.

The markets have been firmer this week on the whole. Active bear covering and reports of inclement weather caused an initial rise, which brought out larger offerings than the market could digest. A renewal of speculative buying followed, but matters were kept well hand by such factors as the dullness of export demand, reports of auspicious crop conditions in Australia, and liberal Canadian crop movements. Recent quotations:—

	Oct. 17, 1924.	Jan. 2, 1925.	Oct. 1, 1925.	Oct. 8, 1925.	Oct. 15, 1925.
Winnipeg (No. 1 Manitoba)—Cents per 60 lbs	165½	183	(a) 119½	(a) 121½	(a) 126½
Chicago (No. 2 Winter)—Cents per 60 lbs	149	177	(b) 135	(b) 137½	(b) 143½

(a) October delivery.

(b) December delivery.

COAL.

Our Cardiff correspondent writes:—There has been a slightly improved undertone on the Cardiff market this week, but there has been no material expansion, and the volume of trade has been much below that required to maintain regular working at the collieries. More men have received notices terminating their contracts, but inquiries have been a little more active, and prices generally steadier. The current market quotations are, on an average, only about 10 per cent. above the pre-war level; those of small coals are actually about 15 per cent. below the pre-war level. There is an impression that these prices will stimulate demand, and the slight improvement in the tone of the market this week is interpreted as a symptom of increasing business both for the inland and export trade. The following are the current approximate quotations:—Best Admiralties, 23s 6d to 24s; seconds, 22s to 23s; best drys, 23s 6d to 24s; black veins, 21s to 22s; Western Valleys, 20s 6d to 21s; Eastern Valleys, 20s to 20s 6d; best bunker smalls, 10s 3d to 10s 6d; ordinary cargo smalls, 9s to 9s 6d; coking smalls, 10s 3d to 10s 9d; anthracite best large, 45s to 46s; red vein large, 28s to 34s; machine-made cobbles, 52s 6d to 55s; French nuts, 55s to 57s 6d; stove nuts, 55s to 57s 6d; rubbly culm, 12s to 12s 9d; coke, special qualities, 35s to 40s; patent fuel, 20s 6d to 23s 6d; pitwood, ex ship, 28s to 28s 6d. In the tinplate trade the general position has again improved. Prices are firmly maintained, and foreign inquiries more active.

Our Sheffield correspondent writes:—The coal trade is a shade better, and there is less underquoting. South Yorkshire hards command round about 19s per ton.

IRON AND STEEL.

We have extracted the following from the weekly report of the London Iron and Steel Exchange:—The recent slight improvement in business has been maintained. There is a general tendency to expect a continuation of the present activity, although it is realised that there is little likelihood of values reaching a more profitable level. The persistence with which buyers for a long period have purchased only enough to meet their current needs has resulted in manufacturers having only a few weeks' work in sight. On the Continent the situation is difficult. Those Belgian works which are not affected by the strike, and the Lorraine and Luxemburg works are reported to have a large tonnage of orders on their books, of which a fair proportion is for forward delivery. At the same time, Continental prices are weak, and a considerable section of the market anticipates a further fall, particularly when the Belgian strike is settled and the works now idle come into the market to secure business. Perhaps one of the best features from the British point of view is that it is reported that Continental pig-iron is not in large supply, and merchants, who in the past have bought from the Continent, are not finding it easy to replace their contracts at low figures. In the semi-finished department

OVERSEAS TRADE RETURNS.

IMPORTS (Value C.I.F.).

	Month Ended September 30.		Nine Months Ended September 30.	
	1924.	1925.	1924.	1925.
I.—Food, Drink, and Tobacco—				
A. Grain and flour	10,702,240	9,334,943	81,509,458	81,172,829
B. Feeding stuffs for animals	684,539	681,567	5,567,048	5,567,048
C. Meat	8,912,259	9,995,555	80,942,097	92,283,200
D. Animals, living, for food	2,212,042	2,023,538	15,506,160	11,675,552
E. Other food and drink, non-dutiable	12,500,974	13,326,644	119,419,171	129,319,785
F. " " dutiable	10,006,784	9,478,943	90,332,196	82,734,769
G. Tobacco	884,159	994,833	10,097,968	9,511,191
Total, Class I.	45,332,997	46,434,023	403,364,098	413,319,245
II.—Raw Materials and Articles Mainly Unmanufactured—				
A. Coal	504	585	10,821	13,531
B. Other non-metallic mining and quarry products and the like	377,402	441,540	4,371,978	4,390,991
C. Iron ore and scrap	634,643	402,760	6,953,408	3,933,571
D. Non-ferrous metalliferous ores and scrap	1,079,562	1,087,837	11,405,944	12,411,266
E. Wood and timber	6,033,866	5,312,558	36,245,311	33,867,305
F. Raw cotton and cotton waste	5,298,209	5,331,200	74,749,192	82,617,304
G. Wool, raw and waste, and woollen rags	3,718,344	2,574,105	58,020,933	61,420,145
H. Silk, raw, knurbs and noils	181,405	49,454	1,310,657	1,310,657
I. Other textile materials	738,792	523,749	9,176,402	11,469,843
J. Oil seeds, nuts, oils, fats, resins, and gums	4,054,961	4,849,551	38,361,165	42,427,504
K. Hides and skins, undressed	1,908,915	1,760,315	16,098,405	16,452,979
L. Paper-making materials	1,127,658	1,120,318	8,235,653	7,946,010
M. Rubber	736,876	3,663,301	6,894,748	16,518,983
N. Miscellaneous raw materials and articles mainly unmanufactured	1,433,683	1,164,426	7,854,651	8,547,950
Total, Class II.	27,324,821	28,274,699	279,689,268	303,360,268
III.—Articles Wholly or Mainly Manufactured—				
A. Coke and manufactured fuel	36	641	4,580	3,537
B. Earthenware, glass, abrasives, &c.	730,327	877,779	6,265,967	7,195,403
C. Iron and steel and manufactures thereof	1,880,738	1,726,225	16,476,897	18,129,112
D. Non-ferrous metals and manufactures thereof	2,886,276	2,639,796	24,979,788	28,294,692
E. Cutlery, hardware, implements, and instruments	668,587	429,587	5,493,927	7,379,245
F. Electrical goods and apparatus	328,395	336,091	2,167,560	2,983,555
G. Machinery	793,452	857,759	7,710,978	8,941,784
H. Manufactures of wood and timber	523,499	503,535	3,891,528	4,534,428
I. Cotton yarns and manufactures	841,518	779,517	6,761,314	7,608,122
J. Woollen and worsted yarns and manufactures	1,280,543	1,148,530	11,158,854	10,705,157
K. Silk and silk manufactures	2,405,954	816,983	18,948,511	19,271,194
L. Manufactures of other textile materials	1,471,572	1,046,836	12,104,634	14,680,987
M. Apparel	1,989,862	1,473,881	14,075,132	16,796,812
N. Chemicals, drugs, dyes, & colours	1,317,012	1,080,693	10,668,663	10,668,663
O. Oils, fats, and resins, manufactured	3,412,577	3,243,724	30,611,545	28,690,604
P. Leather and manufactures thereof	1,237,267	1,139,027	10,202,436	10,978,583
Q. Paper and cardboard	1,397,132	1,119,915	10,404,393	10,787,051
R. Vehicles (including locomotives, ships, and aircraft)	904,101	738,221	6,918,147	9,977,281
S. Rubber manufactures	449,269	566,006	3,475,305	4,780,003
T. Miscellaneous articles, mainly or wholly manufactured	2,473,297	2,273,809	18,853,049	21,258,836
Total, Class III.	27,027,314	22,676,395	221,449,236	243,713,648
IV.—Animals, not for food	349,096	305,790	1,767,197	1,740,822
V.—Parcel post, non-dutiable articles	240,478	234,127	3,002,427	3,343,042
Total	100,854,706	97,925,034	909,171,228	965,477,025

conditions remain weak, but the more active demand recently reported for finished steel has been maintained.

Our Middlesbrough correspondent's report, dated October 15th, is as follows:—Pig-iron: The recent report of large sales of pig-iron to America has tended to stiffen the market. Whilst there is a certain amount of speculative selling by merchants, prices have suffered no change since last week, and No. 3 Cleveland G.M.B. is generally quoted 66s 6d per ton. The hematite market is very firm. With the restricted output, makers are well sold, and are now holding out for 74s 6d per ton for mixed numbers East Coast. Manufactured iron and steel: There has been a slight improvement. With the further concessions in prices which have been made there may be a better prospect of business. Quotations are now as follows:—Steel ship plates, £7 10s to £7 15s; steel ship angles, £7 5s to £7 10s; iron bars, £11 5s; steel rails, £8. Iron ore: There is a report of an odd cargo of best Rubio having been sold at 20s per ton, and this remains the nominal quotation for this quality, c.i.f. Tees.

Our Sheffield correspondent writes:—Rather more orders were received in the steel trade last week. Some authorities profess to detect signs of early improvement. The aggregate volume of work on hand, however, does not increase, and there is much idle plant in this city. As a whole, business in the heavy branches remains unremunerative. There is rather more activity in tools made of steel, although some of these branches report decreased booking of orders, and there is an absence of that expansion usually experienced in the winter months. Christmas season orders are being booked for plate and cutlery, but they are much below normal in bulk and value, and the demand is mainly for the cheaper classes of goods. Knives and cutters used in industry are in brisk demand. The appeal of the cutlery trade for protection against foreign competition under the safeguarding scheme will come before a Board of Trade Committee next week. The competition, which is chiefly from Germany, relates, for the most part, to scissors and pen and pocket knives, as the quantity of foreign table knives coming into this country is negligible.

EXPORTS OF PRODUCER AND MANUFACTURES OF THE UNITED KINGDOM. (Value F.O.B.)

	Month Ended September 30.		Nine Months Ended September 30.	
	1924.	1925.	1924.	1925.
I.—Food, Drink, and Tobacco—				
A. Grain and flour	682,822	641,183	5,111,562	7,457,943
B. Feeding stuffs for animals	215,292	187,335	2,144,368	2,475,212
C. Meat	148,198	138,826	1,131,580	1,169,656
D. Animals living, for food	22,881	16,839	204,844	117,621
E. Other food and drink	3,507,764	2,956,608	25,838,932	23,904,020
F. Tobacco	518,385	589,904	4,995,710	4,961,458
Total, Class I.	5,095,312	4,536,695	39,426,996	40,086,910
II.—Raw Materials and Articles Mainly Unmanufactured—				
A. Coal	5,738,364	3,659,844	55,837,606	38,197,224
B. Other non-metallic mining and quarry products and the like	152,838	168,547	1,566,694	1,444,186
C. Iron ore and scrap	25,996	20,230	343,752	328,188
D. Non-ferrous metalliferous ores and scrap	92,524	86,255	932,267	1,054,080
E. Wood and timber	50,195	70,455	484,758	583,799
F. Raw cotton and cotton waste	144,632	105,017	1,334,766	1,332,057
G. Wool, raw and waste, and woollen rags	805,692	769,559	8,197,522	8,630,328
H. Silk, raw, knurbs and noils	4,214	4,811	94,280	64,945
I. Other textile materials	20,833	62,639	305,914	451,960
J. Oil seeds, nuts, oils, fats, resins, and gums	737,516	590,879	5,012,649	4,912,421
K. Hides and skins, undressed	126,913	115,709	1,831,985	2,265,511
L. Paper-making materials	154,003	138,300	1,357,891	1,439,584
M. Rubber	6,591	40,717	84,837	192,962
N. Miscellaneous raw materials and articles mainly unmanufactured	153,852	202,495	2,761,989	2,612,616
Total, Class II.	8,213,502	6,035,457	80,148,893	63,499,461
III.—Articles Wholly or Mainly Manufactured—				
A. Coke and manufactured fuel	571,589	285,958	4,832,966	2,677,724
B. Earthenware, glass, abrasives, &c.	1,022,815	1,005,312	9,527,232	9,666,602
C. Iron and steel and manufactures thereof	5,287,399	5,065,214	56,842,609	50,342,361
D. Non-ferrous metals and manufactures thereof	1,263,396	1,494,213	11,874,938	12,262,566
E. Cutlery, hardware, implements, and instruments	747,824	714,828	6,197,274	6,787,464
F. Electrical goods and apparatus	854,679	1,159,974	7,213,173	8,943,999
G. Machinery	3,613,263	3,959,151	32,563,422	36,412,113
H. Manufactures of wood and timber	217,791	156,216	1,521,172	1,631,295
I. Cotton yarns and manufactures	15,815,265	15,593,580	149,213,591	152,946,231
J. Woollen and worsted yarns and manufactures	5,035,430	4,215,360	51,107,204	45,922,117
K. Silk and silk manufactures	182,415	124,767	1,672,080	1,371,636
L. Manufactures of other textile materials	2,363,817	2,179,343	20,082,086	21,107,840
M. Apparel	2,838,867	2,670,564	22,275,352	21,988,094
N. Chemicals, drugs, dyes, & colours	1,837,455	1,813,368	19,109,629	17,945,670
O. Oils, fats, and resins, manufactured	778,112	759,736	6,723,606	7,368,031
P. Leather and manufactures thereof	565,263	585,235	5,040,178	5,250,441
Q. Paper and cardboard	777,475	806,561	6,771,315	7,175,313
R. Vehicles (including locomotives, ships, and aircraft)	1,768,808	2,463,698	19,755,111	22,370,202
S. Rubber manufactures	485,142	648,749	4,506,510	5,641,741
T. Miscellaneous articles, mainly or wholly manufactured	2,816,664	3,066,786	23,574,230	24,915,769
Total, Class III.	43,839,559	48,775,062	460,491,678	462,627,009
IV.—Animals, not for food	217,001	159,710	1,637,877	1,608,162
V.—Parcel Post	887,472	1,233,944	7,613,817	11,436,864
Total	63,282,876	60,734,868	589,319,261	579,258,406

Our Glasgow correspondent writes:—Demand for pig-iron is on a slightly improved scale, but prices are low, No. 3 being quoted and are buying more pig, a good proportion of which is, however, coming in from the Cleveland district. There are more inquiries from the Continent, but shipments are not above normal so far, having been for last week 951 tons, of which 876 was on overseas account. Last year for the corresponding week the shipments were respectively 519 and 479 tons. The finished steel trade is in no better position. Home orders are scarce, and although export inquiry is of fair dimensions, competition is keen. Orders are generally secured only on concessions being given in price. The other branches of the iron and steel trade are dull, with the exception of galvanised sheets, which, in spite of the higher prices quoted by works which are booked up, continue to show considerable activity, the demand from South America and India being steady. In black sheets there is a good market for the thinner gauges, but the demand for the heavier sheets is small. Re-rollers are not fully employed. The Armstrong Construction Company have received an order for an airship hangar for Karachi, and it is estimated that in its construction approximately 4,000 tons of steel will be used. It is also announced that large orders for tubes for export have been placed with local works this week. The Admiralty is inquiring for 8,000 tons of steel-plate sections.

OTHER METALS.

TIN.—The market for tin displayed firmer features, values responding to higher Eastern advices and liberal buying orders, while holders adopted a reserved attitude. Standard cash sold £274 15s-£280 10s and £277 15s, three months' £275-£281 10s and £278 10s. Sales in the East were reported at £281 up to £287 5s. COPPER also moved in an upward direction, and dealings were on a large scale. Slight irregularity was noticeable at times, and later an easier tone prevailed. Standard cash sold at £62 10s-

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been done in whites and fancies. Occasional lines have been put through for Egypt. Printing and finishing styles have been sold in fair quantities for South America, and plenty of business has been about for the Continent. Many makers of cloth have extended their engagements, and are now firmer in quotation. Irregularity has prevailed in American and Egyptian yarn quotations, but rather more business has been done.

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—There has been an active demand for wool and tops throughout the week, and with a much improved turnover in practically all qualities prices have advanced all round. Russia is still buying some fair quantities of scoured and greasy wool, noils, and tops, and there is also some inquiry on American account for crossbred matchings, both New Zealand and Australian. The sudden spurt of activity in the top trade has found most firms short of stock, the policy in recent months having been to sell wool either in the bale or in the form of matchings, for which relatively better prices could be obtained than for the corresponding qualities of tops. In not a few cases topmakers are now unable to guarantee delivery before the end of the year, and this is especially noticeable in the case of 70's and finer tops. Most tops are up 2d in the finer sorts, and from 1d to 1d in the lower qualities. A good warp 64's is now quoted at about 4s 4d, a rise of 2d since the beginning of the month. Super 60's at about 4s show an advance of 3d in the same period. In carded tops 58's average are 1d dearer on the week at 37d; 56's show about the same rise at 32d, and 46's are 1d up at 23d. In prepareds 46's are 1d up at 23d, and 40's are 1d dearer at 21d. More confidence is generally expressed in the immediate future, though many users still cling to the belief that wool values will ease with the turn of the year, basing this opinion on the big weights of raw material to come forward from the overseas markets. There is a better tone in the yarn trade, and spinners are asking more money for most descriptions, though it is difficult to persuade users to follow the market. Improvement in the piece goods trade is well maintained.

COLONIAL WOOL.
(FROM A CORRESPONDENT.)

The trade has now digested the final results of the recent London sales, and all are agreed that they exceeded expectations. Competition was good, and prices ruled in sellers' favour. The

£62 5s-£62 12s 6d and £62, three months' £63 5s-£63 12s 6d and £63. LEAD irregular, while a good business transpired. Good soft foreign pig October sold £39 10s-£39 17s 6d and £38 10s, November £38 10s-£37 17s 6d, December £37 10s-£36 17s 6d and £37 5s, January £36 17s 6d-£36 10s and £36 13s 9d. SPelter active and firmer. October sold at £39 15s to £40 7s 6d and £40, November £39 3s 9d to £40 and £39 3s 9d, December £38 15s to £38 17s 6d, January £38 7s 6d to £39 2s 6d ton. ALUMINIUM nominal. ANTIMONY irregular. English specials quoted £75 to £80 as to make and quantity, foreign refined £66 10s-£66 15s ton, ex warehouse. QUICKSILVER firm. Spot quoted £13 12s 6d to £13 15s per bottle. WOLFRAm firm, and forward quoted 20s 3d to 20s 6d per unit, c.i.f.

THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—October 9, 1925.

Descriptions.	Official Quotations.									
	G.O.	S.G.O.	L.M.	S.L.M.	Md.	S.M.	G.M.	S.G.M.	M.F.	M.P.
American.....	m10-08	m10-68	11-08	11-35	11-53	11-68	11-78	12-13	m12-63	
	110	50	10	15	35	50	70	85	145	
	off	off	off	on	on	on	on	on	on	
Brazilian—	Mid. Fair.			Fair.			Gd. Fair.			
Perann, Macelo, &c	10-95			11-95			12-95			
Parahyba, Rio										
Grande.....	10-95			11-93			12-93			
Ceara, &c.....	10-18			11-43			12-18			
Sao Paulo.....	10-08			10-93			11-68			
Peruvian —	M.F.	Fair.	Gd. Fr.	Good.	Fine.					
Rough	..	..	x25-00	x10-00	x25-00					
Moderately rough	..	..	17-50	19-00						
Smooth.....	11-43	12-10	13-18	13-68	13-68					
Tangiti.....	12-43	12-93	14-68	16-43	15-93					
Mitaff.....	..	18-50	20-00	21-50	23-00					
Egyptian—	Fair.	Gd. Fr.	F.G.F.	Good.	Fine.					
Upper.....	15-95	16-90	17-20	17-50	17-85					
Sakellaridis	20-15	24-75	27-00	x28-55	x30-05					
Brown.....	m16-00	m16-95	m18-30	x26-00	x20-80					
Soudan.....	Mid.			M.F.	Fair.	Gd. Fr.	Good.	Fine.		
	..			..	..	m12-00	m13-00	13-75	14-25	Ex. Fine.
West Indian.....	..			..	..	31-00	33-00	35-00	37-00	43-00
Do Sea Island.....	Nom.			Nom.	13-55	14-05	14-80	15-80	Nom.	
East African.....	L.M.			S.L.M.	L.M.	S.M.	G.M.	S.G.M.		
	(Native Seed.)			(Native Seed.)			(American Seed.)			
	10-58	10-83	11-18	11-43	11-58			12-68		
West African.....	10-58			10-83	11-18	11-43	11-58			
Australian.....	10-58			10-83	11-18	11-43	11-58			
East Indian—	G.Fr.	F.G.Fr.	Gd.	F.	Good.	Fine.	S'fine.Choice.			
Surat.....	..	..	..	..	..	..	m11-05			
Bombay.....	..	..	..	..	..	..	m11-05			
Madras.....	..	..	..	..	..	..	m11-00			
Tinnivelly	m10-20	m10-60	m11-00	m10-20	m10-60	m11-00	m11-40			
Amer-Sind/Punjab.	..	..	..	..	..	..	m11-40			
*Western.....	..	..	..	..	..	..	m11-40			
*Northern.....	..	..	..	..	..	..	m11-40			
*Coconada.....	(Fair.	m9-30	..	..	..	..	m11-40			
Compiak.....	m9-95	m10-35	..	..	..	..	m11-40			
Comra, No. 1	m8-65	m9-05	m9-45	9-85	10-25		10-65			
Comra, No. 2	..	..	m9-20	9-60	10-00		10-40			
Khandah.....	..	m8-55	m9-35	9-75	10-15		10-55			
Bengal.....	m7-95	m8-35	m8-75	m9-15	m9-55		m9-95			
Sind.....	m7-85	m8-25	m8-65	m9-05	m9-45		m9-85			
China.....	(No. 2, m12-00)			(No. 1, m12-75)						

Continent taking 109,500 bales, the home trade 64,500 bales, and America 7,000 bales, the total quantity absorbed was larger than at any other two series this year. America purchased more than at all the previous four series. The big weight of wool purchased for Roubaix-Tourcoing is ample evidence of the healthy state of the manufacturing industry in Northern France. The carry-over is stated to be about 62,000 bales, and it is expected that the quantity available for the next series, which will begin on November 24th, will be around 120,000 bales. It can now be said that the trade is beginning to pull round. Whatever happens during the forthcoming importing season, the results cannot be as tragic as those experienced in the 1924-1925 season, and, judging by the free buying in Australia and South Africa, buyers must have great faith in the future. Less than three months ago we did not hesitate to express the opinion that wool ought to fall still further to be on a safe buying basis, and lead to renewed interest on the part of wholesale fabric buyers. Apparently the needs of the Continent in particular are so pronounced that they must have big weights of wool, though it is safe to say that if the market had had to be made in Australia and South Africa by the West Riding, prices would have fallen a further 15 per cent. However, all cables report a keen demand for wool, and whilst this is encouraging, steady markets are to be preferred before high values at any selling centre.

So long as the raw material can be handed forward in the shape of yarns and pieces to the ultimate consumer, there is not much fear of any fall, but the state of the world's consuming markets does not warrant higher prices. Though there has been a distinct improvement in the prices obtainable for fine tops in Bradford and a hardening tendency in crossbreds, the last London sales closed with most descriptions of the raw material on a comparatively higher level. The only means by which this disparity can be reduced is a further increase on consumptive account. Recent developments in this direction are gratifying. Considerable business has been done in fine tops, and it seems likely that the scarcity which is now being experienced will continue to the end of the year. The activity seen in crossbreds is also a favourable portent, and it now seems likely that the selling season in New Zealand will begin without prices being as low as was at one time probable. As France has taken a big proportion of the medium crossbred wool out of the London sales against its own requirements, it may now be expected that the home trade will step into the breach, for the confidence of that section in these crossbred wools has been largely restored.

HIDE, LEATHER, AND ALLIED TRADES.

The hide market remains firm in spite of tanners' efforts to reduce input, as best ox hides sold from 7d to 9d, and seconds from 6d to 8d at the Bermondsey auctions on Thursday. Advances of 1d to 2d were made in several cases, thus showing that the upward tendency has not been checked. Best cows were unchanged at 6d to 7d, with seconds at 5d. Best calf sold from 7d to 14d. Woolskins made from 7s 3d to 12s, and hogs from 3s 3d to 12s each. The foreign hide market also shows signs of hardening, and 8d has been paid for fregoric Argentine ox, and 9d for Uruguayans. In dry hides a good business is passing, with prices firm to an advance. Latest cables from New York report the American market as steady, with best heavy packers still selling at 17½ cents. Business in sole leather has been a shade quieter, following the activity at last week's Shoe and Leather Fair. Light dry hide bends are still sought, whilst medium wet salted are finding a ready outlet with repairers. Pinned offal is very scarce, prices remaining firm. A better demand is anticipated as orders for winter boots begin to come in. The demand for upper leather is moderate; box and willow calf are selling fairly well, and orders for light leather suitable for the ladies' Wellington boot are frequent. The shoe section remains rather dull. Orders are for small quantities from distributors. The export trade is also dull.

VEGETABLE OILS AND OLSEEDS.

Market conditions have been barely steady during the week, and only a comparatively small amount of business has been done. Linseed oil has fluctuated slightly, and value is about unchanged on the week at £39 5s per ton, naked ex Hull mill, prompt. Forward positions are at a discount and easier, the situation being influenced by the prospects of cheaper seed. Cotton oils are dull and demand poor, crude Egyptian having receded to £40 and ordinary refined to £41 15s per ton, ex Hull mill. Soy oil is steady around £42, but palm kernel oil is in need of buyers and lower at £42 10s.

In the linned section linseed has further declined in value, old crop Plate, after having been done at £18 15s for October-November shipment to Hull, being obtainable below that figure. New crop has been done at £18 5s for January-February and February-March. Excellent reports of the progress of the growing crop in Argentina have had a depressing effect on prices. Moreover, Argentina has still a balance of 212,000 tons, and India 105,000 tons of the old crop for shipment between now and December, the combined total of 317,000 tons comparing with 333,000 tons actually shipped in the corresponding period last year. Supplies are, therefore, considered more than ample in view of the present state of trade for oil and for cake. New Egyptian cottonseed is easier, and offers at £11 for October-January, loading.

OVERSEAS PRODUCE.

FOOD, BEVERAGES, &c.

SUGAR.—The tendency for actual sugar is a shade better, and a fair business transpired, chiefly in British standards at recent level or prices. Imported descriptions, however, remain quiet of sale, especially forward parcels. Messrs Tate and Lyle's cubes quoted 32s to 33s; crushed, 30s; granulated, 28s 1½d to 28s 7½d; forward, 28s; yellow crystals, spot, 25s 1½d, Czechoslovakian, October, 13s 9d; November-December, 13s 6d, f.o.b., Hamburg. Dutch granulated "J," spot, 27s; October, 13s 9d; November-December, 13s 7½d, f.o.b., Rotterdam. American granulated, spot, 26s 6d; ditto afloat, London, 14s; outports, 14s 3d to 14s 4½d, c.i.f. White Java, spot, 26s; Polish crystals, November-December, 12s 10½d, f.o.b., Danzig. Czechoslovakian cubes, November-December, 16s, f.o.b., Hamburg. Raw refining kinds remain dull of sale. Cuban basis, 96 per cent. November, sellers, 10s 3d, c.f. and l., U.K. English grown granulated sold, 27s 3d, ex works, Cantley. Indian market remains quiet, and white Java, October-November, quoted 13s 9d; and January-March, 14s 1½d to 14s, c. and f., Calcutta. White terminal market irregular and easier, with a fair business done. October, sold, 12s 11½d; December, 13s 0½d to 13s 2½d and 13s 1½d; March, 13s 6d to 13s 6½d and 13s 6d; May, 13s 9½d to 13s 11½d and 13s 10½d; August, 14s 3d to 14s 4½d and 14s 3½d per cwt.

COFFEE.—Spot parcels in moderate request, the better liquoring grades being mostly favoured, while prices generally maintain a steady level. Costa Rica, fine bold, sold, 184s; Matagalpa, good colony peaberry, 150s; Colombian, good to fine bold, 144s to 159s; Maragogipe, 191s; Brazilian kinds quiet for shipment, and superior Santos, prompt, quoted 102s; No. 7, Rio, 90s cwt, c. and f.

COCOA.—Spot parcels move off quietly on former terms. Accra for shipment, F.F. quality, December-February, sold, 42s to 41s; Lagos, November-January, sellers, 38s, f.o.b. terms; Trinidad, December-February, sellers, 67s; Bahia, September-October, 50s; Guayaquil, Epoca, 75s; Machala, 72s; and Caraquez, 72s, c. and f. per cwt. Cocoa butter. C.R.F., also prime English, spot, 1s 5d per lb.

TEA.—The smaller supply of 54,353 packages of Indian were brought forward at public sales during the week, and all descriptions encountered brisk competition at 1d to 2d per lb advance, while good medium descriptions also ruled in sellers' favour. All fine liquoring sorts cleared readily at full to occasionally dearer rates. Pekoe sold at 1s 0½d to 2s 2½d; broken orange pekoe, 1s 2d to 2s 8½d, with choice up to 4s 4d. Ceylon offerings amounted to 18,750 packages, which were accorded active support from all sections of the trade, and prices marked a sharp advance. Plain liquoring to medium kinds ruled from 0½d to 1½d per lb dearer, while finest descriptions elicited keen competition, and values were frequently 1½d to 2d per lb over rates obtaining at the previous auction. General run of quality continued attractive. Pekoe, sold, 1s 2½d to 2s 3½d; broken orange pekoe, 1s 7½d to 2s 11d per lb, in bond. There was very little alteration in the position of China teas, general trade being quiet, while imports this season will be on a limited scale. New season's Keemun sold up to 2s 4d, and old from 1s 1½d to 1s 4d per lb. Common kinds moved off slowly. 5,575 packages of Java and Sumatra were brought forward, and experienced brisk competition at 0½d to 0¾d per lb advance. Pekoe, sold, 1s to 1s 3d; broken ditto, 8½d to 1s 6½d; orange pekoe, 1s 2½d to 1s 5½d; broken ditto, 10½d to 1s 8½d; pekoe souchong, 1½d to 1s 1½d per lb, in bond.

RICE.—Market quiet and without new feature. Rangoon, two stars-spot, sellers, 15s 9d; forward, 15s 4½d, c.i.f. Spanish, October, November, 22s 6d to 23s; Italian, spot, 22s to 23s cwt, as to quality. Rice b. an, Burma, October, sellers, £6; November-December, sellers, 26s; September-October, 25s 6d; October-November, 25s 3d; November-December, 25s. Madagascar butter beans, spot, quoted 35s to 37s 9d, as to quality. Rangoon, hand-picked, October-November, 14s 6d cwt, c.i.f.

SPICE.—Pepper quiet and tendency easier. Black Singapore L.S., January-March, sellers, 10½d; black Lampung, October-December, sold, 10½d to 10¾d; January-March, 11½d to 11¾d; white Muntok, October-December, 1s 1½d; January-March, sold, 1s 2½d. Cloves remain dull. Singapore flake, to Havre, September-October, quoted 18s 6d; Penang seed, ditto, to London, 16s. Sago flour weak.

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October-December, to U.K., 15s 6d; Desiccated coconut quiet Spot, halves, 42s; forward, 40s. Ginger steady. Japan, spot, 90s; September-October, 85s; African, spot, 61s; September-October, 58s 6d cwt, c.i.f.

FRUIT (Dried).—Currants continue in quiet demand. Amalia, quoted 34s to 35s; Gulph, 37s to 40s; Pyrgos, 33s; Patras, 36s to 37s; Vostiza, 46s to 58s. Sultanas slow. Smyrna, new crop, 75s to 90s; Australian, 68s to 90s; Cretan, 85s to 100s; South African, 65s to 80s. Figs quiet. Layers, new crop, boxes, 80s to 110s; Locoums, 115s to 150s. Dates, spot trade quiet, but forward positions firmer. First tide Hallowee, 27s; second, 26s; Siar, first, 15s; second, 14s 6d, landed terms. Raisins in good request. Valencia, quarter boxes, 48s to 70s; halves, 42s to 45s. Evaporated fruits firm for best apricots and peaches, but trade generally quiet. Californian apricots, standard, new extra choice, 120s; fancy, 130s; Australian, 117s 6d to 130s; Californian peaches, choice, 67s 6d; extra choice, 72s 6d; fancy, 78s. Plums quiet. Oregon, size 30/40, quoted 72s; 40/50, 52s; Californian, 40/50, 58s to 59s; 50/60, 51s 6d to 52s 6d; 70/80, 44s to 46s. Pears, Californian, extra choice, 90s; fancy, 105s. Apple rings, Californian, extra choice, 65s to 70s; Canadian, 62s 6d per cwt.

CANNED GOODS.

CANNED FRUITS.—Spot trade remains quiet, as liberal supplies of new season's are now coming forward. Prices, however, remain steady, especially for apricots. Californian Bartlett pears, standard,

13s 9d to 14s; seconds, 12s 6d to 13s; Oregon, choice, 14s 9d; standard, 13s 3d to 13s 9d; seconds, 12s 3d to 12s 6d; Canadian, standard, 11s 9d; Californian peaches, choice, 11s 6d; standard, 9s 9d to 10s 6d; seconds, 9s; Californian apricots, standard, 9s; seconds, 8s; loganberries, fancy, 11s to 11s 3d; choice, 10s 3d to 10s 6d per dozen tins. Italian tomatoes firm, with a hardening tendency.

CANNED MEATS.—Corned beef experienced a better demand, and first grade quoted 42s 6d, while Danish lunch tongues sold freely, especially sizes at 11s.

CONDENSED MILK firm, with machine-skimmed tending dearer at 14s 9d to 15s per case.

NEW ZEALAND HONEY firm, with a good demand both for the home trade and continent. Despite the increase in output of 75 per cent., supplies are well sold up.

SARDINES ruled steady, with light supplies of small fish. Portuguese ½ flats quoted 4s 3d; clubs, 5s; 12 ozs, 7s 6d; 18 ozs, 12s per doz. tins. Salmon remains firm for all descriptions. Red tail, 1 lb, 64s; ½ lb pink, 36s to 37s; tall pink, 26s 6d to 27s 6d. Lobsters in good demand, at firm rates. Halves quoted 165s, and quarters 95s to 100s.

TEXTILES.

JUTE.—Firm, and sellers more reserved with improved inquiries. Firsts to Continent, September-October, quoted £55; October-November, £55; November-December, sold, £53 5s to £55

COMMERCIAL TIMES—WEEKLY PRICE CURRENT.

The prices in the following list are revised with the assistance of an eminent firm in each department.			
LONDON, FRIDAY.			
COCOA—Duty, British grown, 9s 4d, foreign, 14s cwt			
Trinidad, per cwt	58	0	82
Grenada, per cwt	58	0	70
Ceylon, plantation, per cwt	90	0	110
Guayaquil, per cwt	70	0	80
Bahia, finest, per cwt	53	0	55
COFFEE—British grown, 9s 4d, foreign, 14s cwt			
E. India, fine ord. g.d. mid 15s	0	140	0
Do good to fine, 15s	0	158	0
Costa Rica, ord. to mid, 120	0	145	0
Good to fine, 165	2	199	0
Central American, g.d. ord.	115	0	138
Do mid to fine, 140	0	145	0
Colombian, ordinary, 115	0	117	0
Do g.d. ord. to low mid, 120	0	130	0
Do mid to fine, 135	0	156	0
CHEMICALS—			
Acid, citric, per lb	1	42	0
Nitric, per lb	0	24	0
Oxalic, net, per lb	0	6	0
Tartaric, English, per lb	1	04	0
Foreign, per lb	0	114	1
Cream of Tartar—			
95%-100%, per cwt	80	0	0
Alum lump, per ton	110/10	11/0	0
Do ground, 110/10	12/0	0	0
Ammonia, carb., ton	37	0	39
Muriate, White, ton	25	15	31
Sulphate, ton	14	0	15
Arsenic, lump, per ton	75	0	19
Powder, per cwt	18	0	0
Ashes, pot, per cwt	65	0	70
Pearl ash, per cwt	9/0	9/10	0
Bleaching powder, per ton	24	10	0
Borax, gran., cwt	25	0	0
Do crystals, 25	0	0	0
Do powder, 26	0	0	0
Calomel, per lb	4	0	3
Iodine, dry, per oz	12/15	13/0	0
Nitrate of Soda, per ton	0	42	0
Potash—Chlorate, net, 0	8	0	9
Prussiate, 0	7	8	0
Do Foreign, 0	7	8	0
Sulphate, per lb	11	0	12
Do Roll, 1	10	2	0
Sul-Acetate, per cwt	47	6	52
Sul-Ammosulph., per cwt	50/0	10/10	0
Soda Bicarb., per ton	5/0	5/0	0
Crystals, per ton	6/15	0/0	0
Alkali, 14/12	17/0	0/0	0
Caustic, 14/12	17/0	0/0	0
Sugar of lead, white, ton	0/0	0/0	0
Foreign white, 249	0	50	0
Sulphate Quinine—			
English Brands, 2	3	0	0
Foreign do, 2	2	2	3
Sulphate Copper, per ton	24/10	25/10	0
Zinc, cut, 9/0	9/10	0	0
Sulphur Flour, 8/0	8/10	0	0
Do Roll, 8/0	8/10	0	0
Vermilion, Chinese, per lb	4	6	9
English, 4	6	5	0
Oil Peppermint, H.G.H., 87	6	88	0
COPRA—per ton, c.i.f.—			
Malabar, Oct-Dec., nom			
Ceylon, 30	17	6	0
FMS Singapore, 29	5	0	0
FM Straits, 29	5	0	0
COCHINEAL—per lb			
2/9	3/6		
DRUGS—			
Aloes, fine E.L., per cwt	130	0	150
Cape, good to fine, 41	0	42	6
Balsam Peru, per lb	7	0	0
Capivi, 2	0	2	3
Camphor, 2	84	2	9
Japan, refined, 6	0	8	3
Cardamoms, Ceylon, 6	0	0	0
Cantharides, China, per lb	4	0	0
Castor oil, cwt	85	0	95
Gum Benjamin Sum., cwt	50/0	10/0	0
Oilbanum, drops, fair to good, 60	0	105	0
Ipecacuanha, 2	0	0	0
Jalap., 2	0	0	0
Musk pod, China, 10	3	10	6
Oil, Cassia, per lb	10	3	10
Aniseed, 3	5	3	6
Peppermint, Wayne County, 70	0	75	0
Rhubarb, China, fr to tn	3	0	3
DYE STUFFS, &c.—			
Galls, China, per cwt	60	0	62
Turneric, Bengal, 55	0	0	0
Madras, finger, 57	6	0	0
Gambier, block, 55	0	0	0
Cutch, ord. to fair, 55	0	0	0
DYEWOODS—			
Brazil, per ton	18	0	0
Peruvia, Jamaica, 8	10	0	0
Cuba, 15	0	0	0
Lima Wood, 20	0	0	0
Logwood, Campeachy, 10	10	0	0
Honduras, 12	15	0	0
Jamaica, 12	0	0	0
Red Sanders, 15	0	0	0
Sapang Ceylon, 15	0	0	0
FLAX—spot, c.i.f.—			
Riga ZK, 77	0	79	0
Pernau HD, 77	0	0	0
Slavica U/A Medium, 53	0	92	3
FRUIT—			
Oranges, Murcia & Val, 300	0	0	0
Do, 360	0	0	0
Do Cape, boxes, 16	0	30	0
Lemons, Naples, cases, 6	50	0	0
Do, boxes, 16	0	50	0
Do Sicilian, boxes, 14	0	25	0
Do, cases, 25	0	39	0
Do Malaga, cases, 16	0	25	0
Grapes, Lisbon, boxes, 6	0	17	6
Almeria, barrels, 8	0	20	0
Val. Ona, 7	6	8	6
Egyptian Ona, bags, 0	0	0	0
Apples, American, 8	9	11	6
Jonathans, boxes, 8	9	11	6
HIDES—Wet salted—			
Australian, per lb	0	54	0
West Indian, 0	4	0	74
Cape, 0	6	50	0
Lisbon, 0	6	50	0
Oporto, 0	4	0	74
Dry & Drysalted Cape, 0	8	0	12
Madagascar, 0	7	0	12
Central American, 0	7	0	12
Buffaloes, Singapore, 0	4	0	12
Penang, 0	5	0	12
Ex. L., 0	5	0	14
Marked Hides, London—			
Best hy. ox & heifer, 0	88	0	88
Do light do, 0	64	0	78
2nd ox, heavy, 0	74	0	84
Do light do, 0	54	0	6
Best cow, 0	64	0	62
2nd do, 0	54	0	58
Best calf, 0	54	0	58
2nd do, 0	54	0	58
INDIA RUBBER—lb—			
Para, fine hard spot, 3	4	0	0
Plantation sheet, 4	04	0	0
INDIGO—per lb—			
Bengal, good red violet to fine, 6	6	7	0
Mid. ord. vio. to good, 6	0	6	0
Low to good ord., 6	0	6	0
Madras, dry leaf, good, 3	0	4	0
Do low to ord., 1	0	3	0
Kurpah, gd. mid. to gd., 4	0	5	0
Low to mid., 3	0	4	0
HEMP—per ton—			
Italian P.O., 80	0		
Manila, Oct-Dec., 41	15		
Grade, 39	10		
N.Z., high point, fair, 39	10		
Oct-Dec., 39	10		
JUTE—			
Native first marks, Sept.-Oct. 55/0			
LEATHER—per lb—			
Sole Bends 6/9 lb., 1	4	1	10
Do do 10/12, 1	3	1	10
Do do 12/14, 1	4	2	6
Do do 14/16, 1	5	2	6
Do do 17 lb and up, 2	6	2	6
Barb Tanned Sole, 0	9	0	11
Shoemakers' DS Hides, 0	1	0	8
Do Eng. or WS do, 0	7	0	8
Bellies from DS do, 0	8	1	14
Do Eng. or WS do, 0	8	2	2
Dressing Hides, 0	4	0	5
Ro. King. Cald, 20/30 lb., 1	0	1	3
Aust. Skins, 1	0	1	3
METALS—B. Copper—			
Best selected, 64	5	65	10
Sheets (strong), 92	0	0	0
Standard, 62/0/0	62/8/0		
Lead Eng. Pig per ton, 40/0/0	0/0/0		
Soft Foreign, 38/10/0	38/15/0		
Spelter G.O.B., 27/15/0	27/8/0		
Tin—English Ingots, 27/15/0	27/9/0		
Do, 27/15/0	27/17/6		
Standard cash, 27/15/0			
OILS—Fish, per ton—			
Seal, pale, 38	0	0	0
Linseed, p. to net, naked, 40	13	0	0
Rape, refined, 50	13	0	0
Grude, 47	10	0	0
Cotton-seed, crude, 38	10	40	10
Edible, refined, 46	10	0	0
Coconut, crude, 47	6	0	0
Refined, 50	0	52	0
Palm, 39	0	39	10
Lard, American, 70	0	78	0
Petroleum—Oil, per 8 lbs., 1/0	0/0		
Water-White, 1/1	0/0		
Oil Cakes, Linsed, Eng., 212/5/0	213/0/0		
Oil Seeds—Linsed—			
La Plata, p. ton Oct.-Nov., 18	12	6	0
Bombay, p. ton Oct.-Nov., 21	12	6	0
Calcutta, p. ton Oct.-Nov., 20	17	6	0
PORTLAND CEMENT—Best English			
per ton delivered, London 58/0	53/6		
Rapid hardening "Ferrocrete," 10/			
per ton extra, 10/			
PROVISIONS—			
Butter—per cwt.—	214	3	216
Irish creamery, nom			
Do factory, 194	3	216	0
Australian, 174	0	295	0
Argentine, 216	0	224	0
Dutch, 206	0	222	0
New Zealand, 228	0	237	0
Danish, 126	0	130	0
Bacon, engd.—Irish, 112	0	120	0
Danish, 112	0	120	0
Canadian, nom			
Hamburg, nom			
Canadian, 128	0	0	0
American, 114	0	143	0
Lard—Irish bladders, 94	0	88	0
American boxes, 56	18	0	0
Pork—per 8 lbs, 7	4	9	6
Best—Frozen, per 8 lbs, 7	6	8	10
Scotch, 114	0	118	0
Canada—Canadian, 114	0	118	0
New Zealand, 120	0	140	0
Eng. Cheddars, 120	0	140	0
Cheshire, 83	0	125	0
Dutch, 24	0	27	0
Eggs, per 120—English, 21	0	25	0
Irish, 21	0	25	0
FLOUR—280 lbs—			
London standard ex mill, 40	0	0	0
RICE—per cwt, c.i.f.—			
Rangoon, No. 2, 15	44	0	0
Broken 1s, 13	0	0	0
ROBIN—per ton—			
American, 33/0/0	24/15/0		
French, 31/10/0	0/0/0		
SAGO—Pearl, per cwt., 30	0	0	0
SHELLAC—per cwt—			
Orange, first marks, 300	0	325	0
Second, fair to fine, 230	0	270	0
TN Orange, 215	0	220	0
Garnet, Lac. AO, 215	0	220	0
Button—Pure, 240	0	0	0
Blocky (TN), 190	0	195	0
SILK—per lb—			
China—Blue Elephant, 18	0	0	0
Canton, 28	0	30	0
Tussah, 10	0	12	0
Reeled, 0	0	0	0
Japan, 29	6	31	0
Italian—Raw, fr. Milan, 30	0	33	6
SHELLS—M.-o.-P., per cwt—			
Manila, bold, 26/0/0	11/0/0		
Macassar, 7/13/0	12/0/0		
Sydney, 5/0/0	12/0/0		
W. Australian, 7/0/0	13/0/0		
Bombay, 2/0/0	8/5/0		
SUGAR—per cwt, duty, 11s 8d.			
per cent, plantation, s	d		
E.W.I., unrefined, nom			
Colicalised, 22	6	27	0
Java, white, spot, 26	0	26	0
Refined—London—			
Yellow Crystals, 25	13	0	0
Cubes, 30	2	33	0
Crushed, 30	0	0	0
Granulated, 28	14	28	74
Crystals, No. 3, 28	0	0	0
Castor, 30	3	32	44
Pieces, 22	9	26	6
SPICES—Pepper, lb—			
Muntok, fair White, 1	21	0	0
Black Singapore, 0	93	0	0
White Blam, 1	34	1	3
Pimento, 0	54	0	0
Cinnamon—1st sort, 1	3	0	0
Do 3rd, 1	7	0	0
Cassia Laves, 55	0	0	0
Cloves—Zanzibar, 0	114	0	0
Penang, 2	2	2	4
Madagascars, 1	3	1	5
Ginger—per cwt—			
Cochin, small rough, 105	0	0	0
Do wormy, 0	0	0	0
Japan, 90	0	0	0
Natunaga, ord. 80	0	120	0
Java, 3	11	4	6
110's and 80's, 2	4	2	7
Chillies—per cwt, 36	6	97	6
TALLOW—per cwt.			
Good mutton, 50	6	0	0
Beef, 46	0	0	0
TAPIOCA—per lb—			
E. I. Flake, fair, spot, 0	22	6	0
Medium Pearl, cwt, 6	28	0	0
Seed, 16	6	28	0
TEA—duty 34d, British, foreign, 4d per lb—			
Indian and Ceylon, s	d		
Pekoe, 1	04	2	62
Broken Pekoe, 1	0	2	34
Orange Pekoe, 1	34	2	6
Broken Orange, 1	2	4	6
Pekoe Souchong, 1	24	1	52
TIMBER—ex. yd—			
Swedish u/s 3 x 8, Pt. Sta., 19	0	0	0
Do 24 x 7, 19	0	0	0
Do 2 x 4, 19	0	0	0
Can'd Spruce, Dis., 17	10	0	0
Pitchpine, per load, 9	0	0	0
Rio Deals, per std, 32	0	0	0
Hutches Mahg. logs, c.ft., 0	11	6	0
African, 0	6	6	0
American Oak Boards, 0	0	0	0
Do Ash, 0	0	0	0
English Oak Planks, 0	7	0	0
Do Ash, 0	6	6	0
TOBACCO—			
Duty 8/2—10/4 per lb. Empire			
growths, 6/14 per lb.			
Virginia, s	d		
Common to fine, 1	3	2	3
Strips, 2	0	2	6
Kentucky leaf—			
Common to fine, 1	0	1	6
Strips, 1	3	1	9
China, 0	9	2	6
Borneo and Sumatra, 1	0	7	0
Nyasaland, 0	6	8	6
Seedleaf, 1	8	4	6
Havana, 0	10	1	6
Greek, 0	6	1	3
First Indian, 2	0	0	0
Cigs, duty 15/7 per lb., 2	0	0	0
Cigarettes, duty 12s 7d per lb.			
TURPENTINE, p. cwt., 76			
3	0	0	0
WOOL—per lb—			
English, Southdown, washed, 25			
" Lincoln hog, 16			
Queensland, soc. super combg., 53			
N.S.W. greasy, per cwt, 28			
N.Z., grey, halbred, 50-56, 19			
Crossbred 44-44, 15			

December-January, £54 to £55 15s. Lightnings, November-December quoted £52 15s per ton. Hessians and twills quiet, unaltered.

HEMP.—Manila dull, and values weak. J grade, October-December, sellers, £41 15s; K, ditto, £37 10s; and M, £32. New Zealand nominally unchanged. African sisal, No. 1, Tanganyika, August-September, £45 10s; No. 1 Kenya, ditto, £45 per ton.

RUBBER.

RUBBER.—Irregular and easier, but sales were of fair extent. Plantation, standard sheet, spot, sold, 4s. 3s 11d and 4s 1d; October, 3s 11d to 4s; November, 3s 8d, 3s 8½d, and 3s 10½d; December, 3s 7½d, 3s 7½d, and 3s 9½d; January-March, 3s 2½d, 3s 3d, and 3s 4½d; April-June, 2s 11½d, 2s 11½d, and 3s 1d; January-December, 2s 11d per lb.

GENERAL.

TALLOW.—Messrs Colchesters and Woolner write on October 14th: The tallow market was quiet during the week, and prices were 6d to 1s lower to-day. So little business has taken place that quotations must be regarded as somewhat nominal. At auction to-day 969 casks tallow were offered, and 79 were sold. Quotations are:—Australian mutton: Fine, 51s 6d; good to fair, 50s 6d to 46s; dull to dark, 42s 6d to 39s 6d; hard, 50s 6d. Australian beef: Fine, 48s 6d; good to fair, 46s to 43s; dull to dark, 42s to 38s 6d; sweet, 49s. Present shipment from Australasia: Good mixed, 46s, nominally. Present shipment from South America, 44s 6d. The market letter is lower. Tallow, 1s; stuff, 1s. Town tallow, 41s 6d per cwt. Rough fat, per 8 lbs, 4d; melted stuff, 31s 6d per cwt. Quotations are:—Town, 41s 6d, net cash, naked, ex works. Country: Frail casks, 41s 6d; home melted, shipping casks, net, f.o.b., good coloured, 45s; fair to dull, 42s to 41s. Bone fat: white, none; pale, none; benzine, 38s; melted stuff, 37s 6d, f.o.b.

SHELLAC fully steady. Fair, T.N., spot, sellers, 217s 6d to 222s 6d; October, buyers, 212s 6d; December, 1925; March, quoted 192s 6d per cwt.

GAMBIER easier. First marks, October-December, sellers, 47s per cwt, c.i.f.

COPRA firm, with a better inquiry. F.M.S. Straits to Rotterdam, August-September, quoted £29 17s 6d; October-December, sellers, £29 12s 6d. Dutch E.I., October-November, sold, £29 12s 6d; Ceylon, September-October, sellers, £30 17s 6d; South Sea, F.M.S., October-November, to Rotterdam, £29 2s 6d; F.M. Straits, to Marseilles, September-October, £29 12s 6d. Palm kernels firm, and October-December, to Liverpool, sold, £20 18s 9d per ton.

MISCELLANEOUS.—Cocoanuts quoted 25s per 100. Coir yarn, Ceylon, £32 to £40; Cochin, £30 to £34. Ceylon bristle £17 10s, to £22 10s; cinnamon leaf oil, 44d; citronella, Ceylon, 1s 11½d; Java, 3s 4d.

METROPOLITAN CATTLE.—OCT. 15.

British Beasts, per stone of 8 lbs to sink the offal. Sheep, per stone.			
	s	d	
Beasts—Devons.....	7	2	6
Shortfords.....	6	10	7
Herefords.....	6	10	7
Scottish.....	6	6	6
Irish.....	6	6	6
Pat Cows.....	6	6	6
Beasts—Heavy Bulls ..	10	0	11
Canadian.....	9	6	10
Sheep—Downs (clipped)	8	2	6
Ewes.....	8	2	6
Crombied.....	8	2	6
Scottish.....	10	0	11
Lamb—Downs.....	10	0	11

LONDON POTATO MARKETS.—OCT. 15.

Per Cwt.			
	s	d	
Lincoln—King Edwards	6	0	7
British Queens.....	4	6	5
Red Kings.....	5	0	6
Majestic.....	4	6	5
Blackland—King Edwards	5	0	6
ditto Whites.....	4	0	5

The Anglo-South American Bank, Limited

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

Statement of Accounts to be presented to the Shareholders at the Thirty-seventh Annual General Meeting, to be held at Winchester House, Old Broad Street, London, E.C., on Tuesday, the 20th October, 1925, at 2 o'clock p.m.

Dr.			
BALANCE SHEET at 30th June, 1925.			
Cr.			
To Authorised Capital—	£	s.	d.
1,000,000 Shares of £10 each	10,000,000	0	0
Issued Capital—			
878,466 Shares of £10 each, £5 paid	4,392,330	0	0
Reserve Fund	4,000,000	0	0
Sight Drafts on Head Office and Branches	962,519	8	8
Bills Payable—			
Drafts on Head Office and Branches at			
usage	5,640,043	11	0
Acceptances on Account of Customers	4,496,904	1	1
Current, Deposit and other Accounts	42,551,755	9	0
Bills for Collection	6,598,867	5	0
Rebate of Interest on Bills, &c., not due	69,291	0	6
Profit and Loss, as per Account below	781,122	17	9
Less—Interim Dividend paid on 28th			
April, 1925	169,284	0	9
To Liability on Bills Re-discounted, on			
Uncalled Capital on Investments held, and			
Guarantees, &c., £10,201,779 10s. 9d., of			
which £8,123,445 5s. 1d. has run off.			
	611,888	17	0
	£69,258,599	7	8

By Cash in Hand, at Bankers and at Short			
Notice			
Balances with Auxiliary Banks			
British Government Securities	9,320,406	17	6
Foreign Government, Railway and other	604,457	7	5
Securities	9,924,864	4	11
Bills Receivable	8,065,789	12	0
Holdings in Foreign and Auxiliary Banks,			
&c., at cost	2,540,910	4	9
British Bank of South America, Limited,	9,447,465	5	1
99,782 Shares at £27 10s.			
Commercial Bank of Spanish America,	2,164,418	18	11
Limited, 496,947 Shares at cost	2,744,005	0	0
Liability of Customers for Acceptances per contra	460,862	0	4
Advances, &c., per contra	5,869,285	19	8
Bank Premises and Office Furniture	4,496,904	1	1
Bills for Collection per contra	22,407,261	8	6
	467,251	11	8
	6,598,867	5	0

NOTES.—The Assets and Liabilities at Branches in Local Currencies are shown at the par rates of exchange, the difference between them having been adjusted under the heading of Advances, &c., to the rates of the day with the exception of the Capital employed in South America and other countries, which shows an estimated depreciation of £240,813 at 30th June, 1925, after having applied the Special Reserve of £183,826 12s. 11d. as per Balance Sheet at 30th June, '24. Certain of the above assets have been lodged with other parties on which a lien exists to the amount of £2,332,320 8s. 11d.

PROFIT AND LOSS ACCOUNT for the Year ended 30th June, 1925.

To Charges at Head Office and Branches			
Income Tax			
Rebate of Interest on Bills, &c., not due			
Balance as per Balance Sheet			
	£	s.	d.
	911,866	17	5
	185,799	7	11
	69,291	0	6
	781,122	17	9
	£1,951,080	8	7

APPROPRIATION ACCOUNT.

To Interim Dividend paid on 28th April, 1925			
Final Dividend of 5s. 0d. per share, less Income Tax			
Transfer to Staff Pension Fund			
Balance carried to New Account			
	£	s.	d.
	169,284	0	9
	171,968	12	5
	25,000	0	0
	414,926	4	7
	£781,122	17	9

R. J. HOSE,
ROBERT HARVEY,
J. A. GOUDGE,

Directors.

W. E. WELLS, General Manager.

A. G. BARTHOLOMEW, F.C.A., Chief Accountant.

We report to the Shareholders that we have audited the above Balance Sheet, dated 30th June, 1925, with the Books at the Head Office (London), and have obtained all the information and explanations we have required. We have examined the Returns from the Branches certified by the respective Managers, and have satisfied ourselves that they are properly incorporated in the above account. We further report that, in our opinion, the above Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Bank's affairs according to the best of our information and the explanations given to us and as shown by the Books of the Head Office and the above-mentioned Returns. British and Foreign Government, Railway and other Securities are taken at market prices, where available, or at estimated values at 30th June, 1925.

PRICE, WATERHOUSE & CO.

The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor:

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. CI.

SATURDAY, OCTOBER 24, 1925.

No. 4,287.

ALLIANCE

ASSURANCE COMPANY, LIMITED.

(Established in 1824).

HEAD OFFICE: BARTHOLOMEW LANE, LONDON, E.C.2.

ASSETS EXCEED £25,000,000.

The Alliance grants Insurances of all kinds.

LIFE DEPARTMENT.

Full information respecting
ESTATE DUTY

and
CHILDREN'S EDUCATIONAL
POLICIES

issued by the Company may be
obtained on application from the
Head Office or any of the Offices
or Agencies of the Company.
O. MORGAN OWEN, General Manager.

Centralbanken for Norge

a/s under off. adm.

OSLO, NORWAY

TRANSACTS ALL KINDS OF
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CREDITO ITALIANO

Capital Subscribed ... Lire 400,000,000
Capital Paid-up ... Lire 351,146,650
Reserve ... Lire 130,000,000

Head Office of the Bank: MILAN.

THE BANK HAS BRANCHES AND CORRESPONDENTS
THROUGHOUT ITALY.

London Branch: 22 ABCHURCH LANE, E.C.4.

Managers { D. A. Horner,
F. N. Schiller,
C. Marmont.

Transacts a general Foreign Banking Business.

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THE MONEY MARKET.

MONEY has been more plentiful, and its abundance in spite of gold exports was explained on Thursday when the Bank return showed an increase of over nine millions in the total securities held. Small amounts due in loans have been repaid by the market to the Bank, but, on the other hand,

bills to a moderate extent have been discounted. The discount market was very hard in the early part of the week, when fine three months' bank bills were difficult to place at 3½ per cent., but a recovery in the New York exchange sufficient to lead to the cancellation of part of the very heavy gold shipments ordered, combined with the greater ease in money, made the market more receptive, though still very cautious.

	Oct. 23, 1925.	Oct. 16, 1925.	Oct. 9, 1925.	Oct. 2, 1925.	Previous Rate and Date Changed.
Bank Rate	4	4	4	4	4½ (Oct. 1, '25)
Banks' Deposit Rate	2	2	2	2	2½ (Oct. 1, '25)
Discount/Call	2	2	2	2	2½ (Oct. 1, '25)
Houses/Notice	2½	2½	2½	2½	2½ (Oct. 1, '25)
Market rate (3 months' bills)	3½	3½	3½	3½	..

The Bank return showed a decrease of £3,102,000 in the stock of coin and bullion, this being £2,000 more than the amount of gold withdrawals announced; the note circulation had declined by £593,000, and the reserve was thus £2,509,000 lower, with its proportion to liabilities 3.8 lower at 25.2 per cent. Government and Other securities expanded by £3,557,000 and £5,883,000, and there was thus an increase of nearly seven millions in the deposits, Other rising by 5½ millions and Public by over a million. Currency notes outstanding were increased by £1,834,200 to £291,900,500, which includes £1,323,900 for notes called in but not yet cancelled. The fiduciary issue is £234,326,600, or £13,818,000 below the maximum for 1925.

NEW YORK MARKETS.

Our New York correspondent cables:—After a severe shake-out in motor shares, which was partly due to inadequate stock exchange facilities, the share market is again buoyant and the volume of business very large. Railway, copper, and oil descriptions are receiving more attention. Meanwhile the Federal Reserve statement reveals for the whole system a drop of \$41 millions in discounts and of \$5 millions in other bills, while reserves are \$20 millions higher and circulation \$20 millions lower. The reserve ratio is 72.6. The New York Reserve Bank has gained \$74 millions in gold, while holdings of bills and securities have fallen by \$75 millions, the reserve ratio rising by 6.5 per cent. There is a disposition to believe that seasonal demands for credit have about reached their peak, and no material hardening of money rates is expected. Commodity prices are steady, the Labour Bureau index number showing a fall of 0.4.

THE STOCK MARKETS.

The rubber market no longer monopolises attention, and brisker business in many departments has led to a heavy settlement. British Government Funds and other gilt-edged stocks are firm, in spite of the efflux of gold, and Central European bonds improved when the results of the Locarno Conference were known. Home rails have recovered; foreign rails, as a whole, remain steady, Cordoba Centrals rising as a result of the reorganisation scheme. There is still a flood of business in the rubber market. More interest has been taken in oil, tea, shipping, and tobacco shares, but bank and insurance shares have again been neglected. Certain popular industrials have risen sharply, notably Courtaulds and Dunlops. The iron and steel market has been more cheerful. Interest in the mining market has been fixed on tin shares, other varieties show little change on the week.

THE COMMODITY MARKETS.

The commodity markets continue slightly more active than of late. An improvement is recorded in the demand for certain descriptions of coal, but few contracts for future delivery are being placed, in view of the uncertainty of the outlook. The market for iron and steel products is stronger, with prices steady. A fair business has been done in the cotton textile markets, though buyers are still exercising caution. The West Riding wool textile industry reports a further increase in demand, many

topmakers being unable to accept orders for delivery this year, but advancing prices are checking business in yarns and piece-goods. The wheat trade is generally quiet, without any marked tendency. Sugar has been weak, and coffee quiet, while demand at the tea sales has been less active than usual. Rubber has been unsettled on increased selling pressure, but most offers have been well absorbed. In the metal markets tin has recorded a further advance on higher Eastern advices, copper remains active, and lead is firm.

FOREIGN EXCHANGES.

In the foreign exchange market the chief feature of the week has again been the French franc. From a closing rate of 108.85 on the 16th there was a slight recovery on Saturday, but on Monday the figure of 110.40 was reached. Tuesday showed a distinct improvement down to 108.75, but after that, depreciation set in rapidly, and at the time of writing on Friday morning the rate has already reached 114.65. The causes of this new break are not far to seek. On the one hand, it is stated that the provisional agreement reached by M. Caillaux in America will not be confirmed, so for the time being, at least, until fresh proposals can be made and agreed, the American market will be closed for new French loans. On the other hand, the internal gold loan has at last been closed with most disappointing results, and no statement has yet been made as to how the heavy floating debt maturities are to be met. The Socialists continue to press their own remedy of a capital levy, and there is little doubt that some part of the present depreciation is due to fears of such a measure. In the meantime, discreet but active propaganda is going on for the plan of relieving the exchequer by a drastic reduction in interest on the National Debt. It is unlikely that the issue between these conflicting proposals can be long delayed. Unless relief is obtained by one or other means, further inflation is inevitable at an early date. Under these circumstances the present feeling of uncertainty can be easily understood, but the very urgency of the problem makes it probable that a solution will soon be found, and although no violent recovery may be expected it is, perhaps, not too much to expect that the present depreciation will not be allowed to go much further. The Brussels rate has throughout the week maintained its recent steadiness, and was quoted yesterday morning at 106.25, as compared with 106.20 a week ago. The loan negotiations continue satisfactorily, and there is much speculation as to the rate at which stabilisation will be attempted. At present, however, nothing definite is known. The forward rate for Paris has widened to 50 centimes above spot, and over per month; the Brussels rate has also widened considerably to about 20 centimes above. In spite of support, the lira has also shown a depreciating tendency, having moved from 120½ to 123½ on the week. In the dollar market the main interest has been the large amount of gold taken this week for export to New York. In the meantime the rate has moved up steadily from \$4.84 1-32 on the 17th to \$4.84 15-32 yesterday morning. Forward dollars at 1½ cent per month are slightly narrower than a week ago. Copenhagen and Oslo have both been somewhat erratic during the week. Copenhagen, after rising slightly to 19.35 on Saturday, had a reaction to 19.28 on Tuesday, but touched 19.80 on Wednesday. By Friday, however, it was down to 19.50. Oslo fluctuated similarly between 23.80 and 23.45, standing yesterday morning at 23.75, compared with 23.80 a week ago. Madrid has risen during the week from 33.72 to 33.85, probably in view of the close of the campaigning season in Morocco without the achievement of any definite result. Of the countries with stabilised currencies, Amsterdam has not varied from 12.04½, nor Stockholm from 18.09½, but Berlin has moved from 20.32½ to 20.33½, and Switzerland from 25.11 to 25.14. Helsingfors is steady at 192½. In Central Europe,

Vienna has depreciated from 34.35 to 34.38, and Prague from 163½ to 163¾. Warsaw has recovered slightly from 29½ to 28¾, while Budapest shows no change. Athens is steady around 368, and Bucharest around 1020. In the East the rupee is steady at 1s 3¾d, while the yen is a shade weaker at 1s 8¼d. The silver market has fluctuated somewhat during the week, with China and India as the main centres of interest. Hong Kong, after rising to 2s 5¼d, fell again yesterday to 2s 5¼d, and Shanghai similarly touched 3s 3d, but reacted to 3s 2¼d, but Singapore is steady around 2s 4¾d. In South America, Rio has once more risen from 71½d to 71¾d. Buenos Aires is steady at 46½d, but Monte Video has risen fractionally to 50½d, and Valparaiso from 39.70 to 39.50 pesos.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended October 17th:—

(000's omitted.)		Receipts.	
EXPENDITURE.	£	From Revenue	£
Supply Services	8,140		17,469
Interest, &c., on Debt	5,280		
Sinking Fund	380		
Sundries	334		
Increase in Exchequer Balances	161		
Decrease in Debt	2,575		
	17,469		17,469

The revenue for the week amounted to £17,469,400, as compared with £17,446,000 in the corresponding week last year. Customs were higher at £1,441,000, against £1,189,000, but Excise was lower at £6,935,000, against £8,971,000. Property and Income-tax brought in £2,454,000, as compared with £3,676,000, while Super-tax at £310,000 was £30,000 lower. Ordinary receipts amounted to £205,400, against £210,000, and Special receipts to £3,000,000, against nil last year. The week's operations reduced the National Debt by £2,574,500, and caused the following changes:—

(000's omitted.)		£
Treasury Bills	+ 639	
National Savings Certificates	+ 150	
4% Treasury Bonds	+ 2,668	
3½% Conversion Loan	+ 2,775	
	+ 6,232	
Bank of England Advances	— 4,500	
Public Department Advances	— 4,300	
Sundries	— 7	
	— 8,807	

The floating debt was reduced by £8,175,000 to £777,966,000.

FINANCIAL YEAR, 1925-1926 (April 1st to Oct. 17th).

£		£	
Total Expenditure ..	434,711,957	Raised by Revenue ..	380,565,906
		Decrease in Balances ..	3,568,179
		Amount borrowed ..	50,577,872
Total	434,711,957	Total	434,711,957

ESTIMATES for FINANCIAL YEAR 1925-1926.

£		£	
Expenditure	799,400,000	Revenue	801,060,000
Surplus	£1,660,000.		

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—Argentine Great Western Railway, Buenos Ayres Great Southern Railway, Central Uruguay Railway Company of Montevideo, Buenos Ayres Western Railway, Anglo-South American Bank, Clayton Wagons, Frederick Hotels, and Monerakelle Rubber Estates. We refer to the speech of Mr R. J. Hose at the Anglo-South American Bank meeting in a "Note of the Week."

ECONOMIST INTELLIGENCE BRANCH.

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

MONTHLY TRADE SUPPLEMENT.

We publish this week our Monthly Supplement, in which will be found an appreciation of the trade situation at home and abroad, together with statistical information on the foreign trade, price movements, currency, and production of the leading commercial countries of the world. Its contents include a review of the present trade position of Czechoslovakia.

THE TRIUMPH OF PEACE.

FRANCE has found herself. That is one of the meanings of the Locarno Treaties. Two years ago certain popular but purblind organs of public opinion in this country did their best to force us into support of France's adventure in the Ruhr. But looking over the last few years in retrospect, all now see that 1923 was the year when the last flicker of war fever burnt itself out in France. On Friday of last week the representatives of France forswore on her behalf all future resort to war with her Eastern neighbour. It is only to be expected that some murmurings of distrust may be heard for some time to come, for when bad habits are abandoned one cannot expect to be entirely free from after effects; but those in this country who doubted whether the dismissal of the Poincaré Government last year really represented the true mind of France have had their answer in the events of the last few days. The fruits of victory have been reaped by France not at Essen, but at Locarno. Peace has triumphed at last.

But there is another even more deserving of congratulation. We do not forget that the initiative which led to the recent Conference came from Germany, and that in abandoning in the most solemn way before civilisation any hopes of revenge or of amending by force what she regards as harsh and unfair clauses in the Treaty of Versailles Germany has made a notable sacrifice. When the news of the Agreement reached Berlin opinion was naturally suspicious that it must have involved too great a surrender on Germany's part; but a few days' study of the terms revealed that her difficulties had been fully and frankly met. To take one example, Germany was afraid that if she entered the League without special conditions in her disarmed condition, she was not equipped, or that, being involved on the side of the League, she might be defenceless and at the mercy of Russia. The Allied statesmen at Locarno have replied that, in putting into force Article XVI. of the Covenant, the League, which faced this difficulty during the Protocol discussions of 1924, would not call upon its members without having regard to their geographical position or their military strength. In other words, if the League were called upon to apply either economic or military sanctions, Germany or any other of its members which might be left in an exposed position would, in certain circumstances, be allowed to remain neutral. In matters such as this the statesmen at Locarno have given Germany proof that they understand her problems and desire to help her to solve them. Whatever may be the ultimate judgment of history on the question of war guilt or on methods of warfare, it cannot be denied that to many minds there is still a heavy balance outstanding against Germany. But the events of last week have done much to obliterate this memory. Germany has made her renunciation of Alsace-Lorraine with no mock heroics nor with surly ill-temper, but with a quiet dignity which has greatly impressed Europe. When the time comes in January for her to take her seat at the Council of the League of Nations she will do so with her prestige restored.

In England the news has caused little or no excitement. It would not be surprising, after so many disappointments, if there remained a lurking feeling that it is too good to be true, and that time will reveal some fly in the ointment. A more specific ground for hesitation is our traditional dislike of any obligations in advance to take military action for any purpose on the Continent of Europe. In this connection there at first seemed to be some obscurity in the terms themselves; but it has been explained that in the event of a sudden crisis arising which may involve our guarantee, each signatory is the judge as to whether aggression has been committed until such time as the League of Nations gives a decision on the point. In other words, France cannot call upon us to go to her aid if we do not agree with her reading of the situation. Again, the guarantee which we give in the Security Pact does not altogether solve the problem of how we are to pledge ourselves without involving the Empire. Formally, the Dominions are not bound by the

Pact, but we have yet to learn how Britain can be at war and the Dominions at peace. But in spite of all specific objections, or general distrust of agreements of this kind, the Locarno Treaties so completely respond to the desires of the people of Europe, that no Parliament could take the responsibility of rejecting them. But if Great Britain enters upon her new obligations without enthusiasm, there is no dissentient voice in offering Mr Chamberlain personally congratulation and thanks for a very notable achievement, which will give him an honourable place in Europe's post-war history. Those, however, in Great Britain who realise that our first interest is peace will meditate with mixed feelings on the fact that the nations of Europe have left us far behind in their undertakings to abandon war and to submit their differences to arbitration or conciliation. In the light of the Locarno Agreement we think that the refusal of our Government to sign the undertaking to accept arbitration before the International Court in justiciable disputes is more than ever to be regretted.

The Locarno Treaties will not bring an economic millennium to Europe. They have hardly even checked the downward movement of the franc, which has been in progress ever since it was realised that M. Caillaux's gold loan was proving a failure, and that entirely new plans would have to be thought out for restoring the balance in the French Budget, and for dealing with her floating debt. The favourable results of the Conference are long-distance ones. France's Budget will ultimately benefit from the disarmament which is the logical consequence of the Agreement; Poland's still more so. But these results are in the future. A more important consideration is that the new spirit created by this Agreement may make it possible for the nations to put their economic relations on a more friendly footing. Here is urgent work for the British Government to do. The League of Nations is proposing to call a conference on the subject of tariffs and economic relations generally. The public should insist that our Government gives this project full-blooded support, and that it refrains in the meantime from making matters worse by inventing new barriers to trade. The Government has made such a promising beginning in the political field that we confidently appeal to it to throw its weight in favour of economic peace.

THE LOCARNO AGREEMENTS.

THE documents of the Locarno Conference, the full text of which is now available, are nine in number, consisting of the Security Pact, four Arbitration Treaties between Germany and other States, a final Protocol, a Note containing an interpretation of Article xvi. of the Covenant, and two Treaties between France and Poland and Czechoslovakia respectively. The latter are not exactly the work of the Conference, but they arise out of it. Documents of this importance must be examined in detail. That, fortunately, is not as formidable as it sounds, for Germany's four Arbitration Treaties are virtually identical, and so are France's treaties with Poland and Czechoslovakia. What matters primarily is the Security Pact and the arbitration system created by the four German treaties. The two are mutually interdependent, for if Germany, France and Belgium are to agree, as they have done, that they will in no case resort to war against each other, there must clearly be created some alternative to war as a method of settling disputes that may arise between them. It may be said that the Covenant of the League of Nations already provides such a system; that is substantially true, nor does it appear that the new Arbitration Treaties vary the provisions of the Covenant in any important particular. Since, however, Germany is not yet a member of the League, though she must become so before the Locarno Agreements can enter into effect, there was an advantage in making the machinery of arbitration clear beyond all doubt.

The Security Pact fulfils anticipations. Germany, Bel-

gium and France undertake in no case to resort to war against each other, and to maintain the *status quo* as regards both Germany's Western frontiers and the demilitarised zone created by the Treaty of Versailles. In the case of an alleged violation of this undertaking, the matter will come at once before the Council of the League, and if the Council declares that a violation has taken place, the guaranteeing Powers—i.e., Great Britain and Italy—will immediately come to the assistance of the Power that has suffered through the violation. That is going beyond the obligations imposed in any case by Article XVI. of the Covenant, in that it pledges in advance that military help will be given. In the case of what is termed "a flagrant violation," consisting of invasion or aggression, or even of the assembly of armed forces in the demilitarised zone, the guaranteeing Powers undertake to take immediate action without waiting for a decision by the League Council. Each guarantor decides for himself whether a *casus foederis* has arisen, but he must fall into line with the decision of the League Council as soon as that decision has been taken.

This agreement involves, as has been said, the creation of machinery for the peaceful settlement of all disputes. That is furnished by the arbitration treaties to be concluded by Germany with France and Belgium on the West and with Poland and Czechoslovakia on the East. Under those treaties disputes are divided as usual into the two categories of justiciable and non-justiciable. The former are to be settled finally either by the Permanent Court of International Justice or by an Arbitral Tribunal constituted under the Hague Agreements of 1907, though if the two parties prefer, they may have recourse first to the good offices of a Permanent Conciliation Commission. The important point, in any case, is that the decision in justiciable disputes, whether it be accepted voluntarily as the result of the Conciliation Commission's recommendations or imposed by the Permanent Court or an Arbitral Tribunal, is final and binding. Non-justiciable disputes go in all cases before the Permanent Conciliation Commission, and if its findings are not accepted the matter is handed on to the League of Nations Council to be dealt with under Article XV. of the Covenant.

Here a certain slight obscurity arises. Under Article XV. a settlement is only binding if it is supported by the unanimous vote of all Council members other than the parties to the dispute. If there is a division of opinion in the Council, the disputants are at liberty to go to war after waiting for a further interval of three months. Germany, France, and Belgium, however, are in no case free to go to war, for under the Security Pact they have bound themselves to settle every dispute by peaceful means, and in no case to resort to war with one another. The procedure specified in Article XV. must, therefore, somehow provide a final settlement—presumably, in case of need, on the basis of a majority vote of the Council. It is to be noted that in the case of the disputes between Germany and her Eastern neighbours the loophole for war remains definitely open, for if the Council fails to achieve unanimity, there is no Security Pact in the East which pledges the parties not to resort to war. This loophole, indeed, is to a large extent the basis of the separate Treaties concluded by France with Poland and Czechoslovakia, for the essence of that agreement is that the parties concerned undertake to support one another to the fullest extent under Article XVI. of the Covenant in cases where the League Council has declared a violation of undertakings at their expense, and also to give one another the fullest support in the event of freedom of action being established by the failure of the Council to reach a unanimous decision on a dispute. Students of these documents will recognise that in many ways they have borrowed from the ideas of the Geneva Protocol, and that the discussions of last autumn have played a large part in the evolution of the Pact.

Moreover, so far as the League of Nations is concerned, its most ardent supporters cannot claim that due respect has not been paid it in the Locarno Agreement. Reference to the League is introduced at every conceivable point, all

non-justiciable disputes come ultimately to it, failing an earlier settlement elsewhere, and it is on the decision of the Council that the operation of the guarantees in the Security Pact depends. More important than that is the provision embodied first in the Security Pact and repeated in the Arbitration Treaties, that these several agreements enter into force "as soon as all the ratifications have been deposited and Germany has become a member of the League of Nations." Germany's application for membership has not yet been made, nor is she even formally committed to it. Various difficulties in this regard were discussed at Locarno, and one of them, that regarding Article XVI., was to all appearance disposed of by an unexpectedly simple formula lifted bodily out of the text of the Geneva Protocol of 1924. The Allied Powers have, of course, no authority to give undertakings regarding any amendment of the Covenant. What they have done, therefore, is to express their view that the obligations under Article XVI. "must be understood to mean that each State member of the League is bound to co-operate loyally and effectively in support of the Covenant, and in response to any act of aggression, to an extent which is compatible with its military situation and takes its geographical position into account." That Germany's scruples regarding Article XVI. should be so easily laid to rest appears at first sight surprising. The explanation, no doubt, is that the formula adopted would give her moral justification for exercising the technical right, which as a permanent member of the Council she would in any case possess, to veto proposals for any scheme of military operations in exercise of the sanctions of the League which would in her view imperil her national security. It is to be observed, finally, that, following the precedent of the abortive Guarantee Treaty of 1919 between Great Britain, the United States, and France, the Locarno Agreements are to remain in operation until the League Council (in the present instance by a two-thirds majority) shall decide that the League itself provides sufficient security to make the Agreements superfluous.

Broadly speaking, therefore, the Locarno conversations have achieved all the objects the principal negotiators originally set before them. They have, so far as any paper agreements can secure this, banished all danger of war between Germany and her western neighbours. They have reduced to a minimum the danger of war between Germany on the one hand and Poland and Czechoslovakia on the other, and they have done this without restricting any of the rights, or imperilling any of the frontiers, conferred on the new States by the Treaty of Versailles. They have, finally, and most important of all, provided for Germany's entry into the League of Nations. These, assuming that no internal difficulties in Germany prevent the signature and ratification of the agreements in due course, are definite and immediate achievements.

But the Locarno negotiators have looked a little further into the future than has yet been generally realised. The so-called Final Protocol, which has been definitely signed (whereas the other documents are so far only initialled), associates all the signatories in the conviction that the entry into force of the agreements will not only assist in the solution of many political and economic problems, "but also will hasten the disarmament provided for in Article VIII. of the Covenant of the League of Nations." It is added specifically that the signatories "undertake to give their sincere co-operation to the work relating to disarmament already undertaken by the League of Nations, and to seek the realisation thereof in a general agreement." These phrases underline, by what must have been a perfectly conscious intention, the importance of the decisions taken at the recent Assembly of the League regarding the beginning of preliminary studies into disarmament and the summoning of an International Economic Conference. They can hardly fail at the same time to have their bearing on intentions of doubtful wisdom attributed to President Coolidge to call a further Disarmament Conference in America. So far as land armaments, at any rate, are concerned, this is primarily a European problem, and the *Baltimore Sun* would appear to be well advised in its comment that as a result of the Locarno discussions "the initiative has passed from Washington to Geneva."

EUPHEMIA AND CHLOE.

WHEN Mr Joseph Chamberlain launched his Tariff Reform campaign in the early years of the century he attributed his change of opinion to the tonic air of the illimitable veldt, which had freed his mind from parochial thoughts and filled him with a great enthusiasm for a unified self-supporting Empire. In a much-advertised phrase he implored his fellow-countrymen to think Imperially, to discard their old economic beliefs and submit to sacrifices in the great cause of Imperial Preference. In the fervour of this new gospel he started out on his tour of Great Britain, determined, wherever he went and to whomsoever he spoke, to know nothing save the British Empire. But as he progressed in his journeyings and spoke first in this town and then in that his orator's sense soon told him that the Imperial vision was not what his audience wanted. The policy of preference, no doubt, was all very well, very suitable for a glowing peroration and an occasional purple passage, but the food that his supporters wanted was something far more solid—a good, strong tariff to keep the foreigner out of the home market. The manufacturers of the Medway, for politeness' sake, were ready to applaud ten minutes' rhetoric on preference, but their real, undisguised love was for a tax on Belgian cement; the steel manufacturers of the North wanted to hear about the coming duty on German steel; the men of South Wales about what was proposed for tinplate bars; the weavers of Yorkshire about woollen piece-goods. And so the Imperial banner which had been held so high when the campaign started quickly found its way to the rear of the procession, and its place was taken by a new banner inscribed with a shifting but always direct appeal to the pockets of the locality. For respectability's sake the Imperial idea was never dropped, but there was no doubt where the driving power and the passion came from. To quote the old poem:—

Euphemia served to grace his measure,
But Chloe was his real flame.

Twenty years afterwards Euphemia and Chloe are still at their appointed tasks, and the protectionist still makes his respectful bow to Imperial Euphemia, but reserves the hard work of serious but less ostentatious courtship for his Chloe.

If, for example, some innocent observer, not knowing the ways of the protectionist, had been present at a recent meeting in the City, and had listened to Mr Amery debating Imperial Preference, he would have heard of the imperative duty of fostering by preference those unlimited resources of the British Empire which must in future stand to us in the stead of our old European markets; he would have been stirred by appeals to British sentiment and the British flag, and by references to the "declared and consistent fiscal policy" of the Dominions as contrasted with the selfish fiscal policy of other countries determined to keep their markets to themselves.

A very different vision would have been opened up to this innocent observer if, after listening to Mr Amery's high-flown but inaccurate rhetoric, he had been taken to one of those quiet rooms in a Government building where the solid work of the Imperial protectionist is carried on in the Safeguarding of Industries Committees. He would find there nothing said of the Imperial idea, nothing of the great Dominions bound by preference to their Mother Country, nothing but an occasional perfunctory reference to the general good of the community. But he would hear a great deal of hard business argument put forward by paid advocates on behalf of manufacturers or merchants whose pockets stand to grow heavier or lighter according to the size of the Protection granted. If he had drifted, for instance, into the Conference Room at the Board of Education, he would have found, probably, no other member of the general public, but a collection of brush manufacturers represented by counsel pleading for a 75 per cent. import duty on all foreign tooth brushes, and a 45 per cent. duty on all other foreign brushes. He would have found another set of brush merchants, also represented by counsel, pleading against the duty—the manufacturers' counsel arguing one way

because that way suited the pockets of his clients, the merchants' counsel arguing the other way because that suited the pockets of his clients. The great Imperial idea was not represented by counsel; nor was the general community or the consumer who will have to pay from 45 to 75 per cent. more for his hair brushes and his tooth brushes. It was a tug-of-war between two interests in the same trade, each pulling for its own pocket, with Lord Birkenhead shouting encouragement to the Tariff team.

In the daily Press little or nothing is said of these Safeguarding Committees, with their paid counsel and their squabbling interests, and, indeed, the proceedings are not always open to the public, for some of the evidence is taken *in camera*. But in those committee-rooms to which the public never penetrates, and in which the consumer's case is never put unless it happens to coincide with the interests of some section of the trade, the future of our foreign commerce is being determined. Any economic argument touching the general interests of the country or the nature of exchange is ruled out as irrelevant, and trade by trade, on the demand of interested manufacturers pleading through briefed counsel, Great Britain is being turned into a protectionist country.

From the nature of the proceedings in these committees, from the scandal of Nottingham lace, from the speeches of Lord Birkenhead, and from the peculiar replies given in cross-examination by some of the manufacturer witnesses, we may fairly suspect that some of the committees themselves are only camouflage, and that the duty has been decided on before the case is opened. The country may wake up to find that, having restricted itself by the most definite pledges, and having ruled out Protection and Free Trade as an irrelevant issue at the election, the Government is introducing a general tariff piecemeal, and going through the farce of these committees for appearance' sake after its decision has been taken. Starting with the great idea of Empire, the movement has descended, as Free Traders have always predicted that it would, into a sordid scramble of one trade after another to exact higher prices from the consumer and raise the cost of living to the community. Speaking of the Dominion side of preference, the *Melbourne Argus* (quoted by Mr Harold Cox) said recently:—

The thing is a mockery. It is worse; for we have used the cry of preference in order to injure the country we pretend to help. We hail the concessions made to us with enthusiastic professions of gratitude, and proceed immediately to remodel our tariff with sole regard to the supposed interests of the Australian manufacturer.

In England, as in Australia, once the door is opened to protection, the manufacturers, with their trade associations, their paid counsel and their political field, can be relied on to make short work of such abstractions as the Imperial idea and the good of the community.

THE CANADIAN ELECTIONS.

(BY AN OTTAWA CORRESPONDENT).

THE election battle is now fairly joined in Canada, and with polling day less than a month distant, a flood of platform oratory and Press propaganda has been let loose over the land. Time was when a General Election excited intense popular interest and partisan enthusiasm; but to-day even in the remoter settlements politics are faced with keen competition from the "movie" and the "radio," and veteran campaigners bewail what they regard as the dangerous apathy of the electorate. Probably if there were more serious issues at stake, and more spectacular figures leading the three parties, this indifference would be banished. Now that the Progressives have abandoned their original ambitions, and are restricting their activities to the prairie provinces and a few rural districts of Ontario, the main contest will be between the Liberals and Conservatives, who provide about four-fifths of the 460 odd candidates now in the field for the 245 Federal seats.

Mr Mackenzie King, the Liberal Premier, makes the chief ground of his appeal the need for a clear Liberal majority, which will enable him to deal with a series of paramount national problems now confronting the country; in this category he places transportation, immigration, the fiscal issue, and the reform of the Senate. For the railway problem, which is by far the most important, Mr King would find a panacea in restricted competition between the Canadian Pacific and Canadian National systems, and would promote by legislation, if necessary, regulated co-operation between them which would reduce the present wasteful duplication of services; moreover, he has pronounced himself definitely against any plan of amalgamation, either under private or public ownership. In regard to the kindred problem of marine transportation, Mr King inveighs at intervals against the North Atlantic Steamship Combine, and vows to persevere with his crusade against its practices, but the fiasco of his first adventure in this direction with the late Sir William Petersen is fresh in the minds of the electorate. On the fiscal issue, Mr King defends what he calls the "common sense tariff" established by his Ministry, and promises to maintain it.

Concerning immigration, he proposes closer co-operation between the Government and the railways, but there is a prevalent impression that such co-operation has been quite close in the past, and has been directed to the enhancement of the revenues of shipping and railway interests to a degree that was quite unnecessary. In his campaign against the Senate, Mr King is faced with formidable obstacles, for Liberal opinion in the Province of Quebec, whose support is indispensable to his fortunes, is resolute against the changes in the British North America Act, which must be accomplished for any effective reform. He makes a plea that the voters should keep him in power long enough to nominate, as Conservative Senators die off, Liberal successors who will be firmly pledged to reform, and thereby secure in time a reformative majority. On all the major issues, therefore, the Liberal programme is rather unsatisfying, and Ministers are trying to buttress their fortunes by the usual crop of pledges to construct fresh public works. New and expensive harbour works are being commenced in St. John, and the Prime Minister has pledged himself that if the West will elect sufficient Liberals to keep him in office he will complete the unfinished Hudson's Bay railway. This pledge may cost him votes in the East, for public opinion in Montreal and Toronto is solidly against the development of this route, and even in the West, where the farmers of Alberta and Eastern Saskatchewan are now more interested in the Vancouver-Panama outlet, opinion is sharply divided. Mr Meighen also promises its completion, provided it will not cost more than three million dollars.

The Conservative leader has been strenuously endeavouring to make the election turn upon the fiscal issue, and to secure converts for his view that a higher tariff will create a larger volume of domestic employment, check the southward exodus to the United States, and provide scope for the satisfactory settlement of more immigrants. He does not go so far as his chief ally in Quebec, Mr Patenaude, who is openly advocating the abolition of the British Preference, but he pronounces himself in favour of a fresh preferential bargain which would bring some reciprocal concessions from Britain. The attacks upon the British Preference are not confined to any one party, for a leading Protectionist-Liberal, Mr W. B. Euler, who sat in the last House, is openly urging its elimination, and some Quebec Liberals are taking the same line. Undoubtedly, the recent fiscal policy of the United States has generated a strong feeling of resentment in Canada, and creates an atmosphere favourable to Mr Meighen's policy of tariff reprisals. But on the other hand the steady penetration of American capital into the industrial life of Canada tends to destroy the old association of local protectionism with patriotism, and to-day anti-protectionist sentiment is almost as strong in the Maritime Provinces as on the prairies. Even if Mr. Meighen were returned to power with a large majority, he would discover that any attempt at a serious increase in the tariff

would be met by a swift counter stroke from the West in the shape of a movement for the formation of a separate Dominion endowed with control of its own fiscal policy, and the repeal of the British Preference would certainly alienate the British-born vote, which, since 1917, has been largely on the Conservative side. Mr Meighen has also committed himself to an aggressive immigration policy, and promises to enforce drastic economies which will make possible a balanced budget and a reduction of taxation. On the railway issue Mr Meighen is no more definite than Mr King; he is opposed to any merger plan, and promises to stop all further capital expenditures on the national system. He also proposes to carry protectionism to its logical conclusion by establishing embargoes on the export of such commodities as pulpwood, asbestos, and hydro-electric power, subject to fair treatment for foreign interests until they adjust themselves to the new conditions.

The Progressives' campaign, which made a very feeble beginning, is now gathering more strength. Their first solution for the railway problem is an immediate revaluation of the properties embraced on the Canadian National system, and the reduction of its capital to a manageable basis; if an amalgamation of the two systems becomes inevitable, they insist that the principle of public ownership must be applied. In regard to the tariff, the Progressives assert that as both the old parties are completely under the dominance of the Protectionist interests of the East, they are the only honest exponents of fiscal reform, and they demand as close an approximation to free trade as the revenues of the country will permit. They also favour a policy of selective immigration, and a rigid curtailment of public expenditures. Their leader, Mr Forke, scoffs at Mr King's proposals for the reform of the Senate, and advocates a purely elective Upper Chamber. The Labour Party, always weak in Canada, will only nominate candidates in about a dozen urban seats.

Clearly, the great French-Canadian province of Quebec is the decisive arena in the present struggle. At present the Liberals hold every one of its 65 seats, and unless the Conservatives can make very substantial gains among them, their hopes of a clear majority at Ottawa are negligible. When it was announced that Mr E. L. Patenaude, K.C., of Montreal, an able French-Canadian politician who had quarrelled with his party on the conscription issue in 1917, and resigned his seat in the Borden Government, would accept a Federal nomination, it was thought that the adhesion of such a formidable lieutenant had materially improved the Conservative prospects in Quebec, the weakest point in their lines. In his opening speech, Mr Patenaude declared that he was as independent of Mr Meighen as of Mr King. At present in Quebec most of the anti-Government candidates are being designated as "Patenaude" candidates. Meanwhile, the situation in Quebec has been suddenly complicated by the dramatic return of Henri Bourassa. Nearly 30 years ago Bourassa, at the age of 29, was elected to the Federal Parliament as a Liberal, and his youth did not prevent him from being one of its brightest ornaments, but a quarrel with Laurier over Canada's participation in the Boer War, which he opposed, led to his retirement from Federal politics. Subsequently he established a Nationalist Party to oppose Laurier's plans for a Canadian navy, and as its leader, his voice and pen took a large part in the downfall of the Liberals in 1911. He held for a time his seat in the Quebec Legislature, but in recent years he has devoted all his energies to his paper, *Le Devoir*, which he has made an influential organ of opinion. In point of sheer intellectual equipment he has no equal in the world of North American politics, for not only is he a first-rate speaker in both the French and English tongues, but he is a very brilliant and effective journalist. Although he has always been a frank advocate of Canadian independence, his views have always commanded respectful attention in the English-speaking provinces of Canada, and a few years ago, when the present politicians of Quebec were viciously abusing Britain for her post-war policy towards France, he warmly defended it. He now announces his intention of contesting his old constituency of Labelle as an Independent, and it is reasonably certain that he will be elected.

While he has no word of praise for Mr Mackenzie King, he is very definitely opposed to Mr Meighen on account of his Imperial proclivities, and intimates that if his vote were able to settle the choice of Prime Minister, he would give it to Mr King rather than Mr Meighen. So far, all the leaders, for different reasons, have sedulously avoided any discussion of Imperial relations and international problems, but Mr Bourassa, who knows more about them than anybody else in Canada, will certainly force them to the front.

Political prophecy is a dangerous art, and, with polling-day still, at the time of writing, a month distant, its value is highly dubious. It will, therefore, suffice to quote a forecast of the result, compiled by competent experts for the directors of one of the largest business organisations in Canada, and now published by the *Financial Post* of Toronto. This allows the Conservatives heavy gains in the Maritime Provinces, Ontario and Manitoba, and gives them 16 out of the 65 Quebec seats; it estimates a loss of roughly 35 seats each for the Liberals and Progressives, leaving their respective totals at 88 and 33. The outcome would be a bare Conservative majority of 3 over a combination of their opponents, and this, while it would provide a basis for taking office, could not guarantee any security of tenure. A fortnight ago it would have been possible to express agreement with this estimate, but the intervention of Mr Bourassa and the dissensions in the Conservative party in Quebec make it improbable that it will gain more than 10 seats in that province, and will react against their fortunes elsewhere. The political pundits at Ottawa are, therefore, not now disposed to give the Conservatives more than between 100 and 110 seats, and as the Government strength would in that event probably be reduced to about 95, or not much more than one-third of the Federal House, a situation of extreme delicacy and interest would emerge.

THE CHINESE TARIFF CONFERENCE.—I.

(BY A SHANGHAI CORRESPONDENT.)

By the time this appears in print the Tariff Conference in Peking, provided there is no outbreak of civil war in the meanwhile, will have begun, or be on the eve of beginning, its sessions. The British Commission—which consists of H.M. Minister, Sir Ronald Macleay, Lt.-Col. Peel, and Mr K. D. Stewart, of the Far Eastern Section of the Manchester Chamber of Commerce—left England on September 19, and the representatives of the other Treaty Powers are, at the time of writing, also on the way. The Conference is one involving political, commercial, and financial issues of considerable magnitude, and the aim of this and a succeeding article is to make them clear.

Politically—and the importance of the occasion cannot be properly appreciated without its political background—the Conference represents a postponed chapter of the Washington Conference, one of the objects of which was to remove causes of friction and unrest in the Pacific. The huge coastal line and territory of China, the peaceful development of its immense resources, the content and quiescence of its enormous population, together form one of the chief factors in the future of the Pacific, which, when the Washington Conference met, looked ominous. For during the European war Japan had obtained control of one of the most important parts of the coast of China, the Shantung promontory, and had sought to obtain semi-political and economic control in other parts of the country. Moreover, for some years past China's internal affairs had been very disturbed and unsatisfactory from the point of view both of the nations desirous of extending their commercial relations with her and of the Chinese people themselves.

The Washington Conference set itself to deal with these facts. It helped to settle the Shantung question, evolved a four-power Treaty in place of the Anglo-Japanese alliance, reaffirmed the principle of the "open door" in China, and effected an agreement between nine

Powers having treaty relations with China in respect of its maritime Customs revenue, the most promising avenue of approach to the problems of Chinese finance. The agreement should have been given effect to within three months from its ratification, which was expected to follow as a matter of course. In fact, its ratification was delayed by France, who developed a long controversy with China regarding payment in gold of the Boxer indemnity. Thus the tariff conference, for which the agreement provided, and in the terms of which it is now meeting, was postponed.

Quotation of part of these terms will help to explain how China's internal affairs are related through her tariff to the future of the Pacific, and to clarify the commercial and financial issues with which our representatives are about to deal. The Nine-Power Customs Treaty opens with the words: "With a view to increasing the revenues of the Chinese Government," and goes on in Article 2 to say:—

Steps shall be taken through a special conference to prepare the way for the speedy abolition of *likin* and for the fulfilment of the other conditions laid down in Article VIII. of the Treaty of September 5, 1902 (*i.e.*, the Mackay Treaty). The special conference shall consider the interim provisions to be applied prior to the abolition of *likin*, and it shall authorise the levying of a surtax on dutiable imports as from such date and for such purposes and subject to such conditions as it may determine.

Critics of the Washington Conference frequently declare that in so far as it attributed the unsatisfactory internal state of China to lack of revenue, it misunderstood the situation. They forget, or are unaware of, the fact that, as far as the British delegation was concerned, the Conference had at its disposal the advice and expert knowledge of the late Sir John Jordan, who had been for 14 years H.M. Minister in Peking, and was intimately acquainted with every aspect of the question. He certainly never subscribed to the view that insufficient financial resources were responsible for China's ills; he did, however, realise that one of their chief causes lay in the steadily diminishing proportion of the revenues which Peking was receiving, and he saw that, if the diminution continued, both the central administration of the country and its ability to meet its foreign financial obligations must grow steadily weaker. The promoters of the Washington Conference were not slow to appreciate that the ultimate result of such weakening might be an international *saue qui peut* likely to defeat their whole object, and accordingly it was agreed, in a treaty which certainly might have been better worded, to try through the Customs revenue to stop administrative disintegration. That and not a misinformed belief in the efficacy of revenue as such (as the critics so freely assert) is the real meaning of the treaty, and the purpose for which the tariff conference in Peking was arranged.

Considered from a commercial standpoint, the business of the Conference (assuming that it sticks to the agenda and does not allow itself to be diverted from it by recent developments, which have reinforced China's declared intention of renewing the claims made at Washington for tariff autonomy) will be to deal with the effects of disintegration on trade, which is suffering from a rapidly increasing number of taxes levied by provincial authorities in defiance of Central Government undertakings. Nearly 25 years ago the Chinese Government recognised in the Mackay Treaty (which was never given effect) "that the system of levying *likin* and other dues on goods at the place of production, in transit, and at destination impedes the free circulation of commodities and injures the interests of trade." It agreed "to discard completely those means of raising revenue," and the British Government, in return, consented to a surtax on imports of 7½ per cent. in excess of the tariff rate (5 per cent.), and a surtax of 2½ per cent., in addition to the export duty on Chinese produce (also 5 per cent.). The treaty stated:—

It is clearly understood that after *likin* barriers and other stations for taxing goods in transit have been removed, no attempt shall be made to revive them in any form or under any pretext whatever.....that payment of the import duty and surtax shall secure for foreign imports, whether in the hands of Chinese or non-Chinese subjects, in original packages or otherwise, complete immunity from all other taxation, examination or delay.

Even in 1902 the value of such an assurance by the Central Government in respect of what was primarily a pro-

vincial government matter was doubtful; to-day, it would literally be nil. Accordingly, the Conference is confronted with the task either of making arrangements for the reduction of inland taxation of trade with the provinces direct, or of coming to such an arrangement with Peking as will be assured of provincial consent, or of abolishing certain taxes levied by the Maritime Customs which are not maritime at all, but inland, and indistinguishable from *likin*, namely, the 5 per cent. so-called export duty on native produce shipped from one native port to another, and the 2½ per cent. duty, known as coast trade duty, which is levied additionally on such produce at the port of destination.

To examine the respective merits of these different courses would require a special article. Suffice it for the time being to say that the British Chamber of Commerce in China, which is to be represented at the Tariff Conference, considers that the third course offers the best approach to the problem, partly because, where possible, trade would abandon tax-ridden in favour of tax-free routes; partly because, having given up taxing internal trade itself, the Central Government would be in a better position to adjure the provinces to do the same; and partly because initiation of fiscal reform by this method would obviate the chief difficulty presented under present conditions by the other two—namely, that of providing provincial exchequers with some substitute for the revenue with which they would be parting.

This consideration brings us to the financial issues with which the Conference will have to deal. And as a further article will be devoted to a full examination of them, it is here only necessary to say that China's unsecured debts total not less than 745 million dollars, of which about 495 millions (including those of the Ministry of Communications) represent foreign, and about 250 millions domestic debt; that the revenues in which Peking is in receipt are insufficient to enable her to meet these obligations; that it has become necessary, accordingly, to find fresh revenue; that the only one in sight is the Customs surtax agreed upon at Washington, which, it is calculated, will bring in about \$30,000,000 a year; and that if this money is used for debt it will not be available for any large reduction of internal taxation, a single item of which, *likin*, produced in 1922 (the last year for which figures are available) a provincial revenue of about \$47,000,000.

THE COTTON TRADE.

(BY OUR MANCHESTER CORRESPONDENT.)

DURING the past quarter cotton spinners and manufacturers in Lancashire have experienced a considerable inquiry, and now and again business has shown some expansion. Buying movements, however, have not been maintained for any lengthy period, and it has been extremely difficult for producers to improve their position. A real revival of demand has been held back by the tendency of prices to ease, and merchants have been afraid to commit themselves far ahead owing to the probability of further depreciation in values. The restriction of credit has also been responsible for the absence of enterprise. As is usual during this period of the year, production has been irregular as a result of the holiday stoppages in industrial centres. Speaking generally, the position of spinners and manufacturers is not any better than three months ago, and certain firms are worse off. Quite a number of cases of financial difficulties have been reported, and there are numerous complaints of accounts not being paid promptly.

Important developments have taken place relating to future supplies of raw cotton. With regard to the American staple, there has been considerable discussion in London, and the fortnightly statistics from Washington, and the fortnightly statistics have led to much confusion. According to the latest information, however, there is every probability of a big growth, which, with not much likelihood even at the cheaper prices of cotton in the United States have bought fairly well, but most Lancashire spinners have purchased with caution, and their policy

has been justified by recent developments. On June 30th the quotation for middling American cotton on the spot in Liverpool was 13.93d. Wide fluctuations occurred during July with a slightly easier tendency in values, the figure on the 31st being 13.53d. The downward movement continued during August, the quotation on the 31st being 12.25d. Early in September there was an advance to 13.63d on the 17th, but since then there has been a substantial decline to 12.72d on September 30th, and 11.43d on Wednesday last (October 21st). Many irregular changes have occurred in the price of Egyptian cotton, but values have favoured buyers. The quotation for fully good fair Sakellaridis on the spot in Liverpool on June 30th was 32.30d, the figure on July 31st being 32.45d. There was a fair drop in August to 28.15d on the 31st, while the price on September 30th was 28.00d. On Wednesday last (October 21st) the quotation was 23.60d. There is every promise of a substantial output of Egyptian cotton this season. The growth last year was the biggest for ten years back, and it is likely that in this season the production will show a further increase, most of the estimates centring round 7,500,000 cantars.

Throughout the past quarter manufacturers of piece-goods have not been short of inquiry, and there has been plenty of evidence for the belief that dealers in many distributing centres abroad are in greater need of larger supplies. The bulk of the trade, however, has been in limited quantities, and, speaking relatively, some of the smaller foreign markets have done better than the big outlets. Operations for India have been very irregular. Now and again fairly substantial contracts have been put through in light bleaching descriptions, but demand of importance in grey staples has failed to mature, with the result that makers have been hungry sellers, and prepared to accept very poor prices. The monsoon season has been generally successful, and a favourable feature is that most of the demand is for quick shipment, which confirms the opinion held in Manchester, that stocks, especially in the up-country districts, are comparatively low. Considering the disturbed state of affairs in China, more business has been done than might have been expected. Quite an encouraging turnover has taken place in bleached shirtings, and some producers of fancies have done fairly well. On the other hand, grey shirtings have attracted very little attention. The auction sales in Shanghai have now been suspended for four months, but it is likely that they will be restarted within the next week or two. Some of the minor outlets of the Far East, such as Singapore and Java, have given fairly healthy support from time to time. It has been a discouraging period for merchants with connections in the Near East. Owing to financial stringency exports have had to be postponed, and there are large quantities of goods waiting in Manchester for improved conditions on the other side. It is expected that Egypt will be better before very long, but some of the other outlets in that part of the world are not at all satisfactory. An event of importance has been the extensive buying, especially in finishing and printing qualities, for the Continent, and a rather striking trade has been done for Germany, Switzerland, and Russia. Now and again useful support has been given by shippers to the outlets of Central and South America, but business has been patchy. The home trade has done fairly well. Steady clearances have taken place in the retail and wholesale establishments, and most departments are looking forward to a fairly good trade this winter, despite the depression in many of our leading industries. Unemployment in Lancashire weaving towns is still a serious factor, and probably cloth production is not more than 80 per cent. of the full capacity of the machinery. If there should be a sudden trade revival, numerous employers will be handicapped by a shortage of workpeople.

The following is a comparative table of exports of cotton piece goods from the United Kingdom, the figures being given for the nine months, September 30th, in each year:—

	Yards.	£
1913	5,350,278,900	73,659,119
	Square Yards.	
1923	3,097,216,600	104,072,046
1924	3,341,388,800	114,899,318
1925	3,359,041,900	115,915,823

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Although many spinning companies during the past quarter have published better trading results than at the same time last year, the general situation leaves much to be desired, and it is still a struggle for most yarn producers to obtain remunerative rates for their products. The mills using American cotton have continued to curtail output by stopping the machinery for 8½ hours per week, which is equal to one day. In addition to this organised short time, the Masters' Federation has recommended an extra stoppage of a full week. This reduced production has been quite sufficient to meet the needs of customers, but, on the whole, stocks have not increased. Purchases of twist and weft have mostly been of a hand-to-mouth character, and now and again there have been indications of some cloth manufacturers adopting a policy of going short. It may be said that throughout the whole of the industry bearish sentiment has prevailed during the past three months. In the Egyptian yarn section there has been an improvement during the last few weeks. Users have bought on a freer scale, and producers have experienced relief. On the whole, the conditions in this branch are rather more favourable than three months ago, and there is comparatively little curtailment of production in Bolton and district. Much uncertainty exists, however, as to the future level of values. In shipping yarns the feature of interest has been the big contracts for Russia. Some firms have not liked the financial arrangements in connection with this business, but others have taken the risk, the orders secured being very welcome. More trade has also been done for Germany. Operations for India have not been important, and spinners are feeling to a greater extent than ever the competition of Japan.

The following is a comparative table of exports of yarn from the United Kingdom, the figures being given for the nine months ended September in each year:—

	Lbs.	£
1913	154,761,700	11,022,055
1923	104,530,000	15,263,209
1924	123,319,700	20,836,107
1925	139,821,500	23,193,162

With regard to prospects, the point of interest is that prices for American cotton are cheaper than for three and a-half years back. This development should have a good effect upon the future of the industry. It cannot be said too often that Lancashire's customers for the most part are the poorest people in the world, and there is always more probability of an extensive turnover at low rates than when values are on a comparatively high level. In the circumstances, spinners and manufacturers are more hopeful than for a long time back. It remains to be seen whether sufficient trade will come along within the next month or two to provide work for all the spindles and looms, but freer buying in yarn and cloth when rates are stabilised seems to be assured. Fortunately, stocks of manufactured goods are not heavy,

and it is well known that the up-country districts in India and China are in need of larger supplies. From the point of view of merchants, it is important that they should start buying at the bottom of the market, and there is bound to be a certain amount of hesitation in placing orders until there is ground for believing that prices are safe. Spinners are now assured of plentiful supplies of raw material during the next twelve months, and prices are more reasonable than for several years past. The financing of trade on a large scale is still a serious problem, and this factor may prevent a big forward movement. It can be said, however, that the general outlook is healthier, and Lancashire traders will be very disappointed if industrial conditions are not distinctly more favourable early next year.

THE WORLD'S WHEAT POSITION.

(BY A CORRESPONDENT.)

[Our correspondent has omitted Russia from his survey, on the ground that wheat exports from the Soviet Union in the autumn are usually followed by repurchases in the spring, the two movements tending to cancel each other. This view finds numerous supporters in the market, but another section of opinion holds that, despite the imperfections of the distributive system, the railways and the waterways of Russia, the size of this year's harvest suggests the possibility of an excess of exports during 1925-26. The Food Research Institute of Stanford University, California, for instance, states in its September number of "Wheat Studies" that although final conclusions cannot be reached at this stage, a substantial export appears to be indicated. "The Russian surplus promises to be relatively more important as a factor in the international wheat market than in any year since the war, and the uncertainty concerning its size will probably be an unsettling factor for several months."]]

THE areas devoted to the growth of wheat may be put for the two hemispheres at 200 million acres, which with reasonably good cultivation should give us abundance even in a poor year, and superabundance in an average season. Owing, moreover, to the vast extent of continents over which the crop is grown, the world culture of the cereal erects itself into a species of assurance, and the vast majority of years are in effect average years. In the present season the deficiency in the United States virtually balances the over-acreage yield in Canada, and reference to bygone years shows analogous offsets and compensations; 1919, which afflicted both Europe and Asia with a disastrous deficiency, presented fine surpluses to Argentina and to the United States; in this year France had her smallest pasture crop and the States their largest.

The Great Powers, so far as wheat areas go, are those devoting over 10 million acres to wheat, and are France, Italy, Canada, the United States, India, China, Australia, and Argentina; in millions of acres, 14, 11, 22, 54, 32, 20, 11, and 18. The Chinese estimate is, of course, empirical, but it cannot be safely omitted, because the tendency of China to devote wheat areas to other presumably more profitable crops is manifest, and Chinese imports are likely to become a trade incident materially affecting the Canadian and Australian export trade.

Lands which cultivate between 2 and 10 million acres of wheat are Spain, nearly 10 millions; Roumania, 8 millions; French North African Possessions and Protectorates, 7 millions; the old Austro-Hungarian Empire, 6 millions; South-Eastern Europe, 5 millions; Germany, 4 millions; and Poland, 3 millions. The regions of Asia Minor, Iraq, and Persia constitute, naturally, a favourable wheat area, but it is doubtful if they at present devote more than 3 million acres to its culture. Countries which devote small areas to wheat, but raise a large yield to the acre, are Great Britain, 1½ million acres; Belgium, 376,000; Holland, 130,000; Denmark, 150,000; Sweden, 363,000; and New Zealand, 167,000. The Japanese devote 1,155,000 acres, the Egyptians 1,379,000, and the Chileans 1,400,000 acres to wheat; all may be called low medium producers.

The roughest of working equations of the world's wheat markets is that which assumes 200 million acres to be cultivated, and 500 million quarters to be grown. This would be 1,200 lbs to the acre, against 1,960 lbs for Great Britain and a ton in Denmark. Moderate as such an estimate may appear, it is almost certainly an exaggeration, and complaints of poor years are unduly frequent because expectation is built too high. The United States are

nothing if not progressive, and their farmers are always opening up virgin soil, yet it is doubtful if the mean production has risen beyond the 800 lbs per acre at which it stood 50 years ago. Canada shows a better agriculture, but cannot safely boast of more than 2 qrs, or 960 lbs, to the acre. A conservative estimate of world wheat production will not exceed 1,000 lbs to the acre, or 416,700,000 qrs (480 lbs). Adding in 20 million qrs for Chinese production, the world estimates of the famous London "Grain Shipping List" for the years since the war have been: 1919, 363 million qrs; 1920, 380 millions; 1921, 406 millions; 1922, 410 millions; 1923, 456 millions; and 1924, 415 millions. If we add to these figures the International Institute of Agriculture's preliminary 1925 estimate that this year's production exceeds that of 1924 by 20 million qrs, and reckon 1925 at 435 millions, we shall have a mean of not quite 410 millions for the seven post-war years.

The eight great wheat producers may be credited in millions of quarters with seven years' production as follows, unofficial estimates being marked with a star:—

	1919.	1920.	1921.	1922.	1923.	1924.	1925.
France	22	29	40	30	35	32	42
Italy	21	18	24	20	28	22	29
Canada	24	33	38	50	59	37	49
The U.S.A.	121	104	100	107	98	105	86
India	35	47	31	46	47	46	40
China	20*	20*	20*	20*	20*	20*	20*
Australia	10	18	16	13	16	19	21*
Argentina	20	24	25	26	25	23	25*
Total	273	293	294	309	327	304	312

The Australian and Argentine crops will not be reaped until Christmas, but their destinies are largely settled by Michaelmas, and the last fortnight's cables have been most encouraging. The Antipodean early summers are very settled weather periods in contrast with the Northern Hemisphere, wherein vicissitudes of early summer weather are frequent and important.

France is gradually winning her way back to her position in 1902 and 1903, in both of which years she produced 43 to 44 million qrs, and was more than self-supporting. The Italian progress is more decisive; in 1902 and 1903 Italy produced of wheat almost 16 million qrs. The King of Italy, who founded the International Institute of Agriculture at Rome just 20 years ago, has led his people in a policy of agricultural reconstruction, and, seeing that the crop yields of 1901-5 were miserably below the potentialities of Italy's soil and climate, one may rejoice without surprise at the progress made. Canada has not fully sustained the standard of 1922-3, but the area of virgin soil opened up every year materially tends to diminish, and Canadian farmers have not yet learnt either to practise rotations or to use fertilisers. The U.S.A. have the smallest crop for some years, but part of the decline is due to agricultural attention being called to crops deemed, at least for the time being, more profitable than wheat. American wheat areas fluctuate between 40 and 60 million acres in a manner which ministers greatly to speculation on the markets. For 1925 the area is 53,995,000 acres, a decline of two and a-half millions from 1924. China, as already remarked, is growing less wheat, though in the absence of returns we must keep to a nominal acreage. But in 1918 she was an exporter, and in 1924 imported over two million qrs, a movement clearly calling for observation. Australia gains ground as a wheat producer, despite dear labour and a long voyage, which means a high freight. Argentina likewise is a really progressive cultivator, keeping up large exports despite increasing home population. India makes no material progress, but does not lose ground. Second-space forbidding the citing of figures for other than the present year. Estimates are marked with a star, other returns are official. (1) Great Britain, 6,200,000 qrs; (2) Germany, 13,000,000 qrs; (3) Spain, 15,750,000 qrs; (4) Poland, 7,200,000 qrs; (5) Roumania, 9,000,000 qrs; (6) Japan, 3,450,000 qrs; and (7) Chile, 3,100,000 qrs. The very good yields per acre in Denmark, Holland, Belgium, and Sweden do not make those lands self-supporting, neither do the farmers of these countries make

any effort to feed the chief cities. Copenhagen, Amsterdam, Rotterdam, Antwerp, Brussels, and Stockholm are all as dependent on grain ships as are London and Liverpool. The national economy of the four countries in reality expresses itself in the saving of transport in the rural parishes, where the countryside feeds itself and grows wheat more or less as a garden crop, and a ton per acre is readily realised.

The question of productiveness is felt to be that to which economists are bound unceasingly to turn. Sir William Crookes and the Fellows of the Royal Society who advised the State in 1917 agreed in assuming that world wheat production was 13 bushels, or 780 lbs, per acre only. This was, of course, a "Safety First" calculation, the acceptance of a datum line which nobody could call too advanced. That that could be raised to 20 bushels or 1,360 lbs they showed to be undoubted. Assuming a world production in millions of lbs of 4,000, and its being raised to 6,150, they put the manure needed at 12 million tons, costing £144,000,000, and the value of the wheat gained (at only 4s per bushel) at £430,000,000. Thus potentialities on the present area and without infringement, therefore, on any other crop areas, amounted to a net gain of £286,000,000 yearly. The high estimate of the cost of fertilisers is of special value to-day, as nitrogen can be won from the air, an inexhaustible source of supply, at £12 per ton. The investment of money in raising the wheat yield of ill-cultivated lands would seem on these figures to be among the soundest of propositions.

In Great Britain, France, and Central Europe the raising of present comparative fertility into a still greater productiveness is a matter of fertilisers being cheap or dear. To-day they are remarkably cheap. With cereals showing an index number of 140 on pre-war figures, and living generally one of 157, the seven leading fertilisers showed an index number of 125 only, and contracts at this level can be made for an entire season's supply.

The fall in freights makes transport easy this season, and proves especially advantageous to the remoter consignors. Business in wheat before 1921 was so largely controlled for political purposes as to have little value as a trade record, but since then the returns have been as follow, the shipping years running from August 1st:—

	(Million Cwts.)			
	Aug. 1— July 31, 1921-2.	Aug. 1— July 31, 1922-3.	Aug. 1— July 31, 1923-4.	Aug. 1— July 31, 1924-5.
Exports	343	345	383	370
Imports	298	303	307	318

These are for all countries subscribing to the International Institute of Agriculture. The growth in the total turnover appeared till this time last season to be steady, but since then less grain has been exchanged between importing and exporting countries. Imports, it will be seen, are uniformly smaller than exports, a "mystery" of which the very prosaic explanation seems to be that some leading importers do not supply returns. China certainly does not, while Brazil, Central America, the West Indies, the tropical regions of Africa, and all Melanesia, are wheat and flour buyers very little interested in statistics of the trade. The exports of five leading wheat shippers have been as follows, figures representing breadstuffs (flour included), as hereafter mentioned:—

	(Million Cwts.)			
	1921-2.	1922-3.	1923-4.	1924-5.
Canada	90.56	138.00	176.00	88.17
The U.S.A.	119.06	89.38	44.42	118.07
Argentina	68.22	81.24	98.38	69.29
India	Forbidden.	15.80	10.41	20.41
Australia	58.46	18.74	36.76	61.18
Total	227.30	343.16	365.97	357.12

Freights were against Australian exports in 1922-23, an immense export trade in wool partly accounting for this. India has recovered very slowly from the extended control.

The importing countries form three Continental groups, with the British Isles as the standing "predominant partner" in the trade. The determined efforts of the Latin countries to become self-supporting are likely to increase the preponderance of Britain as a buyer. Returns of breadstuffs imported are:—

	(Million Cwts.)			
	1921-2.	1922-3.	1923-4.	1924-5.
British Isles	104.31	108.03	124.63	122.40
Belgium and Holland..	38.11	37.28	38.33	35.97
France and Italy	72.30	99.51	79.65	76.49
Central Europe	56.05	32.97	20.74	46.91
Total	270.77	277.79	263.35	281.77

The figures of the Institute in centals (100 lbs) are for wheat only. Assuming these as hundredweights (112 lbs), but reckoning the latter to include breadstuffs—that is to say, to take in flour, fairly trustworthy totals are arrived at. Flour imports and exports average about 10 per cent. of the traffic in wheat.

The British crop, just reaped, being five million cwts smaller than that of 1924, while the stocks are reduced by three millions on the year, it is probable that the new season upon which we are now entered will require fully 130 million cwt imports of breadstuffs. But France and Italy will be much smaller buyers than in the season just concluded.

TRADE OPENINGS IN FINLAND AND ESTHONIA.

(BY A CORRESPONDENT.)

A COUNTRY, not so well known as it should be, eager to import from Great Britain, and only 24 hours by aeroplane, is Finland. At a time when the British trader is looking for fresh markets and outlets for his goods, he might well turn his attention to this historic land, whose gallant efforts for independence and freedom, covering several centuries, were crowned with success in July, 1919, when the nationhood of Finland, or Suomi as it is called in the Finnish language, was recognised. Swedish for many centuries, and under Russian domination from 1808 until the Kerensky régime, the Finns have retained national consciousness and characteristics, which in a less virile and courageous people would have been submerged. The solidity and hardness of the Scottish character are to be found in the Finnish, due, doubtless, to the thousands of Scotsmen who from 1562 onwards went to Finland to help her people in their efforts to liberate themselves from foreign aggression, and whose names, in most cases, are still borne by their Finnish descendants.

Six years ago Finland became a free nation, and at once started to build for the future on a sound economic foundation, and the progress made during this period is creditable to an industrious and hard-working people. Her national finances at the close of 1924 were satisfactory, revenue having so far exceeded expenditure that supplementary estimates were met and the national debt reduced by FM. 135,800,000. It is believed that in November next the Finnish mark will be established on a gold basis, probably at somewhere about FM. 192.50 to the £ sterling. Finland has been provided by Nature with immense resources in her illimitable forests of spruce, fir, and silver birch—73.53 per cent. of the land area of the country. Wood products of various kinds, therefore, play a predominating part in her export trade. Timber, sawn or unsawn, plywood, paper, chemical pulp, cardboard, spools (bobbins), and also butter form the bulk of her exports, and Great Britain is her largest customer. In 1924, 40.4 per cent. of Finnish exports were to this country. It is perhaps not generally known that Finnish bobbins form 90 per cent. of the world's bobbin exports.

In 1924 Finland's export trade was divided as follows:—

Agricultural Products.	Wood Goods.	Paper Industry Products.	Other Exports.
%	%	%	%
11.3	61.5	27.8	2.5

Of unsawn timber, pit-props form about 55 per cent., and paper-wood a little less than 25 per cent.; but these latter show signs of increasing. The export of sawn timber is also on the up-grade. The plywood industry is still in its infancy, but exports in 1924 amounted to 40,000 tons, and in 1925 it is believed will exceed 50,000. The export of butter is steadily increasing, and at the end of June totalled 7,142 tons, against 4,313 tons for the similar six months a year ago. It is reported that Finnish butter cannot be obtained as such in this country, but is labelled "Danish," because a better wholesale price can be

obtained; but Finnish butter is of such excellent quality that it should stand on its own merits.

A comparison between the Finnish export and import trade with this country for the six months ended June, 1925 and 1924, are of interest (the figures are millions of Finnish marks):—

Imports.		Exports.	
1924.	1925.	1924.	1925.
434.8	379.3	653.5	727.2

It will be observed that whilst exports increased by FM. 73,700,000, imports decreased by FM. 55,500,000. It is to be regretted that British firms do not take a greater interest in the possibility of developing their business with Finland. The writer has just returned from that country, and had the opportunity of discussing the position with a number of representative business men, who each referred to the openings for British goods, provided production costs can be reduced. They stated that it is not the exchange, but the high cost of manufacture in Britain that is deterring Finland from purchasing more in this country; and, further, that lack of enterprise and initiative is handicapping British trade, which has the keen competition of Sweden, Denmark, and Germany to face. The chairman of one of the leading companies, who is keenly interested in the development of Anglo-Finnish trade, and who knows this country well, remarked: "English firms do not bestir themselves enough, but the Germans are very keen. You do not send sufficient commercial travellers, and few of those who come can speak either Swedish or Finnish. For every English traveller there are a dozen Germans, who can speak at least Swedish." In Finland, the Swedish and Finnish tongues have equal rights, and all notices, names of streets, &c., are in both languages.

Two instances of British ignorance or apathy may be quoted. An English firm wrote to a leading firm of shipbrokers in Helsingfors, and concluded their letter by saying: "In case you do not understand English, we enclose a Russian translation of our letter." Nothing better calculated to lose the business can be imagined. A Finnish firm sent an order for some British goods, and enclosed a remittance to cover the cost, &c. After waiting six weeks for a reply, they cabled asking if their letter and remittance had been received, and only then received a letter acknowledging their communication. It may be that our exporters consider Finland unworthy of attention, but if this is their attitude, it is a mistaken one. Our Continental competitors are courting her assiduously, and the same story of apathy comes from China, whence a British firm were written to and asked to supply a simple plough to meet the requirements of thousands of farmers in Northern China. The firm could not be bothered to provide something out of the usual, and so the Germans stepped in and reaped a profitable harvest. France is cutting into our export of textiles and metallurgy, but this is thought to be only a temporary dislocation; it is, however, evidence of the competition to be faced.

Finland is willing to increase her imports from this country of machinery, textiles, cutlery, linens, cottons, &c., but expects the market requirements to be studied, and there is no doubt at all that if the right type of British traveller were to be sent, and in sufficient numbers, a steadily increasing proportion of orders could be obtained. Finland imports over 4,000 automobiles a year; of these over two-thirds are from the United States, and the balance from the Continent. Several wealthy residents stated they would much rather purchase British cars because of their superior workmanship, were the prices more competitive.

Finland is in the fortunate position of having practically no unemployment—the number in July being 1,103, out of a population of 3,110,000, and it was anticipated that this number would be reduced with the approach of the harvest. Although the Port of Helsingfors is closed to traffic during the winter months, the ports of Hangö and Abö are kept open by the Government icebreakers, so that trade is not seriously interrupted.

Helsingfors, the capital, is easily reached by sea from Hull on one of the comfortable steamers of the Finland Steamship Company, which sail every Wednesday evening, arriving at Helsingfors the following Monday morning; and next spring a regular service of aeroplanes will

enable the visitor to leave London after breakfast and be in Helsingfors for lunch the next day, flying by way of Amsterdam, Hamburg, Copenhagen, Malmö. Railway travel in Finland is comfortable both by day and night.

Within easy reach of Helsingfors is Reval, the Esthonian capital. A daily service of fast aeroplanes enables the traveller to be in Reval 45 minutes after leaving Helsingfors. He can transact his business, and return to Helsingfors for dinner. Esthonia is also worth the more earnest attention of British merchants, and almost a similar story is told there—although the exchange factor is a complication. But Esthonia desires British goods. In both countries it is the British "quality" that excites admiration. Esthonia finds English prices too high in comparison with those quoted by Continental competitors, but is anxious to import machinery, sugar, foodstuffs, sewing silks, cotton goods, motors, bacon, cutlery, and writing paper. But one of the leading shipbrokers stated that nearly everything was too expensive. Sweden is supplying the cutlery. Esthonians greatly deplore the control which Germans have obtained over the Esthonian banks, a control they are using—only naturally—to assist their country's trade. It is worth the immediate attention of one of our banks—a population of 1,200,000 can become profitable customers. Esthonia exports timber, plywood, paper, hides, butter, and eggs.

Hard work, honesty, and courtesy distinguish both the Finns and the Esthonians; there are openings for trade in both countries, provided British traders will show themselves at least as enterprising as their Continental competitors.

THE TRANS-SIBERIAN RAILWAY.

MR W. W. GRANTHAM, K.C., Recorder of Deal, has just returned to London from the Far East, after travelling over the once-famous Trans-Siberian Railway. In view of the well-known political and economic conditions in Russia and China, there is no one who would expect to hear of far-reaching developments, or even improvements, on this great highway; and, indeed, it appears from the descriptive details given by Mr Grantham to a correspondent of the *Economist* that the worst expectations will be realised by anyone who has the temerity to make a trip over the line.

In the small hours of Sunday, September 27th, in veritable celestial obscurity, Mr Grantham took the weekly Trans-Siberian express for the ten-day run from Vladivostok to Moscow. The first lap of the journey, to Harbin, was accomplished without incident, the going was smooth, and passengers were beginning to reconcile themselves to the enterprise. Harbin duly reached, the problem was to get out of the town; here a succession of changes and delays kept the train back, and it was not until the 29th that the convoy left for Moscow. The second stage of the journey brought the train to Manchuli, and here in the dead of a Manchurian midnight changes had to be made and fresh tickets bought. Thence on to Chita for another midnight change, and it was after leaving this capital of the Far Eastern Republic that a small chapter of misadventures commenced. On three occasions the overheating of the axle of a first-class sleeping car caused commotion and delay, but by making up speed in the intervals the arrival at the shores of Lake Baikal was only three hours behind time. At Baikal a freight train, which had apparently been following the express, was sent on ahead. About half-way between Baikal and Irkutsk, the next large town, some bandits or counter-revolutionaries had torn up the track for a considerable distance; the freight train became the victim, and when the express arrived on the scene some 10 hours afterwards eight of the beyond recognition. That this fate was reserved for the passenger train, too, is pretty certain; one of the wreckers had tried to ascertain from a railway-track guard the being given, the guard was "summarily despatched." The run on to Moscow was continued with no more incident than would chance to a passenger on the Southern

Railway; the train made rather good time on an uneven road, reaching Moscow after a 5,000-mile journey only eight hours late.

To those who are interested in more than the picturesque side of the excursion, the following conclusions may be drawn from the observations made by Mr Grantham *en route*. The first 1,000 miles of the road, between Vladivostok and Chita, were relatively good, but from Chita onwards it could only be described as bad. Various accidents have occurred in the past six months owing to the poor state of the track; rocks fall at weak sections of the cuttings, and the removal of bolts and pins by "interested parties" does not add to safety and smooth working. The rolling-stock is on a par with the condition of the line; with the exception of the sleeping and restaurant cars belonging to the International Sleeping Car Company, the stock is poor; windows will not easily open, and this, coupled with the practice of locking carriage doors at night, would make a hasty exit in case of accident impossible. It seems clear that nothing has been done to line or stock to repair the ravages of time since 1914. Half the number of engines employed still use wood as fuel, and while the trains may run on scheduled time, the speed is less than half that of European railways. Not much seems to have been done in the replacement of old stock, and without efficient outside aid, the re-equipment of the railway will be a long and difficult task. While there are certain signs of Russia's increasing productivity and consequent purchasing power, unless this is used in the development of its engineering industry, and above all on railway transport—which is, after all, the foundation of modern society—little progress can be made by the country as a whole. The significant feature in regard to the mail traffic across Siberia, but not a new one, is that the international inviolability of the mails receives scant respect. Letters are opened indiscriminately before being released, many are lost entirely, and there is thus no guarantee for the safety and secrecy of correspondence. To this must be added the constant risk of attentions from robber bands.

If it is not the overwhelming importance of the rôle this line must play in the opening up of the natural treasures of Siberia and the East, it is its significance as an international link which in normal circumstances, would mark it out for the attentions of financiers in Europe and America. The maintenance of a rapid route to the East for mails and other classes of traffic is part of the post-war rehabilitation problem, and there is little doubt that the crying need of the Trans-Siberian Railway is capital, with a capital C.

Notes of the Week.

Civil War in China.—On the eve of the tariff conference in China what looks like a new civil war on a comprehensive scale is breaking out. It began with the capture of Shanghai and Nanking by Sun Chuan-fang, the Tsuchun of Chekiang, who, if he is not acting definitely on behalf of Wu Pei-fu, is certainly acting definitely against Chang Tso-lin, Wu's old adversary. Chang is at present the main supporter of the semi-impotent Pekin Government, and if the rumours of a general coalition of Central China against him under Wu Pei-fu are true, Pekin is likely to mean even less than the little it means now. Wu is definitely on the move, with a view to taking up his headquarters at Hankow, where he is likely to have the support of three or four provinces in Central China, and perhaps more, while a junction with the victorious Chekiang troops seems probable enough. But there is always in China some doubtful factor, and in this case it is the Christian General Feng Yu-hsiang, who though he is himself at Kalgan on the northern frontier, has a number of his personal troops stationed at Pekin. The first reports that Feng, who has a habit of throwing his support in different directions at different moments, was joining hands with Wu Pei-fu, seem to have been premature, for the Christian general is now said to have placed his Pekin troops at Chang Tso-lin's disposal. In that case the capital is likely

enough to be held and Tuan Chi-jui's Government bolstered up a little longer. But the creation of a rival government at Hankow under Wu Pei-fu is a very real possibility. That will make a third administration, for Canton still has its own government, though Cheng Chiung-ming, at one time lieutenant and subsequently opponent of Sun Yat-sen, is standing by in the neighbourhood waiting an opportunity to strike. Under all these circumstances it is manifestly difficult for the Powers to decide whether to proceed with the tariff conference, which was fixed to open on Monday, or not. Already the Chekiang operations and the closing of the Shanghai-Pekin railway have made it necessary for the American delegates to the conference to travel to the capital by sea to Tientsin, and negotiations with a Pekin Government, which may cease to exist at any moment, do not promise very hopeful results. On the other hand, the tariff delegates have no right to assume Pekin to be impotent so long as it is to the Government there that all their diplomatic representatives are accredited. The conference will, therefore, in all likelihood go forward. If it should reach definite conclusions, which has at the best been extremely problematic, the risk of having them dishonoured by some subsequent administration will have to be faced. The danger is not so serious as it seems, for the administration actually negotiating is likely to be so anxious to avoid giving its enemies a handle for attacking it for its weakness that it will agree to nothing that any rival Chinese Government would not eagerly accept. That in itself bodes ill for the conference, which can hardly hope now to do more than explore the ground fully with a view to final agreements when happier conditions have been established in China.

France's Little Wars.—France still has her hands full with the campaigns in Morocco and Syria. There is clearly a great deal of resilience in Abdul Krim yet, and his tribesmen have recaptured most or all of the important massif of Bibane, taken from them some five weeks ago. At another point a slight French retirement is reported. These are not operations of any very serious consequence from the military point of view, but they go to indicate that any hope of clearing up the Morocco trouble before the winter must be dismissed. That is a fact that will have political reactions in France, but it is likely to cause M. Painlevé a good deal less anxiety than what has been happening in the past week in Syria. The situation there shows no real sign of improvement, and reports of a serious riot in Damascus itself have caused alarm and indignation at Paris, where misgivings are accentuated by the suspicion—no doubt well-founded enough—that the full facts are being suppressed by the censorship. It is hard to see how the Government can long resist the demand for General Sarrail's recall, the contrast between his record and that of his predecessor, General Weygand, being so pronounced as to impress even the radical soldier's own friends. An independent investigator, General Duport, has, however, been despatched to Syria, and it is unlikely that any drastic step will be taken pending the arrival of his report. Meanwhile, the situation creates certain difficulties for the League of Nations Permanent Mandates Commission, which happens to be at present in session in Geneva. The Syrian mandate, among others, will be under discussion, and though there will no doubt be a general desire to say nothing calculated to increase the embarrassments of France as the Mandatory Power, the Commission, which is known to feel anxiety about the situation, can hardly ignore the responsibilities resting on the League in the matter of Syria.

Another Balkan Incident.—Hardly had the dove of peace flown into the council chamber at Locarno when the rumbling of guns was heard on the frontier between Bulgaria and Greece. The origin of the trouble is obscure. The official Greek statement claims that during the night of October 19-20 Bulgarian outposts, having concentrated disproportionate forces, opened fire without the slightest provocation, and proceeded to occupy positions in Greek territory. The Greek Government promptly sent a note to Sofia demanding satisfaction with the briefest possible

delay. The reply from Sofia suggested the appointment of a joint Greco-Bulgarian Commission to investigate the incident and establish responsibility. While Sofia presses for an inquiry it appears that Athens is determined to hold certain points or Bulgarian blockhouses, which have been occupied in retaliation, pending the receipt of a money indemnity for the men killed. In 1913 or 1914 an incident of this kind might have kindled a train that would have ended in an European conflagration. But to-day the gunpowder is damp, and the fire brigade of the League of Nations, of which both disputants are members, should find it an easy task to localise and extinguish the sparks. A special meeting of the League Council has been called for Monday in Paris, to which Bulgaria and Greece have been summoned to send representatives.

Cost of Living.—According to the index number of the Ministry of Labour, there was another rise in the cost of living during September, the figure rising from 74 to 76 per cent. above the level of July, 1914. Monthly movements and comparisons with previous years are given in the following table:—

AVERAGE PERCENTAGE INCREASE over JULY, 1914.—All items.
(Food, Rent, Clothing, Fuel, and Light, &c.)

1st Day of	1918.	1919.	1920.	1921.	1922.	1923.	1924.	1925.
Jan.	85-90	120	125	165	92	78	77	80
Feb.	90	120	130	151	88	77	79	79
March	90	115	130	141	86	76	78	79
April ..	90-95	110	132	133	82	74	73	75
May ..	95-100	105	141	128	81	70	71	73
June ..	100	105	150	119	80	69	69	72
July ..	100-105	105-110	152	119	84	69	70	73
Aug.	110	115	155	122	81	71	71	73
Sept.	110	115	161	120	79	73	72	74
Oct.	115-120	120	164	110	78	75	76	76
Nov.	120-125	125	176	103	80	75	80	..
Dec.	120	125	169	99	80	77	81	..

For food alone the increase over the figure for July, 1914, was 72 per cent., as compared with 70 per cent. a month ago. This rise was mainly due to seasonal increases in the price of dairy produce, which was partly off-set by reductions in the prices of bread, flour, and potatoes.

Employment in September.—There was a slight improvement in employment during the month. According to the *Ministry of Labour Gazette*, among the 11½ million workers insured under the Unemployment Insurance Acts in Great Britain and Northern Ireland, the percentage unemployed at September 21st was 12.4, as compared with 12.5 at August 24th and 10.8 on September 22, 1924. The total number of registered unemployed fell from 1,418,000 at the end of August to 1,401,000 on September 28th. Among the members of trade unions, the percentage unemployed at the end of last month remained at 11.4, which was the figure given at the end of August. The following table gives the monthly trade union figures for several years past:—

TRADE UNION UNEMPLOYMENT PERCENTAGES.

	1913.	1919.	1920.	1921.	1922.	1923.	1924.	1925.
End of—	%	%	%	%	%	%	%	%
January ..	2.2	2.4	2.9	6.9	16.8	13.7	8.9	9.0
February ..	2.0	2.8	1.6	8.5	16.3	13.1	8.1	9.4
March	1.9	2.9	1.1	10.0	16.3	12.3	7.8	9.0
April	1.7	2.8	0.9	17.6*	17.0	11.3	7.5	9.4
May	1.9	2.1	1.1	22.2*	17.0	11.3	7.0	10.1
June	1.9	1.7	1.2	23.1*	15.7	11.1	7.2	12.3
July	1.9	2.0	1.4	16.7	14.6	11.1	7.4	11.2
August	2.0	2.2	1.6	16.3	14.4	11.4	7.9	11.4
September ..	2.3	1.6	2.2	14.8	14.6	11.3	8.6	11.4
October	2.2	2.6	5.3*	15.6	14.0	10.9	8.7	..
November ..	2.0	2.9	3.7	15.9	14.2	10.5	8.6	..
December ..	2.6	3.2	6.0	16.5	14.0	9.7	9.2	..

* Excluding coal miners.

As compared with August, employment in September showed an improvement in the wool textile, cotton, pottery, tinplate, and iron-mining industries, but there was a further slight decline in the pig-iron industry. The increase in unemployment as compared with a year ago was mainly due to the continued depression in the coal-mining industry. If October finishes as it has begun, the

next issue of monthly figures should present a brighter picture. Official statements show that in the fortnight ending October 12th there was a reduction of 77,300 in the total number of registered unemployed. This reduces to 49,000 the excess over the total recorded at the corresponding date last year.

Irish Free State Affairs.—Our Dublin correspondent writes:—A "Housing Week" is in progress. The problem is urgent throughout Ireland, especially in Dublin, where out of every 1,000 persons 229 are living in one-roomed tenements. The figures for Glasgow, where housing is a burning question, are 132 out of every 1,000. It is also stated on responsible authority that 6,830 families are living in city houses unfit for human habitation, and that from 1,700 to 1,800 houses are inhabited by from six to ten families apiece. Building in Dublin has long been expensive, and since the war it has been well-nigh prohibitive for private enterprise. Municipal effort in Dublin produced 2,280 new houses in the period 1898-1922. The Provisional Government, established in 1922, offered to bear two-thirds of the cost of houses erected by municipal authorities, and the Free State Government has followed up and supplemented the financial aid then provided. Houses built or building on these conditions in Dublin number 2,350, and a further 1,000 are being provided for. For the whole Free State something like 10,000 will have been finished by the end of the current year as the result of Government housing schemes and subventions. The announcement has been made that in April next, 1926, a Census will be taken of the people of the Irish Free State. A subsequent announcement of a Census in Northern Ireland to be taken simultaneously shows a welcome accord from motives of obvious public convenience. Owing to insurrectionary troubles the decennial Census was not taken in 1921, and statisticians have to rely consequently on the 1911 Census figures, subject to such corrective factors as they can discover or devise. If an accompanying census of production could be taken it would be a real boon, but of this there is no news at present.

Great Britain's Sea Fisheries.—The yield of the sea fisheries of Great Britain in the third quarter of the year was slightly higher than in the corresponding quarter of 1924, both in regard to bulk and aggregate value. The landings of wet fish of British taking at ports in England and Wales amounted to 3,203,119 cwts, having a first-hand value of £3,549,811, as against 2,995,811 cwts and £3,538,216; and those at Scottish ports 2,677,012 cwts, valued at £1,833,982, against 2,736,783 cwts and £1,766,713. The totals for the whole of Great Britain were thus 5,880,131 cwts, valued at £5,383,793, as against 5,732,594 cwts and £5,304,929. The landings of wet fish by foreign-owned vessels showed a decrease, the total for Great Britain being 145,512 cwts, having a value of £220,599, as against 174,363 cwts and £210,657 a year ago. The percentage is less than 3 per cent. of the aggregate landings. Further experiments have been made by Hull trawlers fishing off the coast of Greenland, which holds out prospects of prolific new fishing grounds. A number of additional trawlers, sufficiently large to undertake long voyages, are now being built or projected in the Humber shipbuilding yards. The herring fisheries off the English coast this season are being attended with only moderate success. The landings at Yarmouth and Lowestoft from September 1st to October 16th are returned at only 164,120 crans, as against 369,344 crans in the corresponding period of last year, and the quantities cured for export 66,064 barrels, as against 144,478 barrels. The imports of wet fish from abroad in the July-September quarter were 201,145 cwts, having a c.i.f. value of £618,868, as against 200,682 cwts and £657,498 value in the third quarter of last year.

A Banker on South America.—Mr R. J. Hose, the chairman of the Anglo-South American Bank, delivered on Tuesday one of the careful reviews of the situation in South America with which he annually regales the shareholders of his bank. He devoted his opening para-

graphs to Britain and the Contract, rejoiced in the Locarno Pact, welcomed the Labour Party's banishment of Communists, applauded the gold standard description, and hoped for a removal of the foreign loan embargo. But it is his references to conditions in South America that attract special attention. That part of the world, Mr Hose hinted, is likely to come to the London market when present restrictions are removed. "From the point of view of South America alone, there is undoubtedly much development work awaiting long-term capitalisation, and it must be borne in mind that there is always a tendency for general trade to develop between the borrowing country and that which renders it financial assistance." The general trend of Mr. Hose's review of South American economic conditions is encouraging, and his information supports and supplements recent reports of improvement in many directions. Of special interest was his reference to the stabilisation of Chilean currency. "The proposal to form a Central Bank of Issue, to be known as the Banco Central de Chile, with the sole right to emit currency notes, has," he said, "already been adopted, the effect of which will be to fix the gold parity of currency at 6d per peso." He also stated that a General Banking Law was signed on September 26th, which, pending receipt of the full text, he assumed to bear a resemblance to that which established the United States Federal Reserve system. Mexico has travelled on the same lines as Chile, so far as to establish, and open on September 1st, a new Bank of Issue, entitled the Banco de Mexico.

Port of London Authority.—The accounts of the Port of London Authority issued 12 months ago showed a deficit of £257,400, partly in consequence of the strikes of dockers in the summer of 1923 and in February, 1924, and partly as a result of a reduction in charges to a level which proved uneconomic. These were revised, and the accounts for the year ended March 31st last, issued this week, show a surplus, after payment of fixed charges, of £208,000. The table below compares the latest figures with those of previous years:—

FOR YEAR ENDING MARCH 31.

	1914.	1921.	1922.	1923.	1924.	1925.
Total revenue	£ 3,434,453	£ 10,043,731	£ 7,929,874	£ 6,319,295	£ 5,542,971	£ 6,429,862
Total expenditure ..	2,217,822	7,101,601	5,801,217	4,682,425	4,516,076	4,936,340
Balance of rev.	1,216,631	2,942,130	2,128,657	1,636,870	1,026,895	1,493,522
Fixed charges	932,786	1,944,160	1,575,299	1,400,990	1,294,328	1,285,473
Surplus revenue	283,845	997,970	552,728	235,880	Dr 267,439	208,049
Brought forward	89,637	383,547	896,044	1,448,772	1,573,252	1,315,819
Written off, &c.	373,482	1,381,317	1,448,772	1,684,652	1,315,819	1,523,868
Carried forward	281,578	485,273	..	111,400	..	1,000,000
	91,904	896,044	1,448,772	1,573,252	1,315,819	523,868

The Authority has decided to consolidate into a general fund for the maintenance and renewal of premises and plant, and for dredging, various funds existing at March 31, 1924. These amounted to £2,040,500, and to this is added £1,000,000 out of the balance brought forward. A sum of £154,000 is charged against the fund for actual expenditure during the year, leaving a balance of £2,886,500. The reserve fund remains at the statutory maximum of £1,000,000. Port stock issued and outstanding at March 31st last amounted to £31,590,500, the balance of borrowing powers unissued being £6,065,800. Capital expenditure during the year amounted to £247,200. The amount standing to the credit of the sinking funds for the redemption of Port stock, &c., at March 31st was £1,135,400. The investments held on account of these funds stand in the books at £964,600, leaving a balance of £170,800 to be invested. The net register and deck cargo tonnage of shipping that entered and left the Port of London and paid river tonnage dues during the 12 months ended March 31st was 34,456,400 tons, an increase of 3,707,600 tons, or 12.1 per cent., of which 3,427,000 tons, or 14.8 per cent., was in the foreign trade. From the table below, which gives the values of total imports and exports (excluding coastwise

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goods) of the six principal ports, it will be seen that London has increased its lead:—

	1922.	1923.	1924.	Inc. in 1924.
London (including Queenborough)....	£ 564,333,772	£ 579,095,902	£ 677,342,399	+ 16.9
Liverpool	484,200,149	532,990,145	582,463,696	+ 9.3
Hull	101,844,091	102,034,446	121,186,307	+ 18.8
Manchester (including Runcorn)	92,023,169	94,095,116	114,556,561	+ 21.7
Southampton	64,039,112	72,619,877	81,226,133	+ 11.9
Glasgow	81,174,625	80,299,380	84,324,816	+ 5.0

During the year ended March 31st last the authority landed or received 2,354,400 tons of import goods for warehousing or for immediate delivery, an increase of 61,200 tons, or 2.7 per cent., as compared with the previous 12 months. The export traffic handled on the dock quays during the 12 months amounted to 659,900 tons, an increase of 44,600 tons. All these comparisons are, of course, affected by the strikes of dockers already alluded to.

International Cotton Federation.—Next week, writes our Manchester correspondent, there is to be a special meeting at Milan of the Committee of the International Federation of Master Cotton Spinners' and Manufacturers' Associations. Mr Arno S. Pearce, the general secretary, will give a report on his recent journey through the American cotton belt. There will probably be a discussion on Mr Pearce's recent severe criticism of the methods of the officials at Washington in tabulating the reports on the cotton crop. The Federation has recently received invitations from Peru and Colombia to send missions to investigate cotton-growing possibilities in those countries, and it will be decided whether to accept the invitations. According to statistics just published by the federation, spindles in Great Britain have increased since a year ago from 56,750,000 to 57,116,000. During the past 12 months the spindles engaged on Egyptian cotton have been reduced from 20,173,000 to 18,438,000.

Debt Clearing Office.—All legacies are apt to be the subject of troublesome litigation. That "the legacy of the war" is no exception is amply proved by the third annual report of the Controller of the Debt Clearing Office.* To his work as Administrator of German, Austrian, Hungarian, and Bulgarian Property and Director of the Russian Claims Department, this gentleman has added that of Director of the Trading with the Enemy Branch of the Public Trustees Department. The duties and staff of this department have in the past year been absorbed by the Clearing Office. The importance of the work of this office is shown by the total sum—£83 millions—paid to British creditors, and its complexity is fully revealed by the report of the legal adviser. In his report the Controller again draws attention to the slowness with which the Mixed Arbitration Tribunals are working through the mass of disputed claims. The creation of divisions in order to lessen the delays has led, as was predicted, to considerable complications. "Each division has so far adhered to the decisions which it has already given, and as such decisions are final, and cannot

* H.M. Stationery Office. 1s 6d net.

be appealed from, the rights of litigants are largely dominated by the element of speculation, for success or failure may depend solely upon which division of the Tribunal tries the issue." This has caused embarrassment and delay. Discussions are now going on between the British and German Governments, and it is hoped that the difficulty will soon be settled. The German administration branch of the Clearing Office has in the past year disposed of 8,935 British claims, under Article 296 (Enemy Debts), of a declared value of £3,772,209, while 4,132 claims for £8,055,382 are still outstanding. Up to September, 1925, a total of £79,150,074 had been paid to British creditors and £19,741,965 to German creditors in respect of admitted claims. During the past year 5,100 claims were disposed of by agreement as the result of negotiations between the parties conducted by the Clearing Office, and the necessary consent awards by the Arbitration Tribunals amount to £9,176,852. British creditors have begun to benefit by the financial recovery of Austria and Hungary, whose Governments have resumed payments in accordance with their Treaty obligations. The Austrian administration branch of the Clearing Office has in the past year made distributions of 4s 4d and 2s in the £, making a total distribution of 13s in the £ to British creditors. The Director is confident that further payments will be made. Two further dividends of 2s and 1s in the £ bring the total distribution to creditors of Hungary to 4s 6d in the £. The Director of the Clearing Office, in view of the increasing prosperity of Hungary and the prospect of a Budget surplus, has decided to visit Buda-Pesth in the immediate future to negotiate for the payment of the arrears of the instalments. British claims against Bulgaria have now been finally satisfied, a final distribution bringing the total up to 20s in the £. "As a result of the breakdown in the negotiations with Russia, the work of the Department has necessarily been confined to the registration and classification of claims lodged with it."

America and Foreign Monopolies.—American manufacturers and merchants have frequently during recent years expressed dissatisfaction with what they regard as foreign monopolies, resulting in restricted production, and consequent high prices for certain products, such as coffee and rubber. Mr Hoover, the Secretary for Commerce, has taken the matter up with characteristic vigour, and has more than once emphasised the need for some protective action on the part of American buyers. So far as rubber is concerned, it will be recalled that the alleged British or Anglo-Dutch monopoly of this product has often been a source of complaint in the United States; and a year or two ago an American Mission was sent out to South America and other countries with a view to examining the possibilities of America going into the rubber-growing business herself. Various more or less "suitable areas" in South America and elsewhere were investigated, and a series of reports is being issued, but so far little is known of any further practical measures taken by American interests. Mr Hoover has once more returned to the charge, and with the opening of another session of Congress he will undoubtedly renew his plea for some form of counter-action against "foreign monopolies which exact unreasonable profits from American consumers." Some extension of the Webb-Pomerene laws to imports in order to allow American buyers to present a solid front to a foreign combine, by way of Purchasers' Associations, is regarded by Secretary Hoover as the most practical step that can be taken; but he is quite willing to consider favourably any other proposition calculated to get results. As an illustration of the effects of such alleged monopoly, he cites the case of coffee, for which, it is understood, America is forced to pay an additional 82,000,000 dollars in one year, "owing entirely to manipulation." American rubber manufacturers, apparently, find it worth their while to take the bulk of the world's supplies of crude; and there does not appear to be much evidence that their profits or those of the coffee merchants have suffered undue depression owing to the restrictive action of the supposed foreign monopolies. The third report has just been issued of a series on crude rubber under the authority of the sixty-seventh Congress, which appropriated funds for the

investigation of raw materials wholly or largely under foreign control. The first report dealt with the marketing of plantation rubber (January, 1924), and the second with the Plantation Rubber Industry in the Middle East (June, 1925). This third report describes the possibilities of establishing a rubber industry in the Philippines, where conditions are thought to be favourable, sufficiently so for the production of 70,000 tons of rubber per annum. Reports on other regions are being prepared.

A Canadian Aluminium Industry.—Our Ottawa correspondent writes:—In Eastern Quebec there has lately been launched a huge project which may mean the location in Canada of a large part of the aluminium industry of North America. Some time ago a concession was granted by the provincial Government of Quebec of immense water powers on the Saguenay River, which flows southward through deep gorges into the Gulf of St Lawrence, to a corporation styled the Quebec Development Company, in which Mr J. B. Duke, the well-known American tobacco magnate, and the Price firm, of Quebec, pioneers in the pulp and paper industry, were the chief factors. The Quebec Development Company has now transferred part of these water-power rights at Chute à Caron, on the Saguenay, to a subsidiary of the Aluminium Company of North America, in which the Mellon family, of Pittsburgh, are reputed to hold a controlling interest, Mr Andrew Mellon, the present Secretary of the United States Treasury, being one of the largest shareholders. This corporation has already commenced operations for the erection of a mammoth plant, which will be devoted to the manufacture of aluminium; ships which will bring the ore from the company's mines in South America will be able to sail right up to the establishment. An immediate expenditure of at least \$50,000,000 is contemplated; a development of 500,000 h.p. is projected at once, and if the enterprise succeeds it will be extended. Ground is being cleared for a model industrial population, which will accommodate 30,000 people, and it is expected that within a decade a population of 50,000 souls will be established in a place which hitherto has only been frequented by a few hunters and lumbermen. The expenditure of so much money is bound to give a fillip to many industries in Quebec, and create additional employment; but in other quarters it is regarded as increasing the hold which American capital has upon Canadian industry. The Price interests, however, have been allocated a certain interest in the subsidiary corporation which is responsible for the scheme.

The World Potash Trust.—Before the war Germany had almost a monopoly of potash—a large proportion of which came from mines in Alsace-Lorraine. The industry was entirely in German hands, with the exception of a few mines in which there was American capital. The loss of the mines in Alsace-Lorraine led to a recognition of made between Germans and French for the control of the export trade throughout the world. France has one-third of the export trade, and Germany two-thirds—each country retaining its own home supply. Markets are fixed. The agreement has two years to run. The German chemists and experts were sent away from the works in Alsace-Lorraine when France took them over, but some product was suffering through lack of adequate technical skill. The industry in Germany is controlled by a Government organised combination which was set up under a law passed in April, 1919. There is a national Potash Board consisting of thirty members, including representatives of all interests concerned: the State, the producers, syndicates, commercial interests, wholesale merchants, agricultural interests, producers of the refined products, and employees of all grades. This Board regulates all phases of the industry—output, testing, development, marketing and prices. The discussions at Board meetings are chiefly between the representatives of the users and the workmen, i.e., on the selling price and on wages—the one regulating the other. The industry is almost entirely in the hands of two large concerns, the Winter-

shall Company, which is closely allied to the Prussian State, and owns about 44.5 per cent. of the total output, and a syndicate consisting of the Westergeln-Aschersleben-Salzdorfurth Company, the Burbach, the Gumpel, and Solvay companies. There appears to be only one independent producer—the Dr Wilhelm Sauer Company. The companies in which Americans hold interests are absorbed in the combination, and are unable to control production or prices of their supply for America. The German industry is in a stronger position than the French, as, apart from greater experience and higher technical efficiency, the Germans obtain all the bye-products from the raw potash, while in France the bye-products can only be obtained with the help of chemicals supplied by other industries.

Vauxhall Motors and American Control.—Negotiations between Vauxhall Motors, Limited, and the General Motors Corporation (New York) for the acquisition of control by the latter have been completed. A provisional agreement is to be submitted on Friday next to the shareholders of Vauxhall Motors, with the recommendation of the directors, which involves an authorisation to Messrs Morgan, Grenfell, and Co. to pay to the holders of the existing 10s shares the sum of 7s in cash in respect of each such share, conditionally upon their consenting to the conversion of every two of their existing 10s shares into one 6 per cent. cumulative preference share of £1. The arrangement also provides for the subscription at par by the General Motors Corporation of 300,000 ordinary shares of £1 each to provide the additional working capital required. It is intended that the management and general policy of the business shall remain on the same lines as heretofore. It will be recalled that an offer for the provision of additional capital by the General Motors Corporation was recently refused by Austin Motors. Shareholders of Vauxhall Motors will, we think, be well advised to accept a scheme which, by the introduction of fresh capital and perhaps of American business methods, should do much to restore the company's fortunes.

United of Havana.—The accounts for the year ended June 30th last of the United Railways of the Havana and Regla Warehouses, Limited, show a further substantial increase in net revenue, which fully justifies the increase from 7 to 8 per cent. in the ordinary dividend, but the report makes no reference to the question of a distribution on the deferred stock. There was an increase of 15.68 per cent. in gross receipts and of 13.79 per cent. in working expenditure, net receipts per train mile working out at 6s, or 2d more than in 1923-24. Net receipts were 18.84 per cent. higher, the ratio of expenses to receipts being slightly lower at 61.56 per cent. The gain in exchange, however, was only £21,500, as compared with £188,300 in the previous year, and at £1,974,800 net revenue shows an increase of only £149,700, as may be seen from the table below:—

	1921-22.	1922-23.	1923-24.	1924-25.
	£	£	£	£
Railway receipts	3,893,949	3,765,534	4,296,094	4,969,617
Railway expenses	2,729,956	2,463,264	2,688,548	3,059,235
Ratio	(70.11%)	(65.42%)	(62.58%)	(61.56%)
	1,163,993	1,302,270	1,607,546	1,910,382
Other receipts (less charges)	278,442	71,893	217,540	64,386
	1,442,435	1,374,163	1,825,086	1,974,768
Fixed charges, &c. (less sundry inc.)	929,793	793,061	820,928	850,091
To reserve	105,000	..	350,000	425,000
Dividends	439,987	571,123	636,691	702,250
Ordinary rate	4%	6%	7%	8%

British and Cuban taxes require £310,000, as compared with £262,500 a year ago. The general renewals and reserve account is credited with £350,000 as before, and £75,000 is transferred to a special account to provide for deferred maintenance. After payment of dividends, there remains £237,900, or £3,400 more to be carried forward. The increase in total receipts is due almost entirely to the sugar crop in Cuba, which was by far the largest on record, and this naturally brought about an increase in all movement. Passenger receipts increased by £103,600,

or 8.3 per cent., and total goods traffic by £479,400, or 20.1 per cent. The tonnage of sugar cane and products, which supplied over 80 per cent. of the total, increased by 3,718,900 tons, or 32.6 per cent. The general manager's report states that the increase in the sugar crop far exceeded even the most sanguine estimates. A plentiful and well distributed rainfall, together with new plantings, account for the increase. In spite of the increased production, the crop was moved smoothly and without any delay." Of the increase of £370,700 in expenditure, £123,600 occurs under traffic expenses, partly owing to higher wage rates granted in April, 1924, £99,000 in permanent way and works, and £73,100 in locomotive maintenance. There was a saving of £26,700 on locomotive running, which was due entirely to lower fuel costs. The general manager, in discussing future prospects, mentions that there is a general depression in the country owing to the low price obtained for sugar of the last crop, "and this is likely to have an adverse effect upon our general traffic." The coming sugar crop is expected to be a good one, estimates ranging from 5 to 5½ million tons for the whole island, "thus as far as our zone is concerned, I do not expect anything greater than last year."

Cordoba Central Railway.—The 38th report of the directors of the Cordoba Central Railway for the year ended June 30, 1925, gives an encouraging account of the company's affairs. Converting Argentine currency into sterling at par, the results of the year's working, compared with those of previous years, were as follows:—

	1922-23.	1923-24.	1924-25.
Gross traffic receipts	3,071,699 ..	3,168,602 ..	3,363,848
Working expenses	2,274,393 ..	2,317,971 ..	2,335,887
Net receipts	797,306 ..	850,631 ..	1,027,961
Percentage of working expenses	74.04% ..	73.15% ..	69.44%

The loss on exchange this year was £119,010, as against £163,522 in 1923-24. Of the balance available this year, £243,284 has been used to reduce the amount at the debit of net revenue account, which now stands at £632,351, the remaining £50,000 having been set aside in accordance with the provisions of the arrangement of 1919 for debenture redemption. The increase in gross receipts is due to an increase of £107,216 (8.17 per cent.) in goods traffic receipts. Expenditure is £17,916 more than last year, maintenance charges and reserve for renewals having been increased, but a reduction having been achieved in running and traffic expenses. The sum of £44,948 has been charged to capital account, half of this sum being accounted for by buildings and general improvements at stations. The general manager gives an optimistic account of the prosperity of the country served by the railway, and looks forward to a steady increase in earnings. The decision of the directors to allow their offer of sale to the Argentine Government to lapse, and the opportunity offered by this favourable report, have led them to put forward proposals to strengthen the financial position of the company. In brief, the proposals mean that £813,724 (or 20 per cent.) is to be written off the issued capital of the ordinary stock. Of this sum, £632,351 is to be used to extinguish the balance at the debit of net revenue account, and £181,373 to reduce the item "Rebates, &c., on issues of capital," which at present stands at the debit of capital account. Ordinary stock holders will in future have five votes for every £4 of stock—in fact, their voting power will be practically unaffected by the reduction in capital. The necessary meetings of ordinary and preference stockholders are to be held after the general meeting on November 4, and it will be surprising, after this encouraging report as to the company's position, if the proposals are not accepted.

The Central American Railways.—To bondholders in the International Railways of Central America, writes a correspondent, the announcement of the recent further sale of \$1,250,000 5 per cent. bonds at 78½, following so closely upon the issue of \$1,600,000 first mortgage 5 per cent. sinking fund gold bonds made in May last, may have occasioned some surprise, especially as it had

been announced, at the time of the May issue, that the company would not place any further bonds or create any further fixed charges unless the total fixed charges on the bonds outstanding and those proposed to be issued at any given time taken together should be covered at least twice by the net earnings of the railways realised for the preceding 12 months. Apparently these earnings were more than gained, and no doubt the increasing importance of the traffics called for the further financing of the undertaking, which, during the past five or six years, has made remarkable headway. At any rate, the most recent New York issue is said to have been quickly oversubscribed. The International Railways of Central America have been very fortunate in the countries where their scope lies. The earnings for last year (1924) were about four times the requirements upon all mortgage bonds exclusive of the latest issue. From the date that the \$10,000,000 5 per cent. cumulative preference shares were first put on the market (1912), dividends have been substantially earned and paid. For the first seven months of the current year the balance available for this class of security was \$1,196,846, against \$984,097 for the previous year, while over the same period the revenue showed an increase of over 30 per cent. Organised in 1904, the railroads, forming the largest group in the Americas outside the United States, have enjoyed an unbroken record of payment of their various obligations. The length of railways with full equipment has already attained to nearly 500 miles, and it is calculated that the tracks will eventually extend to 792 miles before the end of 1927. Over their lines are carried practically the whole of the valuable produce from the various plantation properties owned by the phenomenally-prosperous United Fruit Company. The fruit-lands are located in the adjoining Republics of Guatemala, El Salvador, and Costa Rica, although the latter State has its own system of railways, which form no part of those belonging to the international system. The operations of the United Fruit Company and its affiliated enterprises, by providing continuous and well-remunerated employment for several thousand natives, who previously had had little to occupy them but political questions, almost invariably resulting in insurrectionary enterprises, have assisted economic regeneration in some of these Central American States. What cotton cultivation has done for the welfare of the natives of the Anglo-Egyptian Sudan, the fruit plantations have done—and are doing—for the natives of Central America.

V.O.C., Limited.—For the first time the Venezuelan Oil Concessions, Limited, which has an issued capital of £943,000 in £1 shares, presents a profit and loss account. This covers the period from the inception of the company (May 22, 1913) up to December 31, 1924, and shows a debit balance of £235,299, after providing for depreciation to the amount of £119,678. The actual operations for the year 1924 showed a profit of nearly £100,000, which is somewhat disappointing. Production for the year amounted to 391,134 tons, and shipments to 378,432 tons. Seeing that the new sale-of-oil agreements between the company and the Caribbean Petroleum Company (Royal Dutch-Shell group) took effect from the beginning of last year, it is surprising that the profit works out at no more than 5s 4d a ton. The balance-sheet puts the cost of concessions, together with plant, at £572,152, whereas the 1923 balance-sheet showed the cost of concession alone as £175,000. The company held, at December 31, 1924, £123,895 Treasury bills and cash £12,911, but creditors were £265,897, against debtors £75,790. The balance-sheet, with such undigested items as preliminary expenses and underwriting commissions (£92,257), is not as strong as was expected. The V.O.C. Holding Company, which increased its capital in 1924 to £3,596,912 by the issue of 600,000 ordinary shares at a premium of 25s a share, holds 942,228 shares in the Venezuelan Oil Concessions, Limited, and an option on the 57,000 unissued shares at par. The 942,228 shares are valued in the balance-sheet of the V.O.C. Holding at £2,939,912. The cash holding of the V.O.C. Holding is shown as £1,164,172, with Treasury bills £109,022. Preliminary expenses and underwriting commissions stand at £127,184. The practical value of these balance-

sheets, coming ten months after the year's end, is little or nothing. Important history has been made during the present year in Venezuela. The Venezuelan Oil Concessions, Limited, has obtained practically a new concession from the Venezuelan Government, under which it receives a two years' extension of the exploration period, that is, to May, 1928, the right of selection of irregular areas adjacent to but outside selected rectangles, the right of renewal of the concession on its expiration in 1958 covering the entire districts of Maracaibo and Bolivar, and a reduction in rentals from 2 to 1 bolivar (20 cents) per acre (the exploitation tax is increased from 1 to 2 bolivars—about 5.7 per barrel). For these valuable concessions the company pays the Venezuelan Government about £400,000. The production of the company this year has very largely increased. The output of its wells in the La Rosa field (on the east side of Lake Maracaibo) up to last month, is already greater than the whole of its output in 1924, and since June it has begun the exploitation of its properties on the west side of the lake—at Concepcion and La Paz—which yield a higher grade of oil. Trading results this year should be greatly improved, but if the whole of the year's field expenditure, which will be heavy, is to be written off at one stroke out of profits, the dividend-paying stage has hardly been reached, though the chairman had been optimistic enough to predict it for 1926.

United Dairies.—Although the net profit of United Dairies for the year ended June 30th last did not show such a marked improvement as in the previous period, the concern continued to make progress. This will be seen from the following table giving figures for the past six years:—

Year Ended June 30.	1920.	1921.	1922.	1923.	1924.	1925.
Prof. capital ..	£1,555,284	£1,652,564	£1,881,674	£1,893,243	£2,059,339	£2,243,272
Ord. do.	1,726,052	1,798,677	2,027,125	2,038,403	2,121,397	2,221,380
Paid share cap.	3,281,336	3,451,241	3,908,799	3,931,646	4,180,736	4,464,652
Calls in advance	..	..	..	..	41,539	..
Net profit	279,668	356,186	452,692	468,623	4,222,275	509,146
Div. on ord shs.	12½%	12½%	12½%	12½%	14%	14%

The net profit advanced from £506,542 to £509,146, making, with the sum of £73,603 brought in, a balance of £582,749, compared with £608,086 in 1923-24, when £101,544 was brought forward. The ordinary dividend is maintained at 14 per cent. The distribution on this occasion requires £199,924, against £186,010, owing to an increase in the issued amount of that class of capital from £2,121,397 to £2,221,380. The issued preference capital, too, has been raised from £2,059,339 to £2,243,272. The allocation to reserve is unchanged at £100,000, making the total of the fund £420,554, which also includes £70,554 on account of premium on shares. In accordance with the scheme propounded last year, the sum of £30,000 is transferred to the scholarship fund. The directors state that during the year considerable progress has been made with the new bottled milk depôts. It is also reported that it has been decided "to issue forth-order to provide for increased business, the erection and redemption on January 1st next of the debentures (£70,000) of Welford and Sons, Limited." The holding of 3½ per cent. War Stock, 1925-28, has gone up from £95,345 to £335,920, but an item of £209,386, representing investments in 5 per cent. War Stock, 1929-47, has been eliminated from the accounts. If and when the new shares are to be offered to the public, it would be of material assistance to the possible investor if the assets of the undertaking were more clearly defined. At present the balance-sheet shows out of total assets £6,565,879 "investments and loans" £4,806,971. When considering this particular item the mind of the reader will probably muse over the additional explanation in brackets, "including amount paid for benefit of contracts." Perhaps at the general annual meeting on November 3rd the directors will shed a little more light on this question.

United Steel Companies.—In their report for the year ended June 30th last the directors of the United Steel Companies state that "the unsatisfactory conditions affecting the iron and steel trade mentioned in last year's report have continued, and were intensified during the last six months. Foreign competition continues unabated. It is also common knowledge," they add, "that the coal trade has been operating under increasing difficulties." This state of affairs is reflected in results of operations, which can be seen at a glance from the following comparative record:—

	1919-20.	1920-21.	1921-22.	1922-23.	1923-24.	1924-25.
Gross revenue	£930,521	£711,146	£388,034	£504,633	£530,301	£201,837
Administration expenses and income-tax	38,007	81,485	..	156,601	159,792	160,125
Interest	146,853	146,254	148,026	..	..	..
Net profit	745,661	483,407	240,008	348,032	370,509	141,712
Brought forward	64,674	80,381	308,293	440,743	666,149	903,882
Reserve and written off	810,335	563,788	548,301	788,775	1,036,658	1,014,794
Preference dividend	119,369	32,021	79,890	122,626	133,577	120,881
Ordinary dividend	79,051	55,336	27,668	..	..	..
Carried forward	507,042	168,138	..	..	..	..
	(10%)	(3%)	(nil)	..	..	..
	104,873	308,290	440,473	666,149	903,081	823,912

The gross revenue has declined from £530,301 to £201,837. This falling off would have been even more marked had there not been included in this year's figure the sum of £65,828 brought in from branch reserves, and which the directors consider is "not now required." For 1923-24 £105,696 was allowed for depreciation, but the item is not repeated this time; in its place appears an entry of £93,000, reserved against amount paid under guarantee of preference dividend of United Strip and Bar Mills, Limited. The net profit has fallen from £370,509 to £141,712. In view of the difficulties encountered during the year, the results are considered satisfactory, "but having regard to the outlook," the directors regret that they again cannot recommend any distribution of dividends. The company has been called upon once more to pay the full year's dividend on the preference shares of United Strip and Bar Mills.

North Broken Hill.—Our mining correspondent writes:—The cabled summary of the report to June 30th last of this very important Barrier Range undertaking reflects the enhancement which has taken place in the prices of lead and zinc, as well as the increased scale of operations due to the acquisition of the undertaking of the British Broken Hill, the property of that company having been taken over as from October 31, 1923. The mine profit and loss account shows an income of £1,936,200, as against £1,505,900; and, after providing for expenditure, taxes, and royalty, also £50,000 for depreciation (as before), the surplus figures at practically £889,000, in place of £685,800. The increased sum of £50,000 is appropriated for new plant. The dividends for the period total 80 per cent., as against 50 per cent. The surplus liquid assets now figure at £799,150, a very considerable reduction as compared with the reserve 12 months ago; the difference, however, is fully accounted for by the transfer to general reserve of items previously figuring under several different headings. The company's earnings are now reckoned to be on a considerably enhanced scale, and it is anticipated that before long a scheme will be presented for the subdivision of the shares.

Electrolytic Zinc.—This is another Australasian enterprise which has just issued a cabled summary of its report for the last financial period; and here, again, the record is an exceedingly good one. Last year's average output of zinc was 126½ tons, in place of 123 tons. As a result of this expansion, and of the advance in the price of the metal, the net profit figures at £335,400, in place of £341,300. Last year £100,000 was transferred to amortisation reserve, and £40,000 to an equalisation reserve. On the present occasion £20,000 is written off for investigational reserve and £20,000 set aside towards the cost of new plant for the West Coast mines, the development of which is steadily proceeding. The final dividend of 6 per cent. for the half-year paid on the entire

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capital made a total of 11½ per cent., as against 9 per cent. in respect of the preceding period. The participating preference shares, which are the ones dealt in on the London market, rank for profits *pro rata* with the ordinary, after the latter have also received 8 per cent. On the basis of last year's dividends they show a return of about 7 per cent., with the prospect of increase in the future. It is interesting to note that the company is developing what might be termed an industrial side to its business, producing acid and superphosphates, more especially to supply requirements of local agricultural and pastoral enterprises.

Transvaal Platinum.—In the early part of the present year this company made an issue of shares at £2 12s 6d, the offer being underwritten at that price by the Transvaal Consolidated Lands and the South African Townships undertakings. The additional funds were provided with a view to the prosecution of increased development and the installation of a trial treatment plant. A further 19,050 shares were allotted in purchase of additional property. While a number of favourable strikes have been reported, the annual report just issued is certainly not calculated to give shareholders very robust confidence in the prospects—at any rate of the immediate future. The system is followed of mining payable ore and placing it on the dumps; but the total thus available only increased during the twelve months from 1,760 tons, valued at 10.7 dwts, to 7,360 tons, valued at 10.3 dwts. Moreover, the consulting engineer states that the erratic nature of the occurrence renders it impossible to give an estimate on which any reliance can be placed as to the tonnage of payable ore in the mine. He thinks the indications warrant the erection of a plant capable of dealing with up to 1,000 tons a month, and expressed the opinion that as a result of experiments at the laboratory of the Rand Mines a satisfactory recovery yield will be secured—apparently on those classes of ore in which the platinum occurs in fairly coarse particles. Prospecting on various areas outside the main property failed to result in discoveries of economic value. From the high level of 87s 6d at one time ruling this year, the shares, just before the issue of the report, dropped to 30s. A recovery to about 45s has since taken place, but the market is a very nominal one; and, obviously, it still remains to be proved whether even the present quotation is justified.

THE Institute of Bankers announce that the inaugural address of the president, Sir John Ferguson, K.B.E., will be delivered in the hall of the Skinners' Company, Dowgate hill, E.C., on Wednesday, October 28th, at 5.30 p.m. A few visitors' tickets are available on application to the Secretary, 5 Bishopsgate, E.C. 2.

A PUBLIC meeting, under the auspices of the League to Enforce Public Economy, will be held in the Essex Hall, Essex street, Strand, on October 28th, at four o'clock. The Right Hon. Sir John Simon, M.P., will speak on public expenditure, the Budget, and the taxpayer. Chairman, Henry Bell, Esq.

Oversea Correspondence.

**UNITED STATES.—STOCK MARKET BUOYANCY—
BANKING POSITION—COMING BELGIAN CREDIT
—FRANCE, BELGIAN, AND GOLD—INDUSTRIAL
NEWS—COTTON FIGURES.**

(FROM OUR CORRESPONDENT.)

NEW YORK, October 13.

BUOYANCY has returned to the share market, thus upsetting afresh the predictions of the more conservative observers. When the more active buying that followed the unexpected reduction in your bank rate was met by heavy profit-taking, many assumed that the long-expected break was about to arrive. Considerable short selling was done on this theory. As things turned out, the selling died out without a break developing. When the shorts went in to cover, they drove prices up rather sharply. The much-discussed motor shares pressed on to fresh high levels. With confidence restored, operations for the rise were resumed. At the moment of writing the market looks as much like a bull affair as ever. No one believes, of course, that prices will continue rising indefinitely. At the same time, it is apparent that many of the influences that usually attend the start of a bear market are lacking. There is, for example, no inflation of commodity prices. Industry and business are still being operated along remarkably efficient lines. The turnover of goods is rapid; there are no congestion, inflated demand, or piled-up inventories. Many bull markets of the past have been terminated when the increased demands for credit of a congested business organisation drew funds away from the Stock Exchange. Nothing like that exists at the present time. Our businesses are extraordinarily liquid, and our business men are not disposed to speculate in goods.

The unusual banking situation that exists in our country districts is illustrated by the remarks of one of the city's leading bankers. This man had occasion recently to discuss conditions with several of the Kansas bankers, who had come on to attend the recent meeting of the American Bankers' Association. These country bankers reported that their local customers were well supplied with funds, and were disinclined to borrow. The balance-sheets of these country banks were notable for the relatively large holdings of Government securities and the large amounts of cash that were out on loan in the call money market. The New York banker expressed the opinion that as long as such a situation prevailed it was difficult to see how the money market could be even moderately firm. Certainly, it is a fact that the country banks have large amounts of money on call in New York. It is the operations of these country banks that are determining, to a large extent, the current movements in the New York call money market.

With this situation existing, and with gold coming in this direction from Europe, it is now taken for granted that the Federal Reserve authorities will not increase official discount rates. An advance would appear to be quite illogical. It would lift the level of rates in the open market, and so raise our bid for your gold. In the end we should attract added funds that would be made available for speculative purposes. Serious students of economic and financial questions are agreed that we have no need for additional gold; they concur in the opinion that the desirable movement would be in the opposite direction—that ways should be sought in which some of our gold could be made available to aid in the restoration of the gold standard throughout Europe. Under these circumstances, it would seem that our central banking authorities should be prepared to endure the advance in security prices—particularly as the advance finds justifications in existing earning positions and existing supplies of capital, and especially as it is doubtful whether official intervention could do more than administer a temporary check to the advance. No doubt the extent of the current speculation has been the subject of much exaggeration. The change in sentiment since

the reduction in your bank rate has reminded many critics that the bull market of the present year cannot be dismissed as merely the result of the operations of bold speculators; it has called attention to the fact that great and unusual forces are at work.

While French credits in this market are improbable until a clearer view is had of the debt funding situation, Belgian borrowing is anticipated. The dispatches that have come from that country are being taken as indications that the Belgians are considering plans for stabilising their currency in relation to gold. Our bankers feel that Belgium, having got its finances in hand and having funded its debt to America, is now in a position to return to gold payments. In their minds the advantages of such a step are quite clear. In addition to securing the usual benefits incidental to sound money the Belgians would find an advantage in disassociating their currency from the fluctuations of the French paper franc. Any uneasiness that the Belgians might have over the immediate future of the French franc would accentuate, of course, the desire to tie their currency to gold. If Belgium has such a plan in mind, it is taken as assured that she would be able to avail herself of any necessary stabilising credits on this side of the water. While nothing definite is known, the feeling here is that one of the next big developments in the international financial situation will be Belgian return to the gold standard.

In this connection developments in France will be watched with interest. From the start our bankers have felt dubious over M. Caillaux's gold loan. It seemed to them a temporary expedient that would have to be followed up promptly by more definite and decisive measures. Events have justified this view of the matter. That the more definite and decisive action should take the form of the restoration of the gold standard is pretty generally agreed. Perhaps the distance that our financiers are removed from France makes them too slenderly informed with regard to local condition to be the best judges of what should be done; on the other hand, it may be that this distance gives a perspective that the French themselves lack. In any event, it is tolerably clear to our people that the sooner France gets back to the gold basis the better it will be for France. As a preliminary, the budget needs, of course, to be balanced beyond a question. But M. Caillaux has assured us that his budget will be irreproachable. For the rest, France might want foreign credits; she certainly would want confidence. Granted a debt settlement with America, the foreign credits would be available. As for the confidence, nothing would restore confidence like the balanced budget and the restoration of gold payments itself. Sooner or later, our people believe, France will return to gold; nothing, they believe, is to be gained by delay. In this matter they see great virtues in the dictum of John Sherman that "the way to resume is to resume."

Industrial news continues favourable. The United States Steel Corporation reported an increase in unfilled orders during September of 204,000 tons. This increase terminated a decline that began in March, and that carried unfilled orders down from 5,284,000 tons to 3,512,000 tons. The September increase is about twice as large as generally had been expected. Meanwhile, the country's steel plants are working at about 80 per cent. of capacity, prices are firm, and railroad buying is increasing. An encouraging factor is a sharp rally in the volume of building contracts that has come just at a time when the pessimists were predicting the collapse of the building boom. The gain has been particularly sharp in the New York district, where it had been assumed that the building shortage had been quite made up.

A great deal of criticism has arisen over the official estimates of the cotton crop. The wide fluctuations in the prophesies of the Department of Agriculture have upset the trade, and called forth demands that the Department limit itself to monthly forecasts, as it formerly did, instead of attempting to make fortnightly estimates. However, there is a disposition to believe that the latest estimate, which calls for a crop of 14,759,000 bales, will be much closer to the truth than its immediate predecessors. Ginnings have been running exceptionally heavy, partly because of the early season, but ginnings are not a reliable index of what the total outturn will be.

Other recent crop estimates indicate that the wheat yield will be substantially as predicted in the later estimates, and that the corn crop will be larger than predicted a month or so ago. Taken altogether, the crop reports show that the agricultural basis for prosperity exists.

**FRANCE.—LOCARNO—CONVERSION LOAN RESULT—
FOREIGN TRADE—REVENUE—PRICES.**

(FROM OUR CORRESPONDENT.)

PARIS, October 21.

WHILE the general prosperity of the country remains practically normal, it may be said without hesitation that the situation of the national finances is worsening every day, and that the whole strength of the country's leaders will be required to enable shipwreck to be avoided. The happy outcome of the Locarno conference has apparently removed all likelihood of any renewal of the European war for the time being. In view of Germany's previous conduct, however, French opinion outside of more or less pacifist circles is by no means enthusiastic over M. Briand's success. In many quarters, indeed, there is a fear that it may be found, when the various treaties undergo analysis, that, on the whole, they will prove much more advantageous to Germany than to this country. This view has been strengthened by the publication here of the text of a confidential official report sent to M. Briand by M. Tirard, the High-Commissioner in the Rhineland, which insists that Germany is at present systematically "faking" her foreign trade and revenue statistics, with the deliberate object of rendering impossible all benefit to the Allies from the Dawes plan. One striking statement made in this report is that the charges imposed on German industry by the Dawes plan are not to come into effect until September, 1926, or two years after the plan went into operation, and that the charge in question even then will amount only to 39-100ths of 1 per cent. (.39 per cent.) of the capital of the undertakings concerned. The accusation is made that Germany is deliberately organising an enormous Budgetary deficit in order to support an appeal to her creditors in the near future for further sweeping revisions downwards of her debt.

It has been announced by M. Caillaux that the subscriptions to the new 4 per cent. conversion loan, which closed yesterday, "will exceed 6,000 million francs." It had been hoped, it is unofficially stated, that the total amount of floating debt that would by this operation be converted into perpetual Rentes would amount to between 15,000 and 20,000 million francs. Considering that the total floating debt amounted at the end of July, 1924 (according to the "Inventaire" drawn up by the then Finance Minister, M. Clementel), to over 91,000 million francs, and that National Defence Bonds alone then amounted to over 56,000 million francs, which total has since been increased, the results of M. Caillaux's appeal to the public cannot be regarded as very successful.

The situation of the Ministry on the eve of the re-assembly of the Chambers is not an enviable one. Credits will have to be asked for two trouble-some wars—the one in Morocco and the other in Syria—and the reports that are current as to the former, although the little public mention has been made of the facts, are distinctly pessimistic. If France alone were concerned, the dissident tribes might be pacified without much the trouble. The difficulties that exist are largely due to the fact that France is not alone in the affair, but has to work in liaison with the Spanish. Her task has been made all the more difficult from the fact that the Riffians are now inclined to vent on the French all the hatred they have for so long felt for their older antagonists. Operations, it is generally recognised, must now be suspended until the spring, which means that very heavy expenditure will be necessitated, which France can certainly not afford in the present financial situation.

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The foreign trade returns for September disclose an excess of imports for the second month in succession. Imports are valued at 4,317,029,000f, and exports at 3,849,879,000f, giving an adverse balance of 467,000,000f, as compared with one of only 39,000,000f in August. In September, 1924, there was a surplus of exports amounting to over 50 millions, and down to August there was every month a consistent favourable balance of trade. It should be noted, however, that the September import totals include several million francs' worth of wheat that ought properly to have been included in previous monthly returns. Wheat imported before July 15 was subject to a lower import duty on condition that it was sold immediately. Provision of the necessary proofs naturally took some time, and accounts for the delay in including these imports in their proper months. Both imports and exports show an increase of over 1,000 millions in the first case and of nearly 700 millions in the second, as compared with the corresponding month of last year, but much of this, of course, is to be attributed to the general rise in commodity prices, as measured in francs. Import tonnage, in fact, has been 20 per cent. lower. The figures for the first nine months of the year, which are as follows, show a surplus of exports amounting to 2,732,531,000f, as compared with one of 1,183,644,000f for the corresponding period of 1924:—

	First Nine Months of		Difference in 1925.
	1924.	1925.	
Imports—	Francs.	Francs.	Francs.
Foodstuffs	6,565,907,000	6,464,487,000	— 101,420,000
Raw materials	18,905,693,000	19,175,826,000	+ 270,133,000
Manufactured goods ..	3,685,553,000	3,844,104,000	+ 158,551,000
Totals	29,157,153,000	29,484,417,000	+ 327,264,000
Exports—			
Foodstuffs	2,841,246,000	2,463,804,000	— 377,442,000
Raw materials	7,666,737,000	8,847,862,000	+ 1,181,125,000
Manufactured goods ..	18,435,495,000	19,408,369,000	+ 972,874,000
Postal parcels	1,397,319,000	1,496,913,000	+ 99,594,000
Totals	30,340,797,000	32,216,948,000	+ 1,876,151,000

The revenue, according to the return for September, continues to come in satisfactorily. The total yield from all sources during the past month—which, like August, is always one of the least productive of the year—was 1,867,684,400f, as against 1,812,719,700f in August and 2,534,068,100f in July. Nevertheless, the total yield was 148 millions less than in September, 1924, although expenditure has largely increased during the past nine months. The total yield for the first nine months of the year has been 19,882,503,300f. The bulk figure of the Budget for the current year is 33,138 millions, of which 1,275 millions is expected from the Dawes reparations plan, and the balance of 31,863 millions from ordinary sources. The situation is, therefore, proportionately less satisfactory than at the same period last year, when, out of a total revenue of 26,132 millions, 1,789 millions had been recovered by the end of September. The last three months of the year, however, generally record the collection of about one-third of the whole year's revenue, so that it is as yet too soon to anticipate that the Budget estimates will not be realised. It is to be regretted that the Ministry of Finance no longer publishes with these monthly returns a detailed comparison between the Budget estimates and the actual yield. All that is made known is that the yield from

indirect taxation and State monopolies last month was 78,995,000 less than Budget estimates, and in August, 90,839,000 less. These figures are not encouraging, in view of the present almost critical situation of the Treasury.

A significant fact apropos the general economic situation is that the yield from the turnover tax, which may be regarded as a very fair barometer of the general situation of trade and commerce, last month was 44,202,000 less than had been expected. Incidentally, the yield from the turnover tax for the first nine months of the year has been 3,333,943,000, which is equivalent to between 16 per cent. and 17 per cent. of the total revenue for the period, which suggests a total yield for the year of not far short of 4,500,000,000—a figure, by the way, which its introducer, M. Klotz, predicted it would reach when it came fully into operation. As a sop to the smaller traders, M. Caillaux has promised to modify this tax seriously in their favour in the near future, in view of the large amount of book-keeping it entails. A much more serious objection to this tax, however, is that it undoubtedly contributes appreciably to increasing the apparent cost of living. The word "apparent" is used intentionally, because detailed comparison, based on practical experience in both capitals, proves that the cost of living in Paris, calculated in sterling at present exchange rates, is substantially lower than in London.

The index figure of wholesale prices for September is returned by the Statistique Général as 567, as compared with 569 in August and in July. The detailed figures, which embrace 45 categories of merchandise, and are based on 100 as representing wholesale prices in July, 1913, are as follows:—

	Categories.	Sept.	August.	July.
General index figure	45	567	569	569
Foodstuffs	20	482	490	497
Vegetable foods	8	485	491	514
Animal foods	8	467	480	480
Sugar, coffee, cocoa	4	507	513	498
Raw materials	25	642	638	631
Minerals and metals ..	7	581	577	562
Textiles	6	761	762	755
Various	12	608	601	597

It will be noted that, with the exception of minerals and metals, and certain less important raw materials, there was a general although fractional decline from previous levels. The index figure for retail prices in Paris (embracing 13 articles of common necessity, including petroleum) is returned for September at 431, as compared with 423 in August and 421 in July. This rise of 8 points may be attributed to the rise in wholesale prices during the earlier months of the summer.

NORWAY.—GOOD HARVEST—DEFLATION—EXCHANGE AND BUSINESS DIFFICULTIES.

(FROM OUR CORRESPONDENT.)

OSLO, October 17.

THE finest summer, perhaps, in living memory in this country now seems to have come to an end. In the north of Norway, and as far south as Drontheim, snowstorms have prevailed, and in Southern Norway the thermometer has for some days shown several degrees of frost. The harvesting of all sorts of agricultural produce is finished, and the results are excellent. It seems probable that the value of the crop of corn, hay, and potatoes will have a total value of some 550 million kroner.

The bond and stock markets have lately been very quiet, the turnover during the first week amounting to only about 558,000 kroner. The quotations for both banks and industrials remained almost unaltered, and the same may be said regarding bonds as well. This fact shows that the economic situation is strained, which is also shown by the reduced circulation of the bank, which has fallen during the past week by nearly 5 millions, to 365 million kroner. The reduced circulation, no doubt, may to some extent be attributed to the reduced prices of commodities.

The exchanges, though showing frequent variations, have lately been subject to no such violent fluctuations as last month. The lowest for sterling since my last letter

was 23 kroner (on the 16th, and also on the 21st ult.), and the highest 24.75 kroner (on the 29th ult.). On the whole, sterling has centred round 24 kroner. But there is in the trade a feeling of uncertainty, since uncontrollable forces are at work, and this uncertainty tends to disturb economic activities, traders being afraid to commit themselves by larger purchases, and therefore buying only from hand to mouth. A few industrial concerns, also, have found it necessary to shut down; some others have managed to make an arrangement with their workers (though an agreement for higher wages was still in force), for a reduction in wages so as to be able to carry on. A few others have been fortunate enough to sell in advance, at a favourable rate, the sums at their disposal for exports during the current year, and so do not feel the difficulties of the exchange question.

JUGOSLAVIA.—FOREIGN TRADE—FREIGHT RATES—CREDIT, PRICES, AND EXCHANGE.

(FROM OUR CORRESPONDENT.)

BELGRADE, October 11.

ALTHOUGH the season is fairly advanced, Yugoslav export trade is still in the state of relative stagnation which set in during the latter half of the year. Export figures for July and August, as well as market reports for September, show that the amounts going abroad were actually less than those of last year.

(In Millions of Dinars.)

	1924.			1925.		
	Tons.	Paper.	Gold.	Tons.	Paper.	Gold.
July	335,940	686.3	44.4	291,494	566.9	51.4
August ..	389,674	854.7	55.9	371,180	765.0	70.5

This stagnation, however, is not due to any lack of stocks ready for shipment, for harvest figures only confirm the accuracy of the earlier estimates, which placed the value of goods available for export at over 10,000 million dinars. It is rather the result of the position on the money market, the continual fall of internal prices, the expectation of the new railway freights tariff, and the situation of the European corn market.

On the money market, the influx of foreign currencies earlier in the year, and the great increase of private savings deposits caused a relative glut of cash. On August 22nd home banks had no less than 938 million dinars of deposits lying idle at the National Bank, an amount nearly three times as large as at the same time last year. As a consequence, the interest rate on loans, which in July had already fallen from 20 to 18 per cent., continued to weaken in September to between 14 and 16 per cent., while the rate of interest on deposits dropped to 4½-6 per cent., as compared with 6-9 per cent. in the spring. Similarly, the commodity price index, which had fallen from 2,004 in April to 1,785 in August, slackened still further in September to 1,642, the figure for wheat, for instance, dropping from 280 to 240. It is only natural, therefore, that, with gradually easier credit in goods which are falling in price.

Nor was export easy under the old system of freights, which was out of proportion to the improvement of the dinar. It was with relief, therefore, that merchants greeted the new freights tariff which came into force on October 1st, and reduced rates roughly by about 20-25 per cent. This is the first unified freights tariff applying to the whole kingdom, and superseding the old and cumbersome system of separate provincial rates. Its special export articles, and to the five ports of the middle and south Adriatic: Split, Sibenik, Gravosa, Metkovic, and Zelenika. The favoured articles include wood, wood-toes, cement, calcium carbide, and many minerals, while the ports mentioned are granted rates 25-30 per cent. lower than those for Fiume and Susak. By this means it is intended to deflect to the south goods which would

ordinarily seek the Fiume port, and also to encourage home shipping.

Not the least important reason for the lateness of the Yugoslav export season is the generally better harvest throughout Europe and the reluctance shown by foreign buyers with regard to purchases of Yugoslav corn until the capacity of Russian transport to deal with Russian export shipments is finally known. Nevertheless, the withdrawal by banks of deposits of over 200 million dinars from the National Bank within the last fortnight, and the cessation of the downward trend of the interest rate are indications that the export campaign is ready to begin.

Imports during the second quarter were heavier, owing to the desire of merchants to stock themselves well with goods before the introduction of the new protectionist import duties. The value of imports during the quarter amounted to 2,474.5 million paper or 210.6 million gold dinars, making the total imports for the first half-year 4,603 million paper or 388.6 million gold dinars, as compared with exports of 4,506 million paper or 379.7 million gold dinars. The indications, therefore, point to another favourable trade balance, though not so favourable as that of 1924.

The coming Parliamentary Session promises to be one of unusual interest, not only because it will test the working capacity of the Radical-Raditch Cabinet, which now appears for the first time before the Assembly, but also from a legislative point of view. With a two-thirds majority, and faced by only a disunited opposition, the Government should be able at last to pass a number of laws which the rapidly changing economic and social conditions have made overdue. Among fiscal laws the most important should be that of direct taxation, for, with the old provincial system of taxation still existing, it has been possible for one province to charge twice as much taxation as another on the same income. Of no less interest should be the new Budget, which the Minister of Finance promised to reduce in conformity with the deflationist policy of the Government. That such a reduction is possible is evident from the fact that the last budgetary year—April, 1924-May, 1925—finished with a surplus, in spite of the fact that capital expenditure for railway construction was met out of regular budgetary resources. Revenue for that period was 11,190,055,178.45, and expenditure 10,579,388,339.12, leaving a surplus of 610,666,839.33 dinars.

NEW ZEALAND.—IMMIGRATION AND THE ECONOMIC POSITION—POPULATION STATISTICS.

CHRISTCHURCH, September 4.

THE recent visit of the Empire Press Delegation en route to their conference in Australia has done a great deal to focus attention upon the problem of Imperial migration. Fresh from the unemployment and trade depression of Britain, they were not unnaturally emphatic about the necessity of encouraging immigration into New Zealand and the other Dominions by every means within our power. On the face of it their argument carries much weight, for it cannot be said that the limits of population are within sight in New Zealand, where there is still a good deal of land to be opened up and much more could be closely settled if financial conditions were not an immediate hindrance.

The chief argument to be advanced against encouraging immigration at the present time is that in the present state of land values and the uncertain future before the markets for our export produce, it would be extremely difficult to place large numbers of new immigrants on the land. The general argument in favour of immigration may be incontrovertible, but one cannot overlook the fact that the peculiar economic situation at the moment would make any large immigration almost certain to cause both industrial and political difficulties. The experience of the great scheme of assisted immigration launched by Sir Julius Vogel in the somewhat similar situation that existed in the 70's, does not predispose New Zealanders to take a favourable view towards proposals to repeat the experiment.

The immediate effect of heavy immigration would be to aggravate the seasonal unemployment which, though small in extent compared with other countries, is beginning to cause concern each winter. Newcomers, especially those without capital, must inevitably congregate in the towns and so swell the ranks of those looking for the limited jobs which arise mainly from the prosperity of the primary exporting industries. In the long run also the presence of an unemployment problem in the town will cause again a demand for an upward revision of the tariff to create work in secondary industries.

The population of the Dominion grows very slowly. The rate of increase has been constant at 12 per cent. per quinquennium for about 30 years now. At this rate the population will reach 2½ millions in 1950 and 5 millions in 1980. The vital statistics for the year have just been presented to Parliament in a report from the Health Department, which occupies an important place in the public estimation of New Zealand. The birth-rate is very low at 21.7 per thousand, but the new record established for the death-rate, which must be the lowest of any country in the world, is 8.29 per thousand of mean population. The natural increase is, therefore, much higher than the low birth-rate would lead one to expect, and New Zealand is among the leading countries of the world as regards natural increase.

The chief cause of the very low death-rate is the care and attention given to infant welfare and the remarkably low rate of infantile mortality which results therefrom. The statistics show that another low point has been reached in infantile mortality, the rate being now down to 40.2 per mille. The nearest approach to this figure is the 60 per mille of the last available statistics from Norway, 1917-1921.

The rates in question are worth recording over the past few years:—

NEW ZEALAND POPULATION.

Year.	Number 000's.	Birth-rate per Mille.	Death-rate per Mille.	Infantile Mortality per Mille.
1911	1,008	25.97	9.39	56.31
1921	1,219	23.34	8.73	47.82
1924	1,325	21.7	8.29	40.2

The rate of natural increase, despite the falling death rates, is steadily going down and, though it still compares favourably with other countries, is falling more rapidly than it is pleasant to record. From a maximum of 29.41 per mille in the quinquennium 1876-1880 it has reached approximately 13 per mille according to the figures for 1924. Even so the increased population due to the excess of births over deaths within the country is far greater than the increase from immigration.

Letters to the Editor.

MONETARY POLICY.

TO THE EDITOR OF THE ECONOMIST.

SIR,—With reference to my letter which appeared in your issue of the 17th inst., I have been authoritatively informed that there is no truth whatever in the statement contained in an Exchange telegram which appeared in the Press, and to which I referred, that the Government was making use of the power to borrow in New York which is given in the Gold Standard Act.—I am, Sir, your obedient servant,

D. M. MASON.

Chairman Executive Committee, Sound Currency Association. October 21st, 1925.

THE BURDEN OF TAXATION.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Your correspondent in Paris can know little about English taxation when he says that it is 23 per cent. of the total income. Super-tax and income-tax alone absorb 50 per cent. of the income; then there are all the enormous rates and indirect taxes. The taxation absorbs about 75 per cent. of one's income.—Yours faithfully,

EDWARD D. STERN, BT.

Fan Court, Chertsey, October 19th, 1925.

[Our Paris correspondent's figure is roughly accurate. Sir Edward has confused the burden imposed upon the individual large taxpayer with the average weight of taxation on the total income of the country.—ED. Econ.]

Books and Publications.

FRENCH FINANCE.*

MR PEEL'S volume has many claims on the public attention. In view of the present gyrations of the franc, it is what Fleet street sub-editors would call "red-hot stuff." It provides abundant material for a study of the progress of French public finance to its present position, and it brings right up to date the story which is of profound international importance to-day. The volume, also, is written in a very pleasing and readable style by one whose study of his subject has obviously been thorough. Last, but not least, Mr Peel strikes a note of confidence, which is arresting.

The argument of the book starts with the statement that "at the date of the opening of the great war the system of French public finance was well-nigh obsolete and needed reconstruction." The earlier part of the volume traces the financial policy which through a century led up to this pre-war position. Then follow chapters on the war period and the efforts of contemporary statesmen to raise "another system amid the horrors of the worst catastrophe that men have inflicted on one another, and amid the unutterable economic welter which ensued. Like the sage Archimedes of old days, they pursued their calculations in thick of warfare, and did their reckoning in the dust." The middle chapters of the book deal clearly and concisely with the successive labours of Finance Ministers in the face of a task growing every day more formidable, in the face of circumstances which built up "a Himalayan range of debt soaring up to 36 milliards of gold francs." The story is profusely illustrated, with statistical information drawn from many sources (not excluding the *Economist*). Lastly, the real facts of the problem, as it faces M. Caillaux to-day, especially the great floating debt, are faithfully presented.

Mr Peel does not minimise the formidable nature of the problem, but he comes to certain hopeful conclusions. He finds, for instance, that, in spite of the overwhelming difficulties under which the French Treasury has been working, the foundations of the necessary reforms in the French financial system, "though marred by many defects, have been well and truly laid." Finally, Mr Peel poses the vital question, "whether we can hope that France, in spite of the extraordinary difficulties of her situation, can attain to a revenue so reorganised and to an expenditure so adjusted as to secure for herself a bearable Budget, a debt within her compass, and a stabilised franc." To this question an affirmative answer is returned. The "five great dangers which threaten the public finance of France" are reviewed in turn, but "our analysis has led to the conclusion that none of these difficulties should prove too much for France, that all are accompanied by mitigating factors, and that, therefore, with time and courage they can all be overcome." This thoughtful, up-to-date, and well-written treatise should be read in France, as well as in this country and the United States.

BOOKS RECEIVED.

Fundamental Thoughts in Economics. By Gustav Cassel. (London) T. Fisher Unwin. 6s net.

The Financial Crisis of France. By the Hon. George Peel. (London) Macmillan and Co. 10s 6d net.

Financial Reconstruction in England, 1815-1822. By A. W. Acworth. (London) P. S. King. 8s 6d.

* "The Financial Crisis of France." By the Hon. George Peel. Macmillan and Co. 10s 6d net.

Information on the Reduction of Armaments. By J. W. Wheeler-Bennett. Introduction by Major-Gen. Sir Neil L. Malcolm. (London) George Allen and Unwin, Limited. 10s net.

The Confessions of a Capitalist. By Ernest J. P. Benn. (London) Hutchinson and Co. 18s net.

Foreign Trade and Exchange. By T. Johnes. (London) P. S. King. 8s. 6d. net.

Income-tax Notes. Reprinted from the *Accountant*. Volume VI. (London) Gee and Co. 10s 6d.

A Tour in Ireland. By Arthur Young. Selected and edited by Constantia Maxwell. (Cambridge) University Press. 7s 6d net.

Handbook of Joint Stock Companies. By Sir Francis Gore-Browne. 36th Edition. By T. E. Haydon and H. W. Jordan. (London) Jordan and Sons. 17s 6d net.

Insurance Accounts and Investments. By J. B. Wilson and E. J. Hammond. (London) Post Magazine and Insurance Monitor. 8s.

Primer of Foreign Exchange. By W. F. Spalding. (London) Sir Isaac Pitman. 3s 6d net.

The Consumers' Co-operative Movement in Germany. By Dr Theodor Cassau. (Translated from the German by J. F. Mills.) (London) T. Fisher Unwin. 7s 6d net.

Die säkulare Entwicklung der Kaufkraft des Geldes. Von Dr Emil Notz. (Jena) Verlag von Gustav Fischer. 14 marks.

Manual of Problems and Tables in Statistics. By Frederick C. Mills and Donald H. Davenport. (New York) Henry Holt and Co.

The Trade Union Movement in Belgium. By C. Mertens. (Amsterdam) International Federation of Trade Unions.

Economic Bulletin of the Central Corporation of Banking Companies, Budapest. October, 1925.

Irish Trade Journal. October, 1925. 3d.

Annual Report of the Smithsonian Institution, 1923. (Washington) Government Printing Office.

Rapport sur le Commerce et l'Industrie de la Suisse en 1924. (Zurich) Le Vorort de l'Union Suisse du Commerce et de l'Industrie.

Les Chemins de fer en Espagne et la nouvelle législation ferroviaire. By Alois Giebens. (Antwerp) Secretariat de l'Association des Licencies de St Ignace.

City of Manchester. Abstract of Accounts, 1924-25. (Manchester) City Treasurer, Town Hall.

The Edinburgh Review, October, 1925. (London) Longmans, Green, and Co. 7s 6d net.

Containing articles on Our Changing Land System, by Sir Henry Rew; the Bitter Cry for Economy, by Sir Alexander Harris; and The Riddle of Japan, by Geoffrey Drage.

OFFICIAL PUBLICATIONS RECEIVED.

The following may be obtained from H.M. Stationery Office, Adastral House, Kingsway, W.C. 2:—

Coal Tables, 1924: Statistical Tables Relating to the Production, Consumption, and Imports and Exports of Coal in the British Empire and the Principal Foreign Countries in Recent Years, &c., &c. No. 168. 1s net.

Report of the Chief Registrar of Friendly Societies for the Year 1924. Part 2.—Appendix. List of Societies Registered Under the Friendly Societies Act at December 31, 1924, &c. Section I., 2s 6d net; Section II., 2s 6d net; Section III., 3s 6d net; Section IV., 2s net; Section V., 3s net; Section VI., 2s net; Section VII., 1s 6d net; Section VIII., 1s 3d net.

Department of Overseas Trade: Report on Commercial and Financial Conditions in Austria. 1925. 1s 6d net.

Colonial Reports. No. 1267. St. Vincent, 1924. 6d net. No. 1268. St. Lucia, 1924. 6d net.

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STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET, November 4. ACCOUNT, November 5.

THE incidence of another heavy fortnightly settlement has had its effect upon this week's Stock Exchange markets. Numbers of Stock Exchange men worked through Wednesday night and Thursday morning without a break. Stock Exchange Nominations have risen within the last few days from £100 to the present price of £300. Earlier this year the quotation stood at £40. As a money-making proposition, a Stock Exchange career advances in popularity. House shares, at 100 not long ago, are to-day 122½ ex the interim dividend of £3 payable on Monday week.

Business in many departments is active. British Government funds and other gilt-edged stocks remain steady. The War Loan will be transferable ex dividend next Tuesday.

Foreign Government bonds are good. Greeks make an exception, owing to the reported trouble with Bulgaria, and French issues went back along with the value of the franc. German, Austrian, and mid-European issues strengthened as a result of the Locarno Conference. Brazilians keep hard. Russians, in most cases, are better.

Home railway stocks show substantial recoveries. The strength spread to all sections of the market, Underground rising with the rest. A very modest investment demand served to catch the market short of floating supplies of stock. Argentine Rails, allowing for Thursday's dividend deductions, are better. A sharp rise in Cordoba Central stocks followed announcement of the company's suggested plan of capital reorganisation. Nitrate Rails have improved, and Lautaro advanced at the same time.

A huge account in rubber shares has had to be settled this week. Settled, that is to say, in part; dozens of names which should have passed on Wednesday night are still outstanding from sheer physical inability of staffs to deal with them. Prices are good, thanks to the strength of the raw article and to the daily dividend declarations. Tea shares are better, and the oil market is receiving a little favourable attention. Thursday's meeting of the V.O.C. was considered colourless.

The shipping group has started to recover, P. and O. deferred being nearly 10 points higher on the week. Bank shares continue firm, and movements amongst the insurance list are uninteresting. Trust companies' stocks stand higher.

Courtaulds went up with a rush on American buying, the price reacting when these purchases were completed. Hundreds of thousands of the shares have changed hands every day. American Cellulose enjoyed a smart rise. Next to Courtaulds, Dunlops have been the most active share in the industrial market. After the abrupt drop on Sir Eric Geddes' warning against undue optimism, the price rallied upon accession of fresh support.

Cable stocks are higher; wireless remain firm and Burndept preferred rose with a jump. Brewing and whisky shares are better. The iron and steel market looks more cheerful than it has done for many months past. Egyptian Land shares are again in favour. Gas stocks improved, while electricity supply has languished in neglect, although the manufacturing descriptions show pronounced strength. The tobacco share market is better, on very vague hopes of bonus distributions. Cement shares, on dividend hopes, returned to favour. Brazilian Tractions lost several dollars after the meeting, but the fall was easily regained.

Transvaal Platins, after their shake-out, attracted mild support, but the market is not a good one. Kaffirs keep very quiescent. Rhodesians are better in places. Tin shares are the main feature of interest. Malayans have been very strong, and a lively market sprang up in the principal shares. The Middle East contributing support. West Africans joined in to a mild degree, and Cornish shares hardened up a little. Russian mining shares are better, and Burma Corporations have been a good market. Coppers and diamonds have taken their cue, as usual, from Paris.

NEW ISSUES.

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

	Nominal Capital, £	Cash Subscription, £	First Payment, £	Further Liability, £
Amount previously recorded.....	170,378,313*	..	..	..
* Corrected figure.				

ISSUES OF THE WEEK—

NATIONAL SAVINGS CERTIFICATES.

NET RECEIPTS INTO THE EXCHEQUER WEEK TO OCT. 17, 1925.

April 1, 1925, to Oct. 17, 1925	£	150,000	150,000
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To the Public—	£	500,000	125,000	375,000
Bolivian & General Tin Trust, 500,000 Shares of £1, at par	500,000	..	..	..
International Tea Stores, 250,000 7% Cum. "A" Pref. Shares of £1, at 22s 6d per share	250,000	..	281,250	31,250
Sumatra Anglo-Dutch Estates, £250,000 6% First Mort. Convertible Deb. Stock, at par	250,000	..	250,000	25,000
Remold Rubber Estates, 200,000 Shares, £1, at par	200,000	..	200,000	100,000
Subur Rubber Estates, 1,050,000 Shares of 2s, at par	105,000	..	105,000	26,250
Uganda Co., 100,000 Ord., £1, at 22s	100,000	..	110,000	20,000
Naigata Korot Areas, 120,000 Shares of 10s, at par	60,000	..	60,000	15,000
Associated Hotels, 33,000 Ord., £1, at par	33,000	..	33,000	4,125
Total offered to the public....	..	1,539,250	346,625	1,192,625

To Shareholders only—	£	3,000,000	2,970,000	300,000	2,670,000
Southern Railway, £3,000,000 5% Deb. Stock, at 99%	3,000,000	..	2,970,000	..	2,670,000
Buenos Ayres Great Southern Railway, 291,000 6% Pref., £10, at par	2,910,000	..	2,910,000	291,000	2,619,000
African and Eastern Trade Corporation, 439,632 Ord. Shares, £1, at 25s	439,632	..	549,540	109,908	439,632
Do 439,632 6% Cum. Pref., £1, at par	439,632	..	439,632	109,908	329,724
Critical Manufacturing, 250,000 8% Cum. Ptg. Pref., £1, at 25s	250,000	..	312,500	125,000	187,500
Singapore Para Rubber Estates, 70,000 Shares, 2s at 3s	70,000	..	105,000	105,000	..
Emerald Rubber and Coconut, 20,903 Shares, £1, at 35s	20,903	..	36,581	36,581	..
Wyman and Sons, 31,975 Ord., £1, at 30s	31,975	..	47,962	7,994	39,968
Reppells, 30,940 Ord. Shares, £1, at par	30,940	..	30,940	..	..
Total to shareholders only....	..	7,402,155	1,116,331	6,285,824	..

Total offered for subscription to date	Total offered for subscription for whole year—
1925..... 179,469,718	1924..... 209,326,100
1924..... 155,107,369	1923..... 271,393,173
1923..... 238,596,047	1922..... 573,675,650
1922..... 539,516,499	1921..... 388,978,903
1921..... 230,784,115	1920..... 367,549,656
1920..... 321,875,125	1919..... 1,036,059,951

The Uganda Company, Limited.—Authorised capital £300,000, in shares of £1 each, of which 170,000 are issued. There is also a mortgage debenture issue for £25,000 "upon which is owing" £21,925. Subscriptions are now invited for 100,000 ordinary shares of £1 each, the price being 22s per share. The shares will rank *pari passu* with the existing £170,000 of ordinary shares in respect of the profits since November 1, 1924. The company's chief product is cotton, while it also produces coffee, rubber, hides, ivory, &c., and, in addition, carries on a general stores and agency business. The cotton produced commands a premium of about 25 per cent. over American middling. The profits for the year 1923 amounted to £11,175, and for the ten months to October 31st last to £26,926, while on a maximum share capital of £100,000 profits over the past six years are shown to have averaged £22,926. The capital was increased in April, 1924, by the issue of £50,000 of preference shares, since converted into ordinary shares. Substantial dividends and bonuses have been distributed. The prospectus is an excellent statement of affairs, and a balance-sheet is submitted. At the price offered the shares appear to be attractive, regard being paid to the speculative nature of the undertaking.

British Visada, Limited.—Capital £360,000, divided into 300,000 10 per cent. preferred ordinary shares of £1 each and 600,000 deferred ordinary shares of 2s each. This is an issue of the whole of the capital at par. The directors and their friends, it is stated, have already subscribed for the whole of the deferred ordinary shares. The company has been formed to manufacture artificial silk by means of the Viscose Process, and has acquired a mill in Lancashire for £52,000 in cash, and it is stated that the purchase price of the land and buildings is in accordance with the valuers' figure. The total cost of plant, machinery, and general equipment is estimated at £160,500. The issue has been underwritten for a commission of 3 per cent. and an overriding commission of 1 per cent. It may be contended that to invest in this proposition partakes of the nature of handing a blank cheque to the directors, but in view of the excellent business reputation enjoyed by them and the qualifications of the consulting chemist who will assist, the enterprise begins under favourable conditions.

Bolivian and General Tin Trust, Limited.—Share capital £500,000, in shares of £1 each, all of which are now offered for subscription at par. The company has been formed to acquire interests in tin-mining propositions, and will, in the first place, obtain a controlling interest in the Fabulosa group of producing tin mines, comprising, in all, an area of over 17 square miles in Bolivia. This is to be achieved by the acquisition of 2,000,001 ordinary shares of U.S. \$1 each (part of a total authorised capital of \$4,000,000) of Fabulosa Mines Consolidated, which operates the above-mentioned mines, at the price of 3s 11½d per share. The Fabulosa Company was incorporated in 1921, but no particulars of past profits are given, though the prospectus states that "it has been a profitable undertaking." Nothing is payable for goodwill. The issue has been underwritten for a commission of 4 per cent., and an overriding commission of 1 per cent. Preliminary expenses are estimated at £65,000, and are payable by the vendors.

Central Oil and Chemicals Trust, Limited.—Particulars of this undertaking are published in compliance with Stock Exchange regulations. The authorised and issued share capital is £700,000, in £1 shares. The company was incorporated in 1911, under the name of the Central Oil and Gas Trust, Limited, primarily to acquire certain oil interests in Oklahoma, and was also interested in a proposed coal-washing and briquettes-making plant. Neither of these businesses, however, have been proceeded with. The company has now acquired at £14 per share, 18,000 out of a total of 20,000 "B" shares of 1s each in the Chosen Syndicate, Limited. It is proposed to carry on the business of an investment trust. The board of directors has recently been reconstituted.

Pettigrew and Merriman (1925), Limited.—Authorised capital £250,000, divided into 125,000 7½ per cent. cumulative preference shares of £1 each and 500,000 ordinary shares of 5s each. This is an issue at par of the whole of the preference capital. The company has been formed to acquire the businesses of Pettigrew and Merriman (incorporated in 1919), Pettigrew and Merriman (Continental), and Brunet et Cie., of Paris, manufacturers and distributors of wireless apparatus. The net profits of the two first-named companies have risen from £12,754 in 1922-3, to £20,445 for the six months to April 30th last. The auditors report that, owing to the fact that inventories of stock have not been taken at regular intervals, it is only possible to state the total profit of Brunet et Cie. for the period of three years and five months examined by us, which, converted to sterling at the exchange rate of roof to the £, amounted to £29,130, after charging all expenses, including partners' salaries, taxes, and depreciation. The total assets being acquired are stated to amount to £148,900, of which £44,000 is in respect of goodwill. The combined net profits of the three companies for the six months ended April 30, 1925, were £29,095. The preference interest requires £9,375. The purchase price is £148,900, payable in cash, of which £57,800 is in respect of the business and assets of Brunet et Cie. The issue has been underwritten for a commission of £3,750.

Sumatra Anglo-Dutch Estates, Limited.—Share capital £500,000, in shares of £1 each. There is also £250,000 of 6 per cent. first mortgage convertible debenture stock, which is now being issued at par. The stock is convertible into shares at par at any time between January 1, 1932, and January 1, 1933, and interest is guaranteed by the Anglo-Dutch Plantations of Java for six years. The stock constitutes a specific charge on the issued capital of the Sumatra Land Syndicate and a floating charge on the remainder of the assets and undertaking of the company. It is stated that "any outstanding stock will be redeemed at 105 on November 1, 1945, but the company shall, after January 1, 1933, have the right to redeem the stock at 105 by giving six months' previous notice." The company also reserves the right to purchase the stock in the market or by tender. Of the ordinary shares, 170,000 have been subscribed for at par by the Anglo-Dutch Plantations of Java, the balance being retained to provide for conversion rights. The company has been formed to acquire 102,114 acres of land in Sumatra, and to plant this with rubber, coffee, and tea. The purchase price is £160,000, payable as to £80,000 in shares and £80,000 in cash. The company is under first-class management, and the stock seems an excellent investment of its class, particularly in view of the guarantee of interest by the vendor company.

Associated Hotels, Limited.—Capital £50,000, in 49,000 ordinary and 1,000 management shares of £1 each. Of these, 16,000 of the former and the whole of the latter are already issued and fully paid. After paying 10 per cent. in any year on the ordinary shares, and subject to 10 per cent. on the management shares, any distributable profits are divisible—75 per cent. among the holders of the ordinary and 25 per cent. among the holders of the management shares. Formed two years ago, the company owns the freehold of a London hotel, which was opened in the spring of 1924. The prospectus states that although during the first year of the company's business this hotel was fully available for some six months only, the net profits permitted of the payment of a dividend for that year of 10 per cent. on both classes of shares. Another hotel was opened in August last. The accounts for the year to Septem-

ber 30, 1925, are not yet complete, but the directors state that the result of the year's working will justify the declaration of a dividend not less satisfactory than that for the first year of the company's existence. The proceeds of the present issue will be utilised in repaying temporary bank loans and balances of accounts, all incurred in connection with extensions and developments. The directors are men of considerable experience in the catering world, and should be able to make a success of the enterprise.

Bemfield Rubber Estates, Limited.—Authorised capital £250,000 in shares of £1 each. This is an issue of 200,000 shares at par. The company has been formed to acquire estates in Sumatra, having an area of 10,122½ acres, of which 1,325 acres are planted and 1,109½ acres are said to be planted with mature rubber. The total purchase price is £147,982, equal to about £99 per planted acre, payable, presumably, in cash. The issue has been underwritten for the granting of an option to subscribe for 40,000 shares at par up to December 31, 1930.

Naraguta Korot Areas, Limited.—Share capital £150,000 in shares of 10s each, of which 120,000 shares are now offered for public subscription at par. The company has been formed to acquire certain tin producing properties in Northern Nigeria. It is stated that the company will start to produce tin, which is already producing from 8 to 10 tons per month. The purchase consideration is £65,000, payable as to £25,000 in cash, and the balance in ordinary shares, while the vendors are also granted an option over 100,000 shares until November 1, 1927.

Subur Rubber Estates, Limited.—Authorised share capital £120,000 in shares of 2s each. This is an issue of 1,050,000 shares at par. The company has been formed to acquire certain rubber plantations in Perak of about 1,038 acres, of which, it is stated, 800 acres are planted with mature rubber out of a total planted area of 900 acres. The purchase price of £88,500 is payable in cash, together with an option to the vendors of subscribing for 150,000 shares at par until June 30, 1928. The issue has been underwritten for a commission of 4 per cent., together with an overriding commission of 1 per cent.

Ipo Rubber Estates, Limited.—Authorised share capital £100,000, in shares of £1 each. This is an issue at par of 75,000 shares. The company has been formed to acquire and develop estates in Perak, F.M.S., having a total area of 1,038 acres, of which 770 acres are planted, 594 acres being planted with mature rubber. The purchase price is £62,500, together with an option to subscribe for 5,000 shares at par until December 31, 1926. The issue has been underwritten for a commission of 3 per cent., with an overriding commission of 1 per cent.

Bristol Waterworks Company.—This is an issue of £84,998 of 5 per cent. perpetual preference stock, 1925, the lowest price at which tenders will be received being par. This taking for the year ended December 31st last, the revenue, it is stated in the prospectus, "exceeded £270,000." After providing for working expenses, reserve for renewals, interest and dividends, &c., there was an available balance of £67,790. It is stated that no portion of the issue has been underwritten.

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

ACTIVE SECURITIES.

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

British and Colonial Government Securities.				
War Loans	Price Last Week	Latest Price	Rise or Fall	
5% 1925-26	97½	97½	—	
4½% 1925-26	96½	96½	—	
5% 1925-26	102½	102½	—	
4½% 1925-26	99½	99½	—	
Victory Bonds 4%	93	93	—	
Conversion Loan 3½%	75	75	—	
Consols 2½%	55	55	—	
Irish Land Stock 2½%	58	58	—	
Local Loans 3%	64	64	—	
British Railways.				
War Loans	Price Last Week	Latest Price	Rise or Fall	
Great Western, Ord.	83	83	—	
London & North-Eastern	57	57	—	
5% Pref. Ord.	55½	55½	—	
Do Def. Ord.	20	20	—	
London, Mid., and	74½	74½	—	
Scottish, Ord.	74½	74½	—	
Metropolitan District	44½	44½	—	
Foreign Securities.				
War Loans	Price Last Week	Latest Price	Rise or Fall	
Aust. 5% 1931-41	103	103	—	
India 5% Stock	67½	67½	—	
Do 7% 1926-31	105	105	—	
Do 5% 1932	102½	102½	—	
Do 4½% 1933	102½	102½	—	
N.S.W. 5½% 1922-32	100	100	—	
N. Zealand 3½% 1940	85	85	—	
Nigeria 6% 1949-79	114	114	—	
U.S.A. 6% 1930-40	103	103	—	
Victoria 5½% 1924-34	100	100	—	
W. Aust. 6% 1930-40	102	102	—	
Southern, Ord. "A"				
Do Ord. "B"	37½	37½	—	
Do Pref. Ord.	74½	74½	—	
Do Def. Ord.	40	40	—	
Underground Electric				
Do "A" (1)	24	24	—	
Do "A" (2)	24	24	—	
Do "A" (3)	24	24	—	
Do "A" (4)	24	24	—	
Do "A" (5)	24	24	—	
Do "A" (6)	24	24	—	
Do "A" (7)	24	24	—	
Do "A" (8)	24	24	—	
Do "A" (9)	24	24	—	
Do "A" (10)	24	24	—	

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended Oct. 16, 1925.		Miles Open.	Week ended Oct. 18, 1925.			Aggregate 42 Weeks, 1925.		
(c) Week ended Oct. 17, 1925.			Passen- gers,&c.	Goods, &c.	Total for Week.	Passen- gers,&c.	Goods, &c.	Total Re- ceipts.
			£	£	£	£	£	£
Great Western.....	3,765		251,000	353,000	584,000	1,499,000	1,353,000	25,09,000
Do for 1924	3,754		245,000	354,000	600,000	1,585,000	1,420,000	25,753,000
Lon. & N.-Eastern (c) ..	6,711		4,000	1,000	5,000	18,700	275,000	46,597,000
Do for 1924	6,714		420,000	720,000	1,140,000	1,922,000	285,000	25,000,000
Lon., Mid., & Scottish ..	6,950		585,000	874,000	1,459,000	2,732,000	531,000	62,644,000
Do for 1924	6,950		599,000	928,000	1,527,000	2,789,000	364,000	63,989,000
Southern	2,163		305,000	125,000	430,000	1,454,000	4,907,000	19,447,000
Do 1924	2,142		300,000	124,000	424,000	1,435,000	4,905,000	19,416,000
Metropolitan (c)	58		40,981	3,958	41,930	1,435,078	182,997	1,598,000
Do for 1924	58		38,081	4,053	42,134	1,679,919	163,426	1,843,345
Underground E.R. (c) ..	..		..	..	258,255	..	..	9,922,801
Do for 1924	..		..	..	264,054	..	..	10,039,819
Lon. & Sub. Group (c) ..	..		..	..	37,878	..	..	1,585,778
Do for 1924	..		..	..	41,442	..	..	1,639,303
Belfast & Co. Down (c) ..	80		2,790	1,212	4,002	170,806	45,282	216,088
Great Northern (c)	563		15,200	20,550	35,750	739,950	725,650	1,455,600
Do for 1924	563		15,200	20,550	35,750	739,950	725,650	1,455,600
Great Southern	2,181		35,214	50,606	85,820	1,632,454	182,166	3,456,662

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

COMPANY MEETINGS, &c.

ANGLO-SOUTH AMERICAN BANK, LIMITED. SATISFACTORY RESULTS OF THE YEAR'S TRADE. CHAIRMAN ON IMPROVED EUROPEAN CONDITIONS.

The thirty-seventh annual general meeting of the Anglo-South American Bank, Limited, was held, on the 20th instant, at Winchester House, Old Broad street, London, Mr R. J. Hose (the chairman) presiding.

The Chairman, in moving the adoption of the report, in the course of his remarks, said: During the first year of the operation of the Dawes Reparation scheme Germany has been able to meet her Reparations obligations with the assistance of the credits placed at her disposal by means of the international loan successfully floated in October last. Further, the League of Nations' reconstruction plans in Austria and Hungary have met with a considerable degree of success, whilst, with the general tendency to revert to the gold standard of currency, the purchasing power of Europe has in some measure been restored. Nevertheless, the aftermath of the war is still only too evident in certain directions, for France, Belgium, and Italy have yet to adjust their national financial position, especially in regard to the definite settlement of war indebtedness, and, meanwhile, their currencies remain depreciated and unstable. In the case of Belgium, however, the international negotiations for the amelioration of her financial position would appear to be progressing in a highly satisfactory manner, latest reports indicating that a comprehensive plan is in view based upon budgetary equilibrium.

As recently as Friday last there occurred an event which will undoubtedly prove to be an outstanding landmark in European history. I refer to the Pact agreed upon at Locarno for the establishment of an enduring peace in Western Europe, than which nothing can be of greater portent for the future prosperity of this continent. With the maintenance of the spirit of international goodwill now so happily in evidence, there should result an incalculable increase in the welfare of the European peoples. From a purely commercial point of view the benefit of the Pact should soon be in evidence, for the restoration of political stability should impart to traders that confidence in entering into future commitments that has been lacking for some years past.

THE GOLD STANDARD.

In our own country the basic industries remain gravely depressed, with the scale of unemployment still abnormal. Our exporters are struggling to compete in neutral markets with foreign industrialists, who have the advantage of lower wage costs and longer working hours. Evidence is accumulating, however, that British trade as a whole has made distinct recovery from the crisis which ensued upon the collapse of the post-war boom. There are also not wanting indications that the attitude of labour on the question of output is undergoing adjustment, and there appears increasing recognition that the present depression is not an opportunity for quarrelling with capital, but rather for joint effort to rehabilitate industry.

As the culmination of the sound and conservative national financial policy followed in this country since the conclusion of the war, the Chancellor of the Exchequer was able to announce, in his Budget speech in April last, the restoration of the gold standard here. It was anticipated in some quarters that this step would result in a depletion of British gold reserves, but, on the contrary, there occurred an influx of the precious metal from abroad, and the value of the pound sterling in New York rose virtually to parity. In view of these considerations, the Bank rate, which had been raised to 5 per cent. on March 5th last, was lowered to 4½ per cent. on August 6th, whilst, notwithstanding the fact that this reduction was followed by a reverse movement of gold from the Bank of England, the official minimum rate of discount was further reduced to 4 per cent. on the 1st inst. Full freedom is due to be restored to the London gold market at the end of the current year, and it would, therefore, appear that the authorities have reason to regard with equanimity the possibility of any further outflow of gold, especially in view of the safeguards mentioned in the Budget speech as having been provided to prevent disturbance to the gold value of sterling.

EMBARGO ON FOREIGN ISSUES.

In these circumstances, one can hope for a further step towards the restoration of normality in the London money market by the removal at an early date of the tacit embargo on foreign capital issues. This would be extremely helpful, because the funds raised

would be expended directly in obtaining goods from this country, principally in the direction of those manufacturing trades here which are experiencing the most serious depression. From the point of view of South America alone, there is undoubtedly much development work awaiting long-term capitalisation, and it must be borne in mind that there is always a tendency for general trade to develop between the borrowing country and that which renders it financial assistance.

ARGENTINA.

With regard to business conditions in South America, the prosperity in the export trade existing in Argentina during 1924 has not been maintained to the same degree since January last, owing to the decline in grain shipments resulting from the contraction in world demand. As a result, it is anticipated that the very large favourable balance established last year will probably disappear in 1925. Exports of meat and hides again reached record figures in 1924, owing to the development of Continental markets, and shipments have been maintained at almost the same level during the current year, which has restored conditions in the important livestock industry to normal. The output of petroleum is increasing, and the future of cotton cultivation is regarded optimistically.

National politics in Argentina have been free from serious disturbance, and the labour situation has been tranquil, whilst unemployment is on a small scale and building operations everywhere, and especially in the City of Buenos Aires, continue to expand. The Republic's finances have undergone considerable adjustment, the unwieldy floating debt having been substantially reduced, whilst the 1924 financial period closed, for the first time for some years, with a realised surplus of revenue over expenditure. The outlook as regards the basic industries of cereals and meat gives every reason for encouragement.

Notwithstanding the diminution in the favourable trade balance during the current year, there has recently occurred a decided recovery in exchange, the sterling rate having touched on the 9th inst. 46½d, thereby reaching the highest quotation since January, 1922. The transport system of the Republic is being increasingly developed, and, generally speaking, the country is prosperous and the position fundamentally sound.

CHILIAN TRADE.

The foreign trade of Chili has extended during the past year, and the nitrate of soda industry is effecting gratifying sales, but general conditions have been somewhat overshadowed by reason of labour disturbances and political uncertainties, including the Arica-Tacna problem. The outlook is now, however, much brighter, as a new form of constitution has, it is officially reported, been approved by national plebiscite and has already been put into force. With regard to the national finances of Chili, great hopes of adjustment are entertained as a result of the proposals of the mission which is now studying national finances with a view to making recommendations.

MEXICO.

A step somewhat similar to that adopted in Chili has been taken in Mexico, a new bank of issue, entitled the Banco de Mexico, having been opened for business on September 1st last, and here also shareholding banks will have the right to effect rediscounting operations. It is hardly likely, however, that further capital will be forthcoming to develop the enormous potential riches of Mexico until it is assured of adequate protection. Latest advices indicate that there is a rather more sustained feeling of optimism in the Republic. In Peru also the national financial position is decidedly better, there having been realised in 1924 a small surplus of revenue over expenditure.

The visit of the Prince of Wales to South America, which has been conducted amid demonstrations of a most felicitous nature, has served to draw increasing attention to the possibility of extending our export trade to that continent. General commercial conditions in the United States continued prosperous in 1924, and there are signs of even greater activity during the present year.

BALANCE-SHEET ITEMS.

Turning to the balance-sheet, the Chairman said: Current and deposit accounts have shrunk by £3,000,000, or 6 per cent., a considerable part of which is due to the existence a year ago of certain special balances of a temporary character that have since been withdrawn, but the remainder may be ascribed to a general decrease of the resources of merchants in most of the areas in which we trade, due to increased stocks of goods. The item, acceptances on account of customers, to which we attach equal importance, as it represents principally the finance of movements of produce, is slightly decreased. On the other side of the account, cash and securities are somewhat lower, but still represent 41½ per cent. of our liabilities to the public. Other securities have risen, and advances are £1,000,000 higher. The ratio of expenses or charges, viz., 59½ per cent., is practically the same as a year ago,

while our net profit of £431,022 is about £5,000 more than we earned in the previous year.

The position in respect to the banks in which we have a participation to the extent of nearly the whole of the capital shows, on the whole, further improvement. The net profit of the British Bank of South America, Limited, for the year ended December, 1924, was about £6,000 higher than in the preceding year, and the dividend was maintained at 10 per cent.

The report and accounts were unanimously adopted.

BUENOS AYRES GREAT SOUTHERN RAILWAY COMPANY, LIMITED.

NEW ISSUE OF PREFERENCE SHARES.

The ordinary general meeting of the Buenos Ayres Great Southern Railway Company, Limited, was held, on the 21st instant, at River Plate House, London, Mr H. C. Allen (the chairman) presiding.

In moving the adoption of the report and accounts, the Chairman, after referring to the success of the recent visit of the Prince of Wales to South America, said that the gross receipts again exceeded all previous figures at £11,577,000. That was a record not only for the company, but for any Argentine railway company. Indeed, as regarded gross receipts, as well as mileage, the Great Southern was the largest railway system on the South American continent. Last year's harvest was a disappointing one in the Pampa; indeed, in the zone served by the Bahia Blanca and North-Western Railway and parts of the Western Railway the grain harvest was practically a failure owing to the lack of rain and the prevalence of cold winds. Including the tonnage from the 1924 crop, the Bahia Blanca and North-Western line had carried only 616,000 tons of cereals, compared with 1,318,000 tons during the previous year. That was naturally reflected in the passenger movement and also in the general goods traffic, and resulted in greatly reduced shipping operations at the Port of Galvan. The result had been that for the past eight months the working of the Bahia Blanca and North-Western system had shown a deficiency of some £230,000. The progress made by the Railway Petroleum Company of Comodoro Rivadavia had been, and continued to be, satisfactory. The production of oil had increased from 36,000 tons in the previous year to over 70,000 tons last year, and that figure could be substantially increased as soon as shipping facilities were available. The company's application for concessions for the construction of three extensions had been passed by the Senate and approved by the Transport and Communications Committee of the Chamber of Deputies, but had not come up for discussion by the latter before the closing of the ordinary sessions on September 30th. It was expected that the usual extraordinary session would be convened this month or next, and that the Bill would then come before the Chamber and be passed into law. The company had made no issue of additional capital since 1913, when the gross receipts amounted to £6,569,000, whereas for last year they were £11,577,000. In those years they had not only financed themselves without any issue of capital, but had built up reserve and renewal funds to a total of just over £7,000,000. They had authority to issue the balance of the authorised capital, £2,910,000, which the board had decided to offer to the ordinary and preference stockholders at par in the form of 6 per cent. preference shares, convertible later on in the usual manner into stock.

The report and accounts were unanimously adopted.

BUENOS AYRES WESTERN RAILWAY COMPANY, LIMITED. ENCOURAGEMENT OF AGRICULTURE.

The ordinary general meeting of the Buenos Ayres Western Railway Company, Limited, was held, on the 20th instant, at River Plate House, London.

The Chairman (Sir Henry Bell, Bart.) said that the final results for the year did not come up to earlier expectations, but the showing was not unsatisfactory, inasmuch as, after charging the exchange loss of £171,157 against net revenue, they were able to transfer £100,000 to the general reserve fund, to recommend a dividend of 6 per cent., and to carry forward £57,053, or about £9,000 less than was brought in. Owing to drought, the quantities of wheat, barley, oats, and linseed transported were much lower, and the receipts declined on account of these four traffics by £384,739. Receipts from maize increased by £133,000, but earnings from wheat were only about £377,000, against an average for the previous five years of £690,000.

In previous years he had referred to their dependence upon live stock or animal traffic. Though the cattle industry was of immense importance, the lands in their districts were too valuable to be devoted so much to cattle-breeding. They had been trying to induce large landowners to break up their huge estates and sell

or rent some portion for agriculture. To promote this object they had applied for permission to construct a short extension of 70 kilometres westward from Caleufu station, which afforded a long haul traffic from an excellent grain zone, but before taking any actual steps they secured from the owners of most of the large camps coming within the influence of the projected line an undertaking to sell at moderate prices a certain proportion of their properties to settlers for the purpose of cultivation. If this scheme could be carried through successfully, the company would be assured of traffic which would fully warrant this small addition to their system.

Having referred to valuable propaganda with regard to poultry-farming and the culture of plants and fruit and shelter trees, the chairman said that the increase in receipts from passenger traffic was entirely due to the most satisfactory development of the suburban electric service. The number carried was 15,654,447, as compared with 10,358,452 for 1922-23, the electric service having been opened to the public in May, 1923.

There was at July 1st last 737,000 tons of grain in their districts, of which much had still to come forward. Traffics since the commencement of their new financial year had not been good; but wheat had been held back for better prices, and had only been coming forward slowly. Much of it was still there, and they would benefit by it sooner or later. At present the crop prospects were excellent, and the latest cable advice described the general outlook as quite encouraging.

The report and accounts were unanimously adopted.

CENTRAL URUGUAY RAILWAY COMPANY OF MONTE VIDEO, LIMITED. SATISFACTORY RESULTS.

The annual general meeting of the Central Uruguay Railway Company of Monte Video, Limited, was held, on the 20th instant, at River Plate House, London.

Mr Frank Henderson (the chairman) said that the gross receipts for the year under review were £1,448,169, a decrease of £23,005, which, as they compared with record figures for the previous year, could be considered satisfactory. Working expenditure showed an increase of £56,056 at £1,003,348, attributable to a great extent to the more extensive maintenance and repair work done, involv-



The Anglo-South American Bank Limited.

Head Office:
117 Old Broad Street, London, E.C.2

Authorised Capital	: : : £10,000,000
Reserve Fund	: : : £4,000,000
Issued Capital	: : : £8,734,600
Paid-up Capital	: : : £4,307,330

The Bank, in addition to 7 Branches in

SPAIN

has with its
AFFILIATED INSTITUTIONS

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

53 offices in the principal countries of

LATIN AMERICA

Auxiliaries Abroad:

ANGLO SOUTH AMERICAN TRUST CO.
(Incorporated under the laws of the State of New York).
NEW YORK.

BANQUE ANGLO-SUD AMERICAINE, SOC. ANON.
PARIS.

Northern District Office: 69, Market Street, BRADFORD.
Lancashire Branch: 19, Spring Gardens, MANCHESTER.

ing extra outlay in labour and materials. Net receipts, at £444,821, compared with £523,882, and showed a decrease of £79,061. It was gratifying, however, to know that that decrease had been more than compensated for by the substantial drop in the loss incurred in transferring funds to London. The result was that the balance of earnings brought into net revenue account was £360,345, as against £356,490, or an increase of £3,855. In a country such as Uruguay, whose industries, being pastoral and agricultural, were dependent on climatic conditions, there was bound to be considerable fluctuations in results.

LIVE STOCK AND PASSENGER TRAFFIC.

The most notable feature, so far as the railway was concerned, was the decrease in their live stock traffic. The number of passengers carried showed an increase of 40 per cent., with a decrease in receipts of £3,499, the increase in numbers being due, however, very largely to a different method of calculating journeys made by season-ticket holders. The revolutionary disturbances in the State of Rio Grande, Brazil, continued, and had interfered considerably with the interchange of traffic with that country. He hoped that in the near future that condition of affairs would improve. The board were proceeding systematically with the renewal works referred to a year ago; they had continued the conversion of their engines to oil fuel, and to-day something like 75 per cent. of the tractive power was using that class of fuel. With regard to the prospects for the current year, he saw, at the moment, nothing to hinder the steady progress of Uruguay; if that progress continued it was bound to be reflected in the earnings of the railway.

The report and accounts were unanimously adopted, and at the meetings of the Central Uruguay Northern Extension Railway Company and the Central Uruguay Eastern Extension Railway the reports and accounts were also adopted unanimously.

ARGENTINE GREAT WESTERN RAILWAY COMPANY, LIMITED.

RECORD TRAFFICS FOR THE PAST YEAR.

The ordinary general meeting of the Argentine Great Western Railway Company, Limited, was held, on the 23rd instant, at Winchester House, Old Broad street, London, the Right Hon. Viscount St. Davids (chairman of the company) presiding.

The Secretary (Mr J. T. Dillon) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said: Gentlemen, as the Pacific Company, on whose dividend ours depends, has paid 7 per cent. on its ordinary stock, we are in a position to pay 6 per cent. on both our preferred and our ordinary stocks. You will have been gratified to see that the past year has shown record traffics on our line. The increases arose in the following way: from goods and livestock the increases were nearly 3 per cent.; and from passengers the increases were nearly 2 per cent. A very interesting item showing the nature of our business is that wine accounted for 34 per cent. of our total goods traffic. An interesting feature among the increases comes from stone. A few years ago we carried under 10,000 tons of stone a year, but stone is in constant demand in the Argentine for paving and making roads in Buenos Aires and some of the smaller towns, and last year the carriage of stone by our line rose to 38,000 tons. That is a very large increase in a few years, and it is an item that may increase a great deal in the coming years.

UNLIMITED SCOPE FOR FRESH FRUIT TRAFFIC.

We carried 90,000 tons of fresh fruit; that was an increase on the figure of the year before of 7,000 tons, or 9 per cent. I may say at once that there is almost unlimited scope in the zone of this company for an increase in fresh fruit traffic.

You will have seen allusion in the report to lines under construction. We have nearly finished the building of a line from Goudge to San Rafael—about 35 miles—and a small branch which we call the Espejo Branch, near Mendoza, of about 34 miles. Those lines go through fine irrigated lands and are sure to give us, I think, a reasonable return.

During the year we have been continuing the erection of our new running sheds and workshops at Mendoza. The erection is going on in a satisfactory way.

As regards prospects, the cereal crops are not an important matter on this line at all in itself; they are a very important matter to us indirectly, because our dividend depends, as you know, upon that paid by the Pacific Company, and you will be gratified to know, therefore, that in Argentina as a whole the harvest prospects at the moment are good and that everything promises well.

The Right Hon. Lord Lawrence, of Kingsgate, seconded the resolution, which was carried unanimously.

CLAYTON WAGONS, LIMITED.

CAPITAL REORGANISATION SCHEME APPROVED.

The adjourned third and fourth ordinary general meetings and the fifth ordinary general meeting of the shareholders of Clayton Wagons, Limited, were held, on the 22nd instant, at Winchester House, London, Mr H. Langham Reed presiding.

The Chairman, in moving the adoption of the reports for the years 1923, 1924, and 1925, after referring first to the reduction of the guarantee to the bank from £350,000 to £25,000, said:—The profit for the year to June 30, 1925, though insignificant in itself, does, I think, show that the company has, after a series of adverse years, at last "turned the corner," and in view of this fact the board considered it advisable to put forward a scheme for the reorganisation of the company's capital that would put the undertaking on a sound financial basis. With that end in view discussions took place with an informal committee representing certain of the large preference shareholders and the representatives of the holders of the ordinary shares, in order to arrive at a basis for the new capitalisation that would be acceptable to all parties.

The proposals now put forward for your approval may be summed up as follows:—

- To reduce the capital of the company by £440,000, and to write off this amount by cancelling ordinary share capital.
- To cancel the arrears of preference dividend to June 30, 1925.
- To make the preference dividend in future a 5 per cent. participating dividend dependent upon the profits of each financial year and participating in surplus yearly profits *pari passu* with the ordinary shareholders.

Particulars of the suggested balance-sheet adjustments were detailed in the letter circulated to you on September 21, 1925, and are summarised as follows:—

To be written off—

(1) Land, buildings, and machinery	£ 166,102
(2) Stocks	21,443
(3) Preliminary expenses	34,142
(4) Profit and loss	218,313

440,000

Under the scheme now before you the whole of the amounts to be written off as lost or unrepresented by capital assets are set off entirely against the ordinary share capital, whereas the preference capital remains intact.

DIVISION OF FUTURE PROFITS.

The following table illustrates the division of profits should the proposed reorganisation of the capital be approved as compared with the present position:—

Assumed Divisible Profit.	Dividends under Re-organisation Scheme.		Dividends on Present Basis.	
	Ord.	Pref.	Ord.	Pref.
£ 22,500	£ 22,500	Nil	£ 22,500	Nil
36,000	33,350	2,650	36,000	Nil
50,000	44,600	5,400	50,000	14,000
100,000	84,800	15,200	100,000	54,000

That is to say, when a certain level of prosperity is passed the preference holders will increasingly benefit, while on the lower side of that level a small advantage is given to the ordinary shareholders.

The ordinary shareholders affected have already given their formal consent to the scheme of arrangement, and I am pleased to say proxies favourable to the proposals amounting to 352,796 shares have been received from the preference shareholders, which I hope will be increased by your votes when the time comes for me to put the resolutions to the meeting.

It will further be observed that the board have taken the present opportunity to increase the capital of the company by £440,000 simultaneously with the reduction of £440,000, the object being to save capital duty of £4,400 already paid in respect of the 440,000 shares now proposed to be cancelled, should it at any time be considered desirable in the future to make an issue of any additional capital. The Revenue authorities do not in practice claim capital duty on the amount of new capital created if reduction and re-issue of capital are effected simultaneously. I need hardly say that it is not the intention of the board to consider any new issue of capital at the present time.

IMPROVED OUTLOOK.

With regard to the present position and the future of the company, I am pleased to say that the outlook is altogether more promising. We have secured considerable carriage contracts from the L.N.E.R., the L.M.S.R., the G.W.R., and the Government of the Union of South Africa, whose recent policy in placing large orders with the contract shops has been much appre-

ciated by the trade in this country. So far as work of this class is concerned, we have sufficient to keep our works busy for some time ahead.

In contrast to the carriage trade, the wagon trade has been passing through a period of severe depression, which, so far as the home demand is concerned, may be entirely attributed to the stagnation prevailing in the coal trade.

In our forge departments a distinct improvement is being shown, the company having now more work in hand than at any time in its existence, and this branch of the business is likely to show a further increase in the future. In addition to the ordinary run of forgings and stampings, the company have taken up the manufacture of two specialities for the motor trade—the well-known Rubury, Alford, and Alder front-wheel brake, now adopted as standard by a large number of important motor-car manufacturers in the country, and the "Dewandre" vacuum servo-brake.

The resolutions dealing with the accounts were adopted.

The extraordinary general meeting and the separate general meeting of the preference shareholders were then held, and the formal resolutions embodying the scheme proposed by the board were duly passed.

MONERAKELLE RUBBER ESTATES, LIMITED.

GREATLY IMPROVED RESULTS.

The twentieth ordinary annual general meeting of the Monerakelle Rubber Estates, Limited, was held, on the 23rd instant, at the company's offices, 12 Fenchurch-street, London, Mr C. G. Bois presiding.

The Chairman, in moving the adoption of the report and accounts, said that, although they did not in the period under review benefit very markedly by the recent rapid advance in the price of rubber, the past year's working showed a great advance over the results for the last five years, and it was a great pleasure to the directors to be able to recommend a dividend of 15 per cent. In addition to that, they had placed £1,000 to reserve, and a further £500 to income-tax reserve.

FORWARD CONTRACT.

They had made a further forward contract for January-March, 1926, of 3 tons a month at 3s per lb. There was, of course, still six months of the previous contract to run out, but with the exception of these two they had at present made no further forward sales, and he was glad to say they were now benefiting by the high price for which rubber was selling. Their recent sales since the end of last season had ranged between 3s 6d and 4s per lb.

It was probable that during the current season they would be allowed to export very nearly the whole of their standard production, which was placed at 281,000 lbs. Looking at the future, however, on a conservative basis, he estimated that they would be able almost for a certainty to produce 245,000 lbs of rubber, and, if the market held at anything like current prices, he looked forward to a report next year showing far better results.

INTERIM DIVIDEND PROSPECTS.

He thought that in all probability they would be able to declare an interim dividend this year without any fear of it not being justified by the end of the season.

There had recently been a statement that the Americans proposed to open up a million acres of rubber in Liberia, but he did not think that shareholders in rubber companies need become unduly alarmed at this prospect. Such an acreage could not be brought into bearing for many years, and if it came to competition between the two countries, he thought that this somewhat grandiose scheme would have great difficulty in making good.

The report and accounts were unanimously adopted.

FREDERICK HOTELS, LIMITED.

IMPROVED POSITION—GOOD PROSPECTS.

The twenty-seventh ordinary general meeting of the Frederick Hotels, Limited, was held, on the 20th instant, at the Hotel Great Central, Marylebone road, London. Mr Ronald Peake (the chairman) presided, and, in moving the adoption of the report and accounts, said that the company had had another year's satisfactory trading. The two London hotels were mainly responsible for the increasing prosperity of the company; the seaside hotels had, however, suffered to some extent from the counter-attraction of Wembley. Business at the Lord Warden Hotel, Dover, had come up to expectations and promised to develop satisfactorily. The rebuilding of the Hotel Majestic, Harrogate, was now completed, and they had refurnished and redecored the greater part of it. An important operation during the year was the cancellation of £150,000 first mortgage debenture stock of the company, which

had been purchased from time to time on the market at an average cost of £68 per £100 stock. This transaction had the effect of bringing the debenture debt down to £750,000 and reducing the debenture interest by £6,000 per annum. The board had kept steadily in view the financial position of the company, which was now on a sound basis. The reduction of the debenture debt by £150,000, the repayment of the mortgage debt of £30,000 on the Hotel Russell, and the increase of reserve to £125,000 had entirely altered the face of the balance-sheet. The net profit for the year amounted to £67,473, which with the amount brought forward gave an available balance of £112,616. The board recommended a final dividend of 9½d per share, making 15 per cent. for the year and carrying forward £45,179.

With regard to the business for the current year, their seaside hotels had had a very good season, and the business in London had also been satisfactory. The Hotel Majestic at Harrogate would be thoroughly restored and re-equipped for next season's business, and the board anticipated a very good season there. He appealed to all the shareholders to use the hotels, these having been well maintained and in excellent repair, while their plant and equipment were in a high state of efficiency.

The Right Hon. Lord Bethell (vice-chairman) seconded the motion, which was carried unanimously, and the formal business having been transacted, the proceedings terminated with a vote of thanks to the chairman, directors and staff.

GOVERNMENT RETURNS, &c.

NATIONAL DEBT—(Million £).

	Aug. 1, 1914.	Dec. 31, 1919.	Mar. 31, 1921.	Mar. 31, 1922.	Mar. 31, 1923.	Mar. 31, 1924.	Dec. 31, 1924.	Mar. 31, 1925.	Oct. 17, 1925.
Funded Debt	588	315	315	315	314	314	314	314	314
Term Annuities	30	80	18	16	14	14	14	13	13
3½% Conversion Loan ..	..	..	..	866	684	666	655	709	740
4½% Conversion Loan ..	..	..	..	..	..	..	..	..	..
3½% War Stock	..	63	63	63	63	63	63	63	63
4½% War Stock	..	15	13	13	13	13	13	13	13
4% and 5% War Stock ..	2,047	1,995	1,963	2,095	2,166	2,017	2,052	2,052	2,052
National War Bonds	1,509	1,413	1,201	953	820	813	778	771	771
4% Funding Loan	..	409	406	401	399	396	396	395	395
4% Victory Bonds	..	360	347	335	326	314	314	350	350
Treasury Bonds	..	..	..	453	411	467	496	499	478
Exchequer Bonds	30	323	289	185	150	150	69	15	15
National Savings Certs..	..	267	285	342	354	368	364	358	370
Other Debt*	..	1,306	1,132	1,087	1,167	1,128	1,124	1,124	1,124
American Loan (Anglo-French)	..	51	1,131	878	616	688	636	676	636
Treasury Bills	15	1,107	154	147	194	186	220	167	141
Temporary Advances ..	1	243	..	..	..	..	..	..	..
Other Capital Liabilities	654	8,033	7,574	7,655	7,742	7,641	7,726	7,646	7,685
Total Liabilities	57	8,079	7,623	7,721	7,812	7,707	7,794	7,718	7,766

* Includes debt to American Government.

POSITION OF THE FLOATING DEBT.

Ways and Means Advances	Oct. 18, '24.	Mar. 31, '25.	Oct. 17, '25.	Oct. 17, '25.
Outstanding	..	..	..	4,500,000
Advances by Bank of England	..	..	..	..
Advances by Public Deptms.	176,234,000	166,585,000	141,621,000	4,300,000
Treasury Bills Outstanding	615,715,000	575,610,000	636,345,000	625,000
Total Floating Debt	791,949,000	742,195,000	777,966,000	8,175,000

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

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

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Redemption Account.				
			Silver Coin.	Gold and Bullion.	Bank of England Notes.	Ratio to Notes.	Balance at Bank of England.
1922.							
Mar. 29	300,351	14,285	5,000	28,500	19,450	15.9	261,479
June 28	295,374	13,338	6,000	28,500	19,650	16.3	254,312
Sept. 27	289,127	12,648	7,000	27,000	21,150	16.6	246,466
Dec. 27	301,337	12,872	7,000	27,000	21,150	15.9	258,222
1923.							
Mar. 28	285,616	12,318	7,000	27,000	22,450	17.3	241,294
June 27	286,503	12,516	7,000	27,000	22,460	17.3	242,446
Sept. 27	282,784	12,401	7,000	27,000	22,450	17.5	238,595
Dec. 26	299,070	12,571	7,000	27,000	22,450	16.5	255,032
1924.							
Mar. 26	281,538	11,908	7,000	27,000	22,450	17.6	236,267
June 25	280,316	12,472	7,000	27,000	22,450	17.0	246,139
Sept. 24	285,592	12,297	7,000	27,000	22,450	17.3	241,285
Dec. 31	296,261	12,812	7,000	27,000	22,450	18.2	248,111
1925.							
Mar. 25	284,256	11,882	7,000	27,000	26,950	18.9	235,076
June 24	292,278	12,265	7,000	..	53,950	18.5	243,474
Sept. 30	293,004	12,555	7,000	..	56,250	19.1	244,138
Oct. 14	293,735	12,199	7,000	..	56,250	19.1	244,537
21	291,901	12,258	7,000	..	56,250	19.2	240,817

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £320,000,000, for 1921 at £317,555,200, for 1922 at £309,988,400, for 1923 at £270,183,900, for 1924 at £248,190,900, and for 1925 at £246,145,400.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £40,000,000 in Treasury Bonds and Treasury Bills were opened on Oct. 23, 1925, and the total amount applied for was £40,000,000. For bills at three months dated Monday to Friday, £99 1s 0d, about 45 per cent., and above in full; Saturday bills at £99 1s 3d, above in full—in bills at 3 months, £39,150,000; in bonds, £850,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.	4% Treasury Bonds. Average Price.
1925.				
Aug. 21.....	35,000,000	61,575,000	3 15 2-91	94 0 0
Aug. 22.....	40,000,000	59,830,000	3 15 3-65	94 8 0
Sept. 4.....	40,000,000	56,955,000	3 16 2-53	94 8 0
Sept. 11.....	35,000,000	57,180,000	3 15 6-7	94 8 0
Sept. 18.....	40,000,000	67,255,000	3 10 1-05	94 8 0
Sept. 25.....	45,000,000	62,900,000	3 10 4-26	94 8 0
Oct. 2.....	45,000,000	65,940,000	3 7 3-59	94 8 0
Oct. 9.....	40,000,000	66,430,000	3 6 5-79	94 8 0
Oct. 16.....	35,000,000	41,885,000	3 12 7-86	94 8 0
Oct. 23.....	40,000,000	46,395,000	3 14 9-79	94 8 0

Tenders will be received on Oct. 30, 1925, for Treasury Bills and Treasury Bonds to be issued to the maximum amount of £40,000,000. The amount of Treasury Bonds issued will not exceed £4,000,000.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1925-26. (See Note)	Total Receipts into the Exchequer from	Receipts.	Week Ended	Week Ended
		Apr. 1, 1925, to Oct. 17, 1925.	Apr. 1, 1924, to Oct. 18, 1924.	Oct. 17, 1925.	Oct. 18, 1924.
Balances in Exchequer on 1st April.....	£	£	£	£	£
Bank of England.....	5,341,778	5,069,613	..	..	..
Bank of Ireland.....	1,215,322	1,562,001	..	..	..
REVENUE.....	6,557,100	6,311,614	..	..	..
Customs.....	102,040,000	54,722,000	1,441,000	1,189,000	..
Excise.....	137,220,000	71,103,000	6,935,000	8,971,000	..
Motor Vehicle Duties.....	17,500,000	5,292,000	4,477,000	274,000	..
Estate, &c., Duties.....	66,500,000	32,060,000	33,400,000	940,000	720,000
Stamps.....	24,000,000	11,380,000	10,490,000	700,000	990,000
Land Tax, House Duty & Mineral Rights Duty.....	1,000,000	180,000	660,000	10,000	..
Property & Income Tax.....	262,000,000	104,610,000	116,157,000	2,454,000	3,676,000
Super Tax.....	63,300,000	27,860,000	25,650,000	310,000	350,000
Excess Profits Duties, &c.....	4,000,000	6,520,000	9,540,000	200,000	340,000
Corporation Profits Tax.....	9,000,000	29,000,000	28,930,000	1,000,000	1,000,000
Post Office.....	900,000	450,000	480,000	..	..
Crown Lands.....	12,600,000	8,679,220	8,063,646	..	..
Interest on Sundry Loans.....	14,000,000	6,491,012	6,736,814	205,415	210,000
Miscellaneous.....	30,000,000	22,208,674	15,668,261	3,000,000	..
Revenue.....	801,060,000	388,565,906	388,410,721	17,469,415	17,446,000
Total Income Balance.....	387,123,006	395,042,335	..	..	..
OTHER RECEIPTS.....	..	..	..	..	..
Temporary Advances Repaid—	..	..	..	..	..
Under the Unemployment Insurance Acts, 1921.....	1,200,000	5,790,000	30,000	10,000	..
Money Raised by Creation of Debt—	..	..	..	..	..
(a) For Capital Expenditure Issues—	..	..	..	..	..
Under the Telegraph (Money) Acts, 1922 and 1924.....	5,950,000	4,500,000	..	..	..
Under the Housing Act, 1914.....	6,000	4,000	..	..	..
Under the West Indian Islands (Telegraph) Act, 1924.....	20,071	260,719	..	..	..
(b) Under the Unemployment Insurance Acts, 1921.....	1,675,000	140,000	..	..	..
(c) For other Issues—	..	..	..	..	..
By Treasury Bills.....	1,367,366,000	1,315,867,000	44,039,000	44,060,000	..
By 3% Conversion Loan.....	30,754,560	2,775,000	..	..	..
By National Savings Certificates By Exchequer and National War Bonds.....	19,200,000	15,150,000	700,000	750,000	..
By Treasury Bonds, 1925.....	15	..	..	..	..
By 4% Treasury Bonds, 1921-23.....	3,847,388	13,521,620	2,668,388	..	..
Anglo-Persian Oil Company—	402,581,000	500,259,000	5,000,000	3,950,000	..
Dividends on Shares Acquired.....	..	23,109	..	..	..
Repayments—	..	..	..	..	..
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921.....	116,243	562,521	..	..	..
In respect of Issues under Section 59 (4) of Finance Act, 1920.....	9,901,981	..	..	..	..
Interest received under Section 59 (5) of Finance Act 1920.....	256,778	..	..	..	..
Total.....	2,229,998,052	2,251,120,304	72,681,803	66,216,000	..

NOTE.—Budget Estimate as in H.C. No. 84 of 1925.

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1925-26. (including Supplementary Grants.)	Total Issues out of the Exchequer to meet Payments from	Issues.	Week Ended	Week Ended
		Apr. 1, 1925, to Oct. 17, 1925.	Apr. 1, 1924, to Oct. 18, 1924.	Oct. 17, 1925.	Oct. 18, 1924.
EXPENDITURE.....					
National Debt Services—					
Interest, &c.....	305,000,000	185,218,490	185,213,986	5,280,367	5,640,635
Sinking Fund.....	50,000,000	21,649,037	15,553,855	379,645	500,000
Red Fund.....	16,900,000	4,691,044	3,876,044	454,000	371,000
Payments to Local Taxation Accounts, &c.....	13,329,000	5,163,474	4,687,891	480,000	..
Payments to Northern Ireland Exchequer.....	4,000,000	2,425,617	2,403,737	..	..
Land Settlement.....	700,000	327,342	327,083	..	..
Other Consolidated Fund Services.....	2,000,000	1,526,398	1,356,819	..	..
Supply Services.....	419,086,000	213,780,555	199,900,512	8,140,000	8,530,000
Expenditure.....	810,015,000	434,711,957	414,319,927	14,734,012	15,041,635

	Total Issues out of the Exchequer to meet Payments from	Issues.	Week Ended	Week Ended
	Apr. 1, 1925, to Oct. 17, 1925.	Apr. 1, 1924, to Oct. 18, 1924.	Oct. 17, 1925.	Oct. 18, 1924.
OTHER ISSUES.....				
Temporary Advances—				
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	73,782	73,782	36,891	36,891
Under the Unemployment Insurance Acts, 1921.....	1,715,000	250,000	..	..
Issues to meet Capital Expenditure—				
Under the Telegraph (Money) Acts, 1922 and 1924.....	6,350,000	4,750,000	..	..
Under the Housing Act, 1914.....	6,000	6,000	..	..
Under the West Indian Islands (Telegraph) Act, 1924.....	20,071	310,719	..	..
Unemployment Insurance Acts, 1921—				
Repayment of amounts borrowed.....	1,170,000	5,780,000	..	..
Redemption of Debt—				
Treasury Bills.....	1,306,620,000	1,288,500,000	43,400,000	40,060,000
Principal of National Savings Certificates.....	16,500,000	17,500,000	560,000	550,000
Principal of Exchequer Bonds paid off.....	306,667	..	..	..
Principal of National War Bonds paid off.....	8,344,789	6,304,373	..	200,000
Principal of Treasury Bonds paid off Other Debt under the War Loan Acts, 1914 to 1919.....	23,645,865	..	..	..
Ways and Means Advances Repaid.....	427,515,000	510,180,500	13,800,000	9,930,000
Anglo-Persian Oil Company—Issued to the National Debt Commissioners.....	2,227,009,131	2,247,938,460	72,530,903	65,788,526
Balance in Exchequer—				
Bank of England.....	2,030,006	2,183,443	23,566	272,864
Bank of Ireland.....	9,8915	932,401	137,334	151,610
Total.....	2,988,921	3,121,844	160,900	427,474
Treasury, October 19, 1925.				

The Bankers' Gazette.

BANK OF ENGLAND.
Week ended Wednesday, October 21, 1925.

ISSUE DEPARTMENT.		BANKING DEPARTMENT.	
£	£	£	£
Notes issued.....	170,640,245	Government debt.....	11,015,100
		Other securities.....	8,734,900
		Gold coin & bullion.....	150,890,245
	170,640,245		170,640,245
Proprietors' capital.....	14,553,000	Government securities.....	32,378,644
Reserve.....	3,082,686	Other securities.....	74,111,101
Public deposits.....	9,618,468	Notes.....	28,099,650
Other deposits.....	109,182,246	Gold and silver coin.....	1,850,511
Seven-day & other bills.....	3,506		
	136,439,906		
* Including Exchequer, Savings Banks, Commissioners of National Debt and Dividend Accounts.			

	Amount, Oct. 21, 1925.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Rest.....	£ 3,082,686	—	£ 12,768
Public deposits.....	9,618,468	+ 1,163,360	+ 5,139,267
Other deposits.....	109,182,246	+ 5,769,517	+ 3,515,104
Government securities.....	32,378,644	+ 3,557,057	+ 10,089,799
Other securities.....	74,111,101	+ 5,882,582	+ 3,025,246
Reserve.....	29,950,161	—	4,618,064
Note circulation.....	142,540,595	+ 533,240	+ 19,634,965
Coin and bullion.....	152,740,756	+ 3,102,506	+ 24,253,011
% of reserve to liabilities.....	25%	—	34%

	Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Gold in or out of Bank.	Reserve and % of Reserve to Liabilities.	Bank Rate.
1925.								
Sept. 9.....	161,377,764	£ 144,195,765	129,003,788	110,342,967	1,159,000 out	36,831,999	28%	4%
16.....	161,063,686	143,527,205	128,489,517	109,458,553	306,000 out	37,885,481	29	..
23.....	160,660,075	142,910,840	131,520,167	112,297,428	394,000 out	37,499,235	28%	..
30.....	160,467,713	144,774,565	129,500,588	112,349,083	249,000 out	35,442,148	27%	..
Oct. 7.....	157,916,689	141,961,040	119,055,599	102,979,891	2,547,000 out	33,705,649	28%	4%
14.....	155,843,261	143,133,835	111,868,037	97,050,106	2,163,000 out	32,459,426	29	..
21.....	152,740,756	142,540,595	118,800,714	106,489,745	3,101,000 out	29,950,161	25%	..

BANKERS' CLEARING RETURNS (000's omitted).

	Week Ending—	Town.	Metropolitan.	Country.	Total.
1925.					
January 1 to October 7.....	27,265,678	1,284,546	2,274,714	30,824,938	
Oct. 14.....	695,267	32,545	56,105	783,917	
21.....	674,773	33,364	60,162	768,299	
Total to date 1925.....	28,635,718	1,350,455	2,390,981	32,377,154	
Do 1924.....	28,076,716	1,286,395	2,344,195	31,707,306	
Increase or decrease in 1925.....	+ 559,002	+ 64,060	+ 46,786	+ 669,848	
%.....	+ 1%	+ 4%	+ 1%	+ 2%	
Total for year 1924.....	35,038,606	1,594,114	2,900,145	39,532,864	
Total for year 1923.....	32,270,373	1,546,565	2,810,654	36,627,592	
Increase or decrease in 1924.....	+ 2,768,233	+ 47,549	+ 89,491	+ 2,905,273	
%.....	+ 8%	+ 3%	+ 3%	+ 7%	

PROVINCIAL CLEARING RETURNS.

	Month of September.	Aggregate Weekly Totals to Oct. 17.
	1924.	1925.
Number of Working Days.....	26	26
BIRMINGHAM.....	9,292,000	10,072,000
BRISTOL.....	4,971,000	4,847,000
DUBLIN.....	225,888,500	213,668,800
HULL.....	4,566,000	4,660,000
LEEDS.....	3,575,000	3,569,000
LIVERPOOL.....	3,067,000	3,059,000
MANCHESTER.....	37,248,000	35,358,000
NEWCASTLE-ON-TYNE.....	65,167,000	59,927,000
NOTTINGHAM.....	7,015,000	5,945,000
SHEFFIELD.....	2,587,000	2,654,000
Total.....	141,688,000	134,857,000

OVERSEAS BANK RETURNS.

NOTE.—The latest return of the Bank of Estonia appeared in the Economist of June 27; Denmark, in Oct. 10; South Africa, Japan and Portugal in Oct. 17.

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

	Oct. 16, 1925.	Oct. 9, 1925.	Oct. 2, 1925.	Sept. 25, 1925.
RESOURCES.....				
Total gold reserves.....	2,766,060	2,761,390	2,759,970	2,765,558
Total bills discounted.....	643,550	644,030	631,190	640,730
Bills bought in open market.....	287,010	283,900	26,310	238,490
Total U.S. Government securities.....	332,230	324,120	342,910	323,130
Total earning assets.....	1,275,620	1,265,120	1,257,020	1,212,870
Total resources.....	5,194,280	4,969,500	4,905,540	4,901,070
LIABILITIES.....				
Federal Reserve notes in actual circulation.....	1,715,530	1,701,130	1,685,110	1,670,350
Deposits—Member bank—reserve account.....	2,228,180	2,238,150	2,209,940	2,207,090
Total deposits.....	2,228,180	2,238,060	2,207,980	2,207,450
Capital paid in and surplus.....	334,330	334,120	334,280	334,270
Total liabilities.....	5,194,280	4,969,500	4,905,540	4,901,070
Ratio of total res. to dep. and Federal Reserve note liabilities combined.....	71.7%	71.8%	72.5%	72.9%

NEW YORK FEDERAL RESERVE BANK.—In \$'s (000's omitted).

	Oct. 16, 1925.	Oct. 9
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BANK OF DANZIG.—In Danzig gulden (000's omitted).

Assets.	Oct. 15, 1925.	Sept. 30, 1925.	Sept. 15, 1925.	Aug. 31, 1925.	Aug. 15, 1925.	Oct. 15, 1924.
Gold and bullion	2,767	2,776	2,805	2,655	2,785	2,774
Of which gold coin	4	4	5	5	5	14
Danzig subsidiary coin	2,763	2,772	2,800	2,650	2,780	2,761
Balances, Bk. of Eng., inc. notes	13,104	17,704	19,497	15,205	14,727	12,748
Bills of exchange	16,954	17,206	18,131	19,513	20,084	14,687
Loans	682	1,316	1,878	2,297	1,692	980
Foreign exchange on demand	21,217	25,187	12,267	13,889	17,034	15,799
Other balances on demand	3,641	1,920	1,908	1,923	1,090	1,768
LIABILITIES.						
Capital paid up	7,500	7,500	7,500	7,500	7,500	7,500
Notes in circulation	32,967	35,296	30,255	33,444	31,457	25,030
Deposits on demand	6,657	9,343	4,676	3,387	4,954	15,713
Deposits at notice	nil	nil	nil	nil	4,954	15,713

BANK OF POLAND.—In zloty (000's omitted).

Assets.	Oct. 10, 1925.	Sept. 30, 1925.	Sept. 20, 1925.	Sept. 10, 1925.
Gold	132,072	132,807	131,978	131,950
Foreign currencies	63,335	71,739	69,009	65,969
Silver and bullion	18,884	10,883	3,106	6,408
Bills discounted	286,816	292,300	292,330	285,403
Loans against securities	53,205	47,312	48,923	41,840
Short-term discounts	18,298	18,309	18,107	18,102
Liability of the Treasury	50,000	50,000	50,000	50,000
LIABILITIES.				
Share capital	100,000	100,000	100,000	100,000
Reserve funds	1,197	1,197	1,197	1,197
Notes in circulation	381,496	395,529	398,074	417,805
Current accounts	111,667	104,991	99,375	78,436
Liability in foreign exchange	41,684	34,359	32,697	24,643

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

Assets.	Oct. 7, 1925.	Sept. 30, 1925.	Sept. 23, 1925.	Sept. 15, 1925.
Gold and silver holdings	1,030,050	1,030,453	1,030,353	1,030,985
Balance abroad and foreign currency	713,570	701,935	696,649	686,045
Discounts and advances	1,062,308	1,062,058	1,057,186	1,064,791
Uncovered state notes debt balance	5,240,532	5,258,908	5,258,730	5,269,804
Other assets	694,513	740,422	494,641	436,144
LIABILITIES.				
State notes in circulation	7,626,864	7,839,377	7,187,441	7,312,853
Check account balances	483,904	483,957	884,312	693,740
Other liabilities	478,205	470,442	465,806	471,364

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

Assets.	Oct. 15, 1925.	Oct. 7, 1925.	Sept. 30, 1925.	Oct. 15, 1924.
Metal reserve	14,830	14,830	14,830	10,920
Gold in coin & bullion	492,106	492,106	503,558	383,211
Foreign bills	64,790	72,617	72,617	72,617
Other foreign bills	80,194	82,639	82,702	265,233
Bills discounted	195,770	196,130	196,640	220,960
LIABILITIES.				
Reserve fund	2,679	2,679	2,679	487
Notes in circulation	783,081	816,595	840,698	766,657
Deposits	64,691	45,955	29,537	112,998

† Contains such foreign bills and balances as bought from customers against kronen under the agreement that the same amount of foreign currency shall be supplied to the customers at fixed terms on condition of such sums in kronen being returned by them as were paid by the bank for the foreign currency delivered.

NATIONAL BANK OF HUNGARY.—In Hungarian crowns (000's omitted).

Assets.	Oct. 15, 1925.	Oct. 7, 1925.	Oct. 15, 1924.
Metal reserve	702,748,249	702,740,642	504,084,483
Gold coin and bullion	2,426,413,121	2,379,284,109	1,548,328,198
Foreign bills	12,543,776	12,543,828	13,301,040
Other foreign bills	1,605,328,998	1,716,117,467	1,800,211,414
Advances to the Treasury	1,995,878,312	1,995,878,312	1,976,454,877
LIABILITIES.			
Share capital (gold crowns 30,000,000)	432,186,664	432,186,664	432,186,664
Notes in circulation	4,824,885,573	4,992,378,182	4,131,333,420
Current accounts, deposits, &c.	2,696,335,415	2,493,605,299	1,657,881,589

* Calculated at pre-war parity of exchange.

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

Assets.	Oct. 15, 1925.	Oct. 7, 1925.	Sept. 30, 1925.	Sept. 22, 1925.	Oct. 15, 1924.
Gold	73,912	73,951	73,586	73,547	72,328
Other coin and notes	20,047	20,367	20,275	20,553	18,677
Foreign credits	411,604	406,561	416,527	423,002	384,877
Bills	1,036,309	1,027,433	995,035	974,020	1,340,090
Govt. advances	4,590,165	4,519,949	4,519,832	4,519,832	4,564,547
LIABILITIES.					
Notes in circulation	6,209,392	6,097,108	6,088,217	6,026,063	5,026,063
State credits	367,445	367,227	367,128	367,110	389,953
Deposits	668,313	660,848	770,441	821,399	512,419

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

Assets.	Sept. 26, 1925.	Sept. 19, 1925.	Sept. 12, 1925.	Sept. 27, 1924.	May 12, 1924.
Gold	565,879	565,786	565,528	562,957	545,276
Silver, &c.	5,856	5,859	6,067	2,375	776
Government loan	11,301,209	11,298,211	11,292,103	11,554,490	12,585,180
Other advances	10,225,814	9,849,239	9,727,099	7,693,859	5,037,432
LIABILITIES.					
Notes in circulation	20,649,037	20,597,659	20,348,153	18,871,202	15,845,426
Deposits	7,830,150	7,509,760	7,544,122	6,688,538	7,077,350

NATIONAL BANK OF BULGARIA.—In leva (000's omitted).

Assets.	Sept. 14, 1925.	Aug. 14, 1925.	June 14, 1925.	April 14, 1925.	May 14, 1924.
Monetary reserves	58,229	58,183	87,300	95,273	67,303
Gold	94,390	100,240			
Notes of foreign banks	4,786	5,718	2,840	2,861	2,412
Foreign bills	40,066	17,375	23,071	37,795	37,944
Credits with foreign correspondents	580,938	479,693	478,040	569,361	733,016
Note circulation	4,222,610	4,137,660	4,194,336	4,171,702	4,389,695
Loans to the State	4,581,141	4,551,374	4,618,150	4,522,402	4,650,042

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

Assets.	Oct. 17, 1925.	Oct. 9, 1925.	Oct. 3, 1925.	Oct. 18, 1924.	Position May 30, 1914.
Gold	2,536,670	2,536,670	2,536,667	2,534,928	521,776
Silver	646,755	646,755	652,471	647,256	728,200
Loans & discounts	2,472,977	2,472,977	2,474,405	2,285,019	800,725
Spanish 4% stock	344,475	344,475	344,475	344,475	344,475
Treasury bills	150,000	150,000	150,000	150,000	150,000
LIABILITIES.					
Circulation	4,484,992	4,484,992	4,435,583	4,375,938	801,550
Deposits	967,671	967,671	964,439	974,409	926,680

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

Assets.	Aug. 31, 1925.	Aug. 15, 1925.	July 31, 1925.	July 15, 1925.	Aug. 31, 1924.
Gold and balances abroad	2,531,476	2,576,640	2,528,409	2,400,874	2,612,013
Government loans and securities	3,793,261	3,795,877	3,795,877	3,795,957	3,951,580
Discounts and loans	3,304,434	3,275,932	3,313,275	3,317,368	2,049,914
LIABILITIES.					
Notes in circulation	5,302,822	5,286,642	5,302,758	5,222,104	4,422,493
Government deposits	623,569	544,385	562,510	569,426	820,728
Private sight deposits	4,105,615	2,111,529	2,114,967	2,118,928	1,890,902
Private deposits at fixed rates	1,004,208	1,010,165	1,015,955	1,021,507	1,073,471

RUSSIAN STATE BANK.—Note-issuing Department.

Assets.	Oct. 16, 1925.	Oct. 1, 1925.	Sept. 16, 1925.	Sept. 1, 1925.	Oct. 16, 1924.
Gold in coin and bullion	18,494	18,476	16,813	16,838	13,140
Platinum	3,183	3,183	2,867	2,370	743
Foreign bank notes	4,676	4,676	4,685	4,685	10,317
Drains in sterling (less 10%)	170	170	170	169	355
Bills (less 10% discount)	52,401	52,408	48,378	46,852	22,488
Securities covering advances on goods (less 10%)	86	86	86	86	8,707
LIABILITIES.					
Bank notes	75,686	75,564	72,698	70,277	54,358
Balance to which notes may still be issued	3,314	3,336	302	723	1,392

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

Assets.	Sept. 30, 1925.	Sept. 20, 1925.	Sept. 10, 1925.	Aug. 31, 1925.	Sept. 30, 1924.	Position May 31, 1914.
Total cash	1,549,530	1,580,125	1,530,752	1,549,470	1,584,809	1,221,875
Inland bills	5,284,126	5,065,437	5,104,623	5,285,097	3,266,194	418,400
Treasury	5,378,283	5,378,370	5,378,370	5,378,370	5,567,003	nil
Advances to the Treasury	3,260,167	3,190,391	3,216,015	3,231,603	1,889,468	79,175
Other advances	366,021	366,320	366,397	367,130	389,757	806,700
LIABILITIES.						
Notes in circulation	15,355,533	15,044,609	15,280,168	15,412,289	13,603,231	1,558,929
Deposits & drafts	1,569,640	1,461,547	1,551,072	1,551,107	1,509,346	193,976

NATIONAL BANK OF EGYPT.—In £ (000's omitted).

Assets.	Aug. 31, 1925.	July 31, 1925.	June 30, 1925.	May 31, 1925.	Aug. 31, 1924.	Position May 31, 1914.
Gold	3,380	3,373	3,384	3,374	3,368	1,571
Govt. securities	53,605	52,943	56,826	59,064	45,942	2,084
LIABILITIES.						
Notes in circulation	31,005	31,488	33,877	35,377	26,511	2,400
Govt. deposits	21,777	22,112	21,994	22,113	14,287	2,315
Other deposits	15,197	14,855	14,925	15,090	14,897	2,600

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

LONDON RATES.

	Oct. 15, 1925.	Oct. 7, 1925.	Oct. 15, 1924.	Oct. 21, 1925.	Oct. 22, 1925.	Oct. 23, 1925.
Bank rate (changed from 4½% Oct. 1, 1925)	4%	4%	4%	4%	4%	4%
Market rates of discount						
60 days' bankers' drafts	3½	3½	3½	3½	3½	3½
3 months' do	3½	3½	3½	3½	3½	3½
4 months' do	3½	3½	3½	3½	3½	3½
6 months' do	3½	3½	3½	3½	3½	3½
Discount (Treasury Bills)						
2 months	3½	3½	3½	3½	3½	3½
3 months	3½	3½	3½	3½	3½	3½
6 months	3½	3½	3½	3½	3½	3½
Loans—Day to day	3½	3½	3½	3½	3½	3½
Short	3½	3½	3½	3½	3½	3½
Deposit allowances—Banks	3½	3½	3½	3½	3½	3½
Discount houses at call	2	2	2	2	2	2
At notice	2	2	2	2	2	2

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

Comparison with previous weeks:—	
	Bank Bills.
	3 Months. 4 Months. 6 Months.
Oct. 1925.	% % %
1	3½ 3½ 3½
16	3½ 3½ 3½
23	3½ 3½ 3½

OVERSEAS BANK RATES.

Changed.			%	Changed.			%
Amsterdam	Oct. 3, 1925	..	39	Oslo	Sept. 14, 1925	..	6
Athens	Aug. 18, 1925	..	10	Paris	July 9, 1925	..	6
Belgrade .....	.....	..	6	Prague	Sept. 25, 1925	..	7
Berlin	Feb. 26, 1925	..	9	Riga	Feb. 16, 1924	..	7
Brussels	Jan. 22, 1923	..	54	Rome	June 18, 1925	..	8
Bucharest	Sept. 4, 1920	..	7	Sofia .....	.....	..	45
Budapest	Oct. 21, 1925	..	5	Stockholm	Oct. 8, 1925	..	34
Calcutta	Sept. 24, 1925	..	54	Swiss Bank	.....	..	9
Canton	Sept. 4, 1925	..	9	places	Oct. 22, 1925	..	34
Cebu	Aug. 14, 1925	..	8	Tokio	April 15, 1925	..	7
Hankow .....	.....	..	8	Vienna	Sept. 2, 1925	..	9
Hong Kong	Sept. 12, 1923	..	8	Warsaw	(See note below)	..	

and two months' delivery respectively—a rise of $\frac{1}{4}$ d and $\frac{3}{4}$ d. On the 19th inst., the next working day, China orders were received to carry forward bear contracts; the market being bare of spot supplies, these had the effect of raising the cash quotation and lowering the forward $\frac{1}{4}$ d, thus increasing the difference to $\frac{1}{2}$ d—the widest since June 5, 1924. America was inclined to supply the market at the higher level. Yesterday the market experienced reverse operations to those of the 19th inst., and prices readily reacted, that for cash delivery falling $\frac{1}{4}$ d to $\frac{3}{4}$ d and for forward delivery $\frac{1}{4}$ d to $\frac{3}{4}$ d. The following table shows the imports and exports of silver to and from the United Kingdom during the week ending the 14th inst.:

Imports.	£	Exports.	£
Netherlands	10,900	Austria	16,750
U.S.A.	63,093	Egypt	18,810
Mexico	97,002	British India	40,151
Other countries	20,682	Other countries	2,925
Total	191,677	Total	78,636

INDIAN CURRENCY RETURNS. (In Lacs of Rupees.)

	Sept. 30.	Oct. 7.	Oct. 15.
Notes in circulation	18,951	18,961	19,052
Silver coin and bullion in India ..	9,009	9,018	9,009
Silver coin and bullion out of India ..	..	..	..
Gold coin and bullion in India	2,232	2,232	2,232
Gold coin and bullion out of India ..	..	..	..
Securities (Indian Government) ..	5,711	5,711	5,711
Securities (British Government) ..	1,999	2,000	2,100

No silver coinage was reported during the week ending 15th inst. The stock in Shanghai on the 17th inst. consisted of about 53,100,000 ounces in sycee, 68,500,000 dollars, and 4,450 silver bars, as compared with about 53,400,000 ounces, 66,500,000 dollars, and 3,680 silver bars on the 12th inst.

NOTICES.

The directors of Lloyds Bank, Limited, announce that the Right Hon. Sir George Lloyd, G.C.S.I., G.C.I.E., D.S.O., has resigned his seat on the board on leaving England to take up his appointment as High Commissioner for Egypt. They also announce that Mr Cyril E. Lloyd, M.P., of Church House, Broome, Stourbridge, has been elected to a seat on the board. Mr Lloyd is a director of the Great Western Railway and other companies.

A branch of the Commercial Banking Company of Sydney, Limited, has been opened at Waverley (Bondi Junction), a suburb of Sydney.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per annum, except where marked % or stated in Cash.	Interim Div.	Final Div.	Method of Payment.	Dividend for Whole Year.	Lat'st Pre-vious
Railways.						
Bengal-Nagpur	15 p.s.	Jan. 1	..	..	5	5
United of Havana	4½%	..	..	..	8	7
Banks.						
Bank of Montreal	3% (& bonus	of 2%)	Quarterly	..	3	..
Hollandsche voor Zuid-Amerika ..	..	..	..	..	8½	8½
Insurance.						
Caledonian	7½ p.s.	Nov. 11	Less tax	..	..	..
Liverpool and London	10 p.s.	Nov. 16	..	..	..	..
Northern Assurance	8 p.s.	Nov. 5	Less tax	..	..	..
United British	5½%	Nov. 14	Less tax	..	..	..
Mining.						
Amalgamated Zinc (de Bary's) ..	1 p.s.	Nov. 25	Less tax	..	..	..
Aramayo de Bolivia	5%	Nov. 2	..	..	5	5
Goldfields Rhodesian Developmt. ..	2½%	..	Less tax	..	7½	10
Naraguta	7½%	..	Less tax	..	10	10
Premier Diamond, Deid.	300%	..	..	..	..	..
Ropy Tin	20%	Nov. 16	Less tax	..	..	..
Scottish Australian	2½%	Nov. 4	Less tax	..	..	..
Tekka-Tai-ping	2½%	Oct. 31	..	..	..	..
Tea and Rubber.						
Agua Santa Coffee, Ord.	..	..	..	..	14	7
Do Def.	..	..	..	..	5½ p.s.	nil
Anglo-Johore Rubber	15½%	Nov. 9	Less tax	..	35	28
Anglo-Sumatra Rubber	25½%	..	Less tax	..	25	15
Barje Kidol Rubber & Produce ..	17½%	..	Less tax at 4/6	..	20	10
Batak Rubber	..	..	..	..	..	..
Bukit Lintang	7½%	Nov. 20	Less tax at 4/1½	..	15	5
Cluny Rubber	7½%	Nov. 9	Less tax	..	..	..
Delmont Coffee	..	..	..	..	7½	7½
Dennistown Rubber	5½%	Nov. 30	Less tax	..	..	..
Gula-Katupong Rubber	1½ p.s.	Oct. 27	Less tax	..	..	..
Heawood Tin and Rubber	4 p.s.	Nov. 17	Less tax	..	..	..
Inch Kenneth Rubber	..	..	..	..	..	..
Java Rubber and Produce	25½%	Nov. 3	Less tax	..	25	7½
Kali (Java) Rubber	7½%	..	Less tax	..	..	..
Kampong Kuantan Rubber	20%	..	Less tax	..	..	..
K.M.S. Rubber	..	..	..	..	12½	..
Korale Tea	..	..	..	..	20	nil
Kuala Kubu Rubber	..	..	Less tax	..	10	nil
Landed Rubber	7½%	Nov. 8	..	..	..	..
Ledbury Rubber	12½%	Nov. 8	..	..	..	..
Lok Kawi Rubber	15½%	Nov. 10	..	..	..	..
London Asiatic Rubber and ..	12½%	Dec. 15	Less tax at 4/1½	..	..	..
Produce	..	..	..	..	15	5
Merbau Rubber	10%	..	Less tax	..	..	..
Merton Rubber	..	..	..	..	..	..
Neboda (Ceylon) Rubber & Tea ..	10½%	Nov. 19	..	..	..	..
Petong Java Rubber	1 p.s.	..	..	..	..	..
Rini (Java) Rubber	3½%	..	..	..	6	3
Sables North Borneo Rubber	3½%	..	..	..	..	..
Do	8½%	..	..	..	11½	nil
Sengat Rubber	..	..	..	..	..	..

Standard Tea of Ceylon	20%	Oct. 28	Less tax	%	%
Stanmore Estates	10½%	..	..	22½	17½
Sungei Baku Rubber	..	..	..	20	15
Sungei Kap r Rubber	12½%	..	Less tax	6	nil
Sungei Siput Rubber	..	..	Less tax	..	..
Sungei Timah Rubber	7½%	Nov. 2	Less tax	..	..
Tangga Bitu Rubber	10%	..	Less tax	..	..
Tangor Rubber	..	..	..	6	2½
Telbedde Ceylon	40%	..	..	..	..
Thirid Mile Rubber	20%	..	Less tax	..	..
Tijilwoong Java Plantations	4%	Nov. 30	..	..	..
Other Companies.					
Aberdeen Commercial	4 p.s.	..	Tax free	..	..
Angela Nitrate	10½%	Nov. 16	Less tax	..	..
Austin Road	5½%	Oct. 31	..	..	..
Br mpton Bros.	..	..	Tax free	10	10
Brazilian Traction	1%	Dec. 1	Quarterly	..	..
Bretts' Stamping	24%	..	Tax free	10	10(b)
Bristol Brewery (Georges)	5%	Oct. 31	Less tax	20	18
British Borneo Petroleum	12½%	Nov. 11	Less tax	..	..
Burmah Oil	5½%	Nov. 6	Less tax	..	..
Butler's Wharf	5½%	Nov. 2	Less tax	..	..
Callender's Cable	7½%	..	..	12	12
Car ton Hotel	4%	..	..	6	6
Castleblinham Breweries	6½%	Nov. 1	Tax free	11	10
City and West-End Properties ..	12½	..	Less tax	12	18
Clydesdale Investment	19 p.s.	..	Less tax	12½	7
Egyptian Markets	5½%	Nov. 18	Less tax	15	nil
Erinold	7½%	..	..	5	5
Fairfield Shipbuilding	4%	Nov. 1	Quarterly	..	..
Farmers' Loan and Trust	10%	Nov. 2	Less tax	15	15
Gieves	10½%	..	..	10	10
Hammond's Brewery	10%	..	Tax free	15	10
Hans Crescent Hotel	10½%	..	Less tax	11	14
Herbert Morris	4%	..	Tax free	..	..
Herrburger Brooks	10½%	..	Less tax	12½	7½
Hodgson's Kingston Brewery	1½ p.s.	Oct. 29	Less tax	..	..
Holbrooks	4%	..	Tax free	..	..
Horne Bros.	5%	..	Less tax	..	..
Hughes Johnson Stampings	10%	..	Less tax	..	..
Industrial and General Trust ..	5%	..	Less tax	..	..
James Howell	24%	..	Less tax	..	..
John Walsh	7½%	..	Less tax	..	..
Joseph Lucas	5½%	..	Less tax	..	..
Kern River Oilfields	5½%	Nov. 25	Less tax	12½	15
Lautaro Nitrate	2½%	..	Less tax	15	15
Leeds Pirelay	5½%	Oct. 28	Less tax	5½	7
London County Freehold Props. ..	5½%	..	Less tax	10	5
London Theatres of Varieties ..	..	..	Tax free	20	25
Longmorn-Glenlivet Distilleries ..	10½	..	..	8½	5
Manchester Hippodrome and ..	14%	Nov. 16	Less tax	..	..
Ardwick Empire	5½%	Nov. 20	Less tax	..	..
Mansion House Chambers	5½%	..	Less tax	..	..
Melbourne City Properties Trust ..	5½%	..	Less tax	..	..
Melford Industrial Corporation ..	5½%	..	Less tax	..	..
Newton Collieries	5½%	Nov. 14	Less tax	..	..
Olympic Portland Cement	2½ p.s.	..	..	..	..
Oxford Canal Navigation	3%	Nov. 2	Less tax	..	..
River Plate Electricity	4½%	..	Less tax	..	..
Roneo, Limited	4%	..	Less tax	..	..
Sadler and Co.	3%	..	Less tax	..	..
Scottish Mortgage and Trust	24%	Nov. 6	Less tax	..	..
Second Guardian Invest. Trust ..	24%	..	Less tax	..	..
Second Mercantile Trust	24%	..	Less tax	..	..
See & Badiators	7½ p.s.	..	Less tax	..	..
Sir Elkanah Armitage	7½%	..	Less tax	..	..
Sneyd Collieries	7½%	..	Less tax	..	..
Tebbit Bros.	7½%	Nov. 17	Tax free	..	..
Trust and Agency of Australia ..	7½%	..	..	..	..
Tweedales and Smalley	7½%	..	..	..	..
Tyrrill and Gree	4%	Nov. 3	Less tax	..	..
United Anthracite Collieries	5	..	..	..	..
United River Plate Telephone	3%	Nov. 2	Tax free	..	..

(b) Less tax.

MINING OUTPUT STATISTICS FOR SEPTEMBER, 1925.

	Tons Crushed.		Gold Recovered.		Value.	Profit.
	Mill.	Cyanide Works.	Mill.	Cyanide Works.		
Gold.	Tons.	Tons.	Ozs.	Ozs.		
Esperanza	20,357	..	..	..	(August) \$115,105	\$18,873
Oriental Consolidated	..	..	..	..	..	..
Oriental Dredging (13 days to October 16th)	..	..	..	..	..	\$18,783

	Output.	Other Notes in Return.
Coal.	Tons.	
Witbank	75,469	
Copper.		
Poderosa	300	(metric), assaying 25 per cent. copper.
Lead.		
Broken Hill Proprietary ..	716	lead concentrates and 446 tons zinc concentrates.

MOUNT LYELL.—During the four-weekly period ended October 14th the mill treated 9,310 tons of ore, producing 2,759 tons of concentrates.

OIL OUTPUTS.

BRITISH CONTROLLED OILFIELDS, LIMITED.—By cable for the week ending October 14, 1925: Production, 52,708 barrels; shipments, 8,890 tons.

UNITED BRITISH OILFIELDS OF TRINIDAD, LIMITED.—Combined production for the week ending Wednesday, October 14, 1925, amounted to 705 tons.

VENEZUELAN OIL CONCESSIONS, LIMITED.—Production for the week ended October 17, 1925, was as follows:—La Rosa, 5,743 metric tons (previous week ended October 10th, 5,475 metric tons). Maracaibo District, 3,030 metric tons (previous week ended October 10th, 2,944 metric tons). Well P.10 in the La Paz Field, Maracaibo District, came in on October 18th at a depth of 905 feet, and produced 160 tons in the first 24 hours through a 3-inch open line.

Reports and Notices.

GOVERNMENT STOCKS, &c.

GREEK DEBT.—The Council of Foreign Bondholders issues the following information, compiled from figures published by the International Financial Commission at Athens, with regard to the revenues assigned under the Law of Control for the service of the Greek debt from January 1st to August 31, 1925, compared with those for the same period in 1924:—

	Monopolies, Tobacco, Stamps, Stamped Paper, Naxos Emery.	Piræus Customs.
Gross receipts, August, 1925	Drachmæ. 8,044,084.10	Drachmæ. 41,336,250.80
Do do do 1924	7,993,327.95	(d) 33,396,537.00
Estimated receipts for eight months (Law of Control)	19,266,666.67	7,133,333.33
Actual receipts for 1925 (eight months)	80,327,811.15	334,902,390.70
Actual receipts for 1924 (eight months)	69,938,244.60	(e) 264,100,894.05

Note.—Of the surplus over the estimated receipts from monopolies, tobacco, stamps, stamped paper, and naxos emery, 49 1-5 per cent. is applied towards increasing the minimum rates of interest and sinking fund on the external gold loans of 1881 to 1893. As regards receipts subject to the system of plus-values, increases in duties and prices are excluded therefrom in the above table. (d) (e). In addition to these amounts import duties equivalent to £13 9s 1d in the case of (d) and to £6,211 5s in the case of (e) were paid in gold at the Piræus Customs.

BANKS.

CHASE NATIONAL BANK (NEW YORK).—The statement of condition at close of business on September 28, 1925, reveals total resources \$555,465,870. Cash is at \$173,692,814. Loans and discounts are at \$276,560,796. U.S. Government securities are at \$68,764,223. Other securities amount to \$20,189,865. Acceptances stand at \$15,731,493. With regard to liabilities, deposits amount to \$478,031,888. Capital amounts to \$20,000,000. Surplus and profits amount to \$26,895,768.

EQUITABLE TRUST COMPANY OF NEW YORK.—The statement of condition at close of business on September 30, 1925, shows total assets \$451,601,245. Cash is at \$42,546,082. Exchanges for clearing house amount to \$49,954,255. Due from foreign banks, \$9,741,124. Bills discounted stand at \$94,165,310. Foreign offices, \$72,524,648. With regard to liabilities, the capital of the institution is \$23,000,000. Surplus and undivided profits amount to \$12,031,808. Deposits (including foreign offices) stand at \$387,876,071. Acceptances amount to \$23,687,535.

FARMERS' LOAN AND TRUST COMPANY.—The total resources at September 30, 1925, amounted to \$201,222,854. Cash is at \$45,147,940. Acceptances amount to \$4,630,806. Call loans, collateral, stand at \$47,897,880. With regard to liabilities, capital stock is at \$10,000,000. Surplus and undivided profits stand at \$18,355,427. Deposits stand at \$159,715,469.

WESTERN AUSTRALIAN BANK.—It is announced by cable that the directors' report for the half-year ended September 28th shows a net profit of £62,907, giving, with the amount brought forward, £100,430 for distribution. They recommend payment of a dividend at the rate of 17½ per cent. per annum, and to carry forward £39,180 10s 2d. The paid-up capital is now £700,000, and the reserve fund, including premium on the new issue, £1,260,240. At the half-yearly meeting to be held on November 4th, resolutions will be submitted with reference to electing two directors, auditors, and amendment of bank's deed of settlement consequent on passing of a Bill for the establishment of a London Register, &c.

RAILWAYS.

BENGAL-NAGPUR RAILWAY.—The following statements show the traffic for the year ending March 31, 1925, and also for the five preceding years:—

Year Ending.	Gross Earnings.			Working Expenses.		Net Earnings.
	Total.	Per Mile Per Week.	Per Train Mile.	Rs.	Per Cent. on Gross.	
March 31, 1920	Rs. 6,57,56,972	Rs. 469	Rs. 546	3,84,96,350	58.54	2,72,60,622
March 31, 1921	6,42,68,227	453	539	4,24,08,509	66.00	2,18,57,718
March 31, 1922	6,77,00,233	482	563	4,84,29,146	71.53	1,92,71,087
March 31, 1923	7,80,76,669	539	601	4,88,51,981	64.21	2,92,24,688
March 31, 1924	7,79,00,897	543	637	5,10,08,105	65.48	2,68,92,792
March 31, 1925	8,26,70,742	568	693	5,32,34,801	64.35	2,94,35,941

The ordinary stockholders again receive 5 per cent. for the whole year.

ENTRE RIOS RAILWAYS.—Gross receipts for year ended June 30, 1925, amounted to £1,326,883, an increase of £125,515, or 10.4 per cent. Working expenses amounted to £807,461, an increase of £57,589, or 7.7 per cent. Net receipts amounted to £519,423, an increase of £67,926, or 15 per cent. Full dividend is being paid on increase of £67,926, or 15 per cent. which has had no dividend the 4 per cent. second preference stock, which has had no dividend

paid on it since the

11½ per cent. on its ordinary shares. The net profit for preceding year was £4,854, and no dividend was paid. The sum of £2,000 is put to reserve, and £2,389 carried forward. A restricted crop of 381,400 lbs of rubber was harvested during the twelve months under review, and the exportable allowance was 378,916 lbs. The average price realised was 1s 8.22d per lb. Total costs were 10.46d per lb. The crop for 1925-26, on the basis of 85 per cent. of the standard production, is put at 585,705 lbs. Total acreage is 1,898. Balance-sheet reveals total assets £190,740. Cash is at £14,132. The only investment is 200 preferred ordinary shares in Vultex, Limited, at cost, £200.

SINGAPORE PARA RUBBER ESTATES.—The net profit for year ended June 30, 1925, is £15,318, against £3,147. The ordinary dividend has been raised from 4½ per cent. to 10 per cent. The carry forward is increased from £422 to £4,021, subject to income-tax, directors' extra remuneration, &c. The amount of rubber harvested was 320,524 lbs, against 389,242 lbs. Average price obtained was 20.04d per lb (gross), against 13.09d in previous year. The f.o.b. cost amounted to 9.5d per lb, against 8.5d per lb in previous year.

SINGAPORE UNITED RUBBER PLANTATIONS.—The report for year ended June 30, 1925, shows the restricted output of dry rubber during the year was 644,877 lbs, as against 683,109 lbs in preceding year. Of this output, 640,265 lbs have been sold in London at an average gross price of 1s 8.39d per lb, which compares with 1s 0.67d per lb London last year. Net profit amounted to £31,366, against £11,002, and the dividend is raised from 6 per cent. to 7½ per cent. The company are going to pay an interim dividend of 7½ per cent. in respect of year to June 30, 1926. The sum of £18,454 is carried forward subject to income-tax, manager's commission, and directors' additional remuneration. Balance-sheet shows total assets £271,067. Cash is at £19,881. The only investment is £9,588, being shares in Bukit Pulau Rubber Estate at cost.

TANGOL RUBBER ESTATES.—The net profit for year ended June 30, 1925, amounted to £3,485, against £1,928 in preceding year. The ordinary dividend has been raised from 2½ per cent. to 6 per cent. The sum of £500 has been put to reserve, and £198 carried forward. Balance-sheet reveals total assets £85,530. Cash is at £5,362. Investments are all in British Government securities at cost, £4,122.

MISCELLANEOUS.

CARLTON HOTEL, LIMITED.—The net profit for year ended August 31, 1925, was £62,364, against £59,655. The ordinary dividend and bonus is maintained at 12 per cent. The carry forward is increased from £13,083 to £15,143. The sum of £20,000 has been put to reserve, and £6,204 has been transferred to reserve for amortisation of leases of Carlton Hotel. The company has £75,000 in 4 per cent. National War Bonds, 1927, and £56,726 in its own debentures and in associated and other companies. Cash is at £62,076. Stocks stand at £81,454.

ERINOLD, LIMITED.—The tenth annual report and balance-sheet shows that the trading profit for the year ending August 31, 1925, amounted to £58,745 (last year, £36,811). After allowing for depreciation and company charges, the net profit is £48,747 (last year, £27,171); which, together with the amount brought forward, leaves an available balance of £54,083 (last year, £33,588). The directors recommend payment of final dividend of 7½ per cent., making 12½ per cent. for the year, less tax, against 7 per cent., less tax, last year; transfer to general reserve, £15,000 (last year, £10,000); transfer to taxation reserve, £7,000 (last year, £4,000); writing off patents, process, &c., £4,300 (last year, nil); which leaves a carry forward of £4,041 to next year's accounts. Turning to the balance-sheet, on the debit side, the share capital remains the same; depreciation is increased to £42,000 (last year, £36,000); general reserve, £15,000 (last year, £5,000); sundry creditors, £9,040 (last year, £9,200). On the credit side sundry debtors and payments in advance, £51,194 (last year, £29,522); freehold property, plant, &c. slightly increased, to £145,182 (last year, £139,242); stocks on hand, slightly decreased, £94,721 (last year, £102,258); cash at bankers and in hand, and Treasury notes, £30,803 (last year, £28,602).

LI-BON ELECTRIC TRAMWAYS.—A noteworthy improvement has taken place in the results of this Portuguese tramway undertaking during the year 1924. The net profit, after payment of debenture interest, has risen from £9,748 for 1922 to £63,744 for 1923, and £80,397 for 1924. At the end of 1922 the debit of profit and loss was £38,708. In the balance-sheet dated December 31, 1924, there is £105,463 available for distribution. Of this sum £63,833 is to be paid to preference shareholders. The preference dividend is now paid to end of 1919. The sum of £32,000 has been put to depreciation account, and £9,630 carried forward, against £25,066 brought in. The issued preference capital is £425,553 in £1 shares. The ordinary issued share capital is £634,026 in £1 shares. The ordinary shareholders have received no dividend since the 4½ per cent. paid for the year 1915. Passenger traffic declined from 80,566,215 passengers in 1923 to 83,782,431 passengers for 1924.

UNITED ANTHRACITE COLLIERIES, LIMITED.—The first report covers 18 months from January 1, 1924, to June 30, 1925. The company has secured a net profit of £238,240, after deducting £42,880 for depreciation of plant and wagons. The directors have transferred £88,306 to capital reserve, and have reserved for taxation £17,872. Preference dividend absorbed £14,417. Ordinary interim dividend at 2½ per cent. per annum absorbed £20,307. Final dividend at 5 per cent. per annum absorbed £40,615, and has been taken in the accounts for the period ended June 30, 1925, of the trading results either of the Pentremawr or the Rhos group of collieries, which comprise varying broken periods. Balance-sheet shows total assets £2,647,959. Stocks of coal and stores stand at £149,468. Debtors amount to £135,028. Cash is at £630.

Shares in allied companies stand at £786,900. With regard to liabilities, ordinary issued capital amounts to £1,222,507 in £1 shares. The 7 per cent. cumulative preference capital issued stands at £1,000,000. There are no debentures. Creditors stand at £192,384. Loan from bankers amounts to £135,729.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

Climatic conditions were adverse to field work during the week, but good progress has been made in preparing the land for the winter seed bed. Threshings were of moderate extent, consequently supplies of native wheat offering at the principal markets continue in manageable compass. General course of trade displayed more activity, and prices for the most part moved in an upward direction, though towards the close a quieter tone set in and a slight reaction occurred due to weaker forward values. Spot and near at hand parcels of both bread and feeding stuffs, however, were in comparatively small supply, and held for full rates. In the floating and forward wheat cargo market business was on a larger scale than for some time past, millers showing more disposition to operate, and with adverse weather reports from Argentina values were marked up. The improvement, however, was not maintained, and following weaker cable advices from the United States, combined with a falling off in consumptive demand, holders were obliged to reduce their limits. Sales included steamers of Rosafe, 62½ lbs shipping/shipped at 52s 6d, Barusso 62½ lbs afloat 50s 3d, Baril 62 lbs afloat 50s 9d, No. 1 Northern Manitoba December 50s 3d net, No. 2 ditto December 49s 6d, No. 3 48s to 48s 9d, and a sailer of Victorian arrived at 53s 7½d, with white Pacific to Ireland at 52s 6d. Of maize Plate steamers afloat sold 35s 3d to 35s 6d, No. 2 white flat African loading 33s 3d, No. 6 yellow round African afloat 35s, and white Novorossisk November to Antwerp at 31s 9d net per 480 lbs. Part cargoes of South Russian barley arrived sold 26s 3d, afloat 26s 6d per 400 lbs. Wheat quiet and easier. No. 1 Northern Manitoba ex ship to arrive quoted 53s 6d, No. 2 ditto 52s 6d, No. 3 51s 6d, No. 2 mixed Durum ex ship to arrive 50s per 496 lbs. English quoted 10s 8d-11s per 112 lbs free on rail. Flour quiet. London standard grade quoted 43s, patents 45s-46s, town whites 43s per sack delivered in the Home Counties, with 6d-1s per sack less for deliveries in the London districts. Imported in small supply Manitoba patents range from 43s-46s, Minneapolis 45s-46s, Australian 44s per 280 lbs ex store. Maize irregular and Plate rather easier. Plate ex ship to arrive quoted 37s, landed ditto 38s 6d, white flat African ex ship 34s 6d, landed 36s 6d per 480 lbs. Yellow African maize meal ex ship to arrive £9, white ditto ex ship £8 2s 6d per ton. Barley steady. Californian new ex ship quoted 38s-40s, Chilean Chevalier 57s-66s, brewing 50s-53s according to quality, Australian 59s-61s ex store, Polish and Danish ex ship 44s-45s per 448 lbs. American maling ex ship 27s 9d, landed Russian ex ship 26s 6d-27s per 400 lbs, English new quoted 8s 4d-21s, the latter for finest maling quality per 112 lbs. Oats maintained. Plate ex ship 23s 9d, landed 26s 6d, No. 2 Canadian Western ex ship near 28s 6d, October shipment 27s 6d, landed 30s 9d, No. 2 Canadian feed ex ship near 24s 3d, landed 26s 6d, No. 2 white clipped American ex ship to arrive 23s 9d, landed 25s 6d all per 320 lbs. English new quoted 8s 8d-10s per 112 lbs free on rail. Millers' offers steady. Broad bran quoted 8s 3d-8s 6d, middlings 8s 3d-8s 6d, fine ditto 10s 9d, bags included ex mill, powdered oat husked 6s 3d, feed oatmeal 8s 9d, ground demand. London made flaked 18s, rolled oats 17s, medium also fine cut 17s, coarse also medium pinhead 17s ex mill, ordinary Scottish oatmeal 18s 6d, American ditto 16s 6d to 17s per cwt. London arrivals, English oats 500, maize 790 qrs, flour 1,410 sacks, foreign wheat 148,900, barley 24,480, oats 6,630, maize 470, beans 6,040, peas 1,110 qrs, flour 33,650 sacks.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest years 1925-26, 1924-25, 1923-24, 1922-23.

	1925-26.	1924-25.	1923-24.	1922-23.
Estimated sales of home-grown wheat—				
1 week to Oct. 17	Cwts. 331,973	Cwts. 371,114	Cwts. 416,910	Cwts. 526,007
7 weeks to Oct. 17	2,589,363	1,591,124	2,974,915	2,602,788
Average price of English wheat per cwt.	s d 10 3	s d 12 8	s d 9 0	s d 9 2½

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1921 to 1924:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1925.						
Oct. 10	Cwts. 318,275	Cwts. 443,689	Cwts. 89,713	s d 10 4	s d 12 5	s d 9 4
Oct. 17	331,973	541,310	88,762	10 3	12 4	9 2
1921	285,407	503,739	45,106	11 1	14 4	9 0
1922	526,007	381,575	84,421	9 3	11 2	9 2
1923	416,910	622,613	96,015	9 0	10 6	8 7
1924	371,114	672,796	173,907	12 8	17 2	10 4

RUBBER OUTPUTS.

In the table below we give the outputs for last four complete years, and monthly outputs for last six months separately and October, 1924, of a number of Rubber Companies, while the latest reports of Rubber Companies are analysed under our Summary of Profit and Loss Accounts each week. The latest dividends declared appear under Dividend Announcements, and the Rubber Share Market is dealt with in our Stock Market section. Particulars as to the Market Price of the Commodity and other information will be found in our Produce Market Section.

Name. Year ends December 31, Except where Stated.	Outputs.				Outputs.						
	Year 1921.	Year 1922.	Year 1923.	Year 1924.	April, 1925.	May, 1925.	June, 1925.	July, 1925.	Aug., 1925.	Sept., 1925.	Oct., 1924.
	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.
Amalgamated Estates	226,514	232,234	251,099	336,062	150,290	188,712	217,814	200,245	192,225	214,822	165,824
Ampat (Sept. 30)	2,369,600	3,189,650	2,692,549	3,202,500	29,075	36,600	35,000	38,460	40,000	41,012	33,491
Anglo-Dutch	1,752,499	1,780,811	2,136,393	2,113,900	487,146	569,821	569,821	222,000	222,000	268,560	161,200
Anglo-Java	239,212	272,056	261,201	237,400	11,200	20,000	27,000	35,000	40,000	40,000	16,800
Anglo-Johore	814,209	1,199,767	907,735	952,519	82,378	85,514	98,336	107,967	118,727	120,494	90,256
Ayer Kuning	812,127	1,199,767	907,735	952,519	42,000	53,000	75,000	90,000	96,000	83,000	51,000
Badek	286,645	464,407	454,132	495,187	60,082	63,408	50,761	nil	23,500	63,634	68,640
Bah Lian (Oct. 31)	1,129,038	1,245,416	1,202,380	1,017,187	37,690	156,030	159,670	115,700	122,800	130,600	87,600
Bandar Sumatra (July 31)	523,967	414,711	404,210	408,000	34,000	41,000	45,000	51,000	55,000	60,000	45,000
Batang (April 30)	467,809	449,827	461,206	326,139	31,300	38,400	41,500	45,700	50,800	51,000	29,600
Batang Cons.	296,140	303,819	354,723	308,352	31,802	39,170	38,357	42,094	43,043	44,649	21,814
Batu Tiga	510,500	609,767	629,450	56,000	58,000	71,000	77,800	72,000	88,100	94,000	56,000
Bekoh (June 30)	418,745	432,775	400,603	306,535	33,400	39,836	49,581	45,547	53,280	54,187	24,297
Bertam Cons. (March 31)	1,269,877	1,504,498	1,528,745	1,217,921	62,000	122,000	149,000	166,000	166,000	199,370	117,000
Besoei	207,937	432,726	426,852	480,000	26,000	68,000	53,000	49,500	44,000	43,500	37,500
Bikan	246,735	294,000	285,800	236,489	19,500	23,000	26,700	24,400	24,300	23,700	38,900
Bradwall	392,248	524,578	451,141	467,991	28,997	42,682	40,377	44,679	48,429	43,040	58,000
Brooklands	615,204	702,000	688,801	635,422	49,000	82,000	88,000	98,000	105,000	105,000	58,000
Bukit Kajang (June 30)	756,638	655,540	645,536	623,925	46,894	63,634	62,628	64,549	67,269	67,310	47,204
Bukit Mertajam (Mar. 31)	602,336	766,119	784,210	841,641	72,150	92,209	81,709	90,882	74,986	88,697	93,687
Bukit Selangor (Mar. 31)	369,823	408,176	308,917	310,069	28,514	39,026	29,512	40,309	44,901	...	33,500
Bukit Sembawang	1,010,164	1,085,656	1,123,433	1,107,189	79,000	79,006	72,000	72,000	72,000	72,000	76,500
Burnee	504,891	502,733	428,345	443,707	46,496	56,941	52,375	52,912	60,825	79,900	40,608
Chavio	867,033	728,000	600,000	552,000	42,000	43,000	54,600	71,200	80,000	89,500	41,300
Consolidated Malay	842,805	903,362	722,500	632,727	22,900	26,000	28,000	28,982	30,124	31,242	44,400
Dennistown	392,404	464,401	349,787	317,242	22,900	64,000	28,000	38,982	40,000	24,800	24,800
F. M. B. Planters	1,063,642	1,153,166	858,746	920,747	52,000	67,000	62,000	101,000	126,000	102,000	105,930
General Ceylon	265,172	377,076	305,303	330,957	14,841	27,088	30,712	33,171	43,353	45,449	27,255
Glenshiel	233,446	343,759	279,875	301,529	25,588	27,272	29,022	36,763	41,008	35,036	18,642
Golden Hope	4,379,972	5,063,897	5,384,103	5,384,399	63,300	108,200	112,100	116,000	122,000	128,000	93,933
Grand Central (Ceylon)	1,215,779	1,171,977	1,123,717	965,100	18,700	20,240	23,130	25,480	33,920	28,300	21,300
Highlands and Lowlands	334,688	396,583	343,537	291,166	18,015	23,321	30,060	35,283	34,491	40,374	15,743
Inch Kenneth (May 31)	226,801	364,480	300,092	350,478	81,000	93,700	94,200	79,800	93,800	59,900	59,900
Insulinde (June 30)	882,454	834,149	934,832	878,896	43,900	55,700	48,400	42,400	42,900	56,500	45,800
Java Amalgamated	375,635	454,638	426,800	457,847	35,241	32,358	35,241	42,468	51,966	54,171	29,475
Java Rubber Plantations	248,900	289,311	272,149	357,378	40,200	53,200	64,800	70,800	72,500	77,200	77,200
Jermam (March 31)	747,769	721,071	764,452	527,392	42,300	53,200	64,800	70,800	72,500	77,200	77,200
Kamuning (June 30)	216,908	305,420	353,419	303,195	43,100	43,100	48,700	23,100	41,200	35,900	35,900
Kali Gajah (March 31)	474,803	584,251	468,100	631,500	52,300	52,400	50,800	14,000	23,900	61,400	61,400
Kepong (Malay)	483,360	683,840	542,542	530,052	48,584	61,058	46,880	41,850	53,350	78,108	43,663
Kinta Kellias (March 31)	663,000	667,750	572,403	505,172	12,855	40,070	46,880	41,850	53,350	57,470	49,500
K.M.S. (June 30)	249,093	262,641	235,204	337,660	35,200	34,500	34,500	48,800	48,728	50,800	28,500
Labu (F.M.S.)	1,120,230	1,261,642	1,098,150	1,020,081	46,400	65,200	88,500	93,500	93,500	93,500	53,000
Lanadron	1,105,819	1,261,642	1,098,150	1,020,081	90,103	102,523	89,441	111,027	112,282	116,248	76,248
Langen Java (Aug. 31)	455,034	555,688	712,289	510,835	45,196	58,068	61,352	52,877	54,964	60,739	36,839
Langkat Sumatra	370,000	353,000	496,000	446,000	25,000	30,000	40,000	39,000	50,000	47,000	36,000
Ledbury	434,976	473,677	475,452	480,511	49,069	55,231	55,709	47,383	60,283	40,635	50,104
Linggi Plantation, Ord.	2,175,728	2,256,547	2,235,315	1,455,507	120,800	172,300	188,200	280,600	297,900	297,900	71,700
London Asiatic	1,486,257	2,327,178	2,327,178	2,113,097	165,444	186,049	190,143	207,660	215,339	218,770	185,626
Lumut (Sept. 30)	1,076,700	1,099,700	1,011,557	774,879	65,400	63,660	90,580	102,400	107,500	105,300	105,300
Malacca, Ordinary	3,515,765	3,584,578	2,949,628	3,355,940	233,700	254,100	337,700	344,400	270,300	271,000	287,400
Malayland (March 31)	681,921	1,135,419	2,276,822	2,593,949	238,700	305,706	196,591	266,650	217,338	314,489	341,670
Mendari	1,144,360	1,250,480	1,294,011	1,444,756	41,646	103,350	157,254	203,760	199,607	170,500	143,734
Nordland (Johore)	517,290	720,603	636,694	504,219	46,000	48,000	54,000	57,400	61,630	54,896	49,703
Pataling	539,770	574,370	495,710	462,917	44,280	51,400	53,655	57,900	51,500	54,100	28,930
Pegoh (Sept. 30)	527,110	769,087	745,324	712,550	49,666	62,120	68,807	73,150	86,827	82,967	72,323
Perak (March 31)	546,122	515,589	524,050	547,881	17,300	24,400	19,684	44,900	44,900	44,900	14,611
Pernambang	302,568	452,760	514,645	563,014	56,814	69,523	69,535	89,465	100,627	99,964	42,804
Pita Fibre and Rubber	660,607	769,403	687,152	612,308	9,207	11,467	10,835	9,105	8,746	8,400	56,300
Port Dickson (March 31)	478,923	521,150	560,073	575,459	79,000	82,000	75,000	81,000	98,400	92,463	103,700
Rangoon (F.M.S.)	701,347	773,346	682,713	751,850	94,040	104,140	63,980	78,530	68,400	65,340	32,000
Rani (Ceylanese)	...	...	...	1,522,273	85,500	120,800	135,500	136,400	168,900	163,700	163,700
Ramban Jelei	904,792	778,502	714,003	679,251	73,500	66,500	62,500	73,500	66,000	65,500	46,500
Rubana (April 30)	514,020	525,970	492,410	437,649	43,984	44,920	44,382	45,104	38,257	39,477	35,321
Rubber Estates of Johore	301,815	370,180	340,374	285,301	29,818	35,683	40,500	52,600	45,900	46,800	46,800
Rubber Estates of Krian	606,592	680,085	567,241	489,784	15,400	39,600	44,200	72,300	63,800	81,300	49,800
Seymalkande	853,367	1,081,560	808,434	435,021	54,785	63,818	54,785	63,818	81,300	81,300	81,300
Seafield	450,000	530,000	495,000	437,743	40,300	40,300	45,500	54,000	54,000	50,000	36,374
Seaport (June 30)	656,554	680,150	666,526	504,759	45,285	56,899	63,670	70,217	73,309	72,095	37,991
Selangor	459,882	471,035	410,726	331,325	32,600	46,000	57,700	65,500	80,800	72,100	23,800
Selangor (Sept. 30)	1,585,637	1,747,824	2,246,530	2,273,897	176,368	209,437	198,194	194,005	185,186	171,959	205,028
Semau (June 30)	333,000	382,000	355,000	408,000	27,500	35,000	35,500	39,000	40,000	40,000	38,500
Serdang Central	659,313	772,505	701,443	649,871	41,499	52,547	57,835	62,474	67,296	62,683	38,897
Seremban	1,507,227	1,698,565	1,574,300	1,626,186	48,158	110,961	155,165	181,953	179,974	173,827	138,774
Sialang (Jan. 31)	644,358	610,168	688,744	683,109	45,000	...	47,000	...	...	...	53,000
Singapore United (June 30)	2,348,440	2,498,587	2,103,743	1,796,027	99,500	114,000	129,500	149,828	229,000	216,000	165,500
Straits Rubber	680,556	446,120	581,200	581,200	32,525	...	...	...	50,583	51,566	51,566
Sumatra Cons. (April 30)	1,072,539	1,068,851	1,145,860	1,000,099	92,000	105,000	104,000	100,000	125,000	110,000	110,000
Sumatra Para (June 30)	576,119	651,542	480,081	399,220	22,950	29,800	42,000	56,150	54,500	57,700	31,345
Sungei Salak	522,070	499,245	574,500	422,000	33,087	51,000	65,500	69,500	71,500	68,000	30,500
Sungei Chumun (June 30)	445,027	299,321	479,873	361,672	32,633	38,780	40,773	52,375	50,355	50,202	33,889
Tanjong (June 30)	513,934	1,088,371	1,312,560	1,170,962	115,475	157,574	197,180	188,421	192,629	172,286	136,263
United Serdang (Aug. 31)	2,876,188	2,562,227	2,845,821	3,418,510	208,749	341,175	377,838	470,332	463,574	417,199	273,843
United Sias Betong	968,319	809,215	1,196,104	1,052,509	103,800	111,000	167,780	205,900	276,700	276,700	74,400
United Sumatra	860,211	715,297	835,								

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Dividend Interest.	Amount Available for Distribution.	Appropriation.				Corresponding Period Last Year.	
					Dividend.		Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.	Dividend.
					Prefere.	Ordinary.				
					Amount.	Amount.	Rate.			
Breweries.		£	£	£	£	£	%	£	£	%
Hammond's Bradford	Sept. 30	9,338	43,414	52,752	4,500	22,500	15	15,000	10,752	15
Hodgson's Kingston	Sept. 30	19,003	29,978	48,981	..	24,420	11	5,000	19,561	15
Financial, Land, &c.										
Clydesdale Investment	Sept. 30	5,587	37,926	43,513	10,631	19,412	11	..	13,470	14
Investment Corporation of Canada	April 30	2,019	6,609	8,628	13,500	..	..	Dr 3,846	974	3
Hotels, Restaurants, &c.										
Carlton Hotel	Aug. 31	13,983	62,364	76,347	11,000	24,000	12	26,204	15,143	12
Iron, Coal, and Steel.										
Denaby & Cadeby Main Collieries	June 30	26,987	83,621	110,608	12,000	72,000	6	..	26,608	8
United Steel Companies	June 30	903,082	41,710	944,792	..	..	..	120,881	823,911	..
United Anthracite Collieries	June 30	..	123,240	238,240	14,417	60,922	7½	106,177	56,724	..
Motor and Cycle.										
Brampton Brothers	Aug. 1	11,873	15,029	26,902	3,525	8,175	10	2,000	13,202	10
Enfield Cycle	Aug. 31	35,199	34,904	70,103	3,874	17,500	10½	10,000	38,729	10½
Joseph Lucas	Aug. 31	99,494	164,850	264,344	10,878	98,668	25	50,000	104,798	20
Triumph Cycle	Aug. 31	23,936	60,144	84,080	2,552	24,000	10½	27,000	32,823	10½
Oil.										
Kern River Oilfields of California	May 31	136,823	153,851	240,674	..	150,000	12½	50,000	90,674	12½
Rubber, &c.										
Agua Santa Coffee	Dec. 31	8,331	42,770	51,101	5,250	5,250	7	..	40,601	7
Bajoe Kidol	Mar. 31	23,353	62,165	85,518	..	54,540	25	10,000	20,978	15
Bukit Kajang	June 30	12,696	36,832	49,528	..	31,250	25	7,000	11,278	5
Bukit Lintang	June 30	250	7,366	7,616	..	4,687	15	1,500	1,429	5
Dumont Coffee	Dec. 31	114,621	104,066	218,687	75,000	29,999	7½	20,000	6,389	162,663
Inch Kenneth	June 30	1,495	8,942	10,437	..	5,859	25	2,078	2,391	7½
K.M.S. (Malay States)	June 30	6,373	13,067	19,440	..	15,430	12½	..	4,010	4,349
Kuala Kubu	June 30	2,278	4,004	6,282	..	4,200	10	..	2,082	Dr 466
Monerakelle Estates	June 30	4,685	6,262	10,947	..	5,859	15	1,500	3,588	..
Permas	June 30	5,401	9,312	14,713	..	9,375	12½	..	5,338	Dr 298
Sengat	June 30	8,812	14,844	23,656	..	19,267	11½	2,000	2,389	4,854
Singapore United	June 30	17,844	31,366	49,210	..	30,756	17½	..	18,454	11,002
Sungei Buaya (Sumatra)	June 30	2,592	42,588	45,180	..	37,678	20	..	7,502	14,930
Tangoe Estates	June 30	1,809	3,485	5,294	..	4,596	6	500	198	1,928
Shipping.										
W. Hartlepool Steam Navigation	Mar. 31	18,815	48,619	67,434	11,000	15,675	15½	20,000	20,759	47,009
Tea.										
Central Province, Ceylon	June 30	2,389	16,125	18,514	3,000	6,000	12	5,000	4,514	11,270
Korale Tea Estates	June 30	1,087	20,970	22,057	14,365	2,601	20	4,000	1,091	17,741
Tramways.										
Lisbon Electric	Dec. 31	25,056	80,397	105,463	63,833	..	..	32,000	9,630	63,774
Other Companies.										
Bretts' Stamping	July 31	2,004	7,032	9,036	940	4,000	10½	2,000	2,096	6,029
British Cyanides	April 30	Dr 11,568	Dr 18,716	Dr 30,284	..	..	..	Dr 30,284	Dr 24,991	..
D. and W. Murray	July 19	14,842	120,821	135,663	70,000	45,000	10½	..	20,663	128,276
Dent, Allcroft, and Co.	July 31	..	137,498	37,498	6,906	..	..	..	30,592	..
Erinoid	Aug. 31	5,336	48,748	54,084	..	23,681	12½	26,361	4,042	27,171
Handley Page	Dec. 31	Dr 534,174	Dr 22,010	Dr 556,184	..	..	..	Dr 556,184	..	..
Herbert Morris	July 31	30,224	76,486	106,710	11,907	25,000	10½	36,662	33,141	67,033
Raphael Tuck and Sons	April 30	4,619	37,613	42,232	13,750	20,000	8	1,288	7,194	39,356
Roneo	June 30	19,768	63,986	83,754	21,421	29,708	10	..	32,625	60,446
Rosario Drainage	June 30	36,872	38,525	75,397	7,200	22,152	6½	10,000	36,045	27,931
Tebbit Brothers	June 30	..	115,038	15,038	10,214	7½	..	672	4,152	..
United Dairies	June 30	73,603	509,146	582,749	134,596	310,743	14	79,446	57,964	506,542

† Tax free.

a Including arrears.

b Per cent. per annum.

c Paid on larger capital.

d 18 months.

Newport. Collieries consequently have been working regularly, but prices, although easier, have not been lowered to any material extent. In view of the uncertainty of the outlook for next year hardly any contracts for future deliveries are being placed. The following are the current approximate quotations:—Best admiralities, 23s 3d to 23s 6d; seconds, 21s 6d to 22s 6d; best drys, 23s 6d to 24s; black veins, 20s 3d to 22s; Western Valleys, 19s 6d to 20s 3d; Eastern Valleys, 19s 6d to 20s; best bunker smalls, 19s to 20s 6d; ordinary cargo smalls, 8s 9d to 9s 3d; coking smalls, 10s 3d to 10s 6d; anthracite best large, 45s to 46s; red vein large, 28s to 34s; French nuts, 55s to 60s; stove nuts, 55s to 60s; rubbly culm, 11s 6d to 12s; coge (special qualities), 35s to 40s; patent fuel, 20s 6d to 23s; pitwood, ex shop, 29s to 29s 6d.

In the tinplate trade business continues fairly active, and prices have shown a firmer tendency. Quotations are once again ruling up to 20s per basis box.

IRON AND STEEL.

We have extracted the following from the weekly report of the London Iron and Steel Exchange:—The recent improvement in buying is being maintained. One of the most hopeful features of the situation is that some merchants have begun to "take a view" of the market and buying is reported in one or two departments for delivery in the spring of 1926. This indicates that the opinion is gaining ground that prices have reached a level from which there is not likely to be a serious fall. Unfortunately, a great deal of this forward business has been placed with Continental works. The British manufacturers, although they report some purchasing for delivery ahead, particularly of pig-iron, benefit only to a secondary degree from this movement. The recent sales of pig-iron to the United States, however, have done

much to encourage the industry, and this, combined with the fact that supplies of Continental pig-iron have become somewhat restricted, has imparted a better tone to the British market, although so far it has not been sufficient to advance prices.

Our Middlesbrough correspondent's report, dated October 22nd, is as follows:—Pig-iron: There has been no set-back in the position of the market as reported last week. A number of orders have, in No. 3 Cleveland G.M.B. being still quoted 66s 6d per ton for and forward, and the quotation of East Coast mixed numbers is a rather better market for steel, and galvanised sheets are in strong demand for export. Quotations remain unchanged at last week's levels. Steel ship plates, £7 10s to £7 15s; steel ship ore: There is very little business as yet in foreign ore, most works having large stocks on hand. Best Bilbao Rubio is very firm at 20s per ton, c.i.f. Tees.

Our Sheffield correspondent writes:—A wave of optimism has here which justifies the improved tone, although most people appear to be more hopeful. It is true that the pig-iron industry usually large orders from America, but prices have been severely and specifications have fallen off rather than increased. A little more interest is, however, being shown in refractory materials and alloys, which may indicate that iron and steel manufacturers can see increased work ahead. The steel foundries and forges are moderately employed. Business with motor-builders is steady, and

considerable in volume, while railway work, and orders for hand-tools, are distinctly easier. Progress is being made in stainless steel, and its recent commercial adaptation to the manufacture of drawn tubes should result in a great addition to sales. The material is also proving successful for stamping into household hollow-ware. Conditions in plate and cutlery continue unsatisfactory. Shopkeepers as a rule are stocking mostly medium and low-priced goods.

Our Glasgow correspondent writes:—There is a marked improvement in the pig-iron trade, and a more cheerful tone prevails in the market. Prices are firm on the basis of 77s 6d for 40. 3 G.M.B. sales to America on a moderate scale have been made. Scotch foundries have been buying small lots here, but large consignments of Cleveland brands have been coming in from the North-East coast. Shipments from Glasgow harbour last week totalled 413 tons, of which 338 tons were on foreign account. Last year for the corresponding week the shipments were 759 tons, and 593 tons respectively. In the finished steel trade enquiries are improving in quantity, and some fair orders have been placed by Continental shipyards for special lines. Structural steel work is providing a steady flow of orders for sections, but here a good deal of Continental competition is met with. Further extensive contracts have been received for tubes. Plates for shipbuilders are in poor request, the depression in that trade becoming more pronounced as the winter months approach. Any small lot of pronounced on the market are keenly competed for, and prices ship plates on the market are keenly competed for, and prices have been quoted as low as £7 17s 6d per ton delivered Clyde. The demand for malleable iron has not improved since the recent reductions in the basis price was announced, galvanised corrugated sheets are now quoted firm at 16s 10s per ton f.o.b. Glasgow. Makers are fully committed for their output till end of this year, and orders are coming in for delivery, January-February. There is a steady export enquiry for black sheets of the lighter gauges, and most makers have little to offer for delivery this year.

OTHER METALS.

TIN further advanced, with sellers reserved in view of higher Eastern advices combined with liberal buying orders, though movements were attended with some irregularity, especially with regard to forward positions. Sales comprised cash at £282 15s to £285 5s, three months £283, £282 15s, £286, and finally £285 7s 6d. English ingots quoted £286. COPPER active, and prices dearer on balance, both cash and forward. Standard cash sold £61 15s to £62 10s, three months £62 12s 6d-£63 12s 6d. Electrodes quoted £67 10s-£68. Wire bars £68 10s. LEAD firmer, and a good business transpired. Good soft foreign pig, October, sold at £38 15s to £39 5s, November £38 2s 6d-£38 11s 3d, December £37 10s-£37 15s, January £37 2s 6d-£37 7s 6d. February £36 12s 6d to £39 2s 6d. English quoted £40 5s. SELLER in good demand and firmer. October sold £40 8s 9d to £40 12s 6d, November £39 13s 9d-£39 17s 6d, December £39 10s-£39 12s 6d and £39 10s, January £39 5s-£39 7s 6d, February £39 5s-£39 3s 9d per ton. Tin plates unaltered. Quicksilver firmer. Spot quoted £13 17s 6d to £14 per bottle.

THE COTTON TRADE.

LIVERPOOL OFFICIAL QUOTATIONS—October 16, 1925.

Descriptions.	Official Quotations.									
	G.O.	S.G.O.	L.M.	S.L.M.	Md.	S.M.	G.M.	S.G.M.	M.F.	
American.....	110 14	110 74	11 14	11 39	11 54	11 69	11 89	12 14	12 64	12 64
	110	50	10	15	30	45	65	80	90	140
	off	off	off	on	on	on	on	on	on	on
Brazilian—										
Pernam,Macelo,&c		Mid. Fair.			Fair.			Gd. Fair.		
Parahyba, Rio		10 99			11 99			12 99		
Grande.....		10 99			11 99			12 99		
Ceara, &c.....		10 24			11 49			12 24		
Sao Paulo.....		10 14			10 99			11 74		
*Peruvian—	M.F.	Fair.		Gd. Fr.	Good.			Fine		
Rough.....		15 50		12 20	12 40			12 50		
Moderately rough		17 00		13 00	13 50					
Smooth.....	11 9	12 24		13 24	13 74			13 99		
Tanguis.....	12 49	12 99		14 74	16 49			19 74		
Mitad.....		18 00		19 50	21 00			22 50		
Egyptian—	Fair.	Gd. Fr.		F.G.F.	Good.		Fine.	Ex. Fine.		
Upper.....	15 45	16 40		16 70	17 30		17 35	17 85		
Sakellaridis.....	19 10	22 95		24 85	26 40		27 90	29 35		
Brown.....	115 50	116 45		117 80	119 50		120 30	121 20		
Soudan.....										
	Mid.	M.F.	Fair.	Gd. Fr.	Good.		Fine.	Ex. Fine		
West Indian.....				12 00	13 00		13 75	14 25		
Do Sea Island.....			31 00	33 00	35 00		37 00	43 00		
East African.....	Nom.	Nom.	13 60	14 10	14 85		15 85	Nom.		
	L.M.	S.L.M.	Mid.	S.M.	G.M.			S.G.M.		
	(Native Seed).			(Native Seed).			(American Seed).			
	10 64	10 89	11 24	11 49	11 64			12 74		
West African.....										
Australian.....							S'fine.	Choice.	S'Chs.	
East Indian—	G.Fr.	F.G.Fr.	Gd.	F. Good.	Fine.		11 45	11 85	12 25	
Surtee.....		15 40	16 80	18 20	19 60		11 00	11 40		
Broach.....		16 40	17 80	19 20	20 60					
Tinnivelly.....	110 20	110 60	111 00							
Amer-Sind/Punjab.		110 20		110 60	111 00		111 40			
*Western.....		115 45	116 85	118 25						
*Northern.....		116 70	118 10	119 50						
Cochonada.....	(Fair, 119 30)		120 35							
Comptah.....	119 85	119 05	119 45	119 85	120 25		1065	111 05	111 45	
Oomra, No. 1.....	118 65		119 20	119 60	120 00		10 40			
Oomra, No. 2.....		118 55	118 95	119 35	119 75		110 15			
Khandesh.....		117 95	118 35	118 75	119 15	119 55	109 95	110 35	110 75	
Bengal.....	117 85	118 25	118 65	119 05	119 45		109 85	110 25	110 65	
Sind.....										
China.....		(No. 2, 112 25)		(No. 1, 113 00)						

sold, 4s 1½d, 4s 1d, and 4s 1½d; October, 4s 1½d, 4s 1d, and 4s 1½d; November, 4s 9½d to 3s 11d; December, 3s 11½d to 3s 10d; January-March, 3s 7½d to 3s 6d; April-June, 3s 4d to 3s 3d; January-December, 3s 2d. To New York, standard estate sheet, sold, 3s 10½d; November, 3s 9½d per lb, c.f. and i.

GENERAL.

TALLOW.—Messrs Colchesters and Woolner write on October 21st as follows:—The tallow market was quiet during the week, and prices were rather easier to-day. Shipments of tallow from Australasia during September amounted to 2,000 tons, against 2,600 tons during the corresponding month of last year. There were no auctions to-day. Quotations are:—Australian mutton: Fine, 5½s; good to fair, 5s to 4½s; dull to dark, 4½s to 3½s 6d; hard, 5s 6d. Australian beef: Fine, 48s 6d; good to fair, 46s to 43s; dull to dark, 42s to 38s 6d; sweet, 49s. Present shipment from Australasia: Good mixed, 46s, nominally. Present shipment from South America, 43s 3d. The market letter is unchanged. Town tallow, 4½s 6d per cwt. Rough fat, per 8 lbs, 4d; melted stuff, 3½s 6d per cwt. Quotations are:—Town, 4½s 6d, net cash, naked, ex works. Country: Frail casks, 4½s 6d; home melted, shipping casks, net, f.o.b., good coloured, 45s; fair to dull, 42s to 41s. Bone fat: white, none; pale, none; benzine, 38s; melted stuff, 37s 6d, f.o.b.

SHELLAC firm, quiet. Fair, T.N., spot, 230s to 235s; December, 220s; March, 207s 6d cwt.

COPRA.—Market steady, but business moves quietly. F.M.S. Straits, October-November, Rotterdam, sold, £29 15s; October-December, £29 10s. Dutch E.I., October-December, quoted £29 7s 6d; Ceylon, October-November, sold, £30 15s; Cebu, ditto, quoted £29 5s; South Sea, £29. Palm kernels, October-December, Liverpool, quoted £20 15s; January-March, £20 12s 6d ton.

MISCELLANEOUS.—Cocoanuts quoted 25s per 100. Coir yarn, Ceylon, £32 to £40; Cochin, £32 to £55. Ceylon bristle, £15 to £22; cinnamon leaf oil, 4½d; citronella, Ceylon, 1s 11d; Java, 3s.

METROPOLITAN CATTLE.—OCT. 22.

British Beasts, per stone of 8 lbs to sink the offal. Sheep, per stone.			
Beasts—Devons.....	7 2 to 7 8	Beasts—Heavy Bulls ..	8 4 to 9 4
Short-horns.....	7 0 to 7 4	Canadian ..	8 8 to 9 4
Herefords.....	7 0 to 7 6	Sheep—Downs (clipped)	5 4 to 6 0
Southdown.....	6 8 to 7 0	Ewes ..	5 4 to 6 0
Irish.....	6 8 to 7 0	Crossbred ..	5 4 to 6 0
Pat Cows.....	6 8 to 7 0	Scottish.....	10 0 to 11 0
		Lamb—Downs ..	

LONDON POTATO MARKETS.—OCT. 22.

Per Cwt.			
Lincoln—King Edwards	5 6 to 5 8	Majestic	5 0 to 5 6
British Queens ..	5 0 to 5 6	Blackland—King Edwards	5 0 to 5 6
Red Kings ..	6 0 to 7 0	ditto Whites ..	4 0 to 5 0

COMMERCIAL TIMES—WEEKLY PRICE CURRENT.

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

LONDON, FRIDAY.			
COCOA —Duty, British grown, 9s 4d, foreign, 14s cwt.			
Trinidad	82	82	
Grenada	58	70	0
Ceylon, plantation ..	90	110	0
Guayaquil	70	80	0
Bahia, finest	53	55	0
COFFEE —British grown, 9s 4d, foreign, 14s cwt.			
India, fine ord. gd. mid	115	0	140
Do good to fine	150	0	158
Costa Rica, ord. to mid	120	0	145
Good to fine	135	0	199
Central American, gd. ord.	115	0	138
Do mid to fine	140	0	145
Colombian, ordinary ..	115	0	117
Do gd. ord. to low mid	120	0	130
Do mid to fine	135	0	156
CHEMICALS			
Acid, citric	1	42	0
Nitric	0	24	0
Oxalic, net	0	6	0
Tartaric, English	1	04	0
Foreign	0	11½	0
CREAM OF TARTAR			
99%—100%	82	0	0
Alum lump	per ton	210	0
Do ground	cases	21	0
Ammonia, carb.	37	0	39
Muriate, White	ton	25	15
Sulphate	£14	0	15
Arsenic, lump	per ton	75	0
Powder	per cwt	18	0
Ashes, pot	per cwt	65	0
Pearl do	per cwt	nom	
BLEACHING POWDER , per ton			
Borax, gran.	24	10	0
Do crystals	25	0	0
Do powder	26	0	0
Calomel	per lb	4	0
Iodine, dry	per oz	1	0
Nitrate of Soda	per ton	12/15/0	13/0/0
Potash—Chlorate, net.	0	42	0
Prussiate	0	8	0
Do Foreign	0	7½	0
Sulphate	per ton	11	0
Sal-Ammoniac	per lb	1	0
Soda Bicarb.	per ton	6/0/0	12/0/0
Crystals	per ton	5/0/0	5/5/0
Alkali	5/17/6	6/15/0	
Caustic	14/2/6	16/10/0	
Sugar of lead, white	ton	0/0/0	0/0/0
Foreign white	£49	0	50
Sulphate Quinine			
English Brands	2	3	0
Foreign do	2	2	3
Sulphate Copper	per ton	24/10/0	25/10/0
Zinc, out	nom		
Sulphur Flour	9/0/0	9/10/0	
Do Roll	8/0/0	8/10/0	
Vermillion, Chinese, per lb	4	6	9
English	4	6	5
Oil Peppermint, H.G.H.	87	6	88
COPRA —per ton, c.f. and i.			
Malabar, Oct.-Dec.	nom		
Ceylon	30	17	6
FMS Singapore	29	15	0
FM Straits	29	15	0
COCHINEAL —per lb			
Aloes, fine E.I.	per cwt	130	0
Cape, good to fine	41	0	42
Balsam Peru	per lb	7	0
Capivi	2	0	2
Camphor	2	8½	2
Napier, refined	2	8½	2
Cardamoms, Ceylon	6	0	0
Cantharides, China, per lb	4	0	0
Castor-oil	cwt	85	0
Gum Benjamin Sum.	cwt	5/0/0	10/0/0
Olibanum, drops, fair to good	60	0	105
Ipecacuanha	12	0	0
Jalap.	0	75	0
Musk, pot. China	0	75	0
Oil, Cassia	per lb	10	3
Aniseed	3	5	3
Peppermint, Wayne County	70	0	75
Rhubarb, China, fr to fn	3	0	3
DYE STUFFS, &c.			
Galls, China	per cwt	60	62
Turmeric, Bengal	nom		
Madras, finger	35	0	0
Gambier, block	55	0	0
Cutch, ord. to fair	55	0	0
DYEWOODS			
Brazil	per ton	18	0
Fustic, Jamaica	8	10	
Cuba	15	0	
Lima Wood	20	0	
Logwood, Campeachy ..	9	0	
Honduras	10	10	
Jamaica	7	15	
Red Sanders	12	0	
Sapang Ceylon	15	0	
FLAX —spot—c.f. and i.			
Riga ZK	£	78	0
Pernau HD	77	0	0
Slanets U/A Medium ..	93	0	92
FRUIT			
Oranges, Murcia & Val	300	0	0
Do	360	0	0
Do Cape	boxes	16	30
Lemons, Naples	cases	0	0
Do Sicilian	boxes	10	30
Do	cases	21	50
Do Malaga	cases	21	26
Grapes, Lisbon	boxes	5	14
Almeria	barrels	11	0
Val. Ons.	7	0	8
Egyptian Ons.	bags	0	0
Apples—American—			
Jonathans	boxes	9	0
HIDES—Wet salted—			
Australian	per lb	0	54
West Indian	0	4	0
Cape	0	6	8
Lisbon	0	5½	0
Oporto	0	4	0
Dry & Drysalted Cape	0	8	12½
Madagascar	0	6½	0
Central American	0	7½	0
Buffaloes, Singapore ..	0	4	0
Penang	0	5	0
E.I.	0	5	0
Market Hides, London			
Best hy. ox & heifer ..	0	88	0
Do light do	0	6	0
2nd ox, heavy	0	7½	0
Do light do	0	5	0
Best cow	0	64	0
2nd do	0	54	0
Best calf	0	54	0
2nd do	0	84	0
INDIA RUBBER —lb			
Para, fine hard spot ..	3	8	0
Plantation sheet	4	12	0
INDIGO —per lb			
Bengal, good red violet to fine	6	6	7
Mid. ord. vio. to good ..	6	0	6
Low to good ord.	5	0	6
Madras, dry leaf, good ..	3	0	4
Do low to ord.	1	0	3
Kurpah, gd. mid. to gd. ..	4	0	5
Low to mid.	3	0	4
HEMP —per ton			
Italian P.C.	80	0	
Manila, Oct.-Dec.	0	9	11
N.Z., high point, fair, Oct.-Dec.	39	10	
JUTE			
Native first marks, Sept.-Oct.	61/0/0		
LEATHER —per lb			
Sea Bends 6/9 lb	1	4	11
Do do 10/12	1	3	11
Do do 12/14	1	4½	2
Do do 17 lb and up	1	5	2
Bark Tanned Sole	1	6	2
Shoulders fm DS Hides	0	6	3
Do Eng. or WS do	1	0	1
Bellies from DS do	0	7½	0
Do Eng. or WS do	0	8½	1
Dressing Hides	1	8	2
Ro. Eng. Calf, 20/30 lb ..	4	0	5
Aust. Sides	0	5	6
METALS —B. Copper			
Best selected	64	15	66
Sheets (strong)	92	0	0
Standard	62/12/6	62/15/0	
Lead Eng. Pig per ton	40/10/0	0/0/0	
Soft Foreign	39/5/0	37/7/6	
Spelter G.O.B.	40/12/6	39/7/6	
Tin—English ingots	285/0/0	0/0/0	
Do do bars	287/0/0	0/0/0	
Standard cash	286/0/0	285/5/0	
OILS —Fish, per ton			
Seal, pale	£	38	0
Linseed, p. ton net, naked	39	0	0
Rape, refined	50	0	0
Crude	47	0	0
Cotton-seed, crude	38	0	40
Edible, refined	46	0	0
Coconut, crude	47	6	0
Palm	50	0	52
Lard, American	38	15	35
Petroleum—Oil, per 8 lbs.	1/0	7/8	0
Water-White	1/1	0/0	
Oil Cakes, Linseed, Eng.	per ton	£12/5/0	£12/15/0
Oil Seeds—Linseed—			
La Plata, p. ton Oct.-Nov.	18	5	0
Bombay, p. ton Oct.-Nov.	21	10	0
Calcutta, p. ton Oct.-Nov.	20	12	6
PORTLAND CEMENT —Best English			
per ton delivered, London	58/0	63/6	
Rapid hardening "Ferrocete,"	per ton extra	10/	
PROVISIONS			
Butter—per cwt.—			
Irish creamery	208	3	210
Do factory	156	0	160
Australian	190	0	210
Argentine	174	0	192
Dutch	216	0	224
New Zealand	204	0	218
Bacon, smg.—Irish	224	0	226
Danish	122	0	134
Canadian	118	0	126
American	106	0	116
Hams—Irish	108	0	110
Canadian	128	0	130
American	114	0	147
Lard—Irish bladders	94	0	100
American boxes, 56 lbs	82	0	84
Pork—per 8 lbs	6	8	0
Best—Frozen	6	8	0
Scotch	6	4	8
Cheese—cwt.—Canadian ..	6	4	8
New Zealand	0	120	0
Eng. Cheddars	125	0	145
Cheshire	125	0	145
Dutch	82	0	125
Eggs, per 120—English ..	26	0	28
Irish	25	0	26
FLOUR —280 lbs			
London standard ex mill	41	0	0
RICE—per cwt, c.f. and i.			
Rangoon, No. 2	15	3	0
Broken 1a	12	9	0
ROBIN —per ton			
American	33/0/0	24/15/0	
French	31/0/0	0/0/0	
SAGO—Pearl, per cwt.	27	0	30
SHELLAC —per cwt			
Orange, first marks	300	0	325
Second, fair to fine	250	0	280
TN Orange	230	0	235
Garnet, Lac. AC	215	0	220
Button—Pure	240	0	0
Blocky (TN)	200	0	0
SILK —per lb			
China—Blue Elephant ..	18	0	0
Can.	28	0	30
Tussah	10	0	12
Re reeled	0	0	0
Japan	29	6	31
Italian—Raw, fr. Milan ..	30	0	33
SHELLS —M.-O.-P., per cwt			
Manila, bold	26/0/0	11/0/0	
Macassar	7/13/0	12/0/0	
Sydney	5/0/0	12/0/0	
W. Australian	7/0/0	13/0/0	
Bombay	4/0/0	8/5/0	
SUGAR —per cwt, duty, 11s 8d,			
per cent. polarisation	s d	s d	
B.W.I. muscovado	nom		
Crystallised	22	6	26
Java, white	spot	25	6
REFINED—London			
Yellow Crystals	24	1½	0
Cubes	30	6	31
Crushed	28	6	0
Granulated	27	14	7½
Crystals, No. 3	27	0	0
Castor	23	3	4½
Pieces	22	3	25

cent. and the stiff rate at which the Treasury bills were allotted reflected the prevalent mood.

	Oct. 30, 1925.	Oct. 23, 1925.	Oct. 16, 1925.	Oct. 9, 1925.	Previous Rate and Date Changed.
Bank Rate	4	4	4	4	4 (Oct. 1, '25)
Banks' Deposit Rate	2	2	2	2	2 (Oct. 1, '25)
Discount | Call	2	2	2	2	2 (Oct. 1, '25)
Houses | Notice	2½	2½	2½	2½	2½ (Oct. 1, '25)
Market rate (3 months' bills)	3½	3½	3½	3½	..

The Bank return showed a decrease of £2,458,000 in the stock of coin and bullion, £2,466,000 having been announced as withdrawn for export; the note circulation expanded by £438,000, and the total decrease in the reserve was thus £2,896,000, its proportion to liabilities declining 1.5 per cent. to 23.7 per cent. Government securities declined by £2,200,000, and Other securities only showed a minute increase; Public deposits expanded by 1½ millions; there was thus a total decrease of 6½ millions in Other deposits, bringing their amount below £103 millions. Currency notes for the week were reduced by £283,700 to £291,616,800, which includes £1,323,100 for notes called in but not yet cancelled. The fiduciary issue is £234,043,700, or £14,101,700 below the maximum for the year.

NEW YORK MARKETS.

Our New York correspondent cables:—Markets continue buoyant, with industrial news favourable. Money is plentiful and rates are little changed. The statements by industrial companies of earnings for the third quarter show good increases over the previous quarter and the third quarter of last year. The railroads are making a similar showing. There is little change in the Federal Reserve position, discounts being lower and bills purchased in the open market higher. The Reserve ratio is 72.5. The statements reveal a further considerable movement of funds to New York from other centres. The Administration apparently realises the limitations of the Italian debt position, and wishes for a settlement, but optimism is restrained in view of the mishandling of the French negotiations.

THE STOCK MARKETS.

The fall in the franc has caused uneasiness, and the stock markets have been less confident than of late. British Government stocks and Home Rails have been neglected, though prices are steady. French Government and railway bonds followed the plunging franc, and other foreign stocks weakened. Rubber shares hold their ground. Shipping stocks have suffered from the reduction in the P. and O. dividend, and iron and steel shares have lost some of their recent recovery. Electrical manufacturers' stocks have been the most cheerful section of the industrial market. The mining market has been uncertain; Malayan and Mexican mining shares have improved, while Chartered and De Beers have fallen back.

THE COMMODITY MARKETS.

The slight quickening of business reported during recent weeks is, on the whole, maintained. In the coal market, orders placed on American account are beginning to react favourably on dry steam coals, but in ordinary descriptions depression still obtains. A fair business is passing in pig-iron, and the steel outlook is distinctly brighter. A further increase in the American cotton crop is indicated by the latest Bureau estimate, and the lower prices now prevailing have assisted in the booking of numerous orders. A considerable inquiry for piece goods has come through from India. Buying in the woollen trade has been more restricted this week, but quotations have nevertheless tended to harden as stocks are low. Jute prices show a further marked advance, but the Calcutta position is now slightly easier. Wheat is in quieter request. The market for refined sugar has displayed a firm undertone, tea has been well supported, but coffee remains quiet. Rubber is firm, with dealings on a fair scale. Among metals, tin has been irregular, and was less active after a firm opening, and copper has lost ground on the week.

FOREIGN EXCHANGES.

In the foreign exchange market, although interest has again centred mainly on the franc, business especially in the dollar and the more important European currencies, has been more active than of late. Contrary to expectation, the Paris rate was not held at the rate of just under 115, at which it closed on the 23rd. On Saturday it rose further to as high as 117.45, and at one time on Monday reached the record figure of 121.75. At this point, however, a reaction of feeling helped by judicious intervention brought down the quotation to 113, and although on Tuesday and Wednesday it moved up again sometimes to over 117, the rate would seem to be settling down for the moment somewhere between 115 and 116, being quoted yesterday morning at about 115½. Intervention, it may be said, does not appear to have been carried out this week on a large scale. On the other hand, any fall in quotation brought always a strong demand for sterling from Paris. The immediate explanation of these movements is to be found, of course, in the political crisis, but there is little that is reassuring in the outlook, as it is hard to see what satisfactory financial proposals the new Government can make. Forward francs remained as before at a discount of about 50c per month. This week the Brussels rate has been influenced to some extent by the Paris collapse, moving up at one time to 108.50. From that it had recovered again yesterday morning to 106½, as compared with 106½ a week ago. Forward rates have widened further from 20c to 45c per month above spot. The lira in the same way has shown a slight upward tendency, moving from 121½ on the 23rd to 122½ yesterday morning. Sterling, on the other hand, has shown an improving tendency, the rate moving up from \$4.84½ to \$4.84 21-32, after being quoted at times just over \$4.85. Economic factors alone are hardly sufficient to justify this tendency, which to a large extent is due to the recovery of American confidence in Europe as the result of the Locarno Conference. Other stable currencies show little change, Amsterdam being quoted the same as last week at 12.04½, Berlin at 20.35, as compared with 20.33½, Switzerland, at 25.14½, as compared with 25.16, Stockholm at 18.10½, as compared with 18.08½, Vienna 34.38, as compared with 34.37½, Prague 163½, Helsingfors 192½. Oslo has been much quieter than of late, moving only from 23.75 to 23.77. Copenhagen, however, has improved from 19.55 to 19.45½. Warsaw remains practically nominal at about 28½, while Bucharest is also about the same at 1,020. In the East the rupee is unchanged at 1s 6 13-64d, and little movement is expected at present. The yen, however, has appreciated slightly from 1s 8½d to 1s 8½d. Silver has been quiet, with a slightly sagging tendency on offers. Hong Kong has moved from 2s 5½d to 2s 5d. Shanghai from 3s 3d to 3s 2½d. In South America the upward movement in Rio has been checked for the moment, the rate standing at 77½d, as compared with 7 35-64d a week ago. Buenos Aires has moved slightly downwards from 46 25-64d to 46½d, Monte Video upwards from 50½d to 50½d. Valparaiso, at 39.40 pesos, compares with 39.50 pesos a week ago. It might be noted that the Hungarian Government has brought before Parliament the Bill for a new currency unit, the complete introduction of which is to take place by January 1, 1927. The new unit is to be called a pengő, and is fixed at the equivalent of 12,500 paper krone, making a ratio to sterling of about 27.70 pengő to the £. The pengő itself will be divided into 100 garas or groats.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended October 24th:—

EXPENDITURE.		REVENUE.	
(000's omitted.)		(000's omitted.)	
Supply Services	7,350	From Revenue	12,687
Interest, &c., on Debt	872	Decrease in Exchequer Balances	81
Sinking Fund	274		
Sundries	197		
Decrease in Debt	4,075		
	12,768		12,768

Revenue amounted to £12,686,600, against £10,444,600. Customs yielded £3,168,000, against £2,835,000, and Excise £3,684,000 against £1,596,000. Estate, &c.,

Duties produced £1,600,000 against £1,230,000. Property and Income-tax yielded £1,080,000, against £1,545,000. Super-tax brought in £570,000, against £370,000. Special receipts produced £200,000, against £500,000 in the corresponding period. The week's operations reduced the National Debt by £4,075,000, and caused the following changes:—

(000's omitted.)	
Treasury Bills	£ 331
National Savings Certificates	150
3½ % Conversion Loan	2,635
Sundries	40
	+ 3,156
Public Department Advances	— 7,231
	— 7,231

The floating debt was reduced by £6,876,000 to £771,090,000.

FINANCIAL YEAR, 1925-1926 (April 1st to Oct. 24th).

£		£	
Total Expenditure ..	443,405,146	Raised by Revenue ..	393,252,558
		Decrease in Balances ..	3,649,716
		Amount borrowed ..	46,502,872
Total	443,405,146	Total	443,405,146

ESTIMATES FOR FINANCIAL YEAR 1925-1926.

£		£	
Expenditure	799,400,000	Revenue	801,060,000
Surplus	£1,660,000.		

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies.—Entre Rios Railways, United Railways of the Havana and Regla Warehouses, United Steel Company, Yorkshire Amalgamated Products, Amalgamated Anthracite Collieries, Sudan Plantations Syndicate, Amalgamated (Rubber) Finance, Singapore Para Rubber Estates, Sengat Rubber Estate, Herrburger Brooks, Raphael Tuck, United Dairies, Kern River Oilfields of California, and Transvaal and Rhodesian Estates.

ECONOMIST INTELLIGENCE BRANCH.

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

THE SITUATION IN FRANCE.

For the third time in two years the problem of national finance has caused the downfall of a French Government. On the previous occasions, no doubt, other causes contributed; and in the latest instance such questions as Syria and Morocco played their part in the situation. Finance, however, is the dominating factor, and the downfall is not so much of the Cabinet as of the Finance Minister. For within 24 hours of the resignation of M. Painlevé and his administration came the news of the return of M. Painlevé, and his formation of a new Cabinet, whose one striking difference from its predecessor is the absence of M. Caillaux. Only a few months ago, France was acclaiming the sensational return of the exile, and looking to him to prove himself the financial saviour. He returned at the most difficult of times, for the summer of 1925 was the crucial period of pressure from a great volume of maturities of short-term debt. His plan for meeting the crisis was three-fold: a drastic increase of taxation, without adopting a capital levy; a gold loan; and the compounding of foreign debts, in order to pave the way for the fresh external credits which might enable him to make the essential reductions in the floating debt. In the two latter policies he failed, largely because circumstances were too strong for him. The gold loan was too late; the peasants had lost faith in the credit of the State, and had already reached the stage of distrust, in which they preferred to lend their savings to local business concerns rather than to the Government. It might, perhaps, have

succeeded if the operation had been accompanied by a plan for stabilising the franc on a gold basis, and a clear assurance that the Budget was to be really and truly balanced. The second vital section of his policy, namely, the effort to make a settlement of external debts, gained a partial success in London, but when M. Caillaux returned from America to report his failure to drive a bargain his fate was sealed; and the last nail was driven into his coffin when, in spite of his eloquent opposition, the Radical Congress at Nice passed the resolutions (set out in a later column by our Paris correspondent), including a demand for a capital levy.

Upon this question of a capital tax the whole outlook of M. Painlevé's new Government turns. The composition of his Cabinet shows that he is leaning more on the Left and less on the Centre than before. But among the parties of the Left there is disagreement on essential points in a programme of financial reform. The demands of the Socialists and the resolution of the Radical Congress at Nice do not dispose of the fact that there is a body of opposition to a capital levy and M. Caillaux remains in the political arena to crystallise and strengthen a resistance to it which will be fostered and fomented by a raucous outcry in the Press. This being the case, several alternative proposals come up for fresh scrutiny. There is the possibility, often discussed in recent years, of reducing the interest rates on the internal debt; but the element of discrimination which this involves against holders of a particular form of capital is strongly opposed on the grounds of equity. There is another plan for tiding over the immediate crisis, to which M. Caillaux himself gave some consideration, namely, the legislation to enforce compulsory renewal of maturing short-term obligations. But M. Painlevé, who, pending the discovery of a new financial saviour, has become Finance Minister as well as Premier, is hardly likely to succeed, where M. Caillaux failed, in inducing the bankers to qualify their opposition, which they based on the strong argument that such a procedure would freeze up the liquid capital of the country and precipitate a financial crisis of the first order.

It is not uncommon to find among those who are not deeply versed in the story of French finance a belief that the trouble is due to the unwillingness of the French people to submit to adequate taxation and sacrifice. Those who take this view deduce from it that not only are the present generation in France solely to blame for their own troubles, but also that we in Great Britain have a rightful grievance against them for selfishly causing perpetual gyrations of the franc, which produce recurring upsets in certain important British export industries at the most inconvenient moments. This view is not altogether fair. Part of the blame, at least, lies in the past, and part of it outside France. When the war broke out France found herself with an obsolete and ineffective Budget system. To scrap the old and create new fiscal machinery during the war was a task almost beyond hope of fulfilment, and the only alternative was to finance the war almost entirely by borrowing. Thus the foundation of a vast debt was laid. That it has been doubled in the past six years is less defensible; but Allied, including British, statesmen cannot escape a share in the guilt of fostering those huge and illusory expectations of German Reparations, which created an atmosphere prohibitive of real tax reform and led to the lavish financing of the reconstruction of the devastated areas. "Why should we be nigardly? We shall recover the cost." "Why should we be overburdened with taxes? Make the Boche pay." That was the temper of the time. If we cast our mind back to the glass-houses in which a large section of our own people lived in those days, can we throw stones at the French with a perfectly clear conscience? We are not, perhaps, entitled to go further than to point out that in spite of Reparation illusions our own Governments did persuade this country to shoulder great burdens of taxation years earlier than the French; but we cannot weigh up the difference in the difficulty of the tasks the statesmen of the two countries had to perform. Be that as it may, we can at least share in the realisation, to which France has so rudely awakened, of the profound mistake of borrowing too largely on short-dated security, and of the clumsy financing which concentrated an avalanche of maturities into 1925.

In bemoaning the difficulties, great as they are, that face the new French Government, it is too easy to paint the situation blacker than it really is. French Governments, it is true, partly, as we have shown, through circumstances beyond their control, made a late start in imposing adequate taxation. But of late the country has shouldered a steadily increasing burden, which, in proportion to national income, is now as onerous as that borne by Great Britain. France has been brought almost within sight of the promised land of a Budget balance. One more great effort is needed to reach it; and we believe that France is sufficiently alive to the perils of the present position to rally behind the new Government if it will produce a bold and comprehensive programme for reaching the three desired goals of a balanced Budget, the stabilising of the franc on a gold basis, and the reduction of the floating debt problem to manageable dimensions. Whether or not the new Painlevé Administration can procure sufficient harmony of view among its various supporting groups to enable the production of such a programme is the question of the moment. Meanwhile, France's creditors, to whom, amid all the interdependencies of the modern economic world, her recovery is a matter of profound material interest, should not be unmindful of the assistance that it is in their power to give. If the new Government gives evidence of real determination to run straight for the three goals that we have described, it will, we trust, gain the sympathetic assistance of Washington, added to that of London, in removing the vital obstacle of an uncompounded foreign debt.

WORSTED AND PROTECTION.

The application made by the Bradford and District Manufacturers' Federation, the Keighley and District Manufacturers' Federation, and the Textile Commission Manufacturers' Association for the imposition of a duty upon "tissues or fabrics, whether in the piece or in any other form, of any weight from two ounces per square yard up to and including eleven ounces per yard, made wholly of wool, or partly from wool or hair," is an indication of the reviving hopes of protection on the part of harassed industries. The decision to set up a Committee (which appears to have been made by the Cabinet, and not by the President of the Board of Trade) shows the disposition of the Government to embark upon a bolder policy for the "safeguarding of industries."

So far the Government has acted warily. Lace and embroidery, hops and silk were protected under the Finance Act. The effort of the superphosphates industry to obtain protection was rejected by the Committee of Inquiry, though the chairman (who is also the chairman of the new Wool Textile Committee) supported the claim. Committees have been appointed to consider the leather and fabric gloves, gas mantles, brooms and brushes, wrapping and packing paper, aluminium hardware and cutlery trades. When, however, the iron and steel trades approached the Government, the latter took alarm, and the question was remitted to the newly-established Civil Research Committee instead of to a Board of Trade Committee under the Safeguarding of Industries scheme. The reason clearly was that an attempt to use the scheme to inaugurate a protectionist policy in one of the staple industries would be interpreted as a breach of the Government's pledge regarding the fiscal system.

The present inquiry seems to bring us perilously near to a breach of the pledge. The worsted industry is one of our staple trades. Of over a quarter of a million persons engaged in the wool textile industry, almost a-half are engaged in worsted spinning and weaving and the preliminary processes. Moreover, the terms of reference of the Committee cover more than worsted fabrics. It is said that exports of French wool textiles to this country are not accurately classified, and that certain worsted exports from France find their way to this country marked as woollen tissues. The object of those who have promoted the present inquiry is to obtain protection against French competition in dress materials. Should a duty be imposed on the goods defined in the Committee's terms

of reference, it would seem that it would be levied on certain classes of woollen imports, as well as on worsteds. This makes the inquiry all the more important, and it is necessary that the public should know exactly where it is being driven.

The case of the worsted section of the industry appears to be that it is suffering from abnormal competition, but part of its difficulty is that with which the lace industry was faced—a change in fashions and customs, against which no tariff can be of any avail! It may appear to be an exaggeration to put the matter so baldly, but the worsted trade is at present a declining industry, and the beginning of its decline is to be seen in the years before the war. There is considerable difficulty in making any exact trade comparisons with pre-war years, because of changes which have been made by the Board of Trade in methods of measurement and classification. Broadly, in the years before the war exports of British woollen tissues were increasing, whilst the exports of worsted tissues, all wool and mixed, were shrinking, as the following table shows:—

BRITISH EXPORTS (Annual Averages). (Yards. 000's omitted.)			
	Woollen Tissues.	Worsted Tissues.	
Five Years—			
1890-1894	50,224	140,029	
1895-1899	53,057	125,698	
1900-1904	52,075	101,825	
1905-1909	78,290	92,809	
Four Years—			
1910-1913	99,851	77,123	

The details for the four pre-war years are as follows:—

BRITISH EXPORTS. (Yards. 000's omitted.)			
	Woollen Tissues.	Worsted Tissues.	
1910	95,274	95,370	
1911	97,717	78,495	
1912	100,530	72,136	
1913	105,884	62,490	

As regards imports, difficulties of enumeration hamper comparisons, but the tables below show the general position before the war:—

IMPORTS OF WOOLLEN AND WORSTED "CLOTHS"			
	Total Imports. Yards.	French Imports. Yards.	
1909	2,714,260	23,604	
1910	2,549,589	51,162	
1911	2,336,758	20,627	
1912	1,889,606	59,555	
1913	2,777,378	672,856	

IMPORTS OF STUFFS, FLANNELS, AND DELAINES.			
	Printed.* Yards.	Other Sorts. Total. Yards.	French. Yards.
1909	169,764,957	55,204,638	43,981,237
1910	4,826,691	56,780,793	41,986,845
1911	4,610,874	60,323,802	44,799,883
1912	4,874,761	59,086,863	43,037,990
1913	3,318,453		

* No separate figures are given for French imports.
† From 1910 "stuffs" are included in the heads "stuffs, flannels, and delaines: printed," and "stuffs, flannels, and delaines: other sorts."

It will be seen from the above that a substantial proportion of the woollen and worsted fabrics imported from abroad come from France, and that French "competition" is therefore no new thing. The imports of French woollen and worsted tissues retained for home consumption (which are now reckoned in square yards instead of linear yards) have certainly grown since the war. In 1920 they amounted to about 6½ million square yards, in 1921 to 6,890,000 square yards, in 1922 to 9,197,000 square yards, and in 1923 to 14,683,000 square yards. Last year, however, the total amount of fabrics imported from the Continent of Europe was only about 40 per cent. of the pre-war quantity. The increase which has taken place since the end of the war is, therefore, rather a partial recovery of the pre-war position (when no claims were made for protection) than an invasion of the home market by new competitors.

It is probably true that within the limits where French competition in the British market really operates—a comparatively narrow range of dress goods—it is keener than it used to be. On the other hand, a change in fashion might rapidly affect the situation, whilst the steps which

are now being taken by the dress goods trade to show the distributors the range, quality, and taste of Bradford products may do much to restore the Bradford trade.

The textile associations applying for protection will, no doubt, stress the abnormal character of French competition at the present time because of the French exchange. It must, however, be borne in mind that practically the whole of the raw wool used by the French textile industry is imported from abroad at world prices, and so far as French purchasers of raw material are concerned the exchange so far from being a help is on the contrary an embarrassment, and counteracts in some degree the bounty on exports which the depreciated exchange provides. The Bradford trade, however, argues that French textile wages expressed in sterling are much below British wages, and that this gives an enormous advantage to the French exporter. But before the war the fear of French competition barely existed, and if in the interval the movement of real wages in France has corresponded with the movement of real wages in this country, the British manufacturer has no real ground for complaint. As a matter of fact, the hourly wage rates in the French wool textile industry have increased more than the cost of living, without taking into account the family allowances which are added to wages. It is no exaggeration to say that the wage rates per hour are five to six times the pre-war rates, the cost of living being about four and a-half times pre-war. According to the Ministry of Labour, money wages in the British wool textile industry are 86 per cent. above pre-war, and if unemployment be taken into account real wages are 88 per cent. of the pre-war wages. Consequently, it would seem that the French manufacturer has no undue advantage in the matter of wages.

The Bradford section of the woollen and worsted trades will find it difficult, we imagine, to persuade the Committee of Inquiry that it is in as parlous a condition as, say, the silk trade or other more important industries. There is, however, the larger question of national policy. It is a commonplace of fiscal controversy that many individual industries can make a reasonably good case for protection for themselves, and the method of inquiry into single applications on their merits may well result in the imposition of duties which are not in the general national interest. It is difficult for the Board of Trade to draw the line between one industry and another; but in the present case it appears to have come dangerously near, even if it has not overstepped the border line of, the region of the general tariff.

GREAT BRITAIN AND THE WORLD'S COAL TRADE.

In a recent Monthly Supplement we gave certain statistics relating to the world's coal trade. These statistics, which have now been gathered together and issued by the Government as a White Paper,* are at the root of the problem which the Coal Commission is investigating, and are deserving of the closest study. They permit us to get a bird's-eye view so far as the chief coal using and producing countries of the world are concerned. We shall disregard the figures for 1923, these being altogether abnormal as a result of the French occupation of the Ruhr, and the consequent check to German production and artificial stimulus to British exports. The trend of events can best be shown by a comparison of the figures for 1913, 1922, and 1924.

Our first table shows total production in the years mentioned:—

PRODUCTION OF COAL.			
	1913.	1922.	1924.
United Kingdom	287.4	249.6	267.1
United States of America	508.9	425.8	511.9
28 other countries	477.2	500.4	518.2
Total, 30 countries	1,273.5	1,175.8	1,297.2
British share (%)	22.5	21.2	20.9
Total, excluding United States....	764.6	750.0	785.3
British share (%)	37.6	33.2	34.0

* Coal Tables, 1924. White Paper 168 of 1925.

The figures show no very considerable difference between world production in 1913 and 1924. This apparent stability of output, however, implies a substantial increase in the world's power resources. The coal output of the world is supplemented by a much larger supply of oil than in pre-war days. The Continent of Europe and the United States are, again, generating a much larger amount of power from water supply. Owing to technical improvements, yet again, coal combustion is much less wasteful than in 1913, so that a given tonnage produces greater heat and power.

Examination of the figures shows that, although last year's production was higher than in 1922, the proportion of British to world output fell slightly. If the output of the United States be excluded, Great Britain's share in the whole has, on the other hand, increased slightly since 1922. If we take 1913 as a standard, we may briefly sum up the position by saying that this country is producing about 93 per cent. of her pre-war output, America 100 per cent., and the rest of the world 109 per cent.

The main reason for the decline in British production is to be found in the conditions of the export trade. If British exports (including bunkers) be deducted from British production, we find that the quantity of coal retained for home consumption amounted to 189 million tons in 1913 and 185 million tons in 1924. As compared with the situation before the war, the reduced home consumption is entirely due to the depression in the iron and steel industry. It has been estimated by Sir Wm. Larke before the Coal Commission this week, that the iron and steel industry used 31 million tons of coal in 1913, and 24½ million tons in 1924. If we deduct these amounts it appears that home consumption in other industries, and for domestic purposes, was 158 million tons in 1913, and 160½ millions last year. A steady home demand, combined with a falling off in export, is, indeed, one of several factors which has shifted production from our seaboard coal fields to our inland coal fields. In particular the Yorkshire area has been steadily expanding at the expense of South Wales and the North-East coast. But, unfortunately, colliery labour, like other labour, is not, under modern conditions, mobile. The result has been that the Yorkshire coal field has been drawing into the mines labour from all kinds of occupations, and particularly from agriculture, while many miners in South Wales and elsewhere have been on short time, or are out of work. This shifting explains why an industry which at the end of last July employed only 25,000 fewer workers than in 1913 had an "unemployed" list embracing nearly 185,000 people.

The root of the difficulty, then, is to be found in the export districts, and we must next examine the figures of world trade, as apart from production. The returns of those countries which export appreciable quantities of coal show the following state of affairs:—

COAL EXPORTS (including Bunkers). (In Million Tons.)				
	1913.	1922.	1924.	
United Kingdom	98.3	82.5	82.0	
United States of America	29.7	17.6	23.2	
Other countries	63.5	37.5	41.5	
Total	191.5	137.6	146.7	
British share of total (%)	151.2	160.0	156.0	

Comparison between 1913 and the post-war years is affected to some extent by changes in national boundaries. For example, the coal which Austria buys from Czechoslovakia is now classed as an export of the latter country, but was formerly internal trade. Similarly coal sent from the Polish Upper Silesian mines to Germany is regarded as an export. In the above table the United States shows an increase between 1922 and 1924 of 6 million tons. This represents a real development of her trade with South America. The exports of other countries show an increase from 37½ million tons to 41½ millions, which is more than accounted for by increased exports from Poland to neighbouring

† The above figures are inclusive of brown coal exports, and are based on the returns for 30 countries. Sir Richard Redmayne, in his evidence before the Coal Commission this week, gave the British share in the world's total as 49.8 per cent. in 1913 and 51.2 per cent. in 1924, the latter figures taking lignite, &c., at coal equivalent and apparently including a larger number of exporting countries.

countries, and does not represent a gain in international trade. In other words, if we leave the United States out of account, the international coal trade showed a slight increase in 1924, as against 1922, and a quite definite falling off as compared with 1913. While Great Britain maintains her relative share of this reduced trade as a whole, she tends to lose ground to the United States, particularly in South American markets.

The same problem may be examined from a different angle by comparing the imports of the countries under review during the years in question, as is done in the following table:—

	COAL IMPORTS (In Million Tons).		
	1913.	1922.	1924.
British Empire.....	17.4	9.2	2.9
Europe.....	80.3	72.5	82.3
United States.....	1.4	4.7	0.5
Other Countries.....	10.0	5.8	8.1
Total.....	109.1	92.1	93.7

The total imports shown are necessarily less than the total exports of the previous table, since the latter include coal consumed by the world's mercantile marine, in addition to exports to countries which are not included in the import table above. The figures as they stand indicate that European imports fell below the 1913 level in 1922, but more than regained it last year. Frontier readjustments may, of course, have a share in this result, and brown coal imports figure more significantly in the post-war totals. The Empire has taken considerably less coal since the war, and the United States is an importer on a large scale only in exceptional circumstances.

The general conclusion from the figures appears to be that the world is using more rather than less coal than before the war, but that much less is being carried from country to country. The effect of this decline in trade, as distinguished from consumption, has been most prejudicial to Great Britain, the world's largest exporter. Another unfavourable factor has been the lessened demand for coal bunkers, as a result of depression in the shipping industry, and also, to some extent, the replacement of coal by oil fuel. In pre-war days nearly 87 per cent. of the world's merchant marine was entirely dependent on coal. To-day the proportion is less than 65 per cent., while the navies of the world are, almost without exception, oil-burning.

Many of these unfavourable developments spring from world-wide causes which are not susceptible of control by any one country. Any improvement in the internal efficiency of British coal-mining which may be found practicable by the Royal Commission will help the situation, but the figures given above would seem to suggest that external factors have had much to do with the present plight of the industry, and that the coal industry of Great Britain is faced with the need of adaptation to a new and difficult market situation.

GERMAN INDUSTRIAL REORGANISATION.

In connection with the reorganisation of German industry on the basis of post-war competitive world conditions a very interesting development has been taking place during the last few months. In several of the principal industries cartels, which have for decades been the most distinctive feature of German industrial organisation, are becoming secondary in importance to trusts based on American models. In the English-speaking countries, and especially America, the laws against agreements in restraint of trade entirely precluded the formation of cartels, in which monopoly conditions are secured by contracts between financially and technically independent enterprises. Monopolistic tendencies were thus directed into the only channel open to them, that of complete amalgamation. In Germany, however, the few trusts that have existed hitherto have been of the extensive vertical kind. They did not represent organisations directing their energies towards the production of a particular finished article, nor did they as a rule secure any

of the advantages of monopoly. In most cases they were simply financial holding companies owning many enterprises with no connection whatever with one another.

The recent collapse of the Stinnes concern, the best-known example of this type of trust, is of considerable interest in this connection. Hugo Stinnes's two sons having inherited a vast agglomeration of enterprises, whose only connection was their ownership by the Stinnes family, made the attempt to carry out all the trading and financing of these enterprises through a central office, thus bringing these into one organisation. The attempt failed completely, and the failure conclusively showed that the extensive vertical trust is not only useless, but actively harmful. Such trusts were formed during the unhealthy conditions of inflation, when it was necessary at all costs to convert depreciating paper-marks into property of permanent value. With the return to normal conditions they are swiftly disappearing. Inflationary conditions, however, facilitated at the same time concentrations of a more permanent nature. The large concerns in the heavy industry, the electrical and chemical industries, &c., were able to strengthen their position by absorbing their smaller rivals. The concentration of important industries in relatively few hands prepared the ground for the developments which are now taking place. Large horizontal combines are being formed with the object of bringing about a division of production between individual factories, enabling each of these to confine itself exclusively to those categories of goods which it can produce at the lowest cost. Such combines involve a much closer association of individual enterprises than the cartels bring about. The regulation of prices and the maintenance of a steady price-level is only a secondary task of these combines, whereas it was the sole object of the cartels. It is realised in Germany that the old system has great limitations, and is not really suited to form the basis for reorganisation to suit the prevailing conditions on the world markets. It is not only necessary to adapt production to demand, but this process must be carried out in the most economical way possible. Where contraction is necessary, the less efficient works must be closed down and production concentrated in the remainder. Under the cartel system prices tend to be based on the cost of production in the least efficient works. The necessity for a reduction of prices if export is to be increased makes it impossible for Germany to afford the luxury of keeping her marginal enterprises above water. Moreover, the supply of working capital is so limited that it is of the greatest importance to direct this supply to the most efficient and productive channels. It is stated that the formation of the American Whisky Trust enabled 68 factories out of 80 to be closed at once, and this process might profitably be imitated in many German industries.

For the reasons given above several important amalgamations have already taken place, and others are being negotiated. In Upper Silesia all the coal mines and iron works belonging to the Donnersmarck-Hütte, the Oberschlesische Eisenbahnbedarfs-A.G., and the Oberschlesische Eisenindustrie A.G. have been united in one company. The Oberschlesische Eisenbahnbedarfs-A.G. and the Donnersmarck-Hütte each receive 25 per cent. of the capital of the new company, the remaining 50 per cent. is taken over by the Oberschlesische Eisenindustrie A.G. which, however, loses its independent existence, and is absorbed by the Linke-Hofmann-Lauchhammer A.G., the company. Most of the principal heavy industrial concerns in Western Germany, with the important exception of the Krupp concern—i.e., the Thyssen, Rheinstahl, and Phoenix concerns, together with the Rhein-Elbe-Union (Deutsch-Luxemburg, Bochumer Verein, Gelsenkirchener)—are negotiating for complete amalgamation in a single company, and it is probable that the negotiations will be carried to a successful conclusion. Further, under the auspices of the Prussian State, a coal concern twice as large as any existing enterprise is to be created by means of a concentration of State interests. The chemical industry, which is considered to be the most efficient and best-managed in Germany, has determined on a similar amalgamation, which has already been officially announced. The principal object of this action is, it is stated, to enable each component enterprise to concen-

trate exclusively on one or two products. The leading concerns of this industry had formed an "Interessengemeinschaft" (community of interests) in 1916. They found, however, that this arrangement allowed too much freedom for certain works, resulting in some overlapping, and in order to attain a greater measure of efficiency and a more uniform control of the productive and distributing organisation total amalgamation has been decided on. The following firms are henceforth to form one company, entitled the "Interessengemeinschaft der deutschen Farbenindustrie A.G." :—

	SHARE CAPITAL.	
	Ordinary Shares.	Preference Shares.
	Mln. Marks.	Mln. Marks.
Bad. Anilin- und Sodafabr.	176	1.2
Eilberfelder Farbenfabr.	176	1.2
Höchst Farben	176	1.2
A. G. für Anilin.....	57.6	0.4
Chem. Fabr. Griesheim-Elektron	44	0.32
Leop. Cassella and Co., G.m.b.H.	..	..
Chem. Fabr. Weller ter Meer....	12	0.08
Kalle and Co., A. G.	6	..

The Badische Anilin und Sodafabrik of Ludwigshafen is to absorb the other companies. For this purpose it will increase its share capital by an amount equal to the total capital of the remaining companies. The new trust will have a total capital of 647.6 million marks ordinary shares, and 4.40 million marks preference shares. The two firms, Leop. Cassella and Co., G.m.b.H. and Kalle and Co., receive special treatment, but will, in fact, be members of the new trust.

In the potash industry the tendencies described above have been the cause of a very interesting struggle between the Wintershall concern and its satellites, on the one hand, and a "block" headed by the Westeregeln, Salzdetfurth, and Aschersleben interests on the other. The Wintershall concern, under the energetic and able guidance of its managing director, Herr Rosterg, made a bold attempt to control the Potash Syndicate with the object of cutting prices and forcing the less efficient mines to close down. Herr Rosterg maintained that the total potash production necessary for the world market could most economically be produced by a few mines suitably developed for the purpose. Wintershall succeeded in obtaining well over 45 per cent. of the production quotas (on which voting in the syndicate depends), and had it secured a majority it is possible that the enterprise remaining alive after the proposed price-cutting had been carried out would have been forced to sacrifice their independence. The industry might well have become a trust controlled by Wintershall. The opponents of Wintershall succeeded, however, in forming a block controlling some 52 per cent. of the production quotas, and thus the majority of the votes. The contending parties have since come together. In this way the Potash Cartel has been preserved, and the new tendencies have been checked. It is probable that the success of the "Conservative party" has been due to the fact that the industry, being on the up-grade, does not feel the pinch of necessity. Germans do not see the need greatly to reduce the prices to foreign consumers of what is still to a large extent a monopoly product.

From the foregoing it may be deduced that Germany to-day realises the difficulties of her position, and is, moreover, prepared to go to the necessary lengths in order to overcome them. In the iron and steel industry, for instance, it seems probable that the new organisation will be able to reduce production costs to the extent and more that they are increased by an eventual rise in wages. There is no doubt that the industry as a whole will be strengthened. The cartel organisation will, moreover, be retained as far as necessary. If, as is more than ever probable now that Locarno has transformed the European outlook, the French and German heavy industries come to their long-discussed arrangement whereby the Germans will control for sales purposes a large part of the French semi-manufactures, it will surely be advisable for our iron and steel interests to keep a careful watch on the situation. As long as the shortage of capital in Germany continues, there is a possibility of ensuring our non-isolation if our financial and industrial interests will work together. It was significant that Herr Wassermann, director of the Deutsche Bank, should have stated in his speech at the

Bankers' Congress that not only debentures, but stock and participations must be offered abroad. Five years ago no responsible German would have said as much. Everything was then done to keep the foreigner out. Five years hence, if the formation of capital makes progress, Germany will probably no longer be so anxious for foreign help, and the present opportunities for securing international collaboration may well have slipped by unnoticed.

THE CHINESE TARIFF CONFERENCE.—II.

(BY A SHANGHAI CORRESPONDENT.)

It was stated in a previous article that China's unsecured debts total not less than \$745,000,000, of which about \$495,000,000 (if we include the debts of the Ministry of Communications) represent foreign and \$250,000,000 domestic debts. For some of these debts creditors have succeeded in getting irregular payments: in the case of most of them neither interest nor capital has been paid for a considerable time. Accordingly, one of the chief problems of the Tariff Conference is to decide whether to devote the 2½ per cent. surtax which they are empowered to grant to the service of these debts or not.

The first point which the conference will have to consider in reaching a decision has already been touched on, namely, the unlikelihood of the provinces being willing to reduce their taxation of merchandise unless they are compensated by some *quid pro quo*. The surtax, which, it is estimated, will produce additional revenue amounting to about \$30,000,000, obviously cannot provide this compensation and do service for the debts also; nearly half of it would be absorbed even by the modest initiation of fiscal reform suggested by the British Chambers of Commerce in China—the abolition, that is to say, of the duties levied by the Customs on native inter-port trade. On the other hand, the treaty in which the Powers agreed to the surtax definitely refers to "interim provisions to be applied prior to the abolition of likin."

The next point on which decision turns is the composition of the external or foreign debt, part of which consists of a group of Japanese loans, known as the Nishihara loans, which, as listed by the Chinese Government Bureau of Economic Information, total 125,000,000 yen. The political history of these loans is such as to make the idea of repaying them with the proposed surtax extremely repugnant to the opponents of the Anfu party, which contracted them, and is in power at Peking at the present time. In agreeing to include them in any debt consolidation scheme the Powers would, accordingly, be running the risk of antagonising, at a specially inopportune moment, all the Anfu party's enemies, and of giving fresh excuse to the extremists who have lately been conducting propaganda against "imperialist and capitalistic" finance. On the other hand, it is difficult to suppose that Japan would agree to the surtax being used for debt purposes on the understanding that the debts due to her were ruled out, while to exclude them on the ground that they ought not to have been contracted, besides being an argument of more than doubtful validity to apply to any debt, would create an extremely dangerous precedent.

A third point which the Powers will have to consider is the fact that, of the revenues which would have to be relied on in order to consolidate the unsecured debts, and at the same time to enable the Peking Government to pay its way increasingly large portions are being appropriated—or misappropriated—by provincial authorities. Of this fact the following figures, taken from M. Padoux's memorandum, are illustrations. The salt revenue, which is part security for the 1913 Reorganisation Loan, should give the Peking Government a net annual income of not less than \$99,644,000, but of this total \$29,300,000, or

nearly a third, was in 1924 appropriated by provincial authorities and military commanders. Again, the retention of part of the railway revenues by local officials is responsible for the inclusion in the list of unsecured debts of a total of \$175,000,000, while in the case of the wine and tobacco tax, which should give the Pekin Government a net revenue of \$9,351,133, only \$889,265 reaches the capital.

M. Padoux draws special attention to these appropriations by provincial authorities, but does not, oddly, appear to take into consideration the possibility of their continuing to increase and thus destroying the basis on which his scheme for reconstructing China's finances rests. This scheme, it should be explained, embraces more than the consolidation of the unsecured debt: it includes—as would seem to be essential—the provision of sufficient resources to enable the Government to carry on its duties. In working it out, M. Padoux puts the annual expenditure of the Government at \$48,000,000, adds thereto the amount required for debt consolidation, namely, \$54,250,000, between now and 1933, increasing to \$76,400,000 during the period 1933-1950, and thus gets a total requirement of \$102,000,000 for the former period and \$124,000,000 for the latter. Against these sums he sets out what he assumes the available resources, in the shape of receipts from the Customs and salt revenues, the wine and tobacco and stamp duties and Pekin Octroi, will be in 1926 and succeeding years. Even on this basis he shows that there would be annual deficits for the next ten years, and to meet them suggests, amongst other methods of increasing resources, making the Customs surtax $3\frac{1}{2}$ instead of $2\frac{1}{2}$ per cent., taxing imported tobacco more heavily than it will be taxed under the arrangements agreed to at Washington, and extending the stamp tax to foreigners, the result of these suggestions being, at the end of his memorandum, a table showing deficits converted into surpluses.

What guarantee, however, is there that the salt and other revenues mentioned will continue to flow to Pekin in the amounts which he assumes? There is none. We touch here the fundamental difficulty of Chinese finance, which is soluble only on one of three conditions: (a) Complete foreign control of all sources of revenue, (b) the emergence of a central government able to establish control, or (c) a voluntary agreement between Pekin and the provinces, to readjust the whole financial machinery of the country. It cannot be said that any one of these conditions is likely to be fulfilled in the near future. As far as foreign control is concerned, the probabilities lie in the opposite direction: the existing degree of control is likely to meet with increasing objection. It is highly important that this latter fact should be quite clearly realised.

From the foregoing it will be understood that the Tariff Conference is faced with an exceedingly difficult problem, the essential elements of which, at the risk of repetition and for the sake of making them as clear as possible, may be set out as follows:—1. If the $2\frac{1}{2}$ per cent. surtax is used for effective decrease of internal taxation of trade, it cannot be used for debt consolidation. 2. If the debts are not consolidated they must continue to hang like a millstone round the Government's neck, while the outlook of foreign creditors interested in them will be practically hopeless. 3. On the other hand, consolidation involves the risk of considerable political friction, resulting, possibly, in an increase of anti-foreign sentiment threatening to the only reliable security which foreign bondholders possess, i.e., foreign administration of the Customs. Finally, the consent of the Powers to tariff autonomy, while it would make the debts much easier to handle, and diminish the urgency of readjusting the financial relations of the provinces to Pekin, would do nothing to diminish the internal taxation of trade which would almost certainly continue. And in the state of archaical to some other form of Government, the eventual nature of which it is impossible to forecast, it is more than likely that tariff autonomy would make the Customs revenue the keenly contested prize of all the rival factions in the State, to the great injury of trade, both domestic and foreign.

MEXICAN EAGLE.

(BY A CORRESPONDENT.)

ONCE amongst the most prominent shares in the oil market, Mexican Eagles, through a series of unfavourable developments, have fallen from favour both in price and investment esteem; but a close student of the company's position might see in its undeveloped areas and current progress greater promise than is generally appreciated. The balance-sheet shows a surplus of floating assets of more than £6,000,000 over all liabilities, including both preference issues, equivalent to over 10s a share on the ordinary shares, no less than $6\frac{1}{2}$ millions sterling being in British Treasury bonds, cash and stocks of oil, indicating a strong financial position.

These assets apart, an original capital sum of £12,000,000 expended on real estate, refineries, and equipment has been written down by 47 per cent. to a present figure of £6,400,000, and in addition there are reserve funds amounting to £3,300,000. Indeed, the ordinary shareholders may think the thoroughness of writing down almost ruthless in the absence of a dividend since 1922. The decline in the company's production from its own wells since 1921 has been rapid and great. In that year the output was $38\frac{1}{2}$ million barrels, no outside oil being purchased. By contrast, in 1924 the company's wells yielded $5\frac{1}{2}$ million barrels and $13\frac{1}{2}$ millions were bought. As is well known, on the appearance of salt water, a policy was decided on of buying and refining crude oil from outside sources in order to keep the refineries going, and, although the native production was so small, a trading profit of over one million pounds was secured last year, not reckoning any return from interest on investments. More than three-quarters of this was allocated to depreciation; otherwise it would have equalled 5 per cent. profit on the total issued capital.

This result was attained in face of three serious disadvantages, as during the first six months of the year production had to be partially closed owing to a strike at the Tampico refinery; the Minatitlan establishment was also affected, and in the latter months operations at Tampico were again disturbed through heavy floods silting up the Panuco river. While some recrudescence of unrest has appeared at Minatitlan, it is understood the Tampico refinery has been fully engaged in the current year.

For several years the company has, in common with other corporations trading abroad, been subject to heavy fluctuations of profit through variations in the value of sterling. Now, with stabilisation effected, the advantage to the company should be marked, as may be realised from reference to the last report, which states that, owing to the rise in sterling exchange "principally towards the end of the year," an exchange profit of about £440,000 was shown.

The company possesses 400 miles of pipe-line and refineries—the principal being Tampico, capable of dealing with 120,000 barrels of oil daily, and regarded only as a refining and trading proposition situated in a most favourable geographical position for supplying South America, Europe, and the East with its commodities. The ordinary shares have attractions, which are increased in recalling that one of the principal investments is the ownership of all the ordinary shares of the Eagle Oil Transport Company. This company has a fleet of 37 ships of 436,000 tons dead weight, and for some time has been putting large sums back to write down the book value, £750,000 being so applied last year. Should a similar sum, as is most likely, be available for the current year, and another £650,000 next year, the book cost will have been brought down to £11 per ton, a figure at which the fleet could not now be replaced. When this is completed, the subsequent profits, if on a corresponding scale, would equal over 6 per cent. on Mexican Eagles. Some day these very large appropriations which are being placed to various depreciation accounts must cease to be necessary. Concrete conditions thus suggest that the price now ruling is not over high, if the company is treated as a trading con-

cern alone. It, therefore, becomes the more interesting to consider how far new discoveries will affect prospects. The company is operating in two distinct and separated fields, and during its early history more hope attached to the southern area. Later developments brought the northern district into prominence, and it is from these that most of the past production has been secured, and incidentally where salt water has played much havoc. A prospect of better things appears to have opened up in the latest cable reporting a new well, Cerro Viego No. 24, in which the Eagle Company is half partner. Reference to a map shows this well to lie north-west of the older areas, outside the probable salt-water limit, and flowing at 21,000 barrels per diem. The Eagle interest represents more than 50 per cent. increase on its recent production, and if, as seems possible, it is a new deposit, developments may prove of greater importance than the Stock Exchange at present realises.

In the southern district, it is understood, progress is favourable, and oil of high quality has been found which, owing to the fineness of the sands, has proved difficult to bring to the surface. This technical trouble, if not already defeated, can be overcome, and both the 7 per cent. preference, which are amply secured, and the junior shares, look in view of the strong financial position and drastic writing down of assets rather under than over-valued.

BREWERY PROFITS.

THE following figures showing the trend of beer production in this country are supplied to us by a well-known expert on the subject. The figures are for Great Britain and Northern Ireland for the financial years 1923-24, 1924-25. It will be noticed that the bulk barrels in 1925 are estimated, but they are thought to be based on reliable figures:—

	1924.	1925.
Production (standard barrels)	19,890,000	20,954,000
" (bulk barrels)	25,425,000	*26,800,000
Exports (standard)	263,000	*267,000
Retained for consumption (stand. barrels) ..	19,606,000	*20,654,000
Imported (Guinness) (standard barrels) ..	1,464,000	1,621,000
Standard consumption	21,070,000	22,275,000
Bulk barrels retained for consumption, including Guinness at 1,050° gravity	26,772,000	28,316,000
	* Estimated.	

From an informative article which recently appeared in the *Observer*, we are reminded that the raw materials used in the production of beer and spirits consist in the main of barley, rice, maize, hops, and sugar and its equivalents. "In 1923 over 900,000 tons of cereals and about 80,000 tons of sugar were thus used. About a third of the cereals and practically the whole of the sweetening materials were imported. It has been estimated that some $5\frac{1}{2}$ per cent. of the arable land in Great Britain is devoted to the growing of malting barley. The hop-growing industry is also of considerable importance to the agriculturists of Kent. It must, therefore, be admitted that any sudden decline in brewing might be the cause of some economic hardship to the farming community. The value, however, of the cereals grown for brewing and distilling was under £10,000,000, or less than 9d in the £ of the selling price of the beer and spirits produced."

A number of important brewery undertakings have recently issued their accounts, and we have selected ten undertakings, for the purpose of a review of results achieved, whose year in most instances ends on June 30, 1925. Our first table shows the net profits during the past four years, and the amount carried forward of these leading brewery undertakings:—

Name of Company.	Net Profits, after Payment of Debenture Interest.				Carried Forward.			
	1921-22.	1922-23.	1923-24.	1924-25.	1921-22.	1922-23.	1923-24.	1924-25.
Arthur Guinness	2,252,477	2,046,911	2,389,625	3,039,096	702,288	594,198	713,822	832,918
Barclay, Perkins	176,964	181,129	182,063	198,194	34,463	41,592	44,956	56,390
Bass, Ratcliffe	386,063	389,223	463,058	536,668	66,748	63,571	93,429	65,097
Chester's Brewery	104,219	111,679	108,135	127,405	59,836	67,410	68,289	68,894
Hoare and Co.	119,456	186,379	207,658	279,932	4,987	5,146	7,541	4,859
Mitchells, & Co.	412,801	404,471	414,433	501,221	220,419	220,772	243,808	248,301
Threlfall's	278,613	288,527	295,269	301,816	232,553	244,563	263,314	288,613
Watney, Combe	614,613	690,718	702,627	1,013,285	194,494	215,378	186,403	215,608
Whitbread	177,788	175,085	168,812	198,034	289,580	319,534	342,489	394,676
Wm. Hancock	45,137	42,399	58,173	62,413	14,589	16,368	12,510	25,224

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This table discloses a wonderful record of prosperity, net profits showing a good increase in every instance. Carry-forwards are higher in most cases.

Arthur Guinness had a particularly favourable experience, its net profits rising from £2,389,625 in 1923-24 to £3,039,096 in 1924-25. The sum carried forward from £713,822 to £832,918. Both Watney, Combe and Mitchells and Butlers were able to record considerably higher net earnings, those of the former advancing from £702,627 to £1,013,286, and those of the latter from £414,433 to £501,221. In both cases larger sums were carried forward. Bass, Ratcliffe's net profits amounted to £536,668, against £463,058. The feature of the foregoing table, of course, is the remarkable progress made in recent years by Watney, Combe, to which reference is made below.

Our next table shows the available balance after payment of debenture interest, and how it was utilised during the past two years:—

	Available Balance, after Payment of Deb. Int.	Preference Dividend.	Ordinary Dividend.	To Reserve, &c.	Carried Forward.
Arthur Guinness, (June 30, '24)	£2,983,822	£120,000	£1,950,000	£200,000	£713,822
Son, and Co. (June 30, '25)	3,752,918	120,000	2,400,000	400,000	832,918
Barclay, Perkins, (Mar. 31, '24)	198,556	72,000	81,600	—	44,956
and Co. (June 30, '24)	234,990	72,000	81,600	25,000	56,390
Bass, Ratcliffe, & Gretton (June 30, '24)	536,668	68,000	265,200	100,000	93,429
Chester's Brewery (Mar. 31, '24)	549,297	68,000	265,200	150,000	66,097
Hoare and Co. (Mar. 31, '25)	170,945	8,492	64,165	30,000	68,894
Mitchells and Butlers (Apr. 18, '25)	194,094	8,492	66,708	50,000	68,894
Threlfall's Brewery (Apr. 18, '25)	212,802	—	148,994	56,268	7,541
Watney, Combe, (Apr. 18, '25)	287,473	46,500	244,797	157,434	4,859
Whitbread & Co. (June 30, '24)	635,105	46,875	346,253	100,000	248,301
Wm. Hancock (June 30, '24)	539,833	26,518	250,000	—	263,314
Barclay, Perkins, (June 30, '24)	565,130	26,518	250,000	—	268,613
Watney, Combe, (June 30, '24)	918,000	86,839	445,958	200,000	185,203
Reid, and Co. (June 30, '25)	1,383,692	86,528	533,566	550,000	213,608
Whitbread & Co. (June 30, '24)	488,343	46,561	93,293	—	342,489
William Hancock (June 30, '25)	840,523	46,257	95,500	—	394,676
Arthur Guinness (May 31, '24)	53,410	20,700	24,000	5,000	12,510
and Co. (May 31, '25)	74,994	20,700	24,000	—	25,224

It will be observed that the available balance after payment of debenture interest is higher in each case than in the preceding twelve months. The amounts required to pay the preference dividend are virtually the same. Ordinary dividend disbursements, however, in a good many cases require more. In the case of Arthur Guinness the company was able to increase its payment to ordinary proprietors from 26 to 32 per cent. Dividends paid by Barclay Perkins, Bass, Ratcliffe and Gretton, Threlfall's and Whitbread's were at previous rates, and on the same capital as a year previously. Chester's dividend was maintained at 20 per cent., but the bonus to ordinary shareholders was increased by $2\frac{1}{2}$ per cent., making a total of $27\frac{1}{2}$ per cent. for the year. Hoare's paid to ordinary shareholders this time £125,180, against £148,994, although the rate is kept at the 1923-24 level of 10 per cent. This, however, is because in the earlier year £23,815 was distributed to shareholders of the Lion Brewery under the terms of the purchase of that concern. Mitchells and Butlers' dividend was raised from 10 to 13 per cent., absorbing £349,853, against £244,797, and although the Watney, Combe deferred dividend was reduced from 20 to 17 per cent., it required £533,556 in contrast with £445,958, owing to its being paid on an increased capital. Wm. Hancock's rate went up from 10 to 12 per cent., and the total payment from £20,000 to £24,000. Some substantial appropriations were made to reserve. Guinness's allo-

cation rose from £200,000 to £400,000, Watney Combe's from £200,000 to £550,000, Hoare's from £56,268 to £157,434, and Bass, Ratcliff's from £100,000 to £150,000, while both Barclay Perkins and Wm. Hancock, who last year reserved nothing, this time make allocations of £25,000 and £5,000 respectively.

The following table shows the balance-sheet total and an analysis of principal liabilities and assets during the past two years:—

Name and Year Ends.	Balance-sheet Total.	An Analysis of the Principal Liabilities and Assets.						
		Share Capital and Reserves	Debentures and Loans	Creditors	Properties, &c.	Stocks	Cash and Investments	Debtors
Arthur Guinness, ord. sh.								
June 30, '24	17,707,130	11,014,700	..	4,405,355	5,867,456	5,248,755	5,731,483	2,859,435
June 30, '25	18,071,051	11,566,434	..	4,093,658	5,832,729	4,931,768	4,317,990	2,988,562
Barclay, Pks.								
Mar. 31, '24	3,567,843	1,328,655	1,582,382	204,306	2,414,209	379,377	330,980	159,263
Mar. 31, '25	3,723,076	1,322,602	1,614,880	245,906	2,509,976	395,461	327,188	206,435
Bass, Ratcliff								
June 30, '24	8,762,053	4,251,000	1,920,000	2,194,624	2,516,385	1,419,957	2,574,441	1,445,615
June 30, '25	8,613,445	4,350,000	1,920,000	1,923,348	2,684,232	1,406,198	2,409,276	1,508,064
Chester's								
Mar. 31, '24	1,263,849	776,544	187,200	143,950	843,781	125,620	280,065	14,383
Mar. 31, '25	1,305,150	806,543	180,800	144,520	852,569	112,065	326,813	13,702
Hoare & Co.								
April 18, '24	3,074,575	1,651,796	676,722	535,652	2,445,642	163,351	104,684	122,662
April 18, '25	3,206,644	1,904,062	553,412	554,586	2,474,740	139,045	836,343	135,671
Mitchell & Co.								
June 30, '24	6,828,610	4,316,180	787,544	1,190,224	4,906,758	728,976	1,086,291	106,585
June 30, '25	7,085,490	4,416,180	787,748	1,288,208	5,010,060	734,965	1,239,679	100,796
Threlfall's								
June 30, '24	4,089,083	1,935,773	1,359,587	389,032	3,302,010	290,614	406,066	90,392
June 30, '25	4,128,271	1,954,365	1,360,049	383,445	3,434,661	279,021	317,445	97,143
Watney, Combe, Reid								
June 30, '24	14,297,072	7,215,694	4,416,877	788,699	11,726,275	442,986	1,008,193	638,156
June 30, '25	15,105,608	7,771,073	4,388,703	545,896	11,903,752	528,214	1,791,016	608,242
Whitbread								
June 30, '24	4,414,131	1,989,000	1,283,500	202,350	2,235,542	976,127	694,927	497,236
June 30, '25	4,487,253	1,989,000	1,283,500	219,530	2,191,965	917,782	918,142	448,122
Wm. Hancock								
May 31, '24	1,283,908	710,000	296,008	221,964	1,044,032	152,750	12,228	74,970
May 31, '25	1,336,586	710,000	329,383	216,324	1,087,778	150,669	16,772	81,566

Balance-sheet totals are all higher. Changes under the heading of share capital and reserves require no comment. As regards debentures and loans, Barclay Perkins have increased their bank loan from £20,000 to £75,000, while mortgage liabilities have gone up from £42,503 to £55,890. Chesters reduced the amount of its debenture stock outstanding by £6,400, a policy which was followed by Hoare and Co., and Watney, Combe. Wm. Hancock, on the other hand, increased its obligations to the bank and under the heading of mortgages. Neither creditors nor debtors show any pronounced general movement, while properties stand at about the same levels as twelve months ago. In most cases stocks are lower, although Watney's figure has gone up from £442,986 to £528,214. Cash and investments generally figure for more.

Our final table shows the ordinary dividends during the past four years, also comparative prices and present yields:—

Name and Amount.	Ordinary Dividends.			Prices.			Present Yield.
	1922-23.	1923-24.	1924-25.	Oct. 31, 1923.	Oct. 31, 1924.	Oct. 29, 1925.	
Arthur Guinness, ord. sh.	(a) 24 1/2	% 26 1/2	% 32 1/2	(g) 370	493	730	4 7/8
Barclay, Perkins	1,000†	800†	800†	(m) 5 1/2	(m) 5 1/2	(m) 5 1/2	7 0/0
Bass, Ratcliff & Grotton	(11)	11 1/2	13 1/2	17 1/2	2 1/2	2 1/2	(a) 5 4/0
Chester's (11)	(b) 22 1/2	(c) 25	(c) 27 1/2	2 1/2	2 1/2	3 1/2	7 8/0
Hoare and Co. (11)	10	10	10	(e) 15 1/2	6 1/2	2	5 0/0
Mitchell & Butlers (11)	10	10 1/2	13 1/2	1 1/2	1 1/2	2 1/2	14 8/0
Threlfall's Brewery (11)	20	20	20	2 1/2	2 1/2	2 1/2	7 13/3
Watney, Combe, Reid, ord. sh.	(a) 16	20	(a) 17	(h) 180 1/2	265 1/2	378 1/2	4 9/6
Whitbread and Co.	10	10	10	(k) 61 1/2	(k) 64	(k) 62 1/2	7 4/0
William Hancock (10)	10	10	12	10 1/2	10 1/2	11 1/2	10 8/6

† Free of income-tax. (a) Paid on a larger capital. (b) 7 1/2 per cent. paid free of income-tax. (c) 5 per cent. paid free of income-tax. (d) 10 shares. (e) On capital of £7,500,000. (f) On capital of £1,592,706. (g) Price of 4 1/2 per cent. Cum. Pref., Ord. Stock. (h) Price of £4 10 per cent. Cum. Pref. Shares.

The brewery share market has displayed a considerable activity recently. This activity has been particularly noticeable in the case of Watney, Combe, Reid deferred stock, which now stands at 379 1/2, as compared with 251 1/2 at end of September, 1924. This company, after allowance has been made for the wave of prosperity which has overtaken the industry, provides an example of how financial stability can be achieved by capital reorganisation. Twenty years ago it was found necessary to reduce the nominal amount of deferred ordinary stock by 75 per cent. Since then, however, there has been a turn for the better in the company's fortunes, and stockholders have already received bonuses of 100 per cent. and 50 per cent. This has been taken as an indication of the desire

of the directors to compensate deferred stockholders for the loss suffered on the reconstruction. The stockholders are now to receive another capitalised bonus, this time of 33 1/2 per cent. Therefore, when these proposals are carried out, the capital will be restored to its original amount. The position and future of the brewery industry is difficult to follow. Most holders of brewery securities must ask themselves what the future has in store for the industry. Are we to assume that the demand for "prohibition" is outside the world of practical politics? Will the State seek to divert a further portion of the profits of these undertakings? Are we to treat plant and stock of these concerns as wasting assets? There is this much to be said in favour of retaining holdings. A more tolerant view is abroad than in pre-war days. The demand for State interference is less insistent. It may be that in view of the striking decrease in drunkenness we are not much concerned with the profits made out of selling an anæmic potion formerly known as strong drink. At least, this is how it appears to many. It has, however, been pointed out to the writer by a prominent authority that this opinion is not in fact correct. The difference in alcoholic strength of beer between 1913 and 1924 (March) is in gravity as 1,051.69 is to 1,043.18 (taking England). That figure represents approximately a reduction in strength from 5 per cent. absolute alcohol to about 4 1/2 per cent.—as the alcoholic strength "roughly" follows the gravity—though not universally.

The foregoing figures of profits, which show that the brewing industry in this country is enjoying exceptional prosperity during a period of general trade depression and large scale unemployment, indicate clearly that when the last reduction in the duty on beer was made the brewers to earn a larger profit. In other words, the same reductions in prices could have been made with a smaller sight in the duty. No doubt Mr Churchill will not lose sight of this fact.

PROCEEDINGS OF THE COAL COMMISSION.

THE Royal Commission on the Coal Industry, after conducting a series of local investigations in certain areas, has held daily meetings this week at the Houses of Parliament. Some interesting evidence has been forthcoming. The Commission, it may be recalled, was appointed under the terms of Mr Baldwin's settlement with the mineowners and workers after the threatened stoppage at the end of July last. Its members are Sir Herbert Samuel, Sir William Beveridge, General Sir Herbert Lawrence, and Mr Kenneth Lee.

On Tuesday last, Sir Archibald Denny, chairman of the British Engineering Standards Association, stated that a committee had been endeavouring since January, 1924, on the initiative of the Mining Association, to standardise colliery requirements as far as possible, and substantial economies were already in view. Sir William Larke, speaking on behalf of the National Federation of Iron and Steel Manufacturers, revealed that the iron and steel industry consumed 24 1/2 million tons of coal last year, and would probably take 22 million tons this year, as against 31 million tons in 1913. Working at full capacity, the iron and steel trades were, Sir William stated, capable of consuming 37 million tons per annum. Some economy had been effected by improved practice in fuel consumption—an extremely important factor, since coal represented some 40 per cent. of the selling price of iron and steel products.

Sir Horace J. Wilson, Secretary of the Ministry of Labour, gave evidence on the vexed question of "sheltered" and "unsheltered" wages, showing that in the coal-mining industry the average earnings per man-shift were at present 63 per cent. above the pre-war figure, as compared with 35 to 45 per cent. for skilled labour in shipbuilding, and 40 to 50 per cent. in engineering. In building, on the other hand, wages ranged from 80 to

over 100 per cent. above the pre-war level, and on the railways from 80 to 150 per cent., while the average for British industry as a whole was about 75 per cent. The miners' wages thus compared unfavourably with those of industry as a whole, and the "sheltered" trades in particular, but less unfavourably with those of the more depressed "unsheltered" industries. On the following day, Sir Horace described the make-up of the Ministry of Labour's cost of living index, which was criticised by the Commission as being based on the assumption that the same standard of living applied in a working-class household to-day and that the same articles were bought in the same proportions as was the case twenty years ago. Further difficulties arose when the figure was applied to the coal industry on account of such factors as the provision to mine-workers of houses and coal free, or at reduced charges.

Sir W. J. Clark, Comptroller-General of the Department of Overseas Trade, referred to industrial developments in France and Italy, stating that a questionnaire issued last year to the Department's representatives in foreign markets revealed that, while complaints were occasionally made as to the methods of British coal exporters, price was the factor usually stressed.

The evidence of Mr F. W. Leith-Ross, Deputy Controller of Finance in the Treasury, as to the effect on British trade of German deliveries under the Reparations scheme, aroused keen interest as coming from one intimately associated with the practical working of Reparation machinery. Mr Leith-Ross pointed out that while the provisions of the Dawes Plan undoubtedly afforded an inducement to Allied Governments to take German coal and thus provide the German exporter with a regular market, the greater part of the deliveries merely replaced the normal commercial export which Germany would have made in any case, and did not compete with British coal. This applied specially to metallurgical coke taken by France and Belgium. That part of the Reparation deliveries which had been diverted from its normal outlet had undoubtedly affected the direction of British trade, but as the total exportable surplus of Germany was limited, the British exporter had been called on to supply the deficiency in markets from which German supplies had been diverted. The quantity of British coal exported to Germany, Belgium, Holland, France and Italy had, it was true, fallen from 36 million tons in 1913, and 35 million tons in 1924, to 27 1/2 million tons in 1925 (on the basis of the first six months), but this decline had been concurrent with a drop in Reparation coal deliveries from 11 1/2 million tons (1924) to the equivalent of 7 1/2 million tons per annum. In 1913 exports of British coal to markets other than those mentioned above amounted to 41 million tons. In 1924, the figure had fallen to 29 million tons, and in 1925 to the equivalent of 25 million tons, the recent reduction of Reparation deliveries, accompanied by a reduction in German internal consumption, having intensified the competition of Germany against Britain in these markets. The witness stated in conclusion that the key to the position, in his opinion, was the relative cost of production in the two countries, plus the cost of transport.

On Thursday, the Commission passed to the consideration of constructive proposals for reviving the prosperity of the industry. Sir Richard Redmayne, formerly Chief Inspector of Mines, expressed his opinion that a reduction from 3s 6d to 3s per ton in the export price of South Wales coal would be sufficient to restore normal conditions. Sir Richard strongly criticised the present domestic marketing system, and advocated co-ordinated action by colliery owners for the supply of coal direct to the public. As a temporary working arrangement he suggested that, on an undertaking by the owners to make no further move to reduce wages, the workmen should voluntarily return to the eight-hour day for a limited period, while more permanent ameliorative measures would be the general adoption of the double shift system and a more economic grouping of collieries. Such developments would involve the transfer of men from inferior pits, which, owing to unfavourable natural conditions or lack of capital, acted at present as a drag on wages in their district, to the more advantageously situated collieries, but this would in the long run strengthen the position alike of employers and employed.

Notes of the Week.

The German Cabinet Crisis.—Political developments in Germany, while they hardly seem likely to imperil the ultimate signature of the Locarno agreements, may very well make it impossible for the meeting projected for that purpose on December 1st to take place till a later date. It was expected that the Nationalists, who are past masters at the art of making a show of wounding without going so far as actually to strike, would decide to adopt an attitude of unqualified condemnation of the Locarno negotiations. The first effect was to threaten a Cabinet crisis, for there were, of course, three Nationalist Ministers in Dr Luther's administration. These have now resigned as a natural consequence of the decision of their party, and no steps to fill the vacancies thus created have yet been taken, the portfolios of the resigning Ministers being assumed, for the moment, by various of their colleagues. The position created is curious and unsatisfactory. It is clear that the Locarno Agreements have the approval, not only of a majority of the country, but of a majority of the Reichstag. Yet it is extremely doubtful whether a vote approving them could be carried in the Reichstag at all, or, if carried, could command more than a narrow and unsatisfactory majority. That is a matter of German internal politics. The Socialists, whose support would enable the Government to defeat the Nationalists with ease, are determined not to allow the parties of the Right to evade their responsibility in that way. It is manifestly desirable, though to an outsider it would seem hardly essential, that the Locarno accords should receive at least the acquiescence, if not the active approval, of the whole of Germany. A difficult situation might easily be created if there succeeded to power in the near future a party which could declare it had been hostile to the Agreement from the first. That being so, the Socialist view apparently is that it would be much better for Nationalist opposition to force a crisis, resulting in a General Election that would unquestionably mean a heavy Nationalist defeat, than for the treaties to be got through the Reichstag by a vote representing a combination of Left and Centre against the Right. There is still a possibility that the Nationalists may back down, or, rather, that a split may develop in the Party which would give the Government a sufficient vote in the Reichstag, even though the Socialists for tactical reasons abstained. The industrialist element of the Right is pretty definitely in favour of ratifying the Locarno accords, and its chief representatives are beginning to say so. German industry needs credits, and knows it has no chance of getting them if the work accomplished at Locarno is undone or its consummation seriously impeded. What, therefore, is in prospect is, at the worst, delay, not disaster. The situation is still fluid, but a speech made by the Chancellor at Essen on Wednesday seems to suggest that he regarded a General Election as inevitable.

The Balkan Outbreak.—Though spasmodic sniping has continued much longer than it should on the Greek-Bulgar frontier, the action of the League of Nations Council appears to have finally removed all danger of a serious conflict developing. The promptitude with which the Council was summoned (it had actually been convened within six hours of the receipt of the Bulgarian request at Geneva), and the readiness of its members to leave their capitals to attend a Paris meeting at extremely short notice, are factors which in themselves increase the Council's prestige, and invest it with an enlarged authority when faced with such disputes as this. Knowledge that the League had the whole matter in hand, combined with the Council's immediate decision to despatch impartial investigators to the scene of the fighting, was sufficient to impel both parties to give unqualified undertakings that they would submit absolutely to the Council's decision. The League's task in this, as in similar cases, is twofold. The first essential is to stop the fighting, the second to fix responsibility for the events that have taken place. The latter task can only be discharged after full investigation on the spot, and it

will, undoubtedly, be necessary to despatch a special mission of inquiry, which should be able to report at the normal December meeting of the Council. So far as all the evidence at present available goes, the Greeks are very much more to blame than the Bulgars, and if there is any question of indemnity or reparations, it is more likely that Athens will have to pay it than Sofia. That, however, is a matter which is essentially *sub judice* at present, and the only further observation that need be made is that such events as have taken place at Demir-kapu very substantially strengthen the claim advanced by Bulgaria and her friends that she has been placed in an impossible position by being condemned to live unarmed in the midst of armed and aggressive neighbours. That, manifestly, is an argument not for arming Bulgaria, but for finding some means to reduce the armaments of adjacent States.

Bombarding Damascus.—A vivid and profoundly disturbing dispatch from Damascus in the *Times* of last Tuesday drew an arresting picture of the developments into which the revolt of the Druses has grown. How far, indeed, what took place in Damascus a week or more ago is directly linked with the operations in the Druse country can hardly yet be determined, but everything goes to show that the handling of the whole situation by the French authorities has throughout been deplorable. Nothing has made a deeper or more disquieting impression than the statement by the *Times* correspondent that the real beginning of the Damascus trouble was the action of the French in parading on camel-back through the city, and finally exposing in a public square, the corpses of 20 or more brigands, killed when the French burned several villages to the south-east of the city. This savage demonstration, so far from fulfilling its intention of intimidating the populace, not unnaturally stimulated reprisals, and as a result of attacks on French soldiers in the lower parts of the city, General Sarrail—for he can clearly not escape personal responsibility—ordered a large-scale bombardment of a considerable section of the city. This was subsequent to a demonstration of tanks, which fired right and left through the bazaars. The artillery bombardment, said to have lasted 24 hours, was reinforced by bombs and machine-gun fire from aeroplanes. As a result, large quarters of the city, including the famous Street Called Straight, have been laid in ruins and considerable damage done to European property, while the casualties among natives are estimated at 1,200 at the lowest. In addition, heavy fines are being laid on Damascus in default of the delivery of 3,000 rifles, whose surrender is demanded by the French. These disclosures have, not unnaturally, created something of a sensation in France, where keen indignation is felt that such news should be obtainable only through the British Press, for the closest censorship is maintained by the French authorities in Syria, and it appears that even the French Government itself has received only the scantiest information from its representatives on the spot. It is, however, far from certain that the French even yet have the situation in hand, and though there are experienced British authorities who hold that the methods of repression practised by General Weygand were bound sooner or later to produce a reaction, it is not surprising that sharp contrasts are being drawn in France between the peace under Weygand and the outbreaks under Sarrail. The appointment of the present High Commissioner was frankly a political job, but though the Radicals to whom he owes his advance are in the ascendant, M. Briand appears to have taken a firm stand and insisted on his recall as a condition of his remaining in the Government. Apart from other consequences, the position in Syria must create serious perplexities at Geneva, for the League can clearly not ignore events like the Damascus episode in a Mandate area. Even before news of the latest development was received the Permanent Mandates Commission had called for a special report from the French authorities on conditions in Syria, and has arranged to consider the whole question at its next session in February. It is likely to find more material to deal with than it expected.

The New Viceroy.—The appointment of Mr E. F. L. Wood to succeed Lord Reading as Viceroy of India, on his retirement last April, has caused surprise, because he is far less known to the public than were others who were supposed to be candidates for the post. In fact, the public knows little more of him than that he is now Minister of Agriculture, and was Minister of Education in Mr Baldwin's first administration. It by no means follows that the choice is not a wise one. In political circles Mr Wood enjoys a reputation for high character, courage, and common sense. To follow so outstanding a figure as Lord Reading is no easy task. To its accomplishment Mr Wood will bring a record free from all entanglement in the bitter Indian controversies of recent years, and this he may well find to be an invaluable asset.

China's Vicissitudes.—While the tariff conference at Peking is actually in progress the civil war is to all appearance hanging fire. Chang Tso-lin is slowly massing troops in the north-east, but Wu Pei-fu, at Hankow, or somewhere near it, is still motionless, and the enigmatic Feng Yu-hsiang has given no sign of his intentions, if he has any. The general expectation is that a clash between the Fengtien troops (Chang Tso-lin's) and Wu's must come almost immediately, and the issue may depend on which way the Christian general decides in the end to throw his weight. These alarms have not after all resulted in a postponement of the tariff conference, which duly opened on Monday, the appointed day. The chief feature of the initial speeches was the not unexpected demand of China for full tariff autonomy, followed by a less generally anticipated statement by Sir Ronald Macleay that he was authorised by the British Government to discuss such a development. That conciliatory move, however, was a little discounted by the reminder linked to it that China was under the necessity, as a condition of tariff revision, of abolishing *likin*. The difficulties in the way of that are as great as they ever were, and the incapacity of the Central Government to carry through such a reform in the teeth of the provinces still promises to bring the present negotiations to nothing. That no doubt explains the British delegate's significant observation that he was in a position to discuss full autonomy "at the present or a later conference." The discussion may come now, but it is difficult to believe that the decision will not have to wait for happier days. It will, however, take some time for the conference to reach the point of definite failure, and that interval may still conceivably be employed in the elaboration of some form of compromise that will permit of the negotiations being temporarily adjourned without an actual rupture. The whole prospect is, of course, inextricably bound up with the political complications, for Wu Pei-fu can be counted on to veto anything Peking accepts. Peking, knowing that well, is likely to accept nothing at all—short of full autonomy, which it will not at present get.

Conditions in Ireland.—Our Dublin correspondent writes:—Though progress is very slow, there are signs of the beginning of some improvement through the country. Thanks to a good season, there is an abundant stock of fuel and of food-stuffs, such as potatoes and oats. But there is still very little money in circulation, and there is disappointment at the low prices on offer for generally. Cost of living maintains a level about 15 points over the British figure, and wages—so far as employment on a restricted scale extends—are high. Employers maintain that the high wages create the high cost of living—Labour advocates invert the proposition. There is something to be said on both sides, but there are other factors to be taken into account. There has been an increase of employment in certain businesses due to the experimental to no increase of price. That result would not be remarkable where the tariff affects a manufactured article but not the raw material, and where, as in the case of tobacco, British manufacturers have started factories in Dublin. But in the case of boots, it is established that there has been a substantially increased activity in the Irish boot manufacturing business since the imposition last year of

the 15 per cent. import duty. But the price to the consumer has not increased. Trade statistics show boot imports for January-July, 1925 (the latest available figures) at 267,937 dozen pairs, value £1,109,375, or £4.16 per dozen pairs; and for the corresponding period in 1924 at 226,515 dozen pairs, value £1,229,847, or £5.4 per dozen pairs. It may be observed that three out of the seven months in the latter period preceded the imposition of the tariff. However, it is clear from the figures for the month of July that boot prices, for whatever reason—whether of a change in quality or otherwise—are tending downwards. Thus July, 1925, gives 35,052 dozen pairs, value £135,847, or £3.87 per dozen pairs, while July, 1924, gave 22,618 dozen pairs, value £110,830—or £4.9 per dozen pairs. No explanation of these figures is so far forthcoming. Messrs Siemens-Schuckerte have definitely begun work on the Shannon Scheme, undeterred by the rather foolish strike in Limerick City, where Labour sought to impose urban wage rates on the contractors in respect of their payments to unskilled labour in rural areas. As the contractors were paying their urban workers the full urban rates, and were paying something over the prevailing and accepted rural rates to their rural workers, it is not altogether astonishing that the strike of the Limerick urban workers has had something of a boomerang effect on the strikers and their leaders. The contractors, who are having no difficulty in getting all the labour they require, will soon be employing 3,000 men. They are already bringing in machinery and material. A great stimulus will thus be given to the whole area abutting on the river-line from Killaloe to Limerick City.

A Banker on the Gold Standard.—In his inaugural address on Wednesday as President of the Institute of Bankers, Sir John Ferguson claimed that banking opinion generally had been practically unanimous in thinking that the long run advantages of the return to the gold standard outweighed any temporary difficulties, and added that "we have to acknowledge the great service rendered to the cause of sound finance by that patient individual the taxpayer, in submitting to an appallingly high level of taxation. Without this sacrifice the country would be as far off from the old gold parity as the French and Italian taxpayers." As to the future value of gold—that is to say, the course of prices in gold standard countries—he suggested that the long-distance course of prices was likely to be downwards for two reasons—first, because of the ultimately increasing demand for gold, and secondly because of the continuous introduction of mechanical aids to production and the introduction also of new methods that tended to increase the productive efficiency of labour and capital. On the question of the loan embargo, Sir John was emphatically in favour of its removal. "It seems a short-sighted policy to make the London money market give up its position as an international money market, even for a short time, merely to satisfy misapprehension and ill foreboding as to the results of a return to the gold standard. There would be no great point in returning to this standard if we were an insular economic mint. We are not, and it is because of our position as the principal money market of the world that it was imperative to return to gold." He added that there was everything to be said for a completely free gold market, but nothing for a gold standard in a glass case. Towards the end of his address Sir John Ferguson touched upon the questions of further bank amalgamation and of the extension of the part played by banking in the financing of our Empire resources.

The Problem of Wage Levels.—According to the *Ministry of Labour Gazette*, the level of wages is at present slightly higher than it was at the end of 1924, having risen from between 70 and 75 per cent. above the pre-war figure to 75 per cent. The rise took place in the first quarter of this year, and since the end of March there has been no appreciable change. The industries which have contributed to the increase include agriculture, the railway service, and the gas and electricity supply services. In the coal mining and iron and steel industries wages have fallen during the nine months. The other important industries show little or no change. No pro-

gress has, therefore, been made in the direction of reducing the gap between the level of wages in the sheltered and unsheltered trades respectively, and, if anything, it has become a little wider. In the sheltered group the increase over pre-war rates ranges from 80 to over 150 per cent., there being numerous instances of a rise of over 100 per cent. In the unsheltered group, on the other hand, the rise is generally below 70 per cent., and in one instance it is as low as 20 per cent. There can be little doubt that some adjustment is urgently needed. The low level of wages in the less fortunate industries is, of course, largely the result of circumstances over which employers and workers in this country have no control, but it is obvious that such industries are seriously affected by transport charges, local taxation, and other factors which are partially inflated by the high wages prevailing in the sheltered trades. This aspect of the situation is to receive careful examination by the joint committee which is reviewing the position of the shipbuilding industry. The point is one which should, and no doubt will, receive adequate consideration by the Coal Commission, the Committee on Industry and Trade, and the Cabinet Civil Research Committee, and some good purpose may be achieved if these bodies succeed in demonstrating to the various wages boards, conciliation boards, industrial councils, trade boards, arbitrators, &c., which determine wages in the sheltered trades, that some sacrifice at the present juncture may be of ultimate advantage to industry as a whole.

Stock Exchange Commission Concessions.—A Stock Exchange correspondent writes:—Activity in rubber shares and the animation that characterises various sections of the industrial market have brought into the field of speculative investment a number of people, men and women, who have never had much to do with Stock Exchange operations before, and whose transactions were concerned, in the main, with subscription to the Government War Loans and National Savings Certificates. Many of these, finding themselves in a strange land, stumble across unexpected factors, which not infrequently cause them to suspect that they are being treated with less fairness than they expect. One of these minor details is concerned with the matter of commission. The Stock Exchange rules lay down a minimum scale. A broker may charge as much more than the rates in this scale as he likes, but he is not permitted to charge less. Various concessions are allowed to be made to clients who, for instance, buy and sell shares in the same account or in two consecutive accounts. Amongst these is the right which the Stock Exchange rules give the broker of giving his client a return of half-commission, on one side, in the case of orders to exchange from one investment into another. The man who sells, for example, £1,000 London Midland and Scottish at 76 and puts the money into the War Loan will be charged commission on both transactions, but his broker has the right to return him half the commission on the side which produces the smaller amount. In this case, it will mean that the broker, if he thinks well to do so, can return half the commission on the purchase of the War stock. The man who sells 50 Liptons and puts the money into 500 rubber shares at 2s may feel aggrieved if his broker does not credit him, without being asked, the half-commission on the smaller side of this account, though if he, the client, were to see for himself the actual labour involved in the mechanical part of carrying out the transactions, he would admit without hesitation that the broker received no more than a fair remuneration in charging full commission on both sides. Stock Exchange competition has the effect, of course, of enabling clients virtually to claim this concession, and it is commonly allowed as a matter of course. So far as the scale itself is concerned, by far the great majority of brokers adhere to the minimum commission, finding it convenient to work by, and a standard to which reference can be made should any question arise in regard to the charges that are made. In speculative transactions where a man buys shares and sells the same shares during the same account, this is regarded almost universally as a closing transaction, and no second commission is charged, although, once more, it must be emphasised that this also is at the broker's option. In the latter case, stamps and

fees are not payable, inasmuch as the stocks or shares do not go into the name of the purchaser; therefore, he has nothing to pay in respect of the onerous 1 per cent. stamp duty.

The Mexican Debt.—The Mexican Minister of Finance, Mr Pani, has come to an agreement with the International Committee sitting in New York regarding the resumption of the service of Mexico's external debt. According to an announcement made to the New York Press, important modifications have been made in the 1922 Agreement, and, subject to these, the "Mexican Government will resume its remittances to the Committee for the service upon its foreign debt, beginning in January, 1926." Other important points of the announcement are as follows:—

An important provision now agreed upon is that the National Railways shall be returned to private management not later than January 1, 1926, and the Government agrees to put into effect, prior to that time, such measures as to operation, &c., as will render the National Railways in condition, beginning January 1, 1926, to pay their own way and to meet their own interest charges. The interest payments (provided for in the Agreement of 1922) for 1924 and 1925, now in arrears, will be postponed and paid over an eight-year period, beginning in 1928. Provision is also made by which the outstanding Caja de Prestamos bonds are to be exchanged for direct Government obligations.

The modified agreement is, of course, subject to acceptance by the bondholders, and also to ratification by the Mexican Congress and President. We assume that Mexico really means business this time. But, as Mexican bondholders have so often learnt, there is many a slip 'twixt the cup and the lip. In view of recent history in this respect, and of the present financial difficulties of the Mexican Government, premature jubilation should be discouraged.

Credit and Speculation.—As a practical banker of many years' experience, Mr J. F. Darling commands the attention of the banking world when he puts forward suggestions for the improvement of our banking system, but we fancy that he will find more opponents than adherents to the scheme which he puts forward in an article in the *National Review* for November. Briefly, Mr Darling proposes that a new Banking Act should be passed to enable a strict line to be drawn between credit for the non-speculative wealth producer and credit for the speculator. The suggested legislation would provide for the division of advances and discounts of the joint-stock banks into two classes—"eligible" and "non-eligible"—that is, eligible or non-eligible for currency or advances at the Bank of England. It would provide for a Credit Board to define and make rulings as to "eligible" paper, to determine the maximum credit that the banks could use for "non-eligible" purposes, and to approve the public issues of loans. Whether this body could more effectively discriminate than could the banks themselves under the present system is very much open to question. Mr Darling admits that a dividing line between the speculator and the wealth producer is sometimes difficult to define, for speculation and production of wealth may be carried on by the same person in connection with the goods he produces. Nor will everybody admit that "the speculator occupies no useful place in our body politic." Mr Darling's article, however, is a timely reminder of some of the disadvantages of our present system, under which, on occasion, the legitimate trader has to suffer high money rates for the offences of the speculator.

American Cotton Crop.—At the beginning of this week, writes our Manchester correspondent, the Agricultural Bureau of the United States Government sprang another surprise upon traders in cotton when they published an unexpectedly favourable report on the crop for this season. The indicated yield is now given as 15,226,000 bales, against 14,759,000 bales a fortnight earlier. The estimate was much larger than anticipated, and resulted in a fall in prices of about $\frac{1}{2}$ d a lb. The ginning returns are also big, being 9,520,000 bales, against 7,616,000 bales a year ago. Authorities in this country find it hard to believe that the outlook for the growth has improved

by 1,500,000 bales during the last six weeks, and it is evident that the officials of the Bureau are now adjusting matters to cover up mistakes made earlier in the season. There is now a probability of the output for 1925-26 being the third largest ever known, the previous records being 15,693,000 bales in 1911 and 16,135,000 bales in 1914. There is some difference of opinion as to the carry-over at the end of last season, but the amount may be put down at 3,000,000 bales. The aggregate supplies, therefore, are likely to be 18,250,000 bales. Owing to increased trade activity, and the lower prices, consumption will probably exceed recent previous years, and is estimated at about 14,250,000 bales. The carry-over, therefore, at the end of next July should be 4,000,000 bales. From the point of view of manufacturers, it is also fortunate that big growths are likely in Egypt and India, whilst production is increasing from year to year in many parts of the British Dominions. The price of American cotton, which is now about 10 $\frac{1}{2}$ d a lb in Liverpool, is the cheapest since May, 1922—three and a half years ago. Lancashire spinners and manufacturers are convinced that when values are stabilised a much bigger trade will be done in manufactured goods. For several years the chief reason for the limited business in cotton goods has been dear prices. It is recognised that if the volume of trade does not broaden now that values are so much lower, then the future of the Lancashire industry will have to be considered as very serious.

Finnish Timber in the United States.—A correspondent writes:—Negotiations are now in progress between interested parties in Finland and the United States, which, if proved successful, in time might have considerable influence on our prolific annual supplies and costs of European timber for building and other requirements. It appears that about 16,500 cubic feet of Finnish sawn wood are being shipped in three parcels to New York "as an experiment," the main object being to find a new market for Europe's surplus wood production. There undoubtedly has been a surplus this year, but it appears to have been gradually absorbed, although at prices certainly unremunerative to the shippers, and especially the Finnish shippers. When the United Kingdom and more, the demand will be quite sufficient to meet European shippers' output and prices, provided the latter are reasonable. Any large shipments to the New World would, therefore, tend to harden the price against us. One, however, cannot blame the Finns for attempting to extend their markets, but we hope by some means or other they will be able to increase their production in proportion. The consumption of sawn timber in the United States is enormous—according to good authorities, it is at least 15,000,000 standards. Finland, with her whole export production, can supply roughly a million standards per year (one standard = 165 cubic feet), a wonderful achievement for that young republic. It is chiefly the area in and around New York on which the Finnish saw mill owners have their eye, a district which is reported to consume about 3,000,000 standards annually, and which the Finns hope to conquer. Though the scheme is in the experimental stage, it has already created no little concern in the spruce trade in Canada, in the Douglas fir region of the Pacific Coast, and the pitch pine and other lumber centres in the Southern States of the United States. Strange to say, but little notice has been taken of the matter in England, which, perhaps, will be more adversely affected than any other country—that is, if the scheme proves a good business proposition.

International Chamber of Commerce.—At the meeting of the Council of the International Chamber of Commerce, to be held in Paris on November 6th, Mr Walter Leaf, who will preside, will address the Council on the economic situation. It is expected that Sir Alan Garrett Anderson, K.B.E., chairman of the British committee, Sir Algernon F. Firth, Bart., Sir Felix Schuster, Bart., Mr Stanley Machin, and Mr Arthur Colegate will be present as representatives of Great Britain. Mr Owen D. Young, former member of the Dawes Committee, has been elected chairman of the American National Committee in the place of

the late Mr A. C. Bedford, and Herr Franz von Mendelssohn, president of the Association of German Chambers of Commerce and Industry, has been elected chairman of the German National Committee. The Council will consider setting up special committees to continue the study of various aspects of the problem of economic restoration, including the difficult question of transfers under the Dawes Plan, already discussed at Brussels in June last.

The Fluctuation in Tin.—At the close of last week the price of cash standard tin stood at over £286, thus indicating an appreciation of about £20 against the end of September, and £57 a ton from the lowest point seen this year, while the average for last year was £248 14s 7d. In the course of this week, violent fluctuations have taken place in a sensitive market chiefly under the influence of the French political and financial crisis. This precipitated considerable speculative re-sales and a certain amount of short selling for a turn, which brought down the price to about £281. This was followed by a recovery of well over £3 a ton, but the market relapsed again substantially at mid-week to nearly £279 for forward delivery, only to rise again on Thursday to £285 6s 3d for cash and £284 7s 6d for three months'. Amidst the recent unsettlement the trade demand, which had been previously very active, with America buying freely, has been temporarily interfered with, but underlying conditions have been steadily gathering strength for some time owing to clear indications that, at the increased rate of consumption, considerably more tin is being required than actually produced. The statistics for October will probably fully confirm this, a further decrease being looked for in the visible supply of between 1,500 and 2,000 tons. This would, therefore, make a total shrinkage of at least 4,000 tons in two months, and reduce the visible supply to about 15,500 tons, which would compare with about 19,000 tons at the end of October last year—a decrease of 3,500 tons. This month's total deliveries are expected to be very heavy, while the American figures are placed at upward of 6,500 tons. American consumption so far this year has been at the rate of about 6,500 tons a month, as against a monthly average for last year of 5,330 tons. Assuming this rate to be about maintained for the balance of the year, this would point to an increase in American consumption for the year of roughly 14,000 tons as compared with 1924. It is well to bear in mind that the whole of this year's consumption has been met from current production, which should yield an excess of about 5,000 tons against 1924, which excess is chiefly contributed by Malaya. Furthermore, last year considerable quantities accrued from the liquidation of the Eastern Pool which were added to the visible supply. With American consumption eclipsing all previous high records, and European consumption improving, it is obvious that the merits of tin are viewed in a sanguine light. According to present indications, current resources are short of requirements, and the visible supply threatens to be reduced to a point which may mean an actual scarcity in the long run.

British and North European Bank.—An official statement was made early this week to the effect that the directors of the British and North European Bank, Limited, had decided to discontinue the business of the bank, owing to difficulties of certain concerns in Central Europe with which it is associated. The bank was established in June, 1920, the authorised capital being £1,000,000, in shares of £1 each, of which £500,300 has been paid up. The balance-sheet, dated September 30, 1924, showed deposits at £748,800, acceptances at £336,300, and bills rediscounted at £442,200. Cash stood at £278,200, advances at £711,000, and investments at £139,500, the last relating mainly to holdings in affiliated banks in France, Austria, and Poland. The report for 1923-24 stated that business "continues to show satisfactory progress, the turnover for the year being considerably increased as compared with previous twelve months." An extraordinary meeting of shareholders is convened for next week to pass a resolution to

wind up the company voluntarily and to appoint Sir Gilbert Garnsey, of Messrs Price, Waterhouse, and Co., as liquidator. Sir Gilbert Garnsey is meanwhile taking charge of the bank's affairs at the request of the directors. It is stated that the business of the bank has for some time been considerably restricted, with the result that the unsecured commitments are now about £150,000, while the "acceptance" position has been reduced to about £260,000, "for which other parties are responsible, and any loss under this head is, therefore, expected to be small. There are also outstanding guarantees of about £125,000, the greater part of which is purely nominal." It is added that the bank has considerable advances to collect and other assets to realise, and it is hoped "that creditors will be paid in full."

Santa Gertrudis.—Our mining correspondent writes: Within the past few months a remarkable change has come over the prospects, from the dividend standpoint, of this Mexican undertaking. It was only in July last that the holders of the existing notes agreed to an extension of the date of repayment in consideration of the rate of interest being increased from 8 per cent. to 8 $\frac{1}{2}$ per cent., payable both on the principal sum and on the bonus of 15 per cent. due upon repayment. In the meantime no dividends were to be paid on the ordinary shares. During the past week or so rumours have been current as to a fresh issue which would pay off the existing notes with their somewhat onerous conditions and thereby clear the way for the resumption of dividends. A circular issued this week announces that the profits from both the Santa Gertrudis group of mines and those of the Mexican Corporation have been so satisfactory as to enable the general manager to anticipate that from the beginning of 1926 remittances at the rate of £30,000 per month may be expected. To permit the shareholders to get the benefit of these profits the directors have effected provisional arrangements for the sale of a new note issue of £200,000, redeemable in five years; interest to be at the reduced rate of 7 per cent., but the issue to carry the right of conversion into shares. The proceeds, together with the funds in hand, will enable the existing notes to be paid off in the early part of 1926, from which date the profits will become available for dividend. The directors suggest that an interim payment of 10 per cent. per annum may be looked for in the near future. In connection with this scheme it will be necessary to increase the capital of the company by 300,000 shares. There can be no doubt that the consent of the shareholders will be readily given.

Kamunting Tin Dredging.—The report to June 30th of this Malayan enterprise indicates that although the dividends for last year totalled 20 per cent., tax free, as against 15 per cent. for the preceding period, the directors adopted a very conservative policy, the balance now carried forward being £36,200, against only £11,800 brought in. On the present occasion £20,000 is set aside to income-tax reserve, as compared with £4,900 for 1923-24. Last year's output totalled 1,355 tons of tin ore, against 951 tons, the average price secured being £143 13s in place of £132 2s. The expansion is due to the operation of the No. 4 dredge, which started up in October, 1924. Costs on the basis of the three original dredges show a slight reduction, but on the whole four the average is higher than last year—due largely to the expansion under the heading of labour. On the basis of 20 per cent. dividends, the shares at current price show a yield of no more than 6 $\frac{1}{2}$ per cent.; hence allowance is made for the increased distributions which may reasonably be expected in the future. A substantial addition has been made to the property with the result, the manager remarks, that "the acquisition of further areas is not now of vital importance."

Colombian Corporation.—This is an enterprise in which the Nechi Mines and the Oroville Dredging Company are largely interested through the provision of funds to bring the concern to the producing stage. An up-to-date statement shows a net indebtedness of £162,800. The mill started in April, and has been continuously operating

since; but no information has hitherto been published as to the nature of the results. The directors now state that to the end of August 26,240 tons yielded an average of 3.44 dollars per ton at an operating cost of 3.75 dollars. The latter may reasonably be expected to come down, and the former should go up, as the ore reserves are estimated to contain a considerably higher average value. A favourable point in the position is the encouraging character of the results that have been secured at depth by actual developments, while diamond drilling has indicated the persistence of the known ore bodies still deeper. In view, however, of the financial position, dividends even on the preference shares appear somewhat distant.

A COURSE of three lectures on "Social Problems created by the Industrial Revolution" will be given at the London School of Economics (Houghton street, Aldwych, W.C. 2) by Mr J. L. Hammond, at 5 p.m. on Tuesdays, November 10, 17, and 24, 1925. At the first lecture the chair will be taken by R. H. Tawney, Esq., B.A. (Reader in Economic History in the University). Admission free, without ticket.

Oversea Correspondence.

UNITED STATES.—THE STOCK MARKET BOOM—MONEY PROSPECTS—COMMODITY PRICES AND CREDIT.

(FROM OUR CORRESPONDENT.)

NEW YORK, October 20.
SENSATIONAL activity on the Stock Exchange has been the centre of interest in the financial district. With total sales during full days reaching up past the 2,500,000 share mark, last Saturday's two-hour session furnished one of the wildest markets of recent years. Approximately 1,700,000 shares were turned over in the two hours, the first hour witnessing pronounced strength with continued sharp advances in motor shares, and the second hour a terrific shake-out, in which motors suffered heavily. After the market closed the tickers ran for an additional twenty-nine minutes before the reports of the day's transactions were finished. During the break some of the active motors dropped by as much as ten points; other speculative favourites sold off severely, and the whole market closed distinctly lower. The Stock Exchange facilities were strained to the limit, and the floor of the Exchange was the scene of most unusual excitement.

So sharp a break naturally set everyone discussing its significance. The conservative critics said that the collapse was the perfectly natural result of preceding extravagant speculation. Many heralded the end of the bull market. The bulls, on their part, could not but be taken aback. The following Monday's market was awaited with keenest interest. Actually the new week started with a show of strength. The leading motors opened a point or two higher; the bull party plainly was not willing to give up the struggle. The strength was soon followed, however, by a fresh wave of selling. A number of prominent shares sagged off to fresh low levels; the markets for two of the leading motors again became demoralised as the specialists were swamped. However, strong support was apparent in standard rails, and in such stocks as United States Steel common. Aided by a relaxation in the call money rate, the market steadied and closed firm. On Tuesday, when this letter is written, the market again closed strong. Equilibrium has apparently been recovered. As for the significance of these events, well-posted observers agree that something like a breakdown in the Stock Exchange machinery for handling trading in very active issues was largely responsible for the extreme weakness of Saturday. It should be added, however, that something like a bear panic in motor shares prepared the way for the events of Saturday. On the days immediately preceding, General Motors common swept up approximately fifteen points. This jump came on top of a less spectacular advance, which, spread over some six months, had carried the stock up from the 60's to 120. So rapid an advance was not desired even by the bulls, and inevitably had to be

followed by a readjustment of the speculative position. The readjustment was particularly violent because of the huge scale in which motors have come to be traded, and because of the strain on trading facilities.

After all, the body of the stock market was relatively little affected, and now acts much as it did before this spectacular episode. Perhaps this is a point in favour of those who claim that the American market is becoming more like that at London—that it is becoming departmentalised and no longer acts as a unit. On general principles many observers hold that the bull market has about reached its culmination. On the other hand, the bulls point out that the money situation is totally different from that which attends the close of the "typical" bull market. Call money on the exchange loaned as low as 4 per cent. to-day, and nobody contends that the general level of money rates is likely to advance sharply. Nor is there a growing congestion in industry that betokens inflation and a sudden expansion of the amount of credit required to finance a given volume of business. Both manufacturing and transportation retain their remarkable efficiency; short-term buying and rapid turnover still characterise business operations. Business, in short, does not seem to be about to draw large amounts of money away from the stock market. Meanwhile notice has to be taken of the substantial gold arrivals.

Some shrewd judges of the money market feel that money already is about as dear as it is likely to be this year. The National Bank of Commerce, for example, declares that "It is probable that the peak of money requirements has now nearly been reached. The prospect of continued active business in coming months should tend to sustain credit demands so that the outlook is for stability of money rates without much change for the present."

Further indication of the relative stability of commodity prices is furnished by the latest Bureau of Labour statistics figures. Average wholesale prices during September, as measured by this index, declined 0.4 of 1 per cent. This decline followed an advance of 0.3 per cent. shown by August as compared with July. Expressed in round numbers, the index stood, in each of the three months, at 60 per cent. above the average level during 1913. This is precisely the level of last January, and only 1 per cent. below the levels that prevailed during February and March. In the intervening period the wider fluctuations have been remarkably stable. Plainly the figures give little support for the claims of the inflationists. Nevertheless, the issue is still debated in certain circles, the inflationists contending that the present upswing in industry will continue into 1926 and furnish the basis for inflation next year. In discussing the question the National Bank of Commerce points out that "the aggregate volume of banking accommodation has now reached levels not heretofore approached." General recognition of the fact, the Bank adds, has been obscured by the very limited use of the Reserve banks and by the lack of strain on money rates. Nevertheless, the fact is that the aggregate loans and investments of the "reporting member banks" amount to 19½ billion dollars, which compares with about 17½ billions at the peak of the 1920 inflation, and with about 16½ billions in 1923, a year of active business. The loans and investments of these banks have increased approximately 2½ billions since late in the spring of 1924. Most of the expansion has taken place in the investments and in the loans on stocks and bonds; commercial loans have increased but little.

"It appears," continues the Bank, "that, excepting a renewed heavy inflow of gold, the expansion of banking accommodation based on the 1924 plethora of funds has run its course. In 1924 the margin between total loans and investments and total deposits was narrowing. At this time last year the spread between them was a half billion dollars. But during 1925 loans and investments and the spread between deposits and loans and investments has increased to a billion dollars. This does not indicate stringency in credit, but it does show that further substantial expansion could only be effected by recourse to the reserve banks or by new importations of gold, which have been resumed so far only to a moderate extent."

FRANCE.—M. CAILLAUX'S FALL—NEW FINANCIAL POLICY—CAPITAL TAX—INCIDENCE OF TAXATION.

(FROM OUR CORRESPONDENT.)

PARIS, October 28.

M. CAILLAUX has fallen, and in his fall he has brought down the whole of his ministerial colleagues with him. It may be taken as established that the Finance Minister, as the result of his strenuous fight for sane methods in national finance, has fallen a victim of doctrinaire Socialism, because of his unshakable refusal to consent to introduce a direct capital tax as a means of placing the finances of his country on a permanently stable basis. By refusing to include a tax of this kind either in his 1925 or his 1926 Budget, M. Caillaux incurred the bitter hostility of the Parliamentary Socialist Party, and he was undoubtedly largely the cause of the declaration of war which that party made against the Painlevé Government a few weeks ago. The Nice Congress of the Radical-Socialist Party, although at the end a more or less anodyne resolution was adopted, left no doubt in most people's minds that M. Caillaux's doom was certain. His flat refusal last week not to allow himself to be muzzled, and his fulfilment of his declared intention to denounce by bell, book and candle the application of all financial remedies except his own, in his speech in his own department of the Sarthe on Sunday, confirmed his fate. M. Caillaux, as was to be expected, has gone down fighting, and it is his firm intention to continue in the ring, whatever may result. That the Painlevé Ministry will return to office, at least for the time being, appears to-night to be practically certain. That it will not include M. Caillaux is even more assured.

Ostensibly, the whole political situation to-night turns on the question of the capital tax. As a matter of fact there are several much more serious factors in the general situation, of which the war against the Riffs and the very serious condition of things in Syria, to say nothing of the financial position, are the real outstanding factors. The present majority in the Chamber, however, has placed party political interests above all else, with the result that a very dangerous atmosphere is rapidly developing. The attitude assumed by the Radical Congress at Nice may be taken as the key to the whole situation. That Congress was composed principally of local political leaders from all parts of the provinces, who claim the right to dictate the line that shall be followed by their Parliamentary representatives. Although M. Caillaux addressed the gathering, and there was no open sign of an actual rupture, the crucial resolution passed by the Congress was eloquent, and throws much light on the attitude of the Party of which M. Caillaux was formerly the unquestioned dictator. This resolution, which was admittedly deliberately phrased in the mildest possible terms, in order to secure general acceptance, contained the following essential declaration:—

The fiscal doctrine of the Radical and Radical-Socialist Party is based on three essential principles:

1. The predominance of direct taxation over indirect taxation, which is a heavy burden on consumers.
2. Progressivity of taxation.
3. The necessity, for the purpose of bringing about the financial restoration of the country, for an extraordinary levy on all forms of fortune and of capital.

After being modified by the substitution of the word "special" for "extraordinary" in the last clause, this resolution was carried by a large majority.

Meanwhile, as the coming struggle will apparently turn on the question of direct versus indirect taxation, it may be useful to analyse, according to the dissected returns issued every month by the Treasury itself, the manner in which the revenue is at present made up. The return of the yield from "normal and permanent sources of revenue" during the first nine months of the present year sets forth the following items as representing revenue from "taxes on consumption, properly so-called":—

	Francs.
Tax on turnover (exclusive of 10% luxury tax)	2,842,022,500
Customs	1,069,646,000
"Contributions indirectes"	1,162,742,000
Colonial foodstuffs	160,483,000
Salt	27,200,000
Sugar	297,740,000
Motor spirit and petroleum	296,476,000
Benzol	12,645,000
Mechanical lighters and matches	97,389,000
	5,966,334,500

Taxes on "products not indispensable to existence" are returned as follows:—

	Francs.
Alcohols (exclusive of excise on wines and beers, which are not classed as alcohol, and the taxation on which is included above)	1,217,783,000
Tobacco, cigars, and cigarettes	1,639,355,000
Gunpowder	80,115,000
	2,937,253,000

"Direct taxes on the income," including income-tax and the various imposts on stocks, shares and bonds of all descriptions, amounted during the first nine months of 1925 to 4,636,618,400f. "Taxes on fortunes and stamp duties" (including registrations of all kinds, among which are successions, legacies, &c., and the tax on Stock Exchange transactions) totalled 4,512,156,000f. "Sumptuary taxes" (comprising the luxury tax, and the taxes on amusements and motor-cars) yielded 795,333,000f. To sum up, "taxes on consumption, properly so-called," amounted during the nine months to slightly over 5,966 million francs, out of a total revenue from normal and permanent taxation of rather over 18,994 million francs, or a trifle over 32 per cent.

French banking experts are apparently sharply divided on the capital tax question. M. Caillaux's most strenuous opponent on this point is stated by his friends to be M. Finaly, of the Banque de Paris et des Pays Bas, who is asserted to have been anxious to bring about the Finance Minister's fall. M. Caillaux, in his speech last Sunday, asserted that "some of the great dealers in money, powerful financiers, and large industrialists are partisans of this impost, because business specialists know that the disorders created by laws involving the transfer of individual riches to the State furnish a means to acquire great wealth." The creation of mortgage banks to deal with land on which the capital tax would be levied in the event of the proposal becoming operative, and banks to handle bonds which would have to be sold at bargain prices is stated to be already being planned in certain circles. It was to M. Finaly, in particular, that M. Caillaux alluded when he complained of the "passionate attacks" that are being made upon him, and when he appealed to his audience to "bar the route to the feudal lords who aspire to dominate democracy." The Finance Minister is stated to have made a more direct reference to the same banking expert at the remarkable private meeting between MM. Painlevé, Briand, Laval, and himself before the Cabinet sitting on Monday morning, when the question of his immediate resignation was considered. "If I have to resign," M. Caillaux is asserted to have retorted, "I will do my best, when you meet the Chamber, to overthrow you to the cry of 'Finaly! Finaly!'"

M. François Marsal, M. Caillaux's predecessor in the Milleran Cabinet, who is another of the leaders of the French banking world, is even more strongly opposed to all idea of a capital tax than M. Caillaux himself. "This measure," he stated in a speech a day or two ago, "has been attempted in several countries, and always by men of similar opinions, and it has in each case brought about the same three results—bankruptcy, dupe, and ruin. Who would benefit from such bankruptcy, dupe, and ruin? France? No! The Republic? Still less! The revolutionary party? Undoubtedly!" M. François Marsal, in the same speech, by the way, insisted that, as the result of legislation passed during his tenure of the Ministry of Finance, a bachelor in France, with an income of 20,000f a year, paid 24.92 per cent. of his annual revenue in income-tax, while his English protagonist paid only 3.25 per cent. He also stated that great fortunes in this country paid 51.69 per cent. in income-tax, and in England only 47.20 per cent.

Nothing is more difficult perhaps, than to make exact comparisons between the incidence of taxation in the various countries. Here is an actual instance, however, which should make clear to all, except, possibly, to the American Senator, Borah, that taxation in France is even now not so negligible as has been stated. The following figures reveal how incomes derived from investments in purely French concerns are taxed at the source :—

One half-yearly interest coupon in Compagnie Electrique du Nord, 100 frs. bond.....	Frs.	3.00
Less Government taxes.....		1.90
Actually received by investor		1.10
Two half-yearly interest coupons in Campagnie Française Continentale d'Eclairage, 6 per cent. 500 frs. bonds		30.00
Less Government taxes.....		14.98
Actually received by investor		15.02
Half-yearly interest coupons in Omnium Algerie-Tunisien		125.00
Less Government taxes.....		72.84
Actually received by investor		52.16

**GERMANY. — POLITICS — FINANCES — CREDIT AND
CURRENCY — INDUSTRY — FOREIGN TRADE —
BOURSE.**

(FROM OUR CORRESPONDENT.)

BERLIN, October 28.

BERLIN, October 28.

THE Pact ratification question has produced a domestic political situation, which recalls the crisis of August, 1924, when the sanction of the Dawes Reparations scheme by the Reichstag was in doubt. To-day, as then, the German-Nationals, having committed themselves to opposition in advance, condemn the agreements come to and they have compelled the retirement from the Cabinet of their three representatives, the Finance Minister, Dr von Schlieben, the Minister for the Interior, Dr Thiele, and the Minister for Industry, Dr Neuhaus. Dr Luther has decided, nevertheless, not to resign, but to persist in putting the ratification through. He lacks henceforth a Reichstag majority, and has been compelled to negotiate with the outside parties, the German-Democrats and the Social Democrats, who could put him out of office on the first vote after the Reichstag reassembles on November 20th. These parties, of course, stand for ratification, but they are not inclined to support the Government except on conditions. They believe that the German-Nationals do not really desire the Pact to be rejected; that would bring upon them the odium of placing the Republic in a difficult situation internationally. But the Nationals will not weaken their patriotic prestige by openly accepting the Pact. They believe that the Pact will go through without them, so that they will escape both evils, the odium of being responsible for its rejection and the loss of prestige. When they were in the same situation in August, 1924, they solved the dilemma by giving individual members liberty to vote on the Dawes scheme, in the knowledge that enough members would vote to ensure acceptance; and a similar solution has this time been discussed. The Democrats and Socialists, however, declare that they are not willing again to draw Nationalist chestnuts out of the fire, and they want a guarantee that the Nationals will not return to office, practically as masters of the Cabinet, when the Pact is safely through.

The returns for the finances of the first half, April-September, of the current financial year are on the whole satisfactory. Most of the chief taxes, as in 1924-25, yielded much more than was estimated. The Treasury return for the six months shows:—

Receipts—		
From taxation		Reichsmarks.
Other sources.....		3,548,553,803
		86,013,428
Total.....		3,634,567,231
Payments Out—		
General administration		2,361,166,075
Subventions to States and Municipalities ..		1,330,614,461
Reparations		57,814,680
Total.....		3,749,595,216

The revenue from taxes is net, after deduction of certain expenditure made locally by the Finance Bureaux; and it includes the March, 1925, receipts from pledged revenues (which belong to the preceding financial year), but not the September receipts, which will appear in the October return. The gross receipts from taxation in the financial half-year, as compared with the estimated receipts for the whole financial year, are:—

	April- September.	Estimated 12 Months.
Reichsmarks	3,584,086,648	6,343,750,000

Receipts in the six months were 56.5 per cent. of the expected year's receipts. This is satisfactory if certain facts are taken into account; no collection of property tax, the third biggest yielder among direct taxes, took place (and none will take place in the third quarter). The reason is that the debts valorisation has completely upset the assessments of December 31, 1923. The conversion of certain income-tax monthly prepayments into quarterly prepayments caused a temporary loss, which will be made good in the new quarter. As a result of these and of certain other changes, the tax receipts in the third quarter of the calendar year were 66 millions less than in the second quarter, and 234 millions less than in the first. Owing to the above-mentioned changes in direct taxation, direct taxes as a whole developed less satisfactorily than indirect. Whereas direct taxes (including taxes on business transactions) yielded 2,597 millions in the financial half-year out of 4,729 millions estimated for the whole year, indirect taxes yielded 986½ millions out of 1,514½ millions expected; and of these the five most important, all of which are pledged for Reparations, yielded 932½ millions out of 1,425½ millions. The yields of the chief taxes, and the estimated yields for the whole year are:—

	Reichsmarks (000's omitted).	
	April-September.	Estimated 12 Months.
Income tax	1,185,629	1,700,000
Corporation tax	93,769	300,000
Property tax	83,724	500,000
Sales	749,531	1,380,000
Luxury sales	49,767	120,000
Capital transactions	64,267	130,000
Traffic	174,106	282,000
Customs	259,632	356,050
Tobacco	324,478	560,200
Sugar	145,022	185,000
Beer	144,078	174,000
Spirits monopoly	59,172	150,000

The latest reductions in income-tax rates and the reduction in the Sales Tax rate from $\frac{1}{2}$ to 1 per cent, came into force only on October 1st. The unsatisfactory Corporation Tax return reflects the small profits reported by the industry for the last business year.

The money market has of late been very easy. Day money was last week offered in abundance, and the rate fell to 7 per cent., the lowest point so far reached, and though there has been a slight stiffening in view of the approaching month-end settlement, the position is much easier than at the end of September. One reason for the abundance of money is the large cash balances available for lending from tax receipts in the third quarter. In connection with the successful negotiations at Locarno, foreign purchases of marks and mark fixed-interest securities took place, so that dollars were temporarily offered at below parity. The Gold Discount Bank has reduced its rate from 7 to 6 per cent. The rate was 10 per cent. between April, 1924, when the bank was founded, and September, 1924, when it was reduced to 8 per cent., and on May 20th last further to 7 per cent. The Reichsbank's last return for October 15th shows a new increase in the gold reserve by 29,853,000 marks to change fell by 14,972,000 marks to 306,414,000 marks. Discounts fell by 153 million marks to 1,483 million marks; advances increased by 15 million marks to 29 million marks; and circulation fell by 114 million marks to 2,494 million marks. Total circulation of all currencies on October 15th was 4,716 million marks, against 4,671 million marks one month earlier. Negotiations are under way for many more foreign loans, mostly municipal.

pal. The new Advisory Board for Foreign Credits, which is attached to the Finance Ministry, comments unfavourably upon this municipal borrowing.

The industrial situation has not materially changed. The wholesale price index number for October 21st was 123.3, against 125.1 on the 14th, and an average of 125.9 for all September. The Western Steel Trust has not yet been negotiated, but provisionally there has been founded a "study company," which is to do the preparatory work. The foundation has proved more difficult than was expected. The quotas of the participating concerns seem to have been agreed upon, it being stated that Thyssen and Phoenix will each get 27 per cent., Deutsch-Luxemburg and Gelsenkirchen together 36 per cent., and Rhenish Steel 10 per cent. Nothing more is heard of participation by Krupps. Difficulties are caused by the fact that some of the companies have associations outside of the steel industry, e.g., Rhenish Steel is associated with the Aniline Concern, and Deutsch-Luxemburg and Gelsenkirchen with the Siemens electrical interests, to which they were tied when under control of the late Herr Stinnes. The coal and iron foreign trade balance remains active. Coal imports in the first eight months of the year were 5,361,375 metric tons, exports, 9,194,364 tons. Exports of iron and steel and all wares thereout, except machinery, were 2,194,502 tons, against 1,065,786 tons imports, this although imports exceeded exports in pig-iron, scrap, steel ingots, and bars. Exports of machinery were 232,551 tons, against 24,948 tons imports. At this rate, machinery exports for the whole year would be nearly 350,000 tons, against 271,500 tons in 1924. Iron and steel prices are unchanged. The scrap market is very weak. Solingen reports an increase in exports of its higher-quality and high-priced products, especially to the United States. Money is so short in this branch that prices are reduced 30 per cent. and more for cash.

The foreign trade balance in September shows a very distinct improvement. The import surplus, as compared with August, fell (precious metals excluded) from 454 to 292 million marks, and, with exception of May, is the smallest of the year :—

	August.	September.	Jan.-Sept.
Imports—	Marks.	Marks.	Marks.
Livestock	12,891	12,181	99,436
Food and drinks			
Raw and half-manufactured	453,570	413,330	3,205,255
materials	552,372	458,090	4,913,516
Manufactured wares	159,678	185,486	1,567,462
Total wares	1,178,511	1,069,087	9,785,669
Gold and silver	124,945	34,540	628,465
Total	1,303,456	1,103,627	10,414,134
Exports—			
Livestock	416	632	10,942
Food and drinks	28,050	24,019	350,151
Raw and half-manufactured			
materials	143,440	149,488	1,156,220
Manufactured wares	552,679	602,483	4,843,720
Total wares	724,585	776,622	6,361,033
Gold and silver	2,910	3,616	25,077
Total	727,495	780,238	6,386,110

The Bourse, after a considerable recovery during and at the close of the Locarno negotiations had a setback, owing mainly to the Cabinet crisis, but yesterday stocks somewhat recovered. The *Frankfurter Zeitung's* index (100 on January 2nd) shows for home stocks a rise from 67.45 on October 3rd to 72.17 on the 19th, and a reaction to 68.61 on the 24th. Individual groups of stocks, in particular those of the "heavy industry," moved within much bigger limits. From November 1st the list of stocks which may be dealt in for future settlement will be increased by 22. The number of firms belonging to the Liquidation Association, with its Guarantee Fund, is increasing, and as the free monies of the fund are lent to members, the new institution has begun to play a certain rôle in the money market. Stock quotations at the end of last week averaged about 61.6 per cent. of those of the end of January, when about the highest level was reached.

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**CANADA.—THE ELECTION AND BUSINESS—THE
CROP MOVEMENT — NEW CHAIRMAN FOR
ONTARIO HYDRO-ELECTRIC COMMISSION —
RAILWAY RATES ISSUE—FOREIGN TRADE.**

(FROM OUR CORRESPONDENT.)

OTTAWA, October 17.

THE general election campaign has reached its penultimate stage. Public enthusiasm has not been greatly stirred by the election, and the mass of the voters are quietly going about their everyday work, and hoping that from the contest there will emerge a Government whose policies will be able to maintain the moderate but quite definite improvement visible this autumn in the business situation. The good buying power available to communities engaged in farming, mining, and forestry operations is making itself felt in a freer movement of commodities, and as stocks in the hands of retailers and wholesalers are being rapidly reduced, the manufacturers should soon experience a good revival of demand. There is, however, room for great improvement in many branches of trade and industry, for the latest Government return on the banking situation indicates that commercial loans made by the chartered banks are about \$75 millions less than at the corresponding date in 1924. It also shows that at present commercial credits are smaller by about \$375 millions than the total bank deposits, and it is claimed that at no time in the history of Canada has such a wide margin on this particular side existed; in the boom days before the war the commercial credits of the banks were at one time about \$280 millions greater than the total deposits. A partial explanation of the change may be found in the huge increase of deposits and in the general process of business consolidation which has been going on steadily, and makes capital go further; but it must also be admitted that the prosperity of the great basic natural industries has not so far been extended to cover the secondary industries. Apart from the railway imbroglio, there is no fundamental difficulty facing the Dominion, but there will not be contented satisfaction

until the passion for expansion and development which is latent in every North American bosom is gratified.

The prairie provinces have already been visited by inclement weather, which has hindered threshing operations; but practically all the crop is now safe beyond any risk of serious damage, and a substantial proportion of it has already passed out of the farmers' hands. The volume of wheat already moved to the seaboard is far ahead of the figure on the parallel date of 1924, the respective total of grain receipts at Winnipeg on September 18, 1924, and 1925, being 6,107,181 and 23,138,811 bushels respectively. On the whole, the wheat crop is grading very well, and the percentage appraised at No. 2 Northern and better will be heavier than last year. The Canadian stock markets have been experiencing ups and downs in sympathy with New York, but the traction issues are still very popular, and Consolidated Smelters, which is largely owned by the C.P.R., has had a spectacular rise.

Last month Canada sustained a great loss in the death of Sir Adam Beck, of London, Ontario, a strange sort of Conservative, who was the father of the great Socialist experiment involved in the huge enterprises of the Ontario Hydro-Electric Commission. A man of wealth, Beck had for years devoted all his great energy and organising talents to the work of the Commission of which he was the chairman, and had waged relentless and unceasing warfare against powerful corporation interests until he had won a complete victory for his cause and established under public ownership a system of hydro-electric development and distribution which reached every corner of the province. His methods were dictatorial and provoked a great deal of enmity, but his monument stands in a remarkably cheap and efficient service of electric power. His demise was greeted with a sigh of relief by the private power interests all over North America, and the fear was expressed that his work might collapse; but the Government of Ontario have insured against this by selecting as his successor Mr C. A. Magrath, the present chairman of the International Joint Commission. There could be no happier choice, for Mr Magrath, who has long been one of the leading champions of the St Lawrence deep waterway scheme; and as the Hydro-Electric Commission urgently need the use of the water powers which it would make available, he can be relied upon to push the project to the limit.

Before the Railway Commission, the Canadian Pacific Railway, backed up by the Governments of Nova Scotia and New Brunswick and the Boards of Trade of Montreal, Winnipeg and Regina, have launched an attack upon the order abolishing the special mountain rate through the Rockies; but it is being defended by the Governments of Saskatchewan, Alberta, and British Columbia. The assailants demand that the obnoxious order be suspended until the problem of the whole rate structure of the Dominion can be exhaustively examined in accordance with the instructions of Parliament.

Foreign trade returns continue to be very satisfactory, and below are given the figures for September, and for the fiscal half-year ending September 30th, with the comparative data for the parallel periods of the previous year:—

	September.	1924.	1925.	Increase.
Exports.....	80,960,729	108,497,911	27,537,182	
Imports.....	63,901,289	78,662,591	14,761,302	
Favourable balance ..	17,059,440	29,835,320	12,775,880	
Total trade	146,356,916	188,236,176	41,879,260	
Six months:				
Exports.....	482,091,954	571,315,340	89,223,386	
Imports.....	397,129,452	452,820,166	55,690,704	
Favourable balance ..	84,962,502	118,495,184	33,532,682	
Total trade	885,784,833	1,030,589,762	144,804,929	

These tables show that there was a total trade gain of 42 million dollars in September, and that the favourable balance of 17 million dollars in September, 1924, had risen to 30 million dollars. Data recently published by the Dominion Bureau of Statistics show that during the 12-month period ending July 31st last British countries took 44 per cent. of Canada's exports and furnished 24 per cent. of her imports. In the same period, 64 per cent. of the imports came from the U.S., but their aggregate value was 40 million dollars more than in the previous 12-month period. Exports to the United States, which were 40

per cent. of the total, were 8 million dollars greater in value. The Department of Trade and Commerce reports that practical success attended Canada's participation in the Wembley Exhibition, and that large orders as a result were placed for Canadian furniture, rubber boots, manufactured furs, farm implements, and canned salmon. A few years ago no furniture was exported from Canada, and the Dominion was an importer of rubber goods.

There is clear evidence that Canada is gradually broadening the basis of her export trade. Her exports to countries like the British East Indies, New Zealand, Belgium, Argentina, and Brazil all show moderate gains, and there have been remarkable rises in the exports to Russia and the Netherlands. There has, however, been a steep fall in the exports to Italy. Prices tend to be stationary. The monthly index number of the Canadian Bank of Commerce between mid-August and mid-September, the combined figure for exports and imports rose by a fraction from 157.88 to 157.90; the export figure fell from 156.10 to 155.52, and the import figure rose from 159.69 to 160.25.

INDIA.—COTTON MILL SITUATION—COAL GRADING—IRON AND STEEL—EXTERNAL CAPITAL.

(FROM OUR CORRESPONDENT.)

CALCUTTA, October 8.

As the millowners desired and intended, the employees in the Bombay cotton mills have dispersed to their villages, whence it is hoped to collect them three months hence at their former rate of wages, mill stocks valued at 10 to 12 crores being meanwhile disposed of at firm prices, while concurrently a monthly wage-bill approximating to 50 lakhs is entirely suspended. An inquiry into methods of mill management, offered by Lord Reading and strongly pressed for by the workers' representatives, has been curtly refused on the specious plea that, as recommended by the Fiscal Commission, an essential preliminary is abolition of the excise duty, a measure of financial relief that may now be regarded as indefinitely postponed. Indeed, an industry seeking State aid, which refuses expert scrutiny of its plea, quite clearly stands self-condemned. Half the mills were working at a profit when the concealed lock-out was engineered; the remainder at a loss calculated at 24 lakhs a month. Japanese competition, though deriving adventitious advantages from sweated labour and depreciated exchanges, obtains its real potency from a higher standard of efficiency alike among the employees and their masters. The consequence has been that the Japanese mills, relying upon imported raw material, and dependent largely upon foreign markets for absorption of their manufactured product, have driven the less enterprising, hard-working, or efficient Indian producers entirely out of Far Eastern markets, and are now attacking them in their own stronghold. Quantitatively, Japanese imports are small, but their low value has scared Indian producers without as yet having forced the only reforms that will really save the industry from gradual destruction. We have the authority of a director of the Tata cotton mills for the assertion that "there is no trade in the world so overpaid, or with so little to do as managing agencies in India." While the British managing agencies make some effort to justify their remuneration by conforming to reasonable standards of commercial and technical efficiency, the corresponding Indian agencies, in too many instances, have subordinated technical considerations to the exigencies of a too rapid process of Indianisation, whereof the present parlous condition of the Bombay cotton mills affords the most conspicuous and poignant example.

As judged by the present tone of official as well as public opinion, the original enthusiasm for extending almost unlimited support to the Tata steel enterprise is beginning to wear rather thin, in explanation whereof it may be noted that, despite repeated appeals, the shareholders have hitherto declined to sanction the capital reconstruction which the directorate admit to be necessary, but have not yet been able to force through. The companies relying on pig-iron production have been hard hit, and a prolonged suspension of production at Kulti seems unavoidable. A steep rise in the internal market price of

Indian pig-iron is foreshadowed within the next six months.

Legislation adopted with the cordial assent of Indian coal producers provides, as from early in the new year, for the setting up of a Coal Grading Board equipped to standardise the quality of coal reserved for export. Over 200 second-class mines have been closed within the last six months, and this drastic step, while diminishing the previous excess of production, will also assist in raising the average standard of value. Improvements in commercial and technical methods are simultaneous. It is argued, with solid justification, that the salvation of the coal industry lies in eliminating the miner as a coal cutter and applying machines to do his work. "The Indian miner," asserts a competent authority, "is both mentally and physically unable to meet the competition of his brother workers in other countries. He is not cheap, because of his great inefficiency, and when foreign markets are to be considered this is the governing factor. His incompetence is only surpassed by his indifference to work. Attention should now be directed to instructing a better type of labour to operate machines. A more intelligent and a higher physical type should be engaged, and they can be better remunerated." Abolition of female labour in coal mines is recognised to be inevitable sooner or later, and the disposition to resort to the maximum extent to mechanical appliances is thereby greatly encouraged.

Concerning the exact amount of good quality coal in the Indian coalfields, the latest estimate of the official Geological Survey is 2,000 million tons as the total quantity of coking coal of all grades; 2,000 million tons of good quality coking coal; and, roughly, 54,000 million tons of all kinds of coal in the Indian coalfields. The available quantities, if the mode of extraction involves a loss of 30 per cent., are approximately, two-thirds of these figures. It is, therefore, calculated that there will be sufficient coking coal for a very considerable expansion of the Indian steel industry for a period probably equal to that for which the iron ore leases have been computed—approximately 100 years. In these circumstances, the Geological Survey considers, there appears to be no immediate cause for a coking-coal alarm unless the export trade assumes serious proportions, and then it would seem that industrial development in India must, so far as the iron and steel industry is concerned, expand greatly. Concerning low-temperature carbonisation, it is pointed out that the Indian lignites certainly offer an attractive field for experiment, the report remarking: "Perhaps investigation by far-seeing capitalists may be undertaken at no distant date, and any such individuals or companies need the greatest encouragement."

The External Capital Committee, while deprecating restrictions on external capital as undesirable and impracticable, urges various positive measures for encouraging the wider investment of Indian capital which should go far to attain the real aim in view. In many enterprises under British management, such as jute manufacture, Indian shareholders are in a majority, and this process of silent penetration may, for various reasons, be expected to continue. New industrial enterprises relying exclusively upon external capital and/or management are now the exception, a modification of previous practice traceable, *inter alia*, to the increased availability of indigenous capital, the lower rate of taxation operative in India, the reactions of the Protectionist movement, &c. According to the Blackett Committee: "That internal capital is available is shown by the increase in Government rupee loans from 145 to 358 crores, and in the paid-up capital of joint-stock companies from 80 to 254 crores, between 1913-14 and 1923-24, an increase of 387 crores. The fact, however, that the net imports of gold and silver since 1913 amount to 482 crores is evidence that large resources are still being hoarded which might be invested." It would be interesting to know the exact significance of the word "hoarding" in this quotation. Of capital for industrial development there has been no lack; indeed, the trouble with many urban industries is large surpluses of output. Banking deposits are adequate for commercial finance; whereas, for financing agriculture, the resources of the co-operative banks, aggregating about 30 crores, are patently inadequate, and though the Blackett Com-

mittee lays no special stress upon this point, it is really in the direction of strengthening agricultural banks that development is most urgent and important. The figure of 482 crores of bullion mentioned above may be compared with the 800 crores roughly estimated as representing the aggregate rural indebtedness in India. Until this load is lightened, the prospects of agricultural improvement are not bright; the moneylending incubus taking away both the material resources and the moral incentive essential to any advance whatsoever. In that connection, I place on record Lord Reading's remarkable confession, recalling a not dissimilar declaration by Lord Curzon: "But I will say a word about agriculture; for as I grow older in my service to India, as I learn to understand her problems, as I perceive more keenly the anxieties of India, I come more and more to the conclusion, aided and assisted by those who have the knowledge and experience, that the great industry to which India must look for her regeneration and her prosperity is her agriculture; and we must do all we can to further it." It is a belated discovery, and it may be permissible to express the hope that in this direction the new Viceroy will recognise the importance of agricultural development in his first declarations of policy, rather than in his final catalogue of "might have beens."

ARGENTINA.—CURRENCY PROBLEMS—NEW LOANS—CROP PROSPECTS—FOREIGN TRADE.

(FROM OUR CORRESPONDENT.)

BUENOS AIRES, October 4.

No constructive legislation whatsoever has been passed during the session of Congress that closed on September 30th, and although extraordinary sessions will be held during November, there is little hope of any measures of practical utility being fully sanctioned, though efforts will be made to vote the annual Budget. Thanks to the generally flourishing state of the country, and to the favourable revenue returns, Congressional inertia in legislative affairs affecting the financial organisation of the Republic is not immediately harmful. It is, however, undeniable that opportunities for dealing with the floating liabilities of the nation, for reforming or restoring the currency system, and for a detailed and dispassionate examination of the fiscal returns in their relation to the production of a balanced Budget, have been missed times without number: opportunities that might never recur if the actual long spell of favourable circumstances were broken.

Once more the question of reopening the Conversion Office has been raised, this time in the Senate, where the proposal was vetoed by 16 votes to 4. The debate raised several interesting points: Dr Molina, Minister of Finance, hoped to see the Conversion Office reopened in his lifetime, always provided that the country had first arranged for balanced Budgets, had consolidated its floating debt, and put its financial matters generally in good order. Another speaker in support of the veto even went so far as to say that it would be inadvisable to reopen until such time as the country had a new system of emission designed to regulate the currency in accord with the necessities of trade. All of which leaves the impression that not only is there no early likelihood of the Conversion Office being restored to its full functions, but that there is a strong probability of its never being opened again under the terms of the Law No. 3,871, which established it. The real significance of that law is probably better grasped outside Argentina than it is by the general public here. Not the slightest objection would be raised locally to any currency changes that apparently left the purchasing power of the present paper dollar unaltered, even were such changes to involve direct withdrawal of part of the gold now held against the notes in circulation. Few save those whose business it is to follow the subject realise that under Argentina's monetary system the gold in the Conversion Office is not an affair of percentages. Apart from the old fiduciary issue, some 293 million paper, every paper dollar was to be but the representative token of 44 cents gold, these 44 cents gold being the property of the note-holder, not of the State, the Conversion Office being created to act as bailee on behalf of the former. And while there is

deep conviction that transportation, from the canal through the steam locomotive down to the electric train, was developed by a capitalistic urge towards the control of circulation, that at an early stage in the development clear traces are to be found of the power wielded by banking and industrial groups, and that this influence has ever more and more been extended and consolidated until the real control of railways rests to-day in the hands of great financial combines.

The book is in the main historical, and as a documented study of financial history forms a record by which Mr Walton Newbold seeks to illuminate some of the political phases of Western Europe, particularly from 1833 to 1873. In his own words, it is "history harnessed to, but not dominated by, politics," and he is concerned in the earlier chapters more to marshal facts and to warn his readers of the dangers which, in his view, are implicit in them, than to suggest what ought to have been done years ago or what remedies are now available. This part of the book, however, is essentially a preparation for the last chapter, where he gives a looser rein to theory. He propounds an International Railway Power, a world-monopoly which, originating in the United States, spread over Canada and Germany, and will presently engulf France and Great Britain. The idea is elaborated ingeniously, but the author wastes some of its potential force by stating as authoritative things which will appear to many controversial in a high degree, and by drawing conclusions which do not derive inevitably from the premises. Granted that banks, insurance companies, and investment trusts have large holdings in the stocks of British railways, it is a long step to say that they are their controlling owners. Let it be assumed that a capitalistic world-monopoly of railways is achieved; it is yet not certain that it would throttle capitalistic production. If it be conceded that what took place in Germany was done with a view to economic sabotage, it remains not proven that it will be repeated in France and in Great Britain. And the estimate which is offered of the causes and effects of the Railways Act of 1921 is hotly debatable both in principle and in detail.

The book is original in conception, and should prove interesting to readers of all schools, but there are many who will hardly share Mr Walton Newbold's convictions, or think that he has proved his thesis. Beyond a certain point, indeed, it is probably not demonstrable at present, and individual verdicts will be based largely on a personal bias towards this political theory or that. The author himself recognises and confesses the presence of much that is controversial, and will not look for any universal acceptance. The reader, on his side, be he for Mr Walton Newbold or against him, cannot fail to see and to appreciate a real gift of terse expression and suggestive interpretation.

BOOKS RECEIVED.

- Principles of Marketing.* By Fred E. Clark. (London) Macmillan and Co. 12s 6d net.
- Marketing.* By Edmund Brown, jun. (London and New York) Harper and Bros. 12s 6d net.
- The Foreign Exchange Market.* By H. F. R. Miller. (London) Edward Arnold and Co. 8s 6d net.
- An Economic History of England, 1066-1874.* By Charlotte M. Waters. (London) Oxford University Press. 7s 6d net.
- Commodity Market Terms.* By Cuthbert Maughan. (London) Effingham Wilson. 10s net.
- The Social Significance of Death Duties.* Adapted from Dr Shultz's Translation from the Italian of Eugenio Rignano, by Sir Josiah Stamp. (London) Noel Douglas. 5s net.
- The Administration of Real Estate Bonds.* By Herbert W. Nelson. (London) Macmillan and Co. 15s net.
- Real Estate Advertising.* By Ward C. Gifford. (London) Macmillan and Co. 17s net.
- Railroads, Cases and Selections.* Edited by Eliot Jones and Homer B. Vanderblue. (London) Macmillan and Co., 18s net.
- Carriage of Goods by Sea Act, 1924.* By Sanford D. Cole. Second Edition. (London) Effingham Wilson. 6s net.

The Financial Organisation of Society. By Harold Moulton. (Chicago) University of Chicago Press. \$4.00.

Nachschlagebuch der Nachschlagewerke für die Wirtschaftspraxis, 1925. (Hamburg) Deutscher Ausland-verlag. Walter Bangert. 5 rm.

A useful work, giving the most important publications as regards reference books and directories in all countries of the world. A section is also devoted to the main bibliographies and press publications in the different countries. Special emphasis is laid on the existence of the "Hamburgisches Welt-Wirtschafts-Archiv," a short account being given of its organisation and methods of obtaining information.

Report of the Public Accounts Committee on Accounts of 1923-24. Vol. I. (Simla) Government of India Press.

Bericht über die Industrie, der Handel und die Verkehrsverhältnisse in Wien und Niederösterreich während des Jahres, 1924. (Wien) Verlag der Kammer für Handel, Gewerbe und Industrie.

Report of the Superintendent of Insurance, Dominion of Canada, 1925. Vol. I. Fire and Miscellaneous. (Ottawa) F. A. Acland.

The Nineteenth Century. November, 1925. (London) Constable and Co. 3s net.

Migration Movements, 1920-1923. (Geneva) International Labour Office. 2s.

The Port of London Authority Monthly. No. 1. November, 1925. (London) Newton and Co. 6d.

OFFICIAL PUBLICATIONS RECEIVED.

The following may be obtained from H.M. Stationery Office, Adastral House, Kingsway, W.C. 2. :-

Directory of Employers' Associations, Trade Unions, Joint Organisations, etc. 1925. 3s net.

Colonial Reports:

No. 1264. *Straits Settlements.* 1924. 2s net.

No. 1269. *Bechuanaland Protectorate.* 1924-25. 9d net.

Reparation Commission: Official Documents IX. Regulations for Deliveries in Kind. 5s net.

Treaty of Commerce and Navigation between the United Kingdom and Germany and Additional Protocol. Signed at London, December 2, 1924. Cmd. 2520-9d net.

Report of the Chief Registrar of Friendly Societies for the Year 1924. Part 5. *Building Societies.* 5s net.

Report of the Fuel Research Board for the period ended December 31, 1924, with Report of the Director of Fuel Research. 1s 6d net.

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STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET,
November 4.

ACCOUNT,
November 5.

The main factor affecting Stock Exchange markets during the week just ended has been the fall in the value of the franc. As happened when the German mark first began to drop heavily, the Stock Exchange became greatly upset by the descent of the franc to 120, and the resignation of the Ministry added one more element to the causes which contributed to be a somewhat feeble affair, and the bull account in several directions—e.g., Courtaulds, Dunlops, rubber shares—has been brought up with something of a round turn.

The War Loan has been keeping steadily in the neighbourhood of 100 since the price was quoted ex dividend last Tuesday. Dealings started in the new Victoria and South Australia conversion loans, the prices of both advancing to a very fair premium. British Government stocks as a whole are steady, without there being much interest taken in them.

In the Foreign Government market French bonds, Government and railway, gave way sharply as the franc descended below 120, to harden up again with the recovery which ensued in the exchange. Brazilians are dullish, the tendency through the foreign market has been overcast by the gyrations of the franc. Chinese bonds have gone back.

Home Railway stocks continue to be somewhat neglected, there being little business doing in them, and prices reflect the absence of public interest. Argentines have tended to droop, more from want of trade than from any other reason. Cordoba Centrals and Entre Rios remain in speculative favour. Nitrate Rails keep good, on the recent report, and Brazilians have followed the course set by the prices of the country's bonds. Brazilian Tractions lost part of an earlier rally.

The rubber market maintained its prices with a tolerable show of strength. A feature of the week was the remarkably prompt way in which subscription lists for the big issue of Allied Sumatra Plantations were closed, very shortly after they opened, on Thursday morning. Other new issues achieved success. Prices, however, are inclined to be a little heavy, business having fallen away to a great extent. The tea share market is idle. Oil shares are a little better, in spite of Paris selling of Shells. British Controlled have started to rally.

Shipping stocks were upset by a not altogether unexpected reduction in the P. and O. deferred dividend, though the price shed thirty points when the announcement was made. This caused weakness amongst most of the other shipping issues. Dunlops went back with a run, on talk of a strike at the company's works, but motor shares retain a good deal of firmness. Tobacco shares have moved within narrow limits; British-Americans enjoyed a brisk spurt. Brewery stocks are irregular, Benskins being noticeable for a sharp rise. Sudan Plantations have been marked ex rights. The banking market is steady, and insurances have changed comparatively little. The iron and steel market went back after its recent recovery, the passing of the Pease and Partners' dividend being followed by a cautious speech from the chairman of the United Steel Company. In the wireless group, Burndept have been a good spot, and amongst other industrials, the shares of the cable manufacturing and electrical equipment companies stand out with material improvements, though the best prices were barely maintained. Courtaulds have been subject to cross-currents of American support, against profit-taking by bulls on this side. Joshua Hoyle shares improved, thanks to a good dividend. Gas stocks are rather better.

The Kaffir Circus witnessed a drop and subsequent rally in platinum shares. Cape orders inspired both these movements. Chartered are dullish, and the Tanganyika division drooped on Brussels and Paris sales. De Beers fell back a trifle. Malayan tin shares have been very active, and, on the whole, prices moved in favour of shareholders. Cornish and West African tin shares went slightly better, but the public have displayed no great interest in them. The Mexican mining group is noticeably stronger; Canadians stagnated; Russians attracted a certain amount of professional support.

As November 1st falls on a Sunday this year, the usual Stock Exchange holiday will be on Monday. This necessitated the mining markets doing their preliminary contangoes on Thursday, while those in the general markets were arranged, in advance, yesterday, Friday.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further bill.
Amount previously recorded ..	£ ..	£179,469,718 ..	£ ..	£ ..
£850,000 Treasury Bonds sold, Oct. 23, at £94 8s per cent.	£ ..	£802,400 ..	£ ..	£ ..

ISSUES OF THE WEEK—

NATIONAL SAVINGS CERTIFICATES.				
NET RECEIPTS INTO THE EXCHEQUER WEEK TO OCT. 24, 1925.				
	£	£	£	£
April 1, 1925, to Oct. 24, 1925 ..	£1,750,000 ..	150,000 ..	150,000 ..	
To the Public—				
Allied Sumatra Rubber, 1,400,000 Shares, £1 at 21s ..	1,400,000 ..	1,470,000 ..	140,000 ..	1,330,000
Sittang Valley Rubber Estate, 1,250,000 Shares of 2s each, at par ..	125,000 ..	125,000 ..	15,625 ..	109,375
Yunnan Rubber Estates, Lim., 1,125,000 Shares of 2s each, at par ..	112,500 ..	112,500 ..	28,125 ..	84,375
Usumbura Rubber Estates, 900,000 Shares of 2s each, at par ..	90,000 ..	90,000 ..	22,500 ..	67,500
British Visada, Limited, 300,000 10% Pref. Ord. Shares of £1, at par ..	300,000 ..	300,000 ..	37,500 ..	262,500
Ditto 600,000 Def. Ord. Shares of 2s each, at par ..	60,000 ..	60,000 ..	60,000 ..	
Holborough Cement Co., 250,000 Shares of £1, at par ..	250,000 ..	250,000 ..	31,250 ..	218,750
Santa Cruz Coffee Co., 177,000 Shares of £1, at par ..	177,000 ..	177,000 ..	22,125 ..	154,875
Ipo Rubber Estates, 75,000 Shares of £1 each, at par ..	75,000 ..	75,000 ..	9,375 ..	65,625
Total offered to the public....	£ ..	£2,659,500 ..	£365,500 ..	£2,293,000

To Shareholders only—				
Bruc (Henry) and Sons, 96,000 7% Cum. 2nd Pref., £1, at par ..	96,000 ..	96,000 ..	12,000 ..	84,000
Takau (F.M.S.) Rubber, 252,492 Shares, 2s at 3s 6d ..	25,249 ..	44,184 ..	44,184 ..	
Stoughton (Perak) Rubber, 66,760 Shares, 2s at 2s 6d ..	6,676 ..	8,345 ..	8,345 ..	
Total to shareholders only ..	£ ..	£148,529 ..	£64,529 ..	£84,000

Total offered for subscription to date		Total offered for subscription for whole year—	
£	Year—	£	Year—
1925 ..	183,230,147	1924 ..	209,326,100
1926 ..	183,257,309	1925 ..	271,383,173
1927 ..	245,528,421	1926 ..	573,675,660
1928 ..	543,593,574	1927 ..	388,978,203
1929 ..	253,617,936	1928 ..	367,549,656
1930 ..	325,583,250	1929 ..	1,036,069,951

Holborough Cement Company, Limited.—Share capital, £500,000, divided into shares of £1 each. This is an issue of 400,250 shares at par. It is stated that 100,000 shares have been applied for by the directors and friends. The company has been formed to acquire, "as a going concern," a cement works in Kent. Contracts have already been accepted to supply many tons of the product "at satisfactory prices," of which "over 15,000 tons have been delivered." The purchase consideration is fixed at £281,250, payable as to £156,250 in shares. We take the following from the consulting engineers' report which appears in the prospectus:—"We are of opinion that the present value of the above property, freehold and leasehold, as outlined, with the works complete..... is the sum of three hundred and seventy-three thousand six hundred pounds (£373,600), and that figure would be a proper figure to insert in your balance-sheet as representing the value of these assets." The italics are ours. This appears to be something more than the usual valuer's certificate. The undertaking has been acquired as a going concern, but the prospectus is not very informative as to past financial and industrial history. The board of directors obviously consists of men who understand the business, and Sir Percy Girouard's reputation as an organiser is well known.

Grays and Tilbury Gas Company.—Tenders are invited for 2,000 of £10 6 per cent. preference shares (irredeemable), the minimum price of issue being par. The authorised share capital is £270,000, of which £162,576 has been issued, including £3,596 in respect of premiums. The authorised loan capital is £135,000, of which £78,105 has been borrowed. The company was established in 1856, and supplies gas over a district of 160 square miles, including Grays and Tilbury, Purfleet, Pitsea, Billericay, &c. The sales of gas last year were 1,006,102 therms and the output for the first half of the current year was 545,766 therms. The net revenue for 1924 was £17,144, and after deduction of £3,931 for debenture interest, there remained £13,213. The interest on the present issue requires £1,200. The reserve fund totals £6,336. The new capital is required to repay part of a banker's overdraft, and for extensions.

United Dairies, Limited.—Capital £5,000,000, of which £4,464,739 has been issued. This is an issue of 500,000 6 per cent. non-cumulative preference shares of £1 each at par. The company was registered in 1915 with a capital of £1,000,000, and now controls a large number of retail dairy companies, wholesale butter and cream merchants, &c. Net profits are given in the prospectus since the year to June 30, 1919. Then they were £233,444, since when there has been a continuous advance, until for the 12 months to June 30th last the figure was £509,145. The reserve totals £500,000. The new capital is stated to be required for the erection and equipment of milk bottling depôts, and for the redemption of £70,000 of the maturing debentures of a subsidiary. The issue has been underwritten for 2 per cent., with an over-riding commission of 1 per cent.

Santa Cruz Coffee Company, Limited.—Authorised capital £300,000, in £1 shares, of which 123,000 have already been issued. Subscriptions are invited for 177,000 shares at par. The company was incorporated in July, 1911, and owns a freehold estate in Sao Paulo, Brazil. The present issue is stated to be to provide funds for the acquisition of an additional estate, full particulars of which are given in the prospectus. When acquired the total acreage will be 1,332,446, practically all of which is producing. The properties are valued at £267,928, the new estate being put at £139,950. It is being acquired for £130,000, plus the cost of transferring the property. Shrewd investors should note that although the company has been in existence since 1911, no particulars are given as to past financial results.

Usumbura Rubber Estates, Limited.—Share capital £120,000, divided into shares of 2s each. This is an issue at par of 600,000 shares. The company has been formed to acquire certain rubber estates in Tanganyika territory, comprising 13,293 acres, of which 5,617 acres are planted with mature rubber. It is stated that in the period 1910-13 a total of 769,835 lbs of rubber was harvested, but later results are not given, nor can we find mention of past costs of production or of financial results. The purchase price of £50,000 is payable in cash, and the underwriting commission is 5 per cent. The prospects of the company could have been more accurately

Johore River Rubber Plantations, Limited.—Capital £200,000 in 2s shares, of which £175,000 has been issued. The company, particulars of which are advertised in accordance with Stock Exchange regulations, has acquired a rubber estate of 2,473 acres in Johore, of which 2,149 acres are stated to be planted with mature rubber. The crop in 1923 and 1924 was 597,310 lbs. and that for the first eight months of the current year 199,105 lbs. These crops were produced under restriction. The purchase price is about £163,333, payable, presumably, in cash.

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

		Price Last Week.	Latest Price	Rise or Fall.		Price Last Week.	Latest Price	Rise or Fall.
War	5%, 1925-26	97	97 7/8	+	Aust. 6% 1931-41	103	104	+
Loans	4%, 1925-48	102	102	+	India 3% Stock	67 1/2	67 1/2	+
	5%, 1929-47	102 1/2	100	-	Do 5% 1926-31	105	105	
	4%, 1929-44	92	100 1/4	+	Do 5% 1933	103	102 1/2	-
Funding Loan	4%.....	87 1/2	87	-	Do 4 1/2%	93	93	
Victory Bonds	4%.....	93	93 1/2	+	N.S.W. 5% 1922-32	100	100	
Conversion Loan	3 1/2%.....	75	76	+	N. Zealand 3 1/2% 1940	85	85	
Omaha	4%.....	55 1/2	55 1/2	+	Nigeria 6% 1949-74	111	114	+
Irish Land Stock	4 1/2%.....	55 1/2	55 1/2	+	U. of S.A. 6% 1930-40	103	103	+
Local Loans	3%.....	65 1/2	64 1/2	-	Victoria 5 1/2% 1924-34	100	100	
					W. Aust. 6% 1930-40	103	103	

Land & North Eastern	87	874	+	1	Southern, Ord. "A" ..	381	381		
6% Pref. Ord.	58	573	—		Do Ord. "B" ..	79	79	—	1
Do Def. Ord.	21	208	—	1	Do Pref. Ord.	75	75	—	1
Land, Mid., and					Do Def. Ord.	418	418		
Scottish, Ord.	773	773			Underground Electric				
Metropolitan	71	713	+		(£10) ..	24	24	—	1
Metropolitan District	463	452	—	1	Do "A" (1/)				
					Do Inc. Deb. (£100) ..	97	97		

[illegible]

Chesapeake & Ohio ..111 ..111	Southern	118 .. 118.. ..
Erie..... 36 .. 37 ..+ 1	Do Non-cum Pref.	94 .. 95 ..+ 1
Do 4% 1st Pref..... 44 .. 44		

	Price Last Week.	Latest Price.	Rise or Fall.
Barclays & (L), Ltd., Chartered Bank of India	200	199	—
Lloyds (£5 with 1	199	199	—
Midland (£12, with £24 paid),	34	33½	+ ½
Nat. Bank of Egypt (£10)	338	333	+ 5
Nat. Bank of S. Africa National Provincial, (£20, with £4 paid),	111½	111	+ ½
Standard of S. Africa (£20, with £5 paid),	111	114	—
Westminster Bank (£20, with £5 paid)	182	181½	+ ½

Anglo-American "A" 241	..	241	..	+	1	Marconi Canada	....	241	..	1	..	1	..	1
Marconi Wireless	....	13	..	1	..	Marconi Marine	....	241	..	1	..	1	..	1

Argentina 5%, 1886-7	100	101	+ 1	Greek 5%, 1894	53	52	- 1
Austrian 6 % Guar.100	100	100		Do % 1924	932	933	+ 1
Brazil 5%	741	75	+ 3	Do % 1924	932	933	+ 1
Chilian 4%, 1914	80	80		Hongkong 4%, 1924	992	993	+ 1
Chilian 4%, 1895	85	86		Japan 4%, 1910	901	903	+ 2
Do 7%	86	86		Do 6% 1924	901	903	+ 2
Chinese 5%, 1912	62	1054		Mexican Cons. 1899	40	43	+ 3
Egyptian 4%, 1912	84	84	+ 2	Peruvian Corp. Pref.	33	324	
French 5%	143	143		P.L.M. 6%	872	877	+ 5
Do 4%	12	12		Portuguese (New)	29	29	
German 3% Loan	102	102		Russia 5%, 1906	7	7	
Do 7%, 1924	102	102		Spanish 4%	64	64	
				Seine (Dept.) 7%	93	93	
				Siamese 7%	103	104	+ 1

Aerated Bread (f1)	1	18				Linggi Plants (f1)	2 1/2	28 1/2	1	1/2
Animal Cotions (f1)	3	18	+	+		Lipon (f1)	1 1/2	1 1/2	+	1/2
Asal Cerasan Oil (f1)	3	33 1/2	+	+	3/4	Lober Bar % Cmp Pft (f1)	1 1/2	1 1/2		
Armstrong's W.G. and Co. (f1)	1 1/2	1 1/2				Do % Cmp Pft (f1)	1 1/2	1 1/2		
Ass. Pkined Cement (f1)	1 1/2	1 1/2			1/4	Do % Cmp Pft (f1)	1 1/2	1 1/2		
Barker, John (f1)	2 1/2	2 1/2				Lister (f1)	1 1/2	1 1/2		
Bhams Mall Arms (f1)	2 1/2	2 1/2				Lotobos Oilfields (f1)	6	6		1/2
Pharm Traction (\$100)	80 1/2	80 1/2				Lyons (f1) & Co. (f1)	1 1/2	1 1/2		
British American Tobacco (f1)	5 1/2	5 1/2	+	+	1/2	Nickson Eagle (\$10)	1 1/2	1 1/2		1/2
British Controlled Oil (\$5)	5 1/2	5 1/2	+	+	1/2	Pekin Industries (f1)	1 1/2	1 1/2		
Burmah Oil (f1)	5 1/2	5 1/2				Royal Dutch Petroleum (100 ft)	32 1/2	32 1/2		
Coats (J. & P.) (f1)	7 1/2	7 1/2			1/4	Rubber Plantations Investment (f1)	2 1/2	2 1/2		1/2
Courtauld (f1)	7 1/2	7 1/2			1/4	Shell Transport (f1)	4 1/2	4 1/2		1/2
Conard (f1)	1 1/2	1 1/2				Smithfield & Argentine (f1)	1 1/2	1 1/2		1/2
Donnan Long (f1)	1 1/2	1 1/2				Union Carbide Storage (f1)	1 1/2	1 1/2		1/2
Dunlop Rubber (f1)	1 1/2	1 1/2				Do % Cmp Pft (f1)	1 1/2	1 1/2		1/2
Fine Cotton Spinnings (f1)	2 1/2	2 1/2				Do % Cmp Pft (f1)	1 1/2	1 1/2		1/2
Forestal Land (f1)	1 1/2	1 1/2				United Dairies (f1)	1 1/2	1 1/2		1/2
Furness, Withy (f1)	1 1/2	1 1/2			1/4	United Berdang (f1)	1 1/2	1 1/2		1/2
Highlands and Lowlands Rubber (f1)	2 1/2	2 1/2				United Tobacco (f1)	4 1/2	4 1/2		1/2
Indo-Bay (f1)	5 1/2	5 1/2				United Holding (f1)	2 1/2	2 1/2		1/2
Imperial Tobacco (f1)	5 1/2	5 1/2				Vickers (f1)	1 1/2	1 1/2		1/2
						Wetney (f1)	1 1/2	1 1/2		1/2

Ashanti Gold (4f)	38	38	..	Modderfont. "B" (5f)	14	14	..
Brakpan (21)	34	34	..	Modderfont, Deep (6f)	2	2	..
Broken Hill Prop.(21)	13	13	..	Mount Lyell (21)	18	18	..
Burma Corp.(Rs.10)	2	2	..	New State Areas (21)	2	2	..
Cam & Motor (21)	24	24	..	Randfontein Est.(21)	3	3	..
Central Mining (28).	14	14	..	Selous Mines (5f)	3	3	..
Chartered (15f)	1	1	..	Shamwa (2f)	1	1	..
Cong. Deep (21)	2	2	..	Rio Tinto (25)	43	42	..
Crown Gold Fields (21)	1	1	..	San Francisco of			..
Crown Mines (10f)	2	2	..	Mexico (10f)	1	1	..
De Beers Del. (24)	2	2	..	Spring Mines (21)	2	2	..
East Rand Prop. (21)	13	14	..	Tanganyika Cons.(21)	2	2	..
Edendale (21)	3	3	..	Trans. Cons. Ltd(10f)	3	3	..
Gov. Gold Areas	3	3	..	Zambesia Expl.(21)	2	2	..
Johannesburg Cons.	8	8	..				..
Modderfontein (10f)	4	4	..				..

	Tons Crushed.		Gold Recovered.			Value.	Profit.
	Mill.	Cyanide Works.	Mill.	Cyanide Works.	Total.		
Gold.	Tons.	Tons.	Ozs.	Ozs.	Ozs.		
Exploring Lands	2,394	..	..	..	..		
Frontino and Bolivia	2,400	..	..	..	..		3,773
London and Rhodesian	1,529	..	..	..	..	(Oct.)	8,548
Marmajito	541	..	..	..	..		1,779
Mexican Corporation, Fres-		..	..	..	..	(Oct.)	1,969
nille Unit	110,247	..	..	..	..		
							\$58,891

New Guinea	Tons. 295	(Matte), est. contain 60 tons copper, 108 ozs gold (Oct. 7-19).
Chinese Engineering	73,625	

Sold during week ended Oct. 24.

SULPHIDE CORPORATION.

October 17, 1925, 6,005 tons of ore (including 2,992 tons of Central Mine ore), together with 3,617 tons of slimes, were milled at the Central Mine, producing 2,017 tons of lead concentrates (including 154 tons from the deleading plant), 130 tons of zinc concentrates, assaying 8 oz silver, 55 per cent. lead, together with 2,378 tons of zinc concentrates, assaying 9 oz silver, 7 per cent. lead, 49 per cent. zinc per ton, and 421 tons of special slimes, assaying 13 oz silver, 17 per cent. lead, and 9 per cent. zinc per ton.

October 21, 1925:—Production, 49,116 barrels; shipments, 6,650 tons.

LAGO PETROLEUM CORPORATION.—Production for week ended September 26, 1925, 82,216 barrels; oil shipments, 76,487 barrels; storage on hand, 55,990 barrels.

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

The ordinary general meeting of the Entre Rios Railways Company, Limited, was held, on the 29th instant, at River Plate House, Finsbury circus, London, Mr Follett Holt, M.Inst.C.E. (the chairman of the company), presiding.

The secretary (Mr W. J. George) read the notice convening the meeting and the auditors' report.

The Chairman, having first referred to the visit of the Prince of Wales, in moving the adoption of the report and accounts, said: The result for the past year has been a record, and is, in its way, quite remarkable. Favoured by good wheat and linseed crops, the business of the railway showed further very satisfactory expansion, which had such an effect upon our finances that, without straining our resources, it has been possible to pay off the last £120,000 of the arrears due on the first preference stock, to provide full dividends on the first and second preference stocks, to replace to reserve the £40,000 withdrawn last year, and to carry forward a surplus of £24,590.

We cannot always expect to have good crops, but year by year a larger area of land is placed under cultivation; agricultural knowledge is growing with experience, and crops, with better ploughing and better seed, tend to improve in weight and security. Moreover, we consider that there is great room for further expansion in agriculture not only in Entre Rios, but in Corrientes, Misiones, and Paraguay, with which we are linked up. An observant friend, Mr P. A. Cooper, who recently visited Argentina for the first time, tells me that what struck him most was the amazing emptiness of the land. And it is true that although the cereal exports from that country bulk large at present, they are very far from reaching finality. Mr Cooper suggests, and I am in agreement, that the railways, if given the opportunity, should now co-operate with the Argentine Government in wide measures to attract and settle on these lands the best class of European immigrants, and I commend the suggestion in its widest bearings to our friends in Argentina, a country which could offer from its bounty a home of sunshine and hope to thousands, if not millions, of impoverished and harassed Europeans.

Interchange traffic with our ally, the Argentine North-Eastern Railway, and with the very friendly Paraguay Central Railway, is growing apace. Both of these companies serve zones which are only now in the very early stage of development. They give us even now a heavy cattle and sheep traffic, and last year we received from them no less than 40,000 tons of oranges for transport to Buenos Aires, whilst the timber traffic is assuming large proportions. Misiones, served by the North-Eastern, in particular is showing great signs of life; its wonderful soil and climatic conditions have been found to favour yerba, tobacco, citrus, and maize plantations, and the scope for the development of sub-tropical products is very large. Paraguay appears to have definitely set its face against further revolutions, and is now enjoying the fruits of peace and, incidentally, the payment of its foreign obligations, upon which that country is to be sincerely congratulated. So you will see that we have no regrets on the score of having looked a little into the future by securing in pre-war times our position with neighbouring railways.

The ferries, which carry our trains the 50 miles across the Paraná en route to Buenos Aires, were very busily employed last year. In round figures, our trains on the ferries carried 50,000 passengers and 640,000 head of livestock, the total paying public traffic conveyed by them weighing over half a million tons. The fleet of three steamers having reached the safe carrying limit, we have placed an order for a new ship which will have four tracks instead of three, and, owing to its additional length, will carry in wagons on deck 1,000 tons of paying cargo, or 50 per cent. more in capacity than the units of the existing fleet.

As to the current year's prospects, I speak dimly. The gross receipts for the first three months show an improvement of £31,000, and the net, as far as can be estimated, an improvement of £15,000. The condition of the new crops is reported to be at present quite satisfactory, but harvesting does not commence until the end of next month, and we cannot be sure of crop results until January. If, however, it should happen that the crops turn out well, and there is no unforeseen change in the present position, as our prior charges will be £120,000 less this year than last, it is reasonable to anticipate a dividend for the current year on the ordinary stock.

HEAD OFFICES: LIVERPOOL AND LONDON

Whether an interim dividend can be paid on this stock, say, in April next, must, of course, depend upon circumstances as they develop.

Before sitting down I will read to you the latest cablegram received from the general manager. It is dated October 27th, and is as follows:—Shearing of sheep giving satisfactory results. Owing to copious early spring rains pasture camps and cattle in excellent condition. Locusts have appeared in some districts, but on account of late arrival do not anticipate they will do any material damage. Latest reports favourable in all areas. Tonnage should exceed last year's figure unless something unforeseen occurs.

The Right Hon. Lord Farrer seconded the resolution, which was carried unanimously.

The twenty-eighth ordinary general meeting of the United Railways of the Havana and Regla Warehouses, Limited, was held on the 29th inst., at Winchester House, Old Broad street, E.C.

The Right Hon. Lord Ashfield, P.C., chairman of the company, presided.

The London manager and secretary (Mr W. J. Maslen) having read the notice convening the meeting and the auditors' report,

The Chairman, in moving the adoption of the report, said:—Ladies and gentlemen,—I am again fortunate in being able to ask you to consider a report and accounts which I am confident you must regard as satisfactory. Our total receipts from the railways exceed those of the previous year by roundly £673,500. On the other hand, our working expenses for the railways are higher—necessarily so, for it is axiomatic that substantially increased receipts from railway traffic can only be earned by the expenditure of increased sums for wages and materials. Nevertheless, it is a matter for congratulation that the general ratio of expenses to receipts has fallen. For this year it is 61.56 per cent., as against 62.58 per cent. for the previous year.

Nearly every branch of the company's activities has contributed to the increased earnings. From passenger fares we received £1,357,000, an increase of £104,000, or 8 per cent.; our general goods traffic was even more satisfactory, yielding an increase of £172,000, or over 13½ per cent., while from carrying sugar we derived an additional revenue of £315,000, an increase of 29 per cent. The one further considerable source of our revenue, our sundry receipts, showed an increase of £81,000, mainly attributable to the heavier sugar traffic.

There is a gross balance of £1,910,000 on our railway working, and, after making the necessary adjustments in respect of our subsidiary activities, and paying the interest on our debentures and the dividend on our preference stock, and after providing for taxation and sinking funds, there remains a balance of £1,187,491. An interim dividend of 3½ per cent. already paid on the ordinary stock absorbs £229,489, and there, therefore, remains a sum of £958,002, out of which we propose to set aside £75,000 for deferred maintenance, to transfer to general renewals reserve £350,000 (the same sum as last year), and to pay a further dividend of 4½ per cent., making 8 per cent. for the year (as compared with 7 per cent. paid last year), carrying forward £237,944, or £3,417 in excess of the amount brought in from the previous year.

We have carried by rail 362,000, and by electric service 335,000, more passengers than last year, and by ferry-boat 58,000 more; and this in spite of continued and increasing competition. Practically the whole of our goods and livestock traffic shows an increase, the only considerable exception being in the number of tons of chemical manure carried. The handling of sugar-cane and its products represents in tonnage the main bulk of our goods traffic; in round figures this commodity accounts for 13,000,000 tons out of a total traffic of 16,000,000, an increase over last year of 34 per cent.

Not only have we increased actually, but we have increased proportionately, for we handled 36.11 per cent. of the total sugar crop of the island this year, as compared with 34.75 per cent. in 1923-24. The crop itself was an exceptional one, totalling well over

5,000,000 tons, which is, approximately, 1,000,000 tons more than that of the year 1923-24. This increase in the sugar productivity of the island was very largely in the provinces served by our lines.

FUTURE PROSPECTS.

Let me turn for a moment to our future prospects. I hesitate to speak with any certainty. At the present time the general trade in the island is not in a very flourishing condition, due to the fact that low prices were obtained for the last crop of sugar, and it may be accepted that this decrease in general prosperity has caused our earnings, since July 1st last, to diminish substantially. The decrease amounts to, roundly, £138,000. It has to be borne in mind, however, that the receipts for the early months of last year were exceptional, because of the traffic which was temporarily held back during the strike which occurred in May and June of 1924. But the fall in earnings is not fully accounted for in that way. It is estimated that notwithstanding the increased production, the value of the sugar crop just harvested was 25 per cent. less than that of the smaller crop of 1923-24, and, with this diminution in the purchasing power of the country it is not surprising that there should be less activity in general business.

It is believed that the total sugar crop for the coming year will be as large as that of the past year. In a cable recently received our acting manager states that the coming crop is estimated to be about the same as last year, but he goes on to say that he estimates the crop in our zone at 10 per cent. less than last year.

In spite of the present temporary depression in trade in the island, there is no real feeling of pessimism, and efforts are being made to foster subsidiary industries.

We have not been unmindful of the necessity for maintaining our properties in a proper state of efficiency, and these additions and improvements, and others which have been authorised during the year, represent an expenditure of, roundly, £497,000.

Sir Henry Mather Jackson, Bart., C.B.E., deputy-chairman, seconded the motion, and it was carried unanimously.

UNITED STEEL COMPANIES, LIMITED.

MR A. O. PEECH ON THE POSITION AND PROSPECTS OF THE INDUSTRY.

The eighth ordinary general meeting of shareholders of the United Steel Companies, Limited, was held, on the 26th instant, at the Royal Victoria Hotel, Sheffield. Mr A. O. Peech (chairman of directors) presided.

The notice convening the meeting and the auditors' report were read by Mr A. Blackmore (routine director and secretary).

The Chairman, in moving the adoption of the report and balance-sheet, said: Since last year the accounts show comparatively little alteration.

With regard to our investments in and advances to associated companies, the formal balance-sheet of the company, which has been submitted to you each year, has not included any details in regard to these items, and, while I have dealt at length in previous years with the various interests which we control and the manner in which they interlock, I have not so far discussed them from the financial standpoint. It will be within the knowledge of the shareholders generally that on the formation of this company the main object in view was the acquisition of controlling interests in various companies in the iron, steel, coal and allied trades, and the directors then contemplated at some future date the merging of the assets and liabilities of these allied companies into the United Steel companies, by which one company would possess the whole of the assets and be responsible for the whole of the liabilities of the parent and allied companies. Various circumstances—some of them matters of legal difficulty, some concerned with the settling of outstanding taxation matters—have superseded and delayed the carrying out of this programme of consolidation.

We are still aiming at this policy of consolidation, and we hope that before long our objects may be attained. In the meantime, however, I think it would prove of general interest if I were to dwell now at greater length than heretofore on certain features of our allied companies.

INVESTMENTS.

I begin with investments. The largest individual item included under this heading in our balance-sheet is our holding in Steel, Peech, and Tozer, Limited, which stands in our books at £3,400,000. This represents the entire share capital, both preference and ordinary, of that company, which, as you know, owns the Ickles and Templeboro' Steel Works. Prior to the war the works consisted of the Ickles works only, and Steel, Peech, and Tozer carried on a large and successful business in the manufacture of alloy and ordinary steel, sold in the form of billets, blooms, slabs, forgings, &c., their trade in finished materials being mainly in railway and tramway rails, springs, tyres, and axles. During

the war the construction of the large and modern Templeboro' plant was begun under agreements with the Government, which provided for substantial writing off of the capital cost, so that it might not stand, at the termination of the war, at an inflated value. This new plant at Templeboro', together with some small additions to the original plant at Ickles, has entailed a capital expenditure of approximately £2,500,000.

This large expenditure has been financed partly by an amount of £1,250,000, which Steel, Peech, and Tozer have borrowed on overdraft from their bankers, and partly by advances from United Steel, who have advanced altogether about £2,000,000 to Steel, Peech, and Tozer, this amount being included under the heading "advances to associated companies" in our balance-sheet. These advances by United Steel, except in so far as they were necessary for capital expenditure, were largely occasioned by the sudden and rapid fall, during the years 1920-21, in the values of raw materials, which were held in stock, or for which commitments had been entered into at figures of cost which showed in the course of these two years a heavy depreciation. As I have said in previous years, Steel, Peech, and Tozer did not escape heavy losses in consequence of this fall in values.

The purchase by United Steel of the share capital of Steel, Peech and Tozer brought with it the Frodingham Iron and Steel Company, Limited, three-quarters of the capital of which company is owned by Steel, Peech and Tozer, the remaining quarter belonging to Samuel Fox and Co., Limited. The Frodingham Company has a record of continued success, and from the point of view of both natural resources and manufacturing capacity is one of the most important units in the combine, and in the iron and steel trade of this country. Its product consists of joists, angles, and sections generally, and owing to its natural advantages it has been able to maintain its output at full capacity during the past very difficult years. The Frodingham Company has debentures outstanding to the amount of £789,900—a figure considerably lower than the amount outstanding at the time when the company came into our possession, as substantial repayments have been made during the past seven years.

The Frodingham Company in its turn brought to the combine a one-half share of the entire preference and ordinary capital of the Appleby Iron Company, Limited, whose plant, as I think you know, is adjacent to that of Frodingham. On the formation of the combine it was thought desirable to obtain complete control of the Appleby Company, and United Steel purchased for cash the remaining half-share of the preference and ordinary capital of that company.

In addressing you last year, I mentioned that it had been thought advisable, in order to consolidate holdings, to transfer to Frodingham this second one-half share of the Appleby capital, and the total book figure in respect of Appleby in the Frodingham books is £881,820.

EXTENSIONS AT APPLEBY.

In past years I have mentioned the steel works extensions at Appleby, but I am not sure that you are all aware of the nature and extent of these new works. The original Appleby plant consisted of blast furnaces only, and in connection with these the Appleby Company controlled large and valuable ironstone properties. During the war the Appleby Company, at the request of the Government, undertook the construction of blast and steel furnaces and modern mills for the rolling of plates, the whole scheme of this new work being laid out on a comprehensive scale covering the latest type of plant, both in regard to the furnaces and the rolling mills. The total capital cost of these extensions to June 30th has been about £3,600,000, of which £1,050,000 has been obtained on the security of a mortgage debenture, and the balance has been provided partly by grant from the Government and partly by the Frodingham Company. The early completion of these works has been regarded by your board as one of the most urgent steps to be taken in the interests of our company, and I am glad to be able to inform you that within the last few days the board has practically completed an arrangement for funds to bring these works to a productive stage. Having regard to the situation of the works, the adequate natural resources already in the hands of the Appleby Company and the coke supply available from our Rothervale branch there is every prospect of the Appleby Company becoming as successful as the Frodingham Company. The effect of proceeding with the completion of these works will be the immediate employment of a considerable amount of additional labour.

The next item in our investments consists of our holding in Samuel Fox and Co., Limited, Stocksbridge, another old-established Sheffield steel-making concern with a successful history. In this case United Steel owns the whole of the ordinary capital and practically the whole of the preference shares. A few of the latter are still held outside the combine, but they do not affect in any way our control of the company. The value of this investment in our books stands at £1,330,731, and, as I mentioned above, this figure covers one-quarter of the share capital of the Frodingham Com-

pany, which is held as an investment by Samuel Fox and Co., Limited. In this case, again, extensions of buildings, plant, and machinery were made during and after the war to an amount of about £900,000, against which the company obtained substantial writing off. There is included in our advances to associated companies a sum of about £550,000, which was provided by us towards the capital cost of these extensions.

Our holdings in Daniel Doncaster and Sons, Limited, of Sheffield, and the Martino Steel and Metal Company, Limited, of Birmingham, stand in our books at £158,000 and £108,000 respectively, and in each case these figures represent the purchase price to United Steel of the entire ordinary capital of these companies, which were acquired mainly because they were competitors in the alloy steel trade, and were able to bring into the combine a valuable connection and goodwill. In each case the purchase price paid by us was fixed by reference to the earning capacity of the companies in previous years, and both these acquisitions have provided to Steel Peech and Tozer and Samuel Fox and Co., Limited, a useful outlet for their production of special quality steel.

A further investment is the holding in Thomas Smith's Stamping Works, Limited, of Coventry, who have an established position in the motor trade in that district. In respect of this holding, the transaction was carried through by an exchange of shares, and the investment stands in our books at £150,000.

INTERESTS IN CUMBERLAND.

With our interest in United Strip and Bar Mills, Limited, which we control and whose preference capital we guarantee, I have dealt with the principal items of those investments, which may be grouped together as representing our interests in Sheffield, Lincolnshire, and the Midlands, and I now turn to the Cumberland area. In that district, in order to safeguard our acid steel production, we set out, as you know, to obtain the control of adequate supplies of hematite ore, limestone and coal, and with this in view it became necessary to supplement the properties which had already been acquired by the Workington Iron and Steel Company, Limited, which we now refer to as our Workington branch. The old Workington Company owned the whole of the share capital of the Bigrigg Mining Company, Limited, and, directly and through Bigrigg, about one-third of the share capital of the Beckermert Mining Company, Limited. Both Bigrigg and Beckermert properties contain large reserves of hematite ore, the Beckermert Company in particular being a very valuable property. In order to secure the complete control of these supplies to our Workington blast furnaces, United Steel purchased the whole of the remaining Beckermert capital with the exception of 8,000 shares, but these also were acquired when we purchased the Distington Hematite Iron Company, Limited. The Beckermert and Bigrigg properties together stand in our books at a total value of £814,734.

The Distington Company is a comparatively small concern in Cumberland, with an excellent reputation for the manufacture of a special quality of iron, and with a valuable connection. The entire share capital was purchased by United Steel at a cost of £88,441.

Some 18 months ago we acquired the ordinary share capital of the Moresby Coal Company, Limited, and at the same time took a financial interest in the Risehow Colliery and By-Product Company, Limited. These acquisitions strengthened the coal reserves immediately available to us without further capital expenditure on development, and they attached to us an additional supply of coke for our blast furnaces. We have established, in conjunction with our coal interests in Cumberland, a large tar distillation plant. This and other additions to our coal, coke and by-product properties in Cumberland have so far been financed wholly from our own resources, and are represented in our balance-sheet partly by advances to associated companies and partly by investments, the total book figure being £370,000.

With regard to depreciation, we have followed the practice of the last few years in writing off a reasonable amount of depreciation from the values of those properties which are carried in the United Steel Companies' balance-sheet. In the case of the subsidiary companies, no depreciation has been charged during the year, but as usual the various works have been fully maintained out of revenue.

The many complications of war-time taxation and agreements for capital expenditure in respect of our companies have not yet been finally straightened out. The net liability due by the combine is of substantial amount, but against this we are carrying in our accounts reserves which are believed to be adequate.

POSITION IN THE CUMBERLAND AREA.

With regard to the position at the various works of the combine, in the Cumberland area the past year has been much worse than the previous year, and has resulted in heavy loss. Orders have again been very scarce, and the works have therefore been obliged to operate at a low proportion of their capacity. There has been a limited demand for pig-iron, which has enabled us to

operate the furnaces on a reduced scale, also correspondingly the ore mines, quarries, collieries, and coking plants which supply the raw material of the blast furnaces.

To our great disappointment, the completion of the dock, which last year I intimated might be in May of this year, has been delayed, and it will probably be another year before the work is completed. In Lincolnshire our Frodingham works have again been able to operate at full capacity throughout the year with satisfactory results. The plant is one of the most economical in the country, and although the market price of its product has fallen steadily during the last 12 months, substantial profits have been made.

At Appleby the original blast furnace plant has worked continuously throughout the year on a basis of two furnaces out of four, which has been sufficient to meet the demand for basic pig-iron from our Sheffield works and outside customers. The works have been operated without loss, except for interest on the mortgage previously referred to. Our Yorkshire collieries and coking plants have worked during the year under increasing difficulties, as mentioned in the directors' report, and with much less satisfactory results than the previous year.

THE COAL SITUATION.

At this point I might just say one word about what is commonly referred to as the crisis in the coal industry. It is a fallacy to regard the position in the coal industry as arising from differences of opinion between employers and employees which must inevitably culminate in a grave crisis in the spring of next year. Such a view not only obscures the real problems which require solution, but is destroying the confidence of foreign buyers in our ability to meet the trade commitments which it is our everyday business to undertake, and on which the continuance of employment of our works and workmen so largely depends. I see no problems peculiar to the coal industry. The problem of that industry is the same problem as that which faces all the exporting industries of the country—namely, how to recover the foreign markets which we have lost owing to our inability to meet the prices of our competitors. This is an economic problem common to all these industries, and is vital alike to the employers and employees engaged in them. The first step towards its solution is the ascertainment of the causes and agreement as to the causes between these two parties, and the second step is willing and united effort to remove them.

Speaking generally, the past year, which I suppose may be truthfully described as the worst known in recent years in the heavy industries, has been one of very great and constant anxiety to every section of the management at all our works, and, having regard to the fact that our total output of steel during the 12 months was only about three-quarters of a million tons, I think that we may reasonably claim to have done as well as was possible in the circumstances.

CAUSE FOR ANXIETY.

I think it proper definitely to remind you that the condition of the coal, iron and steel trades in this country to-day cannot be regarded with other than feelings of grave anxiety. These three industries, all of them essential to the well-being of the nation, all of them long established, highly organised, representing many millions of pounds of invested capital, are to-day bearing far more than their due share of the burden of those economic ills which are the aftermath of the war, and until the burden is lightened there seems little prospect of return to a normal measure of prosperity. The burden which we carry owing to our position as "unsheltered trades" is immense. We are subjected to competition from countries whose labour conditions are more favourable to cheap production than our own, whose Governments have deliberately undertaken to assist their nationals in this competition, whose railway systems adapt themselves to that end, and who are for these reasons, and in some cases aided by depreciated currency, able to dump material into this country and in our established markets abroad.

The question of local taxation has given us great concern. The total amount paid in local taxation is a terrible burden, and the assessing and spending departments of the local authorities must be made to realise that this burden is a weight that industry cannot carry. Our board deliberately decided to bring this out in open court, and they therefore recently allowed a summons to be issued against them in respect of a portion of the Cumberland local rates so as to provide an opportunity for counsel to make a public statement on the matter.

Now the period of readjustment from abnormal conditions has already proved longer than was generally anticipated, and its continuance adds to the anxiety and the labour of those who are in daily contact with these conditions, and who have the difficult task of steering through them an industrial undertaking of the magnitude and importance of our own.

The policy which your directors are bound to adopt is one of increased enterprise and initiative, and the closest regard to cost

of production in our various works. In both respects our organisation has done much, and is constantly working in that direction. The position must obviously also call for a policy of the strictest conservation of our financial resources until such time as there is clear evidence of a reasonable stability in our trade. The present is a very difficult and trying time for everybody, but in face of conditions so largely beyond our control your board feel that they can count upon the support of the shareholders in the financial policy they are pursuing.

I should like to try to sum up the position as we see it. I have given you this morning figures which have enabled you to appreciate the heavy financial stake of our company in the steel, iron, and coal trades, and my review of the general conditions obtaining during the past twelve months in our various works has brought out, I think quite clearly, the fact—for it is a fact—that a large proportion of our investments has had no opportunity during this period of producing the profit which they would have done had we been able to operate at anything like full capacity. The results for the year are regarded by the directors as satisfactory in the face of these conditions, and the effect of a further year's working of the combine as a whole has been to prove once again the immense value of having under one control the large resources in raw materials and manufacturing power which were the reasons for the formation of the company. The immediate future in regard to trade is uncertain—many adverse factors are with us to-day. On the other hand, it is not generally recognised that had the world's effective demand for iron and steel increased during and since the war in the same ratio as it had increased decade by decade up to 1914, to-day's world capacity would have been insufficient to meet the demand.

The resumption of this normal rate of increase in demand is wholly dependent upon the restoration of purchasing power in this country and throughout Europe. The financial condition of the world to-day is more stable than it has been at any time during the last ten years, and there is everywhere a keener desire for peace and progress, and consequently we may indulge in a stronger hope of reaching early that point when industry can expect trade conditions of a stable and progressive character. When that point has been reached there is no reason to doubt that we shall reap in full measure the advantages which must arise from the strong position occupied by our company in the coal, iron, and steel trades of this country.

The report and accounts were adopted, and a vote of thanks to the chairman, directors, and staff terminated the proceedings.

SUDAN PLANTATIONS SYNDICATE, LIMITED.

LARGE INCREASE IN COTTON AREA.

A REMARKABLE ACHIEVEMENT.

The 18th ordinary general meeting of the Sudan Plantations Syndicate, Limited, was held, on the 28th instant, at Winchester House, Old Broad Street, London, Mr F. Eckstein (the chairman) presiding.

The Chairman, in moving the adoption of the report and accounts, and after having referred to the loss the British Empire, and the Sudan particularly, had sustained by the death of Sir Lee Stack, said:—Our syndicate was originally formed in 1904 as a private concern, with a capital of £80,000. We have consequently reached our majority, which coincides happily with the completion of that great engineering work—the Makwar Dam. The syndicate has at this moment an issued capital of £600,000, valued by the Stock Exchange at roughly £5,000,000. It has paid about 250 per cent. in dividends, which I admit at once is nothing to boast about, considering that we have been at work for 21 years, and have raised all our working capital at a considerable premium. Our shareholders now number something like 2,500. In 1904 we started at Zeidab cultivating a few hundred acres of cotton. To-day, including the Kassala Cotton Company, in which you are largely interested, we have nearly 100,000 acres under cotton. This is not our limit, as we hope to add next year a further 20,000 acres in the Gezira alone. In all, we have to-day about 10,000 tenants, and if you take each tenant with a family, say, averaging five heads, we have working as our partners 50,000 people, earning a very substantial livelihood.

PAST SEASON'S OPERATIONS.

Turning now to the 1924-25 season, my comments must be almost exactly the same as those which I made last year. Zeidab again produced a good paying crop of American cotton, while the Gezira crop was unsatisfactory. Notwithstanding all precautions and special seed treatment, the cotton plants were again attacked by blackarm and thrips. Good luck, however, favoured us, as high cotton prices more than made up for low yields. In consequence of this unfortunate experience, our managing director decided to take drastic measures, and ordered the whole new area to be planted with entirely new seed, which we bought elsewhere.

An interesting example of the influence of local conditions on disease is furnished by the Kassala Cotton Company, which bought Sakellaridis seed from us which we knew to be infected with blackarm. Notwithstanding this fact, the seed proved to be entirely satisfactory and eminently suitable for the climate and soil conditions of Kassala. The young cotton plants, it is true, developed blackarm in the early stages, but soon outgrew this disease, and eventually produced strong and healthy cotton. I paid a visit to Kassala in January last and saw with my own eyes the best and strongest cotton I could wish for. While dealing with this important question of pests, I would mention that, following on the report of Sir John Russell and Dr Martin Leake, to which I referred last year, there has been a reorganisation of agricultural research work in the Sudan. The Sudan Government, the Empire Cotton Growing Corporation, and our syndicate all contribute to this work, and are all represented on the small Supervisory Committee which has been established in London to deal with the subject. It is to be hoped that the work undertaken in this all-important field may in time result in great practical benefit to all concerned. Before passing from the subject, I must refer to the indebtedness of our company to Major Archibald, of the Welcome Research Laboratories in Khartoum, for the progress which he has made in the scientific study of blackarm, and to study of insect pests in the Gezira. We have acquired the services of Mr Jefferys, whose success while under the State Domains in maintaining the supply of pure Sakellaridis cotton seed in Egypt is well known. Mr Jefferys has joined us for a time, and after our present crop, is now helping us to establish in the Gezira a selected seed of best strain for sowing throughout our irrigated area.

NEW ISSUE OF CAPITAL.

Before analysing our balance-sheet, I venture to plunge at once into a subject which I know you are all anxious to hear about—namely, our capital account and its proposed increase. Your board recommends an increase of capital from £750,000—our present nominal capital—to £2,500,000. From the circular sent to you, you have also seen that we are to issue at once the remaining 150,000 shares of our old capital at £3—namely, £2 premium—payable in three instalments. At current quotations this issue involves a modest bonus to shareholders, which I hope they may find satisfactory. When these shares are all taken up and fully paid up we shall close our books for a short time. Then we shall capitalise £750,000 of the share premium account and issue to every shareholder then on the register one new fully-paid share—I prefer not to call this a bonus share, as it is created out of moneys subscribed by the shareholders—in respect of every old share which he holds. When this is done we shall have a paid-up capital of £1,500,000. As, however, we are extending our operations, it appears advisable to be prepared for contingencies, and when occasion arises, a further 750,000 shares—namely, one new share for every two old shares.

This would give us ample working capital, and at the same time put us into a position to undertake any new great business that is offered to us. I can assure you that the greatest possible care will be taken in its selection. You would be surprised to hear how our experience in cotton growing, capital, and staff are sought after, and how many really good offers are made to us to acquire interests in other countries. The Sudan, however, still long as there are opportunities there on satisfactory terms—we prefer to save our main efforts for the development of that country.

To be quite frank, I think I must tell you that during the present month negotiations have begun having for their object a considerable further extension of our operations in the Sudan. These negotiations are bound to be protracted for reasons which I need not go into at this moment. They may lead to nothing; they may come to a satisfactory conclusion. Should the latter be the case, it would probably end in my proposing to you and recommending to you a further increase of our capital.

Let me say at once that I hope it would be the last time I should have to come to you for money. You, ladies and gentlemen, have been so extraordinarily good and loyal to us in accepting to you for, and for our part we have the satisfaction of knowing that we have not misled you, and that all the money you have been a profitable investment to you.

KASSALA COTTON COMPANY.

Having dealt with the items in the balance-sheet, the Chairman said: Now I come to our holdings in other companies. First and most important is our holding in the Kassala Cotton Company.

You will notice that we have the same number of shares as last year, but to provide this company with further working capital we paid up 4s on the preference shares, making them 5s paid up. At the annual meeting held in June, the chairman gave full information about the first year's work done by that company. At that time the crop had not been entirely picked, so I can somewhat supplement the information then given by telling you that the crop yielded in all 27,259 kantars. The gross proceeds, out of which the tenants and the Sudan Government will have to receive their shares, will amount to roughly £300,000. To-day the entire crop has been disposed of. During my visit to Kassala I was struck by the amount of work done by our very competent staff under at times most difficult circumstances, and it is with the utmost regret that I have to inform you of the great loss the Kassala Cotton Company sustained about two months ago by the death of their manager, Mr Gray. Mr Gray was a man of great ability, who never spared himself to make his company a real success. As already mentioned, I was more than pleased with the healthy appearance of the cotton plants, and I am more than ever convinced of the suitability of the Province of Kassala for growing the best kind of Sakellaridis cotton. Last year we had about 15,000 acres under cotton, and for this season we had prepared an area of 30,000 acres, but, alas, the Gash has left us in the lurch by an unusually poor flood. In the past, from such records as are available, it appears that a bad flood of this sort has occurred about once in every five years. Anyhow, I do not expect to have more than 10,000 acres under cotton, which is less than last year.

BRAZILIAN INTERESTS.

Turning now to Brazil, I told you last year that I felt convinced that this enormous country would in time become one of the big cotton-growing centres of the world. I based this statement on what I had read in text-books dealing with that subject, and also on information I gathered from men who knew the country and knew what they were talking about. I had the privilege of accompanying my colleague Lord Lovat on a visit to that country this year, and from what we saw and from what we learned on that trip I can truly say that the statement I made to you last year is correct in every way. I feel sure from personal observation that Brazil possesses more wonderful natural conditions for cotton growing than any other country I know. What is wanted in Brazil is a good strong stable Government, a sound financial policy and a systematic and continued influx of emigrants. If I may venture to give an opinion, it is that Brazil offers to educated young men great chances, provided they are willing to work hard, learn the language and accommodate themselves to the customs and manners prevailing in that rich and great country. Our holding in the Brazil Plantations Syndicate is now fully paid up, and we have acquired a further 10,000 shares at par, likewise fully paid up. This syndicate possesses three seed farms, two ginneries, and about 77,000 acres of first-rate land. I was much impressed by the cotton grown on these three stations, and the syndicate is to be congratulated on having a good and competent staff there. I am not exaggerating when I say that the cotton grown by the Brazil Plantations Syndicate looked better than any other I had seen in Brazil. During the last few days we have decided to take a considerable interest in a new Brazilian undertaking to be formed and to be called the Parana Plantations, Limited. This company has a capital of £750,000, of which £700,000 has been subscribed and £50,000 is held in reserve. It is essentially a land company, which owns something like 3,000,000 acres of first-class land and has an option on a further 1,000,000 acres at a low figure. Both Lord Lovat and I visited these areas, and we were struck with their potential value. It is more than likely that it will take some time to develop these areas and before we attempt to effect sales to any extent. We have also taken a small interest in the Cambuhy Coffee and Cotton Company. It is essentially a coffee proposition, and as such does not interest us, but it has also great possibilities for cotton growing, which interests us greatly. This is not the place nor the time to discuss in detail the prospects of this company, but, having spent two days on the property, and having had the advantage of being shown over it by their managing director, Mr Davy, I would just like to say that this concern, with its 140,000 acres and 3,000,000 coffee trees, has impressed me much, and the more so as they also had some 2,500 acres under cotton, which looked quite good. Much more in this respect can be done, and we should not be averse to take a hand in this should the board of the Cambuhy Coffee and Cotton Company desire us to do so.

THE YEAR'S PROFIT.

To return to the balance-sheet, our financial position continues to be good, as the figures before you show. Our total gross profits amount to £304,000, against £250,000 last year, while our expenses are about the same. As usual, we have again provided for a bonus to our very numerous staff, which I know you will approve of. The net profit, therefore, for the year, after the

customary writing off, is £163,000, against £113,000 last year. Against this we paid you in June an interim dividend of £60,000, and now propose to pay you a final dividend of £90,000; in all £150,000. The amount carried forward is £189,450, representing a very comfortable and useful reserve.

CURRENT SEASON'S PROSPECTS.

Having dealt with the financial side of our syndicate, you will wish to hear something of the work done in the past year and of our prospects in the future. As already said, our Zeidab station has done well. We shipped in all from there 2,814 bales, which were sold at satisfactory prices.

For the coming year we have practically the same area under cotton—namely, 5,000 feddans—and the prospects are about the same as last year. We have already picked about 8,500 kantars of the new crop and shipped 500 bales. In the Gezira the crop, as already mentioned, was the poorest we have ever had, but luckily compensated by high cotton prices. We had about 20,000 feddans under cotton and shipped 10,870 bales, against 14,591 bales the previous year. In July the Makwar Dam was completed, and began to furnish us with gravitation water. As in every big undertaking, little mishaps occurred, and canals had to be repaired, &c., but as far as I can see we have accomplished what we set out to do—namely, to increase our cotton area this season from 20,000 feddans to 80,000 feddans, which will be further increased in the 1926-27 season. I think you will agree that this large step forward from 20,000 to 80,000 acres in a single season is no small achievement, and one of which we may be proud. We had no difficulty in finding tenants for this area, which is a healthy sign. There was one thing which struck me much during my last visit to the Gezira, and that was that I found the native population taking a keener and, if I may say so, a more intelligent interest in the cultivation of cotton and all the work connected with it. All this augurs well, and our prospects for a prosperous future look bright.

Our reports concerning the present growing crop are so far quite satisfactory, the young cotton plants looking well, but it is too early to form a definite opinion as to yield, &c. In addition to the cotton, we have also planted 33,900 acres of Dhura and 8,690 acres of Lubia, which crops we hand over entirely to our tenants.

Lord Lovat, K.T., in seconding the motion, said that the shareholders were not only owners of a great agricultural enterprise, but were also associated with probably one of the greatest Colonial



The Anglo-South American Bank Limited.

Head Office:
117 Old Broad Street, London, E.C.2

Authorised Capital	: : : : £10,000,000
Reserve Fund	: : : : £4,000,000
Issued Capital	: : : : £3,734,460
Paid-up Capital	: : : : £1,567,330

The Bank, in addition to 7 Branches in

SPAIN

has with its

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THE BRITISH BANK OF SOUTH
AMERICA, Ltd., and
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LATIN AMERICA

Auxiliaries Abroad:

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development schemes in progress at the present time. This was not only a scheme, or series of schemes, which would be materially advantageous to Great Britain and the cotton industry, but one also which was adding very largely to the welfare of the natives in the areas with which it dealt. Lord Lovat also referred to the Brazilian enterprise, and said that, with the Chairman, he had great confidence in the future possibilities of cotton cultivation in that country.

The resolution was carried unanimously, and a final dividend of 15 per cent., less income-tax, for the year ended June 30th last was declared.

AMALGAMATED (RUBBER) FINANCE COMPANY, LIMITED. FURTHER ISSUE OF 1,000,000 SHARES.

The annual meeting was held on October 26th at Winchester House, London, E.C., Mr James Fairbairn, chairman of the company, presiding.

The Chairman said: It is proposed to pay a first dividend of 12½ per cent. for the period ended September 30, 1925, £12,500, to place to reserve account £10,000, to reserve for taxation, directors' additional remuneration, and other contingencies £8,000, and to carry forward a balance of £3,478. This is the result of our trading for the period ended September 30th—less than a year from the time we started business—and we think you will agree with us that it is an entirely satisfactory statement.

FUNCTIONS OF A FINANCE COMPANY.

A great deal of confusion of thought appears to me to exist in the minds of many people as to the difference between the functions of an investment trust company and those of a finance company. An investment trust company, in my view, is one that, by spreading its capital over a series of more or less permanent investments, distributes its risks, and is thus able to obtain a higher return on the capital employed than is open with equal safety to the individual investor. A trust company of this character may either confine its investments to those of a particular class, such as rubber, tea, or shipping, or it may spread its investments over a number of different industries or a number of different countries. The main object is to secure safety by distributing risks, and such companies rarely invest more than 5 per cent. of their total capital in any one undertaking. Shareholders in a trust company depend—and rightly so—on the shrewdness and capacity of their directors to invest money in various undertakings to better advantage than they themselves could do. The management expenses of a purely investment trust are small in comparison with its income, and the directors are thus able to pay shareholders a larger dividend than they themselves could earn on their individual investments. On the other hand, the functions of a finance company such as ours are entirely different. We are out to take larger risks when, in our judgment, such risks are justified, and we expect larger profits. We must also be prepared occasionally for losses. From what I have said above as to the correct functions of an investment trust it follows that while, for instance, it would be quite legitimate and proper for a finance company such as ours to enter on a planting proposition, in my view this is outside the purview of a trust company.

TERMS OF THE ISSUE.

The success of our operations and the opportunities we are likely to have of profitably employing a larger capital have induced us to make a further issue of 1,000,000 shares of 2s each (£100,000). The necessary forms will be posted this evening, along with the dividend of 12½ per cent., and copy of the speech which I am now making. The price at which this issue is being made is 2s 6d, and is payable 1s on application and 1s 6d on allotment.

The Amalgamated (Rubber) Finance Company, as it was originally constituted, is, of course, and will, I hope, always remain, principally associated with rubber, but it has participated, and will participate in the future, in transactions outside rubber and general produce, where a reasonably quick return appears to your directors to be possible.

Europe is now beginning to revive after the world-wide depression caused by the Great War, and is consuming very large quantities of rubber, and the demand should increase in all the leading countries of the world. What the rubber industry, however, requires—and that quickly—is a central selling organisation, an organisation which will be able to control the product as received from the estates, and to turn it over to the manufacturers at a price fixed by that central selling association. We should thus be saved from wild fluctuations, and, at the same time, fair and reasonable treatment would be meted out to all producers alike and to the manufacturing industry as well.

Throughout the coming year your directors will use their best endeavours to earn substantial profits on the capital of £200,000,

which we now propose should be available, and it will be their policy to interest themselves in rubber and in other tropical products, as well as in transactions outside the rubber industry, so as to eliminate the risk of the company being too much involved in any one transaction or any one particular industry. The report was unanimously adopted.

SINGAPORE PARA RUBBER ESTATES, LIMITED. INCREASED PROFITS—GOOD PROSPECTS.

The sixteenth annual ordinary general meeting of the Singapore Para Rubber Estates, Limited, was held, on the 28th instant, in the council room of the Rubber Growers' Association, 2, 3 and 4, Idol Lane, London.

Mr H. de C. Hamilton, chairman of the company, who presided, said that there was a profit of £15,317 for the year, against £3,417 last year, and the directors were able to recommend the payment of a 10 per cent. dividend, as compared with a dividend of 4½ per cent., and to carry forward £4,021, as against £422 last year. The results were satisfactory having regard to the fact that it was only during the last few months of the year under review that the price of rubber revived. The crop of rubber that the company were allowed to harvest under the restriction scheme was only a small one—namely, 320,524 lbs—which accounted for the increase of 1d per lb in the f.o.b. costs. The price realised, 20.04d per lb, compared favourably with the 13.09d realised in 1923-24. Late last year, mainly owing to the efforts of Mr Hadow, who was visiting the estates at the time, their standard production was raised from 563,400 lbs to 611,000 lbs, and their standard production for the restriction year, November 1st next to October 31, 1926, was now being re-assessed and under appeal. The general condition of the estates continued exceptionally good. The planted acreage had been slightly increased. In November the company would get a further release under the restriction scheme allowing for an 85 per cent. output of standard production, and in February it would be increased to 95 per cent., which would be as much as they could produce for some time to come, taking into consideration a possible shortage of skilled tappers and the modern system of tapping now generally adopted, and which it was proposed to continue. The estimate of crop for this financial year was 525,000 lbs, which could easily be produced. All the titles to the new properties lately acquired were in order. A shortage of rubber in the not far distant future was predicted, and he very much doubted whether sufficient rubber would be produced even with estates at full production to meet all requirements with consumption yearly increasing. Any new plantings now being put in would not relieve the situation much in the future, as any rubber they produced in six and seven years' time would be to a great extent counterbalanced by falling off in production from the older plantings, together with a general annual wastage going on from disease and other causes.

Mr A. P. Hadow seconded the resolution, which was unanimously adopted.

SENGAT RUBBER ESTATE, LIMITED. IMPROVED RESULTS.

The fifteenth annual general meeting of the Sengat Rubber Estate, Limited, was held on the 27th instant, at the offices of the company, 24 Rood Lane, London, Mr Eric Maxwell (the chairman) presiding.

The Chairman, in moving the adoption of the report and accounts, said: I was able to place before you a more satisfactory report last year than we had had in the previous year, but we did not then feel ourselves justified in recommending the payment of a dividend. I am glad to say that I now have to place before you a still more satisfactory report, recommending the payment of a dividend for the year of 11½ per cent.

The crop for the year under review was more restricted than in the previous year, as we were only allowed to export 378,916 lbs, against 406,078 lbs. The expenditure was necessarily somewhat of 1s 8.22d, against 1s 0.79d the previous year.

Our standard of production has been slightly increased, and we expect that, with the relaxation of restriction which will certainly ensue, we shall be allowed to market 585,000 lbs during the year ending June 30th next.

The question of forward sales is always debatable, and our principle in this company has been to insure the expenditure which will be required for the property by selling a part of the crop in advance. We have sold 13 tons per month, deliverable in 1926, at an average price of 1s 8½d, leaving us the balance to place on the market as it arrives. The price of rubber at the moment is about 4s a pound in London, and we feel that the future is bright before us.

Rubber is a very speculative market, and easily upset. There are rumours that the increased quantity coming forward under the milder restriction will over-supply the market, and bring down the price to a non-productive level. On the other hand there is a largely increasing consumption, and as not much new land has been planted with rubber during the last few years, we may, at all events, look forward to prices being maintained at a profitable level for some years to come.

Your directors have, for some time past, been endeavouring to acquire further rubber properties adjacent to your present estate, and are now negotiating for the purchase of what they consider a very suitable property.

These negotiations have not proceeded far yet, so I can give you no details at present, but should they come to a successful issue, it will be necessary to ask you to sanction the issue of further capital, the particulars of which will be communicated to you in due course.

Mr G. Gordon Brown seconded the motion, which was carried unanimously.

AMALGAMATED ANTHRACITE COLLIERIES, LIMITED. RESULTS OF A DIFFICULT YEAR.

The second annual general meeting of this company was held, on the 28th instant, in London, the Rt. Hon. Sir Alfred Mond, Bt., M.P. (the chairman), presiding.

The secretary (Sir Alfred Cope, K.C.B.), having read the notice convening the meeting and the report of the auditors,

The Chairman said that it was difficult to compare the accounts of the year under review with those of the previous year, last year's accounts being for a period of 15 months, whereas those now under consideration covered 12 months. An analysis of the figures, however, showed a diminution in the profit of about £80,000. A year ago he pointed out that the new Wages Agreement of 1924 would cost the company approximately £80,000 in increased cost of labour. They then hoped to be able to recover the bulk of that by better prices for their products, but unfortunately that had not been the case. Last year we had a mild winter, not only here, but on the Continent, and the result was that, although anthracite prices had maintained themselves somewhat, they were weaker than they had been. In addition to their own large output of about 900,000 tons a year, the company did a large merchandising business, their total combined selling business being something like 2,000,000 tons a year. The great depression in the coal industry and the collapse of prices had naturally affected the merchandising business, and they had therefore not had the benefit of profits made from that source to the same extent as in the previous year. He was glad to say that conditions were getting a little more stable and that a recovery was taking place. The directors recommended the payment of a dividend of 1s 6d per share, less income-tax, carrying forward £45,000—an increase of £34,000 as compared with the previous year. In view of the position of the coal industry, the board had considered it conservative and prudent to keep this money in a liquid state.

CANADIAN MARKET.

Last year he told the shareholders that, in conjunction with an important firm of coal merchants in Canada, they had started a subsidiary company to introduce their anthracite into that large and growing market. During the first year of that company's trading, when, of course, the overhead and development charges were naturally heavy, this company's share of the deficit was something like £3,000. That deficit had already been more than recovered, and this year's result would show a very different figure. In fact, they had increased by 75 per cent. in one year their delivery for that market, and the directors were very well satisfied with the way in which their trade was developing in that country, and the very high appreciation of the superior quality of Welsh anthracite over the American product, which they were buying in such large quantities. If it had not been for the board's foresight in providing for this expansion there would have been a great fall in prices and a very considerable amount of unemployment in the anthracite trade, whereas, in spite of all the difficulties, they had been able to keep their workmen at work and the pits going full time practically throughout the whole of the year. Their directors were continually endeavouring to extend the marketing part of the business.

STOPPAGE IN ANTHRACITE FIELDS.

Since the close of the financial year there had been a very unfortunate stoppage in the anthracite fields, which embraced the whole of the company's collieries. That was not due to any dispute between the company and the workmen who left their employment in connection with a strike in the pit of another company. The directors were powerless to settle the dispute of somebody else, and it seemed difficult to understand why the workmen, who had no dispute with the company, should inflict upon it, and still more upon themselves, a considerable loss in money. The loss of wages

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amounted to practically 12 times the loss of profit. It was interesting that the wages bill of the company, including wages of management, amounted to about £900,000, contrasted with profits amounting to £150,000, so that it would be seen how infinitely greater was the share of management and labour in the proceeds of the industry than the amount received by the capitalist, and how illusory was the idea that the distribution of the whole of the remuneration of capital would have a large effect on the wages bill. It was not commonly understood by the men that they were really on a profit-sharing basis, and that a reduction in costs and an improvement in profits automatically carried with them an improved wage for the worker.

There had been a great deal of discussion recently regarding the burdens on industry for what he might call certain of the social services. He had had the figures in respect of them for this company taken out, and as regarded national and unemployment insurance the contribution of the men was £13,250 per annum, and of the company £14,250—a total of £27,500, which was equivalent to 7d per ton on their output. It was estimated that the new pension scheme would cost the men and the company a further £8,000 a year, or about 2d per ton on the output, so that these two services accounted between them for a charge of 9d per ton on the output of the collieries. With regard to the outlook, all he could say was that at present the directors were satisfied with the position, and are looking forward with confidence to the future, if no further disturbances of the industry occurred.

The report and accounts were unanimously adopted.

YORKSHIRE AMALGAMATED PRODUCTS, LIMITED.

POLICY OF CONSERVATION AND DEVELOPMENT.

The fifth annual general meeting of the Yorkshire Amalgamated Products, Limited, was held, on the 26th instant, at Doncaster.

Mr J. H. Holroyd (chairman of the company) presided, and in moving the adoption of the report and accounts said that a perusal of the former would no doubt have convinced shareholders that the policy of conservation and development which the directors had pursued during past years had been wise, and that it was this policy which had made it possible to lay before them the very satisfactory statement now presented. The accounts showed that their turnover had greatly increased, and the percentage of gross profits to turnover had increased also. The increased ratio was not due to any increase in the selling prices of goods, but to reduction of overhead charges and increased production, improved processes, and internal economies. The net profit was £25,089 as compared with £6,520, and a dividend of 5 per cent. on the ordinary shares was recommended. Their company was one of the largest producers of building materials in the North of England, including bricks, building lime, sand, gravel, and concrete aggregate. They had other interests in the production of roadstone, raw materials for glass making, foundry sands, and refractory bricks for furnaces. He was happy to say that building enterprise was good, and that the building trade was one of the bright spots in the country's present industrial situation. The board looked with confidence to a continuance of the same conditions. In no district was building activity greater than in the new South Yorkshire coalfield, in the centre of which was the company's headquarters. The demand upon the company's works had been, and now was, very heavy, and in some cases double shifts had been worked.

THE WORKS AND PROPERTIES.

Continuing, the Chairman gave detailed particulars of the company's works and properties. One of their largest lines, he said, was sand and gravel for the building and allied trades. Their production of those materials was very great—approximating 1,000 tons per day. They had quarries producing moulding sands for foundry work, and were the largest producers in Yorkshire of sands for casting iron, steel, and nonferrous metals. That business was of great national importance, being a key industry. Their "Conisbro" Brick Works were exceptionally fine, and their clay pits were the deepest in Yorkshire. In view of the great demand for building bricks they had taken the opportunity of promoting a subsidiary company—Coalfield Brickyards, Limited—which had acquired on very favourable terms a valuable brick works property at Mexborough. The quality of the shale at Mexborough was turning out even better than anticipated. At the quarries at Wormsworth Cliffs, owned by Lockwood, Blagden, and Crawshaw, Limited, the entire share capital of which company they held, there were ample reserves for several hundred years of magnesium limestone or "Dolomite." Recently they had located there a bed of "Dolomite" in which the iron content was much less than in any other known British dolomite, which had enabled their glass-making customers to use a much larger proportion of the company's Dolomite in their mixtures.

A UNIQUE POSITION.

As indicating the progress of the business generally, in 1920 the number of customers on their books was about 1,000, while to-day it was about 2,000, and in spite of a fall of nearly 50 per cent. from the inflated prices of 1920 in most of their products their turnover had increased. He was not there to make prophecies or promises, but he would say that so widespread were their interests, and so essential were their various enterprises to such a variety of different and important national industries, that they could work without fearing a temporary depression in this trade or that, knowing that their business as a whole was secured by its own indispensability. This, shareholders would agree, placed their company in a unique and fortunate position among industrial concerns.

SHAREHOLDER'S CONGRATULATIONS.

A shareholder remarked that he had read the report and balance-sheet with considerable satisfaction and pleasure. The chairman that day had emphasised one very great factor in their affairs—namely, that their interests were very widespread but yet homogeneous. They were to be congratulated on having a board whose policy had been so thoroughly vindicated.

The Chairman, in reply, thanked the shareholder for the laudatory remarks that had been made. He felt justified in striking a note of optimism and saying that, given normal trading times, the directors confidently anticipated placing before the shareholders a still better balance-sheet at the next annual meeting. The report and accounts were unanimously adopted.

RAPHAEL TUCK AND SONS, LIMITED.
SUCCESSFUL YEAR—GOOD PROSPECTS.

The annual general meeting of Raphael Tuck and Sons, Limited, was held, on the 27th instant, at Winchester House, Old Broad street, London.

Sir Adolph Tuck, Bart. (the chairman), in moving the adoption of the report and accounts, said that the fifty-ninth year since the establishment of the business and the twenty-fourth of its existence as a public company found them in a well-entrenched position, from which they were able to survey the past and approach the future with a feeling of confidence and satisfaction. The tide of prosperity, however, which the world had been looking for ever since the peace had yet to come, and in the meantime they must content themselves with the knowledge that the position of the company with both the trade and the public had never stood higher.

The volume of the company's business during the year under review exhibited an appreciable increase, the percentage of that increase over that of the preceding year being the largest of any of the past five years.

Proceeding to deal in detail with the various departments of the company's business, he said that the output of the Christmas, New Year, birthday, and greeting card department continued to exhibit, but in increased measure, those artistic qualities and originality of design, added to beautiful finish of production, which had ever stamped the Tuck card, and had gained for it its high reputation with every section of the public, including the most exalted quarters.

REVIVAL OF THE VALENTINE.

That recognition was crystallised in many hundreds of the most recent reviews in the leading journals of the English-

speaking world, and they had every reason to be proud of the far-reaching effect which their work might have had in influencing and perpetuating a graceful and charming custom of annual friendly salutation. There was another custom which had lain dormant for some 25 to 30 years, but which had shown significant signs of rejuvenation during the past two or three years—the valentine, the cult of which was assuredly on the eve of a great revival. The notable collection of valentine cards which they had prepared, by special request, for the coming season formed a collection calculated to appeal to both sexes.

The sale of picture postcards had shown its proportionate increase during the year. It was truly amazing, in face of our annual expenditure of some 900 millions against about 200 millions in Mr Gladstone's time, that the comparatively small amount of £5,000,000, which the return to the penny letter and the halfpenny postcard postage was officially calculated to cost the Exchequer, should be allowed to stand in the way of the expansion of the country's trade, which, as experience had proved, followed in the wake of cheap postage.

With regard to the company's prospects, shareholders would be pleased to know, within rather less than a week of the completion of the first half of their new financial year, commencing May 1st, that the invoice value of the goods sent out for that period gave every promise of exceeding the high figure of the corresponding period of last year. The directors approached the future with a feeling of confidence and satisfaction.

Sir Arthur Conan Doyle seconded the motion, and it was unanimously adopted, and a final dividend, making 8 per cent. for the year, was declared.

MR GUSTAVE TUCK'S SPEECH.

Mr Gustave Tuck, in proposing the re-election of the retiring directors, Sir Arthur Conan Doyle and Captain Desmond Tuck, said: Considering present-day conditions, I feel that we have presented a good balance-sheet, and I am content in my own mind that the business of the company is sound.

I am glad to be able to tell you that both the book and the calendar departments, which have been under my care for many years, are in a sound and healthy condition. In the great workshop at Raphael House we have created a range of 400 to 500 gift books, toy books, and painting books, and are continually thinking out others. The latest addition to the "Raphael House" Library, which comprises thirty-two volumes, is of vivid interest—"Brave Deeds by Brave Men." It is written by C. Sheridan Jones, and beautifully illustrated throughout in colour and black and white by Mr Howard Davie and Mr Harry Payne.

The "Raphael House" Library, with its beautiful illustrations, is becoming the National Library for the young throughout the Empire. "Father Tuck's Annual" and "Little People's Annual" surpass their predecessors. The books are rich with good illustrations, new ideas, and interesting stories.

Our calendars have attained phenomenal popularity, and even with the largely-increased staff our great difficulty has been to satisfy the demand. I claim that each of our calendars is a little work of art, and they vie with one another in charming the eye and the mind.

The resolution was carried unanimously.

HERRBURGER, BROOKS, LIMITED.

CONTINUED PROGRESS DURING PAST YEAR.

The fifth annual ordinary general meeting of Herrburger, Brooks, Limited, was held, on the 28th instant, at the offices of the Federation of British Music Industries, 117-23, Great Portland street, London, Mr Cuthbert E. Heath, O.B.E., chairman of the company, presiding.

The Chairman, in moving the adoption of the report and accounts, said that he thought shareholders would agree with the directors that the company had made progress during the year. Last year he was able to say that the goodwill was practically wiped out. This year he was able to say it was absolutely wiped proper reserve. During the year the directors had again reduced the price of their actions, and they had looked forward with a certain amount of apprehension to the effect it would have on their illusory. Indeed, he understood that their fears had proved just about the same as before the reduction in price, owing to as was given by the McKenna duties must necessarily result in duties were not in operation during the period of this balance-sheet, its prices, and as the result no doubt of the imposition of the McKenna duties, the company had increased its sales, and so they had been able to reduce proportionately their overhead charges.

If the McKenna duties had not come into force, it was possible that the company might have been forced to reduce its prices, but he was not sure they could have afforded to have done so. Anyhow, the result had been that they had been able to keep work in this country, and he believed quality for quality they now produced the actions just as cheaply as the Germans did. As to the dividend, the board considered that as the goodwill item had been satisfactorily disposed of, they could go a little further, but he wished the shareholders to appreciate this fact, that the amount of capital now invested in the business was £330,000, but if they deducted the £70,000 the company owed to other people from the amount of their assets, they would find that the dividend for the year was roughly just about 10 per cent. on that capital, and he did not think that 10 per cent. on an industrial venture such as their company was very excessive.

The report and accounts were unanimously adopted.

As an expression of their appreciation of the directors' services, the shareholders voted them £100 each in addition to their fees for the past year, and the proceedings terminated with a vote of thanks to the chairman.

UNITED DAIRIES, LIMITED.

GOOD YEAR—INCREASED NET PROFIT.

INCREASE OF CAPITAL APPROVED.

The tenth ordinary general meeting of United Dairies, Limited, was held, on the 30th instant, at the Connaught Rooms, Great Queen street, London.

Mr J. H. Maggs (chairman and managing director), who presided, said that the net profit amounted to £509,145, and they were proposing to pay a final dividend at the rate of 9 per cent., making 14 per cent. for the year. That profit showed an increase of £2,600 as compared with that of the previous year, but it must be remembered that they had then brought into account the settlement of the Food Controller's action. In one respect that result was disappointing, but as most of the shareholders knew, their milk supplies had to be contracted for 12 months in advance. On the outlook, when their contracts were entered into last autumn, they expected to reap a modest profit on their winter's milk trading.

WINTER MILK TRADING.

Those expectations, unfortunately, were not realised, and in their winter's six months' milk trading actually involved them in a net loss both to their wholesale and to their retail trade. Shareholders might ask the reason for selling at a loss. Several different factors came into play. Whilst in his opinion, on the cost of production, the farmer was entitled to every penny he received for his milk, the cost was so high that milk could not be manufactured into any class of dairy produce except at a heavy loss, and with the experience of the previous winter fresh in their memories, practically all milk-manufacturing creameries and condenseries suspended or limited their production, and dumped their winter milk on the fluid market at the best price they could obtain regardless of profit. With supplies daily increasing through the autumn and winter, mild weather, bad trade, and consequent poor public demand for liquid milk, it was not considered advisable to advance the retail price in mid-winter. It was to the strength of their business in other departments that they owed some mitigation of those losses on their winter milk trading.

SALES.

Their total sterling sales, in spite of reduced prices for milk, had increased by over £1,250,000. They again recorded satisfactory increases in the staple articles of the dairyman's trade. Butter sales were up by 5½ million lbs, and eggs by over 13 millions. Last year they had provided £30,000 to establish scholarships at agricultural colleges. With the assistance of a committee, a scheme had been drawn up and approved, and the funds invested by the trustees. Their provision business continued to do well, and the new product, "Crustless Cheese," had met with a splendid reception from the trade and the public.

LABORATORY AND FARM INSPECTION SERVICE.

With their increased business, their laboratory and farm inspection service had again expanded. In the main, their suppliers welcomed the visits of the inspectors, and co-operated with the company in their endeavours to encourage the production of clean milk. Numerous tests as to the efficiency of their pasteurisation methods had been conducted by Professor Hewlett, and in no single case of samples taken from their pasteurised milk had tubercle been found. On the scientific side, following on suggestions made at the Guildhall Conference on Milk Pasteurisation,

1923, they had provided facilities for a thorough and independent investigation of the effects of pasteurisation of milk by the low-temperature system. All the experiments had been carried out at two of the leading centres of research, which were quite independent of the milk trade. The results proved without question that pasteurisation for cities and large towns was the only practical solution of the problem of a safe milk supply, and probably in time public opinion would demand its being made compulsory.

DELIVERIES IN SEALED BOTTLES.

The important step of delivering all milk in sealed sterile bottles came as a sort of final coping-stone to the fine structure of improvements in milk distribution which United Dairies had been steadily building up ever since its incorporation. The delivery of milk in sealed bottles was in their view inevitable, firstly because it was clean delivery, secondly because it assured full measure, uniform quality and richness to every customer, and thirdly because it protected milk from the final hazards of domestic contamination which were even greater than the hazards of dusty streets.

ISSUE OF FURTHER CAPITAL.

The change over was a gigantic task, and all the work had to be done so economically that the milk might be delivered to the consumer's house for less money than the same consumer often paid for aerated water. The capital cost for changing a business of their size from a can to a bottle delivery was very considerable. It was in order to finance the necessary extensions to meet the requirements of an increased trade generally that they were now proposing to issue further capital. Following their invariable practice, preferential allotment would be given to shareholders, employees, farmers, and customers, and special facilities would be given to those of their employees who might wish to invest, to spread their payments over a larger period than the ordinary public.

The report and accounts were unanimously adopted, and a resolution approved increasing the capital by the creation of 500,000 shares of £1 each.

KERN RIVER OILFIELDS OF CALIFORNIA, LIMITED.
INCREASED PRODUCTION.

The sixteenth ordinary general meeting of the Kern River Oilfields of California, Limited, was held, on the 28th instant, at Kingsway Hall, London, W.C., Mr William Ivey (the chairman) presiding.

The Chairman, in moving the adoption of the report and accounts, said that the combined total production of the whole of their interests during the year had increased by no less than 265,035 barrels, which was roughly equal to 20 per cent. on the previous year's production. In that way they were succeeding in replacing the loss of the McLeod production as well as the natural decline of their older wells. They had been able to influence the output and production therefore from their properties, but unfortunately there was one thing they had not been able to control, and that was the price of the commodity. If they had been able to influence or control that price and to bring it back to that ruling during 1921-22 there was no doubt but that the profits and dividends would have been very much larger.

In Kern section 33 the decline had only amounted to 11,733 barrels, or equal to just over 2 per cent. There were 242 wells now producing on that property, and when he informed them that the average per well to-day was only 6½ barrels—almost a trickle from

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each well—they would see how careful and watchful the management had to be to maintain such a production from year to year. During the year they had drilled two new wells, one of which had come in with twenty barrels per day. They would undoubtedly drill more wells on the corner of the property where there was room for them, for a production of twenty barrels per day from shallow wells made it a very good proposition provided they worked economically. Section 19 showed a slight increase of 2.083 barrels, or 13.38 per cent. This splendid record from both of these old properties was the result of careful nursing from year to year, and the results obtained were only obtained by constant care and watchfulness.

From the St. Helens property they had a total combined production which, unfortunately, showed a natural decline equal to 23.6 per cent.

In conclusion, the Chairman said that the new fields were now giving evidence of a valuable future, and production should increase. He was disappointed that the dividend was not more, but much relieved that it was not less, having regard to the conditions generally.

The report was unanimously adopted, and a final dividend of 7½ per cent., making 12½ per cent. for the year, was declared.

TRANSVAAL AND RHODESIAN ESTATES, LIMITED. COMPANY'S CHROME INTERESTS.

The ordinary general meeting of the Transvaal and Rhodesian Estates, Limited, was held, on the 27th instant, at River Plate House, London.

Mr H. G. Latilla (the chairman) said that the accounts presented showed the figures after a revaluation of assets had been made. Taking the assets on the most conservative basis, and making no allowance for appreciation of any one asset, the shares were worth intrinsically 12s each. There was to-day a large accretion to this value by reason of the improvement in their Nigerian assets.

Dealing with the most important of the company's assets, he said that at the deep levels in the Fred Mine ore of great value had been exposed, and as from now there should be handsome monthly profits accruing to the Gem Rhodesia Company. With regard to the company's chrome interests, after many months of negotiation he had been able to arrange on behalf of this company and its associates the terms of an agreement with the largest users of chrome. This arrangement provided for a considerable cash payment; it would enable the company to proceed at once both with the development of their properties and the construction of a branch railway from the mines to the Rhodesian Company's main line, and would ensure an outlet for their production over a period of years at the full market price. At to-day's price for chrome they should earn large profits. They had an unknown number of hundreds of thousands of tons of alluvial chrome ore, which recent assays had proved to be of great value, and, as it could be easily handled once the branch line was in operation, there was from that source alone an assured profit running into very big figures. At the northern end of the chrome property there was an asbestos mine of considerable value. It produced the best brand of asbestos in Rhodesia, and to-day there was a very free market in the product.

The company's considerable interests in Nigeria occupied an important place among their assets, and in due course would provide large profits. Recently he had been able to consummate the work of many months by concluding a very satisfactory deal on behalf of the Nigerian Base Metals Corporation with the Niger Company. The immediate benefits accruing to the Transvaal and Rhodesian Estates were very material.

In conclusion, the Chairman said that the company was in a position to declare an interim dividend of 6d per share, less tax, the payment of which would be in the early days of January next. Should all go as might be expected, they should be able to pay a further dividend for the current year.

The report and accounts were adopted.

RHODESIA EXPLORATION COMPANY, LIMITED. POSITION AND PROSPECTS.

The seventh ordinary general meeting of the Rhodesia Exploration Co., Limited, was held, on the 30th instant, at River Plate House, London, Mr H. G. Latilla (the chairman) presiding.

The Chairman, in moving the adoption of the report and accounts, said that the accounts showed a loss of £13,221 for the eighteen months under review. It was disheartening to any board to have to come before shareholders year after year and plead for patience, but there had been no alternative. The company's assets were valuable, and must be nursed. He had thought an amalgamation with other similar interests would be the best course, and there had been discussions. An opportunity was soon likely to occur for a satisfactory scheme—one which they could, at least, put forward for consideration. He was not going to prejudice their

affairs by stating what he thought was their minimum price, but it would have to represent something considerably in excess of to-day's quotation for the shares. With their huge land holding as the company's principal asset, they could not look for much revenue until this had been successfully dealt with.

With regard to their interest in chrome, he had been able to agree on behalf of this company and its associates the terms of an agreement with the largest users of chrome. This arrangement would enable them to proceed at once both with the development of their properties and the construction of a branch railway from the mines to the Rhodesia Company's main line, and would assure an outlet for their production over a period of years at the full market price. At to-day's price for chrome they should earn large profits. Experts had advised them that the mines contained an unlimited supply of high-grade ore.

As to new business, he had recently had put before him the particulars of two gold-mining ventures in Rhodesia, both of which would appear to offer chances of being something very big. He had been able to arrange for other parties to take the initial risks, and, if all went well, they would offer to the board a material interest in both of the ventures at cost price.

In conclusion, the Chairman said that the company had cash or its equivalent equal to £50,000. In addition, they had shares and debentures in other companies standing at £46,153, some portion of which could be realised at any time, so that they could well afford to "sit tight."

The report and accounts were unanimously adopted.

GOVERNMENT RETURNS, &c.

NATIONAL DEBT—(Million £).

	Aug. 1, 1914.	Dec. 31, 1914.	Mar. 31, 1915.	Mar. 31, 1916.	Mar. 31, 1917.	Mar. 31, 1918.	Mar. 31, 1919.	Mar. 31, 1920.	Mar. 31, 1921.	Mar. 31, 1922.	Mar. 31, 1923.	Mar. 31, 1924.	Mar. 31, 1925.	Oct. 24, 1925.
Funded Debt	588	515	515	515	514	514	514	514	514	514	514	514	514	514
Term Annuities	30	20	18	16	14	14	14	14	14	14	14	14	14	14
3½% Conversion Loan ..	..	..	..	86	684	666	666	666	666	666	666	666	666	666
4½% Conversion Loan ..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
5½% War Stock	..	63	63	63	63	63	63	63	63	63	63	63	63	63
4½% and 5½% War Stock ..	..	13	13	13	13	13	13	13	13	13	13	13	13	13
National War Bonds	..	2,047	1,995	1,953	2,095	2,168	2,202	2,202	2,202	2,202	2,202	2,202	2,202	2,202
4% Funding Loan	..	1,509	1,413	1,201	953	820	813	778	771	771	771	771	771	771
4% Victory Bonds	..	409	406	401	335	399	396	396	396	396	396	396	396	396
Treasury Bonds	..	360	347	453	325	314	314	314	314	314	314	314	314	314
Exchequer Bonds	..	20	323	289	185	150	150	150	150	150	150	150	150	150
National Savings Certs ..	..	..	267	285	342	354	368	368	368	368	368	368	368	368
Other Debt	..	1,306	1,132	1,087	1,157	1,128	1,128	1,128	1,128	1,128	1,128	1,128	1,128	1,128
American Loan (Anglo-French)	..	..	51	..	..	..	..	..	..	..	..	..	..	..
Treasury Bills	..	15	1,107	1,121	878	616	588	626	576	636	..	..	..	..
Temporary Advances ..	..	1	243	154	147	194	186	220	167	134	..	..	..	..
Other Capital Liabilities ..	..	664	8,033	7,574	7,655	7,742	7,641	7,726	7,646	7,681	..	..	..	..
Total Liabilities	..	711	8,079	7,623	7,721	7,812	7,707	7,794	7,718	7,762	..	..	..	..

* Includes debt to American Government.

POSITION OF THE FLOATING DEBT.

	Oct. 25, '24.	Mar. 31, '25.	Oct. 24, '25.	Week ended Oct. 24, '25.
Ways and Means Advances Outstanding—				
Advances by Bank of England ..	170,435,000	166,585,000	134,390,000	7,231,000
Advances by Public Deptm't ..	618,615,000	575,610,000	636,700,000	355,000
Treasury Bills Outstanding ..	789,050,000	742,195,000	771,090,000	6,876,000
Total Floating Debt	1,568,100,000	1,484,390,000	1,542,180,000	1,132,000

* Includes £51,000, the proceeds of which were not carried to the Exchequer within the period of the account.

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

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Redemption Account.					
			Silver Coin.	Gold Coin and Bullion.	Bank of England Notes.	Ratio to Notes.	Govern- ment Secur- ities.	Balance at Bank of England.
1922.								
Mar. 29.....	305,351	14,255	5,000	28,500	19,450	15.9	261,479	177
June 28.....	295,374	13,338	6,000	28,500	19,850	16.3	254,312	250
Sept. 27.....	289,127	12,648	7,000	27,000	21,150	16.6	246,456	169
Dec. 27.....	301,337	12,872	7,000	27,000	21,150	15.9	258,922	137
1923.								
Mar. 28.....	285,616	12,318	7,000	27,000	22,450	17.3	241,294	190
June 27.....	286,503	12,516	7,000	27,000	22,450	17.3	242,446	143
Sept. 27.....	282,784	12,401	7,000	27,000	22,450	17.3	238,595	140
Dec. 26.....	299,070	12,571	7,000	27,000	22,450	16.5	255,032	159
1924.								
Mar. 26.....	281,538	11,908	7,000	27,000	22,450	17.6	236,867	150
June 25.....	290,316	12,472	7,000	27,000	22,450	17.0	245,198	140
Sept. 24.....	285,592	12,227	7,000	27,000	22,450	17.3	241,185	184
Dec. 31.....	296,261	12,812	7,000	27,000	22,450	18.2	248,111	137
1925.								
Mar. 25.....	284,256	11,882	7,000	27,000	22,450	18.9	235,076	112
June 24.....	292,278	12,472	7,000	27,000	22,450	18.5	243,474	119
Sept. 30.....	293,004	12,555	7,000	27,000	22,450	19.1	243,188	131
Oct. 21.....	291,901	12,255	7,000	27,000	22,450	19.2	240,817	51
Oct. 26.....	291,617	12,082	7,000	27,000	22,450	19.2	240,327	122
Since July 21, 1920, notes								

Since July 21, 1920, notes and certificates outstanding include notes called in for 1921 at £317,555,000, for 1922 at £309,888,400, for 1923 at £278,183,800, for 1924 at £246,190,900, and for 1925 at £246,146,400.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £40,000,000 in Treasury Bonds and Treasury Bills were opened on Oct. 30, 1925, and the total amount applied for was £49,160,000. For bills at three months dated Monday to Friday, £99 0s 8d, about 97 per cent., and above in full; Saturday bills at £99 0s 11d, above in full—in bills at 3 months, £39,620,000; in bonds, £380,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.	4% Treasury Bonds. Average Price.
Aug. 28, 1925.	40,000,000	59,830,000	3 16 3.65	94 8
Sept. 4	40,000,000	56,955,000	3 16 3.53	94 0
Sept. 11	35,000,000	57,180,000	3 15 6.7	94 0
Sept. 18	40,000,000	67,255,000	3 10 1.05	94 0
Sept. 25	45,000,000	62,900,000	3 10 4.26	94 8
Oct. 2	45,000,000	65,940,000	3 7 3.39	94 8
Oct. 9	40,000,000	66,420,000	3 6 5.79	94 9 1.48
Oct. 16	35,000,000	41,885,000	3 12 7.86	94 8
Oct. 23	40,000,000	48,395,000	3 14 9.79	94 8
Oct. 30	40,000,000	49,160,000	3 16 1.72	94 8

Tenders will be received on Nov. 6, 1925, for Treasury Bills and Treasury Bonds to be issued to the maximum amount of £45,000,000. The amount of Treasury Bonds issued will not exceed £4,000,000.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1925-26. (See Note)	Total Receipts into the Exchequer from		RECEIPTS.	
		Apr. 1, 1925, to Oct. 24, 1925.	Apr. 1, 1924, to Oct. 25, 1924.	Week Ended Oct. 24, 1925.	Week Ended Oct. 25, 1924.
Balances in Exchequer on 1st April—	£	£	£	£	£
Bank of England ..	5,341,778	5,069,613	..	..	..
Bank of Ireland ..	1,215,322	1,562,001	..	..	..
..	6,557,100	6,631,614	..	..	..
REVENUE.					
Customs	102,040,000	57,890,000	56,938,000	3,168,000	2,835,000
Excise	137,220,000	74,787,000	75,681,000	3,684,000	1,596,000
Motor Vehicle Duties ..	17,500,000	5,392,000	4,477,000	..	..
Estate, &c., Duties	66,500,000	33,660,000	34,630,000	1,600,000	1,230,000
Stamps	24,000,000	11,730,000	10,670,000	350,000	180,000
Land Tax, House Duty & Mineral Rights Duty ..	1,000,000	180,000	660,000	..	..
Property & Income Tax ..	262,000,000	105,690,000	117,702,000	1,080,000	1,545,000
Super-Tax	63,300,000	28,336,000	25,020,000	570,000	370,000
Excess Profits Duties, &c. ..	4,000,000	..	..	..	..
Corporation Profits Tax ..	9,000,000	6,740,000	9,770,000	220,000	230,000
Post Office	57,000,000	30,400,000	30,400,000	1,400,000	1,500,000
Crown Lands	900,000	600,000	630,000	140,000	150,000
Interest on Sundry Loans	12,600,000	8,679,220	8,063,646	..	..
Miscellaneous—					
Ordinary Receipts ..	14,000,000	6,765,664	7,045,420	274,652	308,606
Special Receipts ..	30,000,000	22,408,474	16,168,261	200,000	500,000
Revenue	801,060,000	393,252,558	398,855,327	12,686,652	10,444,606
Total Inc. Balance ..	..	399,809,658	405,486,941	..	..
OTHER RECEIPTS.					
Temporary Advances Repaid:—					
Under the Unemployment Insurance Acts, 1921	1,240,000	5,790,000	40,000	..	..
Money Raised by Creation of Debt:—					
(a) For Capital Expenditure Issues:—					
Under the Telegraph (Money) Acts, 1922 and 1924	5,950,000	4,500,000	..	..	..
Under the Housing Act, 1914 ..	6,000	..	..	..	..
Under the West Indian Islands (Telegraph) Act, 1924	20,071	260,719	..	..	..
(b) Under the Unemployment Insurance Acts, 1921	1,675,000	140,000	..	..	..
(c) For other issues:—					
By Treasury Bills	1,411,332,000	1,366,227,000	43,968,000	50,360,000	..
By 3½% Conversion Loan	32,389,566	2,635,000	..	..	..
By National Savings Certificates ..	19,900,000	15,750,000	700,000	600,000	..
By Exchequer and National War Bonds	15	..	..	..	..
By Treasury Bonds, 1925	10	..	..	..	..
By 4% Treasury Bonds, 1931-33 ..	3,847,388	13,521,620	..	..	..
(d) Ways and Means Advances ..	404,581,000	504,659,000	2,000,000	4,400,000	..
Anglo-Persian Oil Company—					
Dividends on Shares Acquired ..	..	23,109	..	..	..
Repayments—					
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921	116,243	562,521	..	..	..
In respect of Issues under Section 59 (4) of Finance Act, 1920	9,901,981	..	..	..	..
Interest received under Section 59 (5) of the Finance Act, 1920	256,778	..	..	..	..
Total	2,392,026,704	2,316,924,910	62,027,652	65,804,606	..

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1925-26 (including Supplementary Grants.)	Total Issues out of the Exchequer to meet Payments from		ISSUES.	
		Apr. 1, 1925, to Oct. 24, 1925.	Apr. 1, 1924, to Oct. 25, 1924.	Week Ended Oct. 24, 1925.	Week Ended Oct. 25, 1924.
EXPENDITURE.	£				£
National Debt Services—	305,000,000	186,090,539	186,558,585	872,049	444,509
Interest, &c.	50,000,000	21,950,561	21,950,561	274,343	48,706
Sinking Fund	16,900,000	4,691,044	3,876,044	..	..
Road Fund					
Payments to Local Taxation Accounts, &c.	13,329,000	5,163,474	5,187,891	..	500,000
Payments to Northern Ireland Exchequer ..	4,000,000	2,600,465	2,627,484	174,848	223,747
Land Settlement ..	700,000	262,378	341,855	5,036	14,772
Other Consolidated Fund					
Services	2,000,000	1,543,311	1,371,464	16,913	14,645
Supply Services	418,086,000	221,130,555	205,900,512	7,350,000	6,000,000
Expenditure	£10,015,000	443,405,146	421,566,396	8,693,189	7,246,466
H C No. 24 of 1925.					

BANKERS' CLEARING RETURNS (000's omitted).

Week Ending—	Town.	Metropolitan.	Country.	Total.
1925.				
January 1 to October 14.....	27,960,945	1,317,091	2,330,819	31,608,855
Oct. 21.....	674,773	33,364	60,162	768,299
Oct. 28.....	723,620	33,361	53,321	809,302
Total to date 1925.....	29,359,338	1,382,816	2,444,302	33,186,456
Do 1924.....	28,702,954	1,316,399	2,395,697	32,415,050
Increase or decrease in 1925.....	+ 656,384	+ 66,417	+ 48,605	+ 771,406
	+ 2.1 %	+ 5.0 %	+ 2.0 %	+ 2.4 %
Total for year 1924.....	35,038,605	1,594,114	2,900,145	39,532,864
Total for year 1923.....	32,970,373	1,496,565	2,810,654	36,627,592
Increase or decrease in 1924.....	+ 2,068,232	+ 97,549	+ 89,491	+ 2,255,272
	+ 6.3 %	+ 6.5 %	+ 3.1 %	+ 6.1 %

PROVINCIAL CLEARING RETURNS.

	Month of September.	Aggregate Weekly Totals to Oct. 24.
	1924.	1925.
Number of Working Days.....	26	26
BIRMINGHAM.....	9,294,000	10,072,000
BRISTOL.....	4,971,000	4,847,000
DUBLIN.....	231,117,000	218,736,000
HULL.....	4,566,000	4,580,000
LEEDS.....	3,575,000	3,569,000
LEICESTER.....	3,067,000	3,059,000
LIVERPOOL.....	37,248,000	36,927,000
MANCHESTER.....	65,167,000	59,927,000
NEWCASTLE-ON-TYNE.....	7,015,000	5,945,000
NOTTINGHAM.....	2,587,000	2,654,000
Sheffield.....	4,200,000	4,366,000
Total.....	141,688,000	134,857,000

OVERSEAS BANK RETURNS.

NOTE.—The latest return of the Bank of Estonia appeared in the *Economist* of June 27; Denmark, in Oct. 10; Canada, Lithuania, Danzig, Poland, Austria, Bulgaria, Russia, Egypt and Italy in Oct. 24.

RESOURCES.	Oct. 23, 1925.	Oct. 16, 1925.	Oct. 9, 1925.	Oct. 2, 1925.
Total gold reserves.....	2,778,380	2,766,060	2,761,390	2,759,970
Total bills discounted.....	602,960	643,550	644,030	633,190
Bills bought in open market.....	293,260	287,010	283,940	265,310
Total U.S. Government securities.....	323,810	336,230	324,120	342,910
Total earning assets.....	1,229,550	1,275,620	1,265,120	1,257,020
Total resources.....	5,036,190	5,194,280	4,969,500	4,905,540
LIABILITIES.	Oct. 23, 1925.	Oct. 16, 1925.	Oct. 9, 1925.	Oct. 2, 1925.
Federal Reserve notes in actual circulation.....	1,694,950	1,715,530	1,701,130	1,685,110
Deposits—Member bank—reserve account.....	2,206,350	2,229,830	2,238,150	2,209,940
Total deposits.....	2,283,950	2,288,180	2,283,060	2,267,980
Capital paid in and surplus.....	334,470	334,330	334,100	334,280
Total liabilities.....	5,036,190	5,194,280	4,969,500	4,905,540
Ratio of total resources to deposits and Federal Reserve note liabilities combined.....	72 %	71.7 %	71.8 %	72.5 %

NEW YORK FEDERAL RESERVE BANK.—In \$'s (000's omitted).

	Oct. 23, 1925.	Oct. 16, 1925.	Oct. 9, 1925.	Oct. 2, 1925.
Total bills discounted.....	161,970	214,880	231,860	229,060
Bills bought in open market.....	23,020	30,620	31,060	28,750
Total U.S. Government securities.....	55,500	70,330	57,070	79,290
Total earning assets.....	240,490	315,830	320,990	337,100
Deposits—Member bank—Res. acc't.....	824,280	838,390	854,190	863,180
Ratio of total res. to dep. and Federal Res. note liabilities combined.....	81.9 %	75.4 %	76.0 %	75.6 %

SOUTH AFRICAN RESERVE BANK.—In £'s (000's omitted).

ASSETS.	Sept. 25, 1925.	Sept. 19, 1925.	Sept. 12, 1925.	Sept. 5, 1925.	Aug. 29, 1925.	Sept. 2, 1925.
Gold coin and bullion.....	5,099	5,164	4,526	4,228	3,585	551
Gold certificates.....	4,502	4,949	5,474	5,996	6,036	10,223
Subsidiary coin.....	60	60	60	60	60	60
Bills discounted.....	6,505	6,530	5,948	6,172	6,234	4,227
Loans & advances to Govt. investments.....	529	529	529	529	529	423
LIABILITIES.	Sept. 25, 1925.	Sept. 19, 1925.	Sept. 12, 1925.	Sept. 5, 1925.	Aug. 29, 1925.	Sept. 2, 1925.
Capital.....	1,000	1,000	1,000	1,000	1,000	1,000
Reserve.....	258	258	258	258	258	153
Notes in circulation.....	9,158	8,869	8,943	9,321	9,519	10,418
Bankers' deposits.....	4,815	5,700	5,823	5,606	5,234	4,565
Ratio of total res. to dep. and Federal Res. note liabilities combined.....	66.6 %	64.4 %	63.6 %	65 %	63.9 %	70.4 %

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

ASSETS.	Oct. 2, 1925.	Sept. 25, 1925.	Sept. 18, 1925.	Sept. 11, 1925.	Sept. 4, 1925.	Oct. 3, 1925.
Total securities.....	16,171.15	16,184.64	15,71.86	15,36.37	15,20.38	16,73.17
Loans.....	13,76.59	13,96.99	14,19.94	13,31.38	13,59.01	15,81.42
Overdrafts.....	3,87.34	28,14.74	27,60.33	27,91.12	27,50.84	37,28.82
Foreign bills.....	30.54	28.25	4,85.55	4,25.40	4,33.73	5,53.74
Dead stock.....	2,78.46	2,76.77	2,76.53	2,76.50	2,76.50	16.67
Bal. with other banks.....	21.45	16.89	10.99	11.82	4.20	1,57.99
LIABILITIES.	Oct. 2, 1925.	Sept. 25, 1925.	Sept. 18, 1925.	Sept. 11, 1925.	Sept. 4, 1925.	Oct. 3, 1925.
Capital paid up.....	5,62.50	5,62.50	5,62.50	5,62.50	5,62.50	5,62.50
Reserve.....	4,77.50	4,77.50	4,77.50	4,77.50	4,77.50	4,77.50
Total deposits.....	87,40.42	87,56.80	90,42.91	91,00.68	92,77.42	94,35.73
The above includes—						
Advances in Lond'n.....	1,223	1,177	1,148	1,143	1,128	1,406
Advances in Lond'n.....	1,102	1,102	1,103	1,082	1,157	472
Cash, &c., at other Banks in London.....	144	113	71	79	26	1,053

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

ASSETS.	Sept. 19, 1925.	Sept. 12, 1925.	Sept. 5, 1925.	Aug. 29, 1925.	Sept. 20, 1925.	Position May 30, 1914.
Cash and bullion.....	1,128,330	1,128,343	1,127,907	1,127,907	1,127,907	231,320
Discounts.....	165,687	190,942	174,130	174,130	174,130	41,740
Advances.....	135,488	136,109	152,568	138,972	267,639	70,540
LIABILITIES.	Sept. 19, 1925.	Sept. 12, 1925.	Sept. 5, 1925.	Aug. 29, 1925.	Sept. 20, 1925.	Position May 30, 1914.
Notes.....	1,147,795	1,161,962	1,271,584	1,371,280	1,550,443	362,270
Govt. deposits.....	684,692	682,426	677,410	684,505	959,957	87,340
Other deposits.....	79,513	86,056	82,234	74,682	79,190	11,440

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

ASSETS.	Oct. 29, 1925.	Oct. 22, 1925.	Oct. 15, 1925.	Oct. 8, 1925.	Oct. 1, 1925.	Position May 28, 1914.
Gold coin and bullion.....	5,547,558	5,547,396	5,547,357	5,544,430	5,544,430	3,730,685
Of which held abroad.....	1,864,321	1,864,321	1,864,321	1,864,321	1,864,321	639,660
Silver coin and bullion.....	310,179	310,104	310,037	310,037	310,037	2,327,775
Discounts and advances.....	6,189,025	5,472,085	5,618,084	5,150,387	5,150,387	27,700,000
Advances to the State.....	29,590,800	30,350,000	30,350,000	30,350,000	30,350,000	..
LIABILITIES.	Oct. 29, 1925.	Oct. 22, 1925.	Oct. 15, 1925.	Oct. 8, 1925.	Oct. 1, 1925.	Position May 28, 1914.
Notes.....	46,678,543	46,599,074	46,913,972	46,913,972	46,913,972	5,811,875
Government deposits.....	37,119	45,497	45,497	45,497	45,497	183,700
Private deposits.....	2,479,830	2,319,501	2,260,678	1,952,843	1,952,843	845,950

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

ASSETS.	Oct. 22, 1925.	Oct. 15, 1925.	Oct. 8, 1925.	Oct. 1, 1925.	Oct. 23, 1924.	Position May 28, 1914.
Coin (gold & silver and bullion).....	302,467	390,500	389,542	388,766	355,616	322,650
Securities.....	1,192,738	1,395,288	1,587,133	1,401,500	1,303,199	697,600
LIABILITIES.	Oct. 22, 1925.	Oct. 15, 1925.	Oct. 8, 1925.	Oct. 1, 1925.	Oct. 23, 1924.	Position May 28, 1914.
Notes in circulation.....	7,621,507	7,749,394	7,731,003	7,760,205	7,573,447	934,150
Current accounts.....	170,828	267,648	278,120	307,803	319,364	112,125

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

ASSETS.	Oct. 26, 1925.	Oct. 19, 1925.	Oct. 12, 1925.	Sept. 28, 1925.	Oct. 27, 1924.	Position May 30, 1914.
Gold.....	418,337	418,355	418,355	418,355	489,345	163,992
Silver.....	23,397	23,036	22,745	23,432	10,854	8,435
Discounts and advances.....	460,486	463,793	471,514	454,078	356,414	153,504
LIABILITIES.	Oct. 26, 1925.	Oct. 19, 1925.	Oct. 12, 1925.	Sept. 28, 1925.	Oct. 27, 1924.	Position May 30, 1914.
Notes in circulation.....	882,559	888,636	909,472	873,764	957,698	316,632
Deposits.....	33,882	34,000	21,680	33,602	23,287	5,016

BANK OF JAYA.—In florins (000's omitted).

ASSETS.	Oct. 24, 1925.	Oct. 17, 1925.	Oct. 10, 1925.	Oct. 3, 1925.	Oct. 25, 1924.	Position May 30, 1914.
Gold.....	186,250	185,750	187,000	175,750	148,784	22,971
Silver.....	174,790	178,500	185,000	180,500	172,415	77,587
LIABILITIES.	Oct. 24, 1925.	Oct. 17, 1925.	Oct. 10, 1925.	Oct. 3, 1925.	Oct. 25, 1924.	Position May 30, 1914.
Notes in circulation.....	336,500	325,500	334,000	327,500	276,053	109,499
Deposits and bills payable.....	57,000	74,500	70,000	61,000	114,341	11,250

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

ASSETS.	Oct. 23, 1925.	Oct. 15, 1925.	Oct. 7, 1925.	Sept. 30, 1925.	Oct. 23, 1924.	Position May 31, 1914.
Gold.....	470,527	470,462	480,431	490,560	505,057	171,175
Silver.....	88,564	88,634	88,337	88,401	94,051	18,350
Assets & advances.....	280,688	281,935	285,088	289,928	286,325	103,000
LIABILITIES.	Oct. 23, 1925.	Oct. 15, 1925.	Oct. 7, 1925.	Sept. 30, 1925.	Oct. 23, 1924.	Position May 31, 1914.
Notes in circulation.....	787,424	791,862	812,053	844,549	836,114	275,925
Deposits.....	110,815	121,315	101,085	85,798	157,966	33,750

THE REICHSBANK.—In Reichsmarks* (000's omitted).

ASSETS.	Oct. 23, 1925.	Oct. 15, 1925.	Oct. 7, 1925.	Oct. 23, 1924.
Reichsbank shares not yet issued.....	177,212	177,212	177,212	210,000
Gold and bullion.....	1,204,718	1,204,514	1,174,661	530,502
Of which deposited abroad.....	124,411	124,431	94,551	177,903
Reserve in foreign currencies.....	32,469	306,414	321,386	210,167
Bills of exchange and cheques.....	1,311,481	1,483,169	1,636,106	2,173,709
Silver and other coin.....	40,432	56,488	65,349	61,557
Notes of other German banks.....	28,825	21,612	21,150	nil
Advances.....	13,967	20,243	13,721	16,765
Investments.....	216,911	207,243	207,106	77,509
Other assets.....	789,544	693,584	555,408	947,418
LIABILITIES.	Oct. 23, 1925.	Oct. 15, 1925.	Oct. 7, 1925.	Oct. 23, 1924.
Reduced capital (shares not yet issued).....	122,788	122,788	122,788	90,000
Reserve.....	177,212	177,212	177,212	210,000
Notes in circulation.....	185,807	185,807	185,807	900
Notes in circulation.....	2,395,209	2,493,925	2,674,784	1,313,121
Other daily maturing obligations.....	814,773	785,759	645,036	986,391
Other liabilities.....	450,471	436,530	436,322	927,215

* Equal to one billion paper marks or one Rentenmark.
The gold reserve is calculated in accordance with the new legal prescription one pound of fine gold equals 1,332 Reichsmarks.

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

Assets.					
	Oct. 22, 1925.	Oct. 15, 1925.	Oct. 7, 1925.	Oct. 22, 1924.	Position, May 31, 1914.
Coin and bullion—Gold.....	147,226	147,226	147,226	147,227	44,224
Balance abroad and foreign bills.....	66,460	65,090	65,345	36,720	88,533
Norwegian and Foreign Gov- ernment securities.....	12,596	12,596	12,587	8,999	8,816
Discounts and loans.....	304,241	308,798	307,144	418,844	76,911
LIABILITIES.					
Notes in circulation.....	330,354	365,169	369,937	380,601	113,484
Deposits at notice.....	99,158	97,481	91,865		

MOSCOW QUOTATIONS FOR CHERVONETS.

According to advices received in London, the following are the Moscow quotations for chervonetz:—

£1,000 sterling equals 941 chervonetz.
\$1,000 " " 194 " "

GOLD MOVEMENTS.

The following table shows arrivals and withdrawals of gold during last week:—

1925.	ARRIVALS.	1925.	WITHDRAWALS.
Oct. 24	nil	Oct. 24	nil
" 25	nil	" 25	bars sold 10,000
" 26	200,000	" 26	nil
" 27	nil	" 27	28 S. African Res. Bank 500,000
" 28	bars bought 200,000	" 28	Argentina 10,000
" 29	nil	" 29	India 5,000
" 30	nil	" 30	Canada 7,000
		" 30	Argentina 10,000
		" 30	bars sold 5,000
Total	nil	Total	1,077,000
			Net withdrawals, £877,000.

CENTRAL AMERICAN EXCHANGE RATES.

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

Country.	Par Value	Usance.	1925.	Rate.
Ecuador	Guineas to £	1000	Sight London	Oct. 24 21-80
Venezuela	Bolivares to £	25-25	"	Oct. 28 25-30
Colombia (Bogota)	Pesos to £	100	"	Oct. 27 98-25
Nicaragua	Colonos to £	4-8655	"	Oct. 26 4-80
San Salvador	Pesos to £	9-73	"	Oct. 24 9-75
Guatemala	Pesos to £	9-73	"	Oct. 26 9-75
Costa Rica	Colonos to £	10-45	"	Oct. 26 10-45
Bolivia	Pence to Bolivianos	19-20	"	May 28 18-92
			Oct. 7	17-8

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates:—

The following rates are quoted for the following rates:—				
Union of South Africa.		Union of South Africa.		
From close of mail, Oct. 2, 1925.		From October 3, 1925.		
London on South Africa.		South Africa on London.		
Buying.		Selling.		
Buying.		Selling.		
T.T.				
Demand	1 1/2 % dis.	1 % dis.	1 % prem.	1 % prem.
30 days	2 % " "	1 1/2 % " "	1 1/2 % dis.	1 1/2 % " "
60 days	2 1/2 % " "	1 3/4 % " "	1 3/4 % " "	1 3/4 % " "
90 days	3 % " "	1 3/4 % " "	1 3/4 % " "	1 3/4 % " "
120 days	3 1/2 % " "	1 3/4 % " "	1 3/4 % " "	1 3/4 % " "

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.								
London on Australia and New Zealand.				Australia and New Zealand on London.				
Buying.		Selling.		Buying.		Selling.		
Aus- tra- lia.	New Zeal'nd	Aus- tra- lia.	New Zeal'nd	Aus- tra- lia.	New Zeal'nd	Aus- tra- lia.	New Zeal'nd	
T.T.	..	100	100	99	..	100	100	
Demand	99	99	100	99	99	180	100	
30 days	98	98	99	99	99	99	99	
60 days	98	98	..	98	98	99	99	
90 days	98	97	..	98	97	98	99	
120 days	97	97	..	97	97	98	99	

BULLION.

IMPORTS AND EXPORTS OF GOLD.

Week ended October 28, 1925.

Week ended October 26, 1952.

Imported into Great Britain and Northern Ireland.		Exported from Great Britain and Northern Ireland.	
From—	£	To—	£
Germany	480	Latvia	3,415
British West Africa	30,666	Denmark	548
British South Africa	2,166,438	Germany	20,773
Other countries	180	Netherlands	149,362
		Belgium	1,366
		France	59,302
		Switzerland	303,608
		Egypt	37,865
		Java	8,600
		Hong Kong	6,350
		United States of America	4,749,988
		Kenya	4,900
		Straits Settlements	28,458
		Ceylon	15,000
		Other countries	412
Total declared value of imports	2,196,764	Total declared value of exports	5,389,847

GOLD AND SILVER PRICES.

1925.	Gold Per Ounce.	Silver—Per Ounce.	Date.	Silver.
		Cash.	Forward.	Cash.
Oct. 24	84 11/16	33 1/2	32 1/2	Nov. 3, 1919.. 65 1/2
26	84 10/16	33 1/4	32 1/4	Oct. 29, 1920.. 52 1/2
27	84 10/16	33 1/4	32 1/4	28, 1921.. 40 1/2
28	84 10/16	33 1/4	32 1/4	27, 1922.. 34 1/2
29	84 10/16	32 3/4	32 3/4	26, 1923.. 31 1/2
30	84 10/16	32 3/4	32 3/4	31, 1924.. 34 1/2

Messrs Samuel Montagu and Co. write on October 28th as follows:—

GOLD.

A substantial amount of gold came into the open market and was mostly taken by the Continent, inquiry for India not being on a large scale, and the rise in the value of the pound preventing shipments from being made to the United States. From the 26th inst. the price has ruled at 84s 10 1/2 per fine ounce—a figure not touched since September 2nd last. Recent gold shipments to New York during the period such operations were practicable approximated £8,500,000. The following movements of gold to and from the Bank of England have taken place since those reported in our last issue:—

Oct.	22	23	24	25	26	27	28
Received.	nil	165,000	1,976,000	nil	10,000	200,000	515,000
Withdrawn.	165,000	1,976,000	10,000	200,000	515,000	nil	nil

The destinations of the £615,000 sovereigns withdrawn were announced as follows:—£100,000 to Canada, £10,000 to the Argentine, £5,000 to India, and £500,000 set aside for account of the South African Reserve Bank. At the end of last week withdrawals of gold were made from the Bank for shipment to New York, and large consignments were effected. During the week under review £2,466,000 on balance has been withdrawn, increasing the net efflux to £5,690,000 since the resumption of an effective gold standard. The withdrawal on the 23rd inst.—namely, £1,976,000—is a fresh high record for a daily movement during this period. The details relating to India's foreign trade during the month of September last are as follows:—

Imports of merchandise on private account	Exports, including re-exports, of merchandise on private account
Net imports of gold on private account	Net imports of silver on private account
Net imports of currency notes	Net imports of remittances of funds
Total visible balance of trade	
Net balance of remittances of funds	

SILVER.

Business in silver during the week under review has been mainly confined to the carrying forward of contracts by bears. Hence the position with regard to silver for cash delivery has become more acute, and the difference between the spot and forward quotations widened yesterday to 3d. The cash price remained unchanged at 33d for three days from the 22nd to the 24th inst., and at this level, owing to the firmness of the New York exchange, America was disposed to feed the market. Very little demand was manifest, however, and prices sagged until 33d and 32d were touched yesterday, recovering, however, 1d for both positions to-day. United Kingdom imports and exports of silver during the week ending the 21st inst. were as follows:—

Imports.	Exports.
Belgium	China
U.S.A.	British India
Other countries	Other countries
Total	Total

INDIAN CURRENCY RETURNS.

(In Lacs of Rupees.)

Notes in circulation	Oct. 7.	Oct. 15.	Oct. 22.
Silver coin and bullion in India	18,961	19,052	19,027
Silver coin and bullion out of India	9,018	9,009	8,984
Gold coin and bullion in India	2,232	2,232	2,232
Gold coin and bullion out of India	2,232	2,232	2,232
Securities (Indian Government)	5,711	5,711	5,711
Securities (British Government)	2,000	2,100	2,100

No silver coinage was reported during the week ending 22nd inst. The stock in Shanghai on the 24th inst. consisted of about 54,500,000 ounces in sycee, 68,000,000 dollars, and 6,480 68,500,000 dollars, and 4,450 silver bars on the 17th inst.

NOTICES.

A branch of the Bank of Athens bank has now been opened in Albania, at Korytsa.

A branch of the Commercial Bank of Australia, Limited, has been opened at Hastings (New Zealand).

The Midland Bank announces the opening of a new branch in High street, Tonbridge, Kent, under the management of Mr Donald Thomson.

Barclays Bank, Limited, announce that they have opened new branches at High road, Loughton, Essex, under the management of Mr W. Woodard, who is also manager of the Woodford branch; and at 2, St. Mary street, Weymouth, under the management of Mr W. Porteous. They also announce that they have transferred their business at Bowness, on Windermere, to new premises at Central Buildings, Queen's square, under the management of Mr L. A. Fogg.

The Standard Bank of South Africa, Limited, announce the opening of an agency at Vermaas, near Lichtenburg, in the Transvaal.

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended Oct. 23, 1925.		Week ended Oct. 25, 1925.			Aggregate 43 Weeks, 1925.		
(c) Week ended Oct. 24, 1925.	Miles Open.	Passen- gers, &c.	Goods, &c.	Total for Week.	Passen- gers, &c.	Goods, &c.	Total Receipts.
		\$	\$	\$	\$	\$	\$
Great Western.....	3,765	226,000	333,000	559,000	117,250	138,600	255,850
Do for 1924	3,754	235,000	347,000	582,000	117,700	145,400	263,100
Lon. & N. Eastern (c)	6,714	378,000	704,000	1,082,000	193,450	233,400	426,850
Do same period 1924	6,714	407,000	710,000	1,117,000	193,450	233,400	426,850
Lon. Mid. & Scottish	6,950	538,000	883,000	1,421,000	192,800	228,000	420,800
Do for 1924	6,950	570,000	907,000	1,477,000	192,800	228,000	420,800
Southern	2,163	290,000	121,000	411,000	148,300	53,700	198,000
Do 1924	2,142	289,000	125,000	414,000	148,000	50,000	198,000
Metropolitan (c)	58	37,178	3,938	41,116	148,225	16,955	165,180
Do for 1924	58	40,700	4,056	44,756	1,700,619	167,482	1,868,101
Underground E.R. (c)	..	..	..	252,432	..	..	10,681,243
Do for 1924	..	..	..	244,367	..	..	10,244,281
Lon. & Sub. Group (c)	..	..	..	38,083	..	..	1,623,668
Do for 1924	..	..	..	38,180	..	..	1,677,485
Belfast & Co. Down (b)	80	2,691	1,113	3,804	173,497	46,395	219,892
Great Northern (b)	561	14,250	18,950	33,200	744,200	744,600	1,488,800
Great Southern (b)	2,181	35,291	46,476	81,767	1,667,745	1,870,642	3,538,387

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1925. + or -	1925. + or -
INDIAN.					
Anam Bengal	26 weeks	Sept. 26	1,072	£ 11,000 +	£ 47,188 +
Barri Lk. Ry.	26 weeks	30	118	25,800 +	6,500 +
Bengal & N. Western	26 weeks	30	2,062	7,78,400 +	68,800 +
Bengal Nagpur	26 weeks	30	2,800	21,83,000 +	1,49,000 +
Bombay, Bar. & C.I.	26 weeks	Oct. 24	3,033	20,03,000 +	1,46,000 +
Burma	26 weeks	Sept. 19	1,342	6,63,500 +	81,387 +
Delhi, Umballa & Kalka	26 weeks	Oct. 17	339	83,100 +	29,510 +
Madras & S. Mah. Ry.	26 weeks	Oct. 30	3,029	21,91,000 +	2,52,464 +
Nizam's Guaranteed	26 weeks	Oct. 3	933	2,42,614 +	14,775 +
Rohtak & Kumaon	26 weeks	Sept. 19	259	42,410 +	9,447 +
Do Lucknow-Breilly	26 weeks	19	287	41,348 +	6,281 +
South Indian	26 weeks	30	1,876	17,62,434 +	1,44,277 +

(a) Total receipts of all lines.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1925. + or -	1925. + or -
ARGENTINE (a).					
Argentine N.E.	17 weeks	Oct. 24	754	£ 14,900 +	£ 100 +
Argentine Trans.	17 weeks	Sept. 19	2,338	34,711 +	4,374 +
B.A. and Pacific	17 weeks	Oct. 24	2,611	130,000 +	1,000 +
B.A. Central	17 weeks	25	13,532	454	229,491 +
B.A. Gt. Southern	17 weeks	24	4,718	205,000 +	5,000 +
B.A. Western	17 weeks	24	1,681	90,000 +	2,000 +
Central Argentine	17 weeks	24	3,305	210,000 +	8,000 +
Cordoba Central	17 weeks	24	1,202	72,500 +	14,500 +
Entre Rios	17 weeks	24	723	23,900 +	3,100 +

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1925. + or -	1925. + or -
CANADIAN.					
Canadian National	42 weeks	Oct. 21	21,893	£ 6,050,783 +	£ 903,385 +
Canadian Pacific	42 weeks	21	14,138	4,508,000 +	115,000 +

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1925. + or -	1925. + or -
BRAZILIAN (b).					
Gt. West. of Brasil.	43 weeks	Oct. 24	1,011	£ 20,400 +	£ 7,100 +
Leopoldina	43 weeks	24	1,856	43,901 +	2,751 +
San Paulo	43 weeks	25	1,534	64,759 +	35,433 +

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1925. + or -	1925. + or -
CHILEAN.					
Antofagasta	43 weeks	Oct. 25	838	£ 32,380 +	£ 12,375 +
Nitrato (4-monthly)	40 weeks	15	368	43,356 +	1,149 +

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1925. + or -	1925. + or -
CUBAN.					
Havana Central	16 weeks	Oct. 17	1,250	£ 11,658 +	£ 513 +
United of Havana	17 weeks	24	1,250	57,139 +	237 +

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1925. + or -	1925. + or -
URUGUAYAN.					
Central Uruguay	17 weeks	Oct. 24	273	£ 27,904 +	£ 964 +
C. Urug. (East. Ext.)	17 weeks	24	311	5,104 +	90 +
C. Urug. (West. Ext.)	17 weeks	24	185	3,703 +	724 +

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1925. + or -	1925. + or -
OTHER OVERSEAS.					
Alooy and Gandia	43 weeks	Oct. 24	33	£ 20,000 +	£ 3,000 +
Egyptian Delta	27 weeks	10	600	£ 12,707 +	£ 2,795 +
Gt. Southern of Spain	42 weeks	17	104	£ 66,401 +	£ 19,788 +
Mexican Railway	15 weeks	21	432	£ 172,200 +	£ 46,900 +
Paraguay Central	17 weeks	24	274	£ 24,740 +	£ 340 +
Salvador	17 weeks	24	100	£ 22,667 +	£ 416 +

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
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DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per annum, except where marked % or stated in Cash.			Dividend for Whole Years.	
	Interim or Final.	Date of Payment.	Method of Payment.	Lat. Div. per Year.	Pro-Vis. Div. per Year.
Railways.					
Arica and Tacna	11% p.a.	Nov. 12	Less tax at 4/6	4/ p.a.	4/ p.a.
Baltimore and Ohio	6%†	Dec. 1	Quarterly	10	10
Bengal-Dooars	3%*	Nov. 11	Tax free	..	..
La Guaira and Caracas	3%*	Nov. 11	Tax free	..	..
Banks.					
Banco Nacional Ultramarino	6%*	..	..	..	..
Canadian of Commerce	3%†(a)	..	bonus 1%	13	13
Royal of Australia	..	..	..	5	5
Mining.					
Broken Hill South	..	..	..	50	20
Kamunting Tin	..	..	Tax free	20	15
Pahang Consolidated	15%†	..	..	20	20
Tea and Rubber.					
Amherst (Selangor) Rubber	7%*	Nov. 18	Less tax	..	..
Anglo-Johore Cons. Rubber	1/2 p.a.	..	Tax free	..	..
Asahan Estates	..	..	Less tax	20	10
Bangawan Rubber	5%*	Nov. 9	Less tax	..	..
Batu Malang	..	..	..	7	nil
British North Borneo	..	..	..	nil	22
Carnarvon (Selangor) Rubber	10%*	Nov. 7	Less tax	..	..
Carolina Tea	25%†	..	Less tax	50	50
Chimpul Tea	..	..	..	10	3
Ceylon Land and Produce	20%†	..	..	30	25
Ceylon Proprietary Tea	15%*	Nov. 21	Less tax	..	..
Consolidated Estates	10%† (& bonus of 1%)	..	..	32	27 1/2
Diasinga Rubber and Produce	..	..	Less tax at 4/4	7	4
Hopitigalla Rubber	6%*	Dec. 1	..	75	75
Hingungama Tea and Rubber	5%*	..	Less tax	..	..
Karungana Rubber	15%†	..	..	20	25
Lawa (Sumatra) Rubber	15%*	Nov. 23	..	..	..
Maduemas Coffee	..	..	Less tax	15	15
Nuwara Eliya Tea	10%*	Nov. 4	..	..	..
Panawate Tea and Rubber	7%*	Nov. 13	Less tax	..	..
Peacock and Nilambe	5%*	..	Less tax	..	..
Piccadilly Rubber	..	..	Less tax	7	nil
Poonmudi Tea and Rubber	6%*	Nov. 2	..	..	..
Sekong Rubber	..	..	..	10	nil
Selat Plantations	7 1/2%*	..	..	..	..
Seramban Rubber	24%*	Nov. 27	Less tax	..	..
Strathgill Rubber	..	..	..	15	24
Tandjong	15%†	..	Less tax	22 1/2	10
Other Companies.					
A. and F. Pears	..	..	..	20	20
Aberdeen Trust	4%†	..	Less tax	7	54
Adelaide Steamship	3%*	..	..	7 1/2	7 1/2
Agua Blanca Nitrate	25%*	Nov. 19	Less tax at 4/14	..	..
Andrew Knowles	2%*	..	..	12 1/2	10
Anglo-Persian Oil	..	..	Less tax	7	4
Associated Estates	2%†	..	Tax free	..	..
Borax Consolidated, Def.	1/2 p.a.	..	..	15	14
Bushell, Watkins, and Smith	8 1/2%†	..	..	..	..
Calcutta Tramways	4%†	Nov. 16	Tax free	..	..
City of Buenos Ayres Tramways	1/2 p.a.	Nov. 17	..	..	..
Dubarry Perfumery	20%*	Nov. 2	..	6	54
East of Scotland Trust	..	..	Less tax	..	..
Ever-Ready (Great Britain)	5%*	Dec. 1	..	15	12 1/2
Frederick Leney	5%†	..	(& bonus of 5%)	..	..
George Newnes	6%*	Nov. 19	..	..	..
Glenfield and Kennedy	4%*	..	Less tax	20	10
Glenislie-Glenlivet Distillery	..	..	..	..	..
Glico Petroleum	2 1/2%*	Oct. 31	Less tax	20	..
Gramophone Company	..	..	..	10	10
Henry Berry and Co.	5%†	..	..	..	..
Horden Collieries	3 1/2%†	Dec. 4	Tax free	62	12 1/2
International Financial Society	..	..	Less tax	8	5
J. B. Brooks	7 1/2%† (& bonus 1/ p.a.) (c)	..	Less tax	..	..
Joseph Stocks	..	..	..	10	10
Joshua Hoyle	1/3 p.a.	..	..	10	5
Lancashire Wagon	..	..	..	10	10
London Theatres of Varieties	10%†	..	Tax free	10	5
Matthew Brown	18%†	..	Less tax	14	14
Montevideo Gas and Dry Dock	2%*	Dec. 1	Tax free	..	..
North of Scotland Milling	..	..	Less tax	15	15
Novello and Co.	..	..	Tax free	22 1/2	25
Packing Materials	10%†	..	Tax free	15	15
Pan de Azucar Nitrate	20%†	..	Less tax	25	20
Parent Trust and Finance, Def.	7 1/2%†	Nov. 7	..	10	12
Penninsular & Oriental Steam, Def.	4%†	Dec. 10	Tax free	10	5
Prince Line	..	..	Tax free	5	5
Realisation & Debenture Corp. of Scotland, Def.	9%† (& bonus of 10%)	..	..	28	..
Reeddale and Manor Brewery	15% p.a.	..	Less tax	10	8
Scottish Malt Distillers	..	..	Less tax	12 1/2	10 1/2
Second Edinburgh Invest., Deb.	9%†	..	Less tax	15	..
Stanton Ironworks	4%*	Dec. 10	Tax free	18	18
Thomas Donne	9%†	..	..	6	7
Thomas Gates, Bradford	24%†	..	..	..	..
Thomas Owen	10%†	..	..	25	..
Trinidad Leaseholds	17 1/2%†	..	Less tax	..	..
Trust & Agency of Australia	16 p.a.	..	Tax free	10	7 1/2
Tube Investments	..	..	Less tax	10	10
United Counties Omnibus	..	..	..	6	6
Wallace Bros. (Dublin)	3 1/2%†	..	..	10	10
Wall Paper Manufacturers, Ord. De Deid	6%†	..	..	12 1/2	12 1/2
Wilson's Brewery	5%*	..	..	60	4
Windsor Trust	..	..	..	..	..
Yorkshire and Canadian Trust	..	..	..	4	4

(a) Tax free. (c) Bonus tax free.

RHODESIAN GOLD OUTPUT.

Month.	1922.	1923.	1924.	1925.
January	240,056	261,310	250,880	226,669
February	304,488	337,618	333,211	315,590
March	297,356	311,379	336,668	297,097
April	285,981	328,785	268,352	265,005
May	273,528	245,870	275,336	213,095
June	277,181	253,226	234,697	204,613
July	265,518	244,248	262,236	213,064
August	277,148	332,546	239,081	212,158
September	240,946	266,107	259,178	212,158
October	265,819	246,618	239,081	205,418
November	251,646	246,943	230,393	..
December	240,084	240,531	215,309	..
Total Gold	3,111,469	2,909,159	2,939,562	..

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

Reports and Notices.

Mr Lewis Huth Walters has joined the board of the Indemnity Mutual Marine Assurance Company, Limited.

The Royal Exchange Assurance announces that Mr Arthur Ralph Cook, of Messrs Cook, Son, and Co. (St Paul's), Limited, has been elected to a seat on the court of directors at the head office of the corporation.

Messrs N. M. Rothschild and Sons have received information from Alexandria that owing to the illness of Judge Vaux, the President of the Mixed Court of Appeal, and to the crowded state of the list, the hearing of the appeal in the case of Ottoman loans secured on the Egyptian tribute has been adjourned to December 31st next.

The Western Electric Company, Limited, of London, will from October 31, 1925, be known as "Standard Telephones and Cables, Limited." The registered and executive office will remain at Connaught House, Aldwych, W.C. 2.

We are informed that Mr Charles John Shea, formerly chief of the statistical department of the Anglo-South American Bank, Limited, has been appointed secretary of that institution, *vice* Mr Ernest E. Hayes, recently deceased.

GOVERNMENT STOCKS, &c.

LIBERIAN LOAN OF 1912.—The Council of Foreign Bondholders have received advices from the National City Bank of New York, the fiscal agents for the Liberian loan, that they are in possession of the necessary funds for the encashment of the January, 1926, coupons on the bonds outstanding. There is also a small balance available for sinking fund, which will probably be increased by further remittances. The fiscal agents will be glad to receive tenders, which must be in their hands at their offices, 55 Wall street, New York, not later than December 14, 1925. Accepted bonds will be for delivery on or before January 1, 1926, for payment on that date, and must bear the coupons due July 1, 1926.

RAILWAYS.

BENGAL DOOARS RAILWAY.—The following statement, extracted from the report, shows the working results for the past five years:—

	Year to March 31, 1921.	Year to March 31, 1922.	Year to March 31, 1923.	Year to March 31, 1924.	Year to March 31, 1925.
Gross earnings	Rs. 15,36,184	Rs. 14,27,068	Rs. 18,13,192	Rs. 20,53,379	Rs. 22,63,894
Working expenses	9,36,749	8,68,479	8,45,497	10,91,748	11,52,882
Net earnings	5,99,435	5,58,589	9,67,695	9,61,631	11,11,012
Percentage of working expenses to gross earnings	60.98	60.89	46.96	53.17	50.92
Net earnings in sterling, rate of exchange 16d (less Indian taxation)	£ 37,053	£ 35,433	£ 56,731	£ 55,589	£ 66,765
Difference in exchange, &c.,	9,843	— 754	— 306	3,258	7,373

The ordinary stockholders again receive a 10 per cent. dividend for the year.

BANKS.

GUARANTY TRUST COMPANY OF NEW YORK.—The total assets of this institution at September 30, 1925, were \$649,815,086. Cash amounted to \$141,427,448. U.S. Government bonds and certificates amounted to \$38,130,278. Public securities stood at \$26,500,240. Other securities amount to \$22,832,297. Loans amount to \$355,639,756. With regard to liabilities, capital stands at \$25,000,000. Surplus fund is \$15,000,000. Undivided profits amount to \$6,229,296. Deposits amount to \$528,971,656.

RUBBER, &c.

ASAHAN RUBBER ESTATES.—The report of this company for year ended July 31, 1925, reveals a net profit of £33,491, against £11,340. The ordinary shareholders receive 20 per cent., against 10 per cent. Income-tax will be deducted at rate of 4s 4d in £. The sum of £5,924 is put to reserve and £13,598 carried forward, against £12,030 brought in. Crop yielded 605,877 lbs. Average net sale price was 2s 0.65d per lb, against 1s 3.07d per lb in preceding year. Cost of production was 11.44d per lb, as against 9.84d per lb. Total planted area is 2,893 acres. Balance-sheet reveals total assets £215,324. Cash is at £19,045. The company has £34,515 in balance-sheet, being cost of investment in British Government securities.

BAKAP RUBBER PLANTATIONS.—The report for year ended June 30, 1925, shows a profit of £6,116. This amount has been transferred to profit and loss account, and after payment of debenture interest, £2,100, there is a balance at debit of £1,933, which Estate has, as usual, been charged against profits. Tapping, as estate has been working at a profit. Under the export restriction which realised 1s 8 1/2d per lb.

CEYLON LAND AND PRODUCE.—This company has secured a net profit of £46,340 for year ended June 30, 1925, against £39,880 for preceding year. The ordinary dividend is raised from 25 per cent. to 30 per cent. for the year. The sum of £7,000 is put to reserve and £10,873 carried forward, against £10,833 brought in. The report contains a valuable statistical table showing results achieved by the company from 1890 to 1925. The balance-sheet shows total assets £320,190. Cash is at £45,248. The only investment is British Government 3 1/2 per cent. Conversion Loan at cost, £30,827.

CHIMPUL (F.M.S.) RUBBER ESTATES.—The report for year ended June 30, 1925, shows a net profit of £8,043, against £1,600. The ordinary dividend is 10 per cent., against 3 per cent. for pre-

ceding year. The carry forward is £4,365, against £5,917 brought in. Balance-sheet reveals total assets £118,012. Cash is at £6,161. The only investment is British 3 1/2 per cent. Conversion Loan at cost, £6,234.

DJASINGA RUBBER AND PRODUCE.—The rubber crop harvested during year ended June 30, 1925, totalled 955,325 lbs. Cost of production was 1s 0.13d per lb, as against 9.75d per lb. Average net sale price was 1s 8.77d per lb, as against 1s 1.15d per lb. Tea crop amounted to 389,428 lbs. Cost of tea production was 11.83d per lb, as against 10.28d per lb. Average net sale price for tea was 1s 0.70d per lb, as compared with 1s 0.89d per lb. The general reserve amounts to £20,000. Net profit has jumped from £16,237 to £34,626. The ordinary dividend has been raised from 4 per cent. to 7 per cent. The carry forward is £13,235, against £14,138 brought in. Total assets are £513,030. Cash is at £2,135. The company has British Government 5 per cent. War Loan at cost, £10,105.

HEVEA (JOHORE) RUBBER PLANTATIONS.—The trading profit for year ended June 30, 1925, amounted to £4,728, and, after charging debenture interest, there is a final profit of £3,681, compared with the loss of £959 shown last year. The debit balance forward is now £5,508. The 10 per cent. debenture stock falls due for redemption on December 31st next. With the continuance of the present favourable prices, the directors hope to deal with the arrears of dividend on the preference shares within the next 12 months.

MAMBAU (F.M.S.) RUBBER.—The report for year ended June 30, 1925, shows that net profit amounted to £12,447, against £2,429. The ordinary shareholders receive 15 per cent., against nothing for preceding year. The company are writing £500 off estates account, and are carrying forward £1,602, subject to additional remuneration to directors. The average gross price realised, including stock on hand at valuation, was 1s 10.62d per lb. The cost of production, including staff commission and bonus, was 10.888d per lb. The total cost, including loss in weight, landing charges, insurance, administration expenses, and all other charges, was 1s 0.79d per lb. Balance-sheet shows total assets £97,653. Cash is at £7,418. There are no investments.

PULLANGODE RUBBER ESTATE.—The report for year ended June 30, 1925, shows a net profit of £18,436, against £2,746 in preceding year. The ordinary dividend is 30 per cent., against 6 per cent. The sum of £4,000 is put to reserve, and £1,000 is placed to income-tax reserve account. The sum of £1,887 is carried forward, against £1,952 brought in. The rubber harvested during the year under review amounted to 256,950 lbs, as compared with an estimate of 200,000 lbs and a crop of 208,473 lbs for the previous season. Of this quantity 233,008 lbs have realised an average net price of 2s 0.08d per lb, while 23,942 lbs, sold since the books were closed, have been brought in at the average of 3s net per lb. Crop outlay amounted to £8,568 19s 3d, equal to 8d per lb, f.o.b. Calicut. The balance-sheet at June 30, 1925, reveals total assets £80,407. Cash is at £11,878. There are no investments.

SELTAR PLANTATIONS, LIMITED.—The report and accounts for year ended June 30th last show net profits of £5,529. After writing off the whole of the preliminary expenses, amounting to £5,322, there is a balance to the credit of profit and loss account of £172. Under the restriction regulations the standard production has been fixed at 268,800 lbs, which allowed an export for the year to June 30, 1925, of 150,050 lbs, the all-in costs being 11.31d per lb. The sales for the period amounted to £12,598, equal to 1s 8.14d per lb. The whole of the company's property, namely, 840 acres, is under production. The directors have declared an interim dividend in respect of the year ended June 30, 1926, of 1 1/2d (approximately 7 1/2 per cent.) per share, less tax. The balance-sheet shows that stocks of rubber amount to £3,789, investments at cost £4,469, and cash in hand and at bank £4,249.

STRATHGILL (PERAK) RUBBER.—Net profit for year ended June 30, 1925, amounted to £12,062, against £2,565. The ordinary dividend is raised from 2 1/2 per cent. to 15 per cent. Tax will be deducted at 4s 4 1/2d in £. The sum of £1,041 is put to reserve, and £400 to furlough expenses reserve. The sum of £9,030 goes forward, against £8,881 brought in. The directors consider that it is desirable to bring the issued capital of the company nearer to the value of the property as shown in the balance-sheet, and they therefore recommend that £6,981 standing to the credit of reserve account should be capitalised and distributed among the members, free of income-tax, by issuing to them one fully-paid new share for every ten held. Total assets are £102,215. Cash is at £6,370. The only investment is £5,000 in British Treasury bills at cost, £4,948.

TANDJONG RUBBER.—Report for year ended June 30, 1925, shows a net profit of £684,459, against £26,091. The ordinary dividend is 2 1/2 per cent., from which tax will be deducted at 4s 4 1/2d in £. The ordinary dividend for preceding year was 10 per cent. The sum of £11,316 is put to reserve and £27,354 carried forward, against £26,461 brought in. Crop for year amounted to 1,482,207 lbs. Average net sale price was 1s 8.69d per lb, as compared with 1s 2.31d per lb. Cost of production was 9.64d per lb, against 8.69d per lb. Balance-sheet shows total assets £382,889. Cash is at £14,644. British Government securities are in the balance-sheet at cost, £53,074.

MISCELLANEOUS.

A. J. STEVENS AND CO.—The net profit of this concern has risen from £40,733 for 1923-24 to £42,117 for year ended August 31, 1925. The ordinary dividend is again 1 1/2 per cent., less income-tax. The sum of £15,000 is put to reserve and £26,523 carried forward, against £26,092 brought in. Balance-sheet shows total assets £573,457. Nothing stands against goodwill in balance-sheet. Cash is at £38,401.

INTERNATIONAL FINANCIAL SOCIETY.—Capital subscribed and paid up £187,500, in 187,500 shares of £1 each. The income for the year ended September 30, 1925, amounted to £35,642, which, added to the £13,800 brought forward from the previous year, makes £49,442. Deducting debenture interest and current expenses, there remains £34,745 to be dealt with. The directors recommend a dividend of 8 per cent. (less tax). This will leave a balance of £22,932 to be carried forward. The investments are taken into the balance-sheet at the amount at which they stand in the books of the society, less sums from time to time transferred from profit and loss account. According to a valuation prepared by the directors as on September 30, 1925, their value exceeds the sum at which they are stated in the balance-sheet.

KERN RIVER OILFIELDS OF CALIFORNIA.—The balance-sheet, dated May 31, 1925, reveals total assets £2,008,211. Cash is at £29,953. Investments stand at cost in the balance-sheet. They are shown separately and are as follows:—5 per cent. War Loan, £348,354; 3 1/2 per cent. Conversion Loan, £3,047; London Electric Railway 4 1/2 per cent. Red. 2nd Debenture Stock (guaranteed under Trade Facilities Act), £47,884. Tampico Oil Prior Lien Registered Debenture Stock, £11,500, making total investments, £410,785. Shareholdings in subsidiaries at cost are also shown separately, and stand at £725,909. The net amount of oil produced amounted to 1,6

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Pay- ment of Deben- ture Interest.	Amount Avail- able for Distri- bution.	Appropriation.					Corresponding Period Last Year.	
					Dividend.			Carried to Reserve, Deprecia- tion, &c.	Balance Forward.	Net Profit.	Divi- dend.
					Prefee.	Ordinary.					
						Amount.	Amount.					Rate.
		£	£	£	£	£	%	£	£	£	%
Financial, Land, &c.											
International Financial Society..	Sept. 30	13,800	20,945	34,745	..	11,812	8	..	22,933	20,685	5
Motor and Cycle.											
A. J. Stevens and Co.....	Aug. 31	26,092	42,117	68,209	4,329	22,358	12½	15,000	26,522	40,733	12½
Rubber, &c.											
Asahan	July 31	12,030	33,491	45,521	..	26,000	20	5,924	13,597	11,340	10
Bakap	June 30	Dr 5,950	4,017	Dr 1,933	..	..	..	..	Dr 1,933	Dr 2,492	..
Batu Matang	June 30	3,365	5,528	8,893	..	7,416	7½	500	977	1,704	nil
Ceylon Land and Produce	June 30	10,833	46,340	57,173	3,000	36,300	30	7,000	10,873	39,880	25
Chimpul (F.M.S.)	June 30	5,917	8,043	13,960	..	9,595	10	..	4,365	1,690	3
Djasinga	June 30	14,138	34,626	48,764	..	30,529	7	5,000	15,235	16,237	4
Haputale Co.	Dec. 31	..	25,876	25,876	9,522	6,625	75	9,694	35	..	..
Hevea (Johore)	June 30	Dr 9,185	3,681	Dr 5,504	..	..	..	..	Dr 5,508	Dr 959	..
Kuala Pergau	Feb. 28	Dr 3,908	Dr 5,425	Dr 9,333	..	..	..	..	Dr 9,333	Dr 4,383	..
Lewa Estates	June 30	299	1,849	2,148	..	1,716	..	..	432	878	..
Madulseeama Coffee	Dec. 31	..	28,944	28,944	6,000	10,200	15	12,744	..	2,429	nil
Mambau (F.M.S.)	June 30	905	12,447	13,352	3,000	8,250	15	500	1,602	2,429	nil
Pullangode	June 30	1,952	18,436	20,388	..	13,500	30	5,000	1,888	2,746	6
Selekar Plantations	June 30	147	4,396	5,543	..	..	..	5,470	73	..	..
Strathisla (Perak)	June 30	8,881	12,062	20,943	..	10,472	15	1,441	9,030	2,565	2½
Tandjong	June 30	2,646	68,459	94,920	..	56,250	22½	11,316	27,354	26,091	10
Tanjong Malim	June 30	16,347	50,253	66,600	..	49,988	10½	10,000	6,612	20,556	5
Tea.											
Kurugama	June 30	2,168	13,770	15,938	..	12,000	30	1,000	2,938	10,966	25
Trust.											
East of Scotland	Sept. 30	2,115	9,589	11,704	4,805	3,844	6	..	3,055	9,360	5½
Second Edinburgh Investment ..	Sept. 30	72,735	50,540	123,275	10,572	23,625	15	..	89,078	53,954	12
Other Companies.											
Gramophone Company.....	June 30	152,875	266,087	418,962	5,000	238,000	20	..	175,962	195,136	15
Lancashire Waggon	Sept. 30*	2,463	4,342	6,805	1,297	544	10½	2,000	2,964	4,047	10½
Leeds Fireclay	June 30	9,704	34,039	43,743	22,500	5,500	5	..	15,743	..	..
Manchester Hippodrome, &c.	June 30	41,334	19,090	60,424	..	6,918	10	10,000	43,506	Dr 8,165	5
Murex	June 30	Dr 1,814	Dr 4,629	Dr 6,443	..	..	..	..	Dr 6,443	..	..
North of Scotland Milling	Sept. 30	451	3,202	3,653	999	2,250	15	..	404	2,852	15

* Half-year.

† Tax free.

* Half-year.

† Tax free.

Canadian Western ex-ship to arrive 28s 6d, landed 30s 9d, No. 2 Canadian feed ex-ship near 24s 3d, landed 26s 3d. No. 2 white clipped American 38 lbs ex-ship to arrive 23s 9d, landed 25s 6d, all per 320 lbs. Danzig ex-ship 28s 9d per 336 lbs. English quoted 8s 8d to 10s per 112 lbs free on rail. Millers' offals quiet. Broad bran quoted 8s 3d, middlings 8s to 8s 3d, fine ditto 10s to 10s 3d bags included ex-mill, powdered oat husks 6s 3d, feed oatmeal 8s 9d, ground oats 12s 3d per cwt free on rail. Oatmeal steady. London-made flaked 18s, rolled oats 17s, medium also fine cut 17s, coarse also medium pinhead 17s ex-mill, ordinary Scottish oatmeal 18s, American ditto 16s 6d per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest years 1925-26, 1924-25, 1923-24, 1922-23.

	1925-1926.	1924-1925.	1923-1924.	1922-1923.
Estimated sales of home-grown wheat—				
1 week to Oct. 24	Cwts. 308,463	Cwts. 324,559	Cwts. 430,038	Cwts. 536,961
8 weeks to Oct. 24	2,897,826	1,915,683	3,404,353	3,199,749
Average price of English wheat per cwt.	s d 10 3	s d 13 0	s d 9 1	s d 9 6½

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1921 to 1924:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1925.						
Oct. 17	Cwts. 331,973	Cwts. 541,310	Cwts. 88,762	s d 10 3	s d 12 4	s d 9 2
Oct. 24	308,463	611,629	75,572	10 3	12 1	9 1
1921	344,404	519,050	50,254	10 5	13 11	8 9
1922	596,961	483,107	90,934	9 8	11 6	9 6
1923	430,038	626,921	87,628	9 1	10 7	8 8
1924	324,559	631,742	149,256	13 0	17 3	10 7

	Oct. 24, 1924.	Jan. 2, 1925.	Oct. 8, 1925.	Oct. 15, 1925.	Oct. 22, 1925.
Winnipeg (No. 1 Manitoba)—Cents per 60 lbs	154½	183	(a) 121½	(a) 126½	(a) 127½
Chicago (No. 2 Winter)—Cents per 60 lbs	141	177	(b) 137½	(b) 143½	(b) 141½
(a) October delivery.			(b) December delivery.		

COAL.

Our Sheffield correspondent writes:—The coal trade is rather better, at any rate in parts, and some foreign countries are buying on an increased scale. The outlook for coke is believed to be improving. South Yorkshire best steams are quoted at from 18s 6d to 19s, f.o.b.

Our Workington correspondent writes:—The coal trade is picking up a little, but business has not expanded sufficiently to enable owners to keep their pits working full time, and from one to three days a week are being lost. The Irish market is rather livelier, though the Lancashire and Scottish competition has diminished only slightly. Best round is 20s to 21s 6d; gas coal, 20s to 21s; house nuts, 20s to 21s 6d; and steam nuts, 20s. per ton, all f.o.b. Best house locally is 34s 10d per ton at pit, and the demand is somewhat brisker. Industrial fuel is also in stronger request, with best steams 25s and washed steam 24s. Gas coal is 26s to 27s per ton at local works. The local furnaces on ordinary iron are taking more coke at 18s to 19s, according to carbon content.

Our Cardiff correspondent writes:—There has been practically no expansion this week in the volume of business on the Cardiff coal market. The orders placed on American account are beginning to react favourably on the prices of the best dry steam coal qualities for ordinary steam coal descriptions, large and small, the market has been depressed, and the fall in the value of the franc has introduced a new disturbing and weakening factor. France is the principal export market for South Wales coals, and during the week led to the postponement of French orders, and to a contraction of credit facilities. Shipments are heavier than they were a few months ago, but they are still below normal, and the collieries approximate quotations:—Best Admiralties, 23s to 23s 9d; seconds, 21s 6d to 22s; best dries, 23s to 24s; Western Valleys, 19s 6d to 20s; Eastern Valleys, 19s 3d to 19s 9d; best bunker smalls, 9s 9d to 10s 6d; ordinary cargo smalls, 8s 6d to 9s; coking smalls, 10s 3d to 10s 6d; Anthracite best large, 45s to 46s; Red Vein, large, 30s 6d; stove nuts, 57s 6d to 60s; rubbishy culm, 11s 6d to 12s; coke ex ship, 29s 6d to 30s. The improvement in the iron and steel trade has been maintained during the week, and latterly the imports of iron ore have been exceptionally heavy.

NATIONAL PROVIDENT INSTITUTION.
INCREASE IN INTERIM BONUSES
to
£2 : 5s. per cent. per annum, rising to £3 : 5s. per cent. per annum, on all Whole Life With Profit Policies in respect of premiums paid after 20th May, 1925.
48 GRACECHURCH STREET, E.C.3

IRON AND STEEL.

Our Middlesbrough correspondent's report, dated October 29th, is as follows:—Pig-iron: There are hopes of further orders with the United States, and in the meantime a fair amount of business is passing at 66s 6d per ton f.o.b. for No. 3 Cleveland G.M.B. There is a strong steady demand for hematite, while East Coast mixed numbers are fully 74s 6d per ton. Manufactured iron and steel: The steel trade outlook is distinctly brighter, and producers are more hopeful. Average market quotations are as follows:—steel ship plates, £7 15s; steel ship angles, £7 5s to £7 10s; iron bars, £11 5s; steel rails, £8. Iron ore: There are a few odd cargoes changing hands on the basis of best Bilbao Rubio at 20s per ton, c.i.f. Tees.

Our Sheffield correspondent writes:—The spirit of optimism is spreading in the iron and steel trades, but the more cautious makers do not look for any substantial betterment during the present year. Unemployment has been shrinking continuously for several weeks past. The United Steel Companies, Limited, have decided to proceed with their important extensions in Lincolnshire, which were suspended two years ago owing to unsatisfactory trade and financial conditions. The extensions include melting plant with a capacity of 6,000 tons per week, and one of the largest plate mills in England if not in Europe. When completed these works will represent more than four millions of capital. Business generally is still depressed, especially on the heavy side, as the railways are ordering but little and shipbuilding requirements have never been less. Orders from the motor industry are steady, and includes large quantities of sheets, springs, axles, various forgings and castings, and tools. Tramway track work is in request from the home and South American markets, but little is coming in from the Continent. Makers of tools report conditions are still quiet, but tending to improve. The wire trade is a little better. The output of hand tools is large on both home and overseas account. In the plate and cutlery branches business is unevenly shared, and there are instances of quietude and activity side by side. Competition is keen in all branches, and the result of cutting of prices has brought prices down almost to the vanishing point.

Our Glasgow correspondent writes:—Inquiries are keeping up to last week's standard, and some good lines in structural steel and plates are reported, and a more confident tone generally is observable. For actual business, however, prices have to be cut to very low levels, steel plates being done at £7 15s to £7 17s 6d, f.o.b., and £8 for local delivery; and angles at £7 5s, f.o.b. Scotch No. 3 pig-iron is firm at 77s 6d per ton at works, but this business does not show any increase in volume. Shipments last week of all grades amounted to 512 tons, of which 432 tons were on foreign account. Last year in the corresponding week the shipments were 1,243 tons and 1,096 tons respectively. Malleable iron makers are busy with special lines of tube strip, but, generally, the reduction in price has not resulted in marked improvement. Re-rolled steel is in demand, but export orders are difficult to secure in the face of Continental competition. Black sheet makers are working full time, and are quoting January-February delivery for export specifications, which are numerous—prices are steady. Galvanised corrugated sheets are in steady demand.

CUMBERLAND IRON.

Our Workington correspondent writes:—There has been a healthier tone in the Cumberland and North Lancashire hematite pig-iron trade this month, and though there is still no business of other than a hand-to-mouth character at command there has been an increase in users' immediate needs, and the position at the moment is that the whole of the make of the ten furnaces in blast in the district is being absorbed, and that the stocks lying in the works yards are being reduced. Circumstances are held to be more favourable to a further improvement during the next few weeks, and in that case another furnace would probably be lighted. The local consumption will almost certainly remain heavy. Both at Workington and Barrow orders represent a tonnage ensuring employment for rolling mills until the close of the year. There is no demand from the Continent or from America, but the requirements of South Wales, the Midlands, and Scotland are more substantial. It is mostly low-phosphorus iron that is going outside the district, and this special quality is quoted at £4 15s per ton, delivered at Glasgow. Semi-special iron is in much weaker demand at Glasgow. Bessemer mixed numbers are request at 84s to 87s 6d per ton. Bessemer mixed numbers are steady at £4 1s 6d, c.i.f. Welsh ports; £4 6s 6d at Glasgow; £4 8s 6d at Sheffield; and £4 12s 6d at Birmingham. Malleable iron being smelted in the Furness district is £6 per ton, and iron being smelted in the New business is hard to come ferro-manganese £15 10s per ton. New business is hard to come by in the steel trade. Rails are £8 10s; sleepers, £10 10s; and fish plates, £12 10s per ton. The consumption of native ore is chiefly local, the sales to the East Coast and Scotland being meagre, with the result that few of the mines are raising their normal production, and that some of them are still idle. Superior sorts are 18s to 19s, and ordinary kinds from 14s to 15s.

OTHER METALS.

TIN.—The market for tin displayed considerable irregularity in sympathy with fluctuating Eastern advices, combined with liberal selling orders. A good business, however, was effected. Standard cash sold at £282-£284 10s, £281 5s-£286 5s, with three months at £281-£284 5s, £279 5s, and £285. In the East sales were reported at £294 5s, £289 15s, and £292 10s.

COPPER.—Values generally marked a downward tendency with slight irregularity at times, sellers being well to the fore, though offerings were readily absorbed. Standard cash sold £62 12s 6d to £62, three months £63 15s to £62 12s 6d, and £63 15s 3d LEAD opened firmer, but subsequently became irregular, with dealings on a liberal scale. Good soft foreign pig, October, sold £39 8s 9d-£37 17s 6d-£38 12s 6d, November £38 17s 6d to £38-£36 12s 6d, December £38 2s 6d-£37, £37 17s 6d, January £37 10s-£36 12s 6d, and £37 7s 6d. SPelter slightly irregular while easier on balance, and a fairly good business transpired. October sold £40 12s 6d-£39 17s 6d, November £39 17s 6d-£40, and £39 12s 6d, December £39 15s to £39 2s 6d, January £39 10s, £38 15s, and £38 18s 9d. ANTIMONY firmer. English specials quoted £80 to £85 as to make and quantity, foreign refined £69 to £70 ton, ex warehouse. ALUMINIUM quiet. Home delivery £120, export £125 ton. QUICKSILVER firmer. Spot quoted £14 5s to £14 10s per bottle. WOLFRAM firm. Forward quoted 20s 3d to 20s 6d per unit, c.i.f. terms.

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—Buying has been done on more restricted lines this week, but the slight slackening has brought no relief in the matter of prices; indeed, there is again an all-round advance in all qualities of tops and in most descriptions of yarns, and in all sections of the industry it is more difficult to buy than it was a week ago. The real fact is that stocks are very much reduced. They were not large in wool and tops to begin with, and the heavy transactions of the last few weeks have practically cleared the market. Tops for spot delivery are at a premium, and most topmakers can only accept new business for delivery from January onward. In many cases purely protective rates are now being quoted, and judging from the way in which wool is selling in the primary markets it is not going to be possible to get cheaper raw material in the near future. The general opinion seems to be that values will hold till at least the beginning of next year, many traders believing that the real battle will have to be fought when the first auctions of 1926 are held in London. The following tables show the course of values during the last seven months:—

	TOPS IN OIL.			
	Mar. 26.	June 25.	Sept. 24.	Oct. 29.
1925.	d	d	d	d
64's warp	62	51½	50	56
60's super	57	46	45	51
56's average	42	31½	30	35
46's carded	30	21½	22	25
40's prepared	29	20	20½	24

	WORSTED YARNS.			
	March 26.	June 25.	Sept. 24.	Oct. 29.
1925.	s d	s d	s d	s d
2-48's, 64's	6 8	5 8	5 6	5 11
2-32's, 60's	5 10	4 10	4 7	5 0
2-20's, 56's	4 8	3 8	3 6	3 8
2-16's, 46's	3 2½	2 7	2 6	2 7
1-16's, 40's	3 1	2 5	2 3½	2 5½

Some good business has been booked in both merino and cross-bred yarns during the last few weeks, and spinners are now fairly well employed, especially as particulars against old contracts have been coming to hand in good volume. It is becoming increasingly difficult, however, to sell on to-day's rates, and the view is generally expressed that values have gone high enough. Manufacturers have also done very well recently, and looms are better employed than for a long time past. Here, again, sellers are finding it difficult to pass on the recent advances, but the majority are standing firm. The outlook generally is satisfactory, though traders realise that the financial crisis in France may have a very direct bearing upon the wool market.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

Cables from Australia have been less frequent this week than last. The trade in Yorkshire is waiting anxiously the arrivals from the first sale. Accounts are better than usual, and in view of the great let-up that has taken place during the past fortnight, Adelaide should be 5 to 10 per cent. dearer. Selling brokers are

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wisely meeting the market, and it will be to their interests to continue this policy. The same applies to growers, for to-day's prices are higher than the most sanguine expected. It has been a case of values apparently shrinking below an economic level, followed by buyers from Northern France to some extent running away with things. However, all private cables clearly indicate a strong market, and even South Africa, which seemed to be hesitating last week-end, has proved this week to be firm and strong, with vigorous buying. Some really exquisite quality wools have been offered during the past month at Port Elizabeth, the northern Karroo wools this season being exceedingly well grown, and of good super 70's to 80's quality. In a private letter received this week from East London, we are informed that the clip is in excellent condition, and the inauguration at that centre of public sales should make that market as popular as Durban. Everywhere markets are very strong, with wool selling exceedingly well.

The event of the week is undoubtedly the crisis through which France is passing, and everybody is wanting to know what effect the depreciation of the franc is going to have upon French buyers. So far it has made no difference. It is understood that French wool textile firms have put the bulk of their capital into sterling, and many are of the opinion that the activity of French buyers since August has been due to a desire to avoid losing their capital consequent upon the depreciation of the franc. There is no doubt that activity continues in Northern France, and so long as manufacturers can pass forward their products to the ultimate consumer they will continue to buy wool.

THE COTTON TRADE.

LIVERPOOL, October 29, 1925.

The United States Agricultural Bureau issued another of their crop estimates on Tuesday last. The figures were again larger than anticipated, and, coming on a surprised market, caused a smart fall in values. The indicated crop of 15,226,000 bales, with 9,520,000 bales ginned, shows an increase of some 1½ million bales since the report of September 23rd. This increase of 10 per cent. on the month may be regarded as very remarkable. The estimated spot sales from the 23rd to to-day (inclusive) amount to 34,000 bales, including 800 bales for export. Of these 19,350 are American, 2,200 Brazilian, &c., 2,750 Peruvian, &c., 2,550 Egyptian, 4,980 African, 1,250 East Indian, and 920 sundries. The imports for the week are 70,894 bales American, 17,563 Brazilian, &c., 7,128 Peruvian, &c., 5,857 Egyptian, 8,284 African, 3,574 East Indian, making a total of 113,300 bales. To-day middling American is quoted at 10.68 per lb., fully good fair Sakel Egyptian 22.85, fair Brazilian 11.28, good fair mod. rough Peruvian 16.00, smooth Peruvian 12.78, fully good fair Tinnivelly 9.90, good fair East African 13.45, middling West African 10.53. There has been steady trade calling all week, and the low prices have enabled many orders to be booked. The supplies of good grade cotton coming to hand are very small, and are quickly snapped up. The basis for these is still tending to harden, while for the lower grades the basis is much easier. Speculation is conspicuous by its absence. More has been done in Egyptian cotton this week, and rumours of the Egyptian Government intending to buy spot cotton caused a relative advance over American of almost ¾d per lb., but the price at which the Government intend to come in and buy has not been mentioned. At noon to-day the difference between January Egypt and January American futures is 8.45d per lb. Trading in Empire and miscellaneous contracts has been very small.

MANCHESTER, October 29.

Business in the market this week has been disorganised by the further decline in raw material rates, and most buyers have been cautious in operating. Sentiment, for the most part, is still bearish. The prices now ruling for piece goods are certainly more attractive than for a long time back, and, given stability in values, there is every probability of an increased turnover. India has provided a considerable inquiry, and very fair sales have been put through in light fabrics and grey staples, chiefly for Calcutta. There is little hope of any big improvement in trade for China just at present, although fancies have been sold in moderate lots this week. For the several minor outlets East and West a scattered business has been done in limited quantities, and some necessary buying has taken place in home trade goods. A very fair inquiry has been met with in American and Egyptian yarns for home use, but transactions have not been important. Shippers of yarn have hesitated to place orders of any weight with producers.

(I.) Comparative Statement of the Cotton Trade.

	Price, Oct. 29, 1925.	Previous Weeks in 1925.				
		Price Oct. 22.	Price Oct. 15.	Price Oct. 8.	Price Oct. 1.	Price Sept. 24.
Raw Cotton—Mid. American	10.68	11.37	11.41	12.33	12.62	12.84
— Sakellaridis Fully Good Fair Egyptian	22.85	23.35	24.85	27.75	28.20	28.10
Yarns—32's twist	18	18	19	19	20	21
— 40's twist	19	19	19	20	20	21
— 60's twist (Egyptian)	34	34	34	35	35	35
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	29	29	29	30	31	31
36-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	33	33	34	35	35	35
38-in. ditto, 38 yds, 18 by 16, 10 lbs	16	16	17	17	17	17
39-in. ditto, 37½ yds, 16 by 15, 8½ lbs	14	14	15	15	15	15

(II.) Compared with Previous Years.

	Price, Oct. 29, 1925.	Corresponding dates in				
		1924.	1923.	1922.	1921.	1920.
Raw Cotton—Mid. American	10.68	13.76	17.78	14.54	12.77	17.47
— Sakellaridis Fully Good Fair Egyptian	22.85	25.85	18.65	17.75	23.75	43.00
Yarns—32's twist	18	18	24	23	21	40
— 40's twist	19	19	25	23	20	38
— 60's twist (Egyptian)	34	34	31	28	28	38
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	29	30	34	31	33	66
36-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	33	34	37	32	33	68
38-in. ditto, 38 yds, 18 by 16, 10 lbs	16	17	20	18	20	37
39-in. ditto, 37½ yds, 16 by 15, 8½ lbs	14	15	18	16	19	29

THE JUTE TRADE.

DUNDEE, October 29.

The rapidity with which prices of raw jute have gone up during the past fortnight has staggered the trade. All the time the advance was going on spinners here purchased large quantities of the fibre, and are now fairly well bought to the end of June next year. In the past day or two, however, the position in Calcutta has developed a quieter tone, with a slightly easier tendency, which has had the effect of keeping spinners out of the market, the latter even purchasing the secured parcels that are being offered at considerably less than the limits ruling from Calcutta. Offers of jute have been very sparingly made to this market, especially of first marks and lightnings, which are presently nominal at £66 for the former and £64 for the latter for actual marks. Daisee quality, of which there is a more plentiful supply than that of white jute, is in most demand. Calcutta is offering Daisee assortment at £62 10s, but secured lots here can be had at £61 10s for October-November shipment. A good business has been transacted in all kinds of yarns, and common 8 lb cops have advanced to 5s, which is being freely paid, but many sellers are refusing to do further business, preferring to await the outcome of the situation in raw material. Cloth buyers have remained indifferent during the advance, and though manufacturers have raised all their rates, buyers are still only purchasing in small quantities. 10½ ounce 40 inch is now lowest at 6d, with 8 ounce at from 4½d to 4¾d. Calcutta goods were very strong, but they have eased off a little in sympathy with the general quietness.

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The quotations to-day are 44s 6d for 10 ounce 40 inch, January-March, and 37s 6d for 8 ounce. April-June shipment rules at 43s 6d and 36s 6d respectively. The spot price of 10 ounce is 46s 3d, and the quantity available is small.

HIDE, LEATHER, AND ALLIED TRADES.

All classes of market hides maintain their firmness in spite of the reduced demand from tanners. At the auctions held in Bermondsey on Thursday, best ox hides sold from 7½d to 9½d, seconds from 6½d to 8½d. In calfskins, however, there was a decided weakness, declines of ¼d to 1d being registered in all classes. Best skins made 7d to 13d, and seconds 6½d to 8½d per lb. Woolskins sold from 7s 3d to 13s, and hogs from 3s 3d to 13s each. The skin wool market is rather stronger, but felled-mongered pelts are a shade weaker. The frigorific hide market is steady, and business has been done on a basis of 8½d for Argentine ox. Dry hides remain firm, and all suitable classes for light bends are bringing high prices. Cables from New York report the Chicago position as weaker, with best heavy packers selling at 17 cents—a drop of ½ cent on prices which have ruled for some time. Reports from the shoe centres are cast in a more optimistic vein, and the demand for sole leather has improved. Shoe manufacturers are still asking for very light bends, as most of them are now putting on a much lighter sole than was formerly the case. On the other hand, repairers are steadily taking wet salted bends from 12 to 16 lbs average. Curriers are moderately well employed on wax and russet kip butlinings, and semi-chrome, but the high price of rough kips continues a severe handicap. There is a good trade passing in coloured and black glacé kid. Patent has fallen off a little, but light willow calf is still selling freely. The boot and shoe trade is improving. Leicester seems to be receiving quite substantial orders for the Wellington boot, and a better demand has arisen for stout men's boots.

VEGETABLE OILS AND OILSEEDS.

The weakness of linseed oil reached its worst in the middle of the week, when it had declined to £36 per ton naked ex Hull mill, having lost £4 per ton in the course of a month. The depression has been accentuated by cheap offers of Dutch linseed oil, and a poor demand from consumers. A rally in the seed market, however, brought an improvement to £36 10s, which was Thursday's value for prompt mill delivery to April. Linseed oil has not been so low since April in last year, when £36 was recorded. The present figure compares with over £51 paid at Hull in February last. Cotton oils have continued to decline, crude Egyptian now offering freely at £36 10s, and ordinary refined at £38 5s per ton naked ex Hull mill. Soya palm kernel and other oils are in poor request, and generally easier.

In the oilseed section Plate linseed continued to fall until £17 10s was accepted for old seed, October-November, and £17 for new seed, January-February. Better Argentine advices stimulated buying, and there has been an improvement of 5s per ton upon these figures. London has been a buyer of Calcutta at £19 15s for old, and £19 for new. Cottonseed is in slightly better demand, business having been done in black Egyptian at £10 10s on passage, and £10 7s 6d for November-January loading.

OVERSEAS PRODUCE.

FOOD, BEVERAGES, &c.

SUGAR.—The market for refined goods displayed a firm undertone and a good business resulted in British makes at 3d per cwt advance and a good business resulted in British makes at 3d per cwt advance. Messrs Tate and Lyle's cubes quoted 30s 5d to 31s 9d; crushed, 28s 9d; granulated, 27s 4½d to 27s 10½d; forward to March, 27s 3d; yellow crystals, spot, 24s 4½d. Forward positions of imported steadier, and sellers more reserved. Czecho granulated, November-December, quoted 12s 10½d; January-March, 13s 4½d; April-August, 14s 1½d, quoted 12s 10½d; Hamburg, Dutch "J" granulated, ready, 13s; November-f.o.b., Hamburg, Dutch "J" granulated, f.o.b., Rotterdam, American granulated, spot, 26s; afloat, 13s 9d, c.i.f., London. Polish can granulated, spot, 26s; afloat, 13s 9d, c.i.f., Danzig. White crystals, November-December, 12s 4½d, f.o.b., Danzig. July-Java, spot, 25s 3d; ditto, to India, January-March, 13s 4½d; July-September, 13s 6d, c. and f., Calcutta. Cuban basis, 96 per cent., November-December, 10s; and Peruvian ditto, afloat, 9s 9d, c.i.f., U.K. White terminal opened firmer on higher American advices, but tone quieter since. December, sold, 12s 8½d to 13s; March, 13s 3½d to 13s 6d; May, 13s 9½d to 13s 10½d; August, 14s 3d to 14s 2½d per cwt.

COFFEE.—Spot market remained quiet, but late rates were generally maintained. Costa Rica, fine ordinary, sold, 126s; mid greenish, 156s; Matagalpa Maragogipe, good greenish, 210s 6d; Kilimanjaro, 200s 10½d; May, 89s 9d to 89s 10½d per cwt.

COCOA.—The spot market remained quiet and without new feature. For shipment, Accra F/F grade, December-February, sold, 39s to 38s 6d, and Lagos, November-January, sellers, 36s 6d, f.o.b. Trinidad, December-February, 65s; Bahia, October-November, 47s 6d, c. and f. terms, per cwt. Cocoa butter, C.F.R., spot, sellers, 1s 5½d; and prime English, 1s 5d per lb.

TEA.—Indian sales this week amounted to 56,676 packages, which met with good competition at prices ranging from ¾d to 1d per lb advance. Common and useful medium kinds formed the strongest market, while leaf grades suitable for export were

also well supported. Some attractive invoices from Southern India also moved off freely at full rates. Pekoe, sold, 1s 2d to 1s 9½d; broken orange pekoe, 1s 4d to 2s 7½d, with choice lots up to 3s 10½d. Ceylon offerings totalling 21,313 packages also experienced active support, though competition was rather less distributed than of late. Medium and fine grades often tended dearer, but values of finest broken orange pekoes were barely maintained, due chiefly to a slight falling off in quality. Pekoe sold, 1s 3d to 2s 4d; broken orange pekoe, 1s 8d to 2s 11d per lb, in bond. A fair business transpired in China descriptions, Keemuns selling from 1s 6d to 2s 3d; and old season's ditto, 1s 3d to 1s 4d; while common monings realised about 6d to 6½d. Finest souchongs quoted up to 3s 2½d per lb. 4,443 packages Java and Sumatra were offered, and met a good demand for all fine qualities at full to dearer prices, but lower grades displayed slight irregularity. Pekoe sold, 1s to 1s 3½d; broken ditto, ¾d to 1s 10½d; orange pekoe, 1s 4d to 1s 7½d; broken orange pekoe, ¾d to 9½d; and pekoe souchong, 1s to 1s 2½d per lb, in bond.

RICE remains quiet, but sellers required generally steady rates. Rangoon, two stars, spot, London, quoted 15s 9d; forward, 15s 4½d, c.i.f. Japanese peas steady. Spot, quoted 29s; September-October, 28s 6d; October-November, 28s; December-January, 27s 9d. Beans: Rangoon hand picked, October-November, 14s; Madagascar butter beans, spot, 35s to 37s 9d, as to quality, per cwt.

SPICE.—Pepper in quiet support, and trend of values easier. Black Singapore, f.a.q., January-March, sellers, 10½d; Lampong, October-December, 10½d; January-March, 11d; white Muntok, October-December, 1s 1½d; January-March, sold, 1s 2½d. Zanzibar cloves dull, and October-December, sellers, 10½d per lb. Pimento, spot, October-November, sellers, 42s 6d. Tapioca dull. Singapore flake, to Havre, December-January, sellers, 18s. Sago flour, to U.K., October-December, 15s 3d. Desiccated coconut quiet. Halves, spot, quoted 41s 6d; October-November, 39s cwt. Ginger steady. Japan, spot, 90s; October-November, 85s; West African, spot, 61s; October-November, 58s 6d cwt., c.i.f.

FRUIT (Dried).—Currants in rather better demand, but prices barely steady. Amalia, quoted 31s to 33s; Gulph, 36s to 40s; Pyrgos, 31s; Patras, 36s to 37s; Vostizza, 44s to 54s. Sultanas: Fine quality meets with fair attention. Smyrna, new crop, 68s to 70s; Australian, 68s to 90s; Cretan, 83s to 100s; South African, 65s to 80s. Figs quiet. Layers, new crop, boxes, 80s to 100s; Locoums, 115s to 150s. Dates in fair demand at steady rates. Second tide Hallowee, 27s; Siar, 14s 6d, landed terms. Raisins firm and in good request. Valencia, quarter boxes, 50s to 72s; halves, 43s to 45s. Evaporated fruits firm, especially for best apricots, while peaches continue in small supply. Californian apricots, standard new extra choice, 120s; fancy, 130s; Australian, 117s 6d to 130s; Californian peaches, choice, 67s 6d; extra choice, 72s 8d; fancy, 78s. Plums dull. Oregon, size 30/40, quoted 72s; 40/50, 52s; Californian, 40/50, 58s; 50/60, 51s 6d to 52s; 70/80, 44s to 45s. Pears, Californian, extra choice, 90s; fancy, 105s. Apple rings, Californian, extra choice, 65s to 70s; Canadian, 62s 6d per cwt.

CANNED GOODS.

CANNED GOODS.—Trade moved on quiet lines, and buyers show little disposition to cover future requirements. Sardines firm. Portuguese ½'s quoted 4s 6d to 5s per dozen tins. Salmon remains firm, with limited supplies available. Red, tall, 1 lb, 64s; ½ lb, pink, 35s 6d to 36s 6d; tall pink, 25s to 26s. Lobsters firm on scarcity. Halves quoted 165s; and ½'s, 95s to 100s.

CANNED FRUITS.—Liberal supplies are now available, and market slightly irregular. Californian Bartlett pears, standard, 13s 3d to 13s 6d; seconds, 12s to 12s 3d; Oregon, choice, 14s 9d; standard, 13s 3d; seconds, 12s to 12s 3d; Canadian, standard, 11s 6d. Californian peaches, choice, 11s; standard, 9s 6d; seconds, 8s 9d. Californian apricots, standard, 9s 3d; seconds, 8s. Loganberries fancy, 11s; choice, 10s 3d per dozen tins. Italian tomatoes realise full rates. Pines firm, with a hardening tendency.



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SATURDAY, NOVEMBER 7, 1925.

No. 4,289.

CANNED MEATS.—Corned beef experienced a steady demand. South American 6 lb tins quoted 33s 3d to 36s 9d; and New Zealand, 34s. Danish lunch tongues steady. Sixes sell at 115s; and 1 lb, 18s; New Zealand ox, 6 lb, 12s 5 per dozen tins.

CONDENSED MILK.—Firm, with machine-skimmed ruling at 15s; with full-cream Danish, 24s 6d to 25s 6d; Dutch, 23s per case as to quality.

NEW ZEALAND HONEY firm, with sustained inquiries both on Home and Continental account.

RUBBER.

RUBBER.—Firm, but slightly irregular, with dealings on a fair scale. Plantation standard sheet, spot, sold, 4s 0d to 4s; November, 3s 11d to 4s and 3s 11d; December, 3s 10d to 3s 11d and 3s 10d; January-March, 3s 6d to 3s 7d and 3s 6d; April-June, 3s 3d to 3s 4d and 3s 2d; January-December, 3s 2d to 3s 1d per lb.

GENERAL.

HEMP.—Manila continues dull of sale. J grade, November-January, sellers, £41; K, ditto, £36; L, £36 10s; and M, £31. New Zealand H.P., October-November, nominally £39; fair, £35. African sisal, No. 1, Tanganyika, October-November, £44 10s; No. 1 Kenya, ditto, £44 per ton.

SHELLAC steady. Fair, T.N., spot, 230s to 235s; December, 212s 6d; March, 215s to 207s 6d cwt.

COPRA.—In moderate demand, and prices moved in buyers' favour. F.M.S. Straits, to Rotterdam, October-November, sold, £29 6s 3d; October-December, £29 5s. Dutch E.I., October-November, sold, £29 2s 6d; October-December, £29. Ceylon, October-November, sellers, £30 5s; South Sea Islands, F.M.S. quality, £28 7s 6d. Palm kernels, to Liverpool, November-January, sellers, £20 7s 6d per ton.

MISCELLANEOUS.—Cocoanuts quoted 25s per 100. Coir yarn, Ceylon, £32 to £40; Cochin, £32 to £55. Ceylon bristle, £15 to £22; cinnamon leaf oil, 44d; citronella, Ceylon, 1s 10d; Java, 3s.

METROPOLITAN CATTLE.—OCT. 29.

British Beasts, per stone of 8 lbs to sink the offal. Sheep, per stone.			
	s	d	q
Beasts—Devons.....	7	2	7 8
Shorthorns.....	7	0	7 4
Herefords.....	7	0	7 6
Scottish.....	6	8	7 0
Irish.....	6	8	7 0
Fat Cows.....			

LONDON POTATO MARKETS.—OCT. 29.

Per Cwt.			
	s	d	q
Lincoln—King Edwards.....	7	8	s d
British Queens.....	5	0	to 6 0
Red Kings.....	5	6	6 6

COMMERCIAL TIMES—WEEKLY PRICE CURRENT.

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

LONDON, FRIDAY.			
The prices in the following list are revised with the assistance of an eminent firm in each department.			
COCOA—Duty, British grown, 9s 4d, foreign, 14s cwt.....	s	d	q
Trinidad.....	76	0	83 0
Grenada.....	58	0	70 0
Ceylon, plantation.....	90	0	110 0
Guayaquil.....	70	0	80 0
Bahia, finest.....	53	0	55 0
COFFEE—British grown, 9s 4d, foreign, 14s cwt.....	s	d	q
India, fine, ord. g.d. mid. 115.....	150	0	140 0
Do good to fine.....	150	0	158 0
Costa Rica, ord. to mid. 120.....	140	0	145 0
Good to fine.....	165	0	199 0
Central American, g.d. ord.....	115	0	138 0
Mid to fine.....	140	0	145 0
Colombian, ordinary.....	115	0	117 0
Do g.d. ord. to low mid. 115.....	135	0	130 0
Do mid to fine.....	135	0	156 0
CHEMICALS.....			
Acid, citric.....	per lb	1	4 1/2 0
Nitric.....	0	24	0 0
Oxalic, net.....	0	6	0 6 1/2
Tartaric, English.....	1	04	0 0
Foreign.....	0	11 1/2	0 0
Cream of Tartar.....			
99%-100%.....	per cwt.	82	0 0 0
Alum lump.....	per ton	£10/10/0	11/0/0
Do ground.....	£11/10/0	12/0/0	
Ammonia, carb.....	ton	37	0 39 0
Muriatic, White.....	ton	25	15 31 15
Sulphate.....	£14	0	15 0
Arsenic, lump.....	per ton	75	0 80 0
Powder.....	per cwt	18	0 19 0
Ashes, pot.....	per cwt	65	0 70 0
Pearl dc.....	per cwt	nom	
Bleaching powder, per ton.....	9/0/0	9/10/0	
Borax, gran.....	cwt	24	10 0 0
Do crystals.....	25	0	0 0
Do powder.....	26	0	0 0
Calomel.....	per lb	4	0 4 3
Iodine, dry.....	per oz	1	1 1
Nitrate of Soda.....	per ton	12/15/0	13/0/0
Potash—Chlorate, net.....	0	42	0 4 1/2
Prussiate.....	0	8	0 9
Do foreign.....	0	7 1/2	0 8
Sulphate.....	per ton	11	0 12 0
Sul-Acetate.....	per lb	1	10 2 0
Soda Bicarb.....	per ton	£9/0/0	10/10/0
Crystals.....	per ton	5/0/0	5/5/0
Alkali.....	5/17/6	6/15/0	
Canstic.....	14/2/6	16/10/0	
Sugar of lead, white.....	ton	0/0/0	0/0/0
Foreign white.....	£49	0	50 0
Sulphate Quinine.....			
English Brands.....	2	3	0 0
Foreign do.....	2	2	3 3
Sulphate Copper.....	per ton	24/10/0	25/10/0
Zinc, cut.....	nom		
Sulphur Flour.....	9/0/0	9/10/0	
Do Roll.....	8/0/0	8/10/0	
Vermillion, Chinese, per lb.....	4	6	4 9
English.....	4	6	5 0
Oil Peppermint, H.G.H.....	87	6	88 0
COPRA—per ton, c.f.f.....	£	s	d
Malabar, Oct-Dec.....	nom		
Ceylon.....	30	7	6
FMIS Singapore.....	29	5	0
FM Straits.....	28	15	0
COCHINEAL.....	per lb	2/8	3/6
DRUGS.....			
Alone, fine E.I.....	per cwt	130	0 150 0
Cape, good to fine.....	41	0	42 6
Balsam Peru.....	per lb	7	0 0
Capivi.....	2	0	2 3
Camphor.....			
Japan, refined.....	2	8 1/2	2 9
Cardamoms, Ceylon.....	6	0	8 3
Cantharides, China, per lb.....	4	0	0 0
Castor oil.....	cwt	85	0 95 0
Gum Benjamin Sum.....	cwt	5/0/0	10/0/0
Olibanum, drops, fair to good.....	60	0	105 0
Ipecacuanha.....	12	0	0 0
Salap.....	75	0	77 6
Musk, pod, China.....	per lb	10	3 10 6
Oil, Cassia.....	per lb	10	3 10 6
Aniseed.....	3	5	3 6
Peppermint, Wayne.....	70	0	75 0
County.....	3	0	3 3
Shubark, China, fr to fa.....	3	0	3 3
DYE STUFFS, &c.—			
Galls, China.....	per cwt	60	0 62 6
Turmeric, Bengal.....	nom		
Madras, finger.....	35	0	0 0
Gambier, block.....	55	0	0 0
Cutch, ord. to fair.....	55	0	0 0
DYEWOODS.....			
Brazil.....	per ton	18	0 0
Fustic, Jamaica.....	8	10	0 0
Cuba.....	15	0	0 0
Lima Wood.....	30	0	0 0
Logwood, Campeachy.....	9	0	0 0
Honduras.....	10	10	0 0
Jamaica.....	7	15	0 0
Red Sanders.....	15	0	0 0
Sapang Ceylon.....	15	0	0 0
FLAX—spot, c.f.f.....	£	s	d
Riga ZK.....	75	0	0 0
Do g.d. ord. to low mid. 120.....	145	0	199 0
Do mid to fine.....	145	0	199 0
CHEMICALS.....			
Acid, citric.....	per lb	1	4 1/2 0
Nitric.....	0	24	0 0
Oxalic, net.....	0	6	0 6 1/2
Tartaric, English.....	1	04	0 0
Foreign.....	0	11 1/2	0 0
Cream of Tartar.....			
99%-100%.....	per cwt.	82	0 0 0
Alum lump.....	per ton	£10/10/0	11/0/0
Do ground.....	£11/10/0	12/0/0	
Ammonia, carb.....	ton	37	0 39 0
Muriatic, White.....	ton	25	15 31 15
Sulphate.....	£14	0	15 0
Arsenic, lump.....	per ton	75	0 80 0
Powder.....	per cwt	18	0 19 0
Ashes, pot.....	per cwt	65	0 70 0
Pearl dc.....	per cwt	nom	
Bleaching powder, per ton.....	9/0/0	9/10/0	
Borax, gran.....	cwt	24	10 0 0
Do crystals.....	25	0	0 0
Do powder.....	26	0	0 0
Calomel.....	per lb	4	0 4 3
Iodine, dry.....	per oz	1	1 1
Nitrate of Soda.....	per ton	12/15/0	13/0/0
Potash—Chlorate, net.....	0	42	0 4 1/2
Prussiate.....	0	8	0 9
Do foreign.....	0	7 1/2	0 8
Sulphate.....	per ton	11	0 12 0
Sul-Acetate.....	per lb	1	10 2 0
Soda Bicarb.....	per ton	£9/0/0	10/10/0
Crystals.....	per ton	5/0/0	5/5/0
Alkali.....	5/17/6	6/15/0	
Canstic.....	14/2/6	16/10/0	
Sugar of lead, white.....	ton	0/0/0	0/0/0
Foreign white.....	£49	0	50 0
Sulphate Quinine.....			
English Brands.....	2	3	0 0
Foreign do.....	2	2	3 3
Sulphate Copper.....	per ton	24/10/0	25/10/0
Zinc, cut.....	nom		
Sulphur Flour.....	9/0/0	9/10/0	
Do Roll.....	8/0/0	8/10/0	
Vermillion, Chinese, per lb.....	4	6	4 9
English.....	4	6	5 0
Oil Peppermint, H.G.H.....	87	6	88 0
COPRA—per ton, c.f.f.....	£	s	d
Malabar, Oct-Dec.....	nom		
Ceylon.....	30	7	6
FMIS Singapore.....	29	5	0
FM Straits.....	28	15	0
COCHINEAL.....	per lb	2/8	3/6
DRUGS.....			
Alone, fine E.I.....	per cwt	130	0 150 0
Cape, good to fine.....	41	0	42 6
Balsam Peru.....	per lb	7	0 0
Capivi.....	2	0	2 3
Camphor.....			
Japan, refined.....	2	8 1/2	2 9
Cardamoms, Ceylon.....	6	0	8 3
Cantharides, China, per lb.....	4	0	0 0
Castor oil.....	cwt	85	0 95 0
Gum Benjamin Sum.....	cwt	5/0/0	10/0/0
Olibanum, drops, fair to good.....	60	0	105 0
Ipecacuanha.....	12	0	0 0
Salap.....	75	0	77 6
Musk, pod, China.....	per lb	10	3 10 6
Oil, Cassia.....	per lb	10	3 10 6
Aniseed.....	3	5	3 6
Peppermint, Wayne.....	70	0	75 0
County.....	3	0	3 3
Shubark, China, fr to fa.....	3	0	3 3
DYE STUFFS, &c.—			
Galls, China.....	per cwt	60	0 62 6
Turmeric, Bengal.....	nom		
Madras, finger.....	35	0	0 0
Gambier, block.....	55	0	0 0
Cutch, ord. to fair.....	55	0	0 0
DYEWOODS.....			
Brazil.....	per ton	18	0 0
Fustic, Jamaica.....	8	10	0 0
Cuba.....	15	0	0 0
Lima Wood.....	30	0	0 0
Logwood, Campeachy.....	9	0	0 0
Honduras.....	10	10	0 0
Jamaica.....	7	15	0 0
Red Sanders.....	15	0	0 0
Sapang Ceylon.....	15	0	0 0
FLAX—spot, c.f.f.....	£	s	d
Riga ZK.....	75	0	0 0
Do g.d. ord. to low mid. 120.....	145	0	199 0
Do mid to fine.....	145	0	199 0
CHEMICALS.....			
Acid, citric.....	per lb	1	4 1/2 0
Nitric.....	0	24	0 0
Oxalic, net.....	0	6	0 6 1/2
Tartaric, English.....	1	04	0 0
Foreign.....	0	11 1/2	0 0
Cream of Tartar.....			
99%-100%.....	per cwt.	82	0 0 0
Alum lump.....	per ton	£10/10/0	11/0/0
Do ground.....	£11/10/0	12/0/0	
Ammonia, carb.....	ton	37	0 39 0
Muriatic, White.....	ton	25	15 31 15
Sulphate.....	£14	0	15 0
Arsenic, lump.....	per ton	75	0 80 0
Powder.....	per cwt	18	0 19 0
Ashes, pot.....	per cwt	65	0 70 0
Pearl dc.....	per cwt	nom	
Bleaching powder, per ton.....	9/0/0	9/10/0	
Borax, gran.....	cwt	24	10 0 0
Do crystals.....	25	0	0 0
Do powder.....	26	0	0 0
Calomel.....	per lb	4	0 4 3
Iodine, dry.....	per oz	1	1 1
Nitrate of Soda.....	per ton	12/15/0	13/0/0
Potash—Chlorate, net.....	0	42	0 4 1/2
Prussiate.....	0	8	0 9
Do foreign.....	0	7 1/2	0 8
Sulphate.....	per ton	11	0 12 0
Sul-Acetate.....	per lb	1	10 2 0
Soda Bicarb.....	per ton	£9/0/0	10/10/0
Crystals.....	per ton	5/0/0	5/5/0
Alkali.....	5/17/6	6/15/0	
Canstic.....	14/2/6	16/10/0	
Sugar of lead, white.....	ton	0/0/0	0/0/0
Foreign white.....	£49	0	50 0
Sulphate Quinine.....			
English Brands.....	2	3	0 0
Foreign do.....	2	2	3 3
Sulphate Copper.....	per ton	24/10/0	25/10/0
Zinc, cut.....	nom		
Sulphur Flour.....	9/0/0	9/10/0	
Do Roll.....	8/0/0	8/10/0	
Vermillion, Chinese, per lb.....	4	6	4 9
English.....	4	6	5 0
Oil Peppermint, H.G.H.....	87	6	88 0
COPRA—per ton, c.f.f.....	£	s	d
Malabar, Oct-Dec.....	nom		
Ceylon.....	30	7	6
FMIS Singapore.....	29	5	0
FM Straits.....	28	15	0
COCHINEAL.....	per lb	2/8	3/6
DRUGS.....			
Alone, fine E.I.....	per cwt	130	0 150 0
Cape, good to fine.....	41	0	42 6
Balsam Peru.....	per lb	7	0 0
Capivi.....	2	0	2 3
Camphor.....			
Japan, refined.....	2	8 1/2	2 9
Cardamoms, Ceylon.....	6	0	8 3
Cantharides, China, per lb.....	4	0	0 0
Castor oil.....	cwt	85	0 95 0
Gum Benjamin Sum.....	cwt	5/0/0	10/0/0
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Gambier, block.....	55	0	0 0
Cutch, ord. to fair.....	55	0	0 0
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Brazil.....	per ton	18	0 0
Fustic, Jamaica.....	8	10	0 0
Cuba.....	15	0	0 0
Lima Wood.....	30	0	0 0
Logwood, Campeachy.....	9	0	0 0
Honduras.....	10	10	0 0
Jamaica.....	7	15	0 0
Red Sanders.....	15	0	0 0
Sapang Ceylon.....	15	0	0 0
FLAX—spot, c.f.f.....	£	s	d
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Do g.d. ord. to low mid. 120.....	145	0	199 0
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CHEMICALS.....			
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Cream of Tartar.....			
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Powder.....	per cwt	18	0 19 0
Ashes, pot.....	per cwt	65	0 70 0
Pearl dc.....	per cwt	nom	
Bleaching powder, per ton.....	9/0/0	9/10/0	
Borax, gran.....	cwt	24	10 0 0
Do crystals.....	25	0	0 0
Do powder.....	26	0	0 0
Calomel.....	per lb	4	0 4 3
Iodine, dry.....	per oz	1	1 1
Nitrate of Soda.....	per ton	12/15/0	13/0/0
Potash—Chlorate, net.....	0	42	0 4 1/2
Prussiate.....	0	8	0 9
Do foreign.....	0	7 1/2	0 8
Sulphate.....	per ton	11	0 12 0
Sul-Acetate.....	per lb	1	10 2 0
Soda Bicarb.....	per ton	£9/0/0	10/10/0
Crystals.....	per ton	5/0/0	5/5/0
Alkali.....	5/17/6	6/15/0	
Canstic.....	14/2/6	16/10/0	
Sugar of lead, white.....	ton	0/0/0	0/0/0
Foreign white.....	£49	0	50 0
Sulphate Quinine.....			
English Brands.....	2	3	0 0
Foreign do.....	2	2	3 3
Sulphate Copper.....	per ton	24/10/0	25/10/0
Zinc, cut.....	nom		
Sulphur Flour.....	9/0/0	9/10/0	
Do Roll.....	8/0/0	8/10/0	
Vermillion, Chinese, per lb.....	4	6	4 9
English.....	4	6	5 0
Oil Peppermint, H.G.H.....	87	6	88 0
COPRA—per ton, c.f.f.....	£	s	d
Malabar, Oct-Dec.....	nom		
Ceylon.....	30	7	6
FMIS Singapore.....	29	5	0
FM Straits.....	28	15	0
COCHINEAL.....	per lb	2/8	3/6
DRUGS.....			
Alone, fine E.I.....	per cwt	130	0 150 0

not appear to be entertained seriously in well-informed quarters. Fine three months' bank bills were quoted at $3\frac{1}{8}$ - $1\frac{1}{8}$ per cent.

	Nov. 6, 1925.	Oct. 30, 1925.	Oct. 23, 1925.	Oct. 16, 1925.	Previous Rate and Date Changed.
Bank Rate	4	4	4	4	$4\frac{1}{2}$ (Oct. 1, '25)
Banks' Deposit Rate	2	2	2	2	$2\frac{1}{2}$ (Oct. 1, '25)
Discount Call	2	2	2	2	$2\frac{1}{2}$ (Oct. 1, '25)
Houses' Notice	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$ (Oct. 1, '25)
Market rate (3 months' bills)	$3\frac{1}{8}$	$3\frac{1}{8}$	$3\frac{1}{8}$	$3\frac{1}{8}$	..

The Bank return showed a decrease of £1,236,000 in the stock of coin and bullion, £1,228,000 on balance having been announced as withdrawn in gold for export; the note circulation contracted by £1,536,000, and there was thus an increase of £300,000 in the Reserve, though its proportion to liabilities is 1 per cent. lower at 22.7 per cent. Government and Other securities expanded by five millions and one respectively, and Public and Other deposits were both rather more than three millions higher. Currency notes outstanding increased by £1,863,000, to £293,480,300, which includes £1,322,500 for notes called in but not yet cancelled. The fiduciary issue is £235,907,800, or £12,237,600 below the maximum for the year.

NEW YORK MARKETS.

Our New York correspondent cables:—Stock markets continue buoyant, with a huge turnover of business. Thoughts are again directed to the possibility of a rise in the Federal Reserve rate in conjunction with a possible hardening of the money market in London. The Federal Reserve statements reveal a flow of funds from New York to the interior, and a reaction from the contraction shown in the two previous weeks. Reserves show a moderate decline, discounts are \$47 millions higher, and bills purchased in the open market slightly increased. The circulation shows a rise of \$19 millions, and the reserve ratio is 71.5. *Dun's* index number of commodity prices is 1.2 per cent higher at 163.1, the chief advances coming under the head of breadstuffs and dairy produce. Bankers are still hopeful with regard to the Italian debt negotiations, but not optimistic.

THE STOCK MARKETS.

The week in the Stock Exchange has been one of mixed influences. Mr Churchill's announcement of the removal of the embargo on external financing tended to depress the gilt-edged market, where War Loan went below 100, the dual fear of higher Bank rate possibilities and the competition of attractive new loans operating in restraint of purchasing. The recent bout of speculative investment in mid-European bonds eased off, but Chinese bonds strengthened. Home rails made a slight recovery which they failed to hold, while Argentine rails remained firm on good traffic returns. In the rubber share market conditions were still active, but business was rather lighter than of late. Among industrials, shares of the "heavy" industries improved slightly on hopes of the effect of the embargo's removal, while tobacco and cable equipment shares showed prominent strength. Dunlops advanced sharply on the settlement of the strike, while Aluminium shares fell because of the Conway Valley disaster. In the Kaffir market a few "deep level" shares have been well supported, but business is patchy. Of the markets as a whole it may be said that the feature is the continued good appetite of the speculator.

THE COMMODITY MARKETS.

A better feeling continues in most markets, though slight irregularity has developed during the week in some cases. Demand in the coal trade shows a further slight improvement, and quotations are steady. A certain amount of forward buying has been evident in the pig-iron market, and although semi-finished business has been disappointing, the finished steel branches are active. Cotton has been in fair demand, with slight change in price. Cloth inquiry for India has been of fair dimensions. Although the turnover in wool has fallen away slightly there is no sign of weakness, and continued firmness in values is ex-

pected to bring out more demand for cloth. Jute prices have declined after a rise early in the week. The wheat markets remain irregular, with a slight upward tendency. Sugar has been firm, coffee without feature, and tea in less demand. Rubber prices have fallen owing to lack of support. In the metal markets, tin has declined on lower Eastern cables, copper is somewhat irregular, and lead easier, though dealings have been on a liberal scale throughout the week.

FOREIGN EXCHANGES.

In the foreign exchange market interest has again been concentrated on the movements of the Paris rate. After a relatively steady quotation on Friday and Saturday last, the rate began to move up again at the beginning of the week, and by Tuesday fears occasioned by the political difficulties of the new Cabinet, and by the delay in the announcement of a definite financial policy, brought up the quotation to over 120, while at one time on the 5th a figure of 123 $\frac{1}{2}$, a new high record, was reached. Yesterday morning there was some recovery to 122 $\frac{1}{2}$, as compared with 115.45 a week ago, but there are at present no indications of steadiness, and the large increase in advances to the State and in note circulation shown in the last Bank return only increase the general feeling of apprehension. Forward rates have again widened sharply, moving up to just under 90 centimes per month above spot. The lira also has been unsteady, moving up on the week from 121 $\frac{1}{2}$ to 123. At one time, however, on Thursday it was quoted actually below the French franc. Brussels has moved relatively little, in spite of considerable pressure, being quoted at 106.95 yesterday morning, as compared with 106.85 a week ago. Forward rates, however, at 60 centimes above spot for one month ahead, show a widening tendency. The dollar rate, which closed at \$4.84 $\frac{1}{2}$ on the 30th, has been firmer than was at first expected, in view of the removal of the embargo on foreign loans, in expectation, perhaps, of a rise in the Bank rate in the not distant future. During the week it has moved between $4\frac{1}{8}$ and $4\frac{1}{2}$, and was quoted yesterday morning at \$4.84 $\frac{1}{2}$. Forward dollars are at a discount of $\frac{1}{8}$ cent per month. Among the more stable European currencies Amsterdam, perhaps as the result of gold shipments, has moved slightly in our favour from 12.04 $\frac{1}{2}$ to 12.04 $\frac{3}{4}$. Switzerland also is more favourable at 25.15 $\frac{1}{2}$, as compared with 25.14, Stockholm at 18.13 $\frac{1}{2}$, as compared with 18.10 $\frac{1}{2}$, and Berlin at 20.36, as compared with 20.25. Oslo has shown a sharper reaction, moving from 23.72 $\frac{1}{2}$ to 23.80 $\frac{1}{2}$, and Copenhagen from 19.37 $\frac{1}{2}$ to 19.44 $\frac{1}{2}$. Madrid also has depreciated further, being quoted yesterday at 33.92 $\frac{1}{2}$, as against 33.81 a week ago. Prague at 162 $\frac{1}{2}$ is unchanged, Helsingfors at 192 $\frac{1}{2}$ has appreciated $\frac{1}{8}$. Warsaw remains more or less nominal at 29, while Athens shows some recovery from 370 $\frac{1}{2}$ to 359 $\frac{1}{2}$. In the East the rupee has moved down slightly from 1s 6d 13-32d to 1s 6 $\frac{1}{2}$ d. The yen, however, as the result of recent gold shipments by the Government, has appreciated further from 1s 8 $\frac{1}{2}$ d to 1s 8 27-32d. The silver market has been weak on continued selling from China, with very little support elsewhere, and Hong Kong is cheaper at 2s 4 $\frac{1}{2}$ d, as compared with 2s 5 $\frac{1}{2}$ d, Shanghai America Rio shows little movement standing at 7 $\frac{1}{2}$ d, the same as a week ago. Buenos Aires, however, has appreciated from 46 13-32d to 46 $\frac{1}{2}$ d on good export prospects, and Monte Video from 50 $\frac{1}{2}$ d to 51d. Valparaiso is also slightly dearer at 39.30 pesos, as compared with 39.40 pesos.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended October 31st:—

EXPENDITURE.		REVENUE.	
	(000's omitted.)		
Supply Services	7,735	Income Tax	9,008
Interest, &c., on Debt	1,170	Income Tax	2,547
Sinking Fund	1,760		
Sundries	809		
Increase in Exchequer Balances	127		
	11,533		

The Revenue for the week amounted to £9,006,000, as compared with £10,082,000 in the corresponding week last year. Customs were higher at £2,036,000, against

£1,810,000, but Excise was slightly lower at £1,426,000, against £1,491,000. Property and Income-tax brought in £1,682,000, as compared with £3,147,000, while Super-tax, at £400,000, was £50,000 higher. The week's operations increased the National Debt by £2,547,400, and caused the following changes:—

(000's omitted.)	
Treasury Bills	+ 745
3 $\frac{1}{2}$ % Conversion Loan	+ 1,580
4% Treasury Bonds	+ 802
	+ 3,127
Sundries	— 580

The floating debt was increased by £730,000 to £771,820,000.

FINANCIAL YEAR, 1925-1926 (April 1st to Oct. 31st).

£		£	
Total Expenditure..	454,831,684	Raised by Revenue..	402,258,594
		Decrease in Balances ..	3,522,819
		Amount borrowed ..	49,050,271
Total	454,831,684	Total	454,831,684

ESTIMATES FOR FINANCIAL YEAR 1925-1926.

£		£	
Expenditure	799,400,000	Revenue	801,060,000
Surplus	£1,660,000.		

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—Cordoba Central Railway, Colombian Corporation, Sungei-Timah Estate (Perak), and Kamunting Tin Dredging.

ECONOMIST INTELLIGENCE BRANCH.

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

THE END OF THE EMBARGO.

WITH the autumn session of Parliament closely approaching, more public attention is being given to the volume of speeches which politicians of all parties are pouring out in the country. On the whole, this autumn oratorical campaign has been less interesting than usual. Tariff discussions are wisely avoided by Ministers, and no new first-class issue has been raised, unless it be the new Land Policy launched by Mr Lloyd George. The speeches have shown, it is true, that the new session will have moments of excitement over such domestic subjects as the Communist prosecutions and the political levy. Mr Baldwin and Mr Churchill, who have been the most active among Government speakers, have harped legitimately on the achievement at Locarno, and concentrated the rest of their attention upon a defence of monetary policy and a restrained optimism as regards the improvement in trade. During the present week, however, one speech has been made which stands out in importance because of a specific statement of financial policy which it contained.

On Tuesday of this week Mr Churchill made the important announcement at Sheffield that a change of policy in regard to new Dominion, Colonial, and foreign loans, which has been expected for some time past, will take place forthwith. "The time has now come," said Mr Churchill, "when we can take a further step towards the establishment of complete freedom and normal conditions in the money market. From this time forward no objection will be raised on general grounds by the responsible financial authorities to the issue of Dominion, Colonial, and foreign loans on the London market."

Our readers are well aware that the embargo which is thus brought to an end has never had any legal sanction, but has been imposed through the unofficial influence of the Bank of England, with the co-operation of the big banks and issuing houses of the City. The fact, however, that an announcement of change in policy was

actually made by the Chancellor of the Exchequer, and not by the Governor of the Bank of England, emphasises what was, indeed, already well known, namely, that the policy of restriction has been carried out in collaboration with the Government, and that the time and date of its removal have been a matter of official consultation. It would be difficult to give a precise account of its history or its purpose. In the early years after the war, when very large profits were being made in home industries, and the return on gilt-edged securities was high, there was little inducement for the investor to lend his money abroad either to individuals or to governments whose credit was a matter of great uncertainty. But as things became more normal and the credit of possible borrowers more clearly established, it became evident that the supply of capital was not sufficient for the many demands for it, and in the years following the slump there gradually developed in the City a disposition to discourage lending abroad on too free a scale, and a sort of unofficial censorship grew up. In December of 1923 and early in 1924 the sterling-dollar exchange fell sharply, and there was for a time a rush to transfer capital to America, and it became clear that the policy of returning to a gold standard on the pre-war parity might be frustrated, or at all events rendered very much more difficult by large movements of capital. New loans are not, of course, the only form in which our capital is invested abroad; but early in 1924 it was clear that there were many borrowers in the field, and that if enormous loans were raised in London it would be hard to regain the ground lost in the exchange slump of the winter of 1923-24. The censorship of new issues was therefore tightened up, and during the last eighteen months practically no foreign Government or corporation loans have been issued here except such privileged issues as the reconstruction loans of the League of Nations. In a later column we give some comparative figures of new issues in London, which show how the embargo has reduced the amount going to foreign countries in the current year to negligible proportions.

It has been suggested that the step now taken is the necessary sequel to the return to the gold standard. This, however, is not strictly true. It would be quite practicable to maintain the gold standard and at the same time to place restriction or conditions upon the raising of new issues in the London market. The raising of such loans might be made the subject of taxation, and before the war various suggestions had been made for discriminating in regard to foreign borrowers. On the whole, however, the reasons against any such policy are powerful. In the first place, to discriminate between new issues does not in fact ensure any conscious control over the out-flow of British capital. A considerable amount of our savings is invested abroad by private concerns, but a still greater difficulty is that even if new loans are not issued here, but in New York or Amsterdam, there is no practical means of preventing English investors buying these securities. Indeed, the decisive argument against control of the foreign capital market is its ineffectiveness. On the other hand, the resumption of foreign lending is clearly in the interests of British industry. The development of our export trade has historically been associated with the export of British capital. This association may, perhaps, not always exist; indeed, before the war it was frequently the case that our new foreign investments were merely the equivalent of the interest we earned abroad, and to-day our interest from foreign securities is much larger than our new investments. Germany, moreover, built up a large export industry with comparatively small exports of capital. We must therefore not assume too readily that in the long run these two phenomena bear any permanent relation to one another. At the moment, however, as we have emphasised with almost wearisome reiteration, encouragement to our export industries is what is most needed to restore the balance in our economic life. Foreign loans are undoubtedly calculated to have some effect in this connection, and are therefore to be welcomed.

In this connection the Federation of British Industries, in a recent letter to the Governor of the Bank of England, suggested that if only a partial remission of the embargo was decided upon, priority should be given to loans which would involve large orders to English industries. In his statement on the question Mr Churchill indicates that no

rules of discrimination should be laid down. He does say, however, that the City of London must be responsible for using its freedom wisely and soberly. "I trust," he says, "with confidence to the corporate good sense of the City to manage its affairs with discretion, to pay regard, not only to the capacities of the market, but to the position towards this country of would-be borrowers, and I hope so far as possible without impairing the freedom of the market that preference will be given in the matter of credit to those issues which bring a high proportion of orders for goods immediately to the trade of this country." In this passage Mr Churchill only refers to discrimination in favour of buyers in the British market. He might have added with equal force that Great Britain is particularly interested in lending to countries who will permit the entry of British goods as against those who try to shut themselves up behind a ring fence. There is a contradiction in the attitude of a protectionist country which tries to borrow abroad. Our own Dominions are very much open to criticism in this direction. Australia, for example, has, with other Dominions, had a privileged position in the English market, and is likely to continue to be a very large borrower since she has need of great development, and is perhaps living on too high a standard of living to provide much of her capital resources herself. Nevertheless, she is subjecting to high tariff duties the products needed for development. If there is to be discrimination in foreign loans, we should like to see that power exercised in favour of countries whose commercial policy permits a reasonable exchange of goods. Great Britain's chief industries, and, indeed, her existence on present standards, depend upon free interchange, and it may well prove to be that our ability to furnish capital is our strongest weapon to influence other nations in this direction. Such discrimination was not altogether unknown before the war, and it is not unlikely that in post-war conditions there may be something like a common opinion on the part of those who exercise most influence in the London capital market in favour of those countries which pay their debts and treat British commerce favourably.

It is not anticipated that there will be any startling effect as a result of lifting the embargo, the only issue to appear since freedom was restored being the Gold Coast Loan of £4½ millions, arrangements for which, it is understood, have been in progress for some little time. Time will be required for new issues to be arranged, and borrowers are likely to divide their attention between London and New York. Moreover, issuing houses will, in their own interests, only proceed with caution. Our expectation, therefore, is that the effect of the new policy, though it will to some extent influence the new capital issue figures for the current quarter, will not show its full effect until the first quarter of 1926.

GERMANY'S ECONOMIC POSITION.

THE current view of Germany's economic position is, to judge by the public utterances of her leaders in politics and industry as well as the statements of external observers, decidedly pessimistic. The Central Association of the General Employers' Organisations, for instance, a few months ago, presented an address stating that the national economic capacity of the country had fallen off by 30 per cent. as compared with the pre-war level. Only by running into debt had industry found it possible to keep down the numbers of the unemployed. The level of wages had risen consistently so that the difference between the effective wages in Germany and foreign countries (with the one exception of the United States) was insignificant, and the rise had not been accompanied by a similar rise in the economic curve. Other critics have pointed to the large deficit in the German trade balance. As such views are not likely to encourage foreign lenders to invest their resources in either short or long-term credits which, it is commonly agreed, are an essential condition to the country's economic recovery, the more interest attaches to a recent article in the *Magazin der Wirtschaft*, by

Professor Julius Hirsch, a former Secretary of State. The latter declares quite frankly that the current view is not in accordance with the true facts, that production has regained its pre-war level, and that the origins of the present crisis are to be sought not in unduly high wage levels, but in the faulty distribution of the country's productive capital. As this view is, to say the least, unfamiliar to many British observers, we give below a summary of the main facts on which Professor Hirsch's conclusions are based.

In the first place, although Germany lost 18 per cent. of her pre-war territory under the Versailles Treaty, her losses in population were not more than 10 per cent. The population of her present territory (including the Saar) actually increased between 1910 and 1919 from 58.45 millions to 59.85 millions, and in spite of subsequent difficulties, the total in June, 1925, had reached 63.25 millions. The number of persons pursuing an occupation has also increased. In 1907, in round figures, 30½ million persons were engaged in one occupation or another. The cession of territory should have reduced this figure to 27½ millions in 1919. To-day, however, the total is estimated at not less than 33 millions. This estimate doubtless includes a certain number of persons formerly of no occupation who are now obliged by impoverishment to earn their own living, while shorter hours in certain trades has necessitated the employment of more hands. The less favourable geographic situation of Germany's industrial areas and the absence of foreign investments, on which interest was formerly received in the form of raw material and food stuffs have also tended to the same end. On the other hand, the number of unemployed has at no time been substantially in excess of the pre-war figure, while a standing army of over 700,000 men has been reduced to 100,000. To sum up, the German population has steadily increased, and about 4 million more persons are engaged in work than before the war.

Pessimistic critics usually make great play with the alleged "symptoms of decay" in the transport system. In point of fact, despite the wastage of war-time and deliveries to the Allies under the terms of peace, in 1922 Germany possessed, for every 100 kilometres of railway in operation, 56 locomotives, as against 48 in 1913, 129 passenger cars against 111, and 1,283 freight cars against 1,121. The pre-war mercantile marine amounted to 5½ million tons, of which only 350,000 tons remained under the Peace Treaty. By 1925 no less than 3 million tons had been rebuilt. The railway traffic figures, it is true, appear to show that in the early months of this year the quantity of goods dispatched had fallen off by about 25 per cent., the average monthly figures for February, March, and April, 1925, being 30.3 million tons, as against 40.0 million tons in 1913. This comparison, however, is very misleading, since in pre-war days consignments forwarded by more than one of the then separate State railways were entered at least twice over, and the whole Reich is covered by one railway, no consignments are entered more than once. The 1913 figure, again, Lorraine is not included, the cession of that area has involved a permanent loss of huge consignments of ore and coal in the present area. Motor transport has increased, and the development of electrical power implies reduced coal consumption for the same unit of output. Taking these very important sources of error into account, it is at least questionable whether any reduction in the quantity of goods carried by rail has, in fact, taken place since the war. The figures for ton-kilometres are less open to objection. On the basis of the returns for February to April last, the total for the present year comes out at 57,100 million ton kilometres, as against 58,900 million in 1913. It should be remembered that the present geographical configuration of the Reich is less favourable for figures, on which the 1925 estimate is based, do not afford a true picture, since the transport of the harvest and of coal for household use swells traffics in the second half of the year. Passenger traffic, on the other hand, shows a marked increase. The total number of passengers carried in 1913 was 1,789 millions. On the basis of the January

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to March returns, the total for the present year will be 2,074 millions, and the total passenger-kilometres 42,844 millions, as against 39,024 millions in 1913. These returns are especially encouraging, in view of the serious disorganisation resulting from the Ruhr occupation, which has not yet been entirely overcome.

What is the position with regard to production? The average monthly output of coal has been as follows:—

(In Thousands of Tons.)

	Black Coal (exclusive of Saar).	Brown Coal (Lignite).	Coke.
1913 (present territory of the Reich)	11,729	7,269	2,639
1925 (the year's return calculated on the figures for the first half-year)	10,914	11,351	2,342

On this evidence present supplies of fuel are equivalent to about 90 per cent. of the fuel value of black coal in 1913. The improved study of thermics has led to an economy of something between 10 and 15 per cent. in consumption, the result being that, despite the loss of much of Upper Silesia, Germany has great difficulty in finding markets for the whole of her production. Comparison with 1913 is dangerous, since 1913 was in the nature of a "boom" year. If a few indices of production in 1924, a year of depression, are compared with the average of the five years 1909 to 1913, we obtain the following percentages:—Production of black coal, about 98 per cent.; of brown coal, 166 per cent.; coke, 91 per cent.; pig-iron, 86 per cent.; steel, 99 per cent.; rolled products, 106 per cent. Other satisfactory comparisons might be made of the pre- and post-war output figures in the paper trade, the motor building industry, and the potash mines.

The returns of agricultural produce present a curious riddle to the statistician. According to the official returns, harvest yields have been as follows:—

	(Quintals per Hectare.)			
	Rye.	Wheat.	Oats.	Potatoes.
1912	18.7	23.2	19.5	151.8
1913	19.3	24.1	22.0	157.1
1922	12.6	14.2	12.5	149.4
1923	15.3	19.6	18.3	119.5
1924	13.5	16.6	16.0	131.9

This striking falling off, together with a decline in foreign imports, has, however, been accompanied by an improved standard of living and a rapid increase since the war in the total of German livestock. Dr Hirsch draws the conclusion that "the only place where permanent and lamentable under-nutrition continued to exist was the harvest statistics," as a result largely of the obligation of the farmers to deliver grain at fixed low prices, which has led to persistent under-estimation. On the whole, the agricultural output may have regained, and in some cases surpassed, the pre-war level, with a possibility of further improvement in years to come.

The writer devotes considerable attention to German wage levels, and makes the point that it is unfair, in view

of the reduced wages of the inflation period, to take the first moment following stabilisation as a starting-point in order to demonstrate "the rise in the curve." Taking German wage rates of April last as 100, it is discovered that money wages converted into dollars in foreign countries come out approximately as follows:—United States, 330-400 (and substantially higher); Great Britain, 158-211; Holland, 120-158; Sweden, 142-190; France, 72-140; Belgium, 60-101; Austria, 63-87.

Real wages (i.e., wages in terms of purchasing power) in the United States were in April last 100 per cent. higher than those of Germany; in England, from 25 to 75 per cent. above; in Denmark, between 25 per cent. and approximately 60 per cent.; and in France, between 7 to 8 per cent. less, to 80 per cent. more than in Germany. Whilst German wages were thus lower than those of many other countries, German prices for many important categories of goods exceeded world prices. The reason is to be found not in the adverse trade balance of Germany, which is far less "appalling" than it appears in view of the large foreign credits recently placed in Germany and the under-statement, for various reasons, of the export figures, but in the great shortage of business capital, a factor which may ere long become even more serious. If national production is nearly equivalent to, and the consumption of the masses certainly not in excess of, pre-war levels, the net difference—i.e., the accumulation of capital, ought to approximate to the pre-war volume. That it does not is due to a number of factors. A portion of the national production is eaten up by unproductive outlay and an excessive number of business concerns. Germany has far too many trading businesses and far too many banks. The surplus of outlay over and above requirements for home consumption is wrongly distributed between investments and business capital. The latter can ultimately come only out of savings, which require the encouragement of high rates of interest, whereas the banking system offers low rates for deposits and high rates for overdrafts. Capital is withdrawn by over-heavy taxation. The policy of credit contraction after the inflation period was correct, but it should have been brought about by high discount rates, which would have encouraged and stimulated the formation of new liquid capital and not by artificial depression with two prices, one for the credit ratings of the Reichsbank and the States bank and another for credit on the open market. The effect of the methods employed has been to throttle the accumulation of savings instead of encouraging it by all possible means.

The salvation of Germany, according to Dr Hirsch, must eventually come about on some such lines as these. The exaggerated tendency to invest in plant, &c., must be exchanged for the creation of business capital, the economic structure must be purified by the weeding out of superfluous firms and radical standardisation of plant on American lines must be effected. The process will probably be attended by the collapse of many individual concerns, but the economic organisation is sound enough at bottom, and courageous reconstruction should not prove too heavy a task for the nation.

THE FUNCTION OF THE SPECULATOR.

ILL-CONSIDERED denunciation of the speculator, as of one who seeks only his own gain at the expense of everybody else, and performs no useful function in the economic machine, is a well-worn commonplace in the mouth of a certain class of "reformer." But it is somewhat surprising to find an experienced banker, Mr J. F. Darling, stating in the article to which we referred in a Business Note last week, that "the speculator occupies no useful place in our body politic. His manipulations do not increase wealth. He is out for gain at the expense of the community." In fact, it is easy to show that even in his crudest form the speculator renders an important service by reducing fluctuations and flattening out curves in prices of commodities and securities, and in providing both producers and consumers with the great economic benefit of a free market; and if we examine his position a little more closely, we find him embodied in the forms of so many highly respectable workers in the economic field that we come almost to the conclusion that without his "manipulations" no increase in wealth is possible.

As he is best known in the City, or in any other financial centre, the speculator is most often to be found buying and selling securities with a view to selling them higher up or buying them back lower down, and any experienced broker or jobber on the Stock Exchange will be ready at once to sign a handsome testimonial to the immense utility of the services that he renders. If it were not for his existence, there could not be anything like a free market, except in a few securities, the issued amount of which is so great that there are always enough real buyers and sellers to create a constant demand and supply; and even in them, owing to the habit of popular sentiment with regard to financial prospects to be influenced by waves of fashionable impulse, it is probable that such market as existed would have a dangerous tendency to be, as the Stock Exchange expresses it, "all one way." In the case of the great majority of securities which are outstanding in moderate amounts, the service of the public, if it had to wait every time that it wanted to sell or buy until a genuine buyer or seller appeared whose requirements exactly fitted, would inevitably be both slower and more costly, because of the exertion necessary for the discovery of the exact match required. Thanks to the speculator, who is always going in and out of stocks and shares in search of that unearned profit which is thought to be so reprehensible, the real buyer and seller can deal in a few seconds in an enormous variety of securities, and on much finer terms than would be possible if the flow of securities were not broadened by speculative manipulation. A very concrete example of the truth of these facts is presented every day by the contrast between the market in bank shares and in securities in which speculation is permitted and popular. In the days when the reputation of the English banks was a tender flower, which had to be protected from the breath of suspicion, it was thought necessary by Parliament to enact that every seller of bank shares should at the time of making the bargain state the number of the shares to be delivered. The possibility of bear sales of bank shares, by which movements in their prices might have been caused that might have started dangerous gossip, was thus made impossible. And the market in them has suffered ever since by being made narrow and difficult to deal in, and expensive to the investor owing to the extent of the turn that is demanded.

Another very practical demonstration of the utility of the speculator in the stock markets was given during the war, when, with a view to preventing wild fluctuations owing to rumours of what was happening at the front, our rulers provided that all transactions should be for cash. The consequence was that most of the markets became not only difficult to deal in, but extremely sensitive and jumpy, because the dealers knew that if bad news came there would be no cushion for prices to fall on such as is usually provided by the beneficent bear, who on the day of disaster comes in to cover his short

sales. And apart from these merely technical benefits that the speculator provides for the stock markets, by diminishing their fluctuations and making them freer and cheaper, there is good ground for arguing that in some cases he quickens and stimulates the actual production of commodities by making it easier to secure the necessary capital. The rubber industry is a case in point. From its earliest beginnings it somehow hit the fancy of the speculator, and the consequent activity and mercurial temperament of the market in the shares of the companies concerned in it must certainly have facilitated the development of the plantations from which a highly useful article is now produced. All these services the Stock Exchange speculator renders to the community for less than nothing, because he is, on balance and in the aggregate, out of pocket; what one makes he makes out of the pocket of another, and among them they pay a handsome revenue to the Stock Exchanges, most of the members of which would find it difficult to earn a living for themselves and their employees if their business were confined to genuine investment.

When he turns his attention to commodities, the speculator is often accused of being not only useless but a serious economic evil, because it is alleged (though Mr Darling is innocent of this fallacy) that he somehow succeeds in taking money out of the pocket of the producer by making goods too cheap and of the consumer by making them too dear. It seems to be forgotten that whatever effect a speculative purchase of an article has on its price can only be temporary because it must be balanced ultimately by the effect of the sale which closes the transaction. In fact, it is in commodities that the speculator does his most useful work. He not only, as in the case of securities, makes the market wider and freer and irons out the peaks and depressions by buying and selling when the "real" operators are on the opposite side of the market, and so helps to mitigate fluctuations in prices, but he also helps to provide that forward market which is so invaluable to all who produce raw materials and handle them in the process of turning them into finished articles. The cotton spinner is thus enabled to hedge against a fall in his product by a forward sale in his commodity, and so the speculator helps to make the business of real production less hazardous to those who are engaged in it. Similar work for the good of real trade is done by those who speculate in exchange. In the old days, when the exchanges were swayed by the movements of commodities and capital uninfluenced by the complications of inter-Governmental indebtedness and the well-meant manipulations of central banks, the normal movement of the New York exchange was adverse to London in the autumn when the wheat and cotton bills came forward, and favourable in the early part of the year when New York had to pay interest on British capitalable claims. It was then a regular practice for American houses to draw finance bills on their London connections in the early part of the year and sell the exchange so created at a time when bills on London were wanted, and then close the transaction in the autumn by buying bills on London when they were plentiful. Sometimes, when some unusual event thwarted the normal movement of the exchange, those who carried out these transactions burnt regular that their foresight was rewarded; but whether they made a profit or a loss they helped to steady the course of exchange and to keep it within the gold points, so saving the business community from the anxieties which in those times were often associated with shipments of gold in either direction, and especially when they were from America to Europe before the American monetary system had been reformed by the establishment of the Federal Reserve Banks. So much can be said for the speculator, even when he is evidently doing nothing else but speculate. But we may go further and inquire from those who condemn him as a useless parasite, where they are going to draw the line of demarcation. For from the farmer who sows a field to the shipwright who lays down a vessel, everyone who makes or grows anything is almost certainly involved in speculative risk somewhere in the process. It might perhaps be suggested to Mr Darling that

even that most highly respected figure in the economic world, the banker, has to take speculative risks sometimes when he is engaged in his most useful and legitimate business of financing industry and enterprise. Sometimes they do so unwittingly, as in the old days when they bought Consols in the belief that they could never fall far below par.

THE ASSURANCE COMPANIES ACT.

THE amendment of the Assurance Companies Act of 1909 is in prospect, and for some time past a Board of Trade Committee has been sitting and giving patient hearing to various people representative of the many different aspects of assurance business. The stimulus to which, perhaps, the contemplated tightening-up of the Act is due is the recent notorious failure of such companies as the City Equitable and the City Life; but, apart altogether from those events, there has long been a growing feeling that the existing Act is imperfect, and a consciousness that the developments and extensions of insurance business during the last 16 years have inevitably rendered the Act, framed under conditions very different from those of to-day, insufficiently effective, even if not to be called obsolescent.

The insurance offices themselves, indeed, would have pressed before this for some revision and bringing up to date of the legislation, were it not that there is always a fear that if things be once thrown into the melting-pot the issue may be an undesirable strengthening of the powers of interference by the Board of Trade, with the consequent loss by the offices of that liberty which is so essential to the free development of an ever-growing business. And the fears of the offices in this direction should be the fears of the general public, for the free development of British insurance is not by any means only the concern of the shareholders or the policyholders.

Insurance is one of our most valuable exports; it must one supposes, be called an invisible export, because it does not leave the country in bales and crates, but it is sent abroad in the form of quite visible policies, indemnities, and contracts of all kinds, and, as surely as any other export, secures for us in return the wheat and beef from across the seas, upon which a non-self-supporting community so vitally depends.

It is the unanimous opinion of all the insurance experts that while legislation is required to protect the public against fraud and incompetence, to detect the approach of insolvency, and to prevent the failing company from continuing to attract business, it is essential that interference by the Board of Trade with legitimate enterprise should be kept well within bounds, and that the rigidity of a business literally controlled by a Government Department, with all that that implies, should be avoided at almost any cost.

Under the existing Act, as is fairly well known, the Board of Trade have the power of barking, but cannot bite. They have the accounts sent to them within a certain prescribed time and in a certain prescribed form; if those accounts are considered to be unsatisfactory or insufficient, they have the right to ask questions, and eventually the accounts, with that subsequent correspondence, if any, are embodied in a rather expensive Blue Book, which can be, but seldom is, seen by the general public; there the matter ends, so far as the Board of Trade is concerned, however unsatisfactory or incomplete the accounts and explanations given may be.

No doubt the Blue Book, when it is ultimately available, affords matter for those who make up books of reference and for those who write Press criticisms, and it also furnishes the advocates of rival companies with material for attack. But, for one thing, the interval which elapses between the period over which the unsatisfactory accounting ran and the issue of the Blue Book is often a long one, and during that interval, as we have recently seen in one notorious instance, a company which ought not to be allowed to take another new premium may continue to

trade actively in the desperate effort to retrieve a desperate position; and, for another thing, even when the books of reference put down the facts, and even when the rival advocates attack the company in competition, these are neither of them completely effectual preventives; the average assurer does not read the books of reference, and the average man discounts very greatly the adverse comments of rival advocates. On the other hand, the company, by means of attractive publications and paid agents, carries on its campaign with all its existing impetus. It does seem, therefore, to be an ideal if a way can be found to strengthen the hands of the Board of Trade, and to give it some power of biting as well as barking; to speed up the issue of the Board of Trade publication, and, incidentally, to cheapen it; the task, therefore, of the Committee is to find some method of accomplishing all this without clogging and hindering the enterprise of sound companies, and without imposing on all a rigidity and inflexibility which would hamper development and so impair one of our most valuable exports.

There are many details involved; at present the general certificate as to the value of the assets need only be given by life offices on occasions when a valuation statement is made. There is much division of opinion as to whether this should be given at more frequent intervals, triennially or yearly. The views of the composite office and the purely life office are, on this and on other points, necessarily often divergent. A very general opinion seems to be that so long as the certificate is a strong one, a searching one, it might well be given annually; but one must emphasise the proviso that a weak certificate, even if given annually, would be worse than useless, as giving a false sense of security.

Then, too, the position of the various possible claimants on the funds of a composite office undoubtedly wants clearing up. In the Assurance Companies Act, 1909, section 3, sub-section (2), it is laid down that "a fund of any particular class shall be as absolutely the security of the policyholders of that class as though it belonged to a company carrying on no other business than assurance business of that class, and shall not be liable for any contracts of the company for which it would not have been liable had the business of the company been only that of assurance of that class, and shall not be applied, directly or indirectly, for any purposes other than those of the class of business to which the fund is applicable." To the ordinary lay mind such words have long seemed to mean only one thing, that the life assurance fund was quite inviolable whatever might happen to the fire fund or the accident fund, and have long been supposed to justify the statements, prominently made in the life prospectuses of so many composite offices, that the life and annuity funds are not only kept entirely distinct from all other funds, but are available only for the life assurance and annuity liabilities of the company. It has come as quite a shock to many in insurance circles to find that some do not take this view of the meaning of this sub-section, and that there are many lawyers, well versed in such things, who hold that on the liquidation of a company which had suffered heavy fire losses, but whose life fund would show a surplus on a solvency valuation, such a solvency valuation would in fact be made, and the surplus be available to meet other liabilities of the company; that, in a word, the sub-section refers to the security of the policyholders and not literally to the whole substance of the fund.

A startling proposition for such policyholders, however academic it may be for those in a strong company; it would seem bad enough for such policyholders if on liquidation they lost, as they would do, the benefit of a part of the capital which had been hitherto their security, and, under such circumstances, it would seem more equitable to allow them to mutualise themselves into a separate company. Then again there is the question of the proprietors' proportion of the surplus shown on such a solvency valuation. The point needs settlement, for if this view is right, then the statements of nearly all the composite offices are wrong! Let us put the matter in plain terms as a concrete instance, and for a moment picture an office carrying on fire and life business, and suppose that in the life department, by means of a stringent valuation basis and other devices, large sums are, as is frequently the case, being kept in reserve over and above

what would be necessary if a mere solvency valuation were made; that, in a word, the bonuses being divided from time to time among the policyholders are by no means the bonuses which could be divided if profits were distributed up to the hilt, over and above such reserves as a just sufficiently strong valuation basis necessitated; such a position, indeed, is that of most of the really first-class offices, where, to use a commercial phrase, a sort of equalisation of dividends policy is followed in relation to policyholders' bonuses, and as much attention is paid to the continued maintenance of a scale of bonus as to the magnitude of that scale itself. Then imagine that there is one of the great occasional conflagrations, such as that of San Francisco; imagine the not impossible contingency that two such catastrophes might happen in one financial year—the nightmare possibility though it may be, just as the simultaneous occurrence of two great London fires may be the nightmare of our fire brigade; assume that the disaster is such that all the fire reserves are swallowed up, and then conceive the feelings of the life policyholders if they saw their accumulated surplus, their "suspended bonus," or whatever you like to call it, taken to help to liquidate the fire claims. That such a thing is possible under the law as it stands is held by many to be the case; whether, if so, that must always be the case, and whether legislation should deal with such a position, is a question of enormous importance for the committee's consideration.

Very closely allied to this question, of course, is that of the separation of the assets in a composite company, and the advisability or inadvisability of compelling such companies to earmark the investments belonging to the various funds, whether fire, life, accident, or what not; here it is easy enough, when speaking without much consideration, to say that such separation is obviously the right course; but there are, in fact, immense practical difficulties, and many questions of expediency to be considered; there are times when, quite legitimately, the fire department, for instance, may need ready money; the carrying on of foreign business—our invisible exports again—involves nowadays the deposit locally of innumerable pockets of money; the assets of a great fire department inevitably get tied up here, there, and everywhere all over the world, and the more prosperously the business is developing the less liquid money there is; consequently there is often need for temporary loans; to the general manager and directors it does not seem to be so obviously the proper economic course to go outside to borrow money when, just across the passage, in their life department sits an actuary who continually has money awaiting investment and who is often glad to put money out on temporary loan pending the arrangement of some permanent investment.

Here is a nice question for the Committee, in the first place of principle, and, if the principle be granted, then one of degree, for probably all will feel that there should be some limit to the proportion of the funds so employed, and some regularisation of the amount of definite security, if any, to be given for such loans.

DISTILLERY COMPANIES' PROFITS.

AN authority has deplored the fact that the home consumption of whisky has fallen from 32,050,000 gallons in 1908-9 to 13,039,000 gallons for the year ended March 31, 1925. From figures which we give below, however, it is evident that, from the point of view of the distillery companies, the decrease has been offset either by greater foreign consumption, bigger profits, or better organisation. Perhaps contributions may have been received under all three headings. In any case, the consumption figures stand out in striking contrast to the progress made by the leading distillery undertaking, for 20 per cent. on an ordinary capital of over ten millions is the sign of anything but a decaying industry.

In our issue of October 31, 1925, page 697, we dealt with the profits of a number of brewery undertakings. We propose in this article to deal with the profits of representative distillery concerns. Our first table shows the net profits over the last two financial years, after payment of debenture interest, together with the

amount brought in, and the manner in which available balances were utilised:—

Name and Year Ends.	Amount Brought In.	Net Profit, After Payment of Debenture Interest.	Preference Dividend.	Ordinary Dividend.	To Reserve, &c.	Carried Forward.
Booth's Distilleries 1923-24	£ 8,125	£ 48,893	£ 7,505	£ 18,858	£ 24,377	£ 6,278
Buchanan and Dewar Mar. 31, '24	3,263	62,566	7,566	25,209	26,751	6,303
Dailuine-Talisker Distilleries June 30, '24	96,589	1,102,657	250,730	700,000	150,000	98,517
Distillers' Co. May 15, '24	98,517	1,024,371	250,730	7,500	10,000	97,158
Dublin Distillers June 30, '24	13,741	41,318	4,044	21,393	10,000	19,622
Highland Distilleries Aug. 31, '24	19,207	38,371	4,076	20,882	10,000	22,616
Longmore (William) Sept. 30, '24	107,541	677,914	67,581	358,978	380,000	116,585
Longmorn Glenlivet Distilleries July 31, '24	119,529	1,768,697	102,663	1,286,978	24,490	119,531
Macdonald, Greenlees & Williams Sept. 30, '24	43,200	28,244	21,375	2,625	434	10,269
Power (John) and Son June 30, '24	47,010	21,880	13,725	nil	1,143	17,010
Scottish Malt Distillers July 31, '24	23,645	69,376	..	44,625	25,000	23,346
Seager Evans and Co. Mar. 31, '24	23,346	96,273	..	50,469	36,700	32,450
Walker (John) and Sons Mar. 31, '24	5,200	11,733	..	7,000	4,000	6,040
Longmorn Glenlivet Distilleries July 31, '24	15,535	12,006	..	7,000	4,000	7,046
Macdonald, Greenlees & Williams Sept. 30, '24	16,537	5,845	750	3,750	2,000	16,537
Power (John) and Son June 30, '24	69,906	125,836	23,437	20,000	152,305	17,532
Scottish Malt Distillers July 31, '24	3,683	52,349	24,000	6,000	10,000	..
Seager Evans and Co. Mar. 31, '24	12,914	13,990	24,400	..	16,022	..
Walker (John) and Sons Mar. 31, '24	18,368	49,972	8,464	7,913	40,000	17,504
Longmorn Glenlivet Distilleries July 31, '24	11,963	68,886	8,553	7,913	40,000	11,965
Seager Evans and Co. Mar. 31, '24	4,781	117	..	11,256	8,377	9,250
Walker (John) and Sons Mar. 31, '24	2,014	1,446	..	..	..	2,014
Longmorn Glenlivet Distilleries July 31, '24	171,063	1,435,999	110,717	251,000	250,775	185,253
Macdonald, Greenlees & Williams Sept. 30, '24	..	..	87,500	270,900	120,000	128,662

The Distillers' Company has now the leading position in the industry. Profits as shown in our table require some explanation. As compared with a year ago net profits amount to £1,014,617, as against £677,914. The former figure was increased, however, by the inclusion of £593,610, being dividends received from Buchanan-Dewar, Limited, and John Walker and Sons, Limited. These fusions, which are referred to in detail later on, called for a capital reorganisation not shown in the balance-sheet figures. Thus the interim dividend was 6½ per cent. on 3,800,000 £1 ordinary shares, while the final dividend was 13½ on 10,295,963 £1 ordinary shares, making 20 per cent. for the year, the final distribution absorbing £1,104,920. The Highland Distilleries had a good year, the net profit amounting to £96,273, in comparison with £69,326. The distribution to the ordinary shareholders was thus raised to a total of 46 per cent., against 35 per cent., including on the present occasion a bonus of 16½ per cent., against 15 per cent. in the preceding year. The accounts of John Walker and Sons were closed at March 31st, and therefore cover a period of only ten months. Moreover, the previous accounts were for the period from the end of 1922 to May 31, 1924, so that, although direct comparison cannot be made, the net profit shown in the present accounts of £435,999 compares favourably with a total of £797,245 for the last year. The directors state that the alteration in the date of the accounts has been made to meet the convenience of the Distillers' Company (whose financial year ends on May 15th in each year), which has acquired the greater part of the ordinary shares of the company. The ordinary dividend is 20 per cent. against 21½ per cent., but whereas in the earlier period it was paid free of tax, it is now distributed less tax. The general reserve is strengthened by £100,000, against nothing in the previous accounts, while property reserve account rose from £48,893 to £62,566, and the ordinary dividend was maintained at 10 per cent. on an increased capital. The sum of £26,751 is this time reserved, against £24,377 for 1923. Scottish Malt Distillers earned net profits of £68,886, in contrast with £49,972, the dividend was increased from 10 to 12½ per cent., and £55,000, against £40,000, was placed to reserve. The directors of trading "has not been more favourable. The depression so keenly felt in trade generally has reflected with exception to this adverse condition the continued excessive taxation must be added." Net profits declined from time, received £13,990, and ordinary shareholders who, last in spite of the fact that the reserve fund was drawn upon

to the extent of £15,000. Seager Evans, in presenting the accounts, also draw attention to "the continuance of high taxation, coupled with increasing unemployment and general trade depression," which have resulted in a loss of £1,246 compared with a profit of £117. The ordinary dividend for 1923-24 of 5 per cent. was paid with the aid of £8,372 taken from reserve. The operation has not been repeated, and ordinary proprietors in this case also receive no return. The Dublin Distillers has had a particularly unsatisfactory experience, a profit of £28,244 being converted into a loss of £21,880. For 1923-24 the preference shareholders received an extra 3s 6d per share. This is not repeated, while the ordinary shareholders receive no payment, compared with 1 per cent. Buchanan-Dewar suffered only a slight reduction in profits, and while the reserve appropriation of £150,000 has not been repeated, the ordinary dividend is 25 per cent., against 17½ per cent. A comparison of the results of MacDonald, Greenlees and Williams, in the absence of earlier accounts, is not possible, the secretary declining to furnish us with the report for the year ended September 30, 1923, "as this company had not at that time made any public issue of capital, all the shares being then held privately."

The following table is an analysis of the balance-sheets:—

PRINCIPAL LIABILITIES AND ASSETS.

Name.	Share Capital Paid Up.	Debs. and Loans.	Cre- ditors.	Prop- erties, Plant, &c.	Stocks.	Cash and Invest- ments.	Debtors.
Booth's Distilleries 1923-24	£ 440,560	£ 677,557	£ 38,603	£ 193,246	£ 357,191	£ 129,543	£ 341,354
Buchanan-Dewar Mar. 31, '24	535,532	633,502	79,838	199,023	372,305	15,919	397,680
Dailuine-Talisker Distilleries June 30, '24	9,367,038	..	6,183	..	..	9,484,438	650,554
Distillers' Co. May 15, '24	9,517,038	..	5,752	..	..	9,721,476	476,728
Dublin Distillers June 30, '24	283,335	..	53,049	150,000	108,674	98,005	32,752
Highland Distilleries Aug. 31, '24	293,335	..	57,591	150,000	92,799	113,692	50,039
Longmore (William) Sept. 30, '24	6,400,971	1,835,179	541,745	1,594,000	308,275	6,789,762	305,071
Longmorn Glenlivet Distilleries July 31, '24	6,851,547	1,900,284	689,779	1,465,500	233,743	7,78,828	322,857
Macdonald, Greenlees & Williams Sept. 30, '24	742,648	363,834	7,559	390,434	401,777	146,561	38,946
Power (John) and Son June 30, '24	168,029	1,800	6,810	591,143	423,326	136,097	28,842
Scottish Malt Distillers July 31, '24	193,023	..	48,474	65,448	128,327	50,836	51,032
Seager Evans and Co. Mar. 31, '24	26,290	67,398	64,290	67,398	145,136	51,800	92,150
Walker (John) and Sons Mar. 31, '24	63,170	..	3,758	8,000	26,753	40,331	6,741
Longmorn Glenlivet Distilleries July 31, '24	67,307	..	2,621	8,500	26,334	44,511	6,493
Macdonald, Greenlees & Williams Sept. 30, '24	39,638	..	431	26,663	19,132	12,118	4,865
Power (John) and Son June 30, '24	41,761	..	463	25,995	21,264	13,359	3,096
Scottish Malt Distillers July 31, '24	672,256	393,852	431,085	70,961	987,684	297,228	163,223
Seager Evans and Co. Mar. 31, '24	877,982	..	6,989	617,474	160,969	116,898	42,071
Walker (John) and Sons Mar. 31, '24	872,982	..	8,454	619,133	164,802	90,721	43,481
Longmorn Glenlivet Distilleries July 31, '24	423,297	63,000	43,928	218,470	111,261	165,724	48,386
Seager Evans and Co. Mar. 31, '24	472,968	14,000	36,195	226,210	107,272	168,463	33,499
Walker (John) and Sons Mar. 31, '24	255,114	20,175	17,051	86,775	121,392	20,987	69,733
Longmorn Glenlivet Distilleries July 31, '24	255,114	20,250	26,879	79,726	116,145	29,227	71,191
Macdonald, Greenlees & Williams Sept. 30, '24	3,178,672	2,000,000	1,743,495	323,853	1,195,522	511,619	..
Power (John) and Son June 30, '24	3,202,748	2,000,000	1,705,320	349,702	1,187,248	426,707	..

The Distillers Company announces that, as explained to shareholders at the last meeting, there have been acquired "the two old-established gin businesses in London, carried on by Boord and Son, Limited, and Sir Robert Burnett and Co., Limited, respectively, and has issued, as part payment of the purchase price thereof, 115,000 new ordinary shares of £1 each, and 50,000 new preference shares of £1 each." This had the effect of bringing up the issued capital to the then authorised total of £6,000,000. Effect has also been given to the resolution confirmed in May last, to increase the authorised capital to £15,000,000 by the creation of 9,000,000 new shares of £1 each. "They have also exercised the powers conferred upon them to acquire the ordinary shares in Buchanan-Dewar, Limited, and John Walker and Sons, Limited, so far as the company's offer has been accepted by the respective shareholders of these companies, and have allotted up to this date 6,460,859 new ordinary shares of £1 each, fully paid, in respect of such acceptances, including the 50,000 shares agreed to be allotted as capital compensation for loss of office to certain directors of John Walker and Sons, Limited." It is further stated that, "while the increase in the company's authorised capital was carried through before the end of the financial year under review, it was not possible to complete the transfers from, or allot the new shares to, the shareholders in the other two companies referred to before that date. By the terms of the offer this company is to receive the final dividends payable on the shares purchased in the other two companies for the financial year of these companies current at date of offer, and is to pay to the sellers a sum of net interest equal to the final dividend payable on this company's previously existing ordinary shares for

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the financial year to May 15th last as the equivalent of said dividend." In the carrying out of this important amalgamation the company has increased the ordinary share capital by over 170 per cent., bringing the total issue of ordinary shares up to 10,289,812 shares, which, added to the preference capital, makes a total issued capital of nearly 12½ millions, against an authorised issue of £15,000,000. The alteration in Booth's capital account was made by the issue to shareholders of 123,034 ordinary shares of 13s each at 14s per share. It is stated in the report that the premium on the issue practically suffices to defray the underwriting and issue expenses. The present accounts of Highland Distilleries show the elimination of an item of £1,800 in respect of "Debenture Bonds." These, presumably, have been paid off. There has been no pronounced general movement in either creditors or debtors, but the total of cash and investments is, in the majority of cases, higher than a year ago. Properties and plant figure for practically the same as in 1923-24.

Our concluding table shows dividends on ordinary shares during past two years, also present prices and yields, compared with a year ago:—

Name.	Dividends on Ord. Shares.	Prices of Shares as Shown Against Name.	End of Present Year.
	1923-4.	1924-5.	Oct. 24, Oct. 25, Yield.
Booth's Distilleries, ord. (13s)	10	10	No quotation
Buchanan-Dewar, 6% cum. pref. (£1) ..	17½	25	1½ 5 13 0
Dailuine-Talisker Distilleries (£1) ..	20	25	No quotation available
Distillers Co., ord. (£1) ..	10	20	2½ 6 8 0
Dublin Distillers, ord. (£5) ..	1	nil	4 6 4
Highland Distilleries, ord. (£1) ..	35	46	15 16 13 3
Longmore (William), ord. (£5) ..	20	20	18 7 5 0
Longmorn-Glenlivet Distilleries, ord. (£1) ..	10	10	No quotation available
Macdonald Greenlees and Williams (£1) ..	2	nil	13 9 3
Power (John) and Son, 8% cum. pref. (£1) ..	10	12½	34 3 11 6
Seager, Evans, and Co. ord. (£1) ..	5	nil	1 6 7 6
Walker (John) and Sons, 7% cum. pref. (£1) ..	20	21½	1½

(a) For 1922-23. (b) For 1923-24. (c) Free of income-tax. (d) Ten months. (e) Lowest price 1924.

It should be noted that dividends as given above refer only to those paid on the ordinary shares of the various companies. Two outstanding movements in share values are presented in the table. First has to be noted a rise in Highland Distilleries ordinary from 4½ to 7½, and, second, a similar movement in Scottish Malt Distilleries from 1 27-32 to 3½. The fusions and amalgamations which have taken place, and which may take place, do not in the long run induce the conservative investor to lend support. Movements are sudden, and future yields are difficult to follow.

The chairman of the Distillers Company made some interesting comments at the annual general meeting. He said "I noticed recently that the Scottish Conference on Agricultural Policy in their report favour the imposition of a duty on imported foreign barley as a remedy for agricultural distress. It never seems to occur to them that a duty on malting barley, if it is to have the effect desired, must lead to an increased cost of whisky and beer, which if passed on to the consumer will inevitably lead to a further shrinkage in the consumption and to a diminished use of barley, the sale of which the farmers desire to stimulate."

The future of the distilling industry is one which needs careful consideration by investors. The problem of prohibition comes up for consideration. If consumption is falling in this country, the question of prohibition may be perhaps less insistent. But that is only as far as this country is concerned. Other countries may possibly follow the example of the United States. And among

these countries may perchance be those which take our exports of whisky. Against this, however, has to be weighed the point that no immediate danger seems to threaten from this source, and the stronger companies are enjoying a very prosperous time.

SYNTHETIC NITRATE.

(BY A CORRESPONDENT.)

THE fixation of atmospheric nitrogen, and the manufacture therefrom of various synthetic products, including ammonia, nitric acid, sulphate or chloride of ammonia, and other nitrogenous compounds of the greatest economic importance, is one of the epoch-making developments of recent times. Such products are vitally essential both for the manufacture of fertiliser and food production, and also for the supply of munitions. In 25 years the world's consumption of nitrogen compounds has doubled, and has this year nearly reached its pre-war figure of 4,000,000 tons. Of this huge total some 2,500,000 tons consisted of Chilean nitrate, just before the war, and about 1,500,000 tons of ammonium sulphate from gas works and coke ovens. There should be almost unlimited demand if prices were appreciably lower—as contemplated by the synthetic groups—and if soil fertility throughout the world is to be adequately conserved.

Germany, whose imports of Chilean nitrate were 800,000 tons per annum before the war, dropping to zero during the war, had to depend entirely on her own comparatively new synthetic processes, together with ammonium sulphate from gas works and coke ovens, to enable her to continue the war; and on the synthetic side she made such progress that she is now able to do without Chilean nitrate altogether. Most of the leading nations of the world have now realised the supreme importance of the various synthetic processes, of which at least four different types are in successful operation.

Since the war France has been getting large supplies of the synthetic product from Germany—first, under the terms of the Treaty of Versailles, then under the Dawes Plan, and a more or less private agreement between the Comptoir français de l'Azote and the German Stickstoff-syndikat (Nitrogen Syndicate). Under this latter agreement she should obtain from Germany about 200,000 tons of nitrogenous fertiliser for the two years ending May 31, 1927. It is officially estimated that French consumption in 1930 will have increased to 150,000 tons in terms of nitrogen, or 900,000 tons of nitrogen compounds. (There is one ton of nitrogen in five tons of ammonium sulphate or calcium cyanamide, or in 6½ tons of sodium nitrate.) Of the total just named at least 650,000 tons will probably, by that time, be supplied by the French synthetic industry. The German Haber (or Haber-Bosch) process is now being worked on a large scale at Toulouse, under the auspices of the French Government. The French process—that of the eminent engineer, Georges Claude—is being successfully worked on a moderately large scale at several places in France, and in numerous localities outside France—e.g., in Spain, U.S.A., Japan, Italy, Belgium, and Poland. A popular form of the synthetic product is that of calcium cyanamide made on a large scale in the U.S.A., and now being produced in France at the rate of about 50,000 tons per annum. The output from this source is steadily increasing. France, however, still imports large quantities of Chilean nitrate (264,000 tons in 1924), for, as is also the case with Germany, her farmers fully appreciate the value of nitrogenous fertiliser, and the demand not only maintains the Chilean, but also stimulates the synthetic business. It is expected, however, that imports of the Chilean product will gradually decline.

In Italy the synthetic processes, Claude, Casale, Fauser, are making remarkable progress, perhaps more so than in any other country. Italian consumption in 1924 amounted to about 153,700 tons of nitrogen products, including 60,000 tons calcium cyanamide, 40,000 tons ammonium sulphate, and 50,000 tons sodium nitrate. It seems probable that one of the most popular and successful types of plant will be the Italian Casale, which is not only established in Italy, but is also well represented in

France—e.g., at St Auban—and is under construction at Toulouse, Roche-la-Molière, and elsewhere. Casale plants are also contemplated in this country and in other parts of the world. In Italy they are working for the S.I.A.S. at Terni and Nera Montoro; Claude plants are working at Bussi for the Società Azogeno, a company with a capital of 30,000,000 lire and headquarters at Milan; Fauser plants are worked by the Soc. Piemontese Ammonia at Novara, and by the Soc. Montecatini Ammonia at Agordino. Other plants of this last-named company or its subsidiaries are working at Coghinis in Sardinia, and at Sinigo, near Merano. Another Claude plant is contemplated at Vado, probably by the Azogeno people, and a Fauser plant at Cotrone. There is a considerable amount of syndicalism, or associated working, among the Italian companies. The largest appears to be the Montecatini group, which is also associated with another large concern, the S.I.A.S. (Soc. Italiana Ammonia Sintetica); and international agreements for concerted operations are spreading over the world. The present position is of great interest and some complexity, and well worth watching. Synthetic production in Italy in 1924 amounted to about 105,000 tons. For 1926 an output of 252,000 tons is predicted, and for 1927, 300,000 tons. These figures, however, are dependent on prices and on fluctuating water-power supplies. The price position is referred to later, and the risk of over-production is by no means remote.

Norway, next to Germany, or perhaps before Germany, was among the early pioneers of the new industry. Here the arc process is chiefly used, largely owing to the existence of cheap water-power. The arc process, by the way, was also tried in Germany, and was to some extent of German origin—i.e., the Birkeland-Eyde furnace—but had to be abandoned for various obscure reasons, including risk of explosion; but this latter reason in itself is not of much moment, for all the various processes are attended with some risk of explosion. This was particularly the case in the early days, but the risk has now been much reduced, and safe working practically guaranteed. The Norwegian product consists mainly of nitrite (not nitrate) and cyanamide. Germany is interested in the Norwegian industry, and an agreement has recently been concluded between the B.A.S.F. (Badische Anilin-u. Soda-fabrik) and Norwegian interests.

Great advances are being made in the U.S.A., where the arc process is also much in favour, especially in the North-West—that is to say, in Washington and neighbouring States, where there is abundance of water-power. The American Nitrogen Products Company has had a plant working at La Grand, Washington, for the manufacture of sodium nitrite almost continuously since 1916, and has lately enlarged its plant. The more extensive application of the arc method in the North-Western States was discussed in some detail a short while ago by H. K. Benson in a paper read before the American Chemical Society. Another important American concern engaged in the business is Azote Incorporated, associated with the Claude process at Clinchfield, and contemplating big extensions. Two plants (one of them Casale) have been erected by the Hooker Chemical Company at Syracuse and Niagara Falls; and the Mathieson Alkali Company also has a small plant. The great works at Muscle Shoals, manufacture, but the future of these works is still unsettled. The matter. The du Pont plant at Clinchfield is said to be a much more efficient modification of the Claude process, and 25 per cent. better than the British plant at Billingham. The claim comes from American sources, as ment and other research institutions now actively engaged in nitrogen fixation study have succeeded in perfecting a highly efficient catalyst, forming the basis of a special New York Chemical Exhibition, held week ending October 3rd, in the Grand Central Palace. In America, of synthetic origin is being placed on the market, containing not only nitrogen, but also the equally essential phosphorus. One of these new compounds, phosphazote, containing the most valuable form of nitrogen—namely,

urea—and also acid phosphate, is now being made in Switzerland; and large works for its manufacture have just been completed in Norway. A similar product, obtained through cyanamide as intermediate, and known as ammo-phos, is made in the U.S.A. The activities of the American Cyanamid Company are also fairly well known in this direction.

In Great Britain some attempt was made to develop the Claude process on a large scale by the Cumberland Coal and Power Company, which, however, unfortunately came to grief. We in this country are now mainly dependent on one solitary firm, Synthetic Ammonia and Nitrates, Limited, a subsidiary of Brunner, Mond, and Co. Why Great Britain should be content to depend solely on one firm and one process in this important industry is hard to understand in view of the progress made in other countries. Synthetic Ammonia and Nitrates, Limited, recently increased their capital by £2,000,000 under the Trade Facilities Act. The Italian inventor, Professor Casale, was over here some months ago, and it is understood that his process may soon be working in England.

Other countries taking up the new industry with considerable vigour and enthusiasm are Belgium, Japan, Spain, Switzerland, and Czechoslovakia. This world-wide activity, taken in conjunction with a re-awakening of Chilean nitrate interests to the seriousness of this new competition, might easily result in over-production unless there is a stimulation of demand through substantially lower prices. It is understood that the synthetic groups not only hope to reduce prices from the present average of about £14 per ton to the low level of £8 per ton, but also to place on the market much more efficient fertilisers, especially of the double-type noted above. This ought, furthermore, to have a revolutionary effect on world food production and on food prices. Since there are about 20,000,000 tons of nitrogen in the atmosphere over each square mile of the earth's surface, there seems to be an adequate source of supply. On the other hand, the demand could be hugely augmented at the right price if the world's soil fertility is to be properly maintained; and with increasing population it must be so maintained. Dr Jacob Lipman, of the New Jersey Agricultural Experimental Station, has estimated that the annual loss of nitrogen from all land under cultivation in the U.S.A. by removal of crops, and not replaced by fertiliser or ploughing-in of leguminous crops—i.e., nitrogen-fixation crops—is about 3,500,000 tons of nitrogen, equivalent to 20,000,000 tons of ammonium sulphate. The wider question as to whether the application of artificial—e.g., synthetic—fertiliser is the best way to restore soil fertility, or whether Nature herself, through the intermediary of suitable crops and rotations, should not do it, cannot be discussed here.

PROCEEDINGS OF THE COAL COMMISSION.

THE Royal Commission on the Coal Industry continued its public sittings at the Houses of Parliament this week. The salient points of last week's evidence were reviewed in an article on page 698 of *The Economist* of October 31st. The members of the Commission, it may be recalled, are Sir Herbert Samuel, chairman, Sir William Beveridge, General Sir Herbert Lawrence, and Mr Kenneth Lee.

On Tuesday last Dr Rudolf Lessing, member of the Institute of Mining Engineers, put forward certain views on the essential conditions of revival in the coal industry, declaring that coal must not only be produced more cheaply, but its value be enhanced by the extended use of refining processes. More attention must be paid to the preparation of coal for the market and its conversion, whenever possible, into more highly-priced products. The witness criticised the present arrangements for washing coal at the mines, and declared that the proportion of ash in coal put on the market was not less than 10 per cent., which, on an annual output of 250 million tons, produced no less than 25 million tons of incombustible material. Although the consequential loss from lowered combustion and carbonising efficiency could not be accurately estimated, it would be safe to put the total non-productive expenditure of the country, as a direct result of insufficient coal pre-

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paration, at something between £10 millions and £20 millions per annum.

Evidence was given on the following day by Mr David Milne Watson, on behalf of the National Gas Council of Great Britain and Ireland. The latter body represents local authorities and company undertakings accounting for about 90 per cent. of the total make of gas in the country. Mr Watson gave figures showing that the gas industry in Great Britain used last year 18,104,000 tons of coal, and made about 285,000 million cubic feet of gas. It had an invested capital of over £160 millions, and employed 100,000 men, with a wage-roll of £15 millions. The number of gas-users was estimated at 36 millions. The witness claimed that the industry was the chief conservator of British coal, since it applied the latent heat in the coal to practical purposes with the highest degree of efficiency, while its bye-products were the basis of numerous other industries. It produced annually some 10 million tons of smokeless fuel, 172 million gallons of tar, and 167,000 tons of sulphate of ammonia. Its coal carbonisation had risen from 13.9 million tons in 1903 to 16.6 million tons in 1913, and 17.3 million tons in 1924, but owing to advancing efficiency the gas made, in thousands of cubic feet, had risen from 159.9 millions to 259.8 millions and 275.2 millions in the same years respectively. The witness stated his belief that low temperature carbonisation had not so far been a commercial success. It was essential for the needs of the gas industry that coal should be as cheap as possible, and that the utmost freedom of choice should be allowed in the selection of the most suitable coal. Although there was no competition between the various gas companies—no company being allowed to enter the settled area of another—the companies had, in fact, owing to statutory regulations, a financial interest in maintaining the price of gas at as low a figure as possible.

Dr C. S. Myers, speaking on behalf of the National Institute of Industrial Psychology, stated that the Institute carried out investigations between 1922 and 1924 in collieries situated in four northern areas. They formed unfavourable opinions regarding certain colliery arrangements, particularly as regards transport facilities in the mines, congestion at the washery and the pithead, and the imposition of a common penalty for "dirt" without reference to varying conditions in the seams. In one colliery as much as 80 to 83 per cent. of working time at the coal face was lost owing to defective mine transport. Under cross-examination, the witness stated that these figures referred to actual time at the coal face, the percentage of loss to total time underground being 45, while in other mines the figures were much lower. After further discussion, the chairman decided that this evidence must be taken as representing a very special case, where conditions were at their worst.

On Thursday, November 5th, Sir Richard Redmayne, formerly Chief Inspector of Mines, gave further evidence, stating his conclusion, from available statistics, that the present depression in the British coal export trade was part of a world depression, from which Great Britain had, in fact, suffered slightly less than the world at large. Although considerable advantage would result from amalgamation of different mines, he considered that very careful preliminary consideration would be necessary. He believed that coal would remain the most important of all sources of power for many years to come, and that an increase in the world's coal requirements would go on concurrently with the development of

other power resources. Although Germany would probably become increasingly formidable as a competitor, the present management of British coal mines was not inferior to that of any country in the world. The output per man per shift, according to recent official figures, was 18 cwt in Great Britain, as against 11 cwt in France, 9½ cwt in Belgium, and 16½ cwt and 17½ cwt in two German areas. He reiterated his opinion that a return to the eight-hour day would result in a 10 per cent. increase of output, with enhanced earnings for the miners. The Commission then adjourned until Wednesday, November 11th.

Notes of the Week.

The Lesson of the Municipal Elections.—The chief feature of this week's municipal elections, both in London and in the country, may be broadly described as a grand assault by the Socialist Party which achieved a partial success. In the great boroughs of the Midlands and the North the only really sweeping Labour success was the obtaining of complete control at Wigan. In London Labour won a majority on the councils of two fresh boroughs, Stepney and Shoreditch, and is now in the position of controlling the proceedings of eight London councils. In London, as a whole, Labour won 47 seats, while the Municipal Reformers lost 21 and the Progressives 21, the latter now remaining on the councils in very attenuated numbers. Tabulated figures for the whole country are not available at the moment of writing, but the London figures disclose several important facts. After their 47 fresh victories, the Socialists occupy just under 27 per cent. of the seats on the London borough councils, that is 364 out of a total of 1,366. The percentage of voters going to the poll was about 45 per cent., a figure which, though still eloquent testimony to the public apathy in municipal affairs, shows a welcome advance on the figure of 36 per cent. in 1922 and 28 per cent. in 1919. But by far the most important lesson to be learnt from the London figures is the absolute failure of the present voting system to reflect in the membership of the councils a true picture of the opinions of the electors. The application of the system of the straight vote in contests where a number of candidates come forward has produced even more glaring anomalies than the last Parliamentary elections. Some striking instances are given by Mr J. H. Humphrey in Thursday's *Westminster Gazette*. There are, he points out, seven boroughs where minorities have been left without any representative at all. The Hackney statistics alone are sufficient to demolish the present system's claim to a place in the machinery of representative government. Here the anti-Labour parties polled 184,702 votes and obtained 60 seats, while Labour, which polled 93,325 (or more than half the anti-Labour total) fails to elect a single member. In the Church Ward of Shoreditch the result was equally absurd, and this time, from the Party point of view, the boot was on the other foot. There Labour, with a poll of 7,512, gains all nine seats, none going to the Municipal Reformers, who polled 5,092, or Progressives, whose figure was 3,792. Labour, in fact, is in a substantial minority, but none the less sweeps the whole of the representation. Such inequities and absurdities as these should serve to concentrate public attention on the extreme urgency of a reform in our electoral system.

Dominion General Elections.—While Great Britain has been occupied with the mild amusement of electing borough councils, several of the Dominions have been performing the more serious task of choosing federal Parliaments. In Australia polling day is a week ahead. New Zealand has polled this week, while the results of the Canadian general election are now practically complete. In New Zealand the retiring Government has achieved a signal victory, and Mr Coates, who recently succeeded to the Premiership on the death of Mr Massey, has received a striking vote of confidence for himself and the Reform party. In the last House the Reform party had 38 mem-

bers, the Nationalists 21, Labour 17, and Independents 4. The latest available figures show that in the new House Mr Coates may count on 55 seats, whereas Labour has 13 and the Nationalists, Liberals, and Independents cannot be certain of more than 12. Mr Coates returns to power with a very strong majority. In Canada the experience of Mr Mackenzie King, the Prime Minister, and the Liberal party has been less happy. Subject to one doubtful result, the position seems to be as follows:—Conservatives, 116; Liberals, 102; Progressives, 23; Labour, 2; Independents, 1. Both the Liberals and the Conservatives have done rather better, and the Progressives worse than was suggested in the forecast which we published a fortnight ago from an Ottawa correspondent. The result is, on the surface, a deadlock. But since the election was fought by the Conservatives largely on the Tariff issue, and on that subject the Liberals are assured of the support of the Progressives, Mr Mackenzie King has decided to remain in office and meet Parliament. Even with Progressive support, however, Mr King's margin will be a slender one, and he will be facing a delicate essay in minority Government. Although it seems likely that a quick second election, undesired in any quarter, will be avoided, the precarious party balance will mean a period of political indecision. The seriousness of this fact is, however, lessened by the absence of any really fundamental cleavage between the two big parties, except on the tariff issue. And on that point the verdict of the Canadian electorate is clear. There is a majority against higher tariffs.

Our Index Number.—A substantial decline in commodity prices in October is largely due to good crop news. Our index number as at the end of the month shows a decline of 100 points, and this is more than accounted for by lower prices for cereals and for cotton. Apart from these movements and a sharp rise in jute, changes were comparatively small. The following table gives the latest figures for each of the five groups:—

Date.	Cereals and Meat.	Other Food Products (Tea, Sugar, &c.).	Textiles.	Minerals.	Miscellaneous (Rubber, Tin, Iron, &c.).	Total.	%
Basic (avg. 1901-5) ..	500	300	500	400	500	2200	100.0
End July, 1914	379	352	518	464	553	2266	116.6
" Nov., 1918	1289	782	1848	908	1389	6212	282.6
" Mar., 1920	1508	914	2974	1246	1709	8352	379.6
" Dec., 1920	1344	805	1284	1216	1275	5924	269.3
" Dec., 1921	921	636	1106	762	931	4357	198.0
" Dec., 1922	861	706	1184	705	807	4264	193.8
" Dec., 1923	853	815	1382	774	755	4580	208.2
" Mar., 1924	897	843	1313	805	780	4640	210.9
" June,	914	736	1347	764	769	4531	205.9
" Sept.,	1003	777	1395	762	790	4729	214.9
" Dec., 1925	992	789	1452	815	806	4855	220.7
" July,	908	704	1234	736	791	4351	197.8
" Aug.,	952	718	1274	756	809	4446	202.1
" Sept.,	934	702	1235	748	796	4450	202.3
" Oct.,	886	699	1203	749	788	4327	196.7

The decline of 48 points in the first group is almost entirely due to cereals, which are all substantially lower. Flour was unchanged on balance after having been lower, and there was a decline in potatoes, and meat was slightly lower. In subsidiary foodstuffs a small increase in tea was offset by declines in sugar and butter. In the textiles section cotton prices show a sharp decline, thanks to the surprising expansion in the two official estimates of the American crop published during the month. The fall in the American cotton was accompanied by a pronounced decline in Egyptian cotton, and both cotton yarn and cloth have also fallen. These declines, however, were partly offset by a sharp rise in jute, which advanced rapidly in the second part of the month. There was a slight increase in Australian wool, but British wool was unchanged on balance. In the minerals group pig-iron was again a shade lower, and there was also a reduction in iron bars and steel rails for the first time for two or three months. Steam coal was lower, but there was a slight increase in household coal. Tin fluctuated violently during the

month, and accounts for an increase of nine points. In the miscellaneous group a further rise in rubber was offset by declines in oils, oilseeds, and tallow. In the table below we show the changes in the index number for each commodity in comparison with that for the end of September, the figure 50 representing in each case the average level during the basic period of 1901-5:

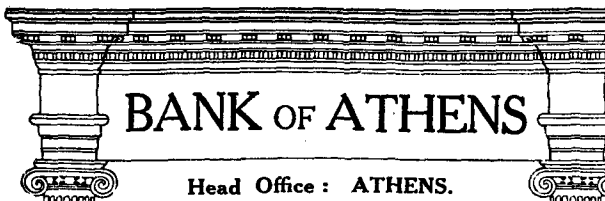
	Index Number.	Inc. or Dec.		Index Number.	Inc. or Dec.		Index Number.	Inc. or Dec.
Wheat—For.	924	-13	Cotton, A	97	-20	Copper	52	+1
English	81	-54	Cotton, B	157	-35	Minerals	749	-24
Flour	84	-	Yarn	109	-15			
Barley	93	-11	Cloth	111	-10			
Oats	72	-49	Wool, Eng.	128	-	Baltic timber	96	-
Potatoes	119	-63	Do Aust.	123	+24	Amer. timber	80	-
Rice	73	-5	Silk	108	-4	Leather	51	-
Beef	93	-1	Flax	108	-6	Petroleum	100	-
Mutton	103	-1	Hemp	58	-3	Oils	72	-34
Pork	103	-1	Jute	202	+45	Oilseed	81	-4
Cereals & meat	886	-48	Textiles	1,203	-47	Tallow	74	-2
Tea	164	+4	Pig-iron	71	-1	Indigo	90	-
Coffee	138	-2	Steel rails	62	-4	Crystals	85	-
Sugar, cane	85	-3	Iron bars	86	-3	Rubber	47	+10
Sugar, beet	101	-2	Coal, steam	116	-24			
Butter	101	-2	House coal	85	+4	Miscellaneous	788	+3
Tobacco	116	-	Lead	160	-9	Total	4,327	-100
Other foods	699	-3	Tin	112	+9			

These changes reduce the increase in the total over the figure for the end of July, 1914, to 68.3 per cent., as compared with 72.6 per cent. at the end of September. In a final table we show how the various groups contribute to the general increase over the pre-war figure:—

End of—	Cereals & Meat.	Other Food.	Textiles.	Minerals.	Miscellaneous.	Total.
July, 1914	100	100	100	100	100	100.0
Dec., 1918	226	222	293	186	241	237.5
Mar., 1920	261	260	484	269	309	325.6
Dec., 1920	233	229	309	261	230	230.9
Dec., 1921	159	180	180	164	168	169.6
Dec., 1922	151	194	181	150	148	163.3
Dec., 1923	149	200	193	152	146	166.2
Dec., 1924	148	231	225	167	136	178.6
Dec., 1925	171	224	235	175	146	189.3
June, 1925	153	200	200	159	143	169.6
July,	157	198	207	163	146	173.3
Aug.,	164	204	200	161	144	173.5
Sept.,	161	199	203	162	143	172.6
Oct.,	153	199	195	161	143	168.8

At the end of April, when the gold standard was restored, the increase shown by the total was 77.4 per cent. At that date cereals and meat stood at 163, other food at 206, textiles at 221, minerals at 160, and miscellaneous at 140.

M. Painlevé's Problems.—The French Prime Minister, reconstructing his Cabinet in order to exclude M. Caillaux to propitiate the Socialists, can hardly claim complete success for his move, for the vote of confidence the new Ministry sought in the Chamber was accorded it by a majority of no more than 32 votes, and the Government's total was only 221 out of a House comprising in all 584 members. The Socialists, with a few notable exceptions, abstained in a body, and there is no guarantee that at any moment they will not cast their votes against the Government, for they are definitely opposed to the Morocco policy, which the Cabinet is bound to defend, and on the dominating issue of finance it is clear that they are not going to be satisfied with the half-measures M. Painlevé may propose in the direction of a capital levy. The Right, on the other hand, finds in events in Syria an effective weapon against the Government, and the recall of General Sarrail, so far from disarming criticism, is being hailed with some reason as complete justification of the attacks on the Radical General's administration. It looks, in any case, as though the Government would be allowed to stand till the new financial proposals are laid fully before the country. The forecast of their character embodied in the Prime Minister's general statement to the Chamber is well enough so far as it goes. All expenditure, of whatever kind, must be covered by revenue. It must, indeed, be more than covered, for the reduction of debt must be taken in hand forthwith. To that end a sinking fund, "not only autonomous and independent of the State, but in full



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control of its own resources," must be created, such a step being made possible by an exceptional national sacrifice in which all forms of wealth must share. That means whatever it may be seen to mean when these laudable generalities are translated into detailed proposals. The fundamental fact remains that without an unprecedented effort involving tax increases all along the line no hope can be entertained of staving off serious disaster. The franc has gone this week to 120, and refuses to improve substantially on that figure. M. Painlevé's financial proposals, when they are disclosed, may be found to be intrinsically bad, but the process of defeating Government after Government because bourgeois France and Socialist France have different ideas as to how the burden of increased revenue should be shouldered must be brought to an end somehow.

A Chinese Tariff Scheme.—Rumours about America's intentions regarding the Chinese tariff revision scheme gave place on Tuesday to something much more decisive when the chief delegate of the United States brought forward a definite set of proposals, the main feature of which was the provision that, subject to the fulfilment by China of certain definite preliminary conditions, all restrictions on her full fiscal independence should cease on January 1, 1929. That means that China's own demand is substantially met, and a further conciliatory step is the proposal that an increase of the present duty by a 2½ per cent. surtax, and an additional 5 per cent. on luxuries, may be levied three months after the signature of the agreement now under negotiation. These provisions appear to have the general support of the Powers, with the doubtful exception of Japan. The vital point, however, is not the concession to China, but the conditions on which the concession depends. Tariffs on every frontier are to be uniform, whereas at present those on land frontiers are only two-thirds of the maritime. Soviet Russia will clearly have something to say about the proposed change. Likin, moreover, is, of course, to be abolished, and as compensation the American scheme includes provisions for the distribution of part of the increased customs duties among the provinces. The existing customs administration, the principal feature of which is the appointment of foreigners to the chief positions, is to be maintained. If, as seems probable, most or all the conference Powers identify themselves in the main with these proposals, the effect is likely to be an intensification of party strife in China, for if increased revenues are in prospect the incentive to rival claimants for the dictatorship is so much the greater. For that reason it would be a mistake to take too optimistic a view of the result of proposals which, on their face, are manifestly conciliatory.

The Last of the Shahs.—The deposition of Ahmed Shah, Sultan of Persia, is an event calculated to inspire neither surprise or regret. Even the late ruler himself is likely to feel little concern at the loss of a throne he cared for so little that the one place where he was fairly certain not to be found was in Persia. What form of government is to follow in Persia appears still to be uncertain. When the monarchy all but toppled over a year ago it was saved by the priests, who held that the divinity that doth hedge a king does in no wise hedge a republic. Persia is, of course, the main stronghold of the Shiah school of Islam, and the religious authorities carry considerable weight there. In spite of that the probability is that some form of republic will be created, with the one strong man of Persia, Riza Khan, the Sirdar Sipah, as the chief figure in it. The change comes at a moment when the American financial mission under Dr. Millspaugh has succeeded in putting Persian public finance on a reasonably firm foundation, and a disposition to seek sound advice and co-operation where it may be found has been demonstrated by Persia's appeal to the League of Nations first of all to lend a member of the League Health Organisation's staff to advise on public health administration, and then to send out a commission to consider what crops it would be practicable to substitute for the excessive poppy growth which the League's Opium Commission is constantly urging Persia to reduce. But republic or no republic it is clear that Riza Khan will be the determining factor in Persian politics in the immediate future. That is on the whole reassuring, for the Sirdar Sipah's past record inspires confidence in his sagacity and ability.

New Issues and the Embargo.—The raising this week of the embargo on foreign loans prompts us to set out some of our statistics relating to new capital issues in the London market, comparing various categories in the past five years with the pre-war average:—
(000's omitted.)

	Annual Average, 1911, 1912, and 1913.	1921.	1922.	1923.	1924.	1925 (Nine Months).
Foreign Government ..	19,396	5,905	14,254	24,462	40,620	1,350
Corporations ..	7,650	630	7,088	5,483	2,413	875
Railways ..	33,454		14,722		955	
Total for Foreign Countries.....	92,647	22,224	55,233	44,755	52,437	5,611
Dominion Government ..	17,247	73,650	58,582	69,409	50,081	18,815
Corporations ..	10,887	4,882	7,024	4,741	6,136	685
Railways.....	21,832			1,200		1,681
Total for Dominions.....	71,258	90,578	74,924	92,723	72,277	35,529
Total issues	199,715	388,978	573,676	271,393	209,326	160,393

The 1923 and 1924 totals for foreign Governments were swollen by some of the large European Reconstruction loans, but no foreign Government issues have been made in the current year. In the first nine months of 1925 foreign Governments raised \$341 millions in the United States against \$421 millions and \$202 millions in the corresponding period of 1924 and 1923 respectively. The post-war totals of money raised for use in foreign countries in London are substantially below the pre-war average, though the latter owes its size partly to extensive issues in this country by American railroads. The bulk of the Dominion Government issues this year were made in May, and it is probable that this year's total will be well below the average for the three preceding years. The amount raised for use overseas in the full year 1925 is likely to be swollen by the large number of rubber and other issues which are now enjoying such popularity. A feature of the past few weeks has been the rapidity with which offers of new capital have been oversubscribed, and although "stags" are known to have been active, there appears to have been a genuine demand by investors for any reasonably sound offer.

A Shipowner and a Shipbuilding Subsidy.—At the annual meeting of Prince Line, Limited, Sir Frederick Lewis, the chairman, made some very sound comments on the present industrial position, and put forward the shipowners' view of the recent proposal to subsidise shipbuilding by a grant from the Unemployment Fund. This proposal, he said, presupposes that a large number of additional ships are required, when in fact there is a

large surplus already in existence, so that, "except as regards vessels required for special purposes, the building of a mass of additional tonnage would mean that the shipping industry would suffer in almost direct ratio to the immediate benefit that would accrue to the shipbuilding industry." Sir Frederick admitted that there are several ways in which improvement in the shipping and shipbuilding industries can be brought about by artificial means, such, for instance, as the contributory laying-up of tonnage, taxation by means of flag discrimination, subsidies, &c., but he added that "each step in the direction of artificial bolstering is taking us further away from the real improvement, which can only be brought about by meeting economic conditions by natural means." He pointed out that high costs in the sheltered occupations have their direct effect upon our export trade, such as rail charges, dock dues, and the cost of handling cargoes in the docks, and suggested that the remedy lies in finding an economic level by reducing the cost of the sheltered occupations, which would permit of some increase in the level of the exporting industries. As to the present outlook for shipping, Sir Frederick would say no more than that the shipping industry had passed successfully through a very severe crisis and is ready for an improvement when it comes.

The Cost of Defence.—In a speech at Oxford on Tuesday Sir Laming Worthington-Evans, Secretary of State for War, did a little special pleading on the question of economy in national expenditure. Before the war, he said, expenditure on the fighting services was equal to 8s in the pound of the whole national expenditure. To-day it is 3s. The Army expenditure is about 5 per cent. of the total expenditure compared with 14 per cent. before the war. We need hardly point out that no value attaches to these comparisons. In the first place, while it is true that expenditure on the fighting services shows an increase of 50 per cent. over the 1914 total, that year was one of exceptional naval competition, and was abnormally high. Secondly, the Secretary for War cannot take any credit for the large reduction in the percentage to total expenditure on which he lays stress, since it is more than accounted for by the increase in total expenditure. The only reasonable comparison of this nature to be made is the ratio to total national income. Here there is a reduction from 3.5 per cent. before the war to 3.04 per cent. this year, which is a very much less imposing reduction than that quoted by the War Minister.

Local Taxation Returns.—Nowadays the character, invented by Charles Dickens, who worried the Circumlocution Office by "wanting to know, you know," would be met, not with refusal, but with more information than he could digest. The Annual Local Taxation Returns for 1922-1923 must have meant a vast amount of work in tabulating the statistics supplied to the Ministry of Health by our local authorities. But the ratepayer will not learn half as much about the expenditure of his money as he would if these pages and pages of figures were accompanied by some comment or explanation. Of the three volumes, the first* gives the expenditure of London and the county boroughs, the second† deals with the individual county councils, and while the third,‡ which is priced at 2s 6d, although it is, in fact, longer than the second volume, deals with the accounts of boards of guardians and other bodies engaged in administering the Poor Law. Notes are constantly needed to explain something that is not self-evident, e.g., why Somerset spends £1,506 per mile on its roads while only £301 per mile, the mileage being almost the same in each county. Then when we look at the "trading services" of the smaller boroughs, there appears to be a surplus or profit of £122,000 on gas, but only £20,609

* Part II. of the "Annual Taxation Returns, England and Wales, 1922-23," 15s net.
† Part III. of the "Annual Taxation Returns, England and Wales, 1922-23," 5s net.
‡ Part I. of the "Annual Taxation Returns, England and Wales, 1922-23," 2s 6d net.
Published by H.M. Stationery Office, London, W.C.2.

is put down for "surplus profits carried in aid of rate funds," while £5,183 had to be drawn from the rates to meet deficiencies. It is not easy to understand why cemeteries are included under the head of "trading." A mayor might point proudly to the profits earned by municipal gas, electric, or tramway undertakings; he would hardly congratulate the chairman of the cemeteries committee on the splendid sale of burial plots following an epidemic of smallpox or influenza. The trading accounts of the county boroughs are so complicated as to be unintelligible; they appear to give a surplus of more than £3½ millions, but the total surplus carried to the relief of rates was only £667,000, while water supplies alone showed a deficiency exceeding this sum; altogether the ratepayer was called upon to meet a deficiency of £1,281,000. Turning to the Poor Law we notice that the total expenditure grew very slowly from 1901 to 1917, indeed for the 14 years ending March, 1915, the average rate did not fall below thirteen pence or rise to fourteen pence in the pound. In 1920 a jump was made to 1s 9½d, rising the next two years to 2s 5½d and 3s 2½d, falling one penny in the year under review. All this time Exchequer grants, which provided nearly a fifth of the total expenditure on poor relief in 1901, hardly increased at all during the next 22 years, for, in 1923, when the total cost was just under £42 millions, grants covered just one-sixteenth of the expenditure.

Indian Cotton Mills and Protection.—Our Manchester correspondent writes:—A few months ago the Bombay Mill Owners' Association approached the Indian Government and made certain suggestions for granting assistance to the industry. It was proposed that there should be a duty on raw cotton exported from India and the imposition of higher import duties on yarn below 30's counts and cloth made from such counts. The representatives of the Government promised that there should be an examination of the proposals, and the results have now been communicated to the Mill Owners' Association. In the reply it is pointed out that the total export of raw cotton from India in 1924-25 exceeded 600,000 tons. The suggestion, therefore, that an export duty of a protective character should be imposed on raw cotton amounted to a proposal to levy an export duty on a trade of 600,000 tons for the purpose of increasing prices of goods made from much less than 40,000 tons of that cotton. The export duty would have to be at a high rate in order to raise appreciably the price of imported Japanese manufactured goods. Such a duty would operate on the whole of 600,000 tons of cotton exported from India, and could not be but detrimental in the long run to cotton-producing interests in India. The Government of India, therefore, considered that the imposition of a protective duty on raw cotton was peculiarly open to objections and dangers, and in the circumstances the suggestion must be definitely abandoned.

The Debt of Honduras.—The Council of Foreign Bondholders have received telegraphic advices that the arrangement for the settlement of the debt was signed at Washington on the 29th ultimo by the delegates of the Honduras Government and Mr A. H. King, representing the Council of Foreign Bondholders, payments by Honduras commencing as from July next. According to the last annual report of the Council of Foreign Bondholders the external debt of Honduras amounts to over £29½ millions, made up as follows:—

	Present Amount.	Total.
	£	£
Five per Cent. Loan of 1867	78,800	
Coupons in arrear (April, 1873, to Oct., 1924) ..	204,880	283,680
Ten per Cent. Loan of 1867	900,700	
Coupons in arrear (Jan., 1873, to Jan., 1923) ..	4,728,675	5,629,375
Six and Two-thirds per Cent. Loan of 1869 ..	2,176,570	
Coupons in arrear (Sept., 1873, to Sept., 1924) ..	7,472,889	9,649,459
Ten per Cent. Loan of 1870	2,242,500	
Coupons in arrear (Jan., 1873, to Jan., 1925) ..	11,773,125	14,015,625
		29,578,139

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The amount of bonds in circulation of the 5 per cent. loan of 1867 is understood to be £60,900, the balance of £17,900 being in the hands of the Honduras Government. All four loans went into default in 1873, the interest having been paid out of the money borrowed. In March, 1909, an arrangement for the settlement of the external debt was entered into between the President of Honduras and the British Minister in Central America, acting on behalf of the bondholders; but before the proposals could be submitted to the bondholders, the United States Government intervened, and insisted on the substitution of their own scheme of settlement. Under this scheme, Messrs J. P. Morgan and Co. agreed to purchase the bonds of the external debt, on or before August 4, 1910, at the rate of £15 cash per £100 of bonds, with all arrears of interest, provided that an arrangement of the debt, satisfactory to themselves, was in the meantime entered into between the United States and Honduras. The Council, at Messrs Morgan's request, invited the holders to deposit their bonds, in assent to the agreement, against the issue of negotiable deposit receipts, and a large majority of the bonds was promptly deposited. In July, 1910, however, Messrs Morgan and Co. notified the Council that they were not prepared to pay the £15 cash, and in February, 1912, withdrew from the agreement. In May, 1923, an arrangement of the debt was approved at a meeting of bondholders, but its ratification by Congress remained in abeyance owing to internal troubles and revolutionary outbreaks. In January of this year a new Constitutional Government came into office, and *de jure* recognition was extended to it by the British Government. The United States Government also resumed full diplomatic relations. The arrangement for the settlement of the debt which has now been signed is subject to ratification by the Congress of Honduras, which meets on January 1st, until when bondholders will be well advised to restrain any optimistic feelings which the announcement may have aroused.

The Position in Nicaragua.—The intelligence from Nicaragua of a revolution having broken out in that country, which, politically speaking, had for long been peaceful, need occasion little concern. The trouble has not alone been completely overcome, but, for probably the first time in Central American history, two political opponents have come together, and, taking a practical lesson from the League of Nations, have settled their differences without the loss of a single life or the occasion of very much material damage. This must appear all the more satisfactory in view of the fact that Nicaragua has of late years greatly advanced from an economic point of view. In fact, for the past twelve months the value of the export trade has been the largest in the history of the Republic, while the total value of the foreign commerce during 1924 had only been once exceeded—namely, in the phenomenally prosperous year of 1920. The current year, according to present appearances, is likely to prove another successful period in the history of Nicaragua. This is due to the exceptionally large coffee crop, which, at the same time, is proving of first-class quality. The balance of trade in favour of Nicaragua exceeded \$4,000,000 last year, and the figures for 1925 are expected to show an advance even greater, and may even establish a record. The value of the last coffee crop, realising over \$7,321,000—the highest price ever reached—can be the

better appreciated when it is remembered that in 1921 the crop was worth only \$2,352,487. While the prices obtained were satisfactory, the crop was sold too soon in the season to enable the planters to derive the fullest benefit from the high quotations which ruled at the close of the picking. No such mistake is likely to be made this year, as the planters are well provided with ready cash and are in no need to accept the first offers. The total exports from the State during the last financial year increased to \$12,990,026 from \$8,070,949 in 1921. Strangely enough, although most of this prosperity is primarily due to the loans granted and to the general supervision given to the country's economic affairs by representatives of the United States, the actual trade carried on with that nearby Continent shows a decline, falling from 72 per cent. of the total in 1923 to 57 per cent. last year. On the other hand, France increased its percentage from 14 to 16 per cent.; the Netherlands from 1 to 6; Spain from 4 to 5; and Germany from practically nothing to 3 per cent. of the total trade. Unfortunately, the United Kingdom shows a decrease, the sum of our foreign trade amounting to less than \$1,500,000 (£300,000), of which \$1,042,858 represented exports from the United Kingdom to Nicaragua, and \$31,159 exports from Nicaragua to the United Kingdom. The service of the Nicaraguan debt continues to be discharged regularly, the last remittance on the Gold Bonds of 1909, due last month (October), being received in New York a day or so before the close. Previous instalments had been a little delayed. The February, 1925, payment was received in London in March, while the May instalment came to hand early in June. Since 1920, and in accordance with the terms of the 1917 agreement, the full service on the 1909 bonds has been met. Moreover, during the past five years the arrears of sinking fund have been paid off, and the whole of the funding certificates discharged at par. As a result of the good work done by the American controllers (it was only in July last that the United States withdrew from Nicaragua the company of 100 marines which for 12 years at the capital had acted as Legation guard), the Customs receipts have risen during the past nine years by nearly 90 per cent., that is to say, they increased from 1,037,073 córdobas in 1916 to 1,950,000 córdobas in 1924. The financial condition of the country remains quite satisfactory. The total foreign debt has been reduced, by redemption, from £1,250,000 in 1909 to £818,800 at the end of 1924.

Co-operation in Japan.—The co-operative movement in Japan dates from 1892 and its progress has been remarkable. In 1900 a co-operative society law was passed which has greatly stimulated the movement. The law provides for four distinct kinds of co-operative societies, viz.: (1) for supply of credit, (2) for sale of produce, (3) for purchase of supplies, and (4) for the common use of land, buildings, machinery, &c. There are now 14,259 societies with a total membership of about 2½ millions, and an aggregate capital of about £40,000,000. The average number of members per society is 210, but there is evidently a wide range, for one society has a membership of 19,782. The co-operative movement in Japan is a rural development. Over 77 per cent. of the members are agriculturists, 8 per cent. fishermen, and 4 per cent. shopkeepers. The law lays down with particularity the general lines on which a co-operative society must be formed. Each member can have only one vote though he may hold up to 50 shares. One-fourth of the profits must be placed to reserve, and the remainder may be divided among the members, paid to employees as bonuses, or placed in special funds. Profits paid to members may be paid either as dividends on share capital up to 10 per cent., or bonuses on sales or purchases, or in both ways. While the societies are thus under regulation and supervision they also receive substantial help from the Government. They are exempt from many taxes, money is lent at low rates of interest, and the Mortgage Bank of Japan and other land credit banks are empowered to lend money to co-operative societies without security. Most of the local societies are federated in organisations. There are 191

such federations with an average of 56 societies in each, but seven or more societies are permitted to form a federation. The Central Union of Co-operative Societies, which is under the direct supervision of the Ministry of Agriculture and Commerce, is formed to encourage the establishment of co-operative societies and of federations of societies. Amongst its activities are the giving of lectures, conducting research studies, publishing reports and books on co-operation and building exhibition rooms for societies and federations.

Iron and Steel Shares.—Quick in the endeavour to discount future events, the investor and the speculator have been buying iron and steel shares. The Home Railway market felt the cheerful influence, and the shipping department, after recovery from an unexpected P. and O. dividend disappointment, did not lag behind. Scores of inquiries reach the Stock Exchange as to what iron, coal, and steel shares are worth buying, writes a Stock Exchange correspondent. Prices advanced, hesitated, and are now a little uncertain. People outside the Stock Exchange denounce the methods of the House, and inveigh against the jobbers who "put up prices"—that is the current phrase—against buyers who want to pick up shares which have cost the same jobbers very much more money than the current quotations command. The Stock Exchange jobbers, glad enough to see a rally in prices which have been so flat for so long a time, are apt to read to-day's inquirers as being probable purchasers. They "put up prices" accordingly. What started the rise was the hope that the Government would tighten up the Safeguarding of Industries Act, but the Stock Exchange market, it is fair to remark, betrayed scepticism in regard to the anticipated trade revival. Some of the companies are in a sound position. The South Durham Steel and Iron Company, for example, is paying 10 per cent. for the year ended September 30th last, and has paid this or a higher rate annually since 1913. The ordinary capital has remained at £350,000, while reserves have been built up to the extent of nearly £1½ millions. But this is rather exceptional. Many of the iron and steel companies, labouring under the heavy handicap of increased capital raised, during the war, on the strength of war-prices, cannot make headway until the capital accounts are reduced. Several old-established concerns, such as Bolckow, Vaughans, Pease and Partners, and the like, have fallen upon evil days in the same manner as United Steel and similar undertakings. The last dividend paid on Baldwins ordinary was in October, 1921; Cammell Laird ordinary have received nothing since April, 1923; and Vickers ordinary have gone dividendless for almost as long. Ebbw Vale ordinary shares' last dividend came in October four years ago, and Thornycroft ordinary have been without a return since December, 1921, the same date as witnessed the last shares. Yet the public have been buying such issues on the expectation of a trade revival, and prices advanced noticeably from the recent lowest. It may be premature. During the years of lean trade the balance-sheet cumbers with increasing debits. Principles of sound tributions can be justifiably made upon ordinary share arise in connection with industries concerned with the false hopes upon a foundation that is still insecure. The best of the iron, coal, and steel companies future. But the buyer of "cheap" shares in the latter group should recognise that, in purchasing, he gives hostages to the future, and that shares in any company are not necessarily cheap because they happen to be low in price.

Anglo-Persian Oil Results.—The net profits of the Anglo-Persian Oil Company for the year ending March, 1925, show the gratifying increase of 42 per cent. over those of the previous year. The amount available for distribution is higher by more than £1,000,000, at £5,318,610. Appropriations to reserve are largely increased—debenture redemption reserve by £100,000, preference share reserve by £350,000, while £100,000 is put to amortisation reserve. The dividend on the ordinary shares is increased from 10 per cent. to 12½ per cent., less tax, and the carry-forward is larger by £326,146 at £2,072,789. The Stock Exchange was disappointed at the moderate increase in the dividend, but it is obvious that the company is wise in first strengthening its balance-sheet position. The trading results and distributions over the last seven years are shown in the following statement:—

March 31.	1918-19.	1919-20.	1920-21.	1921-22.	1922-23.	1923-24.	1924-25.
Profit	2,287,886	3,577,607	5,477,627	5,988,164	3,266,269	3,069,636	4,609,357
Fees and legal expenses	9,909	10,626	15,176	11,310	13,820	19,746	19,386
Debt and other interest	86,575	152,500	245,312	242,187	235,937	240,521	351,455
Income-tax	125,179	430,387	500,632	181,935	9,699	118,744	173,120
Royalty to Persian Gov.	55,418	322,479	463,484	422,351	317,670	172,759	493,489
New issue expenses, &c.	..	233,302	135,543	..	..	..	..
Special appropriations	..	50,000	25,000	..	..	..	..
Net profit	2,010,805	2,378,313	3,892,479	5,130,381	2,689,143	2,507,866	3,571,967
Brought forward	454,723	275,523	556,313	1,648,792	1,739,173	1,777,788	1,746,643
Ex. Profit Duty reserve	1,200,000	2,465,528	2,653,841	3,948,792	4,779,173	4,428,316	5,318,610
Deb. redemp. reserve	80,000	80,000	80,000	100,000	100,000	100,000	200,000
Preference re-serve	50,000	50,000	50,000	100,000	100,000	150,000	5,000
General reserve, &c.	400,000	675,000	555,000	800,000	495,000	415,000	493,000
Preference dividend	160,000	310,000	400,000	795,000	875,000	875,000	875,000
Ordinary dividend	100,000	627,865	1,216,000	1,245,000	777,764	835,000	1,118,750
Carried forward	275,523	919,978	1,616,792	1,739,173	1,777,788	1,746,643	2,072,789

* B.P.D. 1919-20, £854,665, deducted. † Corporation Profits Tax, 1921 and 1922.
‡ Corporation Profits Tax, 1924.

The directors of the Anglo-Persian still see fit, in spite of the addition of Lord Bradbury to their ranks as one of the Government directors, of presenting accounts which are uninformative, if not unintelligible. The balance-sheet—which will be found analysed on another page—certainly presents a more liquid appearance, with a surplus of liquid assets over current liabilities (including employees' pension fund) of £1,636,823, and with reserves standing £800,000 higher at £6,083,128, but it still conceals more than it discloses. The first item on the assets side—namely, £26,445,958 for "purchase price of concession, shares in, and advances to associated companies," such as National Oil Refineries, British Tanker Company, Limited, and Scottish Oils, still hides the more important operations of the company. It can only be noted with satisfaction that this item is lower by £1,713,741 as compared with the previous year's accounts. How is the large increase in net profits to be explained? In the meagre report accompanying the accounts the chairman states that the output of the Persian oilfields was over half a million tons in excess of that of the preceding year, say 4,250,000 tons, that the small new field in the Argentine is now being worked at a profit, that the throughputs of the refineries at Abadan and Llandarcy showed a large increase (that of Abadan in the previous year having been affected by cholera and plague among the workers), and that the sales of all products had increased. Whether these facts account for the whole of the increase in net profits is doubtful, seeing that oil prices in this period of trading had not been upward. It seems more likely that the net profits are higher because administration expenses have been drastically cut down, and because it has not been necessary to write off such large sums for depreciation of new plant. As regards the future, it is disappointing to learn that drilling operations at Kishm, where very light oil had been discovered, have been given up on the view that the volume of oil was insufficient to justify commercial exploitation, but the main Persian fields have been greatly extended by further drilling, and a large additional area of productive territory has been proved. In the marketing sphere it is understood that the company has recently strengthened its European organisation by an association with the new German oil group formed by the amalgamation of Deutsche Petroleum and Deutsche Erdoel. Perhaps Sir Charles Greenway will disclose at the general meeting next Tuesday whether the company, through the German group, will now be buying Russian oil, which it has hitherto regarded with such suspicion.

Dalgety and Co.—The wonderful record of prosperity shown by the Australian merchant firm of Dalgety and Co., Limited, was continued during the year ended June 30th last. Net profits, as will be seen from the following table, continued their upward course, while shareholders once more are to receive a dividend of 10 per cent., plus a bonus of 7s per share, making a total distribution of 17 per cent., as in the preceding twelve months:—

Year Ended June 30.	Profits.	Expenses and Taxes.	Debt Interest.	Pref. Div.	Ord. Div.	Rate.	Reserve, &c.	Carried Forward.
1906 ..	£ 371,591	£ 148,171	£ 114,439	£ 25,000	£ 70,000	7%	£ 40,000	£ 55,381
1910 ..	542,534	198,362	122,364	25,000	80,000	8	110,000	77,759
1914 ..	570,510	245,434	105,593	25,000	80,000	8	10,000	197,015
1915 ..	582,097	258,048	107,377	25,000	80,000	8	100,000	208,687
1916 ..	643,931	322,210	107,864	25,000	100,000	10	100,000	197,544
1917 ..	861,793	484,448	107,119	25,000	130,000	13	210,000	102,771
1918 ..	875,369	510,304	104,065	25,000	140,000	14	85,000	113,770
1919 ..	857,773	494,475	101,141	25,000	140,000	14	90,000	120,928
1920 ..	957,298	566,470	98,251	25,000	150,000	15	110,000	128,506
1921 ..	689,168	445,176	103,386	25,000	100,000	10	60,000	84,112
1922 ..	775,660	408,280	114,591	25,000	150,000	15	60,000	101,901
1923 ..	920,977	552,587	114,228	25,000	150,000	15	65,000	116,063
1924 ..	986,979	551,039	111,952	25,000	170,000	17	75,000	170,052
1925 ..	1,039,221	568,698	109,210	25,000	170,000	17	100,000	236,365

The net profit figure, it will be seen, has gone up from £986,979 to £1,039,221, whereas the increase in expenses was very moderate, this item accounting for £568,698, in contrast with £551,039. On the present occasion £75,000 is allocated to the writing down of premises account, compared with £50,000, and £25,000 is again transferred to the staff provident fund. This leaves £236,365 to be carried forward, compared with £170,052 brought in. The directors report that wool prices during the year soared to an almost unprecedented level, but owing to various causes a decline set in which, by April, developed into a slump. This led to a cessation of auctions in Australia for some time, and a consequent financial stringency. On the resumption of auctions in July, however, good clearances were effected at remunerative prices. "The demand," it is stated, "continues, and the position is certainly more hopeful." The directors also refer to the fact that "simultaneously with the return of this country to the gold standard, the Commonwealth and Dominion Governments acted in like manner. As a result, exchange rates, which had been on an abnormal level for some time, were drastically reduced, and, as a consequence, trading between this country and the Dominions concerned was improved." The holding of cash has declined from £812,470 to £133,227, and bills payable have gone up from £101,210 to £1,039,403. Investments also have declined from £650,862 to £286,847, though bills receivable are £428,378 against £332,473. Moreover, advances on land, stations, stock, &c., have risen from £3,668,168 to no less than £5,241,627. Sundry debtors account for £1,275,286, compared with £735,214.

Joshua Hoyle and Sons.—The directors of Joshua Hoyle and Sons again state that trading conditions have been difficult "and the result is considered by the board to be very satisfactory." The progress made during the year ended September 30 last is shown in the following table:—

Year Ended Sept. 30.	1920-21.	1921-22.	1922-23.	1923-24.	1924-25.
Profit	£ 108,837	£ 110,697	£ 193,167	£ 194,118	£ 274,609
Brought forward	88,476	48,486	15,652	18,183	22,355
Debtenture interest	197,313	159,183	208,819	212,301	296,964
Preference dividend	52,315	52,500	53,375	54,250	54,250
Ordinary dividend	96,512	18,499	30,500	31,000	62,000
Renewals & reserves, &c.	(12½ %)	(24 %)*	(5 %)	(5 %)	(10 %)
Carried forward	48,486	15,653	18,183	22,355	23,710

* Free of tax.

Net profits have gone up from £194,118 to £274,609, so that with the sum of £22,355 brought in there is an avail-

able balance of £296,964, in contrast with £212,301 twelve months ago. The ordinary shareholders have had their rate of dividend raised from 5 to 10 per cent., £75,000 against £25,000 is placed to renewals and reserve, and £23,710 is carried forward, in contrast with £22,355. The report states that during the year a final settlement of the company's taxation liabilities has been effected. "The provision in the accounts," it is added, "is estimated to cover fully any further liability which may have accrued."

Three Tin Reports.—Our mining correspondent writes:—The annual statements of a trio of tin companies which have made their appearance this week display somewhat varied results. That of the Northern Nigeria (Bauchi)—which company operates in the district indicated by its title—shows a slightly reduced profit. The output, of course, realised a higher average price than before, but this was more than offset by reduction in tonnage due to the unfavourable weather and other conditions. Hence the net profit figures at no more than £34,200 as against £42,700. The earnings were required for completion of the outlay upon the power installation; hence no dividend can be paid in respect of the past year. Since then, however, the hydro-electric scheme has come into operation, and the output has more than doubled, so the directors declare an interim dividend of 10 per cent. upon the preference shares for the current financial period. Future divisions of profits for 1925-26 will be participated in equally by both classes of shares. The reserves of concentrates at the end of June last are estimated by the manager at the somewhat increased quantity of 6,980 tons, sufficient to supply the plant for over five years at the current rate of output. The second concern—the Jantar, also a Nigerian—records the appreciably increased output of 360 tons, with satisfactory developments. The profit is £20,300, against £16,300, permitting the dividend to be raised from 10 per cent. to 15 per cent. The other company, the Tekka, is one of the Cornish-located group of Malayan tin dredging enterprises. The accounts show a profit of £39,750, as compared with £30,600 previously, but no increase is made in the rate of dividend, the surplus being carried forward. Following the example of various other companies, the Tekka has acquired additional property, which should add considerably to the life of the undertaking.

Broken Hill South.—The full text of the report of this important Barrier Range undertaking is now available, and contains some salient information supplementary to that given in the cabled summary. The principal point has reference to developments in the mine. The manager computes the fully developed ore reserves at 4,000,000 tons, an increase of 350,000 tons compared with the computation of a year ago, and representing between 14 and 15 years' supply for the plant. An interesting item is the significance for the company of the very satisfactory developments at the northern end of the No. 9 level of the adjoining Zinc Corporation property. Last year's receipts were swollen by 10 per cent. on the company's holding of 150,000 shares in the Electrolytic Zinc undertaking, whose rate of distribution has since been increased to 12 per cent. per annum. Expenses were raised by the additional royalty payable in connection with the renewal of leases as from January 1st last, as well as by the concessions made to labour. There appears, however, good reason to suppose that the company will be able to maintain its dividends at the enhanced rate of 17½ per cent. paid for the past quarter, upon which basis the shares give a yield of slightly less than that amount.

El Oro.—Having regard to the satisfactory monthly returns made by the El Oro Mining and Railway Company, the shareholders naturally expected a repetition of the previous year's dividend of 6d per share, tax free. Accordingly, not a few of them threw their holdings on the market upon discovering that the accounts to June 30th last showed a loss of £10,200 instead of a profit of £37,600. Actually the position is not what it appears at first sight. The receipts were lower than before owing to the delay in the receipt of the dividend from the company's subsidiary, the Suchi Timber; while the expenses were

burdened with a heavy charge for loss on exchange. The report of the manager clearly indicates that the remaining life of the old property is now short. The future, however, depends upon the Noria silver property, at which crushing is expected to be commenced early next year. Five years' supply of ore having already been opened up, further work underground has lately been limited to the preparation of the mine for the supply of 200 tons of ore daily. With regard to treatment, it is stated that the results obtained from the trial plant "justify complete confidence in the process adopted." The balance-sheet shows a debit of £269,000, principally consisting of advances to the subsidiary in question.

THE Royal Colonial Institute announces a meeting at the Edward VII. Rooms, Hotel Victoria, Northumberland avenue, W.C. 2, on Tuesday, November 10, 1925, at 8.30 p.m., at which a paper on "The English Tradition and the Empire: Some Thoughts on Lord Milner's Credo and the Imperial Committees" will be read by Sir Halford Mackinder. Sir Arthur Balfour, K.B.E., will preside.

Oversea Correspondence.

UNITED STATES.—STOCK MARKET POSITION—MOTOR EARNINGS—STEEL CORPORATION—CROP ESTIMATES—ITALIAN DEBT MISSION—HERR SCHACHT'S VISIT.

(FROM OUR CORRESPONDENT.)

NEW YORK, October 27.

SUBSEQUENT events have confirmed the view that the sharp break in shares on the Stock Exchange, which occurred some ten days ago, was due largely to the strain imposed on the Stock Exchange facilities by the extraordinarily large volume of trading. The inability of "specialists" to handle the flood of orders in certain active motor shares is now seen as the outstanding feature of the episode. With this difficulty mitigated, the market recovered its buoyant tone. Activity has continued to run at the rate of about 2,500,000 shares a day, and the "tickets" have continued to be from a few to as much as 20 minutes behind the market. Critical views of the market continue to be heard in conservative quarters, but, it must be admitted, the market itself has yet to act badly. Group movements rather than a concerted general movement still characterise its behaviour. There is the same debate as to the significance of the great rise in the motor shares, the critics maintaining that the movement represents little but an extravagant speculation, while the bulls declare that it is merely an inevitable readjustment of values to correspond to the greatly improved condition of the motor companies.

Some light on this particular question is shed by the earning statement of the General Motors Corporation for the third quarter of the year. In the three months ended September 30th, the Corporation earned, after depreciation and all charges, \$28,161,730. After deducting dividends on the preferred and debenture stocks, the amount available for the common shares was \$26,251,707, or \$5.09 a share. If the Corporation's equity in the un-earns for the quarter would amount to \$5.55 a share. For the nine months, exclusive of its equity in the un-earned \$74,243,966, which is equivalent to \$13.27 a share. For the entire year the Corporation is expected to earn not far from \$20 a share. Meanwhile the balance-sheet as of September 30th shows that the Corporation, which has no funded debt, had cash in banks, Government securities, and temporary loans and marketable securities to the value of \$143,308,120. In commenting on the state-divisions are operating at capacity and our dealers are sold stock in the territory is very materially below the normal." General Motors is now paying a regular dividend of \$6 a share on its common shares; it paid one

dollar extra out of the first six months' earnings, and is expected to pay three dollars extra out of the second six months. It is these considerations that have played the chief part in lifting the price of the common shares from a low level of 64½ to a high mark of 138 this year. Possibly the present price may discount fully the condition of the Corporation. It is fairly clear, however, that the price that prevailed earlier in the year was materially too low.

Another important earning statement is that for the third quarter that has just been made public by the United States Steel Corporation. The net earnings for this period reported by our premier industrial corporation amounted, before depreciation and charges, to \$42,400,412. This compares with \$40,624,221 for the quarter immediately preceding and with \$30,718,415 in the corresponding quarter of last year. After deducting all charges for depreciation, sinking funds and interest, the balance available for dividends amounted to \$23,804,823, as against \$21,889,004 in the preceding quarter, and \$15,078,110 in the third quarter of last year. The latest earnings amount to \$3.44 a share on the common stock and bring the total for the nine months up to \$9.44 a share. The directors declared common stock dividends at the same rate as during the past two years, that is, 1½ per cent. regular and ½ per cent. extra for the quarter. Plainly the Corporation is earning its present dividends with a generous margin. The earnings are the more impressive in that the Corporation's plants ran during the quarter at not far from 75 per cent. of capacity, and prices obtaining on the delivered products were not particularly favourable. At present the steel industry as a whole is operating at about 80 per cent. of capacity, orders are gaining moderately and prices are firm. Earnings of the steel companies during the last quarter of the year should be quite satisfactory, even though there is nothing like a boom in sight.

The latest surprise furnished by the Department of Agriculture in the matter of crop estimates has stirred up a great deal of adverse comment. In raising its estimate of the cotton crop as of October 18th to 15,226,000 bales, the Department added nearly half a million bales to its estimate of two weeks earlier. It added over a million and a half bales to its low estimate of August 8th. The price of the commodity naturally has declined with the lifting of the estimates, and this decline, characteristically, has drawn forth protests from the south. One southern Senator has even accused the Department of playing into the hands of the bear speculators at every turn, and demands the prohibition of "gambling" in futures. The actual fact is, of course, that the errors have occurred in a way that has helped to sustain the price of cotton and to enable the growers to receive better prices than they otherwise would have obtained. The losers have been the consumers of cotton, both foreign and domestic. As for the cause of the errors, despite suspicions, they seem to be due to the shortcomings of the method rather than to an intention to deceive. The fundamental reports on which statistics are predicated are based to a large degree on subjective impressions rather than objective measurements; the final result cannot, of course, rise in accuracy above the level of the original data. In addition, however, it is pointed out that the private estimators, with less data, have been able to produce a better record, a circumstance that points to inadequacies in the Government method. One result of the trouble over the reports is a rather insistent demand that the fortnightly reports be discontinued and that the Department revert to its practice of issuing only monthly reports. As for the crop itself, the big yield is regarded as removing the threat of inadequate supplies from the textile industry and guaranteeing an adequate supply for the crop year. The effect on the condition of the country's general business should be favourable.

The arrival of the Italian debt funding mission is awaited with much interest. The impression prevails that the Administration wishes to make a settlement with the Italians, and is familiar with the limitations of the Italian position. However, after the manner in which the French negotiations and the incidental publicity were handled, the financial district is disinclined to be really

optimistic. Some writers now maintain that in retrospect the French failure and the subsequent fall of Caillaux are regarded in Washington with a certain wistfulness. There is nothing official, however, to confirm this view. So far the Administration seems to be sitting tight. Current reports of Italian financing in this market are without foundation. No negotiations, or even preliminary discussions, have been started. Anything of that kind naturally will wait until after the debt funding negotiations have been concluded.

Much misinformation has been distributed with regard to Herr Schacht's visit to this country. Stories that he came to discuss modifications of the Dawes Plan or to arrange German loans may be dismissed. As a matter of fact, it appears that the German financial authorities are more interested in restricting German municipal borrowing abroad than in arranging fresh credits. The official explanations of the significance of the visit of the Reichsbank's head may be taken at their face value; he has come to confer with his banking friends in this country and to acquaint himself at first hand with the American situation.

FRANCE.—THE NEW GOVERNMENT—SOCIALIST POSITION—M. CAILLAUX'S AND M. BLUM'S PROPOSALS—FRANC SPECULATION.

(FROM OUR CORRESPONDENT.)

PARIS, November 4.

THE new Painlevé Cabinet has assumed office and had its baptism of fire in the Chamber, but it cannot be said that its advent has in any way improved the situation. Whatever claim M. Painlevé's previous Cabinet had to public confidence was due almost entirely to the presence therein of M. Briand and M. Caillaux. M. Briand remains at his old post, and for this there is much to be thankful, but it cannot be claimed that M. Caillaux's place has been adequately filled by M. Painlevé's assumption of the post of Finance Minister himself, with the assistance of M. Georges Bonnet, who has been appointed to the entirely new post of Budget Minister. Financial circles were badly impressed with the composition of the new Ministry, and this impression has been emphasised by all that has occurred since the names were announced. The outlook to-day is admittedly unsatisfactory. The Socialists, who hold the balance of power in the Chamber, provided the Ministry in being is convinced that its duty is to look to the Left for its majority, have refused to share the responsibilities of office with the rest of the groups of the Cartel des Gauches, and have also definitely voted that they refuse to pledge themselves to support the present Ministry. This can only be interpreted as meaning that they will decline to support M. Painlevé's Budget unless it includes a capital tax, which it is very doubtful that the new Premier and Finance Minister will venture to introduce, seeing that it would certainly be thrown out by the Senate.

Interesting new light has been thrown during the past week on certain episodes in the recent crisis. M. Caillaux, urged by his leader, laid before his colleagues a statement of his financial proposals. He showed in this that the situation of the Treasury is at present much more satisfactory than it was six months ago, when he assumed office. In December only 25 per cent. of the matured bonds will be presented for repayment, whereas on previous occasions the proportion to be paid off was from 48 per cent. to 52 per cent. He refused to tolerate any proposal for a forcible consolidation of the debt, on the ground that the State cannot break its contract with investors. At the same time, contradictorily enough, M. Caillaux proposed to extend liability for income-tax to holders of Rentes, which many people undoubtedly invested in because one of the conditions of issue has always been that this form of security shall not be liable to taxation of any kind, either "past, present, or future." He proposed, further, to raise the scale of income-tax on all forms of capital from 8 per cent. to 10 per cent., this also to apply to incomes derived from Rentes. Dealing with the question of inflation, M. Caillaux quoted Mr McKenna's definition of this as "an increase of purchasing power without a corresponding increase in the mass of merchandise," and insisted that although there would

be inflation properly so called if the State created banknotes or bonds for the purpose of meeting public expenditure, there would be no inflation of any kind if the State substituted banknotes for money kept in reserve (such as National Defence and other floating debt bonds). M. Caillaux proposed to apply this by reimbursing all holders of floating debt securities with banknotes, and thus assimilating the note issue and the floating debt in one form—the *plafond unique*—and thus getting rid of the interest burden accruing from the floating debt at the cost of an apparent but unreal inflation. Simultaneously, he proposed the creation of the sinking fund already spoken of, for the gradual redemption of the debt. The credit of the State being thus improved, M. Caillaux held that nothing would then be easier than to issue further Crédit National bonds for the completion of the restoration of the devastated regions.

Immediately after M. Caillaux had disclosed his plans to the Cabinet, M. Painlevé announced the collective resignation of the Ministry, and M. Caillaux took the opportunity on Friday to cause a very full summary of his statement to his colleagues to appear in some of the Paris newspapers. This had a very favourable reception in financial circles, and by the investing public generally, and it is commonly understood that, but for Socialist objections to M. Caillaux, the latter's proposals would have been accepted by his Ministerial colleagues.

M. Painlevé, before drafting the text of the Declaration of Policy, which it is the practice of new Ministries to present at their first contact with the Chamber, had a long interview with a deputation from the National Socialist party, which was holding another of its frequent national congresses at the moment. His forecast of the new Ministry's financial policy proved unacceptable to the deputation, who returned to the Congress to report its tenour. Eventually a resolution was adopted by which the party—although only by 1,431 votes against 1,228—refused to express its confidence in the new Government. As a result, M. Painlevé's declaration of policy, which was read to both Chambers yesterday, proved a distinctly vague affair. He announced the creation of the proposed sinking fund, warned the country that it will be required to show resolution and courage, announced that the Government will demand indispensable sacrifices, even at the risk of its own popularity, insisted that all expenditure must be met from revenue, and not with the aid of either loans or inflation, and declared that the necessary resources to right the financial situation will take the form "notably of a special contribution levied on all forms of acquired wealth." The declaration proved so little satisfactory that the Chamber accorded its confidence in the new Government by a majority of only 32, the most significant factor being that 200 deputies, or about two-fifths of their total strength (including 99 Socialists) abstained from voting.

In the circumstances it is obvious the life of the new Ministry cannot be a long one. Political gossip forecasts that, in the event of its early defeat, the President of the Republic will first call upon M. Herriot to form a Herriot-Blum Cabinet, in which it is believed the Socialists will be willing to accept office. Should M. Herriot, as would probably be the case, decline to make this effort, then the honour would be offered to M. Blum, the Socialist leader. This would not advance matters in the slightest degree, as the Senate would undoubtedly immediately overturn any Government which attempted to force through a Socialist financial programme. M. Blum's proposals for the relief of the Treasury have already been stated. All banknotes, he proposes, shall be stamped for the purpose of reducing their value by 10 per cent., and a levy of from 3 per cent. to 10 per cent. should be made on the value of all bonds presented for reimbursement. His proposals for getting rid of the debt are that a sinking fund should be created, into which should be paid the yield from "an exceptional and unique tax on capital" ranging from 10 per cent. to 15 per cent. on all kinds of property, with the forced conversion of all State funds, Treasury and National Defence bonds. M. Blum's dismissal from office, it is further forecast, would be followed either by an attempt to carry on by a Ministry under M. René Renoult and/or M. Briand, with the support of the Right. What is still more probable is that the Senate will find a way out of the deadlock that

has undoubtedly arisen by exercising its right to request the President of the Republic to decree fresh general elections.

The continued fall in the franc, which on Tuesday, after official hours, again dropped below 120, has been due very largely, if not entirely, to speculative dealings based on the lack of confidence felt in the new Government's financial ability. The resignation of the Painlevé Cabinet had already been discounted by speculators, who had bought large amounts of foreign exchange. The Treasury did not bring the Morgan credit into play, and there is every reason to believe this amount is still intact. One of the private banks, however, which is apparently anxious to stand well with the new Government, is stated to have intervened, and the Bourse has since merely followed the variations in exchange which were inevitable in the circumstances.

GERMANY.—POLITICS—ECONOMICAL COUNCIL—CURRENCY AND CREDIT—PRICES—INDUSTRY—BOURSE.

(FROM OUR CORRESPONDENT.)

BERLIN, November 4.

THE crisis over Locarno is likely to last some time. The obvious solution, short of a General Election, is to reconstruct the Cabinet by taking in, instead of the German-Nationals, the two Left parties, the German-Democrats and Social-Democrats, thus reviving the "Great Coalition." It is not clear whether the German People's party, which would constitute the Right wing of such a Cabinet, will consent, but it seems inclined to. It has joined the other two Cabinet parties, the Centre and the Bavarian People's party, in passing a resolution which condemned the policy of the Nationals, declared that the Pact ratification is the most urgent question, approved of Dr Luther for carrying-on, and expressed the view that the Nationals cannot be taken back. Negotiations with the Left parties will now be held. The German-Democrats, as a condition for their support, have demanded (in addition to ratification and "honest execution" of the Locarno policy) "guarantees for a domestic policy which will strengthen the Republic," and that the new Cabinet shall be based on parties that will resolutely "collaborate in this foreign and domestic policy." The ratification of the Pact is hardly in doubt, only the particular way in which it will be achieved.

A Bill constituting a definitive Federal Economic Council (*Reichswirtschaftsrat*) has been submitted. This constitutional experiment, which was first made (for Prussia) by Bismarck, and which has since been copied by France, has been on trial since May, 1920. An Economic Council is required by the Weimar Constitution; it was originally designed as top story for a class-economic structure, based on "Councils of Deputies." The present on the whole justified itself, though it has been hampered by the jealousy of the Reichstag, and by its undue size. The 326 members would have been reasonable for an economic Parliament with deciding powers, but they were unnecessary for, and retarded the progress of, a merely advisory council, which was supposed to express expert views. As a result, nearly all the Council's work has been done by committees. The Bill reduces the number of members to 126, of whom 41 are representatives of public corporations, 28 nominees of the Cabinet and the Reichstag, and two representatives of the Press. The Council is to have the right of legislative initiative. The Cabinet is compelled to submit to the Reichstag all bills which the Council may draft. The rights of the Council by the Council are increased. The new Council, like the old, will be organised in Committees, which will report only in exceptional cases, on the demand either of 75 members or of the Cabinet. The Council is empowered to conduct direct inquiries into facts, to call for information, and to examine witnesses under oath.

Money has been very plentiful, and the monthly settlements caused no strain. The day rate rose temporarily to 10-11 per cent., but present indications point to exceptional fluidity in the first half of November. Month money has been practically stable for weeks past at 10-11 per cent. The private discount rate (short-term) has dropped to 6½ per cent., the lowest since quotation was reintroduced. The valorisation of Savings Banks deposits (Prussia only) has been fixed at 12½ per cent. of the original gold value. It is estimated that of 20 milliards deposits in 1914, 6 milliards were withdrawn, leaving 14 milliards, at cost of 1,750 millions, to be valorised. Money for the deposits valorisation will come from the valorisation of the Savings Banks' mark investments, bonds, mortgages, &c., and it is estimated that this will yield about 800 millions, leaving a considerable deficit, which presumably the public corporations guaranteeing the Savings Banks will have to find. A compensation fund will be created, to enable Savings Banks with assets exceeding the 12½ per cent. to assist those whose assets are insufficient. Foreign holders of paper-mark federal loans, who desire to exchange them for new "loan redemption bonds," are required to register between October 30th and March 1st next, and "old" holders are given the same term for putting in claims to preferential treatment under the law of July 17th. For Great Britain and Ireland registration is to be made at the Bank of England; and the special commissioner is Oberregierungsrat von Friedberg, Bank of England. The commissioner is the first authority who will decide on claims. The visit of the Reichsbank's President, Dr Schacht, to the United States has brought out rumours of grandiose plans for international control of money and trade, and for an agreement by which German competition would be diverted to East Europe. The former plan is vague and unlikely, and the latter impracticable. All that is known here is that the Government and the Reichsbank desire to restrict American lending to German municipalities, whither nearly all the loans now being negotiated are directed, and to encourage moderate lending to German industry and trade. A Deutsche Bank report for the first half-year states that profits were satisfactory, though they declined in the second quarter, and that deposits have continued to increase. The Reichsbank's return for October 23rd shows a decline in discounts of 71,688,000 marks, which is mainly the result of increased rediscounting. The rediscount total is now 746 million marks, against 448 million marks on September 7th.

Prices are falling, but so far not sufficiently to show any influence by the Cabinet's price-reduction policy announced in August. The cost-of-living index for October was 143.5, against 144.9 for September, which was the highest point since the currency stabilisation. The official wholesale index for October 28th shows 122.5, against 125.9 at the end of September, and 131.7 in August (average for month). The *Frankfurter Zeitung's* index shows (since the highest point, January 29th):—

	Food and Drinks.	Textiles & Leather.	Minerals.	Miscellaneous.	Manufactures.	All 100 Commods.
Jan. 29 ..	148.04	187.12	141.26	130.21	141.87	147.14
Aug. 31 ..	140.36	185.00	138.09	129.60	142.25	144.25
Oct. 31 ..	137.91	183.73	138.50	131.32	143.10	143.98

Berlin municipality's report shows an increase in the cost of living of 45 per cent. since July, 1924.

The condition of industry has changed little. The Prussian Trade Ministry's report for October admits only that the crisis in mining has passed its worst point. There is a new demand for anthracite, with an order from America. Signs of improvement in the iron and steel industry are clear, and the textiles, paper, and electro-technical branches are very prosperous. Bankruptcies increased in October, being 1,139, against 897 in September; but the causes are mostly financial, connected with credit, and not with inability to sell—this is shown by the fact that they occur seldom in the less prosperous manufacturing and trading branches. Sales of potash in October were only 73,537 metr. t, against 101,196 t in September, the reason being that agriculture was occupied with the crops. The estimated raw sugar production in the current business year 1925-26 is 1,532,250 metr. t, the current business year 1924-25 is 1,578,559 t last year. The consumption of beet has increased, but the sugar content is smaller. It is

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believed that the Western Steel Trust is on the eve of completion. Krupps have formed a new company, "Krupp Eisenhandel G.m.b.H.," with headquarters Düsseldorf, for home and foreign trade. The Railways Corporation has given an order for 480,000 t of track materials to the Stahlwerksverband. The rolling-stock branch is very dull. The Railways Corporation, it is stated, has 5,000 locomotives and 14,000 freight cars (some probably in bad condition) more than it can use. The scrap-iron market is more active. An agreement has been come to with Belgian wire manufacturers to check competition. The Pig-Iron Syndicate announces unchanged prices for November, and the Raw Steel Syndicate has retained unchanged for November its 35 per cent. reduction of output. Increasing French competition in iron is reported in consequence of the new fall in the franc's exchange. The motor car manufacturing branch is again dull, and the output of standardised light cars, from which much was expected, is declining. The average price of machine tools is officially put at 52.1 per cent. above that of 1914, of machines 47.9 per cent., as against a rise of 23.7 per cent. in the price of pig-iron (Foundry No. III.) and of 126.2 per cent. in bars. Trade Press complaints of the lamentable state of the iron and steel industries are not confirmed by output statistics. It is true that business is dull and that prices are unprofitably low; but even if it is noted that smelters and steel manufacturers have considerable unsold stocks, the recovery of production shown by the latest statistics indicates that business is by no means desperate. Output this year will almost certainly be the biggest since the war. The year 1922 has been so far the best post-war year—

	In Metric Tons.	
	Pig-iron.	Steel.
1919.....	6,283,873 ..	7,874,356
1922.....	9,395,670 ..	11,714,302
1925 (January-September)	7,958,594 ..	9,643,442
1925 (whole year, at rate of Jan.-Sept.) about	10,600,000 ..	12,800,000

Since the new Bourse decline of late October, the Press has been full of laments as to industrial conditions—the Bourse now plays the unreliable indicator rôle formerly played by the paper mark's exchange. These laments are always exaggerated, often contrary to facts. The latest Commerz- und Privat-Bank report says with reason: "It would be entirely unreasonable, allowing for all doubtful symptoms, to judge German business with uncritical pessimism.....If, with case by case and branch by branch, present conditions and future prospects are examined, the conclusion will undoubtedly be that great parts of German business, as before, are on a thoroughly sound foundation and promise favourable developments.

The securities market has again been weakish, but the latest declines are mostly small, with recoveries in certain branches. The *Frankfurter Zeitung's* home stocks index shows for October 31st 66.16 (100 on January 2nd), against a former low point for the year of 67.29 on August 21st. The leading heavy industry stocks, which were depressed more than other securities during the Stinnes crisis, are materially higher than in August; and shipping stocks are also higher, and in the last few days have risen, against the general tendency, as result of—somewhat vague—optimistic reports concerning the treatment of shipping property seized by the United States. Yesterday, after Bourse hours, some shipping stocks, on supposed foreign buying, rose considerably.

ITALY.—DEBT MISSION TO AMERICA—HOPES OF FINANCIAL CIRCLES—THE ITALIAN LIRA AND FRENCH FRANC.

(FROM OUR CORRESPONDENT.)

TURIN, October 29.

ON October 22nd the Italian Mission for the settlement of the debt with the United States sailed from Naples. Among the members of the Mission are some of the very best names in the financial world, Signor Volpi, the Finance Minister, and the able organiser of great electrical enterprises and director of banks; Signor Pirelli, the son and partner of the founder of a world-renowned rubber manufacturing firm; Signor Alberti, a student of economic questions and a responsible banker; and as technical experts Professors Gini and Cantelli, both distinguished University professors. A well-digested mass of statistical evidence on the economic and financial situation of Italy has been prepared, so that the case for Italy will be fully laid before the American Commission.

Financial circles and stock exchanges (which, by the way, have recovered from the extreme depression of the end of September and the first days of October) are welcoming the attempt at a settlement, and set on it great hopes. They see that the payment of big sums on the score of interallied debts will be a source of recurrent difficulties; but, in the characteristic mental attitude of men of affairs, they say, better a bad certain bargain than a perpetual uncertainty hanging over us. Until uncertainty is dispelled, no real progress can be made. Financial circles, moreover, hope that the settlement will mean the lifting of the embargo on issues by Italian public corporations and joint-stock companies in the United States. As one of the greatest obstacles to payments is difficulty of remittance, it is hoped that Americans will re-invest the sums received from the Italian Treasury in Italian industrial concerns, becoming interested as shareholders, partners, or creditors in the property of Italian agriculture and industry.

That is one side of the problem; on the other hand it is observed that there is not the slightest probability that Italy can export anything for the sake of debt payment. Even supposing that taxpayers can be taxed up to a certain sum, say 20 million dollars eventually for payment to the U.S. and 20 millions for payment to Great Britain, how could such a sum, corresponding, at the present rate of exchange, to 1,000 million lire yearly, be transmitted? The balance of exports and imports worked out as follows in the first eight months of the present year (in millions of lire):—

	1924.	1925.
Imports	12,392.7	18,099.7
Exports	8,548.0	11,383.2
Excess of imports over exports	3,844.7	6,716.5

It seems that in 1925 the excess of imports over exports, which in 1924 totalled 5,070.1 million lire, will be over 8,000 million lire. No one thinks that the invisible net credits can offset more than a part of the unfavourable commercial balance; so that in the present year Italy will be obliged to resort to foreign credits under various forms.

How that situation could be so thoroughly reversed as to create an excess of credits and the possibility of remittances to foreign countries is very difficult to say. Moreover, it will not be easy to extract from the over-taxed Italian the sums which presumably are claimed by foreign creditors. How a hard-living people can pay huge sums to rich, well-fed and well-housed Americans strikes Italians as a problem somewhat difficult of a common-sense solution. However, on these problems differences of opinion do not coincide with political parties. All parties support the Government in the attempt to reach a solution which Italy can fulfil without too crushing a burden on her future development.

An interesting feature of the end of October has been the rupture of the chain which seemed to bind together the Italian lira and the French franc. Until recently whenever the French franc sank, the Italian lira followed it. Our experts attributed the synchronism of the two movements to arbitrage operations of French banks, and to the opinion, widely held in foreign circles, that

Italian and French finances were involved in the same good or bad plight. Last summer, for the first time, the synchronism was not operative, and the last slump of the franc did not extend to the lira, which remains today at about 25 lire per dollar, or 122 per pound sterling. There is, indeed, a fundamental difference between France and Italy. We have balanced the budget, so that the Treasury is not bound to come to the market continually in search of money. We have indeed 17,954 millions lire of 3 to 12 months Exchequer bills, but they are easily renewed when they come to maturity, and cannot, therefore, be considered as a latent paper circulation. We have, not as France has, a Treasury problem. The only visible element of disquiet in our financial situation is to-day the interallied debt problem. Public opinion is growing persuaded that Great Britain and United States will not willingly take upon themselves the responsibility of upsetting an equilibrium which cost us so great a sacrifice to reach.

SWITZERLAND.—FOREIGN TRADE—EFFECT OF McKENNA DUTIES—GERMAN TARIFF—MONEY AND BANKING.

(FROM OUR CORRESPONDENT.)

GENEVA, October 24.

IT was easy to foretell that the boom in Swiss exports recorded during the months which preceded the enforcing of the McKenna Duties would be followed by an important drop. While exports totalled a value of £8,365,281 in June, they came down to £6,124,947 in July, to £6,132,321 in August, and reached £7,239,982 in September. The recovery in September is, nevertheless, gratifying. Swiss foreign trade returns during the third quarter were on the whole not unsatisfactory; imports reached a value of £25,895,316, compared with £24,761,560 during the corresponding period of 1924, and exports totalled £19,497,250, against £19,908,360 in 1924. From January 1 to September 30, 1925, Switzerland imported goods to a value of £74,966,178, or £2,944,018 more than in 1924, and exported products for a total value of £62,271,209, or £1,235,209 more than in 1924. This leaves a heavy adverse balance of £12,694,969, which is partly made good by the earnings of the hotel industry, which may be estimated at nearly £9,000,000 for the present year.

The increase of exports to Germany is a consequence of the Agreement concluded in November, 1924, between Germany and Switzerland for the mutual suppression of import restrictions and prohibitions which were hampering trade relations between the two countries. The Agreement covered a period of eleven months up to September 30, 1925, but it was, on September 8th last, prolonged up to the end of the present year. In the meantime, the German Reichstag decided on some important increases of Customs Duties, which measure Switzerland considers to be prohibitive, and, as the Agreement entitles one country to have recourse to negotiations when the other has arranged to discuss the question with Germany. A conference of economic experts is now taking place with a view to coming to some understanding on that point, but if the conference fails to reach an accord, Switzerland will be entitled to denounce the Agreement at a month's notice; this would mean the reintroduction of import restrictions, a measure which would certainly aggravate anxiety is felt in Swiss commercial quarters, as Germany is now the most important market for Swiss goods, and if to trade and industry already hard hit by the McKenna Duties. During the first quarter of 1925 the monthly average value of Swiss exports to Great Britain was £1,140,000, it came down to £826,186 in July, to £705,172 in August, but it slightly rose to £746,165 in September. The extent to which the McKenna Duties clearly shown by statistics. From March to August, the sale of Swiss watches dropped from £200,000 to £17,800, of silk tissues from £406,400 to £121,680, of silk ribbons from £85,400 to £15,000; during the same time the num-

ber of unemployed has risen from 7,000 to over 10,000, as several embroidery manufacturers have been compelled to close down. It is almost likely that, in a few months' time, when the stocks bought by England have been considerably reduced, Swiss exports to Britain will again show an increase, but, in the meantime, Swiss exporters will pass through a difficult period, the more difficult if the present obstacles raised by Germany cannot be removed.

Money is now abundant in Switzerland. Owing to the rather unsettled condition, there is no great demand for capital by trade and industry, and, on the other hand, it seems that French capitalists have recently placed important funds in the Swiss banks to forestall the carrying out of the taxation plans of M. Caillaux. The abundance of money, and the fact that several countries have already reduced their discount rate, led the Swiss National Bank to reduce its discount rate from 4 to 3½ per cent. Switzerland has again become an important centre for the investing of foreign funds. It is impossible to estimate the amount of money which French, German, Austrian, Roumanian, and even British capitalists have placed in the Swiss banks during recent years, but it certainly reaches several milliards of francs. Foreign capitalists are of opinion that the country is safe, that Socialism and Communism have no prospects of coming into power, and they also know that taxes are generally low. This accounts for the extraordinary development of all Swiss banking concerns since the beginning of the war. There was an important withdrawal of foreign funds in 1922, when the Swiss Socialist Party proposed a Capital Levy, but that proposal was rejected by the electorate by such a crushing majority that all the funds withdrawn were sent back to Switzerland, and the movement continued during the succeeding years. If Swiss trade and industry are labouring under difficult circumstances, the Swiss banking industry is at least prosperous and developing year by year.

ROUMANIA.—POLITICAL SITUATION—CURRENCY CIRCULATION—FOREIGN TRADE FIGURES—OIL.

(FROM OUR CORRESPONDENT.)

BUCHAREST, October 26.

PARLIAMENT opened on the 15th with political enthusiasm at a low ebb. Four years of so-called "Liberal" government have been a severe strain even on such a patient and long-suffering people as the Roumanians. According to the provisions of the Constitution, however, this session will terminate the mandate of the present Government, and a general election should be held not later than next February.

What the Messrs Bratianu intend to do is still highly uncertain. They probably realise that the country is tired of their administration, and that their four years' performance has been anything but a sparkling success. While opposition against them is undoubtedly strong throughout the country, the political parties in opposition, as they are at present constituted, inspire even less confidence than do the Liberals themselves. The Opposition forces, in fact, are all at sixes and sevens, lacking not only leadership of the forceful and intelligent character required, but unable even to present a common programme for legislative action.

The past three months have witnessed a rapid increase in the bank-note circulation. One year ago the outstanding volume was 18,846 million lei. On July 1st last it was 19,536 millions, and by October 1st it had increased to 20,682 millions. During the three months ended October 1st the rediscounts of the National Bank rose from 7,627 million lei to 8,465 millions. Issuing new currency against commercial paper does not seem to be regarded locally as inflation, the idea apparently being that industry and commerce are being assisted by relieving the credit and currency crisis through the medium of a "temporary" increase in the bank-note circulation. The convention concluded several months ago between the Treasury and the National Bank, and subsequently ratified by Parliament, fixes the legal limit of currency circulation at slightly over 21,000 million lei.

Although the official rediscount rate continues at 7 per cent., open market rates have firmed up again quite considerably during recent weeks, and some of the leading

Bucharest banks are now offering from 18 to 24 per cent. for time deposits, with interest payable in advance. Financial circles are far from optimistic over the winter outlook.

Preliminary official figures on the foreign trade balance for the first half of 1925 show a deficit of Lei 1,736,221,591—imports being valued at Lei 14,543,035,256 and exports at Lei 12,806,813,665. For the corresponding period of 1924 imports were valued at Lei 13,730,893,622, and exports at Lei 12,171,213,120, the adverse balance of Lei 1,559,680,502, however, having been more than regained in the second half of the year.

Grain exports in the autumn usually lay the foundation for Roumania's favourable foreign trade balance. The present autumn, however, has so far been a very poor one from the grain export viewpoint, but it is hoped that the reduction a few days ago of the export tax on barley and maize (from Lei 20,000 to 12,000 per carload) will stimulate the outward movement before the winter closing of the Danube, especially as the competition of Russian and Yugoslav grain—which has been exceptionally keen this autumn—is now reported to be slackening. The failure to reduce the prohibitive export tax of Lei 30,000 per carload on wheat is taken to mean—despite official estimates of a substantial crop surplus—that the actual yield will be only about sufficient to satisfy internal requirements.

Business interests are now agitating strongly for a further upward revision of the import tariff—particularly on metallurgical products—claiming that imports should be restricted to the barest necessities in order to help in restoring a favourable trade balance.

Crude oil production in the first nine months of the present year totalled 1,615,842 metric tons, exceeding by 312,229 tons the production for the corresponding period of 1924. The September production of 215,000 tons established a new monthly record. It is expected, however, that the October figures will exceed 225,000 tons. The discovery of a new oil sand at 3,000 feet in the Moreni field seems likely to increase very considerably the oil production of Roumania. Only three wells have so far reached this deep strata, and each of them has given strong indications that an extensive and prolific "pay" has been uncovered. "Romano-Americana" (Standard of New Jersey) No. 1, which came into production from this deep formation on July 24th, is still flowing in excess of 1,000 tons per day. Unfortunately, however, the first fifty days' flow from this well was lost by fire.

In view of the enormous (for Roumania) quantities of fuel oil that are piling up in storage, the Government have now decided to abolish all restrictions on its export, except the payment of the export tax. This, it is announced, will be reduced in the very near future from Lei 2,000 to Lei 300 per carload of ten metric tons in order to facilitate export. Although prices are low, the oil companies are in a much healthier condition than other industrial enterprises in this country.

SWEDEN.—GOOD HARVESTS—BUSINESS IMPROVEMENT—MONEY AND STOCKS—A BANK AMALGAMATION.

(FROM OUR CORRESPONDENT.)

STOCKHOLM, October 19.

THE slight improvement in business conditions which has been prevailing here for the last month has been stimulated by the harvest reports. It is estimated that this year's crop is larger than any crop ever reaped in this country. As the quality is good, too, and the harvest weather in general has been favourable, the result seems to be altogether satisfactory. This promising fact is expected to give strong support to trade and industry in general, owing to the increase in the buying power of the countryside. In some branches signs of this have already appeared. The labour is also satisfactory. At the beginning of October the labour question often causes uneasiness, as this is the time at which decisions are taken as to the prolongation or otherwise of the labour agreements expiring on January 1st, and affecting a large percentage of Swedish workers. This year, however, this business has passed off smoothly, few notices of termination being given either by the workers or the employers.

To advise recourse to the haulage contractor's motor lorry (itself economically inapplicable to large-volume freight of low payable content such as sugar beet), or purchase for his own use of the more appropriate transport instruments that have been developed, is, to the bankrupt farmer, to add insult to the injury already done him!—I am, Sir, yours faithfully,
EMRYS J. WHELDON.

Granville House, Arundel street, Strand, W.C. 2.
November 5th, 1925.

Books and Publications.

ESSAYS IN CONTEMPORARY HISTORY.*

In these two volumes, which are issued under the auspices of the British Institute of International Affairs, Mr Arnold J. Toynbee boldly attacks a most difficult and intricate task. To write contemporary history, even in calm times, is formidable; in the seething turmoil of the post-war years it is overwhelming. Nor can the contemporary reviewer presume to assess the degree of success which the author has achieved. The verdict must lie with the students of future generations. But certain things even the contemporary reviewer may venture to say. He may, for instance, state without fear of future contradiction that Mr Toynbee has skilfully pieced together a truly tremendous mosaic of essential facts upon which he throws the searchlight of a brilliant intelligence. It is, in fact, difficult to know which to admire the more—the boundless industry which must have gone to the compilation of the record of facts and events, or the continuous effort of the imaginative faculty which preserves a perspective throughout the treatment of a welter of material, in which a less experienced author would have foundered as in a morass.

Originally these two volumes were to have been one. But the single volume outgrew its appointed limits, and rather than suppress or curtail the Institute decided to publish two volumes simultaneously. The first, "The World After the Peace Conference," is essentially the introduction to the second, the "Survey of International Affairs, 1920-23." It is an exegesis of the canvas on which were painted in the events of the four years covered in the later volume. It consists of a thoughtful examination of the political map as it was in 1914, and as it was left by the Peace Treaties of 1919-20, and of the two following chapters, entitled "The Horizon" and "The Fore-ground" in which the author traces the ramifying influences in international relations which were to lead to that series of failures which met the international efforts of European statesmen in the three years covered by the second volume. Of that volume, indeed, such failure is the keynote. To quote a phrase of Mr Toynbee's, "The portentous forces set in motion by the War of 1914 could no more be arrested by the summary method of drafting a treaty than the Hydra could be killed by a stroke of the sword, and the weary statesmen of Europe saw two heads spring up for every head which they cut off." We are told, indeed, the story of the eighteen international conferences (ending with Genoa) at which the Hydra was attacked with large hope and small success. The rest of the volume is divided into five parts dealing with Western Europe, Eastern Europe, the Islamic World, Tropical Africa, and the Far East and the Pacific. Maps, appendices, and bibliographies, footnotes and references are abundantly supplied, and, indeed, Mr Toynbee adds to his achievement of clear narration and excellent marshalling of facts the merit of providing all possible assistance to the student. Whatever verdict the historian of the future may pass on Mr Toynbee's *magnum opus*, he will in any case find in it not only an indispensable work of reference, but also a guide to the understanding of how the events of the period looked to a very conscientious and intelligent observer.

* "The World After the Peace Conference." By Arnold J. Toynbee. 5s net. "Survey of International Affairs, 1920-23." 25s net. Both volumes published by Humphrey Milford, Oxford University Press.

THE RAILWAYS ACT.*

THIS volume is another in the series of handbooks from the same publishers intended for the use of students of transportation. It deals exclusively with Part III. of the Railways Act, which is concerned with the constitution and procedure of the Railway Rates Tribunal, the determination of standard revenue, the fixation of rates and fares, the classification of merchandise, and kindred subjects.

After a recital of the essential features of the Act in these respects, Mr Griffiths describes briefly the work accomplished by the Tribunal, down to the fixation of standard revenue, and outlines what remains to be done before the "appointed day" can be determined.

The book does rather scanty justice to the immensity of these proceedings, and gives only the barest outline of what took place; but it does not purport to be more than a concise *précis*, and within these narrow limits it fulfils a useful end.

Tables are appended showing an analysis of the schedules of Standard Charges submitted by the four amalgamated companies in pursuance of Section 30 of the Act, and the book is completed by a digest of the test cases on various issues which have been heard by the Tribunal.

* "The Railways Act, 1921." By R. Prys Griffiths. Sir Isaac Pitman and Sons, Limited. Price 2s 6d net.

TAXATION IN AUSTRALIA.*

THIS work gives an outline of the development of taxation—indirect and direct—in the Colonies (now States) of the Australian group, with an interesting account of the origins of taxation. The power of taxation is one which is peculiarly liable to abuse either in the hands of an individual autocrat or by a sectional oligarchy such as may wield the sceptre of authority even under the forms of a modern Parliamentary system. There are in existence two schools of opinion differing from one another as to whether taxing statutes should be used primarily as the means of affecting specific social or political purposes, or should be designed with the sole intention of producing necessary revenue. The adherents of one school regard the present individual, or mainly individual, industrial régime as one to be displaced as soon and as completely as possible, and they view taxation as a system of morally persuasive penalties whereby the community can be induced to turn from its present courses and follow the path which leads to the imagined Elysium of Socialism.

The concluding chapter discusses the Burden of Taxation, 1923-24, and deals in an interesting way with the often assumed that direct taxation cannot be passed on to the consumers, but the experience in Australia is that and other classes of business and professional men frequently have, and cheerfully avail themselves of, the opportunity of passing on income-tax. Evidence of public opinion in the 1923 Commission on Taxation was to one of the overhead expenses of a business, which means that it is merely a factor in the cost of goods or services indeed, received judicial recognition. This practice has, Court of New South Wales, which, in estimates of personal taxation to the working expenses of their business (see N.S.W. Parl. Debs., 1920, Vol. L3XII., p. 3,306). It is believed the same practice passes unchallenged in other Australian Arbitration Courts. The amount of the Commonwealth and States Income Taxes is interesting comment on direct taxation in Britain.

* "Taxation in Australia." By Stephen Mills, C.M.G., Barrister-at-Law. London: Macmillan and Co., Limited. 12s net.

BOURNE'S HANDY ASSESSMENT MANUAL, 1925.*

THE edition for 1925 of this most useful manual contains the figures from the life assurance reports and valuations issued in the first half of this year. The arrangement, a convenient one, adopted in previous issues has been continued. The summary of British accounts deposited with the Board of Trade shows ordinary life funds of £506,280,738, and industrial life funds of £123,200,043. The total ordinary income was £79,364,736, and the increase in the funds £25,656,126. For industrial business the income was £39,423,824, and the increase in the funds £12,698,383. Of the ordinary life business in force 41.06 per cent. consisted of whole-life assurance and 51.15 per cent. of endowment assurance.

BOOKS RECEIVED.

Profits. By William Trufant Foster and Waddill Catchings. Published by Houghton Mifflin Company for the Pollak Foundation for Economic Research. Newton 58, Massachusetts. \$4.00.

The Foundation offers a prize of \$5,000 for the best adverse criticism of this book.

Review of German Economic Conditions. No. 1. November, 1925. (New York and Berlin) Stoehr and Sons, Incor.

The Law of Charters and Bills of Lading Shortly Explained. By Sanford D. Cole. (London) Effingham Wilson. 4s net.

Foreign Exchange and Foreign Bills. By W. F. Spalding. 6th edition. (London) Sir Isaac Pitman and Sons, Limited. 7s 6d net.

Private Ownership or Socialism. By Scoville Hamlin. (Philadelphia) Dorrance and Co. \$2.00.

International Wholesale Co-operation. By Anders Hedberg. (Manchester) Co-operative Union, Limited, 2s net.

Bourne's Handy Assurance Manual, 1925. Paper cover, 2s 8d, post free. Cloth covers, 3s 2d, post free. (London) Stone and Cox, 188-189 Strand.

The Magic of Islam. North African Motor Tours of the Compagnie Générale Transatlantique. (London) 22 Pall Mall.

This attractive and profusely illustrated booklet describes a large variety of tours organised by the company in Algeria, Tunisia, and Morocco.

Wholesale Prices, 1890-1924. Bureau of Labour Statistics. U.S. Department of Labour. (Washington) July, 1925.

Transvaal Chamber of Mines. 35th Annual Report, 1924. (Johannesburg) Transvaal Chamber of Mines.

Rubber Producing Companies, 1925. Compiled by Mincing Lane Tea and Rubber Share Brokers' Association, Limited. (London) The Financial Times, Limited. 7s 6d net.

Wireless talks on Insurance. (London) Williams and Norgate, Limited, 14 Henrietta street, Covent Garden. 3s 6d net.

This volume reproduces the talks on insurance and kindred subjects recently broadcast by Sir William Schooling and others, who have agreed to hand over their royalties to the funds of the Insurance Clerks' Orphanage.

OFFICIAL PUBLICATIONS RECEIVED.

The following may be obtained from H.M. Stationery Office, Adastral House, Kingsway, W.C. 2:—

Colonial Reports: No. 1265. Unfederated Malay States (under British Protection). 1924. 6s net. No. 1270. *British Guiana.* 1924. 9d net.

Return showing the number of persons in receipt of Poor Law Relief in England and Wales on the night of January 1, 1925. No. 164. 1s 3d net.

Report of the Imperial Economic Committee on Marketing and Preparing for Market of Foodstuffs produced in the Overseas Parts of the Empire. First Report—General. Cmd. 2493. 9d net.

* Stone and Cox, Limited, 188-9 Strand, W.C. 2. Price, 2s 8d, post free, in paper cover, and 3s 2d in cloth.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET,
November 18.

ACCOUNT,
November 19.

Stock Exchange markets have been affected by Mr Winston Churchill's announcement that the embargo upon Colonial and foreign issues has been removed. This served to depress gilt-edged stocks, the War Loan going to a trifle below 100, while Conversion 3½ per cents. dropped at one time to 75½. It led to the possibility being canvassed of a rise in the Bank rate. Gilt-edged and purely investment stocks have been dull all round; and, in the foreign market, the speculative investment bonds of the Mid-European class were also easier, on the assumption that Belgium, Brazil, and several other big foreign borrowers might shortly put in an appearance with new loans. The Gold Coast issue of 4½ per cents. at 94 received no enthusiastic welcome, the price being considered expensive.

Slight reactions have occurred in Austrian, Greek, German, Czech, and other Reconstruction bonds, but the speculative counters of the foreign market—e.g., Turkish Unified, Peruvian Corporations, and other such have been advanced. Chinese bonds strengthened, and Brazilians have been marking time.

The home railway group showed a firmer disposition at first on the attitude of some of the railwaymen in refusing to be dominated by Socialist extremists. Prices, however, failed to hold a mild recovery, and the market became dull and stagnant. In foreign rails, the feature is a relapse in Cordoba Centrals, which followed the meeting on Wednesday; speculators sold after the chairman's speech. Argentine rails, however, as a whole, keep hard, sustained by good traffics. The nitrate market is quiet, with a harder tendency.

The rubber market maintains a good deal of activity, but the settlement which concluded on Thursday turned out to be a lighter affair than several of its predecessors have been. Not many firms had to work all through the night on ticket-day. Some of the newly-issued shares command a wide circle of following. It is pleasant to be able to state that the public are showing a marked discrimination in the matter of applying for new rubber companies' shares. In the tea market, there is not much going on. In the oil list, a rise in Shells and a violent jump in Mexican Eagles (brought about by Paris purchases) galvanised the market into animation. Prices are decidedly better on balance.

Several of the tobacco shares came into renewed demand, and the boomlet in cable equipment shares received a further fillip on the declaration of a 7½ per cent. interim dividend by Johnson and Phillips. Prices in this section are strong; electrical manufacturing shares followed the same upward road. Gas stocks are better. There has been a little rally in the shipping leaders, P. and O. deferred recovering from 250 to 262. The insurance market is neglected; banking shares keep their prices, and trust companies' stocks remain difficult to buy. The iron, coal and steel group has improved. Some people ask whether the recent revival, based on the hopes of early trade recovery, may not be premature. Others think that removal of the embargo on foreign issues will stimulate the "heavy" trades. In artificial silks, Grouts have secured the principal rise of the week, Courtaulds being quieter than usual, while other textiles have maintained a firm front, with Coats a feature of particular strength on the fine figures published with the dividend declaration. Newspaper shares are disposed to strengthen, and amongst breweries, Benskins spurred on the expectation of what the forthcoming report is likely to show. There has been a sharp recovery in Dunlops now that the strike is settled. Motor shares generally are quiet. Aluminium shares fell sharply on the news of the Welsh disaster. Several fresh introductions have been made to the industrial market during the past few days, and the appetite of the public for speculative investment is such that almost anything which offers a prospect of improvement in price, and which gives reasonable value for money, has no difficulty in securing support.

A Kaffir market feature has been the strength of Langlaagtes, East Rands, and a few of the deep-level shares, but business is very patchy in South Africans as a whole. Johannesburg Consolidated Investments have enjoyed a spurt, and Goldfields went better on the increased dividend. Chartered and other Rhodesians attract no special attention. Tin shares in the Malayan group are strong on the dividend announcements, while West Africans, in spite of disappointing Bauchi dividends, manage to arouse a certain amount of interest. Mexican mining shares have moved in somewhat jerky manner, and the Broken Hill division displayed a disposition to dwindle, despite a better dividend declared by the Zinc Corporation. Other mining sections are quiet.

VENEZUELAN OIL CONCESSIONS, LIMITED.—Production for the week ended October 24, 1925, was as follows:—La Rosa, 7,680 metric tons (previous week ended October 17, 5,743 metric tons). Maracaibo district, 3,530 metric tons (previous week ended October 17, 3,030 metric tons). For week ending October 31st:—La Rosa, 12,568 metric tons; Maracaibo District, 3,401 metric tons.

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

COMPANY MEETINGS, &c.

CORDOBA CENTRAL RAILWAY COMPANY, LIMITED.

RECORD RESULTS—SCHEME OF ARRANGEMENT.

The 39th ordinary general meeting of the Cordoba Central Railway Company, Limited, was held at River Plate House, Finsbury Circus, London, on the 4th instant, the Right Hon. Lord Farrer (chairman of the company) presiding.

The Chairman, in moving the adoption of the report and accounts, having referred to the visit of H.R.H. the Prince of Wales to the Argentine Republic, said: The report which we now submit is so encouraging that it really speaks for itself. The principal business which we have to-day to consider is the question of the proposed method of dealing with the debit balance in net revenue account, and you will no doubt wish me to devote my remarks principally to that subject. I will therefore merely recapitulate the salient features of the year's working.

INCREASED RECEIPTS.

Our gross receipts—which again constitute a record in the history of the company—show an increase of £195,000, or 6 per cent., and this, I would remind you, follows on an increase of £97,000 which last year's gross receipts showed over those of the previous year. The working expenses—which include nearly £6,000 more than last year in respect of the reserve for renewals—show a small increase of £18,000, or less than 1 per cent. over the figure of last year. The net receipts are greater than those of the previous year by £177,000, or just on 21 per cent., and here again this increase is on top of an increase of £53,000 which the net receipts of last year showed over those of the previous year. These increases in receipts are sufficiently striking in themselves to call for no comment from me.

The loss on exchange was £119,000, compared with £163,500 in the previous year. I would, however, point out that this year the equivalent of the amount remitted in sterling was some £355,000 more than the realised sterling remitted last year. After making the usual provision of £50,000 under the scheme of 1919, the balance at the credit of the net revenue account for the year is £248,284, which, of course, goes in reduction of the previously existing debit balance. This debit balance now stands at £632,351.

SCHEME EXPLAINED.

Having dealt briefly with the year's results, and matters incidental thereto, I will now direct your attention to what no doubt you will consider to be the most important feature in our report. At the general meeting of the company held last October, I intimated that, provided the results of the financial year then ensuing and the company's cash position were satisfactory, we would consider how best to deal with the balance at the debit of net revenue account, which then amounted to £880,000. Well, as I have just told you, the past year's results have proved quite satisfactory, as the net revenue exceeded that of the previous year by £223,000. Moreover, as since June 30, 1925, our estimated receipts, both gross and net, showed improvement over those of last year, we felt justified, in view of these encouraging results, in formulating proposals for adjusting the accounts and eliminating the debit balance. It is true that were we to wait this debit balance of £632,000 might probably in a few years' time be liquidated out of net profits, but meanwhile the whole status of the company would suffer, as it would remain on the list of non-dividend payers.

THE PROPOSALS.

We did not think the proprietors generally would favour the adoption of such a course, and we therefore considered it advisable in the best interests of the company to deal with the matter now, our proposals for doing so being:—(1) That 20 per cent., equivalent to £126,400, be written off the issued amount of the ordinary income stock; (2) that this £126,400 be applied as to £632,351 5s 10d in extinguishing the balance at the debit of net revenue account at June 30, 1925, and as to £181,372 14s 2d in reducing the amount of £767,876 standing at the debit of capital account in respect of "rebates, &c., on issues of capital." The effect of these proposals will be to put the company in a position to resume the payment of interest on its preference and ordinary income stocks much earlier than would otherwise be the case, and we believe that all the income stocks will thereby enjoy a better standing, as the delay which would otherwise necessarily ensue in working off the debit balance out of future revenue will be avoided. The approximate gross receipts for the first three months of the current financial year—which were exceptionally good—exceed those of the corresponding period of last year

by £77,000, and I may add that the increase in our net receipts for the same period represents a substantial proportion of that sum.

Mr W. Sandford Poole seconded the resolution, which was carried nem. con.

The formal business having been transacted, separate meetings of the various stockholders and an extraordinary general meeting of the company were held, when the scheme of arrangement was approved.

COLOMBIAN CORPORATION, LIMITED.

POSITION OF CONSTANCIA MINE.

The fifth ordinary general meeting of the Colombian Corporation, Limited, was held, on the 5th instant, at River Plate House, Finsbury Circus, London, Mr F. W. Baker (the chairman) presiding.

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

The Chairman, in moving the adoption of the report and accounts, after dealing with the balance-sheet, said: Turning to the position at the Constancia mine, I am glad to be able to report that plant construction was completed in April of this year, and from that date the mill has been operating continuously. For the period ended August 31, 1925, 24,640 tons have been milled, yielding \$84,632, averaging \$3.44 per ton, the operating costs amounting to \$92,415, averaging \$3.75 per ton. This cannot be considered as anything but a very disappointing result, but you must bear in mind that a certain percentage of values is always absorbed in the starting up of any new mill, and the results obtained are not really a true index of future results. One feature is satisfactory—namely, operating costs. These have been brought down to a lower figure than Mr Hoffmann estimated, and only very slightly over Mr Prichard's original estimates, and this under very adverse conditions, because, owing to shortage of labour, we are only able to put through the mill less than one-half of the tonnage upon which our estimates of earnings have been based, and for which treatment our mill is designed. It now appears pretty clear that if we could secure labour so as to increase our tonnage, we could get operating costs even lower than the average just given, and as the developments carried out during the year point to the probability of a general higher average in grade, a small increase in this direction and a further decrease in operating

costs on a larger tonnage treatment will materially change the picture. We are operating a mine splendidly equipped, and all that we now require is an increased labour supply to produce the tonnage requirements for mill capacity and some appreciable increase in the average grade of the ore to be treated.

Gentlemen, I feel that the position at the Constancia mine is certainly more encouraging than it was when I addressed you last year, but we cannot get away from the fact that the future of this property is going to turn on what development will show in the future, particularly below the 5th level. We are certainly operating, even under the adverse conditions, at a very low cost, which should be further reduced as larger tonnages are treated and further labour is secured. Personally, I believe as the camp gets known as a settled camp miners will gradually come back to us attracted by the conditions of living.

Mr John A. Agnew seconded the resolution, which, after the chairman had replied to a few questions, was adopted.

KAMUNTING TIN DREDGING, LIMITED.

RECORD YEAR—INCREASED OUTPUT AND DIVIDEND.

The twelfth annual general meeting of the shareholders of Kamunting Tin Dredging, Limited, was held, on the 4th instant, at the registered offices, 7 Martin's Lane, Cannon Street, London, Mr John I. Philips (chairman of the company) presiding.

Mr J. Hope-Bowden, A.C.A., on behalf of the secretaries (Messrs Bright and Galbraith, Limited), having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said: Gentlemen,—Although we are met to consider the most successful year's working in the history of the company, I have no doubt that, as usual, it will be your pleasure to take the report and accounts now before you as read.

The running time of our No. 1 dredge has again been remarkable. In spite of 10 years' continuous wear, it has actually worked 7,135 hours—practically 20 hours per day—recovering 46½ tons of tin ore, which is the best recovery of any of our dredges.

Nos. 2 and 3 dredges have also worked an average of over 20 hours per day for the whole year, and have recovered 375 tons and 418 tons of tin ore respectively.

The year's output from all sources is 1,345½ tons—an increase of 50 per cent. over last year—which has realised £194,556, as compared with £118,303 realised in 1923-24.

The working costs of Nos. 1, 2, and 3 dredges, which were 4.99d per cubic yard in the year 1922-23 and 4.12d per cubic yard last year, have now been further reduced to 4.01d per cubic yard, which compares very favourably with the working costs of other tin companies operating in Malaya.

The net result of the year's working, after providing £22,207 for depreciation, is a profit of £106,709 8s 5d, which has enabled your directors to declare and pay four interim dividends of 1s each, free of tax, which is equal to practically 26 per cent. per annum, and leaves £36,172 17s 1d, or over 10 per cent. on our capital, to be carried forward to the current financial year.

Your directors at one time considered the advisability of making a further distribution on account of 1924-25 in the form of a bonus dividend. In face, however, of the fact that it will be some little time before No. 4 is again in commission, the board, in accordance with their desire to maintain their usual conservative policy, decided to increase the first distribution on account of the year 1925-26 from 1s to 1s 6d per share, free of tax, which, with the current rate of income-tax, is at the rate of 37½ per cent. per annum, and which, I think, will meet with the approval of everyone.

May I also call your attention to the value at which our four dredges now stand in our balance-sheet? On reference to this item, you will see that, in addition to the customary adequate depreciation, your directors have transferred £61,252 from reserve and premium on shares account, so that the four dredges now stand in the books of the company at £87,602, or less than £22,000 each.

You will see from the report that the area owned by the company has been increased by about 540 acres at a cost of £9,668, or less than £20 per acre, so that we now have a total area of some 2,187 acres, which, in the opinion of the general manager, makes the company's reserves in keeping with its dredging equipment.

After ten years' continuous working, the general manager desires to dock No. 1 dredge for repairs and the installation of new machinery to bring her more up to date, which is approved by the board, but, as we desire to maintain a normal output, naturally this work will not be undertaken until No. 4 is again in commission.

I do not propose dealing at length with the future position, but I notice from statistics appearing in the Press on the question of supply and demand that they indicate that the market price of tin

will not only be maintained, but there appear to be good grounds for anticipating a further rise.

Sir Ernest W. Birch, K.C.M.G., seconded the resolution, which was unanimously adopted.

SUNGEI-TIMAH ESTATE (PERAK), LIMITED.

INCREASE OF CAPITAL SANCTIONED.

An extraordinary general meeting of the shareholders of the Sungei-Timah Estate (Perak), Limited, was held, on the 4th instant, at the registered office of the company, 4, Lloyds Avenue, London, for the purpose of considering, and, if thought fit, passing resolutions approving the acquisition of new estates and the increase of the capital of the company, Mr E. J. Koch (the chairman) presiding.

The Chairman said: This meeting has been convened to consider resolutions approving the issue of further shares for the purpose of acquiring two small properties near our estate in Teluk Anson, and raising funds for the development of our reserve land. From personal experience and knowledge of the soil, growth and yielding capacities of estates in that locality, I can thoroughly recommend the purchase. There will be nothing in the way of capital expenditure required, as buildings, factory, and smokehouse are ample for requirements. The additional crop which we shall harvest and sell on arrival at spot prices will very considerably enhance the average sales during the current financial year, and, in view of the fact that our forward sales during this period are made below present prices, you will realise how important and advantageous this additional crop will prove to be. Further, to this, after paying off the purchase price and underwriting commission, an estimated amount of something like £10,000 will be available. We shall now be in a position to open up our reserve land without encroaching on our earnings, which would not have been the case had we not made this issue.

Taking all things into consideration, I feel sure, gentlemen, that you will agree with me that the acquisition of the new estates and the prospects of being able to open up our land with the cash available will make Sungei-Timah Estate a very much more attractive proposition.

I now beg to move the following resolutions:—

(1) "That the directors be, and they are hereby, authorised to conclude arrangements for and carry out and complete the purchase by the company of rubber estates, known as the Hockseng and Sinniar Estates, situate near Teluk Anson, in the Federated Malay States, as a going concern as from such date as may be arranged at an approximate price of £26,500, and that the directors be, and they are hereby, authorised to make or assent to any modifications of any provisional arrangements made by them, and settle all incidental terms which they may think expedient in the interest of the company, and to execute and do all acts, deeds, and things as may seem desirable to them for effectuating the above purposes."

(2) "That the capital of the company be increased to £100,000 by the creation of 650,000 additional ordinary shares of 2s each carrying the same rights as and ranking in all respects *pari passu* with the existing ordinary shares in the capital of the company."

Mr M. Maude seconded the resolutions, which were carried unanimously.

GOVERNMENT RETURNS, &c.

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

Date.	Notes and Certificates Outstanding.	Investments in Reserve Accounts.	Redemption Account.				
			Silver Coin.	Gold and Bullion.	Bank of England Notes.	Ratio to Notes.	Balance of Bank of England.
Mar. 22, 1922.	300,351	14,255	5,000	28,500	19,450	15.9	261,479
June 28, 1922.	295,374	13,338	6,000	28,500	19,650	16.3	254,212
Sept. 27, 1922.	289,127	12,648	7,000	27,000	21,150	16.6	246,526
Dec. 27, 1922.	301,337	12,872	7,000	27,000	21,150	15.9	258,922
Mar. 28, 1923.	285,616	12,318	7,000	27,000	22,450	17.3	241,294
June 27, 1923.	286,503	12,516	7,000	27,000	22,460	17.3	242,446
Sept. 27, 1923.	282,784	12,401	7,000	27,000	22,450	17.5	238,595
Dec. 26, 1923.	299,070	12,571	7,000	27,000	22,450	16.5	256,032
Mar. 26, 1924.	281,538	11,908	7,000	27,000	22,450	17.6	235,867
June 25, 1924.	290,316	12,472	7,000	27,000	22,450	17.0	245,198
Sept. 24, 1924.	285,592	12,227	7,000	27,000	22,450	17.3	241,185
Dec. 31, 1924.	296,261	12,812	7,000	27,000	26,950	18.2	246,111
Mar. 25, 1925.	284,256	11,882	7,000	27,000	26,950	18.9	235,076
June 24, 1925.	292,278	12,265	7,000	..	53,950	18.6	243,474
Sept. 30, 1925.	293,004	12,555	7,000	..	56,250	19.1	241,188
Oct. 28, 1925.	291,617	12,082	7,000	..	56,250	19.2	240,337
Nov. 4, 1925.	293,480	12,134	7,000	..	56,250	19.1	242,249

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum ordinary issue for 1920 fixed at £320,600,000, for 1921 at £317,555,200, for 1922 at £309,988,400, for 1923 at £270,183,800, for 1924 at £248,190,900, and for 1925 at £248,145,400.



The Anglo-South American Bank Limited.

Head Office:
117 Old Broad Street, London, E.C. 2

Authorised Capital	£10,000,000
Reserve Fund	£4,000,000
Issued Capital	£8,734,660
Paid-up Capital	£4,367,330

The Bank, in addition to 7 Branches in
SPAIN
has with its
AFFILIATED INSTITUTIONS
THE BRITISH BANK OF SOUTH
AMERICA, Ltd., and
THE COMMERCIAL BANK OF
SPANISH AMERICA, Ltd.

53 offices in the principal countries of
LATIN AMERICA

Auxiliaries Abroad:
ANGLO SOUTH AMERICAN TRUST CO.
(Incorporated under the laws of the State of New York),
NEW YORK.
BANQUE ANGLO-SUD AMERICAINE, SOC. ANON.,
PARIS.
Northern District Office: 83, Market Street, BRADFORD.
Lancashire Branch: 19, Spring Gardens, MANCHESTER.

November 7, 1925.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £45,000,000 in Treasury Bonds and Treasury Bills were opened on Nov. 6, 1925, and the total amount applied for was £47,865,000. For bills at three months dated Monday to Friday, £99 0s 2d, and above in full; Saturday bills at £99 0s 5d, above in full—in bills at 3 months, £38,390,000; in bonds, nil.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.	4% Treasury Bonds. Average Price.
Sept. 1925.				
Sept. 4.	40,000,000	56,955,000	3 15 3/53	94 0 0
Sept. 11.	40,000,000	57,180,000	3 15 6 7	94 0 0
Sept. 18.	40,000,000	57,255,000	3 10 1 05	94 0 0
Sept. 25.	45,000,000	62,900,000	3 10 4 26	94 0 0
Oct. 2.	45,000,000	65,940,000	3 7 3 39	94 8 0
Oct. 9.	40,000,000	66,420,000	3 6 5 79	94 9 1 48
Oct. 16.	35,000,000	41,885,000	3 12 7 86	94 8 0
Oct. 23.	40,000,000	48,395,000	3 14 9 79	94 8 0
Oct. 30.	40,000,000	49,160,000	3 16 1 72	94 8 0
Nov. 6.	45,000,000	47,865,000	3 18 1 44	94 8 0

Tenders will be received on Nov. 13, 1925, for Treasury Bills and Treasury Bonds to be issued to the maximum amount of £40,000,000. The amount of Treasury Bonds issued will not exceed £4,000,000.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1925-26. (See Note.)	Total Receipts into the Exchequer from Oct. 31, 1925.	Total Receipts into the Exchequer from Oct. 31, 1924.	Receipts. Week Ended Oct. 31, 1925.	Receipts. Week Ended Nov. 1, 1924.
BALANCES IN EXCHEQUER ON 1st April:					
Bank of England...	5,341,778	5,069,613	5,069,613	..	..
Bank of Ireland...	1,215,322	1,562,001	1,562,001	..	..
..	6,557,100	6,631,614	6,631,614	..	..
REVENUE.					
Customs...	102,040,000	59,926,000	58,748,000	2,036,000	1,810,000
Excise...	137,220,000	76,213,000	77,172,000	1,426,000	1,491,000
Motor Vehicle Duties...	17,500,000	5,424,000	4,611,000	132,000	134,000
Stamps...	68,500,000	34,460,000	35,480,000	800,000	850,000
Land Tax, House Duty & Mineral Rights Duty...	24,000,000	12,590,000	11,250,000	790,000	580,000
Property & Income Tax...	282,000,000	107,372,000	120,849,000	1,682,000	3,147,000
Super Tax...	63,300,000	28,836,000	26,370,000	400,000	350,000
Excess Profits Duties, &c.	4,000,000	6,880,000	9,900,000	140,000	220,000
Corporation Profits Tax...	9,000,000	32,000,000	31,900,000	1,600,000	1,500,000
Post Office...	57,000,000	6,000,000	6,000,000	..	..
Crown Land...	900,000	6,000,000	6,000,000	..	..
Loans...	12,600,000	8,679,220	8,063,646	..	..
Miscellaneous...	14,000,000	6,765,664	7,045,490	..	..
Ordinary Receipts...	30,000,000	22,408,710	16,168,261	36	..
Special Receipts...	801,060,000	402,258,594	408,937,327	9,006,036	10,082,000
Revenue...	801,060,000	402,258,594	408,937,327	9,006,036	10,082,000
OTHER RECEIPTS.					
Temporary Advances Repaid—Under the Unemployment Insurance Acts, 1921...	1,270,000	5,790,000	30,000	..	..
Money Raised by Creation of Debt—(a) For Capital Expenditure Issues: Under the Telegraph (Money) Acts, 1922 and 1924...	5,950,000	4,500,000	..	..	..
Under the Housing Act, 1914...	6,000	4,000	..	..	..
Under the West Indian Islands (Telegraph) Act, 1924...	20,071	260,719	..	..	..
(b) Under the Unemployment Insurance Acts, 1921...	1,715,000	400,000	40,000	250,000	..
(c) For other issues: By Treasury Bills...	1,458,337,000	1,415,403,000	47,005,000	49,176,000	..
By 3% Conversion Loan...	34,969,560	1,580,000	..	..	..
By National Savings Certificates By Exchequer and National War Bonds...	20,500,000	16,300,000	600,000	550,000	..
By Treasury Bonds, 1925...	15	..	..	..	..
By 4% Treasury Bonds, 1931-33...	4,649,787	13,521,620	802,399	..	..
(d) Ways and Means Advances—Anglo-Persian Oil Company—Dividends on Shares Acquired...	408,181,000	513,669,000	3,600,000	9,010,000	..
Repayments—In respect of issues under Land Settlement (Facilities) Acts, 1919 and 1921...	116,243	562,521	..	..	..
In respect of issues under Section 59 (4) of Finance Act, 1920...	9,901,981	..	..	..	..
Interest received under Section 59 (5) of the Finance Act 1920...	256,778	..	..	..	..
Total...	2,354,689,139	2,386,002,910	62,663,435	69,078,000	..

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1925-26. (including Supplementary Grants.)	Total Issues out of the Exchequer to meet Payments from Oct. 31, 1925.	Total Issues out of the Exchequer to meet Payments from Oct. 31, 1924.	Issues. Week Ended Oct. 31, 1925.	Issues. Week Ended Nov. 1, 1924.
EXPENDITURE.					
National Debt Services—Interest, &c.	305,000,000	187,202,320	193,995,876	1,111,781	7,337,291
Staking Fund...	50,000,000	23,692,132	16,102,561	1,768,612	500,000
Read Fund...	16,900,000	4,691,044	3,476,044	..	..
Payments to Local Taxation Accounts, &c.	13,329,000	5,933,474	5,837,861	770,000	650,000
Payments to Northern Ireland Exchequer...	4,000,000	2,612,465	2,702,484	12,000	75,000
Land Settlement...	700,000	281,068	364,282	18,710	12,427
Other Consolidated Fund Services...	2,000,000	1,552,546	1,415,062	9,235	45,598
Supply Services...	418,086,000	228,866,556	214,250,512	7,736,000	8,350,000
Expenditure...	810,015,000	454,831,684	438,534,712	11,496,538	15,968,316

	Total Issues out of the Exchequer to meet Payments from Oct. 31, 1925.	Total Issues out of the Exchequer to meet Payments from Oct. 31, 1924.	Issues. Week Ended Oct. 31, 1925.	Issues. Week Ended Nov. 1, 1924.
OTHER ISSUES.				
Temporary Advances—Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904...	73,782	73,782	..	..
Under the Unemployment Insurance Acts, 1921...	1,715,000	400,000	..	70,000
Issues to Meet Capital Expenditure—Under the Telegraph (Money) Acts, 1922 and 1924...	6,900,000	5,150,000	550,000	..
Under the Housing Act, 1914...	6,000	6,000	..	..
Under the West Indian Islands (Telegraph) Act, 1924...	20,071	316,195	..	5,476
Unemployment Insurance Acts, 1921...	1,270,000	5,790,000	100,000	10,000
Repayment of amounts borrowed—Redemption of Debt—Treasury Bills...	1,396,515,000	1,385,605,000	46,260,000	49,630,000
Principal of National Savings Certificates...	17,650,000	18,600,000	600,000	550,000
Principal of Exchequer Bonds paid off...	306,667	..	..	..
Principal of National War Bonds paid off...	8,344,789	6,454,373	..	..
Principal of Treasury Bonds paid off...	23,645,865	..	..	50,000
Other Debt under the War Loan Acts, 1914 to 1919...	..	50	..	..
Ways and Means Advances Repaid—Anglo-Persian Oil Company—Issued to the National Debt Commissioners...	440,376,000	522,129,500	3,600,000	1,750,000
Balance in Exchequer—Bank of England...	2,351,654,858	2,383,082,721	62,536,538	69,033,792
Bank of Ireland...	2,082,214	2,035,727	58,897	2,400
Total...	2,353,737,072	2,385,118,448	121,694,435	141,438,192

NOTE.—Budget Estimate as in E.C. No. 84 of 1925.

	Aug. 1, 1924.	Dec. 31, 1924.	Mar. 31, 1925.	Jun. 30, 1925.	Oct. 31, 1925.	Nov. 1, 1925.
NATIONAL DEBT.—(Million £).						
Funded Debt...	588	315	315	314	314	314
Term Annuities...	30	18	16	14	14	13
5% Conversion Loan...	..	..	268	684	686	709
4% Conversion Loan...	..	..	..	..	..	..
4% War Stock...	..	63	63	63	63	63
4% War Stock...	..	13	13	13	13	13
4% and 5% War Stock...	2,047	1,996	1,953	1,908	1,863	1,818
National War Bonds...	1,509	1,413	1,201	953	813	778
4% Funding Loan...	..	409	406	399	396	395
4% Victory Bonds...	..	360	347	336	326	316
Treasury Bonds...	..	..	..	..	..	..
Exchequer Bonds...	..	..	..	..	..	..
National Savings Certs...	..	..	..	..	..	..
Other Debt*	..	..	..	..	..	..
American Loan (Anglo-French)...	..	..	..	..	..	..
Treasury Bills...	15	1,107	1,121	878	688	676
Temporary Advances...	1	243	154	147	186	167
Other Capital Liabilities	654	8,033	7,574	7,655	7,742	7,646
Total Liabilities...	711	8,079	7,623	7,721	7,813	7,794

* Includes debt to American Government.

	Nov. 1, '24.	Mar. 31, '25.	Oct. 31, '25.	Nov. 1, '25.
POSITION OF THE FLOATING DEBT.				
Ways and Means Advances—Outstanding...	1,750,000	1,750,000	1,750,000	1,750,000
Advances by Bank of England...	1,750,000	1,750,000	1,750,000	1,750,000
Advances by Public Deptn...	1,750,000	1,750,000	1,750,000	1,750,000
Treasury Bills Outstanding...	1,750,000	1,750,000	1,750,000	1,750,000
Total Floating Debt...	1,750,000	1,750,000	1,750,000	1,750,000

* Includes £36,000, the proceeds of which were not carried to the Exchequer within the period of the account.

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, November 4, 1925.

ISSUE DEPARTMENT.	
Notes issued	166,980,350
Government debt	11,015,100
Other securities	8,734,900
Gold coin & bullion	147,230,350
Total...	166,980,350

BANKING DEPARTMENT.	
Proprietors' capital ..	14,563,000
Reserve	3,141,880
Public deposits*	14,212,839
Other deposits	105,800,826
Seven-day & other bills ..	3,536
Total...	137,712,081

NEW YORK FEDERAL RESERVE BANK.—In \$'s (000's omitted).	
Total gold reserves	156,360
Total bills discounted	36,390
Bills bought in open market ..	55,120
Total U.S. Government securities ..	248,590
Total earning assets	868,830
Deposits—Member bank—res. acc't ..	82.4%
Ratio of total res. to dep. and Federal ..	81.9%
Res. note liabilities combined ..	75.4%

November 7, 1925.

The OCEAN ACCIDENT and GUARANTEE CORPORATION, Limited.	
ASSETS	£28,501,591
CLAIMS PAID	£27,361,771
Accidents and illness. Fidelity Guarantees.	
Employers' Liability. Fire, Motor Cars, Public Liability.	
Surgery, Inspection and Insurance of Boilers, Engines, Electrical Plant and Lifts.	
Executors and Trustees.	
Head Office: 36-44, MOORGATE, LONDON, E.C.2.	

	Amount, Nov. 4, 1925.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Best Public deposits	131,180	+ 37,679	+ 2,193,235
Public deposits	105,800,826	+ 3,185,050	+ 5,551,231
Other deposits	35,209,41	+ 5,031,297	+ 5,248,500
Government securities	75,148,114	+ 999,244	+ 3,443,950
Other securities	27,354,026	+ 299,992	+ 2,556,557
Reserve	141,442,836	+ 1,535,335	+ 17,557,725
Note circulation	149,046,856	+ 1,255,943	+ 20,558,352
Ratio of cash reserves to liabilities ..	22%	+ 1%	+ 3%

	Amount, Nov. 4, 1925.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
1925.	160,650,075	142,910,840	131,520,167
1924.	160,467,713	144,774,565	131,520,167
1923.	157,916,689	143,961,040	129,500,588
1922.	155,843,261	143,133,835	127,000,000
1921.	152,740,766	142,540,595	124,000,000
1920.	150,282,799	142,974,765	120,013,665
1919.	149,046,856	142,442,830	120,013,665

BANKERS' CLEARING RETURNS (000's omitted).

	Town.	Metropolitan.	Country.	Total.
1925.	28,635,718	1,350,455	2,390,981	32,377,154
January 1 to October 31	733,620	33,506	53,321	803,302
Nov. 4	764,097	..	..	856,792
Total to date 1925	30,123,435	1,416,322	2,499,491	34,039,248
Do 1924	29,483,914	1,349,261	2,455,181	33,288,356
Do 1923	28,635,718	1,350,455	2,390,981	32,377,154
Increase or decrease in 1925 ..	+ 2%	+ 4%	+ 1%	+ 2%
Total for year 1924	35,038,605	1,594,114	2,900,145	39,532,864
Total for year 1923	32,377,373	1,416,322	2,455,181	36,248,876
Increase or decrease in 1924 ..	+ 8%	+ 3%	+ 3%	+ 7%

PROVINCIAL CLEARING RETURNS.

	Month of October.	Aggregate Weekly Totals to Oct. 31.
1924.	1925.	1924.
Number of Working Days	27	27
BIRMINGHAM	10,110,000	11,910,000
BURTON	5,664,000	5,489,000
DUBLIN	4,181,000	4,630,000
LIVERPOOL	3,164,000	3,779,000
MANCHESTER	44,374,000	41,216,000
NEWCASTLE-ON-TYNE	70,486,000	69,031,000
NOTTINGHAM	7,506,000	6,517,000
Sheffield	2,812,000	3,013,000
Total	157,954,000	153,699,000

OVERSEAS BANK RETURNS.

NOTE.—The latest return of the Bank of Estonia appeared in the Economist of June 27; Canada, Lithuania, Bulgaria, Egypt and Italy in Oct. 24; Hungary, Serbs, &c., Roumania and Greece in Oct. 31.

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

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

Assets.	Oct. 31, 1925.	Sept. 30, 1925.	Aug. 31, 1925.	July 31, 1925.	Oct. 31, 1924.	Position, May 30, 1924.
Coin and bullion ..	203,341	203,383	203,419	203,439	209,529	76,644
Loans & discounts ..	252,395	252,652	252,129	252,842	251,452	88,470
Debtors abroad ..	134,363	124,321	148,362	108,907	25,650	24,102
Securities ..	7,010	7,007	7,064	7,251	8,799	11,888
LIABILITIES.						
Circulation ..	453,559	430,332	442,140	448,676	495,122	157,266
Deposits ..	60,666	60,672	75,342	64,043	75,898	6,696

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

Assets.	Oct. 31, 1925.	Oct. 22, 1925.	Oct. 15, 1925.	Oct. 30, 1924.	Position, May 30, 1924.
Coin and bullion—Gold ..	147,226	147,226	147,226	147,227	44,224
Balance abroad and foreign bills ..	65,955	66,460	65,090	36,749	88,533
Norwegian and Foreign Government securities ..	12,596	12,596	12,596	8,999	8,816
Discounts and loans ..	310,485	304,241	308,798	410,491	76,911
LIABILITIES.					
Notes in circulation ..	365,525	360,354	365,169	411,481	113,484
Deposits at notice ..	99,183	99,158	97,481	112,882	7,188

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

Assets.	Oct. 31, 1925.	Oct. 24, 1925.	Oct. 17, 1925.	Oct. 10, 1925.	Nov. 1, 1924.	May 31, 1924.
Gold ..	230,858	230,926	231,055	231,127	240,139	104,918
Balance abroad ..	166,147	166,003	166,076	169,216	59,527	112,172
Swedish and foreign Govt. securities ..	47,265	47,265	47,265	47,265	55,057	32,465
Discounts & loans ..	245,738	237,945	247,565	259,716	380,483	118,668
LIABILITIES.						
Notes in circulation ..	523,409	474,064	486,218	501,079	543,269	326,555
Deposits at notice ..	102,247	130,814	126,394	129,118	118,196	369,660

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

Assets.	Oct. 23, 1925.	Oct. 15, 1925.	Oct. 8, 1925.	Oct. 23, 1924.	Position, May 30, 1924.
Gold ..	43,286	43,286	43,286	43,285	35,091
Balance abroad and foreign bills ..	1,307,084	1,371,049	1,389,911	553,574	90,379
Finnish and Foreign Government securities ..	405,107	405,107	403,296	498,648	21,926
Discounts and loans ..	396,177	394,839	391,029	794,811	105,151
LIABILITIES.					
Notes in circulation ..	1,238,964	1,263,843	1,280,809	1,227,040	123,941
Deposits at notice ..	654,407	693,649	686,170	451,712	21,225

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

Assets.	Oct. 28, 1925.	Oct. 21, 1925.	Oct. 14, 1925.	Oct. 29, 1924.	Nov. 22, 1924.
Gold bullion and coins ..	23,550	23,552	23,552	23,598	12,993
Silver coin ..	2,358	2,400	2,522	2,522	2,468
Foreign currency ..	3,535	3,553	3,471	50,258	22,468
Treas. notes & small change ..	7,744	8,330	9,006	16,363	3,085
Short term bills ..	63,130	62,095	61,794	42,866	6,639
Loans against securities ..	49,749	49,568	49,057	40,672	2,912
Other assets ..	9,890	10,001	9,920	5,726	1,359
LIABILITIES.					
Notes in circulation ..	29,539	28,706	28,818	26,000	4,085
Capital paid up ..	11,659	11,659	11,659	10,260	8,000
Reserve ..	1,522	1,522	1,522	926	..
Special reserve ..	1,000	1,000	1,000	..	..
Deposits ..	6,706	6,634	6,645	4,684	61
Current accounts ..	48,112	47,032	46,126	46,648	16,933
Government accounts ..	70,701	73,559	73,585	80,162	16,697
Government deposits ..	..	..	..	..	..
Other liabilities ..	20,617	21,39	19,969	10,866	3,757

BANK OF DANZIG.—In Danzig gulden (000's omitted).

Assets.	Oct. 31, 1925.	Oct. 15, 1925.	Sept. 30, 1925.	Sept. 15, 1925.	Aug. 31, 1925.	Oct. 31, 1924.
Coin and bullion ..	2,652	2,767	2,776	2,809	2,655	2,801
Of which gold coin ..	4	4	4	4	4	4
Danzig subsidiary coin ..	2,648	2,763	2,772	2,804	2,648	2,798
Balance, Bk. of Eng., inc. notes ..	16,348	11,103	17,704	19,497	18,205	12,124
Bills of exchange ..	16,952	16,954	17,206	18,131	19,513	16,282
Loans ..	1,161	682	1,316	1,878	2,297	1,988
Foreign exchange ..	18,698	21,217	25,187	12,267	13,889	16,330
Other balances on demand ..	1,790	3,641	1,920	1,908	1,922	1,436
LIABILITIES.						
Capital paid up ..	7,500	7,500	7,500	7,500	7,500	7,500
Notes in circulation ..	34,043	32,267	35,496	30,256	33,444	27,060
Deposits on demand ..	5,664	6,657	9,343	4,676	5,387	15,101
Deposits at notice ..	..	..	..	..	..	..

BANK OF POLAND.—In zloty (000's omitted).

Assets.	Oct. 20, 1925.	Oct. 10, 1925.	Sept. 30, 1925.	Sept. 20, 1925.
Gold ..	132,118	132,072	132,807	131,978
Foreign currencies ..	69,036	63,335	71,739	69,009
Silver and bullion ..	18,467	18,884	10,883	3,106
Bills discounted ..	281,206	286,816	292,300	292,310
Loans against securities ..	54,775	53,205	47,312	48,921
Short-term discounts ..	18,389	18,298	18,309	18,107
Liability of the Treasury ..	50,000	50,000	50,000	50,000
LIABILITIES.				
Share capital ..	100,000	100,000	100,000	100,000
Reserve funds ..	1,197	1,197	1,197	1,197
Notes in circulation ..	370,536	381,496	396,529	398,074
Current accounts ..	104,899	111,667	104,991	99,375
Liability in foreign exchange ..	53,060	41,684	34,359	32,697

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

Assets.	Oct. 23, 1925.	Oct. 15, 1925.	Oct. 7, 1925.	Oct. 23, 1924.
Metal reserve—Gold in coin & bullion ..	14,830	14,830	14,830	10,926
Foreign bills ..	492,890	492,106	496,848	380,140
Other foreign bills ..	62,555	64,790	72,011	..
Bills discounted ..	79,654	80,194	82,639	255,470
Advances to the Treasury ..	195,358	195,770	196,130	230,960
LIABILITIES.				
Reserve fund ..	2,679	2,679	2,679	487
Notes in circulation ..	762,290	783,081	816,595	734,193
Deposits ..	83,091	64,691	45,965	137,610

* Contains such foreign bills and balances as bought from customers against kronen under the agreement that the same amount of foreign currency shall be supplied to the customers at fixed terms on condition of such sums in kronen being returned by them as were paid by the bank for the foreign currency delivered.

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

Assets.	Oct. 23, 1925.	Oct. 15, 1925.	Oct. 7, 1925.	Sept. 30, 1925.
Gold and silver holdings ..	1,030,097	1,030,060	1,030,050	1,030,453
Balance abroad and foreign currency ..	722,985	719,456	713,570	701,935
Discounts and advances ..	1,035,503	1,062,308	1,062,058	1,062,058
Uncovered state notes debt balance ..	5,207,077	5,224,582	5,240,532	5,258,908
Other assets ..	342,913	448,438	694,513	740,422
LIABILITIES.				
State notes in circulation ..	7,297,985	7,414,617	7,626,864	7,839,377
Check account balances ..	814,612	714,565	635,604	483,957
Other liabilities ..	225,978	327,795	478,205	470,442

RUSSIAN STATE BANK.—Note-Issuing Department.

Assets.	Nov. 1, 1925.	Oct. 16, 1925.	Sept. 16, 1925.	Nov. 1, 1924.
Gold in coin and bullion ..	18,494	18,494	18,476	13,140
Platinum ..	3,183	3,183	3,183	3,187
Foreign bank notes ..	4,676	4,676	4,676	10,070
Drafts in sterling (less 10% discount) ..	171	170	170	353
Bills (less 10% discount) ..	52,400	52,401	52,408	22,382
Securities covering advances on goods (less 10% discount) ..	86	86	86	9,207
LIABILITIES.				
Bank notes ..	76,569	75,686	75,564	72,698
Balance to which notes may still be issued ..	2,431	3,314	3,336	1,139

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

Assets.	Oct. 31, 1925.	Oct. 24, 1925.	Oct. 17, 1925.	Oct. 10, 1925.	Oct. 31, 1924.	Position, May 30, 1924.
Gold ..	2,536,669	2,536,669	2,536,670	2,536,670	2,534,920	521,775
Silver ..	650,133	647,875	646,765	646,765	650,945	728,600
Loans & discounts ..	2,496,784	2,432,887	2,472,977	2,472,977	2,236,369	800,725
Spanish 4% stock ..	344,475	344,475	344,475	344,475	344,475	344,475
Treasury bills ..	150,000	150,000	150,000	150,000	150,000	150,000
LIABILITIES.						
Circulation ..	4,458,597	4,448,623	4,484,992	4,484,992	4,529,072	801,550
Deposits ..	969,169	977,414	967,671	967,671	918,899	477,500

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

Assets.	Oct. 14, 1925.	Oct. 7, 1925.	Sept. 30, 1925.	Sept. 23, 1925.	Oct. 15, 1924.
Coin and bullion ..	10,295	10,301	10,351	10,382	9,537
Of which gold ..	8,577	8,577	8,577	8,577	8,537
Balance abroad ..	263,163	251,951	240,039	231,145	276,522
Discounts ..	189,908	189,866	193,822	192,854	173,469
Government loans ..	1,578,964	1,569,657	1,557,249	1,548,793	1,588,792
LIABILITIES.					
Notes in circulation ..	1,670,302	1,680,181	1,684,683	1,651,890	1,732,707
Deposits ..	67,093	63,950	67,265	60,740	49,040

LONDON RATES.

	Oct. 30, 1925.	Oct. 21, 1925.	Nov. 2, 1925.	Nov. 3, 1925.	Nov. 4, 1925.	Nov. 5, 1925.	Nov. 6, 1925.
Bank rate (changed from 4 1/4% Oct. 1, 1925) ..	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4
Market rates of discount—90 days' bankers' drafts ..	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4
3 months' do ..	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4
4 months' do ..	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4
6 months' do ..	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4	4 1/4
Discount (Treasury Bills)—							
2 months ..	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4
3 months ..	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4
6 months ..	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4
Loans—Day to day ..	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4
Short ..	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4
Deposit allowances—Banks ..	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4
Discount houses at call ..	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4
At notice ..	2 1/4	2 1/4	2 1/4	2 1/4	2 1/4	2 1/4	2 1/4

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

Comparison with previous weeks:—

	Oct. 1925.	Nov. 1925.	Oct. 1925.	Nov. 1925.	Oct. 1925.	Nov. 1925.	Oct. 1925.	Nov. 1925.
Short ..	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4
3 Months ..	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4
4 Months ..	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4
6 Months ..	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4
3 Months ..	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4
4 Months ..	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4
6 Months ..	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4	3 1/4

OVERSEAS BANK RATES.

Amsterdam	Oct. 3, 1925	..	50	Oso.	Changed.	..	
Athens	Aug. 16, 1925	..	30	Paris	Sept. 14, 1925	..	
Belgrade .....	.....	..	10	Prague	July 9, 1925	..	
B rlin	Feb. 28, 1925	..	8	Rome	Mar. 16, 1925	..	
B russels	Nov. 5, 1925	..	8	Roma	Feb. 16, 1925	..	
Bucharest	Sept. 4, 1920	..	6 1/2	Sofia	June 18, 1925	..	
Budapest	Oct. 2, 1926	..	7	Stockholm .....	.....	..	
Calcutta	Sept. 24, 1926	..	7	S wiss Bank	Oct. 8, 1925	..	
Copenhagen	Se t. 8, 1925	..	5 1/2	places .....	.....	..	
Danish	Mar. 5, 1925	..	5 1/2	Tokio	Oct. 22, 1925	..	
Helsingfors	Oct. 29, 1925	..	9	Winn	April 15, 1925	..	
Lisbon	Sept. 12, 1923	..	8	Warsaw	Sept. 2, 1925	..	
New York Federa	.....	..			(See page 1)	..	
nal Reserve	Feb. 28, 1925	..				..	

		d		d		s	d
Highest price	.....	33 $\frac{3}{8}$	.....	32 $\frac{1}{8}$	.....	84	11 $\frac{1}{2}$
Lowest	"	32 $\frac{3}{8}$	.....	32 $\frac{3}{8}$	.....	84	10 $\frac{1}{2}$
Average	.....	32.972	.....	32.757	.....	84	11.2

1925.		Gold Per Ounce.	Silver—Per Ounce.		Date.	Silver.
			Cash.	Forward.		Cash.
Oct.	31....	$\$ \frac{d}{4} 10\frac{1}{2}$	$\frac{d}{32}$	$\frac{d}{32}$	Nov. 14, 1919..	$\frac{d}{65}$
Nov.	2....	$\$ 4 \frac{11}{16}$	$32\frac{3}{16}$	$32\frac{3}{16}$	12, 1920..	$53\frac{1}{2}$
	3....	$\$ 4 \frac{11}{16}$	$32\frac{3}{16}$	$32\frac{3}{16}$	11, 1921..	$38\frac{3}{4}$
	4....	$\$ 4 \frac{11}{16}$	$32\frac{3}{16}$	$32\frac{3}{16}$	10, 1922..	33
	5....	$\$ 4 \frac{11}{16}$	$32\frac{3}{16}$	$32\frac{3}{16}$	9, 1923..	$32\frac{3}{4}$
	6....	$\$ 4 \frac{11}{16}$	$32\frac{3}{16}$	32	7, 1924..	$34\frac{1}{2}$

	Tons Crushed.		Gold Recovered.			Value.	Profit.
	Mill.	Cyanide Works.	Mill.	Cyanide Works.	Total.		
Gold.	Tons.	Tons.	Ozs.	Ozs.	Ozs.	£	£
Balaghat	3,600	6,650	2,552	322	2,874		
Cam and Motor	20,000				8,630		
Champion Reef	8,795	26,483	4,520	939	5,452	(£)37,338	19,000
Mysore	19,764	30,397	9,416	1,326	10,742		
Nundydroog	10,800	20,868	4,255	913	5,168		
O regum	14,000				8,621		
Oriental Consolidated							
Oroville Dredging (16 days to Oct. 30th)				(clean up)		\$94,300	
Rezende	6,300	953				\$18,495	
Sherwood Starr	2,300				3,165	13,712	6,300
Waihi	16,354		5,825 ozs	gold.	2,6479 ozs	5,426	2,200
							silver

	Output.	Other Notes in Return.
Tin.	Tons.	
Bangrin	40	
Chenderiang	278	
Deebook	20	Est. value, £4,375. ..
Ex-Lands Nigeria	50	..
Filani	24	Tin concentrates. ..
Gopeng	39	Est. value, £2,125; est. cost, £2,255.
Idris Hydraulic	134	Est. value, £2,041; est. cost, £1,259.
Ipoh	594	
Kamunting	96	Est. value, £15,425. ..
Keffi	100	
Kinta	25	Est. value, £4,142; est. cost, £1,167.
Lahat	224	Est. value, £3,949; est. cost, £2,557.
Malayan	952	Est. value, £16,037; est. cost, £7,425.
Pahang Consolidated	220	Black tin; alluvial, 75 tons.
Parl	34	Est. value, £298; est. cost, £266.
Pengkalan	18	Est. value, £2,960; est. cost, £1,335.
Rahman Hydraulic	474	
Renong	484	..
Ropp	125	..
Rukuba	6	..
Siamese	323	..
Southern Perak	44	Est. value, £6,095; est. cost, £1,750.
Sungei Besi	48	Est. value, £7,755; est. cost, £4,338.
Tongkah Harbour	62	
Tronoh	332	Est. value, £5,733; est. cost, £4,141.
Copper.		
Messina		

silver per ton; also 7,626 tons of zinc concentrates assaying 67 per cent. lead and 25 on zinc, and 1,000 tons of lead concentrates assaying 46 per cent. zinc.

Name of Company.	Rate per annum, except where marked % or stated in Cash.		Method of Payment.	Dividend for Whole Year.	
	Interim or Final.	Date of Payment.		Lat' or Pre- Year.	Pre- Year.
Railways.					
Bannquilla Railway and Pier	5%†	Nov. 27	..	7½	6
Buenos Ayres Central	..	..	..	6	5
Banks.					
Royal of Scotland	16†	..	Less tax	15½	14½
Insurance.					
Life Association of Scotland	13/9 p.a.	Nov. 11	Less tax	..	..
Mining.					
Arizona Copper	/9 p.s.	..	Tax free	..	..
Charterland and General Exploration	10%*	Nov. 16	Less tax	12½	10
Consolidated Gold of S. Africa.	/6 p.s.	Nov. 24	Less tax	..	..
Deesook Dredging	/9 p.s.*	Dec. 14	Less tax at 4/3	15	10
Ipho Tin	..	..	Less tax at 4/3	..	..
Jantar Nigeria	2/ p.s.*	(+ bonus of 4 p.s.)	Less tax at 2¼	..	..
North Broken Hill	3/ p.s.*	Jan. 1	Less tax at 2¼	..	..
Zinc Corporation	..	..	..	..	..
Tea and Rubber.					
Amalgamated Rubber	6*	Dec. 18	Less tax	7½	nil
Bantardawa	20%*	Nov. 17	Less tax	..	..
Barn (Java) Estates	10%*	..	Less tax	..	..
Batu Tiga Rubber	15%*	Dec. 8	Less tax	..	..
Bidor Rubber	..	..	Tax free	3	3
Bukit Rambun Estates	2/ p.s.*	Nov. 30	Less tax	22½	5
Chubuwa Tea.	23%†	..	Less tax	..	..
Clovelly Rubber	10%*	Nov. 2	Less tax	..	..
Dekhari Tea.	6*	..	Less tax	..	..
Dindings Rubber.	20%†	..	..	30	25
Elmhurst Tea and Rubber	7½%*	Nov. 25	Less tax	..	..
Eow Seng Rubber	15%*	Nov. 17	Less tax	4	nil
Gadek Rubber	..	..	Less tax	..	..
Glen Rubber and Tea	5%*	Nov. 18	Less tax	..	..
Glenahiel Rubber	7½%*	..	Less tax	10	..
Gordon (Malaya) Rubber.	10%*	Nov. 11	Less tax	..	..
Kajang Rubber	12½%*	Nov. 30	Less tax	..	..
Kepong Rubber	5%*	Nov. 18	Less tax	..	..
Karau Rubber	12½%*	..	..	15	30
Malacca Rubber	20%†	(+ bonus of 5%)	Less tax at 4¼	10	3
Matarsata Tea and Rubber	..	..	Less tax at 4¼	7½	7
Morb Plantations	..	..	Less tax	..	..
Northampton Rubber & Tea	..	..	Less tax	..	..
Singinjuri Bheel Tea	5%*	Dec. 17	Less tax	15	nil
Signaling Rubber	5%†	..	..	..	..
Do	10%*	..	..	..	..
Sonosekar Planting	15%†	..	Less tax	25	6
Sumatra Para	10%*	Oct. 28	Less tax	7½	4½
Sungei Buloh Rubber	..	..	Less tax	..	..
Tillyfour Rubber	..	..	Less tax	7	15
Other Companies.					
Aberdeen Trust	4%†	..	Less tax	16	15
Agar Cross	6%†	Dec. 1	(+ bonus of 5%) Tax free	17	15
Albert Baker	5*	..	Less tax	15	14
Albion's Staines Brewery	..	..	Tax free	15	15
Australian Mercantile Land	..	..	..	7	5
Backus and Johns on's Brewery	5%*	Nov. 11	Less tax	1½	1
Blantyre and East Africa	..	..	..	..	..
Boardman's United Breweries	4%*	Nov. 14	Tax free	16½ p.s.	15
Brampton Brewery	..	..	..	10	15
Brierfield Mills	..	..	Less tax	10	7
Brighton United Breweries	..	..	..	..	..
Brunner, Mond	3½%*	Nov. 16	Less tax	6	6
Cartisland (Brookside Brewery)	7½%*	..	..	3	3
Castlebellingham Breweries	..	..	..	..	..
Clydesdale Heritable Trust	25*	..	Less tax	..	..
Coliseum Syndicate	5%*	Nov. 17	Less tax	10	15
Consolidated Trust, Def.	7%†	Nov. 24	Less tax	..	..
Coventry Chain	8%*	..	Less tax	..	..
Debenham Securities Investmt.	15%*	..	..	15	10
Dell Tobacco	..	..	..	..	..
Drybrough and Co.	6*	Nov. 30	..	..	..
Electric Contraction	4%*	..	Less tax	..	..
Fitch and Son	..	..	..	12	12
Frilary Holroyd and Healy's Breweries	14†	..	Less tax	7	7
General Reversionary	..	..	Tax free	..	..
Guest, Keen, and Nettelfold	1/ p.s.*	Dec. 18	..	17½	17
Haack, Keen, and Shepherd's Bush	10*	..	Less tax	6	6
Hampton Palace	..	..	..	8	8
Hotel Cecil	..	..	Less tax	..	..
Hugh Baird and Sons	4%*	..	Tax free	17½	17
Isle of Wight Electric Light	..	..	..	..	..
J. and P. Coats	7½%*	Nov. 17	..	25	14
Johnson and Phillips	12½%†	..	Less tax	..	..
Kenward and Court	..	..	..	..	..
Langdale's Chemical Manure	3%*	..	Less tax	..	..
Lascoll's, Tiekner.	..	..	Less tax	..	..
Lancaster Palace	10*	..	Less tax	..	..
Malmesbury and Parsons Dairies	4*	Nov. 17	..	..	..
Meters, Limited	..	..	..	..	..
Metropolitan Markets	..	..	..	..	..
Storage	..	..	..	..	..
Nautilus Steam Shipping	7½%†	..	Tax free	12½	12
Paine and Co.	..	..	..	12	11
Persia Oil	..	..	Less tax at 4/5	6	5
S. and W. Berisford	..	..	Less tax	30	30
Scottish and Dominion Trust	20%†	..	Less tax	10	1
Second Scottish Investment	..	..	..	..	..
South African Investment	..	..	Less tax	10	1
South Durham Steel and Iron	..	..	..	..	..
St Augustine's Parade Hipp.	10*	..	Less tax	..	..
Bristol	5%*	Nov. 11	..	25	1
Texas Land and Mortgage	..	..	..	..	..
Trinidad Leaseholds.	2½%*	..	..	8	..
Union Steel (of S. Africa)	..	..	..	..	..
Venesta	3%*	..	Less tax	..	..
Victoria Wine	..	..	Tax free	..	..
William Cowen	..	Dec. 1	..	5	1
Wm. Cory	5%*	..	..	..	..
W. Scotter	..	..	..	..	..

(a) Tax free

(b) Week ended Oct. 30, 1925.	Miles Open.	Week ended Nov. 1, 1925.			Aggregate 44 Weeks, 1925.		
(c) Week ended Oct. 31, 1925.	Open.	Passen- gers, &c.	Goods, &c.	Total for Week.	Passen- gers, &c.	Goods, &c.	Total Re- ceipts.
		£	£		£	£	
Great Western	3,765	235,000	329,000	564,000	1196,900	1418,900	261,490,000
Do for 1924	3,754	225,000	333,000	558,000	1201,800	1488,100	26,893,000
Lon. & N.-Eastern (c) ..	6,714	376,000	719,000	1,095,000	1,773,500	3,905,000	72,388,000
Do same period 1924 ..	6,714	376,000	721,000	1,097,000	2,000,500	2,998,100	49,386,000
Lon., Mid., & Scottish ..	5,993	318,000	875,000	1,413,000	3,402,000	3,707,600	65,478,000
Do for 1924	2,163	528,000	904,000	1,432,000	2,868,700	3,821,100	66,938,000
Southern	2,153	283,000	127,000	410,000	1,511,300	1,155,000	20,258,000
Do for 1924	2,142	276,000	124,000	400,000	1,076,800	1,504,000	20,388,000
Metropolitan (c)	58	39,266	4,051	43,317	171,822	170,933	1,682,455
Do for 1924	58	39,250	4,194	43,434	1,759,869	171,666	1,931,515
Underground M.R. (c) ..	..	..	..	261,501	..	..	10,942,731
Do for 1924	..	..	..	234,733	..	..	10,479,011
Lon. & Sub. Group (c) ..	..	..	..	38,768	..	..	1,694,633
Do for 1924	..	..	..	37,746	..	..	1,715,331
Belfast & Co. Down (b) ..	80	2,789	1,201	3,990	176,286	47,596	223,881
Great Northern	553	14,250	21,250	35,500	758,450	765,850	1,524,300
Do for 1924	513	38,738	47,914	86,292	1,700,123	1,918,556	3,618,675

Name.	Period.	Ending.	Present Month.	Gross Receipts for Week.		Total Gross Receipts.	
				1925.	+ or -	1925.	+ or -
INDIAN.							
				Ra.	Ra.	Ra.	Ra.
Assam Bengal	27 weeks	Oct. 3	1,072	3,77,000 +	16,912	85,03,877 +	10,53,833
Barul La Ry.	10 "	118		24,400 -	8,000	8,20,700 -	1,09,700
Bengal & N. Western	26 weeks	10	2,062	7,05,040 +	47,641	7,05,040 +	47,641
Bengal Nagpur	26 weeks	Sept. 30	3,800	21,83,000 -	1,49,000	3,92,55,017 -	12,81,466
Bombay, Bar., & C.I.	30 weeks	Oct. 31	3,533	25,43,000 +	6,86,000	6,67,13,000 +	7,19,000
Burma.	26 weeks	Sept. 30	1,348	11,76,000 +	1,57,583	1,99,16,335 +	24,47,650
Delhi, Umballa & Kalke	3 weeks	Oct. 24	239	86,400 -	61,131	2,88,700 -	1,07,365
Madras & S. Mahr ..	27 weeks	10	5,029	19,74,000 +	1,65,388	4,86,57,590 +	13,53,660
Nizam's Guaranteed (s)	28 weeks	Oct. 10	995	2,67,078 +	75,354	3,88,44,940	2,91,897
Rohilk' & Kumaon	26 weeks	Sept. 25	30	859 -	4,889	14,25,786 -	1,07,665
Do Lucknow-Breilly	26 weeks	30	287	74,045 +	9,899	16,01,569 -	1,67,024
	30 "	30	1,876	17,62,434 +	1,44,377	2,67,72,410 +	19,90,395

ARGENTINE (a).							
				£	£	£	£
Argentina N.E.	18 weeks	Oct. 31	754	1,500	1,100	260,100	28,200
Argentina Trans.	18 weeks	Sept. 19		2,338	711	54,711	4,371
B. Argentina Pacific ..	18 weeks	Oct. 31	£611	135,000	8,000	2,304,000	145,000
B. A. Central	17 weeks	25		13,532	454	22,491	2,381
B. A. G. Southern ..	18 weeks	31	£718	221,000	25,000	3,404,000	59,000
B. A. Western	18 weeks	31	£882	91,000	3,000	1,459,000	272,000
Central Argentine ..	18 weeks	31	£806	214,000	10,000	3,746,000	213,000
Corrientes Central ..	18 weeks	31	£202	72,500	21,500	1,344,000	146,400
Santa Rosa	18 weeks	31	£79	26,400	1,500	422,800	39,500

Canadian National..	44 weeks	Oct. 31	22,001	9,118,336	+ 144,024	196,444,081	- 1,118,75
Canadian Pacific....	43 weeks	+31	14,138	5,759,000	- 450,000	144,113,000	- 4,598,000

BRAZILIAN				£	£	£	£
Gt. West. of Brazil..	44 weeks	Oct. 31	1,011	22,500	+ 6,900		210,800
Leopoldina	44 weeks	31	1,856	42,552	- 2,973	1,446,208	102,050
San Paulo	44 weeks	Nov. 1	153	64,439	+ 35,939	2,011,703	413,010

				£	£	£	£
Antofagasta	44 weeks	Nov. 1	838	57,475	+ 18,516	1,735,585	+ 63,99
Nitrate (3-monthly)	44 weeks	Oct. 31	366	51,095	+ 4,014	812,984	+ 1,15

Havana Central	18 weeks	Oct. 31	11,936	—	448	208,022	—	7,200
United of Havana ..	18 weeks	31	1,250	56,995	694	1,016,868	—	138,430

URUGUAYAN.

Central Uruguay ..	18weeks	Oct. 31	\$13	25,000	—	350	82,600	+	8,640
C. Urug. (East. Ext.)	18weeks	31	311	5,228	—	99	47,699	+	7,030
C. Urug. (North. Ext.)	18weeks	31	185	2,665	—	99	47,699	+	7,030
C. Urug. (West. Ext.)	18weeks	31	211	3,074	+	357	42,101	—	1,260

Alcoy and Gandia ..	44 weeks	Nov. 31	33	Fr. 25,500	+	3,500	1,097,500	+ 101.15
Egyptian Delta	29 weeks	Oct. 20	600	\$12,693		1,777	174,456	+ 1,95
Gt. Southn. of Spain	43 weeks	24	104	\$83,123	+	24,560	4,223,491	+ 43.22
Mexican Railway ..	16 weeks	31	432	\$362,500	+	38,600	4,102,800	+ 481.70
				\$4,740		340	95,990	90.70

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

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Receipts for Week.		Total Receipts.		
				1925.	+ or -	1925.	+ or -	50.
Anglo-Argentine....	43 weeks	Oct. 28	329	\$88,278	+ 479	3,743,775	+ 54	...
B. Aires Laeorse....	17 weeks	25	..	\$113,095	+	250,010	-	...
Burnley Corporation	1 week	12	..	11	87	...	...	...
Calcutta Tramways	42 weeks	31	55	Ra120,739	+ 5,925	...	...	...
Chatham & District	3 weeks	29	15	11,405	14	64,369	+ 14	...
Egyptian Markets.	43 weeks	22	..	\$2,223	- 175	87,434	+ 2	...
Glasgow Corporation	22 weeks	31	108	\$46,201	- 770	984,834	+ 12,7	...
Isle of Thanet Trms*	43 weeks	28	..	\$2,074	+ 215	115,876	+ 49,9	...
Liverpool Corp.	40 weeks	31	124	\$26,648	+ 1,895	...	...	...
L.O.C. Tramways	31 weeks	Nov. 4	164	\$82,902	+ 1,782	2,483,412	+ 18,8	...
Madras Elec. (2 wks)	43 weeks	Oct. 31	..	Ra 46,294	+	9,66,766	+ 51,6	...
Pernambuco Trams	44 weeks	Nov. 1	..	56,623	+ 1,439	212,699	+ 19,8	...
Singapore Trams	39 weeks	Sept. 26	..	\$14,575	+ 191	503,085	+ 13,6	...

Reports and Notices.

Owing to his recent illness and severe operation, Mr. Basil May, F.I.A., has resigned his position of actuary and manager to the British Equitable Assurance Company, Limited, but retains his position as director. The directors have appointed Mr. D. A. Coleman, at present assistant manager, to be manager; and Mr. A. H. Shrewsbury, F.I.A., at present assistant actuary, has been appointed actuary to the company.

GOVERNMENT STOCKS, &c.

PARAGUAY EXTERNAL DEBT.—Tenders of bonds of the above debt for amortisation were opened to-day at the offices of the Council of Foreign Bondholders. In the case of the bonds of 1886 and 1896, tenders under £33 19s 9d per cent. were accepted in full, and those at that price to the extent of 75 per cent. In the case of the bonds of 1915, tenders under £35 7s 6d per cent. were accepted in full, and those at that price to the extent of about 13 per cent.

RAILWAYS.

BUENOS AIRES CENTRAL RAILWAY.—At £223,985, the net profits for the year ending June 30, 1925, after meeting debenture charges, show an increase of £92,241 over the previous year. The dividend on the ordinary shares is increased to 6 per cent., against 5 per cent., and the allocation to the special reserve fund is £34,918, against £20,000. The board have further strengthened the company's position by the establishment of a special renovation fund, to which is placed the substantial sum of £43,651. The gross receipts of the company during the past five years are as follows:—1920-21, £149,731; 1921-22, £196,419; 1922-23, £214,628; 1923-24, £277,284; 1924-25, £318,504.

BANKS.

COMMERCIAL BANK OF SPANISH AMERICA.—The twenty-first annual report to June 30, 1925, shows a net profit of £54,858, against £38,432 in preceding year. The sum of £4,000 has been put to staff pension fund, and £51,000 to contingency account. The sum of £135 is carried forward, against £278 brought in.

MITSUI BANK, LIMITED.—The report of this bank for half-year ended June 30, 1925, reveals a net profit of 4,934,779 yen, to which is added 3,510,870 yen brought in, making 8,445,649 yen available. This is utilised as follows:—To special reserve fund, 800,000 yen; pension and provident funds, 199,000 yen; bonus, 320,700 yen; dividend to shareholders, 3,600,000 yen; balance forward to next half-year, 3,525,949 yen. Total assets are 669,940,778 yen. Cash is at 48,861,008 yen. Loans and discounts amount to 375,745,572 yen. Capital subscribed is 100,000,000 yen. Capital paid up is 60,000,000 yen. Reserve fund is at 25,000,000 yen. Special reserve fund is at 20,400,000 yen. Reserve fund for dividend, 6,000,000 yen. Deposits are at 443,188,201 yen.

RUBBER, &c.

GLEN RUBBER AND TEA.—Net profit for year ended June 30, 1925, amounted to £1,534, which compares with a debit balance of £177 in preceding year. The ordinary shareholders are to receive 4 per cent. dividend, against nothing in previous year. A credit balance of £38 is carried forward, against a debit balance of £403 brought in. Total assets are £37,128. Cash is at £3,363. There are no investments.

MATURATA TEA AND RUBBER.—The net profit for the year ended June 30, 1925, amounted to £8,784, against £7,807 for previous year. The ordinary dividend and bonus is 35 per cent., against 30 per cent. The carry-forward is £1,064. The balance-sheet reveals £53,756. Cash is at £3,032. Investments are shown separately as follows:—3½ per cent. Conversion Loan, at cost, £9,015; Kerala Tea shares, 7s 6d paid, £2,437; secured loan at call, £2,000; making total investments, £13,452.

SUMATRA PARA RUBBER.—This company has total assets £327,063, cash stands at £28,930. Investments at cost are shown separately, as follows:—4½ per cent. British Treasury bonds, £23,425; 5 per cent. War Loan, 1920-47, £8,113; 7 per cent. debentures Sumatra Proprietary Rubber Plantations, £6,949; 100 shares of £1 each in Valtex, £100—making total investments £38,587. The ordinary issued capital is £199,934. Reserve is at £36,961. With regard to results achieved during year ended June 30, 1925, the net profit is £52,380, which compares with £13,250 in preceding year. The ordinary dividend has been raised from 6½ per cent. to 25 per cent., from which tax will be deducted at the rate of 4s 4½d in £. From a valuable table published with the report, we learn that the crop for 1924-25 amounted to £1,136,595 lbs, as against 1,000,009 lbs in preceding year. Crops are shown year by year from 1906-7, when the yield of rubber was 21,000 lbs. Out of the 19 years shown in the table, ordinary shareholders have only had to go without a dividend on three occasions. The highest dividend is 41½ per cent., and the lowest 6½ per cent.

MISCELLANEOUS.

AUSTRALIAN MERCANTILE, LAND AND FINANCE.—Net profit for the year ended June 30, 1925, £328,766; the sum of £50,000 has been transferred to equalisation reserve, and £25,000 to super-annuation fund reserve, leaving £253,766. Out of this sum an interim dividend of 5 per cent., together with a bonus of 2½ per cent., was paid on May 4th last, £67,500, leaving £186,266; and the directors now recommend a final dividend of 5 per cent., together with a bonus of 2½ per cent. (making 15 per cent. for the year on £900,000, and 7½ per cent. actual on £300,000, all free of income-tax), £90,000, leaving a balance of undivided profit of

£96,266, to which must be added the balance from previous year, £18,802. Balance to be carried forward, subject to provision for income-tax (estimated to cost £73,000), £115,067. Following the announcement made by the chairman at the last annual general meeting, the issue of 60,000 new shares of £5 each was made in May last. All these shares have been taken up and paid for in full, and participate in the distribution now recommended by the directors.

ASSAM RAILWAYS AND TRADING.—The following table is extracted from the report for the year ended March 31, 1925:—

	General Earnings.	Coal Earnings.	Total Earnings.	Total Expenditure.
In 1921-22 ..	10,19,084	6,97,253	17,16,337	12,38,692
In 1922-23 ..	11,79,717	7,58,158	19,37,875	13,40,935
In 1923-24 ..	13,50,342	6,85,928	20,36,270	15,14,523
In 1924-25 ..	16,18,952	8,28,411	24,47,363	15,74,374

The dividend on the "B" stock is 9 per cent. for the year, against 8 per cent. for the preceding year.

BURBERRYS, LIMITED.—The balance brought forward after providing for dividends brought into the accounts amounts to £44,945, from which must be deducted the net dividend on the preference shares for the six months to January 31, 1924, paid August 1, 1925, £28,828, leaving £15,217. Add profit for the year to March 31, 1925, £171,689, against £98,823 for preceding year, making a total of £186,906, which the directors have dealt with as follows:—By transferring to contingencies and general reserve account, £100,000; by declaring a dividend, payable on December 1, 1925, to the preference shareholders on the register at November 12, 1925, for the 12 months to January 31, 1925, which will absorb £58,125; and by carrying forward £28,781. The directors are pleased to be able to report a more satisfactory result of the company's operations as compared with the previous year, and this has enabled them to carry out their intention of making substantial payments on account of the arrears of the fixed dividend values of the freehold and leasehold premises and fixed plant, the depreciation in arriving at the profits for the year.

LONDON MARITIME INVESTMENTS.—This company has an issued capital of £1,000,000, in ordinary stock £500,000 and 5 per cent. cumulative preference stock £500,000. It has a reserve fund of £210,000, which is all invested in British Government securities. This is shown fully on the assets side of the balance-sheet under the heading reserve fund investments. Total assets are £1,241,337. Cash is at £22,368. Investments at cost amount to £1,009,169. They are shown under nine headings. Shares in shipping companies amount to £456,994 of the total investments. The net profit for year ended September 30, 1925, is £59,206, against £57,678. The ordinary shareholders again receive a dividend of 8 per cent.

ARCOS LTD.

Sole Purchasing and Selling Agency in Great Britain for the Government of the U.S.S.R.

Turnover from June, 1920, to September 30, 1925, £65,797,891

Exports from Russia to Great Britain include timber, flax, furs, ores, metals, crude drugs, petroleum products, etc., to a total value of £21,565,018.

The more important items of import to Russia are agricultural machinery, locomotives, tools, motors, scientific apparatus, drugs, clothes, boots, etc., to a total value of £44,232,873.

49, Moorgate, London, E.C.2

Telegram: "Arcosarcos, Ave. London." Cable: Arcosarcos. Code: A.B.C. 8th & 9th edition. Moscow, Bontyev & Zehra.

ANALYSIS OF BALANCE-SHEETS.

ANGLO-PERSIAN OIL COMPANY, LIMITED.

LIABILITIES.		ASSETS.	
Amount.	Compared with March 31, 1924.	Amount.	Compared with March 31, 1924.
Ord. shares	8,950,000 ..	Purchase price of concession shrs. on and advances to associated companies	26,445,959 ..
8% cum. pref.	7,000,000 ..	Refineries, &c.	6,734,818 ..
9% cum. pref.	3,500,000 ..	Stocks of stores, &c.	998,221 ..
5% deb. stock	4,375,000 ..	Stocks of crude oil, &c.	974,211 ..
6½% notes	1,937,000 ..	Sundry debtors	3,785,798 ..
Int. accrued deb. stock	65,180 ..	Cash	784,112 ..
Deposits by assoc. stated cos.	1,226,438 ..	Investments in British Government stocks	1,068,037 ..
Sundry creditors	2,669,285 ..		
Employees' pension fund acct.	1,366,276 ..		
Reserves	6,083,128 ..		
Profit and loss	3,629,049 ..		
Total	40,791,156 ..	Total	40,791,156 ..

DALGETY AND CO.

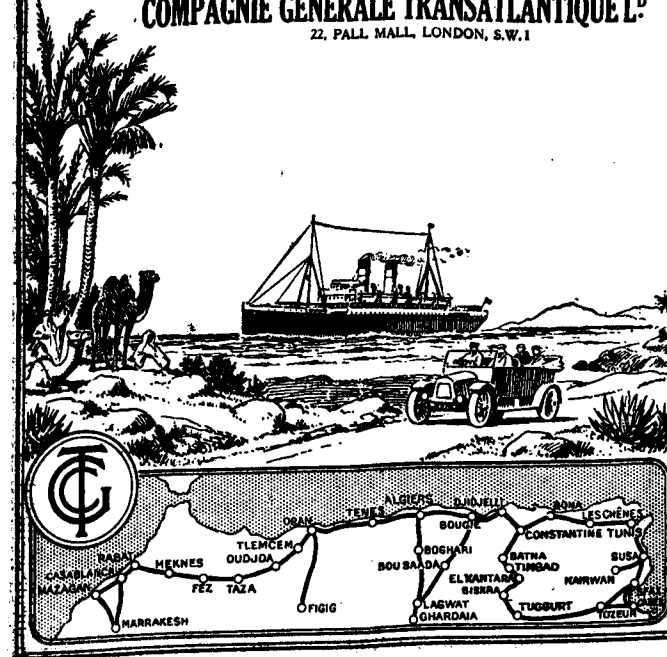
LIABILITIES.		ASSETS.	
Amount.	Compared with June 30, 1924.	Amount.	Compared with June 30, 1924.
Ord. shares	1,000,000 ..	Cash	133,227 ..
Prof. shares	500,000 ..	Bills receivable	428,378 ..
Reserve	1,000,000 ..	Advances on land, &c.	5,241,627 ..
Staff fund	191,000 ..	Merchandise	580,711 ..
Irred. deb. stock	2,225,454 ..	Sundry debtors	1,275,288 ..
Debentures	285,384 ..	Balance in transit	138,586 ..
Int. accrued	12,500 ..	Premises, plant, &c.	421,344 ..
Prof. dividend	1,039,403 ..	Reserve invest-ments	1,000,000 ..
Sundry creditors	2,512,020 ..	Investments in Gov. stock, &c.	286,947 ..
Produce realised	8,332 ..		
Balance in transit	130,471 ..		
Profit and loss	436,364 ..		
Total	9,367,420 ..	Total	9,367,420 ..

JOSHUA HOYLE AND SONS.

LIABILITIES.		ASSETS.	
Amount.	Compared with Sept. 30, 1924.	Amount.	Compared with Sept. 30, 1924.
7% pref. shares	1,000,000 ..	Land, buildings, &c.	2,229,615 ..
Ordinary shares	800,000 ..	Stock-in-trade and sundry stores	1,003,709 ..
7% deb. stock	1,444,791 ..	Accounts owing to company & cash in hand	736,662 ..
Interest accrued	20,227 ..	Investments	25,293 ..
Renewals and re-serve fund	300,000 ..		
Ordinary loans	156,764 ..		
Accounts owing by company	181,787 ..		
Profit and loss	91,710 ..		
Total	3,995,279 ..	Total	3,995,279 ..

"The Magic of Islam" NORTH AFRICAN MOTOR TOURS ALGERIA - TUNISIA - MOROCCO

FIGIG, WARGLA, TUGGURT, BISKRA, EL OUED, TOZEUR, LACWAT, GHARDIA, MARRAKESH, RABAT, FEZ, TUNIS, BOUDA, CONSTANTINE, BOU SAADA, TIMCAD, DIEMILA, CARTHAGE, MEKNES, BENI ABBES, IGLI, THE HOGGAR. Across the Southern Sahara by special "Desert Cars." The Palm-clad Oases, Vast Mud-built Cities, Snow-capped Atlas. Tours of from Two Weeks to Two Months. Company's own Mail Coaches. Company's own Motor Cars. Company's own "Transatlantique" Hotels (11). LONDON TO ALGIERS IN TWO DAYS. Write to the FRENCH LINE. COMPAGNIE GENERALE TRANSATLANTIQUE L^r. 22, Pall Mall, London, S.W.1



Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

Climatic conditions remain generally favourable to agricultural pursuits, and farmers were able to push ahead with sowings. Threshings are on a moderate scale, consequently supplies of native wheat at the principal statute markets continue in manageable compass. In the floating and forward cargo section buyers were more disposed to operate, and with offers somewhat reservedly made in view of improved foreign advices, prices in most cases tended against buyers. Steamers of No. 1 Northern Manitoba afloat sold 53s 1½d to 53s 7½d as to position, No. 2 ditto 51s 6d to 51s 7½d, Baril 62 lbs afloat 52s 3d, Australian new crop December-January 52s 3d to 52s 6d. Of maize, Dan-Gal-Foxanian loading 34s 6d, Plate afloat 35s 3d, November-December 35s, 480 lbs, and Dan-Bess-Kustendji barley November-December 15th 28s 3d per 400 lbs, all c.i.f. terms. Wheat firm. No. 1 Northern Manitoba ex ship to arrive quoted 57s 3d, No. 2 ditto 56s 3d, No. 3 55s, No. 2 mixed Durum 52s 6d per 490 lbs. English 11s 2d to 11s 4d per 112 lbs free on rail. Flour firm. London standard grade quoted 45s, patents 47s to 48s, town whites 45s per sack delivered in the Home Counties, with 6d to 1s per sack less for deliveries in the London districts. Imported firm, but quiet. Manitoba patents range from 43s to 46s 6d, Minneapolis 44s to 45s 6d, Australian 44s to 45s per 280 lbs ex store. Maize quiet. Plate ex ship to arrive quoted 36s 9d, landed ditto 37s 9d, white flat African ex ship 34s 6d, landed 36s 9d per 480 lbs. Yellow African maize meal ex ship to arrive 17s 6d, white ditto 18s per ton. Barley quiet and occasionally easier. Californian new ex ship quoted 36s to 50s, Chilean Chevalier 57s to 66s, brewing 50s to 53s, according to quality, Australian Chevalier 59s to 61s ex store, Polish and Danish ex ship 44s to 55s per 448 lbs. American malting ex ship 28s 3d, landed 30s, No. 3 Canadian Western ex ship November 30s 9d, No. 4 ditto 29s, Russian ex ship 27s, landed 28s 9d per 400 lbs. English quoted 9s to 21s 3d, the latter for finest malting quality per 112 lbs. Oats maintained. Plate ex ship quoted 24s, landed 26s 9d, No. 2 Canadian Western ex ship to arrive 28s 9d, landed 30s 9d. No. 2 Canadian feed ex ship near 24s 3d, landed 26s 3d, No. 2 white clipped American 38 lbs ex ship to arrive 23s 9d, landed 25s 6d, all per 320 lbs. Danzig ex ship 28s 9d per 336 lbs. English quoted 9s to 10s per 112 lbs free on rail. Millers' offers quieter. Broad bran quoted 8s, middlings 8s, fine ditto 10s 3d, bags included ex mill, powdered oat husks 6s 3d, feed oatmeal 8s 9d, ground oats 12s 3d per cwt free on rail. Oatmeal in fair demand at easier rates. London made flaked 17s 6d, rolled oats 16s 6d, medium also fine cut 16s 6d, coarse also medium pinhead 16s 6d ex mill, ordinary Scottish oatmeal 17s 6d to 18s, American ditto 16s to 16s 6d per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest years 1925-26, 1924-25, 1923-24, 1922-23.

	1925-1926.	1924-1925.	1923-1924.	1922-1923.
Estimated sales of home-grown wheat—	Owts.	Owts.	Owts.	Owts.
1 week to Oct. 31	319,341	290,357	348,875	571,688
9 weeks to Oct. 31	3,217,167	2,906,090	3,753,628	3,771,437
Average price of English wheat per cwt.	10 7	13 0	9 1	9 7½

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1921 to 1924:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
Oct. 24	Owts. 308,463	Owts. 611,629	Owts. 75,572	10 3	12 1	9 1
Oct. 31	319,341	608,584	64,038	10 7	11 11	9 0
1921	315,167	525,150	43,858	10 3	13 9	9 0
1922	571,689	578,067	95,965	9 9	11 10	9 6
1923	348,875	702,498	75,504	9 1	10 8	8 8
1924	290,357	590,543	125,893	13 0	17 0	10 6

AMERICAN WHEAT MARKETS.

Prices show a slight increase on the week, though irregularity has at times developed. The wheat pool has been selling rather less freely, unfavourable weather is reported from some areas, and overseas markets have given more support. Recent quotations:—

	Nov. 7, 1924.	Jan. 2, 1925.	Oct. 22, 1925.	Oct. 23, 1925.	Nov. 5, 1925.
Winnipeg (No. 1 Manitoba)—Cents per 60 lbs	166½	183	(a) 127	(a) 139	(a) 135½
Chicago (No. 2 Winter)—Cents per 60 lbs	147½	177	(b) 141½	(b) 147½	(b) 160½
(a) October delivery. (b) December delivery. (c) November delivery.					

THE WORLD'S WHEAT HARVEST.

Information communicated by the various countries interested to the International Institute of Agriculture shows that the 1925 output of wheat was (in million centals; 1 cental = 100 lbs):—1,727.6 excluding Russia, and 2,124.4 if Russia be included. These figures compare with those of earlier years as follows:—

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Dividend Interest.	Amount Available for Distribution.	Appropriation.				Corresponding Period Last Year.	
					Dividend.		Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.	Dividend.
					Prefco.	Ordinary.				
		£	£	£	Amount.	Amount.	Rate.	£	£	%
Banks.										
Commercial Bank of America	June 30	278	54,858	55,136	..	..	..	55,000	136	38,432
Breweries.										
Ashby's (Staines)	Sept. 30	27,923	40,127	68,050	5,906	23,625	15	10,000	28,519	35,344
Backus and Johnstone's	June 30	4,755	16,422	21,177	6,016	..	..	10,127	5,034	13,049
Boardman's United	Sept. 30	5,299	11,895	17,194	10,336	1,744	14	..	5,114	11,818
Bristol United	Sept. 30	40,851	71,381	112,232	13,800	48,150	15	10,000	40,282	62,483
Kenward and Court	Sept. 30	3,311	14,544	17,855	..	15,000	15	..	2,855	14,507
Rochdale and Manor	Sept. 30	39,999	11,845	51,844	2,646	8,334	10	..	40,864	9,486
Financial, Land, &c.										
Australian Mercantile Land, &c.	June 30	18,802	328,766	347,568	..	157,500	15+	75,000	115,068	252,322
Dalgety and Co.	June 30	170,052	361,313	531,365	25,000	170,000	17+	100,000	236,365	323,989
London Maritime Investment	Sept. 30	5,309	59,206	64,515	19,679	31,487	8	7,990	5,359	57,678
Realisation and Debenture Corporation of Scotland	Aug. 31	..	62,007	62,007	9,032	43,983	28	3,603	5,389	63,246
Hotels, Restaurants, &c.										
Hotel Cecil	Aug. 31	25,417	51,493	76,910	25,000	24,000	6	..	27,910	71,775
Iron, Coal, and Steel.										
S. Instone and Co.	June 30	45,799	28,564	74,363	..	..	..	51,175	23,188	71,495
Motor and Cycle.										
Blue Bird Motor	May 30	..	16,307	16,307	..	..	..	6,481	9,826	..
Oil.										
Anglo-Persian Oil	Mar. 31	1,687,582	3,571,967	5,259,549	875,000	1,118,750	12½	1,193,000	2,072,799	2,507,867
Trinidad Leaseholds	June 30	54,180	264,361	318,541	..	262,312	25	..	56,229	196,049
Rubber, &c.										
Glen Rubber and Tea	June 30	Dr 403	1,534	1,131	..	1,093	4	..	38	Dr 177
Morib Plantations	June 30	2,150	7,451	9,601	..	7,000	10	1,000	1,601	1,573
Sumatra Para	June 30	2,626	52,380	55,006	..	49,983	25	..	5,023	13,250
Tea.										
Kadur Tea and Produce	May 31	..	1,472	1,472	..	..	..	75,000	23,710	114,422
Maturata Tea and Rubber	June 30	1,940	8,784	10,724	360	8,400	35	1,255	217	..
Textiles.										
Joshua Hoyle and Sons	Sept. 30	22,355	194,730	217,085	54,750	63,625	10	..	1,964	7,807
Trusts.										
Second Scottish Investment	Oct. 1	14,568	63,808	78,376	25,397	23,625	30	10,000	19,354	53,954
Other Companies.										
Agar, Cross, and Co.	June 30	39,441	311,951	351,392	21,000	92,160	16+	201,862	36,370	240,499
Blackpool Pier	Oct. 31	9,788	9,396	19,184	691	6,500	13+	2,000	9,993	8,577
Burberry's	Mar. 31	44,045	171,689	215,734	86,953	..	..	100,000	28,781	98,823
Stuttford and Co.	July 31	49,466	70,027	119,493	12,600	33,017	11	20,000	53,876	67,086

† Tax free.

1925 CROPS EXPRESSED AS PERCENTAGE OF 1909-13, 1923, and 1924

	Average, 1909-13.	1923.	1924.
Wheat { without the Soviet Union	107.0	95.6	108.7
{ including the Soviet Union	104.9	..	116.8

These figures demonstrate the plentiful outturns of 1925. As regards Russia, brought into the table somewhat incompletely owing to the absence of any aggregate data for the whole territory in 1923, it should be noted that the estimates of 1925 are those of August, since when, unfortunately, somewhat serious injury has occurred to all crops owing to bad weather.

COAL.

Our Sheffield correspondent writes:—The coal market continues sluggish, and owing to the continued mild weather the quantity of house coal going out is exceptionally small for the time of year. Export trade remains much the same as heretofore, and very little South Yorkshire coal is being shipped to the Continent. Best steam hards are quoted 18s to 19s per ton, f.o.b.

Our Cardiff correspondent writes:—During the present week there has been an appreciable improvement in the undertone, with a crop of orders coming from the United States and Canada, principally for anthracite and dry steam coals. The influence of this new business has been felt in the market for the other qualities, and the week closed with a better feeling than at any time since July. A South American order for second-class Admiralty has been placed for about 75,000 tons, to be delivered in the proportion of two-thirds large and one-third small at a c.i.f. price of about 31s 6d. The supply of tonnage has also increased, and the working of the collieries has been a little less irregular. Quotations have been steadier all round. The audited figures of the coalfield for September show a further loss, and the liability of the owners to pay wages during November will be limited to 1.46 per cent. above the standard rates, as compared with 4.76 per cent. in October. The difference between 1.46 per cent. and the minimum wage of 42.22 per cent. on the standard rates will be met out of the Government subsidy. The following are the current approximate quotations:—Best Admiralties, 22s 6d to 23s 9d; seconds, 21s to 21s 6d; best dries, 22s to 24s; black veins, 20s to 22s; Western Valleys, 19s 6d to 20s; Eastern Valleys, 19s 3d to 19s 9d; best bunker smalls, 10s to 10s 6d; ordinary cargo smalls, 8s 6d to 9s; coking smalls, 10s 3d to 10s 6d; anthracite best large, 42s to 44s; red vein large, 28s to 32s 6d; machine-made cobbles, 57s 6d to 60s; French nuts, 57s 6d to 60s; stove nuts, 57s 6d to 60s; rubbly culm, 11s 6d to 12s; coke (special qualities), 35s to 40s; patent fuel, 20s 6d to 23s; pitwood, ex ship, 28s to 29s. The improvement in the tinplate trade is maintained. Prices continue steady.

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IRON AND STEEL.

We have extracted the following from the weekly report of the London Iron and Steel Exchange:—Business has proceeded on steady lines. There has been some forward buying of late, and, if the quantities involved have not been large, the aggregate tonnage must have been considerable. The recent foreign buying of pig-iron, which did much to lift the depression which had lasted so long, has not been continued; but there has been a certain amount of export business, which has helped to maintain the tone of the market. The stocks also have been practically cleared in many producing districts, and in others they have been very much reduced. In the semi-finished department there has been some improvement in inquiry; but, as this branch of the trade has not experienced its full share of the recent improvement in business, the position is still somewhat disappointing. In the finished steel department the recent activity continues, particularly in the sheet and tinplate trades.

Our Middlesbrough correspondent's report, dated November 5th, is as follows:—Pig-iron: Although 66s per ton is now the generally quoted price for No. 3 Cleveland G.M.B., there has been no weakening in the position. A large business is being done both for home and export. The hematite position is strong, and makers are sold well ahead. The quotation for East Coast mixed numbers is firm at 74s 6d per ton. Manufactured iron and steel: There is more activity in this branch, but business is possible only at very keen prices. The following are the average quotations:—Steel ship plates, £7 5s; steel ship angles, £7; iron bars, £11 5s; steel rails, £8. Iron ore: A few transactions have taken place recently, but with freights inclined to stiffen, sellers are not disposed to cut prices. Best Bilbao Rubio is firmer at 20s per ton c.i.f. Tees.

Our Sheffield correspondent writes:—The increased activity of the iron and steel branches during the last few weeks seems to have disappeared. The call for ordinary steel, either raw or made up, continues to dwindle. The pig-iron market is no stronger or more active in this district. Orders for billets, too, only cover work booked by the consumers. The most promising of the large industries requiring much steel is engineering, in which there has lately been a succession of important contracts given out. Export trade is far from brisk. The volume of local output, however, keeps large. The only progressive branch is that of stainless steel, this year's output of which is probably three times as great as last, and continued expansion is a certainty. The trade in finished iron continues on a poor scale. Less railway steel is being turned out. Builders of railway carriages are booking valuable contracts from the home and various foreign railways. Engineers' small tools are quiet, and the demand for general hand tools, while large in the aggregate, falls considerably short of output capacity. A large aggregate of seasonal orders for cutlery and plate has been booked during the last week or two.

Our Glasgow correspondent writes:—Conditions in the iron and steel trade are better, but definite indications of improvement are somewhat hard to find. One important factor is shipbuilding, which, unfortunately, is in a worse position than for nearly two years. Steel works are, however, doing fairly well on a restricted output for structural steel, and some plate orders have been placed by exporters. Pig-iron prices have been inclined to drop, and by exporters. A decline of about 6d on the week, but a better tone prevails, and the four furnaces that are being put into blast at Glengarnock are a hopeful sign. For last week the shipments of pig-iron from the Clyde totalled 1,027 tons, of which 962 tons were on foreign account. For the corresponding week of last year the shipments were 1,187 and 912 tons respectively. Makers of re-rolled steel are exporting largely, and are securing more business against foreign competition on account of the low prices at which semi-raw steel is now being imported. Malleable iron makers are no better placed, small quantities being the rule at present among orders coming in. The demand for black and galvanized sheets continues on a large scale, and makers are holding out for increased prices.

OTHER METALS.

TIN values declined sharply on lower Eastern cables, combined with selling pressure, though offers were fairly well absorbed. Towards the close of the week a better tone prevailed, and initial declines were mostly recovered. Standard cash sold at £284 10s-£279 10s and £284, three months £284 10s to £279 10s and £282. Sales in the East were reported at £292 5s to £287 15s and £289 10s c.i.f. terms. COPPER continued in good support, but with liberal offerings rates disclosed slight irregularity. Standard cash changed hands at £62 7s 6d-£62 12s 6d and £62 5s, three months £63 5s-£63 12s 6d and £63 3s 9d ton. LEAD generally easier, though dealings were on a liberal scale. Good soft foreign pig, November, sold £38 7s 6d to £37 2s 6d, December £37 10s to £36 17s 6d, January £37 10s to £36 13s 9d, and February £37 2s 6d to £36 10s ton. SPLITTER maintained a firm tone, and a fairly good business was effected. November sold £39 17s 6d to £39 10s, December £39 2s 6d, January £39 5s to £39 10s and £39, February £39 1s 3d to £38 17s 6d ton. ANTIMONY quiet. English specials quoted £75 to £80 as to make and quantity, foreign refined £75 per ton, ex warehouse. ALUMINUM: Home trade nominally £120, ton, ex warehouse. SPOT export £125 per ton, f.o.b. terms. QUICKSILVER firmer. Spot quoted £14 7s 6d to £14 10s per bottle. WOLFRAM firm. Forward quoted 20s 3d to 20s 6d per unit, c.i.f. terms.

THE COTTON TRADE.

LIVERPOOL, November 5, 1925.

American cotton has been in fair demand all the week, and prices show very little change. Egyptian has been quiet. Other sorts have been in fair request, with little change in values. The estimates spot sales from October 30th to November 5th (inclusive) amount to 36,000 bales, including 1,000 bales for export. Of these, 21,280 are American, 4,150 Brazilian, &c., 3,550 Peruvian, &c., 1,550 Egyptian, 4,400 African, 850 East Indian, and 920 sundries. The imports for the week are 82,994 American, 1,247 Brazilian, 4,098 Peruvian, &c., 10,168 Egyptian, 982 African, and 1,946 East Indian, making a total of 101,435 bales. Middling American is quoted at 10.44d, fully good fair Sakel Egyptian 21.90d, fair Brazilian 10.99d, good fair mod. rough Peruvian 16.00d, smooth Peruvian 12.59d, fully good fair Tinnivelly 9.80d, good fair East African 13.20d, and middling West African 10.24d. In the early part of the week speculative hedge selling caused a fall of some 60 points in January futures, but values have since recovered, and are now only some 10 points below those of noon, October 29th. The recovery has been brought about by less pressure of hedge selling, some "shorts" covering and trade buying, also a few "bulls" again venturing to operate on the theory that the selling had been overdone and a reaction due. More business has been done in Egyptian futures, and to-day's noon difference in price between January Egyptian and January American is 840 points. On the 9th inst. the U.S.A. Agricultural Bureau will issue another report on the crop, and the Department of Commerce a report on the number of bales ginned to the 31st ult. It is thought by many that the Bureau will slightly reduce their figures owing to excessive rains in many parts and killing frosts in other sections.

MANCHESTER, November 5, 1925

(I.) Comparative Statement of the Cotton Trade.

	Price, Nov. 5, 1925.	Previous Weeks in 1925.				
		Price, Oct. 29.	Price, Oct. 22.	Price, Oct. 15.	Price, Oct. 8.	Price, Oct. 1.
Raw Cotton—Mid. American	10.44	10.68	11.37	11.41	12.33	12.62
— Sakellaridis Fully Good Fair Egyptian	21.90	22.85	23.35	24.85	27.75	28.20
Yarns—32's twist	17 1/2	18	18 1/2	19	19 1/2	20 1/2
— 40's twist	18 1/2	19	19 1/2	19 1/2	20 1/2	20 1/2
— 60's twist (Egyptian)	34	34	34	34 1/2	35 1/2	35 1/2
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	29 3/4	29 3/4	29 3/4	29 3/4	30 3/4	31 3/4
36-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	33 3/4	33 3/4	33 3/4	33 3/4	33 3/4	33 3/4
38-in. ditto, 38 yds, 18 by 18, 10 lbs	16 6	16 7/8	17 0	17 0	17 7/8	17 7/8
39-in. ditto, 37 1/2 yds, 16 by 15, 8 1/2 lbs	14 6	14 7/8	15 0	15 0	15 9/16	15 9/16

(II.) Compared with Previous Years.

	Price, Nov. 5, 1925.	Corresponding dates in				
		1924.	1923.	1922.	1921.	1920.
Raw Cotton—Mid. American	10.44	13.35	19.60	15.36	11.23	16.43
— Sakellaridis Fully Good Fair Egyptian	21.90	25.50	21.10	18.65	21.00	41.00
Yarns—32's twist	17 1/2	24 1/2	25 1/2	21 1/2	19 1/2	38
— 40's twist	18 1/2	25 1/2	25 1/2	21 1/2	19 1/2	36
— 60's twist (Egyptian)	34	36 1/2	33	29	35	56
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	29 3/4	35 9/16	32 0	32 0	32 6	63 0
36-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	33 3/4	41 6	39 6	33 0	32 6	66 0
38-in. ditto, 38 yds, 18 by 18, 10 lbs	16 6	19 3	21 0	18 0	19 6	34 0
39-in. ditto, 37 1/2 yds, 16 by 15, 8 1/2 lbs	14 6	17 9	19 6	17 0	18 6	28 0

The market has been unsettled, but stiffer prices stimulated demand towards the close of the week, and rather more business has been done. Buyers, however, are still nervous and operations irregular. Inquiry in cloth for India has been of considerable extent, and although many offers have been altogether too low, a fair amount of trade has been done in light bleaching descriptions.

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EVERY DESCRIPTION OF BRITISH AND FOREIGN BANKING BUSINESS TRANSACTED.

and grey shirtings. Slightly more inquiry has been met with for China, chiefly in whites. Comparatively little has been put through for the Near East, but a steady demand continues to be met with for South America and the Continent. Increased activity has been experienced in the yarn section. Some "short" users have secured cover, and a better turnover has taken place in American qualities. Restricted operations have been reported in Egyptian counts, with special sales for sewing cotton purposes.

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—Although the turnover this week has not been so large, there is no sign of any weakness. The active buying movement of the last few weeks has practically cleared the market of several qualities, and this is evidenced by the fact that topmakers are unable to accept new orders for delivery this year. On the other hand, it is possible to pick up a second-hand parcel here and there, some holders being willing to take a profit on to-day's rates rather than hold for a further advance. Quotations for merino tops do not show much change. In crossbreds, fine sorts are firm at late rates, and medium and low qualities show a rise of about 1d per lb. Spinners have bought fairly heavily in recent weeks. They have booked some substantial orders, and can still do good business if they are in a position to give their customers the benefit of cheap tops, but it is difficult to sell yarn on to-day's basis for tops. The same thing applies in the selling of pieces; where spinners can take less than current rates they can secure orders, but manufacturers are unwilling to operate largely on to-day's yarn prices. Spinners, however, are much better employed, especially in the botany section, and in numerous cases overtime is being worked. New business in piece-goods is rather scarce, but manufacturers are well employed on old contracts, and it is probable that continued firmness in wool values will help to bring out more demand for cloth.

COLONIAL WOOL.

FROM A CORRESPONDENT.

There is no cessation in the buying of wool. Prices are exceedingly firm, and private cables indicate that the selection is particularly good, both at Melbourne and Sydney. Some splendid clips are being offered, rather finer than expected. France and Germany continue to operate on an extensive scale, and the home trade is also compelled to cover forward sales of tops. West Riding users have been caught short, and trade having made a good recovery it is essential that 250,000 bales arrive home with all possible speed. It is apparent from what topmakers say that their position is a very anomalous one, for trade revival has come at a time when their stocks of wool had dwindled almost to the vanishing point.

News this week from South Africa is to the effect that a little irregularity has developed. This is not to be construed as any real sign of weakness. South African values have been pence per clean lb above an Australian parity. Values for Cape wools could decline 10 per cent. and still be on a level with Sydney and Melbourne prices. Auction sales have now commenced at all the selling centres in South Africa. We understand that some of the buyers at East London are opposed to the opening of auctions there, but the public auctioning of wool is undoubtedly the best method of disposal, and we think that auctions should take place three days per week during the season at Durban, East London, and Port Elizabeth, with, say, one day per week at Cape Town. Taken on the whole the outlook for wool is good. The essential thing is that wool be put on to the market without any stint. Among users in the West Riding there is a consensus of opinion that values should not be pushed above the present level. The improvement in manufacturing conditions is something to be thankful for, and though no doubt some misgivings have been created recently by the advancing tendency of prices, it cannot be said that they have yet got beyond the capacity of the ultimate consuming end of the trade to pay.

THE JUTE TRADE.

DUNDEE, November 5.

The easier tendency in the price of jute continued till Tuesday, when the Calcutta Mills entered the market and purchased fair quantities of material, while Calcutta speculators were also operating in London, the price of first marks in that market rising to the extent of 1/4 per ton. Easier symptoms followed, and values declined. In Dundee "bears" were anxious to rid themselves of their holdings, and on Monday the value had dropped to 59 for Daisee 25 3d actuals. With stronger advices from Calcutta, on Tuesday, however, the value rose to 60 paid for assortment. A slightly easier tone developed on Wednesday, and to-day the value of Daisee 25 3d is again standing at 59. There were very few offers of jute made to this market from Calcutta, and there is only an occasional seller of white jute, which is now reported to be nearly exhausted. Little alteration took place in the price of best first marks, which were very steady at 67 for a group of four actuals, though 66 10s might now be accepted. Yarns are firm, and a fair business has taken place. Spinners are holding for 55 1d for common 8 lb cops, and 55 2d for medium spools, though holders are to be found willing to accept 1/4 to 1d less in each case. Cloth orders continue on a small scale, though manufacturers are busy, and firm in their rates of 6d for 10 1/2 oz., 40 in Hessians, and 4 1/2 for 8 ozs. Calcutta goods have been quiet, and values are easier in sympathy with raw jute.

HIDE, LEATHER, AND ALLIED TRADES.

The home position remains as firm as ever. Best ox hides sold from 7 1/2d to 9 1/2d, and seconds from 6 1/2d to 9 1/2d at the auctions held in Bermondsey on Thursday last—the two heavy classes advancing 1/4d and 1/2d per lb respectively. Best cows were firm at 6 1/2d to 6 3/4d, seconds 6 1/4d. Calfskins were again easier, and best selections made 7d to 12d, most classes showing a reduction of 1d per lb on last prices. Woolskins sold from 7s 3d to 13s, and hogs from 3s 3d to 13s each. The demand for imported hides is limited, and tanners show no eagerness to buy fregorifics, which are offering at 8 1/2d to 8 3/4d. Dry hides are firm, and dry B.A. Americanos have sold on a basis of 12d c.i.f. to the United States. The Chicago position is cabled as weaker, as best heavy packers are now selling at 16 1/2 cents, after remaining stationary for some weeks at 17 1/2 cents. The demand for sole leather is improving. A fair trade has been done in bends. Dry hide bends of light weights are scarce, and makers of the ladies' high boot are scouring the market. Makers of men's footwear also seem better off for orders. Repairers are busy, and fair deliveries of medium weights have gone out. Offal remains scarce and dear, and some tanners have again advanced the prices of shoulders. In upper leathers the chief demand has been for coloured and black glacé. The boot and shoe trade is improving, and even Leeds and Northampton manufacturers are finding a better demand for men's boots.

CHEMICALS AND FERTILISERS.

Business in the chemical market is better than for several months. Acetone in good demand and dearer at 80 in drums. Cornish white arsenic very flat and lower at 15 10s, f.o.r. mines. Formaldehyde, 40 per cent., again advanced, and shows good business at 40 15s to 44 10s. Citric acid easy, but dearer on ammonia at 1s 3 1/2d to 1s 4d, less 5 per cent. on spot. Anhydrous Potassium prussiate firmer on spot at 1s 4d, with fair business. Decker and brisk at 4 1/2d. Trading in zinc oxide not too good, but white seal dearer at 45 delivered. White acetate of lead quiet slower at lower prices: 44 10s and 44, c.i.f. London respectively. Cream of tartar easier at 13 10s to 13 19s per cwt, less cheaper at 11 10s to 11 15s. Acetate of soda declined to 18. Barium chloride cheaper at 19. Sal ammoniac, dog-tooth crystals, sulphate advanced to 12 11s delivered. Nitrate of soda unaltered at 12 7s 6d. Superphosphate cheaper, with 30 per cent. at 12 17s 6d. Basic slag in good demand at 12 15s for 30 per cent. at Kainit, 14 per cent., in fair request at 12 15s.

VEGETABLE OILS AND OILSEEDS.

A rather better tone has been felt this week. Linseed oil at the opening showed further improvement and advanced to 38 per ton, naked ex Hull mill, but a later reaction carried values to 37 5s prompt and 37 2s 6d forward to April. A report that America had bought a fair quantity of Dutch linseed oil had a reassuring effect. Cotton oils have been in better demand and prices have advanced, crude Egyptian now being held for 37 10s 4d, and palm kernel oil fully steady at 41 10s. In the oilseed section demand for linseed has been on very the lowest, and 18 7s 6d is now the figure for this month's shipment. New crop, January-February, has been done at 17 7s 6d and 17 10s, while for Calcutta to London 20 3s 9d has been paid, November-December loading. Interest in Egyptian cotton-the market now is firmer, and shippers are holding out for higher figures.

OVERSEAS PRODUCE.

FOOD, BEVERAGES, &c.

SUGAR.—The market for refined parcels remained firm with a fair spot demand, and British makes were further advanced 6d per cwt. Foreign sorts, however, ruled quiet, and forward quotations barely

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maintained. Messrs Tate and Lyle's cubes quoted 31s 6d to 32s 6d; crushed, 29s 6d; granulated, stove, 30s 4 1/2d; fine, also coarse grain, 28s 7 1/2d; No. 1, 28s 4 1/2d; No. 2, also London and T.L., 28s 1 1/2d; December delivery, 28s 3d; and yellow crystals, spot, 25s 1 1/2d. Czecho granulated, November-December, sellers, 14s; January-March, 14s 6d; April-August, 15s. f.o.b., Hamburg. Dutch "J" quality, spot, 27s 3d; ditto, November-December, 14s 1 1/2d, f.o.b., Rotterdam. American granulated, spot, sold 27s 1 1/2d; Canadian, ditto, 27s 3d. Polish cr. stals, ready, 13s 3d; N. vember-December, 13s 3d, f.o.b., Danzig. White Java, spot, 26s 6d; ditto, January-March, shipment to Calcutta, 14s 6d; July September, 14s 1 1/2d, c. and f. terms. Cuban basis, 96 per cent., November-December, quoted, 10s 10 1/2d, c.i.f., U.K. White terminal market easier, but a good business transpired at lower levels. December, sold, 13s 8 1/2d to 13s 6 1/2d, 13s 7 1/2d, and 13s 6d; January, 13s 9d; March, 14s 0 1/2d to 14s, 14s 2 1/2d, and 14s 0 1/2d; May, 14s 7 1/2d to 14s 5 1/2d; August, 14s 1 1/2d to 15s and 14s 3 1/2d per cwt.

COFFEE.—The spot market generally remained without new feature, general course of trade being confined to moderate limits, but prices were kept at a fairly steady level, especially for the better liquoring grades, as no undue pressure arises to sell. Kenya, good bold, realised 127s 1/2d; peaberry up to 154s; Usambara, fine colony, 143s 6d; Kilimanjaro, fair bold, 122s 6d; Colombian ditto, 137s; Brazilian, for shipment, ruled steady, and superior Santos, prompt, quoted 108s; No. 7, Rio, 90s per cwt, c. and f. terms.

COCOA.—The market remained quietly steady with regard to spot parcels, while forward positions were only moderately dealt in, with trend of prices in buyers' favour. Accra F/F grade, November-January, also December-February, sold, 36s 6d; Lagos, November-January, 34s 6d, f.o.b. terms. Trinidad, December-February shipment, sellers, 62s; Bahia, November, 45s; Guayaquil Epoca, 74s; Caraquez, 68s, c. and f., per cwt. Cocoa butter, C.F.R., on spot, quoted, 1s 5 1/2d; and prime English, 1s 5d per lb.

TEA.—In auction 26,364 packages Indian were offered, and a generally quieter tone prevailed, withdrawals being frequent, particularly amongst common and low medium descriptions, which marked a decline of 1/4d per lb. The better medium kinds also displayed at irregularity and weakness, but all the finer grades sold steadily at about late rates. Pekoe sold, 1s 1 1/2d to 1s 1 1/4d; broken orange pekoe, 1s 5d to 2s 9 1/2d; while a parcel of choice Assam realised 5s 5d. Smaller offerings of Ceylon, totalling 11,901 packages, also met with less attention. A further falling off in quality amongst some of the invoices accounted for slightly lower prices, but fine kinds maintained a generally steady level. Pekoe sold, 1s 3 1/2d to 2s 4 1/2d; broken orange pekoe, 1s 8 1/2d to 2s 8 1/2d per lb. A moderate business transpired in China descriptions, Keemun selling up to 2s 6d, with old season's ditto in request at 1s 2d to 1s 4d, the latter showing good value; while finest new season's souchongs sold up to 3s 4d per lb, in bond. Common sorts moved off quietly on about former terms. 3,300 packages Java and Sumatra were offered. All the finer liquoring grades experienced a good demand at steady rates, but common descriptions moved in buyers' favour. Pekoe sold, 1s 2d to 1s 3 1/2d; broken pekoe, 7d to 1s 4 1/2d; orange pekoe, 1s 1d to 1s 5 1/2d; broken orange pekoe 1 1/4d to 1s 8d; and pekoe souchong, 11d to 1s 3 1/2d per lb, in bond.

RICE.—Eastern shippers adhere to steady asking prices in view of sustained inquiries on local Burmese markets, but there is still an absence of buying interest on European account. Rangoon, two stars, spot, London, sellers, 15s 9d; forward, 15s 4 1/2d, c.i.f. Broken kinds slow of sale. Spanish, October-November, quoted 23s 6d to 24s; oil, dressed, spot, 25s. Italian, spot, 22s to 23s, as to quality, per cwt. Rice bran quiet. Burma, December-February, 6s 2s 6d; February-March, 6s 5s per ton, ex ship, London or Liverpool. Japanese peas, spot, 30s; October-November, 28s 9d; November-December, also December-January, 28s 3d, c.i.f. Beans: Rangoon hand picked, October-November, 13s 9d, f.a.q.; October-November, 12s. Madagascar butter beans, spot, 35s to 37s 9d, as to quality, per cwt.

SPICE.—Pepper in generally good demand, and market firmer. Black Lampung, spot, 10 1/2d; October-December, buyers, 10 1/2d; January-March, 11 1/2d; white Muntok, October-December, sold, 1s 2d to 1s 2 1/2d; January-March, 1s 2 1/2d to 1s 2 3/4d. Pimento, spot, 5 1/2d. Cloves dull. Zanzibar, spot, quoted 11d to 11 1/2d, October-December, 9 1/2d; January-March, 10 1/2d per lb. Tapioca dull. Singapore flake, to Havre, October-November, sellers, 16s 9d; December-January, 16s 6d. Penang seed, to London, December-January, 15s 6d. Sago flour quiet. Sarawak, October-December, sellers, 15s 1 1/2d, c.i.f. and i., U.K. Desiccated coconut, spot, halves, sellers, 41s; October-November, also December-January, 38s, c.i.f. Ginger steady. Japan, spot, 90s; forward, 85s; West African, spot, 61s; October-November, 58s 6d cwt, c.i.f.

FRUIT (Dried).—Currants steady, with a fair trade in force. Amalia, quoted 31s to 33s; Gulph, 36s to 40s; Pyrgos, 31s; Patras, 36s to 37s; Vost 22a, 44s to 54s. Sultanias move off quietly, and rates barely steady. Smyrna, new crop, 65s to 90s; Australian, 68s to 90s; Cretan, 77s to 90s. Figs in better request. Layers, new crop, in boxes, 75s to 105s; Locoums, 115s to 145s. Dates firm and in demand. Second tide Hallowee, 27s; Siar, 14s 6d, landed terms. Raisins in fair request. Valencia, quarter boxes, 42s to 80s; halves, 42s to 43s. Evaporated fruits continue firm, with moderate supplies available. Californian apricots, standard new extra choice, 120s; fancy, 130s; Australian, 117s 6d to 130s. Californian peaches sparingly offered. Plums firm, but quiet. Oregon, size 30/40, quoted 72s; 40/50, 52s; Californian, 40/50, 58s; 50/60, 52s; 70/80, 45s 72s; 40/50, 52s; Californian, extra choice, 90s; fancy, 105s. Apple rings, Californian, extra choice, 60s to 70s; Canadian, 62s 6d per cwt.

CANNED GOODS.

CANNED FISH.—Sardines firm, with a hardening tendency, especially for best quality. Portuguese 1/2s quoted 4s 9d to 5s per dozen tins. Salmon firm, with moderate arrivals. Red, tall, 1 lb, 64s; 1 lb, pink, 35s 6d to 36s 6d; tall pink, 25s to 25s 6d. Lobsters firm but quiet. Halves quoted 160s to 165s; and 1/2s, 95s to 100s.

CANNED FRUITS.—Market firmer, and packers are delivering full contracts. Californian Bartlett pears, standard, 13s 3d to 13s 6d; seconds, 12s to 12s 6d; Oregon, choice, 15s; standard, 13s 3d; seconds, 12s to 12s 3d; Canadian, standard, 11s 6d. Californian peaches, choice, 11s; standard, 9s 6d; seconds, 8s 9d. Californian apricots, standard, 9s 3d; seconds, 8s. Loganberries, fancy, 11s to 12s choice, 10s 3d per dozen tins. Italian tomatoes realised full rates. Pines show a hardening tendency.

CANNED MEATS.—Corned beef: Market firmer, with higher prices obtaining for 6 lb tins. South American 6 lb tins quoted 34s; and New Zealand, 34s. Ox and lunch tongues, 6 lb tins, are selling well for time of year, and prices maintain a steady level. Danish sixes quoted at 116s; and 1 lb, 18s; New Zealand ox, 6 lb, 125s per dozen tins.

CONDENSED MILK.—Prices of skimmed sweetened ruled higher owing to the winter trade developing, also reports of foot-and-mouth disease in Denmark and Holland. Machine-skimmed quoted at 15s; full-cream Danish, 26s; Dutch, 23s 6d per case.

HONEY.—A good demand continues for New Zealand at home and in Central Europe, and the market is very firm.

RUBBER.

A generally dull market, and prices sagged under lack of support; since dearer. Plantation standard sheet, spot, sold, 3s 11d to 3s 11 1/2d; November, 3s 10 1/2d to 3s 11 1/2d; December, 3s 9 1/2d to 3s 10 1/2d; January-March, 3s 6d to 3s 5 1/2d, 3s 6 1/2d; April-June, 3s 2 1/2d to 3s 4d; January-December, 3s 1 1/2d per lb.

GENERAL.

HEMP.—Manila dull and featureless. J grade, November-January, sellers, 440; K, ditto, 435 10s; L, 436; M, 431 per ton. New Zealand nominal. African sisal quiet. No. 1, Tanganyika, October-November, sellers, 44 10s; Kenya, ditto, 44 10s.

TALLOW.—Messrs Colchesters and Woolner write on November 4th as follows:—The tallow market was quiet during the week, and prices were mostly 6d lower to-day, while good sorts have continued to fall, inferior kinds have maintained their values. The stock in London on October 31st as returned by the wharves amounted to 22,228 packages, showing an increase during the month of 2,998 packages. At auction to-day 1,227 casks tallow were offered, and 484 were sold. Quotations are:—Australian mutton: Fine, 48s 9d; good to fair, 48s to 44s; dull to dark, 40s to 38s 6d; hard, 48s. Australian beef: Fine, 46s 6d; good to fair, 43s 6d to 41s 6d; dull to dark, 39s 3d to 38s 6d; sweet, 46s 6d. Present shipment from Australasia: Good mixed, 46s 6d, nominally. Present shipment from South America, 42s. The market letter is unchanged. Town tallow, 39s 6d per cwt. Rough fat, per 8 lbs, 3d; melted stuff, 30s per cwt. Quotations are:—Town, 38s 6d, net cash, naked, ex works. Country: Frail casks, 38s 6d; home melted, shipping casks, net, f.o.b., good coloured, 42s; fair to dull, 39s to 38s. Bone fat: white, none; pale, none; benzine, 36s; melted stuff, 35s 6d, f.o.b.

SHELLAC remained steady. Fair, T.N., spot, quoted 240s; December, 222s 6d; March, 212s 6d per cwt.

COPRA quiet, and trend of values weaker. F.M.S. Straits, to Rotterdam, October-November, sellers, 29 15s; October-December, 29 13s 9d; November-January, 29 10s. Dutch E.I., October-November, 29 10s. Ceylon, October-November, sellers, 30 15s. South Sea, F.M.S., October-November, 28 12s 6d. Palm kernels, to Liverpool, November-January, 21 per ton.

MISCELLANEOUS.—Cocoanuts quoted 25s per 100. Coir yarn, Ceylon, 42s to 440; Cochiti, 431 to 455. Ceylon bristle, 15 to 17; cinnamon leaf oil, 4 1/2d; citronella, Ceylon, 1s 10 1/2d; Java, 3s 2d.

METROPOLITAN CATTLE.—Nov. 4.

British Beasts, per stone of 8 lbs to sink the offal. Sheep, per stone.			
	s	d	q
Beasts—Devons.....	7	2	7 1/2
Shortfords.....	7	0	7 1/2
Herefords.....	nom.		
Shropshires.....	6	0	6 1/2
Irish.....	6	0	6 1/2
Fat Cows.....	10	0	11 1/2
Beasts—Heavy Bulls ..			
Canadians.....	9	8	10 1/4
Sheep—Downs (clipped)	5	4	6 0
Swales.....			
Crossbreds.....			
Scottish.....			
Lamb—Downs.....	10	0	11 1/2

LONDON POTATO MARKETS.—Nov. 4.

Per Cwt.			
	s	d	q
Lincoln—King Edwards	7	0	8 0
British Queens	5	0	6 0
Red Kings	5	6	6 6
Majestic	5	0	5 6
Blackland—King Edwards	5	0	6 0
ditto Whites	4	0	5 0

THE BANK OF TAIWAN, LIMITED.

(Registered in Japan, 1899.)

Capital Subscribed - - - - - Y60,000,000
Capital Paid Up - - - - - Y52,500,000
Reserve - - - - - Y14,180,000

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

BRANCHES:

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

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

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

MACMILLAN & Co., Ltd., London, W.C.2

a little more plentiful, and there was a slightly better demand for bills, fine three months' bank bills being taken at $3\frac{1}{2}$ per cent.

	Nov. 13, 1925.	Nov. 6, 1925.	Oct. 30, 1925.	Oct. 23, 1925.	Previous Rate and Date Changed.
Bank Rate	4%	4%	4%	4%	4% (Oct. 1, '25)
Banks' Deposit Rate	2	2	2	2	2% (Oct. 1, '25)
Discount/Call	2	2	2	2	2% (Oct. 1, '25)
Houses/Notice	2 $\frac{1}{2}$	2 $\frac{1}{2}$	2 $\frac{1}{2}$	2 $\frac{1}{2}$	2 $\frac{1}{2}$ (Oct. 1, '25)
Market rate (3 months' bills)	3 $\frac{1}{2}$	3 $\frac{1}{2}$	3 $\frac{1}{2}$	3 $\frac{1}{2}$	..

The Bank return showed a decrease of £98,900 in the coin and bullion, £998,000 having been announced as withdrawn in gold for export; the note circulation expanded by £76,000, and so the Reserve was £1,065,000 lower, with a decline of 1.3 per cent. in the proportion to liabilities, to 21.4 per cent. Government securities rose by £4,193,000, while Other securities were £726,000 lower. Public deposits were £1,044,000 lower, so Other expanded by £3,399,000. Currency notes outstanding were reduced by £662,000 to £292,818,300, which includes £1,322,100 for notes called in but not cancelled. The fiduciary issue is £235,246,200, or £12,899,200 below the maximum for 1925.

The statement of average weekly balances of the London Clearing Banks for October, which is given in detail in a later column, is principally noteworthy for an increase of £14 millions in deposits in comparison with September. The table below summarises the figures for the nine English banks:—

	June, 1924.	Dec., 1924.	June, 1925.	Aug., 1925.	Sept., 1925.	Oct., 1925.
Capital and reserves	1192	1194	1196	1207	1207	1208
Acceptances	853	1059	902	850	857	926
Deposits (incl. undiv. profits, &c.)	1,661	1,666	1,624	1,615	1,617	1,627
Total liabilities	1,856	1,885	1,824	1,817	1,820	1,841
Coin, notes, balance at bank, and cheques in course of collection	2491	2597	2539	2401	2372	2382
Money at call	1081	1128	1130	1174	1115	1119
Investments	3493	3288	3226	2826	2815	2859
Discounts	2450	2344	2055	2836	2402	2447
Loans and advances	7917	8112	8505	8390	8345	8374
Cover for accept., premises, &c.	1132	1385	1188	1145	1152	1225
Total assets	1,856	1,885	1,824	1,817	1,820	1,841

There was an increase of £7 millions in acceptances, which are now at the highest point since May. The expansion in deposits has been balanced by increases in loans, discounts, and investments. In October, 1924, deposits increased by £22 millions.

At their meeting on Thursday the directors of the Bank of England agreed to recommend to the proprietors in April next that the Rt. Hon. Montagu C. Norman be re-elected Governor, and that Mr Henry A. Trotter, a director of the Bank, be elected Deputy-Governor for the ensuing year 1926-27, in succession to Sir Alan Garrett Anderson. General regret will be felt that the latter is unable to continue the post of Deputy-Governor, presumably owing to exceptional pressure of his business responsibilities, but the decision to prolong Mr Norman's term as Governor for a further 12 months, making seven years in succession, will be welcomed. Developments since the war have fully justified a policy of continuity of management, which is still eminently desirable. Mr Trotter returns to the position of the Deputy-Governor after an absence of a few years, necessitated by the pressure of private business engagements.

NEW YORK MARKETS.

Our New York correspondent cables:—After the severe shake-out in stocks on the advance in the Boston Federal Reserve Bank rate, the stock market has recovered buoyancy. Bull interests are not disposed to give up easily. It is expected that other outside Reserve banks may follow the Boston lead, as call money in the local market comes chiefly from other centres. Any action by the New York Bank is likely to come last, as local member banks are not discounting freely. The Federal Reserve statements reveal a large drop in discounts, with open-

market purchases of bills and reserves little changed. The reserve ratio for the system is 72.3, that for New York being 82.4. There is much satisfaction over the Italian debt settlement, which shows that the authorities are willing to face facts in this connection.

THE STOCK MARKETS.

Stock Exchange business has been on quieter lines this week than for some time past. Developments in New York have had little effect here beyond strengthening the assumption that the next change in Bank rate here will be upward. This and the prospect of more Dominion and foreign loans has depressed the gilt-edged market. The French financial crisis has produced flatness in French railway stocks, but the national bonds keep fairly steady. Home rails are dull, but not heavy. A feature in the foreign railway market has been a substantial advance in United of Havana ordinary stock. Rubber shares are mostly easier, and tea shares have declined, but the oil market is firmer. Industrials have mostly been quiet, and apart from a revival of interest in platinum shares the mining markets have lacked interest.

THE COMMODITY MARKETS.

The tone of the commodity markets as a whole continues more hopeful. Demand for coal is rather better, and the collieries are working more regularly. Pig-iron makers are better situated, and a slow, but steady improvement characterises the steel trades. Cotton prices declined on the issue of an official estimate showing a larger increase than was expected in the American crop figures, but have since advanced on trade buying. Cloth inquiry remains extensive, but buyers hesitate to place orders of weight. Wool prices are firm, but West Riding buyers are not inclined to add largely to their present commitments. The wheat markets are steady at recent price levels. A firm tone characterises most of the produce markets, sugar being in demand, coffees steady, and tea firm, with lighter offerings. Rubber is strong, with a better Continental and American inquiry. Among metals, tin has been irregular, with some improvement later, offerings of copper are on a liberal scale, and lead shows no marked change.

FOREIGN EXCHANGES.

In the foreign exchange market the French franc has again been the centre of interest. From a closing rate of 122.45 on the 6th the quotation was brought down for a short time on Saturday to as low as 119.12 $\frac{1}{2}$ on rumours that the political crisis had been postponed, but closed again at 120.35. During the current week up to Thursday evening the rate fluctuated between the limits of 119.90 and 123.30, according to market reactions to the political crisis and to the intensity of official intervention. On Friday morning, however, the news of M. Painlevé's compromise was taken as a bull point, and at the time of writing the quotation is down at 118 $\frac{1}{2}$. That this should happen in view of the virtual acceptance of the capital levy, of definite further inflation, and of what would amount to a moratorium on short-term Government obligations would suggest that recent rates were the reflection of even more pessimistic views as to the outcome of the crisis. Forward rates at 45-50 centimes per month above spot show a sharp contraction as compared with the 90 centimes quoted a week ago. Brussels has remained very steady throughout the period, being quoted yesterday at 106.85 as compared with 106.90 on the 6th. After some uncertainty in the earlier part of the week, the lira yesterday showed a sharp improvement on the news of the settlement in America, the rate standing at 119 $\frac{1}{2}$, an improvement of $\frac{1}{2}$ lire on the week. Sterling this week has been weaker, being quoted as low as \$4.84 $\frac{1}{2}$, and yesterday morning at \$4.84 23-32, comparing unfavourably with last week's (6th) closing rate of \$4.84 $\frac{1}{2}$. Forward rates have widened from last week's $\frac{1}{2}$ cent. to $\frac{1}{2}$ cent. per month above spot. Other stable currencies show little change, the Amsterdam rate at 12.04 $\frac{1}{2}$, the Swiss rate at 25.14 $\frac{1}{2}$, and Berlin at 20.36 being the same as a week ago, while Stockholm is $\frac{1}{2}$ higher at 18.13 $\frac{1}{2}$. Madrid, in spite of the attempted *coup d'état*, also shows little change, moving only from 33.93 $\frac{1}{2}$ to 33.93 $\frac{1}{2}$. In the

middle of the week both Oslo and Copenhagen showed a sharp temporary reaction, but both rates are now down again at 23.90 and 18.13 $\frac{1}{2}$ respectively, as compared with 23.82 $\frac{1}{2}$ and 18.13 a week ago. Among the minor currencies, Vienna is unchanged, Prague has moved slightly against us, Bucharest shows a slight depreciation, Warsaw is quoted nominally at 30-31 zloty. In the East, the rupee is unchanged at 1s 6 $\frac{1}{2}$ d, while the yen has reacted slightly, after the recent rise, from 1s 8 31-32d to 1s 8 $\frac{1}{2}$ d. The silver market has been extremely quiet, with considerable depression on Chinese selling. Hongkong stands at 2s 4 $\frac{1}{2}$ d, as compared with 2s 4 $\frac{1}{2}$ d, Shanghai at 3s 1 $\frac{1}{2}$ d, as compared with 3s 1 $\frac{1}{2}$ d a week ago. In South American, Rio, after moving up slightly, is back at 7 $\frac{1}{2}$ d. the same as a week ago, while Buenos Aires is dearer at 46 27-32d, as compared with 46 $\frac{1}{2}$ d. Monte Video, however, has depreciated from 51d to 50 $\frac{1}{2}$ d. Valparaiso on the week shows a relatively sharp appreciation from 39.20 to 38.80 pesos.

NATIONAL ACCOUNTS.

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

EXPENDITURE.	£	Receipts.	£
Supply Services	8,558	From Revenue	11,876
Interest, &c., on Debt	8,118	Increase in Debt	5,274
Sinking Fund	379		
Sundries	75		
Increase in Exchequer Balances	20		
	17,150		17,150

The revenue for the week ended November 7th amounted to £11,876,600, as compared with £10,715,400 in the corresponding week last year. Customs were slightly lower at £2,298,000, against £2,324,000, but Excise was higher at £1,477,000, against £1,389,000. Property and Income-tax brought in £3,758,000, as compared with £1,195,000, and Super-tax at £350,000 was £220,000 lower. Ordinary and Special receipts were £54,700 and £700,000, against £238,300 and £1,230,100 respectively. The week's operations increased the National Debt by £5,273,960, and caused the following changes:—

(000's omitted.)	£	(000's omitted.)	£
National Savings Certificates	+ 100	Public Advances	- 2,700
Treasury Bills	+ 3,813		
5 $\frac{1}{2}$ % Conversion Loan	+ 3,518		
4 % Treasury Bonds	+ 359		
Sundries	+ 84		
	+ 7,974		- 2,700

The floating debt was increased by £1,155,000 to £772,975,000.

FINANCIAL YEAR, 1925-1926 (April 1st to Nov. 7th).

£	£
Total Expenditure .. 471,961,894	Raised by Revenue .. 414,135,163
	Decrease in Balances .. 3,502,500
	Amount borrowed .. 54,324,231
Total	Total
471,961,894	471,961,894

ESTIMATES for FINANCIAL YEAR 1925-1926.

£	£
Expenditure	799,400,000
Revenue	801,060,000
Surplus	£1,660,000.

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—Anglo-Persian Oil, Assam Railways and Trading, Dalgety and Co., London Maritime Investment, and Joshua Hoyle and Son. At the London Maritime Investment meeting Lord Kylsant welcomed the restoration of the gold standard and the removal of the foreign loan embargo, and reviewed the shipping position. Sir Charles Greenway, at the Anglo-Persian meeting, spoke of relations with the Persian Government, and discussed the shale industry. At Dalgety's meeting the Hon. E. W. Parker surveyed the conditions in the wool industry; while at Joshua Hoyle's meeting Lieutenant S. C. Hoyle spoke of Locarno and reviewed the cotton outlook.

ECONOMIST INTELLIGENCE BRANCH.

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

LOCARNO AND TARIFFS.

WHEN year by year his Majesty's Ministers attend the Lord Mayor's Banquet they appear as the representatives, for the time being, of the whole nation, and the occasion is not one for the delivery of party speeches. Nevertheless, the incidence of the date of the gathering at the end of a long Parliamentary recess and on the eve of a new session makes the occasion suited both to retrospect and forecast, and the experienced politician looks between the lines of the Ministerial utterances for subtle indications of a change in the political weather or the approach of Parliamentary crises. This year the main Guildhall speeches—those of the Prime Minister and the Foreign Secretary—will be scanned in vain by those who look for light upon domestic controversies. The one outstanding event since Parliament rose in August has been the Locarno Pact. Mr Chamberlain practically confined himself to that theme, and the Prime Minister, when he could escape from it, devoted his main attention not to any political theme, but to a review of the accumulating evidence of trade improvement at home and abroad. Of Locarno Mr Chamberlain had nothing new in the way of facts to disclose. It was, indeed, the tone of his speech more than the substance which attracted attention, particularly his unshakeable confidence not merely that the Pact would be ratified, but that it was merely a beginning from which greater things would develop. "Whatever difficulties," said the Foreign Secretary, "—and there will be difficulties—still lie in our path, I am confident that the accords of Locarno will be ratified by every country there represented, for no statesman dare take the responsibility before history of dashing from our lips the cup of hope that Locarno has presented, and no nation dare face the load of obloquy that would rest on any nation which denied to the world its greatest need and its greatest and profoundest hope." All available indications support Mr Chamberlain's confidence. Ratification by the British Parliament is, of course, not in doubt; no changes at the Quai D'Orsay will affect the acceptance by France. In Germany, it is true, the opposition of the Nationalists renders the situation less clear; but their attitude can hardly fail to be affected by the memorial in favour of the Pact issued this week by a body of leading German industrialists, many of whom are also prominent Nationalists. It seems unlikely that the Nationalists could enforce the rejection of the Pact even if they would; and it is to be hoped that, in view of recent indications of German public opinion, they will go no further than to dissociate themselves from the responsibility for the act of formal acceptance. Nor, we hope, will Mr Chamberlain's elation of spirit over the fruits that will grow from the Locarno plant be altogether confounded. "I have drunk to-night," said Mr Chamberlain, "of the loving cup with the German Ambassador. What I have done this evening may our nations do to-morrow." When we cast our thoughts back over the seven years of international embitterment which separate us from the first Armistice Day, we may surely hear in these words, and even more in the cheers which greeted them, the ring of a new spirit, which promises real and sustained achievement in the foundation of international peace and security. This belief in the creation of a European atmosphere conducive to confidence must take its part in framing a view of the trade outlook. Mr Baldwin, however, dwelt rather upon those tangible evidences, which the regular readers of the *Economist* are familiar—for instance, the decline in unemployment, good European and world harvests, an abundant cotton crop, the reduction in world stocks of many commodities, the betterment in India. "The waters are falling," he declared, "and our spirits are rising." We agree with this diagnosis soberly and restrainedly presented; and if we dwell no longer upon this part of the Prime Minister's speech it is because, on the eve of a new session, we wish to call attention to a vital question of domestic controversy, to which Mr Baldwin, very rightly and properly in view of the occasion on which he was speaking, made no reference. Apart from the debates on Locarno and the discussion of supple-

mentary estimates, the most important question before the House of Commons in the brief session which opens next week will be that of the extension of tariff duties under the Safeguarding of Industry machinery. Many claimants for protection have besieged the Board of Trade, and others, including the worsted industry, are on the doorstep. Committees have reported, or are about to report, on gas mantles, gloves, hollow-ware, brushes, and cutlery. Unless the Government take the unlikely step of postponing action until the next Budget, Parliament will shortly be called upon to decide whether it will sanction a series of further steps—individually minor, but cumulatively of profound importance—towards the substitution of a network of tariffs for the fiscal system under which this country has reached and sustained its great position in world trade. Mr Baldwin, at the Guildhall on Monday, re-iterated his recognition of the fact that he was placed in power a year ago, under peculiar circumstances, partly by the votes of those who were not Conservatives. Among them, we would remind him, were many Free Traders who trusted in his pledge not to introduce anything in the nature of a general tariff. Their faith has already been tried and shaken by such episodes as the silk tax and the restoration of the McKenna duties, but they still cling, as indeed we endeavour to cling, to the belief that Mr Baldwin's reputation for political honesty will vindicate itself when the great testing-time comes. That testing-time is rapidly approaching. A steady and swelling stream of industries are, one by one, swinging the starting-handle of the "safeguarding" machine. If Mr Baldwin uses his Parliamentary majority, given him by the peculiar influences which he has explicitly recognised, for the purpose of granting protection to a long series of individual claimants, he will, in effect, be breaking his pledge as completely as if he were to introduce in one single measure a comprehensive protectionist measure. Mr Baldwin promised the electorate that no fundamental change in our fiscal system would be introduced without another appeal to the country. The danger confronting us to-day is that a series of minor breaches in the Free Trade system will slowly and surely grow into one great irreparable break.

Thus the political honour of the Prime Minister, and one of the most vital interests of the nation are at stake, and the crucial moment may arrive any day. It will come, too, at a moment when a further step by Britain towards protection would be internationally disastrous. European opinion is awakening to the fact that the tariff walls that have risen since the war present the greatest of obstacles to economic recovery. The recent Assembly of the League of Nations instructed the League Council to prepare the ground for calling an Economic Conference to attempt an all-round lowering of the barriers which so effectively restrain the international interchange of commodities. The position was dwelt on at length by Dr Walter Leaf, chairman of the Westminster Bank, this week in his Presidential address to the International Chamber of Commerce. "The politicians of every country of Europe," said Dr Leaf, "have been busily engaged in hampering international trade by every means in their power. We have passed beyond the question of mere tariffs, and in various cases we have found that recourse has been had to actual prohibition of imports. Each country—and I regret to think that even Great Britain must now be included—has set itself to exclude trade with its neighbour, to a greater or less extent; the policy has had a great success, with one considerable drawback, that each country, in hurting its neighbours, has, of course, hurt itself still more; the policy leads to a vicious circle, where every step leads on to another, and, to put the matter plainly, it seems to me that Europe has deliberately set itself towards economic suicide." The efforts of the International Chamber of Commerce, Dr Leaf claimed, have always been directed to "smoothing down the barriers which less farsighted interests have been so busy in erecting." Its Council is now preparing a proposal for the establishment of a Committee on trade obstacles, and, as Dr Leaf remarked, it is in its power "to take the first steps toward such a change of public sentiment as shall render hopeful the work of that larger Conference which the League of Nations proposes to call." For the first

time since the war European opinion is beginning to stir in an effort to throw off the shackles of Protection. Is it possible that at such a moment this country, to whom, in spite of recent backslidings, the world looks for a lead in fiscal commonsense, will deliberately forge another link in the shackles? The choice lies before the British Government and the House of Commons of performing either a signal service or an irreparable disservice to the cause of that world economic recovery, to which we must in the main look for our own return to prosperity. We acclaim the political Locarno. Will Mr Baldwin stultify in advance what might be an economic Locarno?

To turn to a more domestic aspect of the problem, we commend to those whose minds are clogged with the sordid rivalries of the Safeguarding Committees the words which the veteran ironmaster Sir Hugh Bell used in a speech at Manchester last week-end. For his own industry, depressed if any industry is, he spurns protection on broad and reasoned grounds. "No safeguarding of industries," said Sir Hugh, "is worth a rap. The industry you seek to safeguard ought not to be guarded. The foreign product of that industry will continue to be made and will meet you in other markets instead of your getting it here, using it in your market, and making a profit out of it. The sum of it all is one word—Free Trade. Unless you buy, neither shall you sell, and whenever you buy you have sold. You have no alternative." On the narrowest of selfish grounds, as well as on the ground of broad international policy, even the slightest further step by Britain towards Protection would, at this juncture, be disastrous. If Mr Baldwin allows his followers to drag him further along the tariff path, Britain will rue it, the world will rue it, and we are convinced that he and his Ministers will rue it when next they face an electorate which has spoken on the subject with no uncertain voice on every occasion on which it has been directly consulted.

MR LLOYD GEORGE'S LAND POLICY.

[In the following article a correspondent puts the case for the new Land Policy based on the proposals of Mr Lloyd George's Land Enquiry Committee. In a future issue we propose to publish the case against it by another expert correspondent.]

In the rural life of Great Britain to-day there is just that mingling of human grievance with economic disorder which has bred sometimes reforms and sometimes revolutions. Farmers who in the past few years have been strenuous in keeping down wages and have proclaimed that, apart from subsidies, they can live only on grass, have woefully misunderstood their place in national polity. They have roused all the fears, prejudices, and jealousies of a countryside already sensitive to the evil of low wages, and quick to regard prairie farming as an earnest of worse things to come. Both economically and psychologically, farmers are affected by the accelerating collapse of the landlord-tenant system of land tenure. The misunderstanding has almost been forced upon them. But they have forgotten three things—first, that they are the employers of a wage-earning peasantry, the only peasantry in Europe which is generally and permanently landless; second, that the only effective anodyne for landlessness is a good wage; and, third, that the right to use large units of land extensively, rather than smaller units intensively, can be conceded only by a nation on whose soil there is neither food-pressure nor population-pressure.

The danger of forgetting these three things was apparent even before the war, when rural conditions were comparatively static. The danger is tenfold greater now, when the basis of rural society is in movement, and dynamic forces of tremendous power have been released. It may be that younger men are being retained in the villages who, but for the unemployment in the towns, would have migrated ere now, and that this has imparted energy to rural thought. If that be so, then it is certain that the knowledge that some of these younger men gained during the war of agriculture abroad makes their discontent more potent. Whatever the cause may be, the

first result of any survey of rural life to-day is to find that there is a change not only in the facts, but in the feeling about the facts. It is that feeling which makes agriculture now in the real sense of the word a political issue. For the first time in modern memory, the agricultural worker connects his landlessness and his low wages with the way in which English land is owned, held, and used.

So, too, in the towns there is a new feeling about rural life. That we import 340 million pounds' worth of the kind of food which could be grown at home, and that our difficulty in selling manufactures to pay for these imports has grave consequences in unemployment, are facts which are beginning to affect urban imagination. Significance is attached to such statements as that in Great Britain land similar in quality to that productively used abroad is put to no economic use; that fewer persons are occupied in agriculture on 100 acres of British land than on 100 acres of Danish or Dutch; that despite the advantages of the best market in the world at their doors and the potentialities created by scientific advance, British farmers have been caught up and surpassed in production by other countries; and that the country population is no longer able to maintain the health and vigour of the towns.

The virtue of "The Land and the Nation" is that it sets out these and other facts and seeks for the connection between them and their underlying cause. If the cause could be indicated briefly, the book would not be so bulky. But the gist of the matter is that until very recently nine-tenths of the agricultural land of the country has been held under a system which presupposed the use of land in large highly capitalised units, and that this system is breaking down chaotically. The argument for action is the very simple one that the nation as a whole is intimately concerned with the way in which land is both held and used, and that—and this elsewhere is also Mr Orwin's argument—an alternative must be found to drifting to disaster. What, then, is the case for the particular remedy proposed under the name of Cultivating Tenure?

The first element is that the disease which has been diagnosed by every skilled investigation of modern times should be treated. That disease is under-capitalisation. Ours is the only country with an elaborate civilisation in which there is nothing in the nature of an Agricultural Bank or an Agricultural Credit System. The deficiency is due to reliance on landlordism to supply agriculture with credit. Defenders of landlordism maintain that landlords have always provided agriculture with credit at an uneconomic rate of interest. But this defence provokes the reply: first, that agricultural success in other countries is not dependent on credit supplied on uneconomic terms; and, secondly, that whatever landlordism may have done in the past, it is not now an efficient instrument of credit supply. In face of the unanimous verdict that agriculture is suffering from a serious degree of under-capitalisation, it is remarkable only that the usual defence for landlordism is put forward. The increase of occupier-owned land in the last seven years from 10 per cent. of the whole to 25 per cent. means, in any case, a rapid increase in the number of farmers who cannot resort to their landlords for permanent equipment. If the disintegration of landlordism continues at its present rate, there must be established some system of agricultural credit supply, whether or not any policy for land tenure is deliberately adopted by the country.

The second element in the case is that no effective assistance can be given to agriculture so long as advantages intended for the actual workers on the soil flow into the pockets of the landlord. It is already evident that the relief given by the Agricultural Rates Acts is to the profit not of the farmer, but of the landlord. The Development Act of 1909 prohibits expenditure from public funds on works which would directly raise the value of land in private ownership. Other legislation desirable in itself has been paralysed by general recognition of the consequence that the right to raise rents would have to be restricted. Much more is it necessary to reorganise the system of land tenure if the State is to take upon itself the duty of organising a system of supplying agricultural credit. It has already assumed much of the landlord's function of leadership. By so doing the landlord's position has been weakened in theory, but if it is to take over a supply of capital, it becomes impossible to justify the continuance of landlordism at all. It may be suggested

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that the difficulty could be met by Land Courts. But nothing can be more certain than that restriction of agricultural rents means preventing expenditure on maintaining rental value. Rent Courts as a general institution would, in fact, aggravate the very disease of under-capitalisation which must be cured. Whatever be the reasons for abolishing landlordism, those for paralysing it and leaving it to cumber the ground are poor in the extreme.

The third element in the case is that a means must be found of rescuing land workers from their condition of landlessness. That condition has come into existence under landlordism. It is impossible to see how it can be remedied without a change in the whole system. The Small Holdings Acts now on the Statute Book have done invaluable work, especially in certain areas. But they have affected only the fringe of the problem, and they are borne down by unremunerative charges. They are based on the assumption that a County Council may be a landlord among others; that it should acquire land by purchase at its piece-meal market value, and that it should provide the land with buildings worthy of the Council's reputation as a land owner.

The means now proposed are that all land which becomes vacant should be at the disposal of a popular body, and that it should be held by cultivators, who will not expect the County Councils or anyone else to erect their buildings for them, at a rental which represents only its actual agricultural value.

If landlords are to go, what shall be the terms? Here "The Land and the Nation" proposes a mean between two extremes. The landlord is to get the land's net agricultural value at the time of making the change in tenure. No punitive ideas are suggested and no confiscation of justifiable values. On the other hand, there is a reasoned refusal to hand over to landlords the difference between the capitalised value of the annual net rent and the price which might be obtained for each parcel of land if it were sold on the assumption that other agricultural land was not in the market. Here the crux of the matter is reached. The discrepancy between the real value of land for agriculture and its potential sale value is created by allowing ideas of amenity, prestige, and sport to operate on the necessarily monopolistic quality of land. When landlords to-day say that they are getting in rents only 2 per cent. on their money, they mean that in buying land they have bought something which the cultivator of the land cannot be expected to pay for because it is not in the land and cannot be extracted from it. That is a false or luxury value. What is happening now is that this false value is being thrown on to the necks of the actual cultivators of the land in a way which is preventing, and will continue to prevent, the revival of agriculture. Clearly, there can be no solution of the agricultural problem if that process is allowed to continue. The community would have every right, pre-supposing the continuance of the present system, to appropriate that value by means of

taxation. But it is intrinsically an anti-social value. It has grown up in this country in comparatively recent times. The proposal is that under cultivating tenure it should be wholly eliminated, and that men who devote their enterprise and labour should for the first time in many generations have the opportunity of basing their affairs on a business-like foundation.

WORLD TRADE IN 1924.

In the survey of overseas markets which was reviewed in our Monthly Supplement of July 25th, the Committee on Industry and Trade expressed the view that the "net result of the changes (which took place in world trade) in the decade 1913 to 1923 was to leave the relative position of Great Britain as an exporting country unimpaired and perhaps slightly improved." The League of Nations has just issued a study of the commerce of the world in 1924,* which, while confirming this view, suggests that in the latter year the countries of Europe began to recover some of the ground they had lost, and that, as compared with 1923, the trade of the world as a whole increased more rapidly than that of the United Kingdom.

Any attempt to compare the trade of the world before and after the war must necessarily involve a considerable amount of conjecture. Prices and the composition of international trade have undergone great changes, a number of countries have adopted new methods in the compilation of their returns, and the territorial divisions of the world have been modified. (Perhaps the two greatest individual difficulties are those caused by the complete revision of the Dutch statistical system in 1917, and the fact that present-day Russian trade is only shown in terms of 1913 values.) By a somewhat elaborate calculation, and after making various allowances for such difficulties as can be met, the League of Nations reaches two conclusions of considerable importance: first, that the goods entering into international trade in 1924 were valued at prices on the average about 50 per cent. above those ruling in 1913, and, secondly, that the total trade of the world in the latter year was also nearly 50 per cent. greater in terms of monetary values than in the calendar year preceding the war. These conclusions are put tentatively, but seem well supported by the evidence supplied, and suggest that the total quantum of world trade last year, which was appreciably higher than in 1923, was, in fact, not much less (say, 5 per cent.) than in 1913.

All parts of the world, however, have not done equally well. If the published Russian figures be raised by the average increase in world values, the distribution of the world's trade by Continental groups works out as in the following table:—

PROPORTION OF WORLD TRADE done by VARIOUS COUNTRIES and CONTINENTS.

Continental Group.	Imports.		Exports.		Total.	
	1913.	1924.	1913.	1924.	1913.	1924.
United Kingdom	16.42	18.82	14.05	15.97	15.28	16.47
Central and Eastern Europe	21.18	15.26	21.71	13.10	21.44	14.37
Other countries of Europe	31.74	27.77	26.64	24.05	29.27	25.82
1. Total Europe	69.34	61.85	62.40	51.12	65.99	56.66
2. North America*	12.23	16.29	15.83	22.10	13.96	19.10
3. Caribbean†	1.54	2.04	2.10	3.62	1.82	2.79
4. South America	5.59	4.95	6.60	6.78	6.07	5.84
5. Africa	1.70	1.89	2.61	2.65	2.14	2.26
6. Asia	7.14	9.79	7.84	10.33	7.48	10.06
7. Oceania	2.46	3.19	2.62	3.40	2.54	3.29
Total	100	100	100	100	100	100

* I.e., Canada and U.S.A. † I.e., Mexico to Panama inclusive, plus the three West Indian Republics.

The table shows that, although British trade as a whole had increased from 15.3 per cent. to 16.5 per cent. of world trade, British exports had fallen from 14.05 to 13.97 per cent. But these figures are somewhat too favour-

* "Memorandum on Balance of Payments and Foreign Trade Balances, 1910-24." Vol. I., Messrs Constable and Co. Price 4s.

able, as British exports and imports in 1924 were swollen by sales to and purchases from the Irish Free State, which in 1913 formed part of the United Kingdom. If approximate adjustments are made on this account, the 1924 percentages are reduced to about 16 and 13, and as the proportion of world trade covered by the countries considered by the League in 1924 is somewhat smaller than in 1913, a further slight reduction would have to be made in the British percentage if all countries were included. On the other hand, considerable trade which was formerly within the territory of Austria-Hungary or Russia crosses what are now national frontiers, which means that for comparative purposes with 1913 the total volume of trade is put a little too high. This means that the British percentage would be slightly raised if strict comparison could be made.

The group of Central and Eastern European countries consists of Austria, Bulgaria, Czechoslovakia, Estonia, Germany, Hungary, Latvia, Lithuania, Poland, Roumania, Russia, and the Kingdom of the Serbs, Croats, and Slovenes in 1924, and Austro-Hungary, Bulgaria, Germany, Roumania, Russia, and Serbia in 1913. The drop in their share of world trade is very considerable, amounting to about one-third, or, if Russia be excluded, to just over one-fifth. The position of Germany as illustrated by the figures given in the League's memorandum is of particular interest. Her share in world trade in 1924 was still very much smaller than in 1913, viz., 7.2 as compared with 13.2 per cent. With the rise of internal prices towards the world level in 1923 and the stabilisation of her currency in 1923-4, the quantum of her exports fell off by over 10 per cent. On the other hand, the dollar value of her total exports increased appreciably, as a result of the higher prices at which she sold her wares, and she seems to have recovered an important part of her extra-European markets. Further, in spite of the great reduction in her share of world trade, she only dropped in the scale of trading countries from the third to the fourth place.

In view of this falling-off in the trade of Central and Eastern Europe, it is not surprising to find that the position of Europe as a whole should have declined. But the drop, from 66 per cent. to 57 per cent., is greater than what would be accounted for by the diminished activity of the Central European group alone. If this group be deducted it will be found that the share of world trade claimed by the rest of Europe fell from 45 per cent. to 42 per cent. If the trade of the world in 1924 was not quite up to pre-war level, there must have been in 1924 a slight contraction in the trade of even that part of Europe which has been least affected by the upheaval of the war, or has best recovered from it. The exports of certain European countries, however, have grown in importance. Those of France, from 7.3 to 8.6 per cent. of world trade; of Spain, from 1.12 to 1.48; of Sweden, from 1.20 to 1.33; of Denmark, from 0.94 to 1.31; and of Greece, from 0.13 to 0.25 per cent.

In contrast to Europe, every other group of countries shown in the table above increased its share in world exports, and every other group save South America in total trade. The figures for South America, however, are, it is stated, defective, as owing to lack of data it proved necessary to interpolate in certain cases the trade for 1923 or 1922. But as the South American exchanges improved and South American trade increased in 1924, there is reason to believe that the real participation of that Continent in world trade in 1924 was more important than the table indicates.

A number of extra-European countries have more than doubled the value of their exports. Thus, those of Canada rose from \$432 millions in 1913 to \$1,070 millions in 1924; those of Japan from \$315 to \$728 millions, of China from \$294 to \$625 millions, of Cuba from \$164 to \$434 millions, of Mexico from \$154 to \$354 millions, of New Zealand from \$102 to \$227 millions. The exports of the U.S.A., which in 1913 amounted to \$2,448, had risen by 1924 to \$4,498 millions. The growth in the value of the exports since 1913 of the four most important trading countries mentioned above—the U.S.A., Canada, Japan, China—almost equalled the total exports of the United Kingdom in 1924, 3,432 compared with 3,520 million dollars.

Thus, what Europe has lost has been gained largely by the U.S.A. and Japan. Both in 1923 and in 1924 these two countries were able to claim a larger share in nearly every important market of the world than before the war. But if the calculations made be correct, the quantum of Canada's trade had increased more than that of either of these two countries. One of the outstanding features of the survey is that there has been a definite shift of the trade of the world from Europe towards America and Asia, and from the Atlantic to the Pacific Ocean.

This is illustrated very roughly in the following table:—

VALUE of TOTAL TRADE (IMPORTS plus EXPORTS) of COUNTRIES NAMED.

	(Million Dollars.)	
	1913.	1924.
"Atlantic" Group—		
United Kingdom	5,771	8,587
France	2,953	4,267
Germany	4,966	3,729
Netherlands	2,801	1,541
Sweden	446	713
Norway	247	358
Denmark	379	696
Italy	1,189	1,469
Belgium	1,597	1,459
Spain	456	1,090
Argentina	980	1,443
Brazil	643	726
Cuba	304	725
	22,732	26,783
"New World and Pacific" Group—		
U.S.A.	4,223	8,079
Canada	1,051	1,859
Japan	678	1,723
China	710	1,450
Australia	755	1,271
New Zealand	204	441
Chile	270	307
Peru	73	176
	7,964	15,306
		Per Cent.
Increase { Atlantic Group		18
{ Pacific "		92
Average rise in Gold Prices		50

If the figures for the Atlantic and Pacific coasts of U.S.A. and Canada were divided, the difference would be still more marked. This shift may also be studied from the imports and exports of certain countries by continental groups. The United States and Canada have obtained in recent years a somewhat greater proportion of their imports from Central America, and a much greater proportion from Asia, while China and Japan, on the other hand, have turned their attention to North America and Oceania. The same tendency can be traced if the exports of these countries be analysed. Thus the exports of the United States of America to Asia rose from 5.1 per cent. of her total exports in 1913 to 11.2 per cent. in 1924, and of Canada from 1.2 per cent. to 3.7 per cent., while Japan's exports to North America rose from 30.1 per cent. to 42.1 per cent., and China's from 9.2 per cent. to 13.4 per cent. In 1924 this tendency of the increased wealth of this group of countries to circulate within their own orbit received a certain setback, and the Atlantic Ocean recovered some ground. There has been a slow but steady quantitative increase in trade of many European countries in the last three years. A bald comparison of 1924 with 1913 obscures this hopeful trend. Also the United States, India, Canada, Japan, China and the Argentine, although all sending a lesser share of their exports to Europe than in 1913, sent her an appreciably larger proportion than in 1923. Moreover, although North America sends a lesser fraction of her wealth to Europe, she receives a larger share of Europe's exported produce than she did a decade ago.

While the foregoing analysis affords little grounds for satisfaction so far as the United Kingdom is concerned, it is some consolation to find that India and all the overseas Dominions, with the single exception of South Africa, have grown in importance in the markets of the world. Their exports as percentages of world exports in 1913 and 1924 are shown below:—

	1913.	1924.
Australia	2.06	2.50
Canada	2.37	4.25
South Africa	1.74	1.48
New Zealand	0.56	0.90
India	4.25	4.69

Total Dominions..... 10.98 13.82

This last figure is about equal to that of the United Kingdom—the combined total for the Empire (excluding Crown colonies, &c.) amounting to over 27 per cent. Canada and New Zealand have made the greatest progress—Canada despite the fact that following a reduced harvest the quantum index of her exports fell from 175 in 1923 to 161 in 1924. But even the latter figure was materially higher than that of any other country in the world for which similar indices are available. The exports of New Zealand per head of population are still, as they were before the war, considerably greater than those of any other country (\$168, compared with Cuba, \$139). The relative set-back in South African trade is presumably to be attributed to the lower value of gold.

In conclusion, we may conveniently supplement the figures we have given by a table showing for certain European nations the relative level in the volume of their trade in 1924 in comparison with the situation before the war:—

VOLUME of TRADE in CERTAIN EUROPEAN COUNTRIES.

Country.	1913.	1924.
U. Kingdom.....	100	107
Denmark	100	134
Finland	100	99
Germany	100	63
Hungary b.....	100	59
Italy	100	62
Norway	100	93
Russia	100	90
Sweden	100	105
Switzerland	100	100
	100	16
	100	20
	100	133
	100	93
	100	81
	100	75

* 1923. a If adjustment be made for Irish Free State trade, figures are:—Imports, 104; exports, 78. b Present territory.

This table shows perhaps even more forcefully than previous tables the abnormality in Germany, Russia, and Central Europe. Moreover, the detailed statistics show that, on the whole, even in very depressed conditions we have held our ground better in Europe than in Imperial markets. It is obvious, therefore, that the recovery of the former is the surest way of giving the much-needed lift to our foreign trade.

FRANCE'S WAR DEBT TO AMERICA.

(BY A CORRESPONDENT.)

[Our views on this problem and on the Italian settlement with America will be found in a later column.—ED. Econ.]

To reach an agreement with the United States for the funding of the war debt must rank as one of the foremost problems confronting the new French Cabinet, and it is to be expected that M. Painlevé, as Finance Minister, will endeavour to reopen negotiations with Washington at an early date. In order that the causes of the failure of M. Caillaux's Mission to Washington at the end of September last may be understood, it is proposed in this article to review, as briefly as possible, the various propositions that came up for discussion on that occasion, and in conclusion to submit a scheme which, if not acceptable in all its details, may, it is hoped, be the means of suggesting a method of repayment from which a plan may be evolved agreeable to both countries.

The tables below show the annual payments involved in the four concrete propositions that were considered at Washington—i.e., the two offers submitted by the French Mission, and the two counter-proposals of the United States. It must be noted that the sum originally borrowed by France was \$3,340,000,000, which, with interest at

5 per cent. per annum calculated to June 15th of this year, brings the total to \$4,200,000,000. Now, as a preliminary concession America agreed to reduce this capital sum to \$4,025,000,000—the difference of \$175,000,000 representing the difference in interest calculated to June 15th at 5 per cent. per annum, and the actual rate of interest paid to subscribers of the Liberty loans, who provided the money:—

(000,000's omitted.)

First French Proposal—				Second French proposal—			
Years.	Per Annum.	\$		Years.	Per Annum.	\$	
For first 5 ..	25	=	125	For first 5 ..	40	=	200
Subsequent 5 ..	30	=	150	Subsequent 7 ..	60	=	420
" 10 ..	60	=	600	" 56 ..	100	=	5,600
" 42 ..	90	=	3,780				
Total in 62 years			4,655	Total in 68 years			6,220

(Calculated to Nearest Million Dollar—000,000's omitted.)

Capital Sum Due.		Year.	First American Proposal.				Second American Proposal.			
			Interest.	Plus Capital.	Total Annual Payments.		Interest.	Plus Capital.	Total Annual Payments.	
Per Cent.	Per Annum.					Per Cent.	Per Annum.			
\$			\$	\$	\$	\$	\$	\$	\$	
4,025	1st	3	121	65	186	20	40	85	85	
3,960	2nd	3	119	65	184	30	65	95	95	
3,895	3rd	3	117	65	182	40	65	104	104	
3,830	4th	3	115	65	180	50	65	113	113	
3,765	5th	3	113	65	178	60	65	121	121	
3,700	6th	3	111	65	176	70	65	130	130	
3,635	7th	3	109	65	174	80	65	138	138	
3,570	8th	3	107	65	172	90	65	145	145	
3,505	9th	3	105	65	170	100	65	153	153	
3,440	10th	3	103	65	168	110	65	160	160	
3,375	11th	3	101	65	166	120	65	166	166	
3,310	12th	3	99	65	164	130	65	173	173	
3,245	13th	3	97	65	162	140	65	179	179	
3,180	14th	3	95	65	160	150	65	186	186	
3,115	15th	3	93	65	158	160	65	193	193	
47 remaining annual payments total					5,612				5,612	
Total payment in 62 years						8,274	7,724			

No agreement having been reached on any of the four propositions given above, the Americans at the eleventh hour suggested that negotiations should be deferred for a period of five years, by which time France's capacity to pay should be better known, and that in the interval—that is, until 1930—she should pay \$40,000,000 a year on account without conditions.

To this last proposition France has not yet given a definite reply. But, as any Finance Minister must realise, no satisfactory or permanent solution of the financial crisis can be expected so long as France's future commitments in regard to this debt remain an unknown factor, it is hardly to be expected that this proposed provisional arrangement will be agreed to.

It would seem that M. Caillaux, in submitting his first proposal, was really under the delusion that America was anxious for a settlement of the debt question rather as a matter of principle than as a matter of business. His offer practically amounted to the mere repayment of the capital sum within a period of 62 years, and waiving all question of interest. He had, in effect, to be reminded that even in the United States, prosperous as that country may be, the displacement of a sum of four thousand million dollars cannot be effected without regard to its earning power in interest.

Indeed, the first American counter-proposal must have come as a rude shock to M. Caillaux and his mission, as it requested, in addition to the repayment of the capital in 62 equal annual instalments, interest at the rate of 3 per cent. per annum for the first ten years, and 3½ per cent. thereafter, or repayment on the same terms as in the case of the British war debt. Thus there was a difference between the sum total of the annual payments involved in the two proposals of no less than \$3,620,000,000 (the French offer totalling in 62 years \$4,655,000,000, and the American's counter-proposal \$8,275,000,000).

That M. Caillaux realised his original mistake may be inferred from the fact that in the second proposal submitted by the French Mission, while extending the period of repayment to 68 years, the sum total of the payments to

be made in that period was increased by no less than \$1,565,000,000. Yet in this second offer the Mission's calculations in regard to interest, if they had made any, were not defined. In fact, it needs but a casual perusal of the figures involved in the two French schemes to lead one to presume that the Mission had arrived at Washington without any properly thought out plan, and one wonders whether this same omission may not be one of the causes of the financial situation in which France finds herself to-day. On the surface of things it would appear that on the rejection by America of their first offer, the French Mission, having noted a difference of some 3,000 odd million dollars between the total payments of the two proposals, contented themselves by dividing this difference by two, and extending the period of payment by a few years (in order to make their simple addition sum less obvious), and, flattering themselves that they had met the American's half-way, felt assured that this second offer could not be refused.

The United States replied with their second counter-proposal carefully calculated out in the matter of the repayment of capital and interest. They maintained their demand for the repayment of the capital sum in 62 annual instalments, but lowered considerably the rates of interest for the first twelve years. This reduced the sum total of the payments to \$7,724,000,000 (or \$551,000,000 less than their first counter-proposal). But as will be seen from the figures which appear above, there is still a great divergence between the total payments involved in the second proposals submitted by each party, and a great gulf has yet to be bridged before a settlement is reached.

Now, it will be observed that in each of the American proposals it is stipulated that the capital shall be repaid in 62 equal annual instalments (i.e., \$65,919,355 per annum), plus interest at varying rates. In effect, America has insisted on the recognition of the principle that repayment shall include, and be distinct as regards, capital and interest, which for obvious reasons is a sound one. Moreover, in each American proposal the rate of interest increases until it reaches the maximum rate of 3½ per cent. per annum. The reason for this, probably, is that the United States is anxious that ultimately, at any rate, the rate of interest on the French debt and the British debt should be the same. In this connection it will be noted that by the annual repayment of capital the increased rate of interest becomes less apparent.

But the divergence between the American and French proposals, which was probably the greatest obstacle to a settlement (apart from the differences in the sum total of the payments in liquidation of the debt), was, it can be assumed, in the matter of the annual payments for the first five or ten years—the years of France's financial recuperation. In the proposed funding scheme, which, I venture to submit, the annual payments for the first five years are approximately those contained in the second French offer, the liquidation of the debt is provided for in 62 years, instead of 68 years suggested by the second French proposal, and the sum total of the payments demanded in the second American proposal is reduced by nearly \$300,000,000.

The main features of the suggested plan are, first, in the matter of the repayment of the capital. On the assumption that it is reasonable that a fair portion of the burden of this war debt should be borne by the future generation, the capital sum of \$4,025,000,000 is divided into 62 equal portions of \$64,919,355 each, and it is suggested that for the first five years one-third of one of these portions should be repaid annually, that for the second five years two-thirds of one of the portions be repaid, for the third five years one portion, or \$64,919,355 per annum, and that the unpaid portions which were otherwise due during these first fifteen years be added to the capital this balance of capital be thenceforth paid in equal annual instalments of \$71,825,669. In regard to interest this proposal provides for ½ per cent. per annum for the first five years, 1 per cent. for the second five years, 2 per cent. for the third five years, 3 per cent. for the fourth five years, and 3½ per cent. per annum thereafter, namely, from the 21st year.

To demonstrate how this plan would work out, we append below the figures in regard to the annual payments for the first 22 years, together with the sum total of the

remaining 40 annual payments. The figures are calculated to the nearest million dollars:—

(000,000's omitted.)

Capital Sum Due.	Year.	Interest.		Plus Capital.	Total Annual Payments.
		Per Cent.	Per Annum.		
\$			\$	\$	\$
4,025	1st	½	20	22	42
4,003	2nd	½	20	22	42
3,981	3rd	½	20	22	42
3,959	4th	½	19	22	41
3,937	5th	½	19	22	41
3,915	6th	1	39	43	82
3,873	7th	1	39	43	82
3,830	8th	1	38	43	82
3,787	9th	1	38	43	81
3,744	10th	1	38	43	81
3,701	11th	2	74	65	139
3,636	12th	2	73	65	138
3,571	13th	2	71	65	136
3,506	14th	2	70	65	135
3,441	15th	2	69	65	134
3,376	16th	3	101	72	173
3,304	17th	3	99	72	171
3,232	18th	3	97	72	169
3,160	19th	3	95	72	167
3,088	20th	3	92	72	164
3,016	21st	3½	105	72	177
2,944	22nd	3½	103	72	175
Remaining 40 annual payments total					4,934
Total payment in 62 years					7,428

This total is within \$300 millions of the second American proposal, though the annual payments for the first five years are only slightly in excess of those of the second French proposal.

OVERSEAS TRADE IN OCTOBER.

THE October trade returns are encouraging in some respects, principally, perhaps, from the fact that British exports show a substantial increase as compared with September, and are at the highest total since March. Imports are £11 millions higher than in September, but £11½ millions below the figure for October of last year. It is satisfactory to find that the increase in comparison with September is mostly in food and raw materials in the case of imports, and mostly in manufactures in the case of exports. The tables below compare the figures for October and the 10 months with those of a year ago:—

MONTH OF OCTOBER.

	1924.	1925.	Increase (+) or Decrease (—) in October, 1925.	
	£	£	£	%
Imports	120,472,658	108,838,924	11,633,734	9.7
British exports	68,586,639	67,081,986	1,504,652	2.2
Re-exports	12,931,489	13,377,420	445,931	3.4
Total exports	81,518,127	80,459,406	1,058,721	1.3
Excess of imports over total exports	38,954,531	28,379,518	10,575,013	27.2

TEN MONTHS TO OCTOBER.

	1924.	1925.	Increase (+) or Decrease (—) in 1925.	
	£	£	£	%
Imports	1,029,682,616	1,074,262,947	44,580,331	4.3
British exports	657,905,899	646,340,392	11,565,507	1.8
Re-exports	115,769,813	126,228,235	10,458,422	9.0
Total exports	773,675,712	772,568,627	1,107,085	0.1
Excess of imports over total exports	256,006,904	301,964,320	45,957,416	17.8

Lower prices play a large part in the decline in imports last month as compared with October last year, especially in the case of grain and raw textiles. Imports of silk and silk manufactures show a decrease of over a million. These declines are partly offset, on the other hand, by an increased volume of imports, at higher prices, of non-ferrous metals and manufactures thereof, and a very sharp rise in the value of rubber imports. The latter, indeed, account for no less than £12 millions of the £44½ mil-

lions increase in the 10 months in total imports. The quantity increased from 1,218,200 centals to 1,497,000 centals, while the value rose from £6,725,100 to £18,766,000. Although imports of food, drink, and tobacco show an increase of less than £3 millions in the 10 months, there are some striking changes in the value figures of the individual items, again largely owing to price movements. Grain and flour imports are £3½ millions lower, meat £12 millions higher, and sugar £9½ millions lower. On the export side, the whole of the October decline is practically accounted for by coal, which is down by £1½ millions. Wool exports, partly owing to lower prices, are £409,000 lower, and woollen and worsted manufactures are £618,900 lower, but there is, nevertheless, an increase of nearly a million in total exports of manufactures. To this it is encouraging to find that exports of iron and steel and manufactures thereof contribute £442,400, and machinery £277,100. The principal increase in this section, however, is £915,000 under the heading of vehicles, of which new ships account for £467,000, and motor-cars and parts for £265,600. The decrease in British exports of £11½ millions in the 10 months is entirely due to coal exports, which have declined in value by over £19 millions. Despite declines of £6 millions in exports of iron and steel, and of over £5½ millions in exports of woollen and worsted manufactures, total exports of manufactures for the 10 months are up by over £3 millions, there being increases in exports of machinery of over £4 millions; in electrical apparatus of £1½ millions; in cotton manufactures of £3½ millions. The rise in the price of rubber has largely influenced the re-export figures. In the month of October rubber accounted for an increase of £1,397,200, and in the 10 months for an increase of £9,378,000. The statistics of shipping engaged in foreign trade show a slight decline for October as compared with the same month of last year, both for entrances and clearances. For the 10 months there is an increase of 365,900 tons in ships entered, but a decline of 2,486,300 in ships cleared. Imports of gold coin and bullion in October were £5,412,400, and exports were £10,175,300. For the 10 months, gold imports were £35,824,500, or £6½ millions more than in the corresponding period of last year; while exports were £36,764,700, or £6½ millions less. A reader has pointed out to us a printer's error in our article on October 17 on the September trade returns. In a reference to exports of new ships it was stated that in 1913 the average value was £13 per ton. This figure should have been £18 per ton.

RUBBER PROSPECTS.

Now that the feverish activity in the rubber share market has subsided a breathing space is afforded in which the investor may not only take stock of his position, but may consider in a calmer frame of mind the outlook for the rubber industry. The two booms which have visited the Stock Exchange within the past six months owe their existence to the sudden increase in the price of rubber, which has been due to entirely abnormal causes. During the past four years the remarkable growth in the world-production of motor vehicles, which absorb some 70 per cent. of the total output of rubber, has increased the total consumption of the commodity from 290,000 tons in 1920 to 475,000 tons in 1924 and an estimated 540,000 tons in 1925. During the same period total production is calculated to have increased from 368,000 tons in 1920 to 420,000 tons in 1924 and 574,000 tons in 1925. In the *Economist* of September 26 (p. 488) we gave figures showing that in 1922, before the Stevenson Scheme of Restriction was introduced, world production and consumption were approximately equal at a little over 400,000 tons, but that since then, thanks to the curtailment of output by British producers under the Stevenson Scheme, consumption has outstripped demand, with the result that stocks have been rapidly depleted, prices have soared, and the share market has enjoyed booms comparable only to that of 1910. As recently as May, 1924, the London price of standard "spot" rubber (ribbed smoked sheet) was as

low as 9½d per lb, whereas in July last the corresponding quotation was 4s 6d per lb. This exceptional figure was not maintained, but after a reaction in August and September the quotation recovered, and remained steady at a little over 4s in October, an unfounded report from Colombo of impending changes in the Stevenson Scheme causing only a temporary weakness. At the end of October the exportable quotas of companies in the Scheme were automatically increased by the 10 per cent., which raises the figure to 8s per cent. of standard production. In February next we shall presumably see the end of restriction, for the time being, at any rate, but whether it is to be completely abandoned is not clear. It is believed that a revised form of restriction has been drawn up for use in the event of prices falling to unremunerative levels. An official announcement on the whole question would certainly be to the benefit of all concerned. We do not believe that any further restriction scheme would be of any benefit to the industry. Unless it has the support of the Dutch producers it cannot be expected to produce the abnormal results of the past year, which were due to the exceptional growth in consumption; in any case, it is thoroughly unsound, and in the long run can only be as detrimental to producers as it would be harmful to consumers.

In the meantime, the wise rubber shareholder will do well to examine the prospects for the industry over the next few years. We know of no group of companies concerning which a greater supply of detailed statistical information is available than rubber producing companies. There are many manuals in which this information is collated, and the past histories of practically all the plantation companies may be readily examined and compared. The investor should, therefore, have no great difficulty in choosing sound concerns for his attention, and of judging prospects for, say, twelve months ahead, for prices at which forward contracts have been made—an essential piece of information—are published. But when he comes to consider the prospects for the industry as a whole over the next five years or so there are many factors to be taken into consideration. Many estimates have been made of the world's future rubber production if no restrictions of output are in force. These are mostly in the neighbourhood of 620,000 tons per annum. During the past five years little rubber has been planted, so that after 1926 no new large areas will be brought into bearing, and the total production in 1930 cannot be expected to be greatly in excess of the figure just mentioned. Consumption, on the other hand, has shown a cumulative increase of 10 per cent. per annum since 1920, and were it to continue to do so a shortage in supplies would appear in less than two years, on the assumption that the consumption in 1925 is 540,000 tons. This is the figure estimated by the Rubber Association of America, which apparently takes the view that consumption will not increase so rapidly as it has done in the past five years. Here is the Association's estimate of world production and consumption in the next five years:—

	(000's omitted.)	
	Production.	Consumption.
	Tons.	Tons.
1925.....	574	540
1926.....	606	575
1927.....	623	608
1928.....	633	641
1929.....	637	672
1930.....	641	703

According to this estimate stocks will be replenished during the next three years, but by 1930 such accumulations will again be wiped out. It would be unwise, however, to draw definite conclusions from such figures as these. Anything approaching accuracy in a forecast over so long a period is impossible, and a small error in either direction would entirely alter the aspect of the case. Future world consumption depends to a very great extent upon developments in the American motor industry, concerning which a New York correspondent writes in another column. That, of course, is an uncertain factor, and the possibility of a slump in the sale of cars in the United States cannot be ruled out. We have heard little of late of the possible competition of synthetic rubber. With rubber selling below 2s per lb, the incentive to develop the manufacture of an artificial product disappears; but the possibility of further developments in the matter of substitute materials

must not be ruled out now that prices are at a much higher level. An increase in the manufacture of reclaimed rubber is also a possibility to be reckoned with. But the conclusion may be drawn that a glut of rubber supplies in the next few years is unlikely, and the investor may safely anticipate that the well-established producing concerns will not be faced in the near future with such a period of depression as they have recently passed through.

World rubber stocks have shown a rapid diminution during the past twelve months, Messrs W. J. and H. Thompson's estimate for September, 1925, being 130,000 tons, against 196,000 in September, 1924. Stocks in the United Kingdom have fallen in the same period from 48,000 tons to less than 5,000 tons. The average price for the past quarterly period was 3s 7½d, against 3s 2½d per lb for the preceding three months, and is 2½d for the corresponding period of 1924, and an average of 2s 3½d in 1914. A large number of forward contracts for 1925 have been made at over 3s per lb, and the figure for 1927 delivery has recently risen to the neighbourhood of 2s 4d per lb. Costs of production vary a little with different companies, but they are lower than before the war, and are now mostly less than 10d per lb. Below we give a few typical cases as published in the annual reports:—

COSTS OF PRODUCTION PER LB.					
	1914.			1924.	
	s	d		s	d
Anglo-Malay	0	10-45	....	0	8-27
Consolidated Malay	0	11-93	....	0	10-42
G Iden Hope	0	11-23	....	0	9-38
Linggi	0	9-54	....	0	9-48
London Asiatic	1	0-83	....	0	9-58
United Serdang	0	11-84	....	0	9-25

There is thus an ample margin between costs and forward prices which assures substantial profits for the producers. Recent dividends have reflected the prosperity of the plantation companies, and these dividends have for the most part been paid out of profits earned from the sale of rubber at less than half to-day's market price. Some companies, of course, have forward contracts to work off at comparatively low prices, but unless they have sold their entire output forward, they will be able to sell the balance of their crop at current high prices, and there can be little doubt that shareholders in sound concerns can look forward to good dividends for a little while to come. The feverish activity of this year's two booms pushed prices up to high levels, from which there has been no very marked recession, and as will be seen from the table below present prices are, in most cases, higher than the highest record in the first half of the year, while the rise from the lowest of 1924 is in some cases remarkable:—

	Dividends per Cent. per Annum.			Prices.			
	1923.	1924.	1925.	1924.			
				Lowest	Lowest	Highest	Latest.
Anglo Dutch (£1)	12	13	15*	188	24	288	288
Anglo-Malay (£1)	6	7	15*	188	18	188	188
Chersonese (2s)	10	10	16*	188	18	188	188
Dialing (£1)	4	4	7	188	18	188	188
Grand Central (Ceylon) (£1)	7½	5	15*	188	18	188	188
H. G. Holland and Lowlands (£1)	7½	10	15*	188	18	188	188
Linggi (£1)	7½	7½	15*	188	18	188	188
London Asiatic (2s)	11	10	25*	188	18	188	188
Malacca (£1)	12	12	25*	188	18	188	188
S. Langor (2s)	10	12	25*	188	18	188	188
Sungei Kapar (2s)	10	12	25*	188	18	188	188
T. Indrag (£1)	10	10	22½	188	18	188	188
United Serdang (2s)	10	12½	15*	188	18	188	188

* Interim.

At present prices yields are relatively low, the probability of higher dividends having in many cases been already discounted. The recent boom, in fact, may have been, in the judgment of many, unwarranted or at least overdone. But that the rubber plantation industry has a good 12 months in front of it seems fairly certain, and that may be counted sufficient ground for the popularity of the rubber share market.

The accession of prosperity to the industry, coinciding as it does with the new capital issue season, has brought about the appearance of a large number of rubber plantation company prospectuses. Since April some £8 millions of new capital has gone into the industry through the London market, of which no less than £3 millions was accounted for in October. The majority of the prospectuses have attained a good standard of excellence, both as regards the information disclosed and the personnel of the directorates. But a word of

caution may not be out of place. We must be prepared for the appearance of chaff amongst the grain, and careful discrimination should be exercised by intending investors. It is too much to hope that all new rubber companies have been or will be thoughtfully conceived; it is also too much to expect that all the properties and estates acquired are capable of development upon profitable lines. It is in this latter respect that caution is most needed.

THE AMERICAN MOTOR INDUSTRY.

(BY A CORRESPONDENT.)

NEW YORK, November 3.

In the great buoyancy which continues on the markets (the latest day's trading on the Stock Exchange saw total sales running up to approximately 2,700,000 shares) motor shares continue to lead. They have been further stimulated by the publication of more extraordinarily good earning statements for the third quarter. The Studebaker Corporation, which will earn about \$10 a common share this year, and which, like most of the good motor companies, is without funded debt, and is extremely strong in quick assets, has increased its dividend from \$4 to \$5 a common share per annum. In addition, the directors voted the common stockholders an extra distribution of \$1 a share at this time. The shares of the corporation have risen this year from a low level of 42½ to a high point yesterday, of 68½. Whether the shares are over-valued at present prices is an interesting question, and one that bears on judgments of the character of our present market. It will be observed that at present prices the shares may be bought to yield approximately 7½ per cent., and that the earnings are nearly 15 per cent. on the market valuation. The critics probably would object that the present year's earnings are unusually good and that they make out too good a case for the stock. On the other hand, it must be admitted that the corporation has an excellent earning record over poor years as well as good, and that the new \$5 dividend rate represents conservative judgments as to a rate that can be maintained through poor years. The dividend decision undoubtedly was taken on a theory similar to that which guided the directors of the General Motors Corporation. In the latter case the regular distribution was raised last summer from \$5 to \$6, the directors feeling sure that this rate could be maintained consistently. In addition, \$1 a share extra was declared out of the first six months' earnings, and it is expected that \$3 extra will be declared out of the second six months' earnings. The General Motors' earnings for the whole year are expected to come close to \$20 a share; the stock is now selling for nearly 140, as against a low level of 64½ early in the year.

Much depends, of course, on one's view of the character and prospects of the motor industry. If motor companies are to be placed in the same category with the general run of industrial enterprises, then motor shares have been selling ridiculously cheap, and are now hardly overpriced. If the motor-car is a necessity and not a luxury, if its purchase represents an economically defensible expenditure on capital account, the motor companies deserve to be classified with other industrials. The defenders of the motor shares maintain that the automobile has become a necessity; that it has enabled persons to live further from the cities and further from the railroads, and that it is indispensable to such persons. It has also found an increasing use in business. Particularly in the suburban and rural districts, artisans commonly ride to their work in their own cars. Over against these arguments the critics set the fact that a very large proportion of the cars are bought on the instalment plan, with payments covering a period of one year. They argue that easy credit has stimulated overbuying, and aver that when prosperity lags the buying of motors will fall off

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sharply. In reply, the optimists say that the American public always has used the instalment plan, whether for farm implements, sewing-machines, pianos, or phonographs. They also point to the fact that the public is buying, in addition to its motor-cars, more securities and life insurance than ever before. The real point is, the optimists declare, that everyone has a wonderful lot of money to spend.

There has been much discussion during the past few years as to the approach to a "saturation point" in the automobile market. So far the optimists have had the better of the argument, the predictions of the pessimists having fallen down repeatedly. Crudely stated, the argument is that when every family in the country has an automobile the rate of increase in the number of automobiles in service must decline. With not far from 20,000,000 automobiles now registered, it would appear that the field for new users is diminishing. However, it must be apparent that by the time the country has twenty-five or thirty million cars in operation the annual requirement of new cars to replace those wearing out will be very large. It might be as large as four or five million cars a year. In addition, the manufacturers have found during the last year or so that sales can be materially stimulated by radical improvements in the quality of their product, as by the introduction of balloon tyres, improved spring suspensions, four-wheel brakes, and economical closed bodies. However, the possibilities in the way of a saturation point undoubtedly are responsible for the enterprise that the manufacturers have been showing in developing an export market.

Just now the automobile market is giving an excellent account of itself. Sales to users are at a high level and stocks of cars are small. It remains to be seen, however, whether the recent stimulation of sales by new and improved models, and the high rate of production that is being maintained in consequence, may not have an effect on the situation by the time next summer arrives. This summer's price reductions have had little effect on profits, particularly on those of the strong companies. They represented principally the passing on of economies in production. There are signs, however, that a more intensive form of competition through price cutting may come later. Certain strong manufacturers whose production has been running behind orders are believed to have plans for cutting prices when orders are caught up. The theory of operations is that the bigger volume obtained through lower prices would provide a further reduction of costs. At the same time it has been apparent that, for the first time, Ford has been feeling competition during the last year or so. Small cars of good quality have been placed in the market at prices not greatly higher than Ford's. Business that otherwise would have gone to Ford has been going to these makers. It is generally considered that the new improved Ford bodies represent an attempt to maintain the Ford proportion of the total business. If these new models should not have the desired result, a policy of energetic price-cutting might follow. While these developments are by no means assured, the possibility of price-cutting in the industry from above and below is present. It is this possibility rather than empirical judgments based on the magnitude of the rise that motor shares have enjoyed that suggests caution in market commitments in this department.

PROCEEDINGS OF THE COAL COMMISSION.

THE Royal Commission on the Coal Industry resumed its public sittings for the hearing of evidence at the Grand Committee Room, Westminster Hall, on Wednesday last. The members of the Commission are Sir Herbert Samuel, chairman, Sir William Beveridge, General Sir Herbert Lawrence, and Mr Kenneth Lee. Earlier sittings are referred to in our issues of October 31 and November 7, 1925.

On behalf of the Electricity Commissioners, Sir John Snell stated that the average consumption of electricity generated by undertakings within the Commissioners' jurisdiction in Great Britain was 117 units per head. If the power generated by public plants were included, the total figure would be approximately 220 units per head. In a modern power station fuel consumption accounted for roughly 50 per cent. of the total cost of generation. The 584 stations operating in Great Britain consumed in 1924-25 7,892,396 tons of coal, 95,436 tons of coke, and 54,410 tons of oil. The average consumption of steam stations, which accounted for 95.6 per cent. of the total output last year, was 2.53 lbs of coal per unit generated, on an average yearly load factor of 30.5 per cent. The most efficient British station, however, that of the Manchester Corporation at Barton, consumed only 1.5 lbs on a load factor of 29.58 per cent. The attainment of similar efficiency by other stations would result in a saving of 2 million tons of coal per annum. At present the predominant unit in the industry was comparatively small, 255 stations out of 584 generating less than 1 million units each and only 150 generating more than 10 million units. Further concentration and improved generating methods might be estimated to raise the total annual output during the next fifteen years from 7,000 million units to 21,000 million units, with an increase of coal consumption from 7.9 million tons to no more than 16.9 million tons. Accelerated railway electrification would tend to raise these figures.

The witness considered that, in view of the comparative lack of water power in this country, the potential output from this source would not cover more than 10 per cent. of British requirements. In European countries, however, greater scope existed. The water power at present utilised on the Continent was equivalent to an annual coal consumption of 28 million tons, and the total available power to an annual consumption of 190 million tons. The present tendency towards concentration of generating plant in Great Britain should be accelerated. The number of small stations were still increasing more rapidly than that of the larger, the Electricity Commission usually preferring to give consent to the creation of fresh small stations rather than deny the inhabitants of isolated areas a supply of electricity.

Dr Charles Carpenter, on behalf of the Gas Companies Protection Association, spoke of the great anxiety which had been caused by increases in coal costs. It would be advantageous if the present regulations with regard to quality, quantity, and purity of gas were extended, with necessary modifications, to the coal industry.

On Thursday, November 12th, Sir Richard Redmayne, formerly Chief Inspector of Mines, again gave evidence, referring to possible economies from the employment of larger trucks for coal transport, and from a more scientific grouping of companies. Compulsory powers would, however, be necessary, in his opinion, to effect the latter reform.

Sir Josiah Stamp put forward the results of certain statistical investigations, showing that the ratio of profits to wages in the coal industry had been rather more than 17 per cent. during the 20 years 1894-1913. An analysis of shorter periods showed considerable fluctuation. Taken over quinquennial periods, for instance, the ratio varied between 10 and 25 per cent., and, during single years, between 6 and 42 per cent.

The witness agreed that the effect of putting the coal industry on a profit-sharing basis while other industries were not on that basis might lead to violent fluctuations, owing to the reaction of financial conditions in those industries. While he agreed that a minimum wage should be a first charge on the industry, he did not think that a guaranteed minimum would be economically advisable.

Notes of the Week.

America and Her Debtors.—On Thursday last the American Debt Funding Commission came to an arrangement with the Italian Commission as to the terms of payment for Italy's debt to the United States. The agreement, which relates to a debt, the principal and accrued interest on which amounts to \$1,648,000,000, provides total payments amounting to \$2,407,000,000 (£481,400,000) spread over a period of 62 years. The basis of settlement is the repayment of the principal in full and interest in accordance with Italian capacity—the interest rate being nil for the first five years, then one-eighth of 1 per cent. for ten years, and so rising fractionally in successive ten-year periods to 1 per cent. in 1970 to 1980, and finally to 2 per cent. in the last seven years. Under this arrangement the total annual payments being at \$5,000,000 (£1,000,000), and are graded upward to \$80,000,000 (£16,000,000) in the last year. This settlement is of the greatest importance as marking the abandonment by America of the absurd pretence of charging all her debtors alike $\frac{3}{4}$ per cent. interest after a short period of delay. We have many times urged that the utmost that the United States could expect would be a settlement based upon interest at $\frac{1}{2}$ of 1 per cent., or 1 per cent. in the case of Italy and 2 per cent. in the case of France. The present settlement substantially embodies this idea, seeing that the final rise to 2 per cent. does not take place until the bulk of the principal will have been paid off, and this rate will therefore be calculated on a very small sum. Moreover, in any case much water will have flowed round the Gulf Stream before the next generation but one are called upon to pay their share of the debts of the Great War. In view of the economic situation of Italy and of the fact that she owes more to England than she owes to the United States, the present settlement is to be welcomed, not so much as a generous and quixotic act on the part of America, but as a business settlement in which Italy has agreed to pay the utmost that she can afford if things go well. Our regret is that the United States could not see its way to similar action in regard to France, but under the influence of political considerations pressed M. Caillaux beyond the limit of reason. In a previous article a Paris correspondent sets out the various proposals and counter-proposals made during the September negotiations, and puts forward a fresh suggestion for a settlement of the French debt, which eases the situation in the early years but pays lip service to the American dogma of $\frac{3}{4}$ per cent. in the later years, and by means of various adjustments builds up a figure which works out at something not far short of the total payments that the American delegates asked for. But such devices are, of course, window dressing—produce figures which have no financial significance at all. If face-saving devices are needed for the American public, there should be no difficulty in any country offering large sums a hundred years hence, which can be added in to swell the total—provided provision is made by which these sums can be discounted on ordinary market principles and paid off in the next 30 or 40 years. The point of real substance is what France has to pay in the next 20 years, and in this respect the United States must make view France would be well advised to accept the temporary five-year agreement to pay 40 million dollars, base her Budget on these figures, and leave the Italian settlement and the growing solidarity of Europe to have their effect on American opinion.

The See-Saw in China.—The long-pending civil war in China seems at last to have broken out in earnest, though in a country in which military operations are capable of working up sensationally to an apparent climax and then petering out into nothing forecasts of even the most immediate developments must be made with a good deal of reserve. And even now the three protagonists on the Chinese stage have not finally taken position. Of the hostility between Wu Pei-fu in the Central Provinces

and Chang Tso-lin in Manchuria there is no question at all, but the vital problem of which side Feng Yu-hsiang is to come down on still remains unanswered. The main feature of the movements of the last few days is a pitched battle between Sun Chuan-fang, one of Wu Pei-fu's adherents, who, as Tuchun of Chekiang, recently captured Nanking, and the Fengtien army representing Chang Tso-lin. The latter forces, which took the offensive and struck southwards at Sun's troops, were in the end heavily defeated, and appear as a result to have mutinied, and allowed their base, Hsuechowfu, to fall into their opponents' hands. That in itself is only an incident in the possible campaign, and its importance is the less in that the victor does not look like following up his success. But other movements are in preparation, and the final issue, if there is one, will be determined in all likelihood by the decision of Feng-Yu-hsiang, the Christian general, as between Wu Pei-fu and Chang Tso-lin. Feng appears to be as much under Bolshevik influence as ever, and with the decisive defeat of the attack of Cheng Chiung-ming on the Soviet-governed Canton, the Russian star in China is well in the ascendant. Meanwhile the tariff conference at Peking goes on. The negotiators have resolved themselves for the moment into committees, and it is perhaps no bad sign that little is being heard of the trend of their discussions. Even in the unlikely event of any positive result being reached, its value must clearly be governed entirely by the military and political position in China, and what that may be in a month's time no man is capable of foreseeing.

Naval Economy.—To describe the bluff First Sea Lord of the Admiralty, as a daily newspaper described him, as the "skeleton" at the Guildhall Banquet is to use, perhaps, an unfortunate simile. Nevertheless, the tone of the speech in which he defended the scale of Admiralty expenditure was distinctly out of tune with Mr Chamberlain's jubulations over the Locarno Pact, which, if it is to bring the boons expected of it by its sponsors, must lead first and foremost to a measure of international disarmament. The crux of Sir David Beatty's speech was his claim that the battleship and cruiser strength was not too large for the purpose of defending our trade routes in the event of war. War with, or between whom? In Europe, at any rate, there is no Power who could threaten our trade routes in the face of half our present protecting force. On the subject of dockyard economy, Sir David's attitude was proper to his office. The Admiralty had told the Cabinet that Rosyth and Pembroke were superfluous for the upkeep of the Fleet on its present basis, and it was for the Cabinet, not the Admiralty, to decide if they were to be kept open for other reasons. Since the Admiralty announcement was made two months ago, that these two yards were to be reduced to a care and maintenance basis, vigorous attempts have been made to persuade the Cabinet to withdraw the proposal. We are glad to see that the effort has failed. The Cabinet has finally upheld the Admiralty decision, but the outcry against it has given the Cabinet a taste of the strength of the interests opposed to economies whenever and wherever attempted. We congratulate the Cabinet on their first victory in the cause of retrenchment.

Colonel Willey on America.—The President of the Federation of British Industries has brought back from America some facts and impressions which will give his constituents food for thought. He records in his report some of the stupendous facts about American resources which we have from time to time quoted in the *Economist*—the fact, for example, that the United States produces over 21 per cent. of the world's wheat, 44 per cent. of its coal, 52 per cent. of its copper and cotton, 60 per cent. of its steel, and 72 per cent. of its oil. He also has much to say on questions of trade organisation, finance, labour, and many other topics which we in this country will have to take to heart. But we particularly welcome his warning that Great Britain is doing herself great harm by her own gloomy forebodings. For generations past the country has been "going to the dogs," and everyone agrees that we are not the men we were. But while this self-depreciation is well understood at home, it is sometimes for-

gotten that it may be taken at its face value abroad. "Even in the most friendly quarters, the general impression seems to be that England is 'down and out.' All our difficulties are exaggerated, and the progress we have made towards reconstruction ignored. We are painted as being at the mercy of Communists. One hears that our plants are out of date, our methods antiquated, we cannot compete, our spirit of initiative has deserted us, and the British workman neither can nor will work." There are elements of truth in some of these points, but the picture is absurdly out of focus. Colonel Willey makes suggestions intended to counteract such exaggerations. If the Federation will take the lead in this it will do a national service. We shall be even more its debtors if it will use its great influence to make such statements ridiculous by stimulating in its members the spirit of emulation, enterprise, and solidarity in the cause of Britain's industrial advancement.

No Subsidy for Shipbuilding.—Whether the Prime Minister's defence of the coal subsidy cloaks any uneasiness of mind we do not know, but, at any rate, he has refused to extend the subsidy system to the shipbuilding industry. This decision is communicated in a letter, published yesterday, from Mr Baldwin's secretary to the secretary of the Boilermakers' Society. In the course of the letter the following sentence occurs:—"There are obviously grave objections to the grant of subsidies to particular industries; and, even if these objections are overruled, such a grant can seldom prove more than a temporary relief, so that the problem is still left to solve." The letter also lays stress on the trouble which would arise from the competition of subsidised with unsubsidised ships, the credits raised by the industry under the Trade Facilities Act, and the outstanding fact, discussed, as we noted last week, by Sir Frederick Lewis at the meeting of the Prince Line, of the present existence of a surplus of tonnage above the quantity required to carry seaborne trade. Mr Baldwin's refusal may, we hope, be taken as an indication to other industries that they need not trouble to apply for a dole from the taxpayer. Thus the procession of hopeful claimants, which the coal subsidy was bound to create, will be halted.

Unemployment Insurance Inquiry.—The Minister of Labour announces the appointment of a Committee to inquire into the workings of Unemployment Insurance, with the following terms of reference:—"To consider, in the light of experience gained in the working of the Unemployment Insurance scheme, what changes in the scheme, if any, ought to be made." The chairman of the Committee is Lord Blanesburgh, better known to the public as Sir George Younger, who until recently was the chief organiser of the Conservative party. Representation is well distributed. Labour will speak through several prominent members, including Mr Frank Hodges and Miss Margaret Bondfield, both members of Mr MacDonald's late Government and leaders of the trade union movement. Among employers' spokesmen are Sir G. H. West, chairman of Sir W. G. Armstrong, Whitworth and Co., Sir Hugo Hirst, chairman of the General Electric Company, Sir James Lithgow, late president of the National Federation of Employers' Organisations, and Mr Laurence Holt, a shipowner and chairman of the Liverpool Employment Committee. The initiation of the inquiry is welcome on two grounds. Sufficient experience must by now have been collected to reveal abuses and shortcomings, and to suggest necessary revisions. Secondly, the Committee will serve to dispel the popular fallacy, particularly persistent abroad, that the so-called "dole" is merely charitable relief by the State. Recent visitors to America, for instance, have found current there the idea that 1,200,000 British workers are merely living on State charity. In view of this, no harm will be done by the authoritative repetition of the fact that the word "dole" is a misnomer, and that the whole scheme of unemployment pay is a properly worked-out insurance scheme, whose actuarial basis, it is true, has been from time to time strained by the incidence of unexpectedly large-scale unemployment.

Iron, Steel, and Coal Production in October.—The figures just issued by the National Federation of Iron and Steel Manufacturers show that the slight improvement noted in September was continued in October, ten furnaces were blown in and three damped down or blown out during the month, leaving a net increase in the number of furnaces blowing of seven, an increase, small though it is, greater than in any previous month for nearly two years. The production of pig-iron amounted to 473,700 tons, compared with 448,700 tons in September and 586,400 tons in October, 1924. The output of steel ingots and castings was 647,100 tons, compared with 640,100 tons in September and 678,500 tons in October, 1924. Imports of iron and steel amounted to 218,300 tons, or approximately the average of recent months, but exports showed a marked rise to 368,800 tons, a figure much in excess of any previous month this year, and, in fact, higher than in any month since May, 1924, when the figure was 406,900 tons. The main items contributing to the increase were pig-iron, which rose from 31,300 tons in September to 53,900 tons; galvanised sheets, which rose from 51,300 to 66,600 tons; tinplates and sheets, 41,100 to 55,800 tons; and tubes, pipes, and fittings, from 20,000 to 28,100 tons. The weekly report of the Iron and Steel Exchange states that there has been fairly good buying for the past week or so, and there seems no likelihood of a decline in the volume of trade in iron and steel, though the report adds that the same cannot be discovered in the price at which business is being done. The Board of Trade's price index number for iron and steel in October was 19.6 per cent. above 1913, compared with 21.1 per cent. in September and 37.8 in October, 1924; the corresponding figures for all commodities being 54.8 per cent., 56 per cent., and 70.2 per cent. That the volume of trade is likely to increase rather than decline is borne out by the trade Press, which last week reported that four furnaces were going to be relit in Scotland, that an additional furnace was to be put into blast in South Yorkshire, and a steel works in Middlesbrough, whose furnaces and mills have been idle for many months, during which period an extensive scheme of remodelling and reconstruction has been carried out, have decided to restart operations during the next three weeks. The coal output in the five weeks ending October 31st averaged 4,735,800 tons per week, compared with an average of 4,301,700 tons per week in September. Exports of coal amounted to 4,382,500 tons, compared with 3,902,000 tons in September and 4,932,000 tons in October, 1924. Of the total 900,400 tons went to France, 555,600 tons to Germany, 486,100 tons to Italy, 287,500 tons to Sweden, and 276,000 tons to Denmark.

American Cotton Crop.—Our Manchester correspondent writes:—On Monday last the Department of Agriculture of the United States Government published a further report on the cotton crop for this season, the figures being compiled up to October 31st. The yield is now estimated at 15,386,000 bales, exclusive of linters, against 15,226,000 bales a fortnight earlier. The growth for last season was 13,639,000 bales. This latest forecast was better than expected, as owing to unfavourable weather in many parts of the belt during the fortnight, it was thought in trading circles that the Government would reduce its estimate. In a special report on the position, the Department of Agriculture say that, with reference to the production estimate, rains and coldness have damaged much cotton in the West Atlantic States, mostly in the shape of lowered grade. Much open cotton in the Central and Western portions of the belt is uncovered, and is subject to damage and loss. Picking is finding more cotton than was supposed to exist in August and September, when the drought sickened plants to such an extent that it was thought impossible that they would mature, but rains which fell later revived the plants and the heat checked boll weevil and other pests. While the crop is larger, it is likely to develop a quantity of grades above middling, which will not exceed last year, resulting in much cotton being untenderable against "future" contracts. The number of bales ginned up to October 31st are given as 11,199,000 bales, against 9,716,000 bales at the same time in 1924. These statistics had the effect of causing a drop in prices in Liverpool and New York of about ½d a lb. Futures in Liverpool are now back at

the 10½d level. Prices continue cheaper than for three and a half years back, and it is believed that a substantial business in manufactured goods is waiting to be done when merchants and dealers are convinced that values have touched the bottom. There is a fear, however, that the further reports of the American Government on the crop may bring about a decline in values. At this time of the year it is usual for great attention to be centred on the question of supplies, but the matter of consumption is not generally considered to the extent which is necessary. So far this season the takings of spinners have been much bigger than a year ago, and unless there is an important falling off in this connection, it is likely that consumption will show a remarkable increase on 1924-25.

Hours of Labour.—An important conclusion of the recent Report of the joint committee of employers and workers in the shipbuilding industry was to the effect that the Government should be pressed to take steps to bring about a reduction in the hours of labour in foreign competitive establishments. The same point has now been put to the Minister of Labour by a deputation representing the engineering industry. The result of the adoption, in 1919 or 1920, of the shorter working week in this country, from the point of view of employers, is illustrated by figures recently published as to the rise in rates of wages since 1914. These figures show that, while the increase in full-time weekly rates of wages has been 75 per cent., that in hourly rates has been about 100 per cent., owing to the fact that the weekly wages remained unaltered when the hours were reduced. In the shipbuilding industry, in which the rise in weekly rates ranges from 35 per cent. for certain skilled workers to 68 per cent. for labourers, the increase in hourly rates ranges from 55 to 90 per cent. In the case of engineering, the figures in regard to weekly rates are 45 to 76 per cent., and those for hourly rates 65 to 100 per cent. The rise in hourly rates, of course, more nearly represents the increased labour cost to the employer than that in weekly wages, but the difference between the two sets of figures by no means represents the total cost of the reduction in hours. In order to maintain the output of years prior to 1919 there are involved increases in the number of employees, in accommodation, and in overhead charges generally. There may be a slight compensation in an increase in the hourly output, but on this point authentic opinion is by no means unanimous. There can be little doubt that appreciable advantages lie with foreign firms, who have continued to work hours in excess of the 47 per week prevailing in the engineering and shipbuilding industries in this country, or who have reverted to a longer week in order to maintain their position as successful competitors.

The P. and O.'s Thrift Scheme.—The directors of the P. and O. have this week sanctioned a scheme which is rather loosely described as "profit-sharing" for employees. What the company is really doing is to open a savings bank for employees with attractive rates of interest. Five per cent. is offered on employees' deposits of £10 or multiples thereof, together with an additional 2 per cent. when the dividend on the deferred stock is 5 per cent., or an additional 2½ per cent. when the dividend rate is 10 per cent. or over. In view of the financial history and position of the company, this is almost equivalent, in the absence of unforeseen contingencies, to an offer of a steady 7½ per cent. on savings deposited. There is nothing particularly new about the scheme, for many industrial companies have long worked similar arrangements. But Lord Inchcape and his co-directors are to be congratulated on a move in the right direction, and their plan is to be commended to the notice of other shipping companies.

Shipping Freight Index Number.—A further modest improvement in the average level of charter rates for whole cargoes was recorded by our Index Number for October. The index figure for the month works out at 115.75, an increase of 1.32 per cent., following on a previous rise of 2.42 per cent. Whereas a month ago our Index Number was 11 per cent. below the level

registered in September, 1924, the current figure is 14 per cent. below that of the corresponding month of last year. The movement of the various groups in the index are summarised as under:—

Date.	European Waters.	North America.	South America.	India.	Far East and Pacific.	Australia.	Total.
Basis (Average, 1898-1913).....	100	100	100	100	100	100	100
Average, 1913.....	110.03	113.09	123.37	106.29	117.38	127.89	116.34
February, 1920.....	814.31	529.89	757.52	744.81	587.02	712.16	690.95
December, 1920.....	268.90	277.17	244.10	256.79	286.72	347.18	280.14
December, 1921.....	160.06	164.07	163.72	144.43	141.25	166.47	156.67
December, 1922.....	137.09	135.15	129.19	122.61	136.08	159.34	136.57
December, 1923.....	134.04	132.72	120.09	124.35	125.07	144.21	130.08
December, 1924.....	117.44	129.18	119.45	119.76	129.29	161.13	129.38
January, 1925.....	115.26	134.60	120.38	123.83	132.44	172.70	133.20
February ".....	114.92	146.54	118.04	121.95	129.91	178.04	134.91
March ".....	116.34	130.81	110.41	116.99	118.42	151.33	124.05
April ".....	114.18	133.39	110.22	115.95	114.60	138.87	121.27
May ".....	109.86	124.85	110.97	108.43	105.16	126.41	114.28
June ".....	109.25	104.78	108.24	105.53	100.43	112.17	106.73
July ".....	119.02	111.96	113.42	106.15	94.43	117.51	110.41
August ".....	107.22	113.46	110.79	112.24	99.14	126.41	111.54
September ".....	103.22	117.25	109.09	113.38	101.83	140.65	114.24
October ".....	109.56	121.03	110.52	106.49	104.46	142.43	115.75

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

	Index No.	Inc. or Dec. Points.		Index No.	Inc. or Dec. Points.
Home trade.....	9.05	+ 3.40	S. America—outwards	127.57	- 2.94
Bay—outwards.....	124.77	+ 12.84	India—outwards.....	98.47	+ 5.40
"homewards.....	116.13	+ 4.84	"homewards.....	108.27	- 13.78
Mediterranean—outwards.....	122.80	+ 17.14	Far East, &c.....	107.72	- 2.33
"homewards.....	105.54	- 3.9	Australia.....	142.43	+ 1.78
North America.....	121.03	+ 3.78			

Grain shipped in whole cargoes continued to move slowly, a fair volume of chartering on North American account being offset by paucity of business from the Plate, while Eastern demand was extremely slack. On the other hand, outward freights showed a distinctly better tendency, coal exporters requiring increased space, for which substantially better prices had to be paid, especially for discharge in the Mediterranean. From shipowners' point of view, however, satisfaction at this development is qualified by recognition of the essentially artificial conditions under which coal exports are being stimulated at prices made possible only by the subsidy. The relation of the index to the average for 1913 may be seen from the following table:—

Month.	1913 = 100.	1922.	1923.	1924.	1925.
January.....	131.60	..	114.05	..	117.11
February.....	135.76	..	112.73	..	115.96
March.....	135.53	..	115.23	..	106.63
April.....	129.46	..	115.45	..	104.24
May.....	125.12	..	114.55	..	98.23
June.....	117.45	..	106.82	..	91.74
July.....	114.52	..	103.39	..	94.90
August.....	113.16	..	100.16	..	95.87
September.....	110.37	..	103.04	..	98.19
October.....	114.42	..	107.86	..	99.49
November.....	119.43	..	111.21	..	..
December.....	117.39	..	111.81	..	..
Mean for year.....	122.02	..	109.69	..	113.44

In spite of the seasonal improvement reflected in the above figures, neither the present position nor the future prospects of the "Tramp" freight market warrant much encouragement being derived by shipbuilders so far as this class of tonnage is concerned.

A Silk Duty Absurdity.—Every now and then the Press brings to light one or more of the absurdities to which recently imposed protective duties so constantly give rise. We have recently heard of the consignment of typewriters held up for months because there was a streak of silk in the "ribbon," and Mr Churchill, in his wisdom, has put a tax on silk. Here is a different type of case, which is none the less ridiculous because it happens to refer to a minor transaction by an individual. A lady visiting Paris purchased a jumper for her daughter—hardly a strange or an outrageous act. The jumper had to be left at the Paris shop for slight alterations, to be for-

warded later. When it arrived it was accompanied by the following "freight account":—

Duty.....	s d
Customs duty and clearance.....	9 11
Opening and examination.....	4 6
Delivery.....	1 0
	1 6
	16 11

The cost of the jumper paid at the shop was 180s, or 30s. A year ago it would have been forwarded by parcels post at trifling cost. Owing to Mr Churchill's protective aberrations, a charge of over 50 per cent. on the cost price is added in one way or another. A small but clear example of the way in which a protective duty acts in restraint of trade far more effectively than Parliament intends.

British Power Alcohol.—The provision of motor fuel in adequate quantities at reasonable prices is one of the economic problems of the immediate future. The consumption in this country is rapidly increasing with the development of motor transport, and it is not surprising that attention should be directed to the possibility of supplying a part, at least, of the demand from home resources. An association has been formed for the purpose of promoting the establishment of distilleries for producing power alcohol from sugar-beet, such as exist in France and Germany. The movement is an offshoot of the beet-sugar enterprise, and it is, perhaps, only to be expected that those who are interested in it should ask for support by way of subsidy similar to that given to the production of sugar. So far, their efforts to interest the Minister of Agriculture in their proposals do not appear to have been very successful. The British Power Alcohol Association, in a recently-issued statement of their case, observe that "it now rests with the Government to take the very modest step demanded which may lead to the establishment of a great industry." The demand appears to be for a subsidy to the production of, say, three million gallons of power alcohol for the first three years of the subsidy period, with indefinite extension at the end of that period. The arguments put forward in support of this proposal include a confident prediction that shortage of supplies and increase of price are imminent, and that the manufacture of power alcohol in this country, not only from beet, but also from potatoes and other material, would be profitable. But the idea that unaided private enterprise might, in these circumstances, take up the project, does not seem to have occurred to the association.

Stock Exchange New Rules.—A Stock Exchange correspondent writes:—The Stock Exchange Committee have provided grounds for surprise amongst members of the House, and a certain amount of confusion in the minds of the public, by a rule which they have passed, subject to confirmation on Monday week, November 23rd, for making the contango day for all stocks to come three days before the Stock Exchange pay-day. This latter always falls on Thursday, and the Committee have ruled that the contango day shall be on the previous Monday. For years past the rule has been to do mining contangoes on the Monday; the carry-over in the rest of the markets is arranged on the following day, Tuesday. In practice, the Stock Exchange has become so accustomed to do everything in advance that, so far as the mining contangoes are concerned, these are effected on the Friday, which is called a preliminary contango day in respect of mines, while contangoes for industrial, oil, home railways, and everything else are arranged not on the Tuesday, the proper day, but on the Monday. The public protest every now and then against the confusion to which the practice of having a preliminary contango day naturally leads. Its influence is felt more particularly in the carrying-out of bargains for money, or the next account. The Stock Exchange rule is that all bargains on contango day, mining or otherwise, shall be for the Stock Exchange settlement succeeding that for which the contangoes are done. That is to say, if the mining contango day is next Monday, November 16th, a purchase or sale of mining shares on that day is made for the Stock Exchange settlement of Decem-

ber 3rd. The same rule applies to stocks and shares in the general markets, and a bargain done next Tuesday, unless specifically notified, will be for settlement on the same December 3rd date. Owing to the activity which developed in rubber shares earlier this year, work in the Settlement Department of the Stock Exchange threatened to become so congested as to bring about a possible breakdown of the department, and so to cause not only inconvenience, but loss to Stock Exchange members, and, possibly, to their clients as well. Last month it became obvious that fresh legislation might become necessary, and various members were summoned before the Committee to give evidence on the point. The result of the Committee's deliberation is seen in the new rule. Unless the deep-rooted habit of the Stock Exchange for doing contangoes on a preliminary day can be abolished, the new rule will infer that preliminary contangoes are likely to be arranged on the Friday that precedes the following Thursday Stock Exchange account day, thus spreading the work of the settlement over six days. It emphasises the client's complaint that the Stock Exchange settlements follow each other so quickly that no sooner is one out of the way than another falls due to be dealt with. The rule is received with mixed feelings—with a good deal of enthusiasm from some, with acrimony from others. In some quarters it is assumed that the new rule forms the prelude to the proposal to reopen the House on Saturdays. The observer outside the Stock Exchange will regard the position from the point of view of the public. The client will claim that extension of the fortnightly Stock Exchange settlement over the best part of a week is not conducive to his operations when he is a speculator, and may tend to confusion where he is an investor, either buyer or seller. His immediate difficulty is concerned with the receiving of transfers of the stocks and shares in which he is dealing. Under the proposed rule, the ticket days are to be left unchanged. Stripped of technicality, this means that transfers for stocks and shares, other than those dealt in by the mining markets, will still have to be prepared on Wednesday, the day preceding the Stock Exchange settlement. When it happens that there are masses of transfers to be made out, the effect is that brokers' staffs are strained to their utmost capacity to prepare and despatch transfers of stock and shares which have been sold. If the ticket day were to be moved back, and made to fall a couple of days before the account day, this would not only relieve a great deal of the pressure which at present prevails, but would speed up the work in such a manner as to ensure, with a reasonable degree of certainty, that clients would receive their transfers on the account day itself. The Stock Exchange Committee evidently consider that this aspect of the matter calls for no fresh legislation, otherwise they would have altered the ticket day as well as the contango day. For the Committee, it is fair to add that the alteration of the contango day may have the effect of helping brokers' staffs to get forward with the preparation of tickets and of transfers, thus assisting towards the desirable end of enabling clients to be paid without delay for stock they have sold.

Customs and Excise Duties.—The annual report of the Commissioners of His Majesty's Customs and Excise for the year ended March 31, 1925,* elaborates the figures given in the Finance Accounts for 1924. From the figures of consumption of Empire and foreign goods we have compiled the following table, which compares the proportion of Empire goods to the total retained for home consumption in each of the past two financial years:—

	1923-24.	1924-25.
Spirits	59.3	66.7
Wine	5.2	4.8
Tea	88.2	84.1
Raw cocoa	92.6	90.8
Coffee	47.9	44.2
Sugar	25.4	10.1
Dried fruits	10.7	18.7
Tobacco	7.3	8.5

The quantity of home-made spirits retained for consumption was nearly 12.3 million proof gallons, against 12.9

million proof gallons in the preceding year. The corresponding quantities of imported spirits were 2.2 million proof gallons and 2.4 millions respectively. The principal imported spirit is rum, the bulk of which comes from the Empire, mainly the British West Indies and Guiana. Home-made spirits contributed 83.88 per cent. of the total revenue from spirits, against 83.54 per cent. in 1923-24. The total quantity of imported beer retained for consumption in 1924-25 was 1,546,000 standard barrels, practically the whole of which came from the Irish Free State. The consumption of wine, states the Report, has been rising continuously since 1921-22. In 1923-24 it was over 13.8 million gallons, and in 1924-25 over 15.6 million gallons. About two-thirds of the total increase took place in wines from Portugal. About 84 per cent. of the tea retained for home consumption (403 million lbs) was of Empire origin and consignment, as compared with 88 per cent. in 1923-24, the fall being "probably accounted for by the high level of (wholesale) prices of Empire teas, leading to an increased use of the cheaper foreign article." The decline in the proportion of Empire sugar from 25 to 10 per cent. of the total is due to the fact that the reduction in the duty meant a fall in the actual amount of the rebate of Empire sugar from 4s 3d to 1s 11d. "This appears to have led to a diversion of Empire sugar to other destinations." Revenue from tobacco duties is almost entirely derived from raw tobacco. Over 8 per cent. of the raw tobacco came from the Empire, mainly Nyasaland and India. The sum collected under the German Reparation (Recovery) Act, 1921, was £6,921,000 in 1924-25, against £8,137,000 in 1923-24. Excise licence duties produced £4,886,000, against £4,550,000 in 1923-24, of which £4,418,000, against £4,082,000, was accounted for by liquor licences. The bulk of the balance represents licences levied in Scotland, the corresponding licences in England and Wales being administered by County Councils. A table in the appendix, compiled from information as regards England supplied by the Post Office, shows that in 1924-25 the number of dog licences issued in England and Scotland was 2,647,300, bringing in £992,700, there having been a steady increase from a total of 1,978,400 producing £741,900 in 1913-14.

Hungarian Trade.—A Budapest correspondent writes:—

The trade returns for the month of September, though not quite as favourable as was hoped for, are still quite satisfactory. With a volume of trade 30 millions over the last year, the active balance is 2.4 million gold crowns, against a passive one of 4.9 in 1924. In the nine months the passive balance is only 51.8 millions, against 102.6 millions in 1924, the exports having gone up from 372 to 474.3 millions, the imports from 474.6 to 526.1 millions. The great increase in imports for September is coal, which has gone up from 3,038 to 5,862 millions. Rice comes next with an increase of 1,529 millions, raw metal third with an increase of 1,484 millions; increases of over a million also appear in iron goods and prepared skins. Raw cotton increased over half-a-million, likewise raw skins, glass and glassware, coffee, paper and paper goods, and wool fabric. Of 20 items only four show a decrease—leather goods, woollen thread, cotton threads, and mineral oils. Exports show an increase in 18 out of 23 items, the most noticeable being flour, wheat, draft and slaughter animals, barley, sugar, fats, oats, maize. Wheat shows an increase of over 5,000,000 gold crowns, barley and sugar both over 2 millions, and the others over 1 million. The commercial agreement reached with France has not yet been ratified, and it appears likely that ratification will not take place. In return for some not very great concessions, Hungary has granted to France the advantage of the most-favoured-nations clause. Now, according to the Treaty of Trianon, it seems that if this advantage is granted to one of the Allied and Associated Powers, it must be granted to all. Czechoslovakia, then, can say that, in return for the same or similar concessions, it must be granted to her by Hungary, which from the Hungarian point of view would be unacceptable. The question then remains whether the Treaty of Trianon meant this, or whether it meant that the advantage must be given only

when equivalent advantages are granted by the contracting party. Before some authoritative answer is given to these obstinate questionings, the ratification of the French Treaty is not likely to come about.

Fluctuations in Tin.—With reference to a note on this subject in the *Economist* of October 31st, a correspondent sends us a full analysis of the course of supply and consumption of tin during 1925. This agrees approximately with our estimate of the increase in the world supply and in American consumption. Our correspondent, however, argues that there is good reason for believing that the whole of this year's consumption has by no means been met from current production. With production showing an increase of only 5,000 tons on 1924, and American consumption an increase of 14,000, a decrease of 9,000 tons in consumption elsewhere than in America is implied. It is suggested, however, that, although our own tinplate trade has been depressed until quite recently, and our consumption may show a decline on the year of some 1,000 tons, consumption in Germany will show an increase of 3,000 tons, in Holland of 2,000 tons, and in France of 500 tons. Our correspondent adds that "the excess of consumption over true production is now reflected more accurately in the reductions in the published figures of the visible supply than at any time since the pool stocks were disposed of, but it is still possible that invisible stocks may accumulate in the East, not only in China, but in the Straits and Batavia. A fall of another 2,000 in the visible supply, bringing it down to 15,000 tons, which generally includes 10,000 tons or more afloat, will reduce the available surplus stocks to somewhere near the absolute minimum for convenience—namely, about a fortnight's consumption." The conclusion is arrived at that, "so long as the present high level of productive activity in the United States is maintained, tin consumers there will probably ignore the coming pressure on supplies, especially since the tin used in manufacture forms a relatively small element of the total costs of the products which contain it. It is, therefore, quite a possibility to be contemplated that the price of tin may rise well above the maxima established in February, 1924, and January, 1925, before consumption is sufficiently checked, and remain there until the Bolivian and Malayan productions (which are alone capable of large physical expansion) have increased sufficiently to meet the demand at such levels."

Transvaal Output in October.—The output of gold from the mines of the Transvaal amounted to 812,832 ounces of fine gold during the month of October, which compares with 797,247 ounces produced in September and 827,583 ounces in the month of October last year. The following table shows the monthly output for the past six years:—

	1919.	1920.	1921.	1922.	1923.	1924.	1925.
January..	766,059	670,503	651,591	639,728	764,469	794,768	823,692
February..	634,728	625,330	588,137	639,728	704,970	760,617	753,925
March ..	713,379	707,036	671,183	611,338	743,651	768,923	787,519
April	691,944	686,979	681,382	629,786	786,564	809,003	813,249
May	724,936	699,041	687,776	675,697	755,309	773,053	780,251
June	702,379	715,957	678,490	730,635	754,306	829,437	818,202
July	725,497	736,099	689,555	754,490	768,371	803,471	797,347
August ..	706,669	702,083	711,526	754,490	768,371	803,471	797,347
September	694,568	682,173	691,026	747,069	739,504	799,429	797,347
October..	723,722	662,472	707,825	776,159	793,943	827,583	812,832
Total 10 months	7,001,930	6,897,673	6,728,433	5,464,922	7,573,572	7,970,048	8,020,614
November	677,970	633,737	704,236	764,476	780,639	802,313	..
December	650,791	632,215	681,247	790,712	778,849	825,273	..
Total	8,330,091	8,153,625	8,114,516	7,020,110	9,133,060	9,597,634	..

The following table shows the number of natives employed at the end of the last few months by members of the Witwatersrand Native Labour Association and Contractors:—

	Mar., 1925.	Apr., 1925.	May, 1925.	June, 1925.	July, 1925.	Aug., 1925.	Sept., 1925.	Oct., 1925.
Gold mines	179,061	176,198	172,982	169,810	169,433	168,900	169,355	168,206
Coal mines	15,634	15,283	15,180	15,474	15,582	16,420	16,874	16,804
Diamond	2,969	3,071	3,172	2,969	3,166	3,068	3,284	3,159
Total	197,664	195,052	191,334	189,253	189,181	188,388	189,463	188,169

The number of natives employed in all sections of mining shows a slight decline during this month.

Overseas Correspondence.

UNITED STATES.—INDUSTRIAL POSITION—MONEY OUTLOOK—ITALIAN DEBT NEGOTIATIONS.

(FROM OUR CORRESPONDENT.)

NEW YORK, November 3.

THE tenor of general industrial news is little changed. The steel industry is operating at about 80 per cent. of capacity, and unfilled orders are gaining slightly, more because of a disposition to book further ahead than because of any fresh increase in the consumption of steel. Prices generally are firm, but show no distinct tendency to rise. Existing prices are such as to allow only modest profits; and with winter coming on, and a fair margin of surplus capacity still to draw on, inflation in this important branch of industry seems no nearer than at other times during the past year or so. The trade, meanwhile, is debating whether the late summer buying movement will hold up over the year-end, or whether there will be a lull, with a fresh buying movement early next year.

Aside from a natural tightening in the call money market over the end of the month, monetary conditions appear little changed. The Federal Reserve statements of the past two weeks have disclosed a rather surprising movement of funds into New York from other parts of the country. The gold holdings of the system have increased moderately in response to gold imports, but those of the New York Reserve Bank have expanded rather rapidly, at the expense of the other regional banks. The movement of money to New York has enabled the member banks to reduce their discounts at the Reserve institution materially, with the result that the Reserve Bank's ratio of reserve is about 6 per cent. higher than it was at this time last year. Whether the influx of money has been due to such factors as the early marketing of the large cotton crop, which seems sure to run well over 15,000,000 bales, is a question. In any event, the circumstances confirm the view that money is plentiful throughout the country.

The Italian debt funding negotiations have not gone far enough to give any very clear idea as to the turn the discussions will take. Were it not for the manner in which the French negotiations went awry, Wall Street would feel confident that our Debt Commission appreciates the limitations of the Italian position, and is prepared to make such a settlement as may be possible. The French affair, however, is taken as establishing the fact that more is required for success than sense and courage at the Treasury. Under the circumstances, Wall Street is contenting itself with being hopeful.

FRANCE.—POLITICAL DEVELOPMENTS—M. PAINLEVÉ'S FINANCIAL PROPOSALS—PRICES—COAL PRODUCTION.

(FROM OUR CORRESPONDENT.)

PARIS, November 11.

PERHAPS the most unreal, but by no means the least exciting, internal Parliamentary negotiations in the history of the Third Republic have been proceeding for the past three days between the new Painlevé Government and the Finance Commission of the Chamber, in connection with the Premier and Finance Minister's proposals for the purpose of overcoming the present crisis in the national finances. The long discussion has been unreal because it has largely turned on the Socialist Party's persistent demand that a direct capital tax shall be imposed as the chief means of raising the money which is required to enable the Government to meet its immediate engagements. The "unreality" of this effort lies in the fact that all concerned know perfectly well that the Senate, before whom such a proposal must eventually come for appro-

val, if it is adopted by the Lower House, will reject it without hesitation. The Socialist Party, as the Opposition proper has been insisting all along, has been taking advantage of the 200 or so votes which it can command, in conjunction with part of the Socialist-Radical Party, to play party politics on an unprecedentedly large scale, regardless of the urgent need for the country to put its financial house in order at the earliest possible moment. How far these tactics will be allowed to continue it is impossible to say. Delays through political bickerings have been bad enough in the past, but the present year seems likely to create a new record in this respect. Owing to the delay in passing the 1925 Budget, it has been possible to send out the demand notes to taxpayers only during the past fortnight, although the financial year began on January 1st. This has rendered the recovery of some 5,000 million francs of income-tax even more behindhand than usual, and this at a period when the Government is at its wits' ends for money to carry on.

Yesterday the Socialist members of the Commission took advantage of the fact that some of their Radical-Socialist allies had voted against them, and announced that they would take no further part in the divisions. This apparently marks the definite end of the Cartel des Gauches, which was revived with enormous difficulty by M. Herriot and his friends, with a view to the advent of the new Painlevé Government. What is much more important is that the split rendered all further threshing out of the new finance proposals by the Commission impossible. M. Painlevé therefore took the unusual step of declaring that he will submit his plans directly to the Chamber, without waiting for the Finance Commission's report on them. Belief that it will be impossible for the new Government to continue many more days in office has been largely strengthened by the events of the present week. At the time of writing many people incline to the view that the only way out of the present deadlock will be the constitution of a coalition Cabinet, with the sole object of straightening out the present financial tangle. The suggestion is that M. Painlevé and M. Briand should retain their posts as Premier and Foreign Minister respectively, that a member of the old Bloc National alliance should take the Ministry of Finance, and that a Socialist—preferably M. Paul Boncourt—should be placed at the head of the War Office. M. Boncourt, who was the author of the recent Army Service Bill, has served successfully as one of the French delegates at Geneva, and he is known to have been within an ace of quitting the Socialist Party last week.

M. Painlevé's new proposals are admittedly based to some extent on the plan M. Caillaux drafted before he left office, and are to a great extent a compromise designed to attract the support of all parties. They are based on the necessity of restoring public confidence, which he insists, very rightly, would be very largely further shaken by any sweeping measures of consolidation such as have been proposed by the Socialists. He has adopted the plan proposed by M. Caillaux for the creation of special machinery of an entirely independent and autonomous character, for the purpose of dealing with the whole of the debt, and the new taxation, he proposes, should be devoted entirely to this purpose. The funds necessary to enable this debt redemption organisation to carry out its work he proposes to secure from the following sources:—

	Fr.
1. A Budgetary annuity equal to the cost of the present service of the Treasury floating debt and of the Crédit National	2,630,000,000
2. A poll-tax of 20 frs a head to be imposed on all taxpayers, which is expected to yield	200,000,000
3. A "national contribution" on all property of all kinds, at rates according to category, namely:—	
15% on real estate	1,026,000,000
" stocks, shares, &c.	2,275,000,000
" long term State Funds and	
Crédit National Bonds ..	1,000,000,000
" short term debt and 1-year	
Crédit National Bonds ..	404,000,000
4,705,000,000	
5% on industrial and commercial profits	949,000,000
5% on mining royalties	15,000,000
5% on "unproductive capital" (<i>biens oisifs</i>)	80,000,000
Progressive tax on salaries, and fees superior to	
frs 50,000	6,000,000
Representing an annual total of	8,585,000,000

In addition, M. Painlevé proposes that such of the State domains as can be got rid of—including the sites and buildings of many of the military and other establishments that are no longer required—shall be sold, and the yield from this source also paid into the debt redemption fund. Taxpayers under the obligation of participating in this "national contribution" are to be offered the choice of paying the whole amount immediately (with an appreciable discount), or spread over either three or 14 annual instalments. The figures given above are based on the various contributions being spread over 14 years, which would enable 67,000 millions of debt to be cleared off. At the same time, M. Painlevé proposes that the authorised limit of the advances to be made by the bank to the State should be increased by a further 2,500 millions, but that the maximum authorised note issue should be left at its present figure of 51,000 millions.

M. Painlevé claims that his plan would ensure a rapid and certain yield; that it would give the maximum of flexibility to the taxpayer; that it would provide the State with the maximum of control. He has set his face firmly against both inflation and any wide sweeping scheme of debt consolidation, but there are signs that, under pressure of Parliamentary circumstances, the scheme may be modified in many of its aspects. What its fate will be when it comes to be discussed by the whole Chamber is the universal subject of speculation to-day.

The index figure of wholesale prices for October, which has now been published by the Statistique Générale, is returned as 584 (on the basis of 100, as representing wholesale prices in 1914), or a rise of 17 points on the month. The rise is entirely due to the increase in the quotations for industrial and raw materials, as foodstuffs, taken as a whole, dropped 2 points. The rise was principally in minerals and metals, the figure for which (seven categories) is returned as no fewer than 70 points higher than in September, while textiles show a rise of 21 points. The exchange factor was obviously responsible for much, if not all, of these differences. The detailed figures are as follows:—

Nature of Categories.	Number of Categories.	Figures for End of		
		Oct.	Sept.	August.
General index figure	45	584	567	569
Foodstuffs				
General figure	20	480	482	490
Vegetable foods	8	490	485	491
Animal foods	8	466	467	480
Sugar, coffee, cocoa	4	492	507	513
Industrial materials—				
General	25	674	643	638
Minerals and metals	7	651	581	577
Textiles	6	782	761	762
Various	12	623	609	601

The index figure for retail prices in Paris during October, which comprises 13 articles of common necessity (of which only petroleum is of foreign origin), is returned as 433 (based on 100 as representing the retail prices of the same articles in 1914), as compared with 431 in September, 421 in July, 409 in April this year, 383 in October, 1924, and 370 in January, 1924.

Coal production figures for September show that the entire output amounted to 4,050,667 tons for 26 working days, as compared with 3,864,812 tons in August (25 working days). The total output was 213,289 tons more than in September last year. Daily production figures for September averaged 155,795 tons, with 303,655 men employed, as compared with 160,445 tons in January last, when 311,991 men were working. The average daily output in 1913 was 136,147 tons, with a total of 203,208 men working, but that, of course, was before the Alsace-Lorraine territory was brought within the French frontiers. Production remains satisfactory in the Nord and the Pas de Calais, where the daily output in September was 2,597 tons above the average of 1913. In the Centre and the South the daily output of 44,983 tons was in September 133 tons above the 1913 figures. The output of metallurgical coke in the French coke plants in September was 268,564 tons, as compared with an average monthly output of 245,000 tons in 1913.

GERMANY.—POLITICS—CREDIT—COMMERCIAL TREATIES—INDUSTRY—BOURSE.

(FROM OUR CORRESPONDENT.)

BERLIN, November 11.

THE Cabinet crisis has not yet been overcome, but it has subsided without being overcome, and has almost lost its character of a struggle for and against the Locarno Agreements. Doubt still exists as to when the Reichstag will reopen. The first-mentioned date, November 19th, is hardly likely to be kept, because the party conferences of the Centre and German-Nationals, upon which much may depend, will not then have been concluded. The Government desires to postpone the reopening for a few days in order to be in a better position to present the Locarno issue; but the Socialists are pressing for an earlier reopening. Stories from Paris and New York that reconsideration of the Dawes Settlement in connection with Inter-Allied debts is one of the subjects discussed by Dr Schacht in New York are officially denied.

The money market, as was expected, has become exceptionally fluid. More money was held ready for the month-end settlements than was needed. At the temporary disposition of the money market is the 100 million marks raised by agreement between banks for financing export on credit to Russia. Russian orders against this credit are stated to have already reached 60 million marks, but between the date of ordering and the dates of payment the money is free. The day-money rate has fallen as low as 7-8½ per cent. The rate upon Prussian Treasury Bills has been reduced by ¼ per cent. to 7 per cent. The Prussian State Bank has granted a postponement of the dates of repayment of seed credits to farmers. The Reichsbank's return for October 31st shows a circulation increase of 407½ million marks, which is somewhat less than in the last week of September. The whole circulation at the end of September was 5,055.5 million marks, whereof 2,637.1 million marks were Reichsbank notes, 117.3 million marks notes of the private issue banks, 1,713.2 million marks Rentenbank notes, and 528 million marks coins. The financial editor of the *Berliner Tageblatt* publishes the following analysis of the sources of the circulation increase between April, 1924, when credit rationing was adopted by the Reichsbank, and October 1st:—

	Average Circulation Million of Marks.
April-June, 1924	2,957
July-September, 1925	4,976
Increase	2,019
Whereof was caused by—	
State money issues (coins)	392
Increase of Reichsbank credits	515
Reichsmarks as equivalent of Reparations Loan	800
Issued against exchange delivered by private business	312

Herr Hans Fürstenberg, a co-director of the Berliner Handelsgesellschaft Bank, has published a brochure which, after pointing out that with the present trade balance Germany can only meet her current foreign liabilities by borrowing more and more, emphasises the need of capital reaccumulation at home. For this, he declares, taxes must be reduced; this is so urgent that he considers that it might be advisable to cover part of the Federal expenditure next year by contracting a foreign loan. Such borrowing would, of course, not improve the foreign payment balance, but it would partly replace foreign short-term loans given to industry by a long-term State loan. The plan does not seem advisable, but it represents the anti-taxation attitude of business and high finance.

Some progress has been made towards resuming trade relations with Poland. The considerable increases of duties in the Polish tariff decree of October 30th have not made negotiations easier. In December Commercial Treaty negotiations with Czechoslovakia will begin. A provisional trade agreement has been concluded with Switzerland; and in December negotiations for a definitive treaty will be begun. Under the provisional agreement,

most of the mutual import prohibitions will lapse on December 31st. Germany reduces her autonomous rates on fruit, cattle, dairy products, certain silk, cotton, and woollen cloths, fine cotton yarns, watches, and some other articles. Switzerland's concessions concern sugar, leather, certain paper wares and furniture, pottery, glass, machines, clocks, chemicals, and toys. All German duty reductions under these treaties will be enjoyed by British exporters. The London negotiations are followed here with interest, and part of the trade Press constructs a grievance out of the new British imposition of protective duties. The trade war with Spain will seriously damage Germany's export trade. It is a result of the German Right parties' desire to keep out Spanish wines, which became a serious Spanish grievance after the conclusion of the German-Italian Treaty, which relatively favours Italian wines. Only about 2 per cent. of the German finished exports go to Spain, but Spain is a relatively important buyer of mechanical and of some other goods. Spain has imposed on German goods an 80 per cent. supplement to her maximum tariff, and has prohibited their import into the Canary Islands and Spanish Morocco. The 80 per cent. supplement which Spain imposed during the inflation years was upon her minimum tariff, but it operated almost prohibitively. The Spanish Government has proposed negotiations for a provisional agreement; and meantime the threatened German reprisals have not been announced.

Unemployment continues to increase. The number of publicly-supported unemployed on October 15th was 297,628, against 251,530 on September 15th. The average wage per hour for skilled workers has risen since January from 79.2 pf to 91.8 pf, unskilled from 55.7 pf to 64.3 pf. Many foreign orders, mostly of moderate dimensions, are reported. The Russian Foreign Trade Commissariat is stated to have sanctioned the purchase of 25,000,000 marks' worth of German dyes. Helsingfors newspapers report that German paper-makers are settling in Finland, and that they have bought up large quantities of Finnish pulp, and intend to buy paper-wood. This year, for the first time since the war, Russia has bought German finished textiles, but only to about one-twelfth of her total imports of such wares. The clothing industry, one of the most important of those which work mainly for home consumers, complains of the effect of the minor tariff increases of duties on yarn and cloth. German cloth is very dear; and weavers, it is stated, import foreign cloth and sell it as their own. The cessation of the duty-free import of Alsace-Lorraine textiles has caused a shortage of wares; and this has facilitated profiteering on the basis of the increased duties. The toy industry complains of depression.

The Steel Trust has not yet been concluded, but the outlook is favourable. The Bourse is largely under the influence of reports and rumours as to the state of the Trust negotiations. Owing to the depressed condition of shipbuilding, reports of a Trust of the chief companies have revived; but against this plan, which is a year old, operate various conflicting interests. The modern and efficient yards, which build cheaply and can get foreign orders, stand to lose through fusion with the less efficient yards. Negotiations are under way for extension of the system of bounties to manufacturing consumers of native raw materials. The Raw Steel Syndicate, it is understood, will increase the number of products on which it grants bounties, and the Pig-Iron Syndicate proposes to grant bounties on its products and to pay them in cash, whereas the Steel Syndicate grants only certificates which are accepted in payment of new orders. The Steel Syndicate's November bounties are in marks per metric ton:—Ingots 10, blooms, billets, and slabs 15, bar, structural forms, and wire rods 22, tubes 40, thick sheets 20, dynamo sheets 25, transformer sheets 30. In the German-Italian Commercial Treaty German motor-car duties have been reduced for cars weighing 5 to 9 d.c. from the Tariff rate of 250m per d.c. to 175m; cars weighing 9 to 12 d.c. from the Tariff rate of 250m to 180m. British car exporters enjoy the benefit. Considerable Argentine and Japanese orders for rails and tubes are reported. The prices of iron and steel are unchanged except for slight abatements representing the reduction of the sales tax from 1½ to 1 per

cent. The steel trade Press attacks the Sheffield Cutlery Manufacturers' Association for its demand before the Board of Trade inquiry for a duty on imports, and declares that various statements made by the association as regards German duties, import prohibitions, wages, and exports are inaccurate. The Belgian Government has taken measures to reduce imports of German coal. The Belgian State Railways, it is reported, are to replace with native coal about 53,000 tons per month so far taken from the Reparations deliveries, and with certain exceptions the import of German non-Reparations coal is prohibited. Germany is understood to have protested, on the ground that other foreign coal is admitted. Coal imports to Germany are increasing, mostly being British. These imports are still subject to licence. Licences granted for October were for 532,000 metric tons, against 448,000 tons in September and 260,000 tons in July. Of the October licences, 495,000 tons are reported as having been for British coal.

The movement of Bourse securities last week was again downward. The *Frankfurter Zeitung's* home stocks index shows for November 7th 63.11, against 66.16 one week earlier, a high point of 111.37 on January 31st, and 100 on the first Bourse day of the year. The volume of trading last week was small, so that offers of a few hundred marks nominal were sufficient to depress important stocks 2 or 3 per cent. The financial Press complains that large quantities of stocks are passing into foreign hands at very low prices, and that they will later be unloaded on Germans at much higher levels.

POLAND.—DEPRESSION—RESTRICTED CREDIT—CIRCULATION—FOREIGN LOAN NEGOTIATIONS—PRIORS—PROTECTIVE POLICY—TRADE BALANCE—POLISH BANK.

(FROM OUR CORRESPONDENT.)

WARSAW, November 6.

THE crisis from which Poland has been suffering since the beginning of last year has not subsided. The number of unemployed is steadily increasing, having risen from 171,340 at the end of June and 180,050 at the end of August to 196,430 at the end of October. This trade depression is due to the destruction of the circulating capital during the period of inflation, and to the small circulation. The outflow of foreign currencies, which was the result of an unfavourable trade balance, has forced the Polish Bank to adopt a restrictive credit policy. The circulation of bank-notes, which in March surpassed 560 million zlotys, had decreased to 370 millions by October 20th. The total decline of the circulation is not so great, because during the same period the total amount of small coins and notes issued by the Treasury has increased. The total circulation, however, has decreased by 63 million zlotys, but its composition has changed completely. Sound commercial money has been partly replaced by Government notes, which are increasing in consumption but not production. Under these conditions a great dearth of money has arisen, which surpasses in intensity anything that Poland has hitherto experienced. It happens often that even rich people with great estates and industrial undertakings do not possess in cash 1,000 zlotys, and that it is impossible for them to obtain such a sum. Recently a barrister showed me a letter written by one of the greatest Polish magnates, in which he says that it is impossible to pay his fees in money. Instead of it he offers timber, meat, or other agricultural products. Such cases are very frequent.

Clearly the economic system will break down if no remedy is found. Different fantastic projects are put forward—as, for instance, the issue of notes similar to the German Rentenmarks. Others are in favour of abolishing the minimum legal cover of the Polish Bank (30 per cent.).

The Government, however, is opposed to all such experiments, and it is concentrating all efforts in the direction of a foreign loan. It is clear that the influx of foreign capital by increasing the reserve of the Polish Bank would contribute to a more liberal credit policy.

The Government has asked the Diet for power to float a foreign loan to the amount of 1,000 million zlotys, and the Ministry of Finance is negotiating with different groups. It is reported by the Polish Press that the Vienna Bodenkreditanstalt, backed by an American group, has made an offer of an important credit against the lease of the alcohol monopoly. The tobacco monopoly is also the object of negotiations. In this case, however, the situation is more complicated, because this monopoly is partially ceded as guarantee of the Italian loan of 100 million lire granted in 1924. Poland, with a circulation which does not exceed one-third of the pre-war level, has a very high and steadily rising level of retail prices, as is shown by the figures below:—

RETAIL FOOD PRICES (pre-war 100).

	Poland.	United Kingdom.	United States.	Germany.	Switzerland.
June, 1924	138	162	139	120	165
December, 1924	187	178	148	135	169
January, 1925	175	176	151	137	165
March, 1925	179	170	148	146	167
June, 1925	171	167	151	146	166

Under the abnormal conditions which exist to-day in Poland it is not the quantity of money but the rate of interest which exercises a deciding influence on the price level. The Polish manufacturer, who must pay for his circulating capital 40 to 100 per cent. a year, can sell his goods only at a very high price, though the quantity of money circulating in Poland is only very small. In consequence, it may be assumed that an increase of the circulation will not contribute to a higher price level in Poland. On the contrary, by lowering the rate of interest and decreasing the cost of production, it will have the opposite effect.

The high price level at home has stimulated the import of foreign goods, and has been the principal cause of an unfavourable trade balance. The Government, in looking for a remedy, has entered on the path of a protective policy. All Customs duties have been increased and the imports of different articles are prohibited. Such a policy can exist only as an economic organism by exporting industrial and agricultural products. The home market is so exhausted that it is impossible to build upon this basis an industrial life. The whole Polish population of 28 millions does not consume more cotton goods than the former Congress Poland with a pre-war population of 12 millions. The consumption of cotton goods has decreased at home by more than 50 per cent. If we pass from cotton goods to more expensive products, we find an even greater decline. The problem of selling abroad the surplus of her production becomes for Poland every day more burning. It is clear that industry can regain her foreign markets only by decreasing the very high costs of production. This can never be attained if industry is surrounded by a hot-house atmosphere of high protection.

The decline of the zloty, the import prohibitions and the high protective duties have contributed to an improvement of the Polish trade balance. The imports decreased from 173.2 million zlotys in July to 72.8 millions in September. During the same period exports increased from 86.7 to 108.8 millions. Instead of an excess of imports of 86.5 million zlotys in July, we have a surplus of exports of 36 millions in September.

The change in the trade balance is partly reflected by the figures of the Bank Polski. The drain of foreign currencies has become less acute. Since the end of August the reserve of gold and foreign currencies has not declined. The 51 millions of gold held abroad serves as a guarantee of a credit which is devoted to a stabilisation of the zloty exchange. Of this credit only a small part has been used.

AUSTRIA.—POLITICAL SITUATION—STATE FINANCES—ECONOMIC POSITION—RAILWAYS—FOREIGN CREDITS.

(FROM OUR CORRESPONDENT.)

VIENNA, November 1.

THE opposition of the Social Democrats to the condition laid down by the League of Nations has considerably abated, and there is no doubt that Parliament will pass the various points demanded by the League. A new conflict, however, is arising between the two main parties over the question of the suppression of the Tenants' Protection Act and the reassessment of rents. This Act, which has been in force since the war, practically amounts to a complete expropriation of the house-owners. The two League of Nations' experts have also pointed out in their report the impossibility of maintaining as a permanency such an emergency law. The Social Democrats, however, fiercely oppose any concession in favour of the landlords, as "Tenants' Protection" is one of the chief planks of their political platform. Nevertheless, it is to be expected that even this conflict, which at present seems inextricable, will be—as it is usual in this country—after long and bitter discussions settled by a compromise. The Socialists enjoy much too much their part as Opposition to feel any wish to take over the responsibility of Government.

The Prime Minister's statement that the Government had no funds at its disposal to increase the salaries of the State employees created such discontent amongst them that the State Employees' Union decided to come out on strike. Nevertheless, the Union thought it wiser to continue negotiations with the Government (the mere fact that the Government agrees to enter into such negotiations with its employees and allows them to threaten a strike is typical of the curious interpretation of "democracy" in this country which is difficult for the English mind to understand). The difficulty of solving the problem lies in the fact that the pensions paid by the Government are much too high; the annual salaries of the employees in active service amount to about 360,000,000 schillings, and accordingly, the pensions ought not to exceed the sum of 108,000,000 schillings; in fact, however, they amount to 224,000,000 schillings—partly because the majority of pensioned ex-officials of the former Austro-Hungarian Empire were of Austrian nationality, partly because the new Austrian Republic had, under the League of Nations' Reconstruction Programme, to dismiss about 100,000 officials. The Government has now proposed to the State Employees' Union to limit the annuities to be put into the Budget for pensions to 108,000,000 schillings, and to cover the balance of 116,000,000 schillings per annum by a loan. It remains to be seen if it will be possible to place such a loan and to get the League of Nations' consent to it. The employees, however, refused to be put off with this rather vague scheme, and insist in demanding at least a bonus for this year, failing the granting of which they will strike.*

The economic situation does not show any signs of improvement. One again a bank—the "Alpenländische Vereinsbank," in Innsbruck, a rural bank of merely local importance—has crashed, and a Vienna middle bank, the "Esterreichische Zentral-Boden-Credit-Bank (not to be confused with the big "Boden-Credit-Anstalt"), is forced to wind up; it is hoped that in the latter instance the depositors will not be damaged, but the French group which has a large interest in this bank will, of course, suffer a heavy loss. The new law, according to which all private bankers have to make application for a licence, which will only be granted after severe investigation into the affairs of the applicant, has caused a considerable number of post-war banking firms to wind up—a fact which is certainly to be welcomed. Industries and trade are suffering from the difficulties hindering export to the Succession States and from the general stagnation due to the reduced purchasing capacity of the impoverished population. No wonder that under these conditions unemployment is increasing; the number of unemployed in receipt of the dole amounts now to over 119,000, against 116,000 in September last, whilst in October of last year it amounted only to 77,550. The endeavours to induce unemployed to emigrate and to convert unskilled workmen into skilled

* The strike has now been settled.—ED., *Economist*.

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Chairman of the Board
JAMES S. ALEXANDER

President
STEVENSON E. WARD

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Undivided Profits	\$15,000,000

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ones through special training centres are continued, but the effect of these measures is, of course, much too small to bring about a noticeable alleviation.

The various attempts recently made by the Government and the Press to bring down the cost of living had no practical result, and even the slight reduction of the bread price which could be attained is now endangered by the claims of the bakers for higher wages. Also coal and iron will become dearer now, as the Government, in order to settle the strike at the Alpine Company, promised to the Socialists to create by special law a Miners' Welfare Fund by levying amounts varying between 0.10.0.30 schilling per ton of coal and ore produced, to be paid by the mine-owners. This fund will be administered by the Government, and will be used for paying bonuses to the miners.

The travelling public has been disagreeably surprised by the announcement of the Federal Railways to raise the fares by 15 per cent., beginning from January 1, 1926. This measure is substantiated by the necessity for renewing the rolling stock and the rails, and for this reason did not meet much opposition on the part of industries which expect to receive large orders. As a matter of fact, the actual railway fares in Austria are comparatively low: the cost of a third-class through train ticket for 10 km amounts to 0.44 schilling in Austria, against 0.93 schilling in Germany, 0.87 schilling in Switzerland, and 0.49 schilling in Italy.

After long endeavours it has finally been possible to secure long-term foreign credits for Austrian agriculture, though at a very high rate of interest. The Boden-Credit-Anstalt has arranged with the "European Mortgage and Investment Corporation" in New York (a new concern formed by J. Henry Schroeder and Messrs. Lee, Higginson and Co.) for the issue of a loan of the provisional amount of \$2,400,000 for Austrian farmers. The form of the loan is the following:—The Boden-Credit-Anstalt, which will administer the loan and arrange mortgages, has handed over Dollar Mortgage Bonds to the European Mortgage and Investment Corporation, which

has already raised the money by an issue of its own bonds in America. The period of the loan is 25 years, at a rate of 11.48 per cent. per annum, and an issue price of 84 per cent., which means about 13 per cent. for the farmer to pay; a conversion of the loan is possible after three years. The negotiations with the American firm, Messrs Morgan, Livermore and Co., for a loan of 15 to 20 million dollars for the provinces of Lower Austria, Styria, and Carinthia, are still proceeding. This firm has already raised 16 million dollars for Austrian companies and public bodies, viz., for the Lower Austrian and for the Tyrolean Hydroelectric Companies three million each, for the province of Upper Austria and for the Alpine Company five million each.

The stagnation on the Stock Exchange continued also during the month under review. Business was limited to forced sales for the account of small bankers and investors who are no longer able to hold their securities, and are obliged to sell them at a loss in order to meet their current living expenses; these sales naturally caused further falls in the quotations of most securities. In the foreign exchange market business was more lively, owing to the great fluctuation of the French franc. The transactions in this currency were, however, nearly exclusively made for the account of foreigners, as the Austrians, after the terrible lessons of last year, no longer dare to speculate in exchanges. Sterling, which at the beginning of October opened at 34.29 schillings, gradually rose to 34.36 schillings.

CANADA.—ELECTION RESULTS AND INDUSTRY—IMPROVEMENT IN CONDITIONS—EARLY WINTER—RAILWAY EARNINGS—THE MINING BOOM.

(FROM OUR CORRESPONDENT.)

OTTAWA, November 2.

THE completely indecisive result of the general election which has just taken place leaves the manufacturers in a state of great uncertainty about the tariff, for the Conservatives are certainly not in a position to implement their promise of establishing a higher scale of duties, and the Progressives may insist as the price of their co-operation that the Liberals make some further reductions. The prospect of the disturbance of another general election at an early date will also tend to produce a mood of hesitancy in the business world. But despite the political confusion and a general feeling of hopelessness about the prospect of securing better political leadership, there is a growing spirit of confidence that Canada is at last well on the way to emerge from the slough of economic depression in which she has been plunged since 1920. Certainly all the accepted criteria of prosperity, such as car-loadings, bank clearings, &c., demonstrate a marked advance in general business for the first three quarters of 1925 as compared with the parallel period of 1924. Canada is, perhaps, not near the high tide of prosperity which the United States is enjoying, but the divergence between the conditions of the two countries is diminishing, and the motives for southward emigration are being lessened.

Winter has set in at an abnormally early date with great severity in the West, and threatens to be permanently established till spring. Farmers are now beginning to despair of getting much of the 75 million bushels of wheat which is still in stook threshed before next March or April. In most districts of the West heavy rain and snowstorms have succeeded one another in alternation; they have not only tied up farming operations, but have made the roads impassable, and the threshing gangs have been breaking up and drifting off eastward and southward. Even if a spell of good weather now came, there would be in many places a scarcity of labour for threshing purposes. From this condition Alberta, which is responsible for about half of the 75

million bushels of wheat still unthreshed, is the chief sufferer, for its unthreshed quota represents about 40 per cent. of its total wheat crop. Luckily, the intense cold has prevented the wheat from sprouting, and Dr Charles Saunders, the discoverer of Marquis wheat and the leading cerealist of Canada, has repeated in public his contention, founded on many experiments, that while repeated soaking and drying may ruin the appearance of wheat, the baking strength of the flour produced from such soaked wheat is not impaired, and may even be improved by its experiences. Meanwhile, the exportable surplus of such wheat as has been threshed is being rapidly marketed, and a great deal of money is finding its way into the hands of the farmers. Country storekeepers, except in the unthreshed districts, find business satisfactorily brisk, and wholesalers report a steady flow of orders for staple lines like heavy winter clothing, hardware, and groceries. In the last week of October the Eastern provinces were visited by their first snowfall, but a thaw has come, and pleasant open weather, which will be useful to the farmers, is prevailing.

The profitable crop and the general improvement of business are giving a very welcome stimulus to the earnings of the railways. For September the net profits of the Canadian Pacific Railway, placed at \$6,267,619, not only exceed by \$1,719,913 the figures for September, 1924, but are the best for any September in the company's history; the gain recorded wipes out the drop suffered in the first eight months, and brings the total for the first three quarters of the year to more than a million dollars ahead of the net earnings for the parallel period of 1924. The *Financial Post of Toronto* is authority for the statement that the resources of the C.P.R. have been increased by \$26 millions since the beginning of this year as the result of the spectacular rise in the value of the stock of Consolidated Smelters, Limited, in which the railway corporation is said to have a controlling interest. It has been making huge profits from the operations of its plant at Trail, B.C., and its stock of the par value of \$25 is now selling around \$160. But as regards railway earnings, the Canadian National system has been faring as well as the C.P.R. Its net earnings for September, placed at \$3,940,071, show a gain of \$1,792,615, and for the first three-quarters of the year its net revenues, which have jumped from \$6,075,820 to \$12,325,753, have more than doubled. Heavy immigration and increased traffic resulting from it would soon solve the Canadian railway problem.

There has lately been a general burst of fresh interest in the mining areas of Northern Ontario and the adjacent territory of Quebec, which many Canadians regard as the country's greatest potential source of wealth. This region is alive with prospecting parties, who are continually re-being placed upon authoritative announcements from the officials of well-known producing mines that they have either made rich strikes on completely new properties, or have discovered as the result of campaigns of exploration at very low levels seemingly inexhaustible reserves of gold or silver. Last week in Toronto the market for precious metal securities soared to new high levels all aspects of a boom of far-reaching proportions, and the volume of trading for the week ending October 31st came close to the 3,000,000 mark. Since October 1st the market value of the stocks of the eight leading mines of Northern Ontario, Hollinger, Dome, McIntyre, Lake Shore, Mining Corporation, W. Hargreaves, Nipissing, having risen from \$157 to \$170 millions, and the stock of many smaller mines has had a parallel experience. The market is now ready to reflect the remarkable and steady expansion of Canada's mining industry. A good deal of American capital is becoming interested in these mining fields, and British organisations like the Huronian Belt Company and the Mining Corporation are taking a very active hand in development work. The Canadian public is also showing much greater confidence in its own mines than before, and everybody in Eastern Canada who has a little capital to spare is taking a flutter in some mining stock or other.

AUSTRALIA.—DISSOLUTION AND ELECTIONS—STATE LABOUR GOVERNMENTS—CROPS—WOOL PRODUCTION.

(FROM OUR CORRESPONDENT.)

MELBOURNE, October 1.

THE Commonwealth House of Representatives has been dissolved some months before its full term, and the Government is seeking a mandate which will enable it to deal with certain forms of industrial disturbance with full authority from the electors. The dissolution has come after the passing of an Act to enable outsiders, not born in Australia, engaged in subversive industrial agitation to be deported from Australia, the Act being intended to deal with such agitators as Mr T. Walsh, who is leading the strike of British seamen in Australian waters. In a speech on September 9th the Prime Minister, Mr Bruce, stated that troubles in India, Egypt, China, Afghanistan, and elsewhere are traceable to the Russian Bolsheviks, and gave reason for the statement that similar influences are at work inside the trade unions in Australia.

The Labour party is now in power in five out of the six States, the exception being Victoria. It has recently regained office in New South Wales, and in certain Civil Service appointments and dismissals it has followed the principle of spoils to the victors. In this it has developed what was done in Queensland, where some years ago the Labour Government got rid of the then Chief Justice (by passing an Act imposing an age limit on judges) who was not liked by the party, and where the doctrine was promulgated in Labour publications that the leading Civil Servants should be persons in sympathy with Labour politics. In other matters the programme of the Labour Party in New South Wales is such as could hardly be carried out without increasing taxation, and the same result would probably be necessary if the party came into power in the Commonwealth as the result of the impending elections.

The wet weather during the last few weeks has been favourable to the wheat crops at an essential period, and moderate rains in October are now the main requisite for a good harvest. Butter production is now on a fairly good scale, though not quite so heavy as at the corresponding time last year. Recent reports on sheep shearing are somewhat disappointing as to the actual weight of wool obtained, and the hopes of an increase in the total clip have undergone some modification.

The annual wool review issued by Dalgety and Co., Limited, shows a production in Australia for the 1924-25 season of 2,094,880 bales, against 1,779,788 bales for 1923-24; 1,918,002 bales for 1922-23, and 2,041,136 bales for 1921-22. Adding 591,674 bales for New Zealand, the total production in both places for 1924-25 was 2,685,554 bales, against 2,368,461 bales for 1923-24. The average price realised at the Australian wool sales during the twelve months ended June 30, 1925, was £34 19s 8d per bale, against £31 7s 10d per bale for 1923-24; £23 18s 7d for 1922-23, and £16 15s for 1921-22. The New Zealand average for 1924-25 was £29 5s, against £23 1s 4d for 1923-24, £16 12s 7d for 1922-23, and £9 for 1921-22. The Australian average for the last season is subject to the qualification that the 530,942 bales unsold at June 30th have since been sold at lower prices which would reduce the average on the 1924-25 clip as a whole. The total quantity of wool sold in Australia and New Zealand during 1924-25 was 2,050,545 bales, against 2,202,037 bales for 1923-24 and 2,409,281 bales for 1922-23.

UNION OF SOUTH AFRICA.—MINERAL PRODUCTION—PROVINCIAL EXPENDITURE—UNION'S PROTECTIVE POLICY CRITICISED.

(FROM OUR CORRESPONDENT.)

JOHANNESBURG, October 11.

THE annual report of the Secretary for Mines and the Government Mining Engineer gives particulars of the output of minerals from the earliest date of existing records to December 31, 1924, the aggregate being shown at £1,171,098,167. By far the largest item is, of course, gold, returned at £835,654,765, which includes currency

premium of £32,740,264 received since July 24, 1919. Only £108,000 worth of gold has been produced outside the Transvaal. Of diamonds, the value is given at £236,238,832, of which the Cape Province accounts for £179,465,747, the Transvaal for £35,324,030, and the Orange Free State for £21,449,055. Coal is valued at £64,877,804, the Transvaal contributing £33 millions and Natal £26 millions. Copper was almost exclusively from the Cape Province, the grand total falling just short of £24 millions. Tin accounts for rather over five, and silver for just over three millions. It is interesting to notice that asbestos just tops the million with £1,066,500, about three-quarters of which was from the Cape Province. Lead is the only remaining mineral to exceed a value of half a million, its total being slightly in excess of that figure, while osmiridium (£166,380), soda, and corundum, each about £100,000, complete the list of minerals exceeding that value. At the small end of the scale may be noticed vanadium, £2,716; bismuth, £300; kaolin, £144; nickel, £38; and mercury, £5. Quarry products are not included in the table.

In the past three years the principal items have been:—

	1922.	1923.	1924.
Gold*	32,343,485	41,574,945	44,739,377
Diamonds	2,266,631	6,038,207	8,033,406
Coal	3,459,672	3,807,404	3,939,290
Other	544,293	1,212,890	1,631,677

* Including premium.

The allocation of the above on the principal items of expenditure has been:—

	£	£	£
Salaries and wages	14,097,828	16,692,388	17,643,993
Stores	12,779,043	15,487,550	16,014,887
Direct taxation	2,794,642	4,578,147	5,174,299
Dividends	6,918,948	11,062,413	12,749,848
Sundry	2,023,620	4,814,948	6,761,623

In 1920 the salaries and wages bill soared to £22,550,978 and the stores bill to £17,545,327; in that year of high gold premium the value of gold produced reached its zenith of £45,605,764, while that of diamonds was also high at £14,762,899, and the total production was valued at about £67 millions. In 1915 direct taxation amounted to only £1,853,552.

Inclusive of currency premium on gold, the value of production last year was £58,343,750, as compared with £52,633,446 in 1923, gold was higher by £3,164,432 and diamonds by nearly two millions. Copper advanced from £404,500 to £530,800, and tin from £170,300 to £305,400. Gold has not yet quite reached the spectacular figure of ten million ounces, but the total last year was 9,575,040, and the indications are that the yield for 1925 will be 100,000 ounces greater. Gold represented 51.5 per cent. of the world's production as compared with 52.3 per cent. for 1923. The large mines of the Rand dealt with 28,527,000 tons, an increase of a million and three-quarter tons on the year. Throughout the Transvaal there were 6,989 stamps and 344 tube mills at work, nearly all on the Rand, as the outside districts could muster only 280 stamps and 13 tube mills among them. Average Rand yield remained slightly over 6.5 dwts per ton, and very little fluctuation is shown over the past 15 years, the extremes being 6.18 dwts in 1915 and 6.93 dwts in 1922. For the past three years the waste discarded by Rand gold mines has averaged 10 per cent.

Substantial improvement was shown in the distance accomplished in development, which totalled 171 miles of sinking and tunnelling.

The following table shows the prices realised per carat for mine and alluvial diamonds sold during the past six years:—

	Mine Stones.	Alluvial Stones.	All Stones.
1919	85 0	254 9	98 5
1920	99 9	213 3	113 11
1921	64 8	117 8	79 5
1922	46 10	133 4	61 2
1923	51 11	135 9	59 10
1924	52 6	149 7	66 2

Except at the Cape, where there is little competition, coal is very cheap in South Africa. Compare, for instance, the 17s 5d per ton for commercial disposals in Britain during the June quarter with the 5s 1d realised for Transvaal, and the 5s 7d realised for O.F.S. coal, or even the 7s 9d

for the Natal product. Of 13 million tons of marketable coal the Transvaal produced over seven and Natal nearly five million tons.

Two rather interesting opinions have been given, the first mentioned before the Economic and Wage Commission, on the subject of the Union's manufacturing policy, which is strongly buttressed by protective tariffs. Mr J. H. Hofmeyer, the Administrator of the Transvaal, said that the Union could not expect to be a manufacturing country for some time to come, and urged concentration on agriculture as the basis of expansion. They should not force any hot-house growth of industries which would inevitably enhance costs and hamper both agriculture and mining. Mr Seeböhm Rowntree, the well-known economist, in a newspaper interview, said that the natural policy for the Union was the production of raw materials. Exports must be paid for by imports, which was difficult to reconcile with existing high tariffs against goods imported into the country. The productive capacity of the Union was immensely greater than the consuming capacity of its small community.

JAPAN.—COTTON AND CHINESE TARIFFS—GOLD EXPORT—FOREIGN TRADE IMPROVEMENT—RICE CROP.

(FROM OUR CORRESPONDENT.)

TOKIO, October 6.

THE forthcoming Chinese Tariff Conference is causing deep apprehension, particularly in industrial circles, in this country. Of all the exporting countries, Japan will be affected most seriously by the revision of Customs tariff to be discussed at the Conference, partly because China is her chief customer absorbing the major part of her exports, and partly because her export industries are generally manufacturing the simpler and coarser classes of goods, which are liable to be replaced by home manufactures. The cotton industry, among others, will have to suffer considerably from the higher tariff walls. The proposed 2.5 per cent *ad valorem* incidence of the tariff on cotton manufactures is estimated at 5 million yen per annum, the value of cotton goods destined for the Chinese market being 200 million yen. Besides, the growth of the native cotton industry will be further stimulated by higher protection, and the competition therefrom will become still more serious. The cotton interests, therefore, are worrying over the matter and are studying how to cope with the situation. The Cotton Spinners' Association insists that, in order to neutralise the competition, Japan shall bargain for a concession from China requesting her to impose a new excise duty on home manufactures, as is stipulated in the Anglo-Chinese Treaty of 1902. Such proposition, however, being obviously impossible, there will be no other way for our manufacturers but to resign themselves to the inevitable, and try their best to adapt the production to special qualities of goods. But they seem to find it rather hard to understand, and to react to the changing conditions.

Since the latter part of last month the Government shipped gold twice to the United States to the amount of 8 million yen. Further shipments will follow to the extent of 12 million yen within the year. According to the statement published by the Treasury the step is meant to lessen the loss arising from the unfavourable exchange in making payments abroad, and to help the stabilisation of exchange by increasing the specie held abroad. The gold shipped was from the reserve of small notes which had been withdrawn from circulation. As it has nothing to do with the reserve of the Bank of Japan for note issue, it is assumed that it cannot affect adversely the money market at home. The shipment of gold by the Government naturally lends itself to the interpretation that it is a partial lifting of the ban on gold export, and in some quarters it is even suspected that the step may prove a prelude to the removal of gold embargo. But it is understood that it is far from the intention of the Government to adopt this course at an early moment.

Further improvement in foreign trade is noticeable. The trade returns for September show that imports totalled 164,332,000 yen, which was 26,777,000 yen lower

than in August, but 23,226,000 yen higher than in September, 1924. Exports increased to 232,630,000 yen, over 4,000,000 yen above August and 74,000,000 yen larger than a year ago. September's favourable balance was well over 68,000,000 yen, against 37,000,000 yen for August and just below 18,000,000 yen for September, 1924. The export trade thus being active, the adverse balance since the opening of the year is 253,754,000 yen lower than in the corresponding period of last year. The figures for the nine months are compared with those for the same periods of 1924 in the table below:—

NINE MONTHS ENDED SEPTEMBER 30TH.
(000's omitted.)

	1924.	1925.	Increase (+) or Decrease (—) in 1925.	
	£	£	£	%
Imports	1,911,677	2,033,376	+ 121,699	+ 6.0
Exports	1,280,748	1,656,201	+ 375,453	+ 22.6
Total	3,192,425	3,689,577	+ 497,152	+ 13.4
Excess of imports over exports ...	630,929	377,175	— 253,754	— 64.6

The report of the Department of Agriculture and Forestry just issued forecasts a good rice crop for this year. The year's total yields are estimated at 61,494,210 koku, or 4,323,000 koku larger than last year, and 3,154,000 koku above the five years' average. Rice naturally reacted on the official estimate of a better crop. The rising tendency in commodity markets has lately been arrested more or less. The money market remains easy, with more talk of hardening as winter approaches.

Letters to the Editor.

THE LESSON OF THE MUNICIPAL ELECTIONS.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Your "Note of the Week" on "The Lesson of the Municipal Elections" emphasises the necessity of concentrating public opinion on the extreme urgency of a reform in our electoral system. The two instances quoted from recent municipal elections, viz., Hackney, where the 184,702 votes polled by the anti-Labour parties obtained all the 60 seats, although the Labour votes numbered 93,325, and the Church Ward of Shoreditch, where the 7,512 Labour votes won the nine seats, although the combined anti-Labour votes numbered nearly 9,000, are difficult to beat as exposing the absurdity of the present system. But what can be thought of the fact that eighteen counties of England, viz., Kent, Cheshire, Hampshire, Surrey, Sussex, Somerset, Dorset, Suffolk, Cornwall, Hertford, Wiltshire, Berkshire, Shropshire, Bedford, Buckingham, Cambridge, and Oxford have neither a Liberal nor a Labour member in the present House of Commons, although the Labour votes polled last October in these counties numbered 716,482, and the Liberal voters numbered 619,054. The combined total of Opposition numbered 2,017,401, amongst whom were numbered thousands of Liberal voters who trusted in Mr Baldwin's promise not to extend the Protective duties in the present Parliament.—Your obedient servant,

Southall, November 7th, 1925.

H. JAMES ROBINSON.

Books and Publications.

SOME RECENT WORKS ON INDIA.*

ONE of the many signs of the economic transition in India is the ever-increasing number of publications dealing with industrial and financial problems. Quantity is more

* "The Evolution of Provincial Finance in British India." By B. R. Ambedkar, D.Sc. (Econ.). P. S. King and Co. Pp. xxi. + 285.

"India's Exchange Problem." By B. F. Madon. The Commercial Printing Press, Bombay. Pp. ii. + 1-70.

"Exchange Fallacies Exposed." By B. F. Madon. The Commercial Printing Press, Bombay. Pp. ii. + 135.

"J. N. Tata." By F. R. Harris. Humphrey Milford, Oxford University Press. Pp. xv. + 248. Price, 15s net.

"The Remedy for Unemployment." Calcutta University. Price, 9d.

"The Industrial Evolution of India in Recent Times." By D. R. Gadgil. Humphrey Milford, Oxford University Press. Pp. vii. + 242. Price, 7s 6d.

evident than quality, nevertheless there is an increasing amount of good work which deserves attention and study.

Finance and exchange naturally attract considerable attention, as both have a very direct bearing upon problems the solution of which is urgent. Unfortunately, in both cases it is exceedingly difficult to exclude politics, so that most of the literature is of a polemical nature, written more from a political than an economic motive. This is only too apparent in Mr B. F. Madon's two brochures, "India's Exchange Problem" and "Exchange Fallacies Exposed." Written originally as newspaper articles, they betray their origin immediately. The author, however, shows very considerable ability and knowledge, so that we cannot but regret the method of exposition. His thesis is a return to the 1s 4d rupee and an attack upon the Government policy of a 2s rupee. Much of his criticism is well directed, and there is a very considerable body of opinion which would agree with him—except for the constant assertions that the whole of the Government policy is actuated by the basest of motives. That this policy may have been wrong or hasty one is willing to believe—and certainly there is ample room for differences of opinion—but that it is deliberately dishonest and base is not true. Nevertheless, both books can be recommended as they make one think. Mr Ambedkar's "Evolution of Provincial Finance in British India" is a careful study of an equally controversial subject properly handled. The book is interesting throughout, and is an admirable introduction to an almost unexplored subject in Indian finance. It is divided into four parts, and begins with the year 1833. Starting with an account of the "Imperial System," which was a complete failure, the author briefly describes the different attempts which were made to solve an almost insoluble problem. The various methods of "Budgets by Assignments," "Budgets by Assigned Revenue," and "Budgets by Shared Revenues" are described and criticised. Part III. is devoted to a discussion of the limits imposed upon the Provinces by the Central authorities, and their powers of initiative. It contains the answer to the question: Why should the problem of provincial finance have been insoluble? which lies in the realisation that the Provinces were not really independent, but merely exercising strictly delegated powers. The last part deals with finance under the new régime, and the conclusion arrived at is not comforting, for he believes that Dyarchy is incompatible with sound finance. Such books are always welcome. A work of a different kind, but in the same spirit, is Mr Gadgil's "Industrial Evolution of India in Recent Times," which is a piece of research work for which the author obtained the M.Litt. at Cambridge. It is a comparatively small book for such a large subject, so that we cannot expect very much detail nor anything very new. But it is very readable, and is written with admirable balance. The gradual transition from the old and almost self-contained India to the modern India which is part of the greater commercial and industrial world is traced. The negative and positive aspects of such a change are both carefully allowed for, and the author makes it evident that the decline in the standard of production of the native crafts and often the total disappearance of the crafts themselves was an inevitable result of the impact of Western methods combined with an alien rule, which involved the disappearance of many of the native crafts while introducing a new culture and new standards. Emphasis is naturally laid upon the effects of the development of the railway system and all that cheap transport implies. The growth of the modern industries is traced up to 1914, at which point the study ceases.

With the development of industry and the growth of the large towns has appeared the bogey of unemployment, although as yet on a small scale and chiefly among the educated and semi-educated classes. It is beginning to attract attention, and has enlisted the interest of the Calcutta University, which has taken up a number of social problems. Various pamphlets have been issued, including one entitled "Unemployment," which proves to be a reprint of a series of articles chiefly for the advancement of a scheme for educational colonies. It is tedious reading owing to the constant repetitions and the general lack of clarity. The causes of unemployment are not analysed, as the author considers the problem to be fundamentally a simple thing. The cure is a system of educational colonies

for adults and children. One would wish that such a body as the Calcutta University would be more careful in publishing. Treated apart, the proposal for educational colonies is worthy of careful study, and seems to promise a partial solution in the education of the masses, both from a financial and practical point of view. Here, again, one would have wished for some elaboration of the details of such a scheme. That there is scope for investigations into unemployment there is no doubt, especially when it is realised that unemployment and famine are fundamentally the same thing, the former being largely due to a failure in the economic organisation of society, as a result of which there is no demand for the services of numbers of workpeople, while the latter is due to a breakdown in Nature's organisation, whereby owing to lack of rain the cultivators are unemployed. Starvation is inevitable in both cases unless the workers have reserves of purchasing power of their own or are assisted by the State. Lastly we have Mr Harris' chronicle of the life of the late Mr Jamsetji Nusserwanji Tata, the founder of the great Tata firm. Here we have the Indian in another light, as a practical business man engaged in creating new industries. Such a chronicle is doubly welcome as it helps one to visualise the effort and the work by which the new industries are being established, and also forces one to realise the part played in this process by Indians themselves. Jamsetji Tata was a great business man measured even by Western achievement, and would have been accounted great in any Western country. He it was who had the faith and perseverance which resulted in the real establishment of the steel industry in India; he first pioneered the hydro-electrical development there. These two achievements would of themselves have been sufficient to mark him out from his fellows, for it was no mean thing to establish a great steel industry in a jungle and to bring electrical power from the Ghats to Bombay. But his claim rests on other things as well. He was a man of vision and ideals. Sir Stanley Reed writes: "Mr Tata came to three main conclusions (when considering India's industrial position). They were that no country could become industrially great which did not manufacture iron and steel; that no sustained economic growth was possible without the provision within the country itself of the means of winning a first-class scientific education; and that the prosperity of.....Bombay could not be regarded as secure so long as it was entirely dependent on coal brought thirteen hundred miles by rail or sea." From this realisation resulted the enterprises above mentioned, together with the foundation of the Institute of Science in Bangalore. His work and enterprise made him wealthy, but wealth was not the dominating motive. His desire was to help his country to realise its ambitions in other directions by assisting it to acquire the equipment which would create the wealth necessary to finance them. Though a Parsee, he regarded himself also as an Indian, and never allowed the wider outlook to be restricted by sectional interests. The book is interesting, but not nearly so much as one had hoped, and is rightly called a chronicle and not a biography.

THE RIGNANO INHERITANCE SCHEME.*

PROFESSOR RIGNANO'S proposals for the modification of the law of inheritance have been discussed by several economists in this country, but they are now for the first time introduced in their entirety to the British public. They are introduced, moreover, under very favourable auspices, in an edition prepared by Sir Josiah Stamp, and prefaced by him with a short but important survey of the whole problem of death duties and inheritance. Professor Rignano's theory is that death duties should be levied on a steeply ascending scale, but that the principle of discrimination, instead of being, as it is here at the present time, the size of the estate, should be the number of times the same estate has been inherited. Thus if a man amasses a large fortune by his own efforts, he would be allowed to leave practically the whole of it to his heir. The said heir, however, would only be allowed to transmit, say, 50 per cent. of it to his heirs, and on the occasion of their death practically the whole of the remainder would

* "The Social Significance of Death Duties." By E. Rignano and J. C. Stamp. Noel Douglas. 5s net.

pass to the State. Of course, if a man inherits a fortune and adds to it, his estate would pay duty at the higher rates only on the sum he had himself inherited. It would not be necessary, if the Rignano principle were accepted, to apply it on so sharply graduated a scale, and it could easily be associated with other and more familiar principles of graduation, such as the size of the estate and the degree of consanguinity of the heir to the testator.

The advantage of this scheme is that it would leave undiminished the incentive to save for one's descendants, and might actually stimulate to economic endeavour those who themselves inherited money. It undoubtedly deserves serious consideration, and Sir Josiah Stamp draws attention to some of the practical problems which need to be studied and solved before it can be regarded as suitable in British conditions. The possibility of changes in the value of money or of rate of interest, which would affect the capital value of a fortune, and the difficulty of accurately valuing at any given moment an improved or a wasting asset, such as a mining property, are two points among many which will at once strike the critical mind. The scheme would also affect the testamentary habit of tying money up in a trust and leaving a life interest only to the immediate beneficiary, and its economic effects in this respect would require careful consideration.

"THE COTTON MILLENNIUM."

THE English reader who spends 11s 6d on this book* in the hope of getting either a complete account or a general survey of Anglo-American trade in the first half of the XIXth Century will be disappointed. What the Assistant Professor of Political Economy in Yale University has written is a careful monograph on "the agencies engaged in the buying and selling of raw cotton and British manufactured goods." The book is the child of a belief "that one of the needs of the present time is a better understanding of the origin of our business organisation, its forms and its functions," yet "in the discussion of organisation it has been found necessary to ignore such topics as insurance, transportation, communication, and financial policy." But though narrower in scope than its title implies, the book is a valuable addition to the literature of XIXth Century history. Moreover, other business men besides cotton merchants will find much to interest them. It is awe-inspiring to be told that our ancestors, the British manufacturers, "produced as much as possible, sold what they could to the domestic trade, and consigned the rest to the foreign markets to be sold for what it would bring." After an account of credit terms the author comes to the conclusion that "the country which has the greater capital resources will assume the initiative in exporting, and in importing, she will be able to purchase her import on a cash basis, or on very short credit terms, and to sell her own goods on long credit terms." This is not only an account of what is past, but is suggestive of what may happen in the future.

* "Anglo-American Trade, 1800-1850." By Norman Sidney Buch, Ph.D. Published by Mr Humphrey Milford for the Yale University Press. 11s 6d.

DOUBLE INCOME-TAX RELIEF.*

THE subject of Double Income-tax Relief has assumed great importance in recent years, and while the taxation of incomes remains on its present basis it is likely to become still more important year by year. The Governments of not less than 31 British Dominions and colonies and 18 Provinces and States within them—49 authorities in all—now impose annual income taxes for revenue purposes. All the systems under which these taxes are levied bear a general resemblance to our own complex United Kingdom model, but all differ as to basis of assessments, rate of tax for individuals and companies, exemption limits, abatements, and also as to insurance and similar allowances. And every one of these tax details are subject to annual change. These taxes have, in the main, been imposed within the last ten years, and they vary in amount from 2½ per cent. to 25 per cent. of income.

* "Double Income-Tax Relief," by H. F. Seed, Incorporated Accountant, and A. W. Rawlinson, Chartered Accountant. (London) Sir Isaac Pitman and Sons, Limited. 10s 6d net.

Those interested in relief claims include the British concern with branches, agencies, or other connections in the Dominions; the British resident who sends his capital to the Dominions for investment; and the investor in a British company when, as frequently happens, that company earns a part of its profits in a Dominion. The establishment of the Irish Free State as a Dominion has, of course, considerably increased the number of persons entitled to relief from double income-tax. There is in this book an interesting chapter on double income-tax and the Irish Free State. The book also deals with the subject of foreign income-tax relief in the case of shipping concerns.

Many of the numerous text-books on income-tax purport to deal, in a section, with double income-tax relief, but it is a subject of such complexity that it demands a separate volume—if the law and practice is to be treated with sufficient detail to be of real service to those having to formulate any but the simplest claims. The authors have succeeded in producing a work which will prove useful.

BOOKS RECEIVED.

League of Nations. Memorandum on Currency and Central Banks, 1913-1924. (London) Constable and Co. 7s 6d net.

L'Œuvre de la Federal Trade Commission. Par Max J. Wasserman. (Paris) Marcel Giard. 50f.

La Politique des Prix-Fixes. Par Charles Favre-Gilly. (Paris) Marcel Giard. 18f.

Le Problème Constitutionnel Chinois. Par James Woo. (Paris) Marcel Giard. 15f.

The International Mercantile Diary and Year-Book, 1926. (London) Syren and Shipping, Limited. 7s 6d net.

The "Safeguarding" of Industries. By E. G. Bruner. (London) National Association of Merchants and Manufacturers.

The China Architects' and Builders' Compendium. (Shanghai) North China Daily News and Herald, Limited. Mex. \$5.00.

Die Bedeutung des "Nationalen Systems" für die Vergangenheit und für die Gegenwart. Von Heinrich Dietzel. (Jena) Kommissionsverlag von Gustav Fischer.

League of Nations. Report on Rhine Navigation. By Walker D. Hines (with the aid of Major Brehon Somervell). (London) Constable and Co., Limited.

Fifty-Seventh Annual Co-operative Congress, 1925. (Manchester) Co-operative Union, Limited. 3s net.

Survey of Hygienic Conditions in the Printing Trades. United States Bureau of Labor Statistics. (Washington) Government Printing Office. September, 1925.

Labor Laws of the United States, with Decisions of Courts Relating Thereto. U.S. Bureau of Labor Statistics. (Washington) Government Printing Office.

War and Peace. By Innes Logan. (Cambridge) Bowes and Bowes. 1s net.

Währung und Banken in Spanien. Von Ernst Joachim Leonhardt. (Jena) Verlag von Gustav Fischer. 7.50 marks.

Handy Insurance Chart, 1925-6. Fifth Edition. Price, 3s 6d. (London) The Post Magazine.

OFFICIAL PUBLICATIONS RECEIVED.

The following may be obtained from H.M. Stationery Office, Adastral House, Kingsway, W.C. 2:—

Report of the Chief Registrar of Friendly Societies for the Year 1924. Part 3. Industrial and Provident Societies. 12s net.

Sixteenth Report of the Commissioners of His Majesty's Customs and Excise for the Year Ended March 31, 1925. Cmd. 2485. 3s net.

Guide to Current Official Statistics of the United Kingdom. Vol. III. 1924. 1s net.

An invaluable publication for every statistician.

BARCLAYS BANK LIMITED.

Head Office: 54 Lombard Street, London.

AUTHORISED CAPITAL - £20,000,000
ISSUED CAPITAL - £15,592,372
RESERVE FUND - £8,250,000
DEPOSITS (30th June, 1925) - £298,947,270

FOREIGN EXCHANGE TRANSACTIONS ARRANGED.

CHIEF FOREIGN BRANCH:
168 Fenchurch Street, London, E.C.3.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET, November 18. ACCOUNT, November 19.

The Stock Exchange has found business during the present week to have run on much quieter lines than has been the case for the last few months. There is a fair amount doing in certain of the markets, but the public inclination to deal is blunted for the time being. Some think that the explanation for this is to be found in the French financial crisis; others maintain that, so far as industrials are concerned, the public have been satiated with new rubber issues. The fact remains that the volume of trade has shrunk very noticeably, and next week's settlement is likely to prove a light affair as compared with most of its recent predecessors.

The War Loan dipped below 100, but recovered to a shade above par. Other British Government, Colonial, and gilt-edged securities lean to the lower side, on the assumption that the next change in the Bank rate will be upward, and that in the near future there will be considerable borrowing from the Colonies and foreign countries. Underwriters were not surprised at being left with part of the Gold Coast issue. Nevertheless, a few of the Home Railway prior-charge stocks are in short supply, and can be sold at good prices.

French railway stocks are flat; the national bonds keep tolerably steady. The French investor, faced with the new taxation that is proposed, seems anxious to realise his British-held investments, and there has been a good deal of stock turned out on French account during the past two or three weeks. The reconstruction issues are not quite so good as they were, rumour being busy with the possibility of new loans, while the Argentine and Brazil are both mentioned as likely to be amongst the borrowers in the near future. A general rise in Mexicans, and a gain in Peruvian Corporation preference deserve notice.

The Home Railway market is not encouraged by the attitude adopted by the N.U.R. in regard to the question of wages. Prices of the ordinary and deferred stocks are dull, without being heavy. There is very little doing in the market.

Brazilian Tractions have gone back sharply after their recent jump. The feature amongst foreign rails is a substantial advance in United of Havana ordinary stock. The chairman hinted at the recent meeting that American buyers may be contemplating the purchase of part of the United of Havana undertaking, and some of the buying of the stock in the market is thought to be on account of United States purchasers. Antofagasta deferred spurred upon dividend hopes, and Argentine Railway stocks hold their ground.

Rubber shares are mostly easier. The raw material keeps steady, but the public have been over-dosed with new issues, and it requires something very attractive to induce heavy over-subscription for fresh arrivals. Prices are lower in most sections. The tea market also shows declines, because the recent prices obtained at the tea auctions do not flatter expectations of big dividends. Many of the tea companies are expected to pay less for the current year than they did for the previous twelve months.

The oil market has been harder, mild demonstration of strength on the part of professionals bringing in a few buyers who think that public attention will be turned from rubber to oil. There is not a great deal of outside backing, however, at present to the movement. In the brewery list one or two at present to the movement. In the brewery list one or two at present to the movement. In the brewery list one or two at present to the movement.

In the tobacco market there is not much doing, and amongst nitrates the market gave way upon a decrease in the Lautaro dividend. Sudans, Hudson Bays, and other land shares are dividend. Dunlops have been somewhat neglected, and a brief spurt in newspaper shares brought in sellers. The iron and

steel group derived a little assistance from the speech of the Prime Minister at the Guildhall banquet, and the improved showing made by the Board of Trade figures for October supplemented the more cheerful feeling which now arises in respect of the outlook for national trade. The shipping market has not reflected this at present, and shares in the finance companies, banks, insurance, and trust have spent a placid week both as regards price-movements and business.

There was a revival in South African platinum shares, based on an unexpected burst of support from the Cape. Apart from this the Kaffir Circus has displayed a little of fresh interest. Amongst Rhodesians, Cam and Motors went up sharply on news of a rich strike on the property. Diamonds are quiescent. The tin share markets are a little easier. On the other hand, a few of the Mexicans and Canadians are the turn better. Mining shares as a whole, however, show a disposition to droop, in consequence of the lack of interest shown by the public in their various markets.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded.....	£ .. 1,188,190,597	£	£	£
ISSUES OF THE WEEK—				

NATIONAL SAVINGS CERTIFICATES.

NET RECEIPTS INTO THE EXCHEQUER WEEK TO NOV. 7, 1925.

April 1, 1925, to Nov. 7, 1925	£	100,000	100,000
April 1, 1925, to Nov. 7, 1925	£1,850,000	100,000	100,000

To the Public—
Gold Coast Government, £4,628,000 4½% In-c. Sto. k (rep. Jan. 1, 1926, at par), at 94% .. 4,628,000 .. 4,350,320 .. 231,400 .. 4,118,920

Anchard Electric Power Board, £250,000 5½% Debts to Bearer of £100 each (rep. at par Dec. 1, 1946), issued at 98% .. 250,000 .. 245,000 .. 12,500 .. 232,500

Wanganui Harbour Board, £100,000 5% Debts to Bearer (rep. at par, May 15, 1945), issued at 96% .. 100,000 .. 96,500 .. 10,000 .. 86,500

Klinger Manufacturing Co., £20,000 10-year 7½% Secured Notes (rep. at par), issued at 97½% .. 200,000 .. 195,000 .. 10,000 .. 185,000

British Monomarks Limited, 150,000 Ord. Shares, of £1, at par .. 150,000 .. 150,000 .. 18,750 .. 131,250

Permatang (Malaya) Rubber Estates, 87,750 Shares of £1, at par .. 87,750 .. 87,750 .. 21,937 .. 65,813

Total offered to public 5,124,570 .. 304,587 .. 4,819,983

To Shareholders only—
Spaskey Copper, 200,000 Shares, £1, at par .. 200,000 .. 200,000 .. 50,000 .. 150,000

Cardinal Investment Trust, 32,740 Shares, 10s. at 11s 6d .. 161,370 .. 185,564 .. 40,342 .. 145,222

Style and Winch, 100,000 Shares, £1, at 22s .. 100,000 .. 110,000 .. 110,000

Veneta, 100,000 7% Cum. Pref., £1, at 25s .. 100,000 .. 125,000 .. 50,000 .. 75,000

Bukit Kagar Rubber, 25,000 Shares, £1, at £2 10s. .. 25,000 .. 62,500 .. 62,500

Rim (Malacca) Rubber, 100,000 Shares, 2s. at 4s. .. 20,000 .. 40,000 .. 40,000

Set o Gas, 250 Shares, £5, at £5 15s. .. 1,250 .. 1,437 .. 1,347

Total to shareholders only 721,501 .. 354,279 .. 370,222

Total offered for subscription to date in—
1925 .. 194,139,668 .. 1924 .. 209,326,100

1924 .. 172,413,607 .. 1923 .. 271,393,173

1923 .. 213,321,921 .. 1922 .. 374,615,650

1922 .. 530,161,08 .. 1921 .. 388,978,303

1921 .. 304,445,486 .. 1920 .. 367,549,656

1920 .. 341,254,043 .. 1919 .. 1,036,068,861

Gold Coast Government.—This is an issue of £4,628,000 4½ per cent. inscribed stock, 1925-55, at £94 per cent. The loan, which is a trustee security, is secured on the general revenues and assets of the Gold Coast Government, and principal will be repayable at par on January 1, 1956, by a sinking fund of not less than £1 per cent. per annum, commencing in 1929. The loan is raised to meet the cost of construction of Takoradi Harbour, the Central Province Railway, and other railway and harbour works. The issue may be sound, but the loan at the price of issue is not very attractive from the investors' standpoint. Incidentally it may be asked why the Gold Coast Government should be able to raise money on such favourable terms.

Bristol Corporation.—This is an issue of £1,500,000 of 4½ per cent. redeemable stock, 1945-55, at £97 per cent. It is a trustee security, and is repayable at par on November 1, 1955, unless previously cancelled by purchase or agreement, the corporation reserving the right of redemption at par at any time on or after November 1, 1945, on three months' notice. It will be secured upon the Borough and General District Funds and Rates, and also upon the revenues of the dock and electrical undertakings and estates. The present issue will rank equally with all other issues. The total outstanding debt is £11,741,713. The city's rateable value is £2,113,585, and a rate of one penny in the £ will produce £8,334. Capital

[of the ECONOMIST, 3, Abchurch Lane, London, E.C. 4.

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

COMPANY MEETINGS, &c.

ANGLO-PERSIAN OIL COMPANY, LIMITED.

SUCCESSFUL RESULTS OF THE YEAR.

INCREASED PROFITS—INTERIM DIVIDENDS.

SIR CHARLES GREENWAY ON POSITION AND PROSPECTS.

The sixteenth ordinary general meeting of the Anglo-Persian Oil Company, Limited, was held, on the 10th inst., at Winchester House, Old Broad street, London, Sir Charles Greenway, Bt. (chairman of the company), presiding.

The secretary (Mr John Clark) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said: The report and accounts which we submit to you to-day, and which, with your permission, we will take as read, are again, I am pleased to say, of a very satisfactory character, and continue to reflect the successful progress which the company is making. As you are aware, our chief aim and object during the past 12 or 13 years has been to build up an absolutely self-contained organisation—capable not only of producing our crude oil, but also of refining it and of transporting and distributing its products direct to consumers wherever there may be a profitable outlet for them without the intervention of any third parties—and I think that we may now claim that we have successfully achieved that object and have firmly established ourselves as one of the leading oil companies of the world. The advent into the world's markets of a new and powerful competitor has, of course, aroused a good deal of opposition, but I would like to take this opportunity of saying that while we shall always be ready to enter into any arrangements with our competitors that will serve the purpose of reducing costs to the consumer, it is an essential of any such arrangements that we should retain our own individuality.

PROFIT AND LOSS ACCOUNTS.

I will now ask you kindly to turn your attention to the accounts before you. Dealing first with the profit and loss account, you will remember that when I addressed you last year I indicated that, subject to there being no further material decline in prices, I was hopeful that the profits for the year under review would show a substantial increase. You will see that this hope has been realised. The trading profits show an increase of over £1,500,000, and the net profits, after deducting the larger amounts payable in respect of royalty, income-tax, &c., an increase of about £1,120,000. I should explain further that the figure of £4,599,676 8s 8d shown in the profit and loss account as "balance of profit" has been arrived at after providing collectively in our main concerns a sum of over £3,500,000 for depreciation, which result, gentlemen, I am sure you will all regard as eminently satisfactory.

Now, looking at the appropriation account, you will see that out of the £3,571,966 18s 7d brought down from the profit and loss account we have appropriated to extra depreciation and various reserves a total of £1,193,000, as against a total of £665,000 only in the previous year, and that the balance at the credit of the profit and loss account remaining to be dealt with, including £1,746,643 9s 11d carried forward from the previous year, amounts to £4,066,549 2s 6d. Out of this, after allowing for preference share dividends, we recommend payment of a dividend of 12½ per cent. on the ordinary shares, absorbing £1,118,750, and carrying forward a balance of £2,072,799 2s 6d subject to express profits duty, if any, for the year ended March 31, 1921, and corporation profits tax for the year ended March 31, 1925.

CONSERVATIVE FINANCIAL POLICY.

As regards the dividend which we have recommended on the ordinary shares, I would like to say that we might easily have recommended a higher figure, but I think most of you will agree with us that our first consideration should be the building up of a strong financial position, and that it is therefore advisable to continue the policy of conserving our resources as much as possible, at any rate until we have accumulated funds commensurate with the gigantic extent of our business; being content in the meantime with the knowledge that we shall thereby be gaining more by the consequent appreciation in the value of our assets than we are losing for the time being by denying ourselves a little in the form of higher dividends.

In this connection, I may mention that we have received a letter from an ordinary shareholder who at the last meeting raised some objections to our conservative policy, complaining that his criticisms and the discussion which followed were not supplied to the Press and to shareholders in full. I would like to point out to him that it is not usual to supply verbatim reports of the criticisms of shareholders to the Press, and it is certainly not necessary when, as we know, fully 90 per cent. of our ordinary shareholders are in

full accord with our policy. I appreciate his desire for higher dividends, but I would like to say that throughout my business-career it has been my practice to put back each year into my various businesses a considerable portion of my profits, and I am quite sure that every business man present here to-day will agree with me as to the wisdom of this policy, particularly in the case of an industrial concern with such wide ramifications and so many vicissitudes as ours, and that the advantages to be gained from the consequent appreciation in the capital value of our assets far outweigh the satisfaction of a larger immediate return in the form of higher dividends. A simple calculation will show him that if as the result of our conservative policy our shares appreciate in value during the next five years to the extent of 100 per cent.—a not at all improbable assumption—his average return, even on the basis of the present dividend, would be far better than getting an immediate return of, say, 20 per cent. per annum.

INTERIM DIVIDENDS—FUTURE PROSPECTS.

However, I am pleased to be able to announce that we now see our way, unless some unforeseen contingency arises, to falling in with the desire expressed by shareholders for the payment of interim dividends on our ordinary shares, and our first interim dividend will probably be declared in April or May next.

As to the outlook for the current year, all I can say at present is that, subject to there being no serious decline in prices between now and the end of our financial year, we can, I think, look with confidence to results at least as favourable as those for the year under review.

MARKET FOR PETROLEUM PRODUCTS.

As regards the market for petroleum products, it is at the moment more than usually difficult to gauge the future course of prices. The production of crude during the present year will show a substantial increase in every important producing country in the world, excepting Mexico. The total increases for the year will probably amount to about 8,000,000 tons, and the decrease in Mexico to nearly 4,000,000 tons, leaving a net increase in the world's supply of about 4,000,000 tons, or a little under 3 per cent. But, speaking broadly, the consumption of the various products fully keeps pace with the increase in supplies, and there is every possibility of further increases in production, these will, in my opinion, be fully offset by the continuous expansion in the demand for oil products which must result from the improvement in economic conditions which is taking place in practically every country of Europe, and from the extended use which is daily being found for these products in nearly every branch of industry. In any case there will, I am confident, always be a remunerative outlet for all the oil of good quality which can, as in Persia, be produced at a low cost. In this connection, I would again remind you that every drop of crude we produce is obtained from flowing wells of large calibre, which, of course, means that it is raised at the minimum of cost. These wells, I may add, are all connected with a central storage and pumping station at which at any time of the day the flow from the wells can be varied to any degree required.

BALANCE-SHEET ITEMS.

I will now deal with such items of the balance-sheet as I think call for comment or explanation. Taking the debit side of the account first of all, the only changes of importance are (1) a reduction of £125,000 and £63,000 respectively in the amount of debentures and short-term notes outstanding. The repayment of the latter released £70,000 of the debentures deposited as security for these notes, thus making the total debentures redeemed during the year £195,000; (2) an increase of £276,463 2s 4d in the amount at credit of the employees' provident pension and insurance fund bringing the total up to £6,083,127 11s 6d.

On the assets side of the account you will notice that the first item—viz., purchase prices of shares in and advances to associated companies—now stands at £26,445,958 17s 3d, which is a reduction of £1,713,741 1s 9d on the figure shown last year, although in the meantime there has been fresh outlay in respect of this item to the extent of about £785,000. This total reduction of £2,500,000 is almost entirely due to the repayments of some of the advances to our associated companies.

In connection with this item, I would like to point out that about £9,000,000 of the total represents advances to our two principal subsidiary companies—viz., the British Tanker Company and the National Oil Refineries—and that the amount of these advances is far more than covered by the value of their assets. These companies might have raised a portion of the large amounts they have expended in creating these organisations by public issues of capital, but as this could at the time the money was required only have been done at a comparatively high cost to the Anglo-Persian Company, for reasons of economy, financed a portion of this expenditure by means of temporary borrowings in the open market at low rates of interest. These borrowings have

SECURITY FIRST
ROYAL
INSURANCE COMPANY, LIMITED
HEAD OFFICES: LIVERPOOL AND LONDON

all been liquidated, but now that the conditions of the money market are more favourable we may, in the near future, decide to make a debenture issue in respect of the British Tanker Company in order that its capital may be more commensurate with the value of its large fleet, and to provide the Anglo-Persian Company with some of the further funds that will certainly be required in the future to meet further developments. But this will only be made if it can be done on terms that will justify this change in the method of finance. The other assets included in this item are, as I think you are all aware also, of a value far greater than the figure at which they stand in our books.

CAPITAL EXPENDITURE FROM REVENUE.

In this connection I would remind you that we have during the past few years met an enormous amount of new capital expenditure out of revenue. This very sound policy is, as you will have seen from the figures I gave you when dealing with the profits of the past year, still being continued, but it is a policy which should not be carried too far, and once we are satisfied as to the company's ability to meet all possible financial contingencies the shareholders will, I think, be entitled to look for a more liberal participation in the profits of each year.

The next item on the credits side of the account—refineries, tank installations, pipe lines, &c., shows a small increase, being the balance of capital expenditure in excess of the amount written off for depreciation.

The next two items require no explanation. As regards debtors and debit balances, there is an increase of nearly £1,200,000, practically all of which is accounted for by the increased dividends payable to us by our subsidiary companies. Taking the last two items, which collectively represent our liquid cash resources at the end of the year under review, you will notice that they show an improvement of close upon £1,000,000 on the position shown 12 months previously, and you will be gratified to learn that the position to-day shows a still further material increase in our liquid assets.

EXTENSION OF PRODUCTIVE AREA.

The developments in our main fields continue to more than justify all our expectations. Our policy of extending the area of oil-bearing territory has been vigorously and successfully continued since I last addressed you, and it will, I am sure, come as welcome news to you that the productive area has now been extended along a line of strike running continuously five miles north-west and over five miles south-east of the well-known F. 7.

As I have mentioned on previous occasions, this famous well—which for a long time was regarded as our index of production, and whose yield to date is 6,500,000 tons—is now eclipsed by a number of others. The well head fittings with which it was capped in 1909 are, however, in a dangerous condition, and since the well is situated near the most active and populated area of the field, it would be a serious matter were it to get out of control. Therefore, as the oil it produces can equally well be drawn off, and with greater safety, from adjacent new wells equipped with modern high-pressure fittings, it is intended to close it down at an early date for the sake of the greater security that will thus be obtained.

None the less, since we have come to regard F. 7 as an old friend, its deliberate suppression, as a matter of field policy, will cause us all a certain amount of sentimental regret.

RECOVERY OF PETROL FROM GAS.

Following on much investigatory work on the chemical and engineering sides, an important and comprehensive scheme has been adopted for recovery of petrol from the 50,000,000 cubic feet, or more, of gas which come off daily from the oil from all parts of the main fields, only a portion of which has hitherto been utilised. The installation of the necessary plant is now well in hand, and there is every reason to hope that this scheme will considerably augment our production of petrol and thus prove very profitable to the company. All necessary field developments are steadily and punctually following the drill, and I think it may now fairly be claimed that our main fields are not only the largest and the most prolific, but also the best equipped that the world can show.

As I have explained on previous occasions, our policy in regard to our main fields is a conservative one. The wells drilled and coupled to the production lines are capable of yielding far more oil than could be dealt with at present by our existing pipe lines,

refineries, tankers, and marketing organisations. However, we can happily record a steady progress in all these complementary facilities, and in consequence a correspondingly increased production.

To illustrate this, I cannot do better than continue the table of figures recorded at previous meetings, viz. :—

	Tons.
In 1918-19 our production was	1,106,415
„ 1919-20 „ „	1,385,301
„ 1920-21 „ „	1,743,557
„ 1921-22 „ „	2,327,221
„ 1922-23 „ „	2,959,028
„ 1923-24 „ „	3,714,216
„ 1924-25 „ „	4,333,933

against my estimate last year of 4,250,000 to 4,500,000 tons.

DEVELOPMENT PROGRAMME.

The current year is largely one of stabilisation of the position we have already achieved—or in other words, of securing the best possible results in every direction from our present production—prior to embarking on yet larger developments. For this reason production in the year 1925-26 will probably not exceed 4,500,000 tons.

I am not able to record the discovery of any new areas elsewhere in Persia having prospects comparable with those of the present producing areas. The further examination of the strike of oil on Kishm Island, to which I referred last year, was not sufficiently promising in quantity to warrant development under existing conditions, and work in this area has therefore been discontinued.

Similarly, oil has been discovered in yet another area in quantities which, had the field been situated in America or Europe, might have warranted commercial development. But situated as they are in Persia, they could not be worked remuneratively, and therefore operations in this area have also been suspended except in so far as they are necessary to produce oil for field use in some neighbouring areas where we are carrying on test drilling, and in which we hope to find oil in larger volume.

As a result of general geological survey work, followed by an authoritative and comprehensive geological reconnaissance, no less than six new areas have now been indicated as meriting immediate test with the drill, and the necessary work is well in hand.

OIL RIGHTS IN "TRANSFERRED TERRITORIES."

I have on previous occasions referred to a new area where the existence of appreciable supplies of oil had been definitely proved. This area, known as Nait Khana, is on the borders of Persia and Iraq, and is situated in what is known, so far as the Iraq portion is concerned, as "the transferred territories."

This company possesses the oil rights in "the transferred territories" by virtue of an international agreement executed in 1913, following on a rectification of frontiers. The agreement in question has since been ratified by the grant by the Iraq Government of a formal concession of these rights, and a separate company with a capital of £1,000,000 is about to be registered to take over this concession.

Drilling is steadily continuing in this field with the view of proving definitely the existence of oil to such an extent as would justify the cost of laying a pipe-line linking the field with the seaboard. There is reason to hope that this may prove to be the case, but capital expenditure of the magnitude indicated will not be undertaken until its justification is fully established.

ARGENTINE AND ALBANIAN INTERESTS.

Turning to developments outside Persia, I am glad to say that our relatively small holdings in the Argentine continue to be productive. At the time of our last annual meeting we had produced some 28,000 tons of oil. Since then an additional 84,000 tons have been obtained, and the field, which is being very economically run, is now established on a profit-earning basis. The winning of oil in the Argentine is an extremely speculative undertaking, largely owing to the fact that surface indications give practically no clue to underground structure, and drilling is, therefore, exceptionally hazardous. We may therefore count ourselves particularly fortunate, since other companies of the highest standing in financial and technical resources have so far been unsuccessful there.

Having regard to the general position of our affairs in the Argentine, I judged it desirable to visit that country last March. On the personal side I retain nothing but the liveliest feelings of pleasure from my visit. It is a great country, with a wonderful record of progress and achievement to its credit, but its petroleum industry is a relatively new one, and I found it impracticable, at times, to see eye to eye with the Government in its oil policy. I have little doubt, however, that in this direction—as has already happened in others—a sound economic equilibrium will eventually be established, by mutual good will and understanding, between State interest and commercial enterprise. In the meantime, however, and pending some indication of a desire

on the part of the Government to give more encouragement to commercial enterprise, we do not purpose carrying on any further exploratory work in this part of the world.

Since we last met a concession has been obtained from the Albanian Government over areas amounting to approximately 80,000 acres, which were selected by us after careful geological survey, and drilling on these commenced a month ago. The discovery of oil in this country would, of course, be of great importance, but obviously it is too early to indicate the possibilities of success.

REFINERIES.

All our refineries have worked throughout the year in accordance with programme, and the position may be regarded as very satisfactory. Much has been done with a view to the reduction of working costs, and developments now in view promise to result in further substantial economies in the refinery operations. Various schemes are also on foot which will, we hope, materially increase our revenues in the future, apart from anything that may result from actual increased throughput.

As I estimated last year, the throughput at Abadan was over 2,800,000 tons. Heavy capital expenditure has been necessary at this refinery during the last few years, but our energies are now chiefly directed to the consolidation of what we have got and to effecting reduction in operating costs by improvements in refining processes and by the installation of more modern plant in place of older units.

All the new loading jetties, to which I referred in my last year's speech, have now been completed, and the loading facilities generally may now be regarded as established on a satisfactory basis.

I have, on previous occasions, referred to the disastrous effects of plague and cholera at Abadan, due largely to the overcrowding in the native quarters, and to the lamentable absence of sanitary provision. It has been necessary to grapple very vigorously with a series of problems arising out of this condition of affairs, and a comprehensive scheme was devised last year for clearing away the plague centres, eliminating congestion in the native villages, providing new quarters for our employees elsewhere, and introducing an effective system of sanitation throughout the areas in which our employees and their dependents reside. The scheme has progressed steadily during the last 12 months, and is now approaching completion. The effects have already been most apparent, as there has been very little sickness amongst our native employees. It is too much, perhaps, to hope that plague and cholera will be entirely eliminated, but we can at least anticipate that there will be no recurrence of the very serious epidemics which have visited Abadan in the past.

LLANDARCY THROUGHPUT.

The throughput at Llandarcy was well maintained, being some 50,000 tons in excess of the previous year (914,250 tons, against 864,795 tons). A greater variety of products was manufactured, enhancing the value of the "refined ton," and new plant is still being gradually introduced into this refinery in order to enable us to produce a yet more varied series of products. A noticeable feature has been the keenness in the district to obtain employment in the refinery due to the stability of our industry compared with others in the neighbourhood.

At Grangemouth the Persian crude throughput reached the creditable figure of 263,000 tons. Excellent yields and products continue to be obtained.

The refinery of our associated company in Australia—the Commonwealth Oil Refineries, Limited—has operated steadily and satisfactorily.

Operations in the refineries of our other associated companies continue to be satisfactory, but call for no special comment.

TANKER FLEET.

As mentioned in the report, the vessels of the British Tanker Company have been given continual employment throughout the year in carrying the company's products, and there have been no serious accidents. In addition to giving employment to our own fleet, we have recently had to effect several outside charters, but as tonnage can now be hired at advantageous rates there is no inducement at the moment to build further boats, particularly pending the result of the dredging of the bar at the mouth of the Shatt-el-Arab, to which I referred last year. This work was commenced last December, and good progress has been made. It is too early to speak definitely, but we are hopeful of successful results, and in that event the quicker turn round of our tankers which we should obtain would be equivalent to a material augmentation of our fleet.

SHALE INDUSTRY.

With regard to Scottish Oils, Limited, in which, as you know, we hold £1,000,000 in ordinary shares, and the public £3,000,000 in preference shares, I am sorry to say that the decline in market value, to which I referred last year, and the termination since

then of a remunerative long-term contract, have again placed the shale industry in a very adverse position, with the result that this portion of that company's business is now being carried on at a very heavy loss. Various efforts have been made with a view to ascertaining if any possible measures can be found for averting the serious addition to the list of unemployed which would be caused by the closing down of such an old-established industry. The closing down would not only mean loss of employment to the workers in the mines, but also to the men employed in the crude oil works and refineries, collieries, and other industries dependent upon the shale fields in a district where there is but little chance of the workers finding other employment. It, therefore, should be avoided, if at all possible, in view of the appalling amount of distress that would result therefrom. The directors of Scottish Oils, Limited, have, of course, done everything they reasonably can to keep the industry alive, and thus avert the threatened disaster; but, obviously, the shareholders cannot be expected to bear the whole burden of carrying on operations which can only be conducted at a heavy loss. The part of the organisation of Scottish Oils, Limited, which is employed in refining Persian oil and marketing the products therefrom is giving satisfactory results, but, notwithstanding this, the Anglo-Persian Company has so far received no return on the £1,000,000 capital which it invested in the company five years ago.

DISTRIBUTION.

On the distributing side of our business we are, I am pleased to say, continuing to make satisfactory progress. Our now well-known brand of petrol—B.P.—gains daily in appreciation, and our sales of it show steady expansion in every country into which it has been introduced. Our other products also command a high preference owing to the excellence and regularity of their quality. The only petroleum product of importance which we are not yet placing in large quantities on the world's markets is lubricating oil, but in that also we shall before long be in a position to take our share of the available trade. We have now our own or associated distributing organisations in Persia, Iraq, the United Kingdom, the Irish Free State, France, Belgium, Italy, Denmark, Norway, and Australia, and arrangements are in progress for establishing distributing facilities in such other countries as offer remunerative outlets for our products.

"B.P." SPIRIT.

In this connection there is one other point to which I should like to refer, and that is the astonishing lack of knowledge which still appears to prevail as to the fact that "B.P." is the product of the Anglo-Persian Oil Company. Notwithstanding that in advertisements it is always explained that the British Petroleum Company is the distributing organisation in this country for the Anglo-Persian Company, and notwithstanding the appeals to consumers industries, we are every day coming across consumers and garage proprietors who express the utmost surprise at learning that "B.P." is the spirit manufactured by the Anglo-Persian Oil Company in this country, and the only one of purely British manufacture in the market. When one remembers the vast number of people desirous of supporting British industries, and who take a keen interest in the affairs of this great British company, I feel that it is only necessary to bring home to them the origin of this brand of spirit for them to decide immediately to go for they will not only assist the company, but they will thereby be rendering national service by providing additional employment to workers in this country, whilst securing for themselves a petrol of proved excellence of quality.

RELATIONS WITH THE PERSIAN GOVERNMENT.

The past year has been characterised by one important event in connection with our relations with the Persian Government in a visit to our oilfields and to our refineries at Abadan by his Imperial Highness Riza Khan Pahlevi, who has, as you are no doubt all aware, recently been given by vote of the Mejlis full control of the State. This is the first occasion on which our operations in Persia have been inspected by so high a personage, and I am pleased to report that his Highness expressed the utmost gratification in the great work which has been achieved by us in the face of the many difficulties attendant upon carrying on operations in a country devoid of transport and of other commercial facilities. This visit, we are assured by our representatives, cannot but have a favourable effect upon our relations with the Persian Government, inasmuch as it has impressed upon his Highness not only the magnitude and efficiency of the operations we have carried on in the past, but also the great potentialities of the Persian oilfields as a future source of increased revenue to his country. The further developments necessary to produce this increased revenue can only, of course, be carried on under conditions of security, and it is therefore a matter of satisfaction to us that the Persian Government have now for the first time established a military force

in the neighbourhood of the fields to give us the protection guaranteed under the concession.

I would like to take this opportunity of pointing out how greatly the advent of the company has added to the welfare and happiness of the population in the districts in which it is operating, and I am pleased to say that this is fully realised and appreciated in Persia. Apart from the employment we afford to many thousands of Persians, it is our aim to do all we can to promote the well-being and the prosperity of the inhabitants of the country with which we are associated in this extensive enterprise, and in many directions we are rendering most valuable assistance.

The Right Hon. the Lord Bradbury of Winsford, G.C.B., seconded the resolution, which, after some discussion, was carried unanimously.

DALGETY AND COMPANY, LIMITED.

SATISFACTORY RESULTS DESPITE YEAR'S DIFFICULTIES.

POSITION OF THE WOOL INDUSTRY.

The 41st annual general meeting of Dalgety and Co., Limited, was held, on the 12th instant, at 65-68, Leadenhall-street, London, the Hon. Edmund W. Parker (the chairman) presiding.

The Chairman said that last year the directors were able to submit a most satisfactory statement of accounts, and it afforded him great pleasure on this occasion to deal again with an equally gratifying statement. New Zealand had contributed largely to the successful year, and he hoped the Dominion had now entered upon an era of prosperity after the depression of a few years ago. The past year had proved one of the most anxious yet experienced by the directors, so far as finance had been concerned, as, owing to the great slump in wool prices and the consequent hold-up of sales in Australia, the company's resources had been greatly strained. However, the position of the company proved more than adequate to overcome the difficulties, and to-day, save for industrial troubles, they were in much calmer waters. Their extended operations in wheat and the carrying on of their clients through difficult times had absorbed a large amount of capital, and the directors were now considering various means of increasing the company's resources in this direction, because, should the business expand as it had done during the past few years, they could employ a substantial amount advantageously. Among the anxieties which had beset them during the past year, by no means least had been the troublous times of industrial unrest. Strike had followed strike, and the refusal of the seamen manning British overseas ships to abide by the reduced rate of wages agreed upon over here had resulted in a very serious state of affairs at Australian ports. The refusal of the crews to work the ships had caused immense losses to shipowners, while British trade was being grievously hampered.

WOOL INDUSTRY.

Reviewing the conditions which had ruled in the wool industry during the past year, the Chairman said that, owing to an excellent season in Australia, the joint production of Australia and New Zealand had reached 2,686,554 bales—a larger total than ever previously recorded. Had the favourable prices prevailing at the time of the last meeting continued, he would have been able to record a wonderful result, but prices did not hold. Values for all grades continued to rise until December of last year, and reached almost unprecedented figures, but from then onward a decline set in, which rapidly developed into a slump. Not only did merino wools lose most of the improvement which had accrued during the past two or three seasons, but crossbred values also fell heavily, and prices towards the end of April were on an average 40 per cent. to 50 per cent. below the highest point reached in December. Attempts were made to check the downward trend of prices by strictly limiting the offerings, but this was not successful, and by the end of April the demand had fallen off to such an extent that it was found necessary to suspend the auctions in Australia altogether. Fortunately for New Zealand the full severity of the fall was not felt there, as the season had closed before that time and the bulk of the wool had been sold at satisfactory prices. At the time of the suspension of the auctions there remained about 455,000 bales of the current clip to be disposed of, and it was not found desirable to resume the sales until the second week in July. The addition of new clip wools increased the carry-over at June 30th to over 500,000 bales. In spite, however, of the lesser quantity sold and the low values ruling in the latter part of the season, the monetary return was greater, being £69,083,182, as against

£64,929,298 for the 1923-24 season. The average per bale worked out at £33 13s 10d, as against £29 9s 9d in 1923-24. The break in prices, which was inevitable as a result of the slump, was serious and prolonged. The suspension of sales, however, had a good effect, as it allowed the buyers a certain amount of breathing space, which enabled them to recuperate their resources, and, since the auctions had been resumed, selling had continued practically unabated, with a welcome clearance of the offerings and a certain stiffening of values. At the sales in London, which concluded at the beginning of October, this satisfactory state of affairs continued, and he hoped it might exist when the next series of sales opened on the 24th inst. The position, however, was not devoid of anxiety, and while he did not wish to appear unduly pessimistic, he found it difficult to view the immediate future with any great degree of confidence. The heavy fall in values occasioned immense losses to manufacturers, and until the effects of these had been to some extent adjusted it would be foolish to expect any permanent improvement in prices.

DAIRYING AND FROZEN MEAT INTERESTS.

Dealing with the company's dairying and frozen meat interests, the Chairman said that, as a result of Australian being blessed with a good rainfall, a record production of butter ensued, the importations from the Commonwealth showing an increase of 134 per cent. over the preceding year, and the average price realised was higher than in the previous season. The approximate value of New Zealand dairy produce imported into this country for the year under review was about £18,000,000 and the Dominion maintained its position as the largest exporter of dairy produce in the world. The company's business in this commodity had again shown considerable expansion. Prices for mutton and lamb had been on a level during the whole year, which must have been most satisfactory to producers. As regarded frozen beef, Continental demand had continued, and slightly better prices had been realised. The Australian wheat crop for the 1924-25 season reached 160,400,000 bushels, a yield which was the highest but one recorded. About 118,000,000 bushels were available for export, and prices rose to a high level owing to poor crops in other exporting countries. As to the coming crop, prospects were very bright for the first few months after seeding, but lack of rains on the wheat areas, especially in New South Wales, had since caused estimates to be reduced. A repetition of last season's high



The Anglo-South American Bank Limited.

Head Office:
117 Old Broad Street, London, E.C.2

Authorized Capital	: : : : £10,000,000
Reserve Fund	: : : : £4,000,000
Issued Capital	: : : : £8,734,660
Paid-up Capital	: : : : £4,367,330

The Bank, in addition to 7 Branches in
SPAIN
has with its
AFFILIATED INSTITUTIONS
THE BRITISH BANK OF SOUTH
AMERICA, Ltd., and
THE COMMERCIAL BANK OF
SPANISH AMERICA, Ltd.

53 offices in the principal countries of
LATIN AMERICA

Auxiliaries Abroad:
ANGLO SOUTH AMERICAN TRUST CO.
(Incorporated under the laws of the State of New York).
NEW YORK.
BANQUE ANGLO-SUD AMERICAINE, SOC. ANON.,
PARIS.
Northern District Office: 69, Market Street, BRADFORD.
Lancashire Branch: 10, Spring Gardens, MANCHESTER.

prices could not be expected, since this year the world supply of wheat seemed ample for all requirements.

LATEST CABLES.

Referring to the outlook, the Chairman read the following latest cable advices:—

From Australia:—"In Queensland—The southern and far northern pastoral districts are dry, and rain is anxiously awaited. There have been no stock losses to date. The agricultural prospects are only fair.

"In New South Wales.—The pastoral outlook generally is fair, except in the Moree, Mungindi, Liverpool Plains and Hunter River districts, where drought conditions prevail. General rains are required to ensure the season. The agricultural outlook is not satisfactory.

"In Victoria—Owing to light winter rains, the pastoral outlook is generally unsatisfactory, and the season is causing anxiety. In the agricultural districts immediate rain is necessary to ensure a fair harvest.

"In South Australia—In the north-west, north-east, and Barrier districts the season is very fair, but in the far interior it is bad. Agricultural prospects are good.

"In Western Australia—The pastoral areas generally are dry, and a serious position will develop unless early summer rains fall. The Roebourne district is experiencing a severe drought. The agricultural outlook is only fair.

"The Australian wool clip is expected to exceed the last by 5 per cent. The wool will not be of such heavy condition, but thinner; the staple dry and light, yielding less per head.

"Wheat production will probably be 30 to 40 per cent. less than last year, and the butter production 30 per cent. less."

From New Zealand:—"A wet winter and cold spring caused considerable mortality among young stock. The lambing is estimated at 5 per cent. to 10 per cent. below the average, and the wool clip is expected to be from 5 per cent. to 10 per cent. lighter. As a result of a late season, meat and dairy produce exports will be short till the end of the year, but, with weather conditions now favourable, a recovery can be expected later. There will be a reduced area in grain, but a probable increased area in grass and clover seed. Anticipate a payable value for all products, although lower than last season. The outlook generally is satisfactory. The practical termination of the shipping strike and the return of the Reform Party under Coates' leadership with largely increased majority will imbue confidence."

ADVANCE IN PROFITS.

Dealing with the accounts, the Chairman said that last year he stated that the net profits must be regarded as approximating to high-water mark, but, despite the adverse conditions with which they had had to contend, the previous year's figure had been exceeded to the extent of £37,324. The net profit amounted to £361,312, and the directors recommended a final dividend on the ordinary shares of 3s per share, making 10 per cent. for the year, and also a bonus of 7s per share, both free of English income-tax. It was also proposed to appropriate £75,000 to writing down the cost of premises, to transfer £25,000 to the staff provident fund, and to carry forward £236,364. The directors felt that, in view of the troubled state of labour in Australia and the consequent possibility of another hold-up of wool sales in the Commonwealth, it was wise to retain a larger percentage of profits than usual in the carry-over.

The report and accounts were unanimously adopted.

ASSAM RAILWAYS AND TRADING COMPANY, LIMITED. COMPANY'S BEST YEAR.

The forty-fifth ordinary general meeting of this company was held, on the 11th inst., at Winchester House, Old Broad street, London. Mr George Turner, M.E. (the chairman), presiding.

The Chairman, in moving the adoption of the report and accounts, said that when presiding at the meeting a year ago he had ventured to be a little optimistic. His optimism had been justified, since, whilst their accounts for 1924 had shown a considerable improvement on the preceding year, the accounts now under consideration represented the best year the company had ever had. The railway was largely responsible for the increase in profits. That fact was especially gratifying, as the increased earnings not only helped the revenue but protected their capital position. The Government had the right to buy the railway in 1931, and at 10-year intervals thereafter, and the price to be paid was to be measured by the earnings of the railway; the higher the earnings, the larger the sum they would receive in the event of its being taken over. The railway earnings for some years past had shown progressive increases of about 5 to 6 per cent., and for the

year under review the passenger traffic showed an increase of 17 per cent. and the goods traffic of 21 per cent.

Operating expenses showed a decrease of 10.16 per cent. at 64.33 per cent. of the earnings, and they hoped to see lower figures in the near future. As to the general trading account, the mines had had on the whole a fair year. Competition, owing to the slump in Bengal coal, had become considerably keener, and their profits had not been quite so large, but their coal being the best in India they were in a good position to meet competition, while there was a tendency for production costs, which were extremely high, to become lower. In the company's new collieries the work of preparation and development had been continued. The financing of their various ventures—the new mines, new garden, veneer mills, &c., and the large additions to the rolling stock on the railway—had required some arrangement, but the board had preferred, as it was a temporary matter, to finance by arrangement with their bank rather than raise fresh capital. The balance of general net revenue showed a profit of £145,069, as against £137,779 last year, and was the largest profit which the company had ever shown. After writing £10,000 off discount on debentures, the balance enabled the board to recommend a final dividend on the B stock of 6 per cent., making 9 per cent. for the year.

Sir Walter R. Lawrence, Bart., G.C.I.E., G.C.V.O., C.B., seconded the motion, which was carried unanimously.

LONDON MARITIME INVESTMENT COMPANY, LIMITED. LORD KYLSANT ON TRADE PROSPECTS.

HOPEFUL INDICATIONS.

The twenty-eighth annual general meeting of the London Maritime Investment Company, Limited, was held, on the 11th instant, at Winchester House, Old Broad street, London, E.C.

The Right Hon. Lord Kysant, G.C.M.G. (the chairman), presided.

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

The Chairman said: Gentlemen,—This is the 28th annual meeting of the London Maritime Investment Company, Limited, over accounts for the 12 months ended September 30, 1925, now submitted, show a satisfactory position as a result of the past year's working.

The net profit of the company for the period under review indicates a slight revenue increase over that for the previous year. After paying the dividend on the preference stock and again adding to the reserve fund, the directors recommend the distribution of a final dividend of 4 per cent., less income-tax, on the ordinary stock, making, with the interim dividend paid in April last, 8 per cent., less tax, for the year, and that the slightly increased balance be carried forward.

RESERVE AND INVESTMENTS.

The accounts set out clearly the position of the company, and do not call for special comment. The reserve fund, which now amounts to £210,000, is separately invested in first-class gilt-edged securities, whilst, as stated in the report, a valuation of the company's investments as at September 30, 1925, shows that the capital and reserve fund are more than intact. The total paid-up capital of the company is £1,000,000—viz., £500,000 in there are no debentures.

The shipping industry, in which this company's interests so largely consist, is, as is well known, still passing through difficult times, owing to the long-continued depression of world trade. There are some hopeful signs of a coming upward movement in British industry and commerce, though progress, if it is to be maintained, must necessarily be gradual, and contingent, as the Prime Minister lately reminded the country, upon the non-recurrence of serious industrial disturbances.

Improvement in the shipping industry naturally follows upon trade recovery, but competition is very keen, and nowhere more so than upon the sea, which is open to all nations.

BRITISH FINANCIAL POLICY.

The financial policy of the British Government is one that fundamentally affects the trade of the country, and much depends upon the correct solution of our financial problems whether business recovery will be facilitated or retarded.

I have always been a believer in sound finance, and was one of those who warmly welcomed the re-introduction of the gold standard on April 28th last. In my presidential address to the gold standard Chamber of Commerce a few days later I expressed the opinion that that date would "mark the beginning of a new era in the prosperity of this country."

It is satisfactory that the Chancellor of the Exchequer has now taken a further step in the same direction, and has removed the

embargo on the issue of Dominion, Colonial, and foreign loans. I am convinced that this will have a salutary effect upon our export trade, resulting in a stimulus to industry, with consequent increased employment.

CHEAPER COAL ESSENTIAL.

Another important contributory factor in trade improvement is the price of coal. The market price has fallen somewhat, but I hope we may see a further substantial reduction in the price of coal, which reduction can, in my opinion, be brought about without necessarily reducing miners' wages. Cheaper coal would be an enormous advantage to all branches of industry and commerce.

In the best interests of the country it is to be hoped that the price of Welsh coal will come down to considerably below a pound a ton. This should not be impracticable, seeing that when I was a young man best Welsh large coal was sold freely at under 10s a ton. It is sometimes overlooked that our pre-eminence in shipping was, in the past, largely built up because this country was an exporter of huge quantities of coal at prices which met world competition, in return for which we received more cheaply than would otherwise be possible the food and raw materials which support our national existence.

Any cessation of our ability to maintain this coal export traffic must cause anxiety, in view of the vital importance to our country of the prosperity of British overseas trade.

A SOUND POSITION.

This company is in a sound position and should benefit by any improvement in the maritime trade of Great Britain. I now have pleasure in proposing: "That the report and accounts for the year ended September 30, 1925, as submitted, be received and adopted, and that the dividend as therein recommended be declared and paid."

Mr Arthur A. Baumann seconded the resolution, and it was carried unanimously.

On the motion of Mr Baumann, seconded by Mr George M. Dodd, the retiring director, Lord Kysant, was re-elected; Messrs Fookes, Hickman and Co. were reappointed auditors, and the proceedings then terminated.

JOSHUA HOYLE AND SONS, LIMITED.

INCREASED PROFIT—BETTER OUTLOOK.

The ordinary general meeting of Joshua Hoyle and Sons, Limited, was held, on the 11th instant, at the registered office of the company, India Mill, Bacup, Lieut.-Colonel J. Craven Hoyle, T.D., D.L. (the chairman) presiding.

The Chairman, in moving the adoption of the report and accounts, said that the profit for the year under review showed an increase of 80,492 over the previous year. The directors proposed to pay a dividend of 1s 3d per share, less tax, on the ordinary shares (making 10 per cent. for the year). Last year he expressed the hope that the signs pointed to a turn for the better in their business. Shareholders would see from the accounts that as regards Joshua Hoyle and Sons, Limited, that hope had been fulfilled, and during the earlier period of the last twelve months, for the trade of Lancashire generally. The results of the year's trading again confirmed the soundness of what had been the guiding policy of the firm in varying, as much as possible, the nature of their productions. But there was also another cause which had had its effect, and that was the close attention given by all who held responsible positions in the firm.

KANSALLIS - OSAKE - PANKKI (National Joint Stock Bank).

Established 1889.

Head Office: Helsinki (Helsingfors), FINLAND.

134 BRANCHES at all important business centres in Finland.

Capital	Fmk. 150,000,000
Reserve Fund and Profits	" 115,000,000
Deposits, etc. (31/12/24)	" 1,704,000,000

All descriptions of banking business transacted.

Telegraphic Address: KANSALLISPANKKI.

Although the fluctuations in cotton had not been as serious as they had been in the twelve months ending September 30, 1924, he considered that the period under review had been filled with as much anxiety as in the former period. He was glad to say that during the past twelve months the goodwill which had existed for so long between the directors and the workpeople had been continued. With the exception of their Tong Mill, the machinery had been well employed during the year.

Dealing with the question of cotton, he thought he could say something which might go further than a hope, and it was that again there were signs of business of a substantial nature moving. The only thing which was holding that up was the question of the price of cotton. When the price was stabilised he thought they could all hopefully look forward to a period of not only good trade, but profitable trade.

Last month the most momentous conference was held at Locarno. That should be the forerunner of actual peace conditions for the greater part of the Continent of Europe, thus enabling freer conditions of trading to exist between our own country and the Continent. What had been done to bring about peace abroad would, he trusted, be an example to bring about peace at home. As the result of the Locarno Conference goodwill should be established, so he hoped the same commonsense would be brought to bear in this country to establish goodwill between employers and employed, peace in the industrial world and confidence in the commercial.

Sir Wm. L. Berry, Bart., seconded the adoption of the report and accounts, and it was carried unanimously.

GOVERNMENT RETURNS, &c.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1925-26. (See Note.)	Total Receipts into the Exchequer from Apr. 1, 1925, to Nov. 7, 1925.	Total Receipts into the Exchequer from Apr. 1, 1924, to Nov. 8, 1924.	RECEIPTS. Week Ended Nov. 7, 1925.	Week Ended Nov. 8, 1924.
Balances in Exchequer on 1st April:—					
Bank of England...	£ 5,341,778	5,069,615	5,069,615	..	..
Bank of Ireland...	1,215,722	1,562,001	1,562,001	..	..
REVENUE.					
Customs	102,040,000	67,234,000	61,072,000	2,298,000	2,324,000
Excise	137,220,000	77,690,000	78,561,000	1,477,000	1,389,000
Motor Vehicle Duties ..	17,500,000	8,852,000	4,965,000	428,000	354,000
Stamps, &c., Duties	66,500,000	35,520,000	36,250,000	860,000	77,000
Stamp	24,000,000	12,770,000	1,800,000	250,000	550,000
Land Tax, House Duty & Mineral Rights Duty ..	1,000,000	187,000	667,000	..	1,195,000
Property & Income Tax ..	262,000,000	111,130,000	122,044,000	3,758,000	670,000
Super Tax	63,300,000	29,180,000	26,940,000	350,000	..
Excess Profits Duties, &c. ..	4,000,000	7,090,000	20,770,000	210,000	280,000
Corporation Profits Tax ..	9,000,000	33,400,000	33,200,000	1,400,000	1,300,000
Post Office	87,000,000	6,000,000	6,000,000	..	..
Crown Lands	800,000	..	..	..	..
Interest on Sundry Loans	12,600,000	8,770,132	8,578,542	90,912	514,996
Miscellaneous	14,000,000	6,820,321	7,283,697	54,657	238,277
Ordinary Receipts	30,000,000	23,108,710	17,498,447	700,000	1,200,086
Special Receipts	414,135,163	419,652,686	419,652,686	11,876,569	10,715,359
Revenue	801,060,000	420,692,263	426,284,300	..	..
Total Inc. Balance	..	..	..	..	..
OTHER RECEIPTS.					
Temporary Advances Repaid:—					
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	73,782	73,782	73,782	73,782	73,782
Under the Unemployment Insurance Act, 1921	1,270,000	5,790,000	..	..	..
Money Raised by Creation of Debt:—					
(a) For Capital Expenditure Issues Under the Telegraph (Money) Act, 1923 and 1924	5,950,000	4,500,000	..	..	..
Under the Housing Act, 1914 ..	6,000	4,000	..	..	..
Under the West Indian Islands (Telegraph) Act, 1924	20,071	260,719	..	..	..
(b) Under the Unemployment Insurance Act, 1921	1,715,000	400,000	..	..	..
(c) For other issues:—					
By Treasury Bills	1,511,835,000	1,467,869,000	53,498,000	52,466,000	..
By 3½% Conversion Loan	38,575,560	..	3,618,000	..	..
By National Savings Certificates ..	21,200,000	16,850,000	700,000	550,000	..
By Exchequer and National War Bonds	15	..	..	..	..
By Treasury Bonds, 1925	10	..	..	..	..
By 4½% Treasury Bonds, 1931-33 ..	5,038,507	14,939,120	358,720	1,417,500	..
By Other Debt created under the War Loan Act, 1914 to 1919	..	3,700,000	..	3,700,000	..
(d) Ways and Means Advances	410,181,000	522,669,000	2,000,000	9,000,000	..
Anglo-Persian Oil Company—					
Dividends on Shares Acquired ..	..	23,109	..	..	..
Repayments—					
In respect of Issues under Land Settlement (Facilities) Act, 1919 and 1921	126,701	577,041	10,458	14,520	..
In respect of Issues under Section 59 (4) of Finance Act, 1920	9,901,981	..	..	..	..
Interest received under Section 59 (5) of the Finance Act, 1920	256,774	..	..	..	..
Total	4,426,824,668	2,463,940,071	72,135,529	77,937,161	..

EXPENDITURE AND OTHER ISSUES.

EXPENDITURE.	Estimate for the Year 1925-26 (including Supplementary Grants).	Total Issues out of the Exchequer to meet Payments from	Issues.	Week Ended Nov. 7, 1925.	Week Ended Nov. 8, 1924.
National Debt Services—					
Interest, &c.	305,000,000	195,320,468	195,176,496	8,118,148	2,180,620
Sinking Fund	50,000,000	24,071,200	16,202,561	379,008	100,000
Road Fund	16,900,000	4,691,044	3,876,044	..	..
Payments to Local Taxation Accounts, &c.	13,329,000	5,933,474	5,837,891	..	..
Payments to Northern Ireland Exchequer	4,000,000	2,687,465	2,702,484	75,000	..
Land Settlement	700,000	281,088	354,282	..	..
Other Consolidated Fund Services	2,000,000	1,552,546	1,419,751	..	4,689
Supply Services	418,086,000	237,424,609	223,758,338	8,558,054	9,507,886
Expenditure	810,015,000	471,961,894	450,321,907	17,130,210	11,793,195
OTHER ISSUES.					
Temporary Advances—					
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1924	73,782	73,782	..	..	..
Under the Unemployment Insurance Act, 1921	1,715,000	436,000	..	30,000	..
Issues to meet Capital Expenditure—					
Under the Telegraph (Money) Acts 1922 and 1924	6,900,000	5,150,000	..	..	..
Under the Housing Act, 1914	6,000	6,000	..	..	..
Under the West Indian Islands (Telegraph) Act, 1924	20,071	316,195	..	..	..
Unemployment Insurance Act, 1921	1,270,000	5,790,000	..	..	..
Repayment of amounts borrowed	1,446,200,000	1,442,450,000	49,685,000	56,845,300	..
Redemption of Debt—					
Treasury Bills	18,250,000	19,150,000	600,000	550,000	..
Principal of National Savings Certificates	306,667	..	..	..	..
Principal of Exchequer Bonds paid off	8,344,789	6,586,653	..	132,280	..
Principal of National War Bonds paid off	23,645,865	..	..	..	..
Other Debt under the War Loan Act, 1914 to 1919	..	50	..	..	..
Ways and Means Advances Repaid	445,076,000	530,579,500	4,700,000	8,450,000	..
Anglo-Persian Oil Company—Issued to the National Debt Commissioners	..	23,109	..	..	..
Balance in Exchequer—					
Bank of England	2,423,770,068	2,460,883,193	72,115,210	77,800,475	..
Bank of Ireland	2,047,833	2,024,413	34,351	13,314	..
Bank of Scotland	1,006,737	1,034,462	54,670	150,000	..
Total	3,064,600	3,066,875	20,519	136,686	..

NOTE.—Budget Estimate as in H.C. No. 24 of 1925.
Treasury, November 9, 1925.

TREASURY BILLS AND BONDS BY PUBLIC TENDER

Tenders for £40,000,000 in Treasury Bonds and Treasury Bills were opened on Nov. 13, 1925, and the total amount applied for was £44,835,000. For bills at three months dated Monday to Friday, £99 0s 3d, about 42 per cent., and above in full; Saturday bills at £99 0s 6d, above in full—in bills at 3 months, £40,000,000; in bonds, nil.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months.	4% Treasury Bonds.	Average Price.
Sept. 11, 1925.	35,000,000	57,180,000	3 15 6 7	nil	..
Sept. 18	40,000,000	67,255,000	3 10 1 05	94 0 0	..
Oct. 25	45,000,000	62,900,000	3 10 4 26	nil	..
Oct. 2	45,000,000	65,940,000	3 7 3 39	94 8 0	..
Oct. 9	40,000,000	66,421,000	3 6 5 79	94 9 1 48	..
Oct. 16	35,000,000	41,885,000	3 12 7 86	nil	..
Oct. 23	40,000,000	48,595,000	3 14 9 79	94 8 0	..
Oct. 30	40,000,000	49,160,000	3 16 1 72	94 8 0	..
Nov. 6	40,000,000	47,865,000	3 18 1 44	nil	..
Nov. 13	40,000,000	44,835,000	3 17 3 73	nil	..

Tenders will be received on Nov. 20, 1925, for Treasury Bills and Treasury Bonds to be issued to the maximum amount of £40,000,000. The amount of Treasury Bonds issued will not exceed £4,000,000.

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

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Redemption Account.	Notes and Certificates Outstanding.	Investments Reserve Account.	Redemption Account.
Mar. 29, 1925.	300,351	14,355	5,000	28,500	159	261,479
June 27	295,374	13,338	6,000	28,500	163	254,312
Sept. 27	289,127	12,648	7,000	27,000	186	246,456
Dec. 27	301,337	13,772	7,000	27,000	159	258,922
Mar. 29, 1925.	285,616	13,318	7,000	27,000	173	241,294
June 27	286,503	12,518	7,000	27,000	173	242,446
Sept. 27	282,784	12,401	7,000	27,000	175	238,595
Dec. 26	299,070	12,571	7,000	27,000	166	256,033
Mar. 26, 1925.	281,538	11,908	7,000	27,000	176	236,867
June 25	290,316	12,472	7,000	27,000	170	246,138
Sept. 24	285,592	12,287	7,000	27,000	173	241,185
Dec. 31	296,261	12,813	7,000	27,000	182	246,111
Mar. 25, 1925.	284,256	11,882	7,000	27,000	189	235,076
June 24	292,278	12,365	7,000	27,000	185	243,474
Sept. 30	293,004	12,555	7,000	27,000	191	242,188
Nov. 4	293,480	12,134	7,000	27,000	191	242,249
Nov. 11	292,818	12,167	7,000	27,000	192	241,578

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum statutory issue for 1920 fixed at £320,000,000, for 1921 at £317,500,000, for 1922 at £308,000,000, for 1923 at £270,183,000, for 1924 at £244,190,000, and for 1925 at £248,146,000.

NATIONAL DEBT.—(Million £).

	Aug. 1, 1914.	Dec. 31, 1918.	Mar. 31, 1921.	Mar. 31, 1922.	Mar. 31, 1923.	Mar. 31, 1924.	Dec. 31, 1924.	Mar. 31, 1925.	Nov. 7, 1925.
Funded Debt	588	315	315	315	318	314	314	314	314
Term Annuities	..	..	..	..	..	..	..	..	..
4% Conversion Loan	..	..	..	..	..	..	..	..	..
4% Conversion Loan	..	..	..	..	..	..	..	..	..
4% War Stock	..	..	..	..	..	..	..	..	..
4% War Stock	..	..	..	..	..	..	..	..	..
4% and 5% War Stock	..	..	..	..	..	..	..	..	..
National War Bonds	..	..	..	..	..	..	..	..	..
4% Funding Loan	..	..	..	..	..	..	..	..	..
4% Victory Bonds	..	..	..	..	..	..	..	..	..
Treasury Bonds	..	..	..	..	..	..	..	..	..
Exchequer Bonds	..	..	..	..	..	..	..	..	..
National Savings Cert.	..	..	..	..	..	..	..	..	..
Other Debt	..	..	..	..	..	..	..	..	..
American Loan (Anglo-French)	..	..	..	..	..	..	..	..	..
Treasury Bills	..	..	..	..	..	..	..	..	..
Temporary Advances	..	..	..	..	..	..	..	..	..
Other Capital Liabilities	..	..	..	..	..	..	..	..	..
Total Liabilities	711	8,079	7,623	7,721	7,812	7,707	7,794	7,718	7,770

* Includes debt to American Government.

POSITION OF THE FLOATING DEBT.

Ways and Means Advances	Nov. 8, '24.	Mar. 31, '25.	Nov. 7, '25.	Week ended Nov. 7, '25.
Outstanding	£	£	£	£
Advances by Bank of England	178,245,000	166,585,000	131,690,000	2,700,000
Advances by Public Deposits	613,825,000	575,610,000	564,128,000	8,656,000
Treasury Bills Outstanding	..	..	..	..
Total Floating Debt	792,070,000	742,195,000	772,775,000	1,155,000

* Includes £78,000, the proceeds of which were not carried to the Exchequer within the period of the account.

ESTABLISHED OVER ONE HUNDRED YEARS

SCOTTISH UNION & NATIONAL INSURANCE COMPANY.

ASSETS £13,000,000.

FIRE, LIFE, ACCIDENT, MARINE

Edinburgh: 35, St. Andrew Square.

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

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, November 11, 1925.

ISSUE DEPARTMENT.

Notes issued	166,005,365	Government debt	11,015,100
		Other securities	8,734,900
		Gold coin & bullion	146,255,365
	166,005,365		166,005,365

BANKING DEPARTMENT.

Proprietors' capital	14,553,000	Government securities	39,402,794
Reserve	3,188,829	Other securities	74,422,075
Public deposits	13,168,592	Notes	24,486,200
Other deposits	109,199,348	Gold and silver coin	1,802,704
Seven-day & other bills	7,004		
	140,113,773		

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

Date.	Amount, Nov. 11, 1925.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Rest	£	£	£
Public deposits	13,168,592	..	..
Other deposits	109,199,348	..	..
Government securities	39,402,794	..	..
Other securities	74,422,075	..	..
Notes	24,486,200	..	..
Gold and silver coin	1,802,704	..	..
Reserve	3,188,829	..	..
Note circulation	26,288,904	..	..
Coin and bullion	141,519,165	..	..
% of reserve to liabilities	146,058,069	..	..
	21%	..	..

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits in Banking Department.	Gold in or out of Bank.	Reserve and % of Reserve to Liabilities.
Sept. 30, 1925.	£	£	£	£	%
Oct. 7	157,916,713	144,774,565	129,500,588	112,348,083	249,000 out 25,442,148
Oct. 14	155,843,261	143,961,040	119,055,599	107,979,891	25,442,148 out 33,705,648
Oct. 21	152,740,756	143,133,836	111,868,037	107,050,106	25,442,148 out 33,705,648
Oct. 28	150,282,799	142,540,596	118,000,711	106,489,746	25,442,148 out 33,705,648
Nov. 4	149,046,856	141,448,830	113,720,853	104,327,514	25,442,148 out 33,705,648
Nov. 11	148,058,069	141,519,165	123,367,940	113,824,899	25,442,148 out 33,705,648

MONTHLY STATEMENT OF LONDON CLEARING BANKS.

(000's omitted.)

Average Weekly Balances. OCTOBER, 1925.	Bank of Liverpool and Martins, Limited.	Barclays Bank, Limited.	Coutts and Co.	Glyn, Mills and Co.	Lloyds Bank, Limited.	Midland Bank, Limited.	National Bank, Limited.	National Provin- cial Bank, Limited.	West- minster Bank, Limited.	Willm's Deacons Bank, Limited.	Total.
	£	£	£	£	£	£	£	£	£	£	£
ASSETS.											
Coin, bank and currency notes, and balances with the Bank of England ..	5,977	32,787	1,383	2,867	37,207	50,355	3,896	27,238	26,993	3,886	192,589
Balances with and cheques in course of collection on other banks in the United Kingdom	1,885	8,430	630	1,225	7,737	11,454	218	7,325	9,646	1,136	49,686
Items in transit	4,880	23,099	2,340	4,772	18,660	16,994	3,709	16,905	21,114	3,185	115,658
Money at call and short notice.....	3,731	39,130	1,724	1,380	54,652	54,603	2,730	36,170	51,024	2,293	247,437
Bills discounted	9,300	58,385	4,293	8,528	53,931	34,163	15,926	39,665	47,026	4,612	275,829
Investments	33,926	148,392	7,942	9,681	175,858	194,010	16,323	130,686	118,095	19,183	854,096
Advances to customers and other accounts											
Liabilities of customers for acceptances, endorsements, &c.	3,792	14,664	11	1,715	18,265	31,935	100	9,546	10,655	2,030	92,713
Bank premises account	1,538	5,148	346	695	5,853	6,671	760	4,504	4,222	916	30,653
Investments in affiliated banks	..	7,456	..	..	6,581	6,238	..	2,754	2,992	..	26,021
	65,029	337,491	18,669	30,863	378,744	406,423	43,662	274,793	291,767	37,241	1,884,682
Ratio of cash to current, deposit, and other accounts	10.45	10.96	8.10	10.46	11.07	14.41	10.38	11.05	10.26	12.11	11.57
LIABILITIES.											
Capital paid up	2,348	15,592	800	1,060	14,373	12,577	1,500	9,479	9,052	1,875	68,656
Reserve fund.....	1,700	8,250	800	530	10,000	12,577	1,250	9,479	9,052	1,250	54,888
Current, deposit, and other accounts ...	57,189	298,985	17,058	27,384	336,106	349,334	37,522	246,288	262,996	32,086	1,664,948
Acceptances, endorsements, &c.....	3,792	14,664	11	1,715	18,265	31,935	100	9,547	10,655	2,030	92,714
Notes in circulation.....	..	..	..	174	..	..	..	..	12	..	3,302
Reduction of bank premises account	..	..	..	..	..	..	..	..	..	..	174
	65,029	337,491	18,669	30,863	378,744	406,423	43,662	274,793	291,767	37,241	1,884,682

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

Assets.	Nov. 5, 1925.	Oct. 29, 1925.	Oct. 22, 1925.	Oct. 15, 1925.	Nov. 6, 1924.	Position May 28, 1914.
Cash (gold & silver and bullion)	394,482	394,291	302,497	390,500	356,416	322,650
Securities	1,112,875	1,134,885	1,194,738	1,393,288	1,303,570	697,600
LIABILITIES.						
Notes in circulation	7,636,444	7,653,399	7,621,507	7,719,394	7,658,401	934,150
Current accounts	36,970	133,896	170,828	267,618	317,171	112,126

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

Assets.	Nov. 9, 1925.	Nov. 2, 1925.	Oct. 26, 1925.	Oct. 19, 1925.	Nov. 10, 1924.	Position May 30, 1914.
Gold	451,928	435,470	418,377	418,355	481,505	163,092
Silver	23,040	23,127	23,397	23,036	11,621	8,136
Discounts, advances, and other investments	465,269	503,991	460,486	463,793	386,400	153,504
LIABILITIES.						
Notes in circulation	911,729	941,862	882,559	888,636	973,634	316,632
Deposits	32,977	36,767	33,582	31,000	21,231	5,016

BANK OF JAVA.—In florins (000's omitted).

Assets.	Nov. 7, 1925.	Oct. 31, 1925.	Oct. 24, 1925.	Oct. 17, 1925.	Nov. 8, 1924.	Position May 31, 1914.
Gold	186,250	186,250	186,250	185,750	153,265	22,977
Silver	186,250	186,250	186,250	185,750	153,265	22,977
Discounts, advances, and other investments	162,710	163,630	174,790	178,500	170,374	77,567
LIABILITIES.						
Notes in circulation	342,000	339,500	334,500	325,500	281,186	109,499
Deposits and bills payable	40,040	45,500	57,000	74,500	110,677	11,360

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

Assets.	Nov. 7, 1925.	Oct. 31, 1925.	Oct. 24, 1925.	Oct. 17, 1925.	Nov. 8, 1924.	Position May 31, 1914.
Gold	460,595	466,165	470,527	470,462	505,397	171,175
Silver	89,126	88,499	88,584	88,644	93,707	18,350
Assets & advances	282,751	292,738	280,683	281,935	290,749	103,000
LIABILITIES.						
Notes in circulation	815,386	841,491	787,424	791,582	857,885	275,925
Deposits	88,410	77,253	110,815	121,315	133,463	33,750

THE REICHSBANK.—In Reichsmarks* (000's omitted).

Assets.	Nov. 7, 1925.	Oct. 31, 1925.	Oct. 24, 1925.	Nov. 7, 1924.
Reichsbank shares not yet issued	1,205,896	1,206,265	1,204,714	1,204,000
Gold and bullion	96,605	126,484	124,411	210,033
Of which deposited abroad	361,068	348,321	321,469	211,229
Reserve in foreign currencies	1,474,296	1,630,076	1,311,481	2,392,353
Bills of exchange and cheques	64,319	61,973	68,256	55,444
Notes of other German banks	23,227	23,256	40,432	85
Advances	9,784	23,196	13,567	15,475
Investments	220,257	219,501	216,911	77,000
Other assets	786,367	682,074	789,544	1,053,523
LIABILITIES.				
Reduced capital	..	122,788	122,788	90,000
Increase of capital (shares not yet issued)	..	177,212	177,212	210,000
Reserve	..	185,807	171,507	900
Notes in circulation	2,677,644	2,828,884	2,395,269	1,721,000
Other daily maturing obligations	638,002	617,722	614,775	828,619
Other liabilities	462,978	452,793	450,471	1,015,671

* Equal to one billion paper marks or one Rentenmark.
The gold reserve is calculated in accordance with the new legal prescription.
One pound of fine gold equals 1,392 Reichsmarks.

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

Assets.	Nov. 7, 1925.	Oct. 31, 1925.	Oct. 24, 1925.	Nov. 7, 1924.
Cash and bullion—Gold	147,226	147,226	147,226	44,224
Balance abroad and foreign bills	64,090	65,955	66,460	36,380
Norwegian and Foreign Government securities	12,596	12,596	12,596	8,999
Discounts and loans	305,982	310,485	304,241	76,911
LIABILITIES.				
Notes in circulation	358,903	365,525	360,354	113,484
Deposits at notice	98,919	99,183	99,158	7,188

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

Assets.	Nov. 7, 1925.	Oct. 31, 1925.	Oct. 24, 1925.	Nov. 7, 1924.
Gold	230,761	230,858	230,926	239,846
Balance abroad	164,843	166,147	166,003	60,322
Swedish and foreign bills	47,250	47,255	47,265	54,921
Gov. securities	242,094	245,738	247,565	369,954
Discounts & loans	47,250	47,255	47,265	54,921
LIABILITIES.				
Notes in circulation	503,581	523,409	474,064	519,645
Deposits at notice	103,440	102,247	130,814	125,015

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

Assets.	Oct. 31, 1925.	Oct. 24, 1925.	Oct. 17, 1925.	Oct. 10, 1924.	Position May 30, 1914.
Gold	43,286	43,286	43,286	43,285	35,091
Balance abroad and foreign bills	1,331,186	1,307,084	1,371,049	514,574	90,379
Gov. securities	405,483	405,107	405,107	498,642	21,826
Discounts and loans	350,107	398,177	394,839	788,208	105,151
LIABILITIES.					
Notes in circulation	1,271,214	1,278,964	1,263,843	1,257,539	123,941
Deposits at notice	584,938	654,401	693,649	399,101	21,225

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

Assets.	Nov. 4, 1925.	Oct. 28, 1925.	Oct. 21, 1925.	Nov. 5, 1924.	Nov. 22, 1923.
Gold bullion and coins	21,550	23,550	23,552	33,593	12,993
Silver coin	2,65	2,353	2,1	3,593	12,993
Foreign currency	32,483	33,535	34,563	50,376	22,466
Treas. notes & small change	8,368	7,744	9,330	15,72	3,085
Short term bills	63,754	63,130	62,095	43,041	6,639
Loans against securities	50,042	49,749	49,568	41,119	2,912
Other assets	10,661	9,830	10,001	5,798	1,359
LIABILITIES.					
Notes in circulation	29,365	29,539	28,706	26,000	4,085
Capital paid up	11,659	11,659	11,659	10,260	8,000
Reserve	1,522	1,522	1,522	1,000	962
Special reserve	1,000	1,000	1,000	1,000	..
Deposits	6,734	6,706	6,631	4,874	61
Current accounts	48,145	48,112	47,032	47,126	16,933
Government accounts	71,810	70,701	73,559	79,505	16,697
Government deposits	20,827	20,617	21,399	10,772	3,757

BANK OF ESTHONIA.—In Est. marks (000's omitted).

Assets.	Oct. 15, 1925.	Oct. 8, 1925.	Oct. 1, 1925.	Sept. 24, 1924.	Oct. 15, 1924.
Reserve of notes (cash)	59,130	760,314	763,004	761,351	1,201,331
Cash in foreign money, gold, and deposits abroad	856,074	853,6	838,717	795,747	610,603
Foreign bills	245,01	245,370	245,151	241,541	216,650
Discounts	1,748,774	1,758,241	1,751,178	1,735,157	1,605,511
Advances and sundry out-standings	4,195,888	4,063,931	4,033,409	4,018,614	3,736,284
LIABILITIES.					
Capital paid up and reserve funds	452,273	452,273	452,273	452,273	395,381
Bank notes issued	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000
Deposits	4,195,350	4,115,119	4,286,592	4,286,592	3,899,070
Commercial credits	423,956	43,572	442,013	446,05	646,773

BANK OF LITHUANIA.—In lt. (000's omitted).

Assets.	Oct. 31, 1925.	Oct. 24, 1925.	Oct. 17, 1925.	Oct. 10, 1924.	Oct. 31, 1924.
Gold	32,158	33,661	33,648	33,622	33,565
Silver	21	20	16	29	14
State Treasury coin	1,818	1,717	1,945	2,035	2,150
Dollars & sterling, &c.	29,659	27,197	24,768	25,216	21,931
Discount and credits	44,208	43,322	41,753	39,944	38,881
LIABILITIES.					
Capital	12,000	12,000	12,000	12,000	12,000
Reserve	625	625	625	625	625
Banknotes in circulation	84,653	85,187	81,091	81,135	79,530
Deposits	14,852	11,511	13,451	14,04	16,343

BANK OF POLAND.—In zloty (000's omitted).

Assets.	Oct. 31, 1925.	Oct. 24, 1925.	Oct. 17, 1925.	Oct. 10, 1924.	Sept. 30, 1924.
Gold	132,340	132,18	132,072	132,072	132,072
Foreign currencies	63,966	64,036	61,35	61,35	71,739
Silver and bullion	289,851	281,206	286,816	292,300	292,300
Bills discounted	68,576	54,775	51,405	47,112	47,112
Loans against securities	17,873	18,389	18,389	18,389	18,389
Short-term discounts	50,000	50,000	50,000	50,000	50,000
LIABILITIES.					
Share capital	100,000	100,000	100,000	100,000	100,000
Reserve funds	1,197	1,197	1,197	1,197	1,197
Notes in circulation	38,444	370,536	381,411	396,529	396,529
Current accounts	100,571	101,899	111,67	104,991	104,991
Liability in foreign exchange	52,593	53,060	41,681	34,359	34,359

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

Assets.	Oct. 31, 1925.	Oct. 24, 1925.	Oct. 17, 1925.	Oct. 10, 1924.	Oct. 7, 1924.
Gold and silver holdings	1,030,706	1,030,706	1,030,706	1,030,706	1,030,706
Balance abroad and foreign currency	727,975	727,975	727,975	727,975	727,975
Discounts and advances	1,121,85	1,03,501	1,03,501	1,03,501	1,03,501
Uncovered state notes debt balance	5,200,762	5,200,762	5,200,762	5,200,762	5,200,762
Other assets	572,440	572,440	572,440	572,440	572,440
LIABILITIES.					
State notes in circulation	7,919,021	7,297,985	7,414,617	7,626,864	7,626,864
Cheque account balances	50,897	8,4612	714,565	635,04	635,04
Other liabilities	2,50,221	225,974	347,795	478,205	478,205

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

Assets.	Oct. 31, 1925.	Oct. 24, 1925.	Oct. 17, 1925.	Oct. 10, 1924.	Oct. 7, 1924.
Metal reserve—Gold in coin & bullion	14,830	14,830	14,830	10,832	10,832
Foreign bills	50,230	492,890	492,106	403,248	403,248
Other foreign bills	60,661	62,555	61,790	..	..
Bills discounted	109,121	79,594	80,94	237,865	237,865
Advances to the Treasury	193,978	195,38	195,770	220,210	220,210
LIABILITIES.					
Reserve fund	2,679	2,679	2,679	487	487
Notes in circulation	852,544	752,210	783,081	821,300	821,300
Deposits	10,42	83,791	61,691	50,257	50,257

* Contains such foreign bills and balances as bought from customers against supplied to the customers at the same amount. Foreign currency shall be being returned by them as were paid by the bank for the foreign currency delivered.

NATIONAL BANK OF HUNGARY.—In Hungarian crowns (000's omitted).

Assets.	Oct. 31, 1925.	Oct. 24, 1925.	Oct. 17, 1925.	Oct. 10, 1924.	Oct. 7, 1924.
Metal reserve—Gold coin and bullion	717,774,455	702,764,693	591,376,949	591,376,949	591,376,949
Foreign bills	2,530,846,06	2,452,6,617	1,651,674,110	1,651,674,110	1,651,674,110
Silver coin and bullion	12,344,12	12,344,12	12,344,12	12,344,12	12,344,12
Advances to the Treasury	1,631,810,17	1,578,305,771	1,872,145,111	1,872,145,111	1,872,145,111
LIABILITIES.					
Share capital (gold crowns 30,000,000)	432,18,664	432,18,664	432,18,664	432,18,664	432,18,664
Notes in circulation	5,193,951,64	4,704,863,933	4,635,93,73	4,635,93,73	4,635,93,73
Current accounts, deposits, &c.	2,28,335,50	2,843,335,99	1,4,5,356,429	1,4,5,356,429	1,4,5,356,429

* Calculated at pre-war parity of exchange.

CENTRAL AMERICAN EXCHANGE RATES.

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

Country.	Par Value	Usance.	1925.	Rate.
Ecuador.....	Sucres to £.....	10-00	Sight London	Nov. 7 21-70
Venezuela.....	Bolivares to £.....	25-25	"	Nov. 11 25-10
Colombia (Bogota).....	Pesos to £20.....	100	"	Nov. 10 98-25
Nicaragua.....	Corobas to £.....	4-8655	"	Nov. 7 4-80
San Salvador.....	Colonos to £.....	9-73	"	Nov. 9 9-75
Guatemala.....	Pesos to £.....	90-23	"	Nov. 9 92-2
Costa Rica.....	Colonos to £.....	10-45	"	May 28 12-92
Bolivia.....	Pence to Boliviano	19-20	"	Nov. 7 17-8

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates:—

	Union of South Africa.		Union of South Africa.	
	From November 9, 1925.		From November 9, 1925.	
	Buying.	Selling.	Buying.	Selling.
T.T.	1 1/2 % dis.	1 1/2 % dis.	1 1/2 % dis.	1 1/2 % dis.
Demand	1 1/2 %	1 1/2 %	1 1/2 %	1 1/2 %
30 days	1 1/2 %	1 1/2 %	1 1/2 %	1 1/2 %
60 days	1 1/2 %	1 1/2 %	1 1/2 %	1 1/2 %
90 days	1 1/2 %	1 1/2 %	1 1/2 %	1 1/2 %
120 days	1 1/2 %	1 1/2 %	1 1/2 %	1 1/2 %

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

	London on Australia and New Zealand.		Australia and New Zealand on London.	
	Buying.	Selling.	Buying.	Selling.
T.T.	100	100	100	100
Demand	99 1/2	99 1/2	99 1/2	99 1/2
30 days	99 1/2	99 1/2	99 1/2	99 1/2
60 days	99 1/2	99 1/2	99 1/2	99 1/2
90 days	99 1/2	99 1/2	99 1/2	99 1/2
120 days	99 1/2	99 1/2	99 1/2	99 1/2

BULLION

IMPORTS AND EXPORTS OF GOLD.

Week ended November 11, 1925.

Imported into Great Britain and Northern Ireland.		Exported from Great Britain and Northern Ireland.	
From—	£	To—	£
Belgian Congo.....	35,703	France.....	28,674
British West Africa.....	27,273	Germany.....	31,573
British Guiana.....	3,150	Netherlands.....	1,191,258
Other Countries.....	895	Straits Settlements.....	59,670
		Kenya.....	3,210
		Switzerland.....	302,030
		Spain.....	1,700
		Java.....	13,177
		United States of America.....	205,500
		Argentine Republic.....	20,000
		Ceylon.....	5,000
		Other countries.....	1,629
Total declared value of imports.....	67,020	Total declared value of exports.....	1,869,421

GOLD STANDARD RESERVE.

Statement showing the form in which the balance of the reserve was held on October 31, 1925:—

In India.....	Nil
In England—	
Cash at the Bank of England.....	3,316
British Government securities—	
Value as on September 30, 1925.....	36,741,538
Since purchased (cost price).....	3,457,476
	40,202,330
	40,202,330

SIDNEY TURNER, Accountant-General.

India Office, November 11, 1925.

Messrs Samuel Montagu and Co. write on November 11th as follows:—

GOLD.

There was practically no gold available on the open market this week, and requirements were met by withdrawals from the Bank of England. The following movements of gold, to and from the Bank of England have been announced since our last letter:—

	Received.	Withdrawn.
Nov. 5.....	nil	53,000
" 6.....	nil	535,000
" 7.....	nil	102,000
" 9.....	nil	111,000
" 10.....	nil	70,000
" 11.....	nil	127,000

The destinations of the £510,000 sovereigns withdrawn were announced as follow:—£500,000 set aside for account of the South African Reserve Bank, and £10,000 to the Straits Settlements. During the week under review £998,000 has

been withdrawn, increasing the net efflux to £7,916,000 since the resumption of an effective gold standard. The Transvaal gold output for October, 1925, amounted to 812,832 fine ounces, as compared with 797,247 fine ounces for September, 1925, and 827,583 fine ounces for October, 1924.

SILVER.

The silver market has not been so active, and sales on China account have been a little less pressing. After a fall of 1/4d in both prices on the 5th instant, the quotations fluctuated within narrow limits, business being on rather a small scale and the market therefore easily influenced. In the absence of selling, prices would have quickly responded to any inquiry, but buyers proved reluctant, although a little support has been forthcoming from America. The Indian bazaars have sent orders both to buy and to sell, but on the whole have shown little interest. The difference between the two prices, after having ruled at 1/4d during the week, narrowed yesterday to 1/8d, the demand for prompt delivery being rather less keen. A resumption of China selling to-day further depressed the market, both quotations being fixed 1/4d lower at 32d and 31 1/2d for cash and forward deliveries respectively—the lowest price for spot since August 8, 1925, and for forward since July 6, 1925. United Kingdom imports and exports of silver during the week ending the 4th instant were as follow:—

Imports.		Exports.	
	£		£
Netherlands.....	65,918	Lithuania.....	48,750
U.S.A.....	14,316	France.....	28,729
Other countries.....	5,375	Austria.....	11,080
		Egypt.....	21,350
		British India.....	38,254
		Other countries.....	16,223
Total.....	86,109	Total.....	164,386

INDIAN CURRENCY RETURNS.

(In Lacs of Rupees.)

	Oct. 22.	Oct. 31.	Nov. 7.
Notes in circulation.....	19,027	19,177	19,188
Silver coin and bullion in India.....	8,984	9,034	8,945
Silver coin and bullion out of India.....			8,945
Gold coin and bullion in India.....	2,232	2,232	2,232
Gold coin and bullion out of India.....			2,232
Securities (Indian Government).....	5,711	5,711	5,711
Securities (British Government).....	2,100	2,200	2,300

No silver coinage was reported during the week ending the 7th instant. The stock in Shanghai on the 7th instant consisted of about 56,100,000 ozs in sycee, 66,500,000 dollars, and 5,400 silver bars as compared with about 56,000,000 ozs in sycee, 67,000,000 dollars, and 5,560 silver bars, on the 31st ultimo.

GOLD AND SILVER PRICES.

1925.	Gold Per Ounce.	Silver—Per Ounce.		Date.	Silver.
		Cash.	Forward.		
Nov. 7....	84 1/2	32 1/2	32	Nov. 21, 1919	73 1/2
" 9....	84 1/2	32 1/2	32 1/2	19, 1920	49 1/2
" 10....	84 1/2	32 1/2	32	18, 1921	39
" 11....	84 1/2	32 1/2	31 1/2	17, 1922	32 1/2
" 12....	84 1/2	32 1/2	32	16, 1923	32 1/2
" 13....	84 1/2	32 1/2	32	14, 1924	33 1/2

NOTICES.

The Standard Bank of South Africa, Limited, announce that a branch will be opened at Shabani, Southern Rhodesia, on November 10th. Also that a sub-branch of the bank has been opened at Potgietersrust, Transvaal, and an agency at Saulspoor, near Rustenburg, Transvaal.

Barclays Bank, Limited, announce that they have opened a new branch at 23 Wellington street, Teignmouth, under the management of Mr W. H. P. Loney.

Lloyds and National Provincial Foreign Bank, Limited, announce that a branch of the bank has now been opened at Lille, 29 Rue Esquermoise.

Lloyds Bank, Limited, announce that a branch of the bank is now open at Mill Hill, N.W. 7 (corner of Lawrence street Berry, of the Hendon Branch).

A new branch of the Union Bank of Australia, Limited, has been opened at Swan Hill, Victoria.

The Chartered Bank of India, Australia, and China announce that Mr Edward Fairbairn Mackay, late of Messrs Butterfield and Swire, Shanghai and China, has been elected to a seat on the board of directors to fill the vacancy caused by the death of the Right. Hon. Sir John Newell Jordan, G.C.M.G., G.C.I.E., K.C.B.

The Midland Bank announces the opening of a new branch at 3 Priory street, Carmarthen, under the management of Mr. D. G. Owen.

TRANSVAAL GOLD OUTPUT STATISTICS.

Name of Mine.	September, 1925.			October, 1925.		
	Ore.	Est. Yield.	Est. Profit.	Ore.	Est. Yield.	Est. Profit.
Aurora W. United (10s shares) ..	13,100	14,016	1,203	13,000	13,796	1,204
Brakpan.....	82,000	131,218	53,504	88,000	140,823	59,270
Central West.....	11,020	11,699	2,024	13,570	15,204	4,010
City Deep.....	98,000	151,783	41,775	100,500	154,352	41,397
Consolidated Main Reef.....	55,000	75,010	10,449	54,000	77,378	8,125
Crown Mines (10s shares).....	199,000	268,012	76,349	210,000	282,167	81,593
Durban Roodepoort Deep.....	33,400	48,813	1,119	35,000	50,697	1,742
East Rand Proprietary.....	121,000	129,739	4,006	121,000	131,656	5,510
Ferreira Deep.....	35,000	36,536	5,664	34,600	36,091	5,043
Geduld Proprietary.....	80,000	118,08	48,422	82,000	119,760	48,478
Goldenhuis Deep.....	64,900	61,609	1,920	66,600	66,098	2,989
Glyn's Lydenburg.....	5,050	7,696	308	4,900	7,711	52*
Government Areas.....	164,00	399,963	175,985	170,000	323,515	184,094
Kleinfontein, New.....	51,600	49,307	1,899	52,200	52,685	2,732
Langlaagte Estate.....	80,000	94,506	13,502	84,000	96,993	13,356
Meyer and Charlton.....	13,600	30,773	15,041	13,600	28,872	12,509
Modderfontein B.....	64,000	108,913	48,032	65,000	111,124	47,976
Modderfontein East.....	44,100	99,741	66,033	45,300	102,184	67,584
Modderfontein Deep Levels.....	31,000	38,035	2,946*	32,000	38,513	3,706*
Modderfontein, New (24 sbs.).....	127,000	272,413	162,834	133,000	278,695	165,581
New State Areas.....	71,000	125,848	55,427	75,000	129,678	56,373
Nourse Mines.....	49,000	5,776	1,110	61,800	54,730	972*
Primrose, New.....	20,600	18,497	2,036	22,300	19,109	2,009
Randfontein Estates.....	195,000	204,161	32,659	204,000	209,257	34,974
Robinson (25 shares).....	10,700	10,022	1,558	10,500	9,272	1,304
Robinson Deep.....	74,500	92,652	30,359	73,000	84,988	22,552
Rose Deep.....	50,000	52,487	9,777	50,000	50,578	7,067
Simmer and Jack.....	65,500	63,412	7,598	69,000	62,368	6,092
Spring Mines.....	67,000	127,441	59,338	70,000	131,361	61,362
Sub-Nigel.....	10,500	29,132	8,538	11,000	30,055	9,036
Transvaal Gold Mining Estates	16,020	25,135	5,097	16,500	24,214	3,320
Van Ryn.....	37,500	40,573	6,553	38,000	40,710	6,036
Van Ryn Deep.....	67,500	106,310	50,366	68,000	111,011	52,653
Village Deep.....	53,400	71,455	7,638	54,000	68,808	4,508
West Rand Consolidated.....	38,000	40,046	4,931	39,000	40,912	4,033
West Springs.....	47,100	73,019	31,396	49,000	75,972	32,750
Witwatersrand Deep.....	43,600	54,249	13,511	44,300	55,458	14,331
Witwatersrand (Knights).....	42,600	40,604	1,449	45,500	39,732	1,101
Wolfontein.....	30,400	29,953	510	32,500	31,410	652

* Losses. a At normal price. b 24 4s 9d per fine oz.

MINING OUTPUT STATISTICS FOR OCTOBER, 1925.

	Tons Crushed.		Gold Recovered.		Value.	Profit.
	Mill.	Cyanide Works.	Mill.	Cyanide Works.		
Gold.	Tons.	Tons.	Ozs.	Ozs.	£	£
Abberton.....	9,350	..	..	..	18,150	..
Ashanti.....	8,008	..	..	7,369	31,205	10,809
Assoc. of Western Australia.....	5,334	..	..	7,874	..	..
Blackwater.....	3,397	..	..	..	5,706	863
Boulder Perseverance.....	5,535	..	..	..	15,567	..
El Oro.....	38,520	..	..	..	151,209	11,772
Gabait Tributary.....	412	180	715	76	2,918	..
Globe and Phoenix.....	6,120	..	..	4,937	..	5,810
Golden Horseshoe.....	8,810	..	..	3,234	13,788	..
Lake View and Star.....	13,374	..	..	..	19,634	1,179
Lonely Reef.....	5,390	..	..	2,848	..	..
Lupat's Vlei.....	22,100	..	..	..	20,216	255
Mexico of El Oro.....	15,820	..	..	..	155,410	140,190
Oroya Links.....	3,212	..	..	..	14,895	..
Rabie.....	1,680	..	..	570	..	..
Santa Gertrudis.....	66,799	..	..	..	..	..
Shamva.....	54,300	..	..	..	29,377	4,322
Sons of Gwalla.....	13,176	..	..	..	13,392	..
South Kalga.....	8,701	..	..	..	16,586	2,538
St John del Rey.....	29,300	..	..	..	..	..
Taqnah and Abosso.....	9,320	..	..	4,030	17,127	..
Tomboy.....	18,000	..	..	..	58,500	54,000
Vipond Consolidated.....	5,204	..	..	..	46,000	..

	Output.	Other Notes in Return.
Tin.	Tons.	
Anglo-Nigerian	26	Silver, 125,000 ozs. ..
Aramayo of Bolivia	28	Black tin concentrates.
Berenguela	36	Black tin; 120 tons arsenic.
Bisichi	38	Black tin.
East Pool and Agar	38	
Geever	234	
Jos	6	
Junction	192	
Kaduna Prospectors	34	
Kaduna Syndicate	46	Est. value, £7,685; est. cost, £1,313.
Kramat Pulai	9	
Lower Bisichi	50	
Mongu	8	
Monguna	28	
Naraguta Extended	8	
North Ropp	35	
Rayfield	65	Value, £10,379.
South Crofty	45	Value, £9,000.
Tavy		
Copper.	240	(Matte) est. to contain 45 tons copper and 5
New Guinea	200	ozs gold.
Podoceros	7,771	(Metric) assaying 24 per cent. copper.
Tanganyika Concessions ..		
Coal.		
Chinese Engineering	64,645	Sales for week ended Nov. 7th.
Zinc.		
Zinc Corporation	4,886	Lead concentrates and 3,523 tons zinc concentrates.
Miscellaneous.		
Burma Ruby	..	22,000 loads washed, producing rubies valued at Rs9,000.
	..	125 316 ozs.

PROFIT AND LOSS ACCOUNT.

	Yen.		Yen.
To reserve fund	500,000	By balance of profit brought forward from last half year	1,788,206
To dividend	2,500,000	By net profit for the half year	3,638,844
To pension reserve	150,000		
To bonus	140,000		
To balance carried forward	2,197,050		
Total	5,487,050	Total	5,487,050

A valuable tabular statement, showing growth of deposits and loans since 1895 is published in the report.

RUBBER, &c.

AMALGAMATED (RUBBER) FINANCE COMPANY, LIMITED.—The recent issue of 1,000,000 shares of 2s each at 2s 6d (6d being premium) by way of rights has all been taken by shareholders. Applications for excess shares have been cut down by 87½ per cent.

ANGLO-SUMATRA RUBBER.—The report for year ended May 31, 1925, shows a net profit of £32,805, against £18,628. The ordinary dividend is raised from 20 per cent. to 35 per cent. The sum of £5,000 is put to reserve, and £5,574 carried forward. During the year the crop was voluntarily restricted in accordance with the agreement to adopt the exportable allowances in operation in the Federated Malay States and Ceylon. Crop was 608,015 lbs.

BEKOH CONSOLIDATED RUBBER.—The net profit for year ended June 30, 1925, amounted to £15,335, against £3,343. The ordinary shareholders receive £20,799 in dividend, against no dividend for preceding year. The output of rubber was 407,748 lbs. The standard production for current year is estimated at 776,810 lbs. The following forward sales for forward delivery have been entered into:—Year ending June 30, 1926, 140 tons, i.e., 313,600 lbs at an approximate average price of 2s 2½d per lb London; June 30, 1927, 90 tons, i.e., 201,600 lbs at an approximate average price of 2s 0½d per lb London; June 30, 1928, 30 tons, i.e., 67,200 lbs at an approximate average price of 2s 2½d per lb London. Total assets are £336,358. Cash is at £7,205. There are no investments.

CASTLEFIELD (KLANG) RUBBER ESTATE.—The restricted crop harvested during the year ended June 30, 1925, amounted to 668,095 lbs, as compared with 657,852 lbs obtained for the previous year. The average net price realised for all grades, including the unexportable surplus at the close of the financial year, at a conservative valuation, was 9.9d per lb net. The net profit is £39,085, against £12,223. The dividend is raised from 10 per cent. to 35 per cent. The sum of £5,000 is put to reserve. Balance-sheet shows total assets £180,866. Cash is at £34,393. Investment at cost is in balance-sheet at £1,341.

MORIB PLANTATIONS.—Net profit for year ended June 30, 1925, amounted to £7,451, against £1,573 for preceding year. Ordinary dividend has been raised from 3 per cent. to 10 per cent. Sum of £1,000 has been put to reserve. Carry forward is £1,601. Total assets are £104,949. Cash is at £6,606. With regard to liabilities, reserve stands in balance-sheet at £19,000. The report states that a general improvement in conditions on the plantations is reported, and the palms are now commencing to show the benefit of the special cultivation programme carried out during the last two or three years. The weight of the nuts harvested showed an appreciable increase. The quality of the manufactured rubber has much improved. New coolie lines have been provided during the year. An adequate labour force was maintained. Health was fairly good.

REMBI RUBBER ESTATES.—The net profit for year ended September 30, 1925, amounted to £31,485, against £5,735. Preference shareholders receive 33 per cent., clearing off all arrears. The ordinary shareholders are to have a dividend of 21 per cent. The sum of £2,695 is put to reserve, making total reserve £10,000. The carry forward is £6,227, against £2,038 brought in. During the past season a restricted crop of 312,799 lbs of rubber was secured, the gross average including the portion valued being 2s 10.8½d per lb, as against 30s.43½d per lb at 2s 0.8½d per lb gross for the previous season. The reports received regarding the property are of a satisfactory nature, and they show that the estates are in good order and well maintained. During the year 10 acres were cleared and planted with rubber. Balance-sheet shows total assets £122,900. Cash is at £17,809. The company has £2,000 invested in 5 per cent. National War bonds at cost.

BUMGAT SIPUT RUBBER PLANTATIONS.—The net profit for year ended June 30, 1925, amounted to £4,100, against £386 in preceding year. The ordinary dividend is 6 per cent., against nothing in preceding year. The carry forward is £2,380, against £1,543 brought in. Crop of rubber totalled 138,408 lbs. Of this crop 121,498 lbs have been sold in London at an average gross price of 1s 7.30d per lb. The corresponding figures for 1923-24 were 137,648 lbs at an average gross price of 1s 0.68d per lb.

SONOSERAR PLANTING COMPANY.—The crops harvested during year ended June 30, 1925, were:—Rubber, 282,581 lbs; coffee, 2,020 cwt. The gross average price realised for rubber was 2s 5.55d per lb, and for coffee 8s 6d per cwt. The cost of production of rubber was 7.87d f.o.b., including depreciation. Coffee cost 48s 10d per cwt. Under the restriction of output scheme, which the company voluntarily adheres to, the standard production is agreed at 355,425 lbs. The quantity to be harvested is dependent on the percentage allowed to be exported. The estimated coffee crop for 1925-26 is 1,235 cwt. The estates have been maintained in good condition. Net profit amounted to £16,526. The ordinary dividend is 15 per cent. The sum of £3,220 is carried forward, against a debit of £3,556 brought in.

MISCELLANEOUS.

ANSELL'S BREWERY.—The balance-sheet, dated September 30, 1925, reveals total assets £2,606,100, as compared with £2,461,736 in preceding balance-sheet. Cash is higher at £335,578, as compared with £285,670. Stocks stand at £206,152, as against £266,872. The company has £50,000 invested in Birmingham Corporation Stock. Total investments are £52,680, against £8,819. With regards to results achieved, a net profit, after payment of

debenture interest, of £184,434 has been made, against £146,984. Dividend and bonus amount to 15 per cent., free of income-tax, against 12½ per cent., free of income-tax. Reserve is fortified by the allocation of £50,000, which makes total reserve fund £280,000. Carry forward is £114,519, against £87,585 brought in.

BRITISH AUTOMATIC COMPANY.—The net profit of this concern has risen from £66,184 to £72,719 for year ended September 30, 1925, and the dividend has been raised from 10 per cent. to 11½ per cent. The sum of £5,000 has been put to reserve, making total reserve £140,000. The sum of £15,000 has been written off the cost of new machines and fittings provided during the year. The carry forward is £10,829, against £9,549 brought in. The balance-sheet reveals total assets £686,534. Cash is at £12,089. Government and other securities amount to £113,530. Reserve fund investments stand at £140,073. Stocks are at £49,909. Investments in Reeves, Limited (Glasgow factory), stands at £135,000.

HORDEN COLLIERIES.—The net profit for year ended September 30, 1925, amounted to £115,520, against £250,536. The ordinary dividend is halved, being 6½ per cent., free of income-tax, against 12½ per cent., free of income-tax. The sum of £20,000 is put to reserve, making total reserve £240,000. The sum of £57,152 is carried forward, against £55,382 brought in. Total assets stand at £2,477,055, against £2,582,815. Cash is at £50,835, against £75,919. Investments are at £67,848, against £199,979. The report points out that the continuous expenditure on the collieries and cleaning plants has been well justified, as a considerably larger output has again been raised and marketed during severe depression in trade.

HOTEL CECIL.—The net profit for year ended August 31, 1925, is £51,493, against £71,775 in preceding year. The ordinary dividend is again 6 per cent. The carry-forward is £27,910, against £25,417 brought in. Total assets £1,667,817. Cash is at £34,353. Stocks stand at £42,717. Sundry debtors and investments stand at £19,263.

LAGUNAS SYNDICATE.—Gross profit for year ended June 30, 1925, is £40,243, against £61,982 for preceding year. A dividend of 2 per cent. is being paid on the ordinary shares, against nothing in preceding year. Expenses were reduced from £24,905 to £16,494. The sum of £1,987 has been transferred from reserve.

LIVERPOOL NITRATE.—The net profit for year ended June 30, 1925, is £51,255, against £108,157. The ordinary dividend has been reduced from 2½ per cent. to 15 per cent. The carry forward is £27,272, against £16,704 brought in. Manufacture of nitrate was continued throughout the year at Oficinas Ramirez and San. Oficina Carmen Bajo in February, 1925. The enlargement of Oficina Mapocho was not completed until the end of the year under review, and this delay, together with labour difficulties, has adversely affected the company's output and profits. However, the plant is now working, and the official trial for fixing the productive capacity is proceeding.

PAN DE AZUCAR NITRATE.—Net report for year ended June 30, 1925, is £36,182, against £20,317. The ordinary dividend is raised from 20 per cent. to 25 per cent. for the year. The sum of £15,000 is put to reserve. The carry forward is £8,457, against £8,759 brought in. Profit has been taken in the latest accounts on 248,724 metric quintals of nitrate. The average price realised was about 20s 2d per metric quintal. Total assets are £241,074. Cash is at £44,126. There are no investments.

S. INSTONE AND COMPANY.—The accounts for the year ended June 30th show a net profit of £28,564, against £71,495 for preceding year. The sum of £45,799 is brought in, making £74,363 balances due by associated companies and contingencies, and £23,188 is carried forward. No dividend is paid on preference £12,389. Investments (less depreciation) stand at £30,859. With company has guaranteed the bank loans of £150,021. The amounting to £37,858. There is a contingent liability of £72,396 on bills under discount, bills guaranteed, and investments.

TRINIDAD LEASEHOLDS, LIMITED.—The authorised capital is £1,500,000, in shares of £1 each, of which 1,049,250 have been issued and are fully paid. Total assets are £2,109,383. The company has British Government securities, at cost or under, £527,226, against 17½ per cent. in preceding year. The report for year ended June 30, 1925, states that substantial reductions have been effected in working costs. The production of 242,258 tons is the largest tons over the preceding year, and shows an increase of 38,055 panies amounted to 145,759 tons, compared with 122,911 tons. Of 43,338 tons over last year's figures. Continued attention has been directed towards effecting further economies in refining operations. The revenue received from the sales of products was £254,744 has been written off, £99,324 being in respect of wells.

VENESTA, LIMITED.—The report for year ended June 30, 1925, reveals a net profit of £58,284, against £74,921 in preceding year. The ordinary dividend is again 8 per cent. The carry forward is £69,115, against £56,558 brought in. An issue of 100,000 7 per cent. cumulative preference shares of £1 each at 25s each is made to strengthen the financial position of the company, and provide funds for increasing the output of goods for which there is a profitable demand in excess of the company's present capacity to produce them. The extensions in view are also estimated to reduce the costs of the existing production by improving the factories, and thereby lessening the incidence of fixed charges.

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended Nov. 6, 1925.	Miles Open.	Week ended Nov. 8, 1925.			Aggregate 45 Weeks, 1925.		
(c) Week ended Nov. 7, 1925.		Passen- gers,&c.	Goods, &c.	Total for Week.	Passen- gers,&c.	Goods, &c.	Total Re- ceipts.
		£	£	£	£	£	£
Great Western.....	3,765	213,000	329,000	542,000	12173000	14518000	26,691,000
Do for 1924.....	3,754	218,000	336,000	554,000	12230000	15219000	27,449,000
London & N. Eastern (c) ..	6,714	350,000	659,000	1,009,000	20085000	29712000	49,797,000
Do same period 1924	6,714	365,000	689,000	1,054,000	20370000	30670000	51,040,000
Lon. Mid. & Scottish (c) ..	6,959	485,000	882,000	1,367,000	28887000	37938000	66,825,000
Do for 1924	6,959	522,000	893,000	1,415,000	29209000	39104000	68,313,000
Southern	2,163	275,000	112,000	387,000	15388000	5,267,000	20,656,000
Do 1924	2,142	274,000	115,000	389,000	15350000	5,269,000	20,619,000
Metropolitan (c)	58	3,241	4,044	7,285	15,437	174,977	1,718,740
Do for 1924	58	31,994	4,171	36,165	17,913	175,837	1,967,700
Underground E.R. (c) ..	..	..	..	253,407	..	..	11,196,138
Do for 1924	..	..	..	245,103	..	..	10,782,117
Lon. & Sub. Group (c) ..	..	..	..	38,311	..	..	1,700,947
Do for 1924	..	..	..	37,594	..	..	1,752,825
Belfast & Co. Down (b) ..	80	2,906	1,082	3,988	179,192	48,598	227,790
Great Northern (b)	562	15,750	17,050	32,800	774,280	782,900	1,557,100
Great Southern (b)	2,181	33,987	49,627	83,614	1,734,110	1,968,183	3,702,293

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1925. + or -	1925. + or -
INDIAN.					
Assam Bengal	28 weeks	Oct. 10	1,072	4,31,000 + 90,290	89,34,877 + 11,44,122
Bombay, Bar. & C.I. (c) ..	27 weeks	Sept. 17	1,118	17,300 - 2,800	8,38,000 - 1,11,100
Bombay, Bar. & C.I. (c) ..	27 weeks	Sept. 17	1,062	5,40,880 + 45,333	12,45,900 + 92,974
Bombay, Bar. & C.I. (c) ..	27 weeks	Sept. 17	2,800	21,83,000 - 1,49,000	3,92,55,017 - 1,81,468
Bombay, Bar. & C.I. (c) ..	27 weeks	Sept. 17	3,033	24,59,800 + 1,62,000	6,92,42,000 + 9,11,000
Bombay, Bar. & C.I. (c) ..	27 weeks	Oct. 10	1,342	10,92,840 + 1,11,863	2,09,26,175 + 25,59,521
Bombay, Bar. & C.I. (c) ..	27 weeks	Oct. 10	1,342	87,000 - 94,201	3,76,700 - 2,01,562
Bombay, Bar. & C.I. (c) ..	27 weeks	Oct. 10	1,342	12,68,000 - 1,56,386	4,39,14,696 + 6,45,973
Bombay, Bar. & C.I. (c) ..	27 weeks	Oct. 10	1,342	2,42,825 - 52,295	92,32,703 - 2,97,528
Bombay, Bar. & C.I. (c) ..	27 weeks	Oct. 10	1,342	61,554 + 35,848	61,554 + 23,848
Bombay, Bar. & C.I. (c) ..	27 weeks	Oct. 10	1,342	73,745 + 17,074	73,745 + 17,074
Bombay, Bar. & C.I. (c) ..	27 weeks	Oct. 10	1,342	9,23,598 - 93,308	2,91,30,024 + 20,03,760

(a) Total receipts of all lines.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1925. + or -	1925. + or -
ARGENTINE (a).					
Argentine N.E.	19 weeks	Nov. 7	754	13,300 + 2,500	273,400 + 30,700
Argentine Trans.	12 weeks	Sept. 19	1,218	2,338 - 711	34,711 + 4,374
B. A. and Pacific	19 weeks	Nov. 7	2,611	134,000 + 14,000	2,438,000 - 129,000
B. A. Central	18 weeks	Nov. 7	1,118	15,534 - 986	2,43,023 - 2,000
B. A. Gt. Southern	18 weeks	Nov. 7	4,718	222,000 + 20,000	3,686,000 - 39,000
B. A. Western	19 weeks	Nov. 7	1,188	92,000 + 3,000	1,531,000 - 269,000
Central Argentine	19 weeks	Nov. 7	3,305	303,000 - ..	3,949,000 - 213,000
Cordoba Central	19 weeks	Nov. 7	1,302	72,500 + 16,500	1,416,500 + 162,900
Mitre Rio	19 weeks	Nov. 7	729	26,100 - ..	448,900 + 39,500

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1925. + or -	1925. + or -
CANADIAN.					
Canadian National	44 weeks	Oct. 31	22,001	9,118,336 + 144,026	196,444,081 - 1,118,758
Canadian Pacific	45 weeks	Nov. 7	14,138	4,075,000 - 434,000	148,186,000 - 5,032,000

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1925. + or -	1925. + or -
BRAZILIAN (b).					
Gt. West. of Brazil	45 weeks	Nov. 7	1,011	21,800 + 4,200	633,900 + 214,800
Leopoldina	45 weeks	Nov. 7	1,455	43,625 + 6,932	1,489,833 + 108,990
San Paulo	45 weeks	Nov. 7	1,534	54,815 + 19,317	2,056,618 + 434,331

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1925. + or -	1925. + or -
CHILEAN.					
Antofagasta	45 weeks	Nov. 8	838	46,825 + 5,945	1,782,410 + 69,184
Nitrate (4-monthly)	44 weeks	Oct. 31	366	51,095 + 4,014	812,984 + 1,153

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1925. + or -	1925. + or -
CUBAN.					
Havana Central	18 weeks	Oct. 31	11,938	448	208,022 - 7,303
United of Havana	19 weeks	Nov. 7	1,250	56,622 - 4,003	1,073,490 - 142,495

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1925. + or -	1925. + or -
URUGUAYAN.					
Central Uruguay	19 weeks	Nov. 7	973	31,316 + 2,534	437,032 + 5,106
C. Urug. (East. Rkt.)	19 weeks	Nov. 7	311	5,435 - 794	89,055 + 9,430
C. Urug. (West. Rkt.)	19 weeks	Nov. 7	185	3,060 + 471	50,759 + 7,505
C. Urug. (West. Rkt.)	19 weeks	Nov. 7	311	2,769 + 363	44,870 - 90

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1925. + or -	1925. + or -
OTHER OVERSEAS.					
Albay and Gandia	45 weeks	Nov. 7	33	Pa. 21,500 - 3,500	1,119,000 + 97,650
Egyptian Delta	45 weeks	Nov. 7	600	Pa. 612,693 - 1,777	171,456 - 1,957
Egyptian Delta	45 weeks	Nov. 7	31	Pa. 87,588 - 15,618	4,511,079 + 27,607
Gt. Southern of Spain	45 weeks	Nov. 7	432	Pa. 824,503 - 21,400	4,327,300 - 503,100
Maxican Railway	45 weeks	Nov. 7	274	Pa. 24,030 - 630	103,940 + 19,600
Paraguay Central	45 weeks	Nov. 7	100	Pa. 23,086 + 869	52,051 + 3,460

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.	Total Gross Receipts.
				1925. + or -	1925. + or -
TRAMWAY WEEKLY GROSS RECEIPTS.					
Anglo-Argentine	44 weeks	Nov. 4	328	294,156 + 3,476	3,837,935 + 9,099
B. Aires Laocore	18 weeks	Nov. 4	1	414,143 - 960	234,153

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Pay- ment of Deben- ture Interest.	Amount Avail- able for Distri- bution.	Appropriation.						Corresponding Period Last Year.	
					Dividend.			Carried to Reserve, Deprecia- tion, &c.	Balance Forward.	Net Profit.	Divi- dend.	
					Prefee.	Ordinary.						
						Amount.	Amount.					Rate.
		£	£	£	£	£	%	£	£	£	%	
Banks.												
English, Scottish, and Australian Breweries.	June 30	130,102	515,981	646,083	..	243,750	12½	218,919	183,414	502,502	12½	
Ansell's Brewery.....	Sept. 30	87,585	184,434	272,019	17,500	90,000	15½	50,000	114,519	146,984	12½	
Bristol Brewery, Georges, and Co.	Sept. 30	81,033	182,786	263,819	18,600	97,200	20	60,000	88,019	151,778	18	
Noakes and Co.	Sept. 30	24,569	44,472	69,041	12,500	16,500	75	10,000	30,041	42,720	62½	
Russell's (Gravesend)	Sept. 30	23,522	52,325	75,847	6,178	17,164	15	28,770	23,735	41,196	10	
Financial, Land, &c.												
New Zealand & Australian Land	Mar. 31	21,960	627,033	648,993	40,000	300,000	15	270,000	38,993	338,648	8½	
Queen's Club Gardens Estates ..	Sept. 30	27,308	13,575	40,883	8,400	8,400	8	..	32,483	13,284	7½	
Second Investors' Mort. Security	Sept. 30	5,619	51,571	57,190	16,619	22,343	10	12,246	5,982	39,409	9	
Hotels, Restaurants &c.												
Palace and Derby Castle	Oct. 31	5,557	29,942	35,499	3,000	13,750	12½	13,000	5,749	20,475	10	
Iron, Coal, and Steel.												
Fassifern Coal.....	June 30	1,007	4,387	5,394	..	4,382	7½	..	1,012	..	..	
Horden Collieries	Sept. 30	55,382	115,520	170,902	..	93,750	6½	20,000	57,152	250,536	12½	
Motor and Cycle.												
J. B. Brooks and Co.	Aug. 31	14,805	43,781	58,586	3,979	25,667	15½	14,000	14,940	47,123	15½	
Nitrate.												
Lagunas Syndicate	June 30	4,091	14,546	18,637	..	8,594	2	9,277	766	27,875	nil	
Liverpool	June 30	16,704	51,255	67,959	..	40,687	15	..	27,272	108,157	22½	
Pan De Azucar	June 30	8,759	36,182	44,941	..	21,484	25	15,000	8,457	20,317	20	
Rubber, &c.												
Anglo-Sumatra	May 31	5,769	32,805	38,574	..	28,000	35	5,000	5,574	18,628	20	
Bekoh Consolidated	June 30	14,213	15,335	29,548	..	20,799	..	..	8,749	3,343	nil	
Castlefield (Klang)	June 30	4,644	39,085	43,729	..	35,000	35	5,000	3,729	12,223	10	
Kurunegala	June 30	Dr 5,566	4,359	Dr 1,147	..	..	..	..	1,147	..	..	
Rembia	Sept. 30	2,038	31,485	33,523	21,450	3,150	21	2,695	6,228	5,735	nil	
Sonosekar Planting	June 30	Dr 3,566	16,526	12,970	..	9,750	15	..	3,220	..	..	
Sungei Siput	June 30	1,543	4,109	5,652	..	3,272	6	..	2,380	386	nil	
Telegraphs, &c.												
Amazon Telegraph	June 30	3,066	2,372	5,438	..	..	..	2,000	3,438	4,263	..	
Trust.												
Scottish National	Sept. 30	..	19,996	19,996	9,875	6,583	5	3,186	352	..	..	
Other Companies.												
British Automatic	Sept. 30	9,549	72,719	82,268	..	45,000	11½	26,439	10,829	66,184	10	
George M. Callender and Co.	June 30	522	5,372	5,894	2,411	1,000	20	2,000	483	6,356	20	
Hugh Baird and Sons	Aug. 31	..	20,264	20,264	4,000	5,680	8	..	10,584	27,413	12	
"Irish Times"	Sept. 30	9,212	37,968	47,180	17,011	17,500	25½	2,000	10,699	36,479	20½	
London Express Newspaper	June 30	383	8,492	8,875	8,875	..	..	..	..	30,551	..	
National Telewriter Company	June 30	4,405	1,863	6,268	..	1,982	1	..	..	4,286	1,082	
Proprietors of Hay's Wharf	June 30	46,828	210,718	257,546	59,400	86,000	10	75,000	37,146	253,041	7	
S. and W. Berisford	Sept. 30	22,966	Dr 10,944	12,022	4,500	7,500	5	..	22	Dr 3,486	10	
Tennamaram Palm Oil	June 30	..	1,460	1,460	557	..	..	903	..	..	..	
Venesta	June 30	56,558	58,284	114,842	21,000	24,727	8	..	69,115	74,921	8	

a Including arrears.

† Tax free.

COAL.

Our Cardiff correspondent writes:—Anthracite and dry steam coals have again been a buoyant feature, and the recent increased volume of shipments across the Atlantic has been maintained. Sized coals are also fairly firm, and towards the end of the week some of the ordinary small coals have shown improvement. The position of the large steam and bituminous coals is also better, and with much improved supply of shipping the working of the collieries has been more regular. Shipments are more active, and it is anticipated that the volume of the export trade during the next two months will be greater than it has been at any other period since last July. The following are the current approximate quotations:—Best Admiralties, 22s 6d to 23s 6d seconds, 20s to 21s 9d; best drys, 23s to 24s; Black Veins, 20s to 20s 6d; Western Valleys, 19s 6d to 20s; Eastern Valleys 19s 3d to 19s 9d; best bunker smalls, 10s 6d to 11s; ordinary cargo smalls, 8s 6d to 9s; coking smalls, 10s 3d to 10s 6d; anthracite best large, 42s to 44s; Red Vein large, 28s to 32s 6d; machine-made cobbles, 57s 6d to 60s; French nuts, 57s 6d to 60s; stove nuts, 57s 6d to 60s; rubbly culm, 11s 6d to 12s; coke, special qualities, 35s to 40s; patent fuel, 20s 6d to 23s; pitwood, ex ship, 28s 6d to 29s. In the tinplate industry the threatened crisis over a wages dispute has been averted by a compromise, and the market is in a healthier condition than it has been at any other time this year. Demand is fairly steady, and prices of tinplate per basis box are again at 20s and over.

Our Sheffield correspondent writes:—There is no improvement to record in the coal market except that the cold spell has strengthened the demand for household fuel. The consumption of coke has increased lately, and as arrangements are in hand for lighting additional blast furnaces, the depression of the trade should soon be relieved. The tonnage of South Yorkshire coal going abroad is limited. Best steams are quoted at 18s 6d f.o.b.

IRON AND STEEL.

We have extracted the following from the weekly report of the London Iron and Steel Exchange. A steady business is passing in the iron and steel markets. The same steadiness, however, cannot be discovered in the prices at which business is being done. The

British steel makers, who are securing a fair share of the business, passing, have only done so at the expense of granting price concessions. In the pig-iron department in particular stocks have been largely cleared, a number of blast furnaces have been re-heated, and the decline in prices extending over several months has been apparently definitely checked. In the semi-finished department Continental competition is keenly felt. Moderately active the low prices quoted by Continental makers a fair business has passed. A feature has been some large inquiries for steel rails and railway equipment.

Our Middlesbrough correspondent's report, dated Nov. 12th, is as follows:—Pig-iron: The market has been considerably strengthened and makers, being now well situated with regard to the disposal of their output, are now holding out firmly for 66s per ton for also well maintained. The hematite position is buyers, and 75s per ton is now being asked for East Coast mixed numbers. Manufactured Iron and Steel: There is a slow but steady improvement in the steel trade, and a freer flow of specifications. Meanwhile current quotations are as follows.—Steel ship plates, £7 5s; steel ship angles, £7; iron bars, £11 5s; steel rails, but with the freight market gathering strength best Bilbao rubio is steady at 20s per ton, c.i.f. Tees.

Our Sheffield correspondent writes:—The sentiment in iron and steel circles continues optimistic, but the change of tone has brought no increase of work to the Sheffield manufacturers. The of activity. The weak spot is the large scale production of crude and forgings for special engineering work. Not much forward quantities than formerly, and prices are being maintained at last week's figures. Work is only on a moderate scale in the railway department. The tool steel department continues extremely brisker. Motor requirements are easier for the moment. Engineering is good in parts, with numerous instances of acute depression. The scrap market is firmer, with, however, no forward business

OVERSEAS TRADE RETURNS.

IMPORTS (Value C.I.F.).

	Month Ended October 31.		Ten Months Ended October 31.	
	1924.	1925.	1924.	1925.
	£	£	£	£
I.—Food, Drink, and Tobacco—				
A. Grain and flour	13,224,062	10,097,609	94,733,520	91,270,438
B. Feeding stuffs for animals	946,747	746,550	6,503,795	7,368,469
C. Meat	8,275,711	9,036,282	89,217,808	101,319,482
D. Animals, living, for food	2,761,695	2,347,139	18,267,855	14,022,691
E. Other food and drink, non-dutiable	16,076,555	13,910,708	135,495,726	143,230,459
F. " " dutiable	13,076,742	11,082,146	103,346,568	93,741,770
G. Tobacco	2,304,139	2,362,059	12,402,107	11,865,393
Total, Class I.	56,665,651	49,552,493	459,967,479	462,818,736
II.—Raw Materials and Articles Mainly Unmanufactured—				
A. Coal	1,260	2,906	12,081	16,437
B. Other non-metallic mining and quarry products and the like	473,831	377,397	4,845,809	4,768,388
C. Iron ore and scrap	608,723	362,976	7,562,131	4,296,547
D. Non-ferrous metalliferous ores and scrap	1,338,391	1,415,418	13,825,704	13,825,704
E. Wood and timber	6,318,193	4,850,143	42,563,504	38,717,448
F. Raw cotton and cotton waste	13,213,887	11,640,773	87,963,079	94,258,077
G. Wool, raw and waste, and woollen rags	3,903,990	2,877,910	61,924,923	64,298,055
H. Silk, raw, knubs and noils	206,440	68,838	1,517,097	1,411,728
I. Other textile materials	1,419,602	1,082,774	10,596,004	12,552,613
J. Oil seeds, nuts, oils, fats, & gums	4,508,871	4,196,829	42,870,732	46,624,333
K. Hides and skins, undressed	2,046,651	1,569,603	18,145,036	18,022,582
L. Paper-making materials	1,052,455	90,659	9,328,108	8,848,619
M. Rubber	821,566	3,477,064	7,716,314	19,996,051
N. Miscellaneous raw materials and articles mainly unmanufactured	1,281,533	912,212	9,136,184	9,460,162
Total, Class II.	37,235,373	33,737,536	316,924,641	337,097,804
III.—Articles Wholly or Mainly Manufactured—				
A. Coke and manufactured fuel	167	233	4,747	3,770
B. Earthenware, glass, abrasives, &c.	796,107	933,961	7,064,074	8,129,364
C. Iron and steel and manufactures thereof	2,110,197	1,898,045	18,587,094	20,027,157
D. Non-ferrous metals and manufactures thereof	2,136,348	3,225,940	27,116,136	31,520,632
E. Cutlery, hardware, implements, and instruments	659,639	473,134	6,151,566	7,852,379
F. Electrical goods and apparatus	375,900	449,934	2,543,460	3,435,469
G. Machinery	936,516	886,758	8,688,494	9,628,542
H. Manufactures of wood and timber	476,826	544,510	4,371,314	5,127,938
I. Cotton yarns and manufactures	892,084	745,139	7,653,398	8,353,261
J. Woollen and worsted yarns and manufactures	1,231,281	1,419,621	12,190,135	12,124,778
K. Silk and silk manufactures	2,230,577	1,041,765	21,179,081	20,312,959
L. Manufactures of other textile materials	1,703,652	1,118,874	13,828,286	15,799,851
M. Apparel	1,923,053	1,491,218	15,998,185	18,873,830
N. Chemicals, drugs, dyes, & colours	1,340,961	1,161,123	12,221,654	11,829,585
O. Oils, fats, and resins, manufactured	2,662,419	2,897,166	33,273,964	31,587,770
P. Leather and manufactures thereof	1,267,993	1,249,757	11,460,429	12,326,340
Q. Paper and cardboard	1,411,913	1,454,618	11,816,306	12,494,669
R. Vehicles (including locomotives, ships, and aircraft)	759,346	996,037	7,697,493	10,973,318
S. Rubber manufactures	428,505	538,681	3,903,810	5,316,684
T. Miscellaneous articles, mainly or wholly manufactured	2,709,737	2,616,139	21,552,786	23,874,975
Total, Class III.	26,043,221	25,149,653	247,492,459	268,856,301
IV.—Animals, not for food	188,403	208,426	2,055,600	1,949,648
V.—Parcel post, non-dutiable articles	240,010	197,416	3,242,437	3,540,458
Total	120,472,658	108,838,924	1,029,686,216	1,074,262,947

EXPORTS OF PRODUCTS AND MANUFACTURES OF THE UNITED KINGDOM.

(Value F.O.B.)

	Month Ended October 31.		Ten Months Ended October 31.	
	1924.	1925.	1924.	1925.
	£	£	£	£
I.—Food, Drink, and Tobacco—				
A. Grain and flour	939,073	525,283	6,050,635	7,983,226
B. Feeding stuffs for animals	366,274	169,555	2,510,642	2,657,767
C. Meat	152,044	177,669	1,283,624	1,347,325
D. Animals living, for food	20,475	19,600	2,531,919	1,37,221
E. and F. Other food and drink	3,785,208	3,683,697	29,624,140	27,587,717
G. Tobacco	601,309	731,065	5,597,019	5,692,523
Total, Class I.	5,864,383	5,306,869	45,291,379	45,393,779
II.—Raw Materials and Articles Mainly Unmanufactured—				
A. Coal	5,492,046	4,017,907	61,329,652	42,215,131
B. Other non-metallic mining and quarry products and the like	219,710	192,866	1,786,404	1,637,052
C. Iron ore and scrap	21,608	38,010	365,360	366,198
D. Non-ferrous metalliferous ores and scrap	94,600	75,240	1,026,867	1,129,320
E. Wood and timber	55,405	69,204	540,163	653,003
F. Raw cotton and cotton waste	147,284	15,704	1,482,050	1,485,761
G. Wool, raw and waste, and woollen rags	1,348,861	939,418	9,546,383	9,569,746
H. Silk, raw, knubs and noils	3,224	5,167	97,482	60,112
I. Other textile materials	31,324	45,866	337,838	497,826
J. Oil seeds, nuts, oils, fats, resins, and gums	669,918	729,909	5,682,567	5,642,330
K. Hides and skins, undressed	157,268	193,734	1,991,253	2,459,045
L. Paper-making materials	165,760	144,705	1,523,654	1,584,089
M. Rubber	8,631	32,370	93,468	225,332
N. Miscellaneous raw materials and articles mainly unmanufactured	242,397	247,433	3,004,386	2,860,490
Total, Class II.	8,658,634	6,885,533	88,807,527	70,394,994
III.—Articles Wholly or Mainly Manufactured—				
A. Coke and manufactured fuel	547,719	322,938	5,380,735	3,000,658
B. Earthenware, glass, abrasives, &c	1,176,848	1,208,381	10,703,880	10,874,983
C. Iron and steel and manufactures thereof	5,994,930	6,437,397	62,837,559	56,779,758
D. Non-ferrous metals and manufactures thereof	1,230,579	1,453,952	13,105,517	13,716,518
E. Cutlery, hardware, implements, and instruments	815,301	840,529	7,012,575	7,627,939
F. Electrical goods and apparatus	1,053,268	874,840	8,266,441	9,816,839
G. Machinery	4,014,243	4,289,345	36,575,065	40,014,548
H. Manufactures of wood and timber	2,242,620	2,223,249	1,863,588	1,860,539
I. Cotton yarns and manufactures	16,610,655	16,447,340	165,824,246	169,393,571
J. Woollen and worsted yarns and manufactures	5,188,947	4,570,012	56,295,151	50,492,129
K. Silk and silk manufactures	181,195	187,417	1,853,275	1,559,053
L. Manufactures of other textile materials	2,400,095	2,361,429	22,482,118	23,469,069
M. Apparel	3,105,991	2,646,834	25,381,343	24,636,928
N. Chemicals, drugs, dyes, & colours	1,464,964	2,064,796	2,272,559	2,034,415
O. Oils, fats, & resins, manufactured	726,683	1,017,135	7,445,148	8,085,056
P. Leather and manufactures thereof	70,033	689,208	5,741,211	5,939,649
Q. Paper and cardboard	857,973	978,288	7,428,786	8,153,601
R. Vehicles (including locomotives, ships, and aircraft)	1,946,582	2,861,591	21,701,693	25,131,793
S. Rubber manufactures	560,555	74,099	5,067,265	6,382,940
T. Miscellaneous articles mainly or wholly manufactured	3,328,545	3,534,162	26,902,684	28,449,951
Total, Class III.	52,835,999	53,779,782	513,327,671	516,406,791
IV.—Animals, not for food				
	203,422	198,602	1,840,915	1,806,764
V.—Parcel Post				
	1,094,580	911,200	8,638,397	12,348,064
Total.	68,586,638	67,081,986	557,905,895	646,340,399

CONDENSED MILK.—Machine-skimmed tends firmer, owing to a spell of cold weather. Current prices are 3s to 4s below those ruling at same time last year. Machine-skimmed quoted 15s 6d; full-cream Danish, 26s to 26s 6d; Dutch, 23s 6d to 24s per case.

HONEY.—New Zealand continues in request at full rates, but otherwise market displayed quiet features.

RUBBER.

Market firmer on a better Continental and American inquiry, though slight irregularity was noticeable at times. Plantation standard sheet, spot, also November, sold, 3s 11d to 4s 1d; December, 3s 10d to 3s 11d, 3s 11d and 4s; January-March, 3s 7d to 3s 8d, 3s 8d and 3s 9d; April-June, 3s 4d to 3s 6d; January-December (1927), sold, 2s 4d to 2s 4d, and first crepe ditto, 2s 4d to 2s 4d, c.i.f.

GENERAL.

HEMP.—Manila quiet and featureless. J grade, January-March, quoted 44s 10s; K, ditto, 43s 10s; L, 43s; M, 43s. New Zealand quiet and nominally unaltered. African sisal quiet. No. 1, Tanganyika, October-November, sellers, 44s; Kenya, 44s 10s per ton.

SHELLAC. steady. Fair, T.N. orange, spot, 24s; December, 22s 6d; March, 20s 6d per cwt.

COPRA firm, with fair inquiries. F.M.S. Straits, to Rotterdam,

October-November, buyers, 43s; November-December, 42s 17s 9d; November-January, sold, 42s 17s 6d. Dutch E.I., October-December value, 42s 15s. Ceylon, October-November, 43s 15s. South Sea ditto, 42s. Palm kernels, to Liverpool, January-March, sellers, 42s 2s 6d per ton.

MISCELLANEOUS.—Cocoanuts quoted 25s per 100. Coir yarn, Ceylon, 42s to 44s; Cochin, 43s to 45s. Ceylon bristle, 41s to 42s; cinnamon leaf oil, 44d; citronella, Ceylon, 1s 10d; Java, 3s 2d.

METROPOLITAN CATTLE.—Nov. 12.

British Beasts, per stone of 8 lbs to sink the offal. Sheep, per stone.			
Beasts—Devons.....	s	d	s
Shorthorns.....	7	4	7
Herefords.....	8	2	7
Scottish.....	nom.		
Irish.....	6	2	6
Fat Cows.....	6	2	6
Beasts—Heavy Bulls.....			
Canadian.....	s	d	s
Sheep—Downs (clipped).....	10	0	10
Ewes.....	5	6	7
Crossbred.....	5	6	7
Scottish.....	5	6	7
Lamb—Downs.....	10	4	11

LONDON POTATO MARKETS.—Nov. 12.

Per Cwt.			
Lincoln—King Edwards.....	s	d	s
British Queens.....	7	0	8
Red Kings.....	5	6	6
Per Cwt.			
Majestic.....	s	d	s
Blackland—King Edwards.....	5	0	5
ditto Whites.....	4	0	5

COMMERCIAL TIMES—WEEKLY PRICE CURRENT.

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

LONDON, FRIDAY.			
COCOA —Duty, British grown, 9s 4d, foreign, 14s cwt.....			
Trinidad.....	58	0	68
Grenada.....	58	0	68
Ceylon, plantation.....	90	0	110
Guayaquil.....	70	0	80
Bahia, finest.....	53	0	55
COFFEE —British grown, 9s 4d, foreign, 14s cwt.....			
India, fine ord. g.d. mid.....	115	0	140
Do good to fine.....	150	0	158
Costa Rica, ord. to mid.....	120	0	145
Good to fine.....	165	0	199
Central American, g.d. ord.....	115	0	138
Mid to fine.....	140	0	145
Colombian, ordinary.....	115	0	117
Do g.d. ord. to low mid.....	120	0	130
Do mid to fine.....	135	0	158
CHEMICALS			
Acid, citric.....	1	4	0
Nitric.....	0	24	0
Oxalic, net.....	0	6	6
Tartaric, English.....	1	0	0
Foreign.....	0	11	1
99%—100%.....	82	0	0
Alum lump.....	10/10	11/0	0
Do ground.....	11/10	12/0	0
Ammonia, carb.....	37	0	39
Muriatic, White.....	25	15	15
Sulphate.....	214	0	0
Arsonic, lump.....	75	0	80
Powder.....	17	0	18
Ashes, pot.....	65	0	70
Pearl do.....	nom.		
Bleaching powder, per ton.....	9/0	9/10	0
Borax, gran.....	24	10	0
Do crystals.....	25	0	0
Do powder.....	26	0	0
Calomel.....	4	2	4
Iodine, dry.....	0	1	1
Nitrate of Soda.....	12/15	13/0	0
Potash—Chlorate, net.....	0	44	0
Prussiate.....	0	8	9
Do Foreign.....	0	7	8
Sulphate.....	11	0	12
Sal-Acetic.....	11	0	12
Sal-Ammoniac.....	47	6	52
Soda Bicarb.....	20	10	10
Crystals.....	5/0	5/5	0
Alkali.....	5/17	6/15	0
Caustic.....	14/2	16/10	0
Sugar of lead, white.....	0/0	0/0	0
Foreign white.....	24s	0	50
Sulphate Quintine			
English Brands.....	2	3	0
Foreign do.....	2	2	3
Sulphate Copper per ton.....	24/10	25/10	0
Zinc, cut.....	nom.		
Sulphur Flour.....	9/0	9/10	0
Do Roll.....	8/0	8/10	0
Vermillion, Chinese, per lb.....	4	6	4
English.....	4	6	5
Oil Peppermint, H.G.H.....	87	6	88
COPRA —per ton, c.i.f.....			
Malabar, Oct.-Dec.....	30	17	6
Ceylon.....	30	20	0
F.M.S. Singapore.....	30	20	0
FM Straits.....	29	2	6
COCHINEAL			
per lb.....	2/8	3/6	
DRUGS			
Aloes, fine E.I.....	0	150	0
Cape, good to fine.....	41	0	42
Balsam Peru.....	7	0	0
Capivi.....	2	0	2
Camphor.....	2	8	2
Japan, refined.....	2	8	2
Cardamome, Ceylon.....	6	0	8
Cantharides, China, per lb.....	4	0	5
Castor-oil.....	5/0	10/0	0
Gum Benjamin Sum.....	5/0	10/0	0
Olibanum, drops, fair to good.....	60	0	105
Ipecacuanha.....	12	0	0
Japan.....	2	0	0
Musk pod, China.....	75	0	77
Oil, Cassia.....	10	3	10
Aniseed.....	3	5	3
Peppermint, Wayne.....	70	0	75
Coumby.....	3	0	3
Rhubarb, China, fr to fn.....	3	0	3
DYE STUFFS			
Galls, China.....	60	0	62
Turneric, Bengal.....	nom.		
Madras, finger.....	35	0	0
Gambier, block.....	52	6	55
Cutch, ord. to fair.....	55	0	0
DYEWOODS			
Brazil.....	18	0	0
Fostic, Jamaica.....	8	10	0
China Wood.....	15	0	0
Logwood, Campeachy.....	9	0	0
Honduras.....	10	10	0
Jamaica.....	7	15	0
Red Sanders.....	12	0	0
Sapang Ceylon.....	15	0	0
FLAX —spot, c.i.f.....			
Riga ZK.....	73	0	72
Pernau HD.....	72	0	0
Silveta U/A Medium.....	92	0	nom.
FRUIT			
Oranges, Murcia & Val.....	0	0	0
Do.....	36	0	0
Do Cape.....	18	0	25
Lemons, Naples.....	0	0	0
Do.....	0	0	0
Do Sicilian.....	7	0	22
Do.....	10	0	51
Do Malaga.....	11	0	15
Grapes, Lisbon.....	0	0	0
Almeria.....	8	0	25
Val. Ona.....	6	6	8
Egyptian Ona.....	0	0	0
Apples, American.....	9	0	12
Jonathan.....	9	0	12
HIDES —Wet salted.....			
Australian.....	0	54	0
West Indian.....	0	4	0
Cape.....	0	6	0
Lisbon.....	0	52	0
Oporto.....	0	4	0
Dry & Drysalted Cape.....	0	8	0
Madagascar.....	0	68	0
Central American.....	0	72	0
Buffaloes, Singapore.....	0	4	0
Penang.....	0	5	0
E.I.....	0	5	0
Market Hides, London			
Best hvy. ox & heifer.....	0	88	0
Do light.....	0	64	0
2nd ox, heavy.....	0	74	0
Do light.....	0	54	0
Best cow.....	0	64	0
2nd do.....	0	54	0
Best calf.....	0	54	0
2nd do.....	0	54	0
INDIA RUBBER —lb.....			
Para, fine hard spot.....	3	9	0
Plantation sheet.....	4	1	0
INDIGO —per lb.....			
Bengal, good red violet to fine.....	6	6	7
Mid. ord. vio. to good.....	6	0	6
Low to good ord.....	5	0	6
Madras, dry leaf, good.....	3	0	4
Do low to ord.....	4	0	3
Kurpah, gd. mid. to gd.....	4	0	3
Low to mid.....	3	0	4
HEMP —per ton.....			
Italian P.C.....	75	0	0
Manila, Jan. Mar. '27.....	41	10	0
Grade.....	41	10	0
N.Z., high point, fair.....	39	0	0
Oct-Nov.....	39	0	0
JUTE			
Native first marks, Nov. Dec. 60/0.....	60	0	0
LEATHER —per lb.....			
Sole Benda 6/8 lb.....	1	4	2
Do do 10/12.....	1	3	2
Do do 12/14.....	1	4	2
Do do 14/16.....	1	5	2
Do do 17/18 and up.....	1	6	2
Bark Tanned Sole.....	2	6	3
Shoulders fm D8 Hides.....	10	0	11
Do Eng. or W8 do.....	1	0	1
Bellies from D8 do.....	0	7	0
Do Eng. or W8 do.....	0	8	1
Dressing Hides.....	1	8	2
Ro. Eng. Calt, 20/30 lb.....	4	0	5
Aust. Sides.....	1	0	1
METALS —B. Copper.....			
Best selected.....	65	0	65
Sheets (strong).....	92	0	0
Standard.....	61/15	0	61/17
Lead Eng. Pig per ton.....	38/12	0	0
Soft Foreign.....	37/11	0	36/17
Spelter G.O.B.....	38/17	0	38/13
Tin—English ingots.....	287/0	0	0
Do do bars.....	288/0	0	0
Standard cash.....	286/0	0	286/5
OILS —Fish, per ton.....			
Seal, pale.....	58	0	0
Lined, p. ton net, naked.....	58	10	0
Rape, refined.....	50	10	0
Crude.....	47	10	0
Cotton-seed, crude.....	37	0	39
Edible, refined.....	45	0	0
Coconut, crude.....	47	0	0
Refined.....	50	0	52
Palm.....	38	10	39
Lard, American.....	70	0	78
Petroleum—Oil, per 8 lbs.....	1/0	0	0
Water White.....	1/1	0	0
Oil Cakes, Linseed, Eng.....	212/5	0	212/10
Oil Seeds—Linseed.....	17	15	0
La Plata, p. ton Nov.-Dec.....	21	0	0
Bombay, p. ton Nov.-Dec.....	20	5	0
Calcutta, p. ton Nov.-Dec.....	20	5	0
PORTLAND CEMENT —Best English.....			
per ton delivered, London 58/0.....	58	0	63
Rapid hardening "Ferrocrete," 10/.....	per ton extra.		
PROVISIONS			
Butter per cwt.....	s	d	s
Irish creamery.....	nom.		
Do factory.....	nom.		
Australian.....	160	0	200
Argentine.....	150	0	175
Dutch.....	208	0	210
New Zealand.....	196	0	208
Danish.....	214	0	216
Bacon, engd.—Irish.....	125	0	134
Danish.....	120	0	126
Canadian.....	116	0	120
American.....	106	0	114
Canadian.....	124	0	134
American.....	120	0	147
Lard—Irish bladders.....	94	0	100
American boxes.....	56	0	88
Pork—per 8 lbs.....	7	0	9
Beef—Frozen.....	per 8 lbs	3	5
Booth.....	7	4	8
Cheese—cwt—Canadian.....	114	0	118
New Zealand.....	nom.		
Eng. Cheddars.....	125	0	145
Chester.....	125	0	145
Dutch.....	70	0	118
Eggs, per 120—English.....	32	0	34
Irish.....	30	0	32
FLOUR —280 lbs.....			
London standard ex mill.....	43	0	0
RICE—per cwt, c.i.f.....	15	0	0
Rangoon, No. 2.....	13	0	0
Broken 1a.....	13	0	0
ROBIN—per ton.....	32/0	34/0	0
American.....	31/0	0	0
French.....	31/0	0	0
SAGO—Pearl, per cwt.....	25	0	27
SHELLAC —per cwt.....			
Orange, first marks.....	300	0	325
Second, fair to fine.....	270	0	290
TN Orange.....	250	0	255
Garnet, Lac. AC.....	215	0	220
Button—Pure.....	250	0	250
Blocky (TN).....	210	0	0
SILK —per lb.....			
China—Blue Elephant.....	18	0	0
Canton.....	28	0	28
Tussah.....	10	0	12
Re-reeled.....	0	0	0
Japan.....	29	0	31
Italian—Raw, fr. Milan.....	30	0	33
SHELLS —M.-O.-P. per cwt.....			
Manila, bold.....	26/0	11/0	0
Lincoln hog.....	17/13	12/0	0
Queensland, sed. super omg.....	5/0	12/10	0
Sydney.....	5/0	12/10	0
W. Australian.....	7/0	13/0	0
Bombay.....	2/0	8/5	0

bank bills was hard at $3\frac{1}{8}$ to $3\frac{1}{4}$ per cent., and the weekly allotment of Treasury bills was another indication of the unresponsive state of the market.

	Nov. 20, 1925.	Nov. 13, 1925.	Nov. 6, 1925.	Oct. 30, 1925.	Previous Rate and Date Changed.
Bank Rate	4	4	4	4	$4\frac{1}{2}$ (Oct. 1, '25)
Banks' Deposit Rate	2	2	2	2	$2\frac{1}{2}$ (Oct. 1, '25)
Discount/Call	2	2	2	2	$2\frac{1}{2}$ (Oct. 1, '25)
Houses/Notices	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$ (Oct. 1, '25)
Market rate (3 months' bills)	$3\frac{1}{8}$	$3\frac{1}{8}$	$3\frac{1}{8}$	$3\frac{1}{8}$	..

The Bank return showed a decrease of £378,000 in the stock of coin and bullion, this amount being in agreement with the figures of withdrawals of gold announced during the week; the note circulation declined by £317,000, and so the decrease in the Reserve was reduced to £61,000. Government securities rose by £845,000, while there was a decrease of £1,360,000 in Other. Public deposits rose by two millions, and so Other deposits were two and a half millions lower. Currency notes outstanding were reduced by £1,154,400 to £291,663,900, which includes £1,321,400 for notes called in but not yet cancelled. The fiduciary issue is £234,092,500, or £14,052,900 below the maximum for the year.

NEW YORK MARKETS.

Our New York correspondent cables:—The advances in discount rates by the Boston, Cleveland, and Philadelphia Reserve banks confirm the view, previously cabled, that the Reserve authorities desire to withdraw from New York excessive supplies of funds, apart from call money, which have been supporting speculative activity in the Stock Exchange. This theory and the moderate level of the New York Reserve Bank's discounts suggest that the local rate will be unchanged until greater demands are made upon the bank. This week's statements reveal a further drop in discounts in New York; this centre gained gold and showed an increase of 0.4 in the reserve ratio to 82.8. Total bills and securities for the whole system show a fractional increase, the reserve ratio being 72.1. Speculative activity has received an unmistakable check, and motor shares are already sharply deflated. Industrial and trade news remains good.

THE STOCK MARKETS.

The flood of new issues tends to check activity in gilt-edged stocks which remain quiet. The terms of the Gold Coast $4\frac{1}{2}$ per cent. loan at 94 were presumably responsible for its almost complete failure, underwriters being left with 97 $\frac{1}{2}$ per cent. The Brighton and Bristol Corporation loans were only partially subscribed, but Tasmania and Western Australia secured their money from the public. There has been a fair amount of business in the foreign bond market, but home rails are stagnant. A sharp rise in the price of raw rubber has caused renewed buoyancy in the share market and the oil share market has improved under the lead of Anglo-Persians. Courtaulds declined on the introduction of the new Snia Viscosa shares. Tobacco shares are strong, and the wireless group has enjoyed a mild rally. Mines have been irregular.

THE COMMODITY MARKETS.

Some improvement has taken place in the commodity markets. The tone of the coal market is better, and prices have hardened a little. Increased activity is evident both in the pig-iron and steel trades. The cotton trade shows little change, though a fair turnover has taken place for several Continental countries and South America. In the wool trade, interest is centred on the London auctions which open next Tuesday. Wheat prices, on the whole, show a slight decline. The market for sugar and coffee remains steady, while tea is strong with advancing prices. Rubber has risen to new high records. Of the metals, tin continues irregular, and copper is active, with slightly lower prices. Lead is being dealt in on a fairly liberal scale.

FOREIGN EXCHANGES.

In the foreign exchange market the week has been quiet, with little business and less violent movements than for some time past. Towards the middle of the week the dollar, which had been steady up till then between \$4.84 $\frac{1}{2}$ and \$4.84 $\frac{3}{4}$ showed some signs of weakening, and on Thursday for a time was again below gold export point. Yesterday morning it was a little firmer again at \$4.84 $\frac{1}{2}$ — $\frac{9}{16}$. The main reason for this movement would appear to be the expectation of a rise in the New York Federal Reserve rate, but it is by no means clear as yet when the policy of damping down the present expansion movement in America will win the day. Forward rates at about $\frac{1}{4}$ cent per month above spot are 1-3 $\frac{1}{2}$ cent wider than a week ago. In Paris there remains complete obscurity as to the outcome of the present crisis, and although the rate has fluctuated rather less wildly, moving during the week between 119.85 and 122.95, this is an indication rather of the temporary success of intervention than of any growth in confidence. At the time of writing the rate stands at 121.80, but there is little belief that this will be maintained. The Brussels quotation has moved between 106.75 and 107, which figure has been reached on one or two occasions. Yesterday morning it was quoted at 106.92 $\frac{1}{2}$, as compared with 106.85 a week ago. In spite of the debt settlement and rumours of pending loans in New York, the lira lost quickly the recovery shown on the 13th, and is now at 120 $\frac{1}{2}$, as compared with 119 $\frac{1}{8}$ a week ago, after being at one time as high as 122 $\frac{1}{2}$, on the whole a satisfactory feature in view of the temptation of seizing the opportunity for pushing down the rate. Amsterdam, after moving further against us in spite of gold shipments, is now back at 12.04 $\frac{1}{8}$, as compared with 12.04 $\frac{1}{2}$ a week ago; Switzerland, however, has fallen from 25.15 to 25.12 $\frac{1}{2}$, and Stockholm from 18.12 $\frac{1}{2}$ to 18.09 $\frac{1}{2}$, other stable currencies, such as Berlin, Vienna, and Prague, also moving slightly against us. Copenhagen and Oslo again show a sharp appreciation from 19.65 $\frac{1}{2}$ to 19.43 $\frac{1}{2}$, and from 24 to 23.73 $\frac{1}{2}$ respectively, the result of further buying in anticipation of a return to parity. Madrid at 34.01 is well above the 33.95 quoted a week ago, owing to increased fears of political difficulties. In the zloty there has been a renewed weakness, the rate having now risen to 31 $\frac{1}{2}$, as compared with 29 $\frac{1}{2}$ a week ago. In Eastern Europe Athens and Belgrade remain steady, but Bucharest has further depreciated from 1,035 to 1,060. In the East the rupee is unchanged on the week at 1s 6 $\frac{1}{2}$ d, but the yen has continued to improve from 1s 8 25-32d to 1s 9 $\frac{1}{2}$ d. The silver market has been very restricted, with one or two sharp movements, but in general the tendency is downward. Hong Kong has moved from 2s 5d to 2s 4 $\frac{1}{2}$ d, Shanghai from 3s 1 $\frac{1}{2}$ d to 3s 1 $\frac{1}{4}$ d. In South America the chief feature has been the further weakness of Rio, which has fallen from 7 13-32d to 7 5-32d. Buenos Aires, however, is slightly dearer at 46 $\frac{1}{2}$ d, as compared with 46 27-32d, and Monte Video at 51d, as compared with 50 $\frac{1}{2}$ d. Valparaiso, on the other hand, has depreciated from 38.80 to 39.10 pesos.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended November 14th:—

EXPENDITURE.		RECEIPTS.	
(000's omitted.)		(000's omitted.)	
Supply Services	6,550	From Revenue	8,041
Interest, &c., on Debt	330	Increase in Debt	168
Sinking Fund	278		
Sundries	3		
Increase in Exchequer Balances	141		
	8,209		8,209

Revenue amounted to £8,041,000, against £9,863,800 in the corresponding week last year. Customs produced £1,884,000, against £1,837,000, and Excise £1,696,000, against £1,741,000. Estate, &c., duties yielded £850,000, against £1,140,000. Property and income-tax brought in £1,041,000, against £1,217,000. Special receipts yielded only £11,000, against £1,000,000 a year ago.

The week's operations increased the National Debt by £168,000, and caused the following changes:—

(000's omitted.)	
National Savings Certificates ..	£ 200
Treasury Bills	558
3 $\frac{1}{2}$ % Conversion Loan	3,290
	+ 4,048
Public Department Advances ..	£ 3,500
Sundries	380
	— 3,880

The floating debt was reduced by £2,965,000 to £770,010,000.

FINANCIAL YEAR, 1925-1926 (April 1st to Nov. 14th).

£		£	
Total Expenditure ..	480,030,499	Raised by Revenue ..	422,176,169
		Decrease in Balances ..	3,362,099
		Amount borrowed ..	54,492,231
Total	480,030,499	Total	480,030,499

ESTIMATES for FINANCIAL YEAR 1925-1926.

£		£	
Expenditure	799,400,000	Revenue	801,060,000
Surplus	£1,660,000.		

ECONOMIST INTELLIGENCE BRANCH.

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

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—English, Scottish and Australian Bank, Australian Mercantile Land and Finance, North Anantapur Gold Mines, Djasinga Rubber and Produce, Sumatra Para Rubber Plantations, Bukit Tambun Estates, and Castlefield (Klang) Rubber Estate. At the meeting of the first-named company Mr Andrew Williamson welcomed the restoration of the gold standard, and delivered a long and interesting review of economic and trade conditions in Australia. At the Djasinga meeting Mr Eric Miller took an encouraging outlook for tea, as well as for rubber. At the Castlefield (Klang) meeting Mr W. A. Addinsell reviewed the contributory elements in rubber plantation prosperity.

PARLIAMENT AND THE PACT.

THE Locarno debate in the House of Commons on Wednesday was an unqualified and well-deserved triumph for Mr Austen Chamberlain and his policy, marked as such not so much by the force of the Foreign Secretary's exposition, convincing though that was, as by the failure of his critics to make any case worthy of serious consideration. To do Mr Ramsay MacDonald, in particular, due justice, he showed no desire to take the field as critic of the Pact. On the contrary, he gave it his general blessing, and but for pressure from behind even the few reserves to which he did give expression would probably have been left unvoiced. To sum up the opinion of the House of Commons in a sentence, while the Pact does not please Mr Saklatvala and twelve of his colleagues the whole of the rest of the Chamber gives it an overwhelming endorsement.

Apart from the weight attributed by Mr Chamberlain to the now widely-celebrated "spirit of Locarno" (a spirit carried thither in large measure by the British, French, Italian, Belgian, Polish, and Czechoslovakian delegates from Geneva), three features of the debate are of importance—the removal of certain ambiguities as the result of Mr Chamberlain's explanations, the discussion on the relation of the Dominions to the conference and the treaties, and a rather excessive solicitude for Russia on the Labour, and to a lesser extent on the Liberal, benches. The Dominion question falls rather within the field of Empire relationships than that of European pacification. Theoretically, of course, it is eminently to be desired that the Dominions should be associated at every point with

every new development of British foreign policy, and as it is they will receive every encouragement to set their signature beside this country's at the foot of the Locarno agreements. But the whole Locarno meeting was in a sense experimental. There was to be extracted from it what could be extracted from it. In the first instance, there was no justification for taking some half-a-dozen Empire delegates to a conference which it was rightly desired to make as small and informal as possible. Still less would there have been justification, when the need for carrying through the conference to a quick finish by the momentum unexpectedly developed had been demonstrated, for a delay at the last moment in order to consult the Dominions before the agreements were initialled. On that count Mr Chamberlain must be held to have vindicated his action completely.

Still more is that true of the suggestions made by Mr MacDonald that some despite had been done to Russia in the deliberate formation of a European bloc against her, and that new efforts ought to be made now to get Russia into the League of Nations. This is a matter on which clear thinking is rather urgently needed. In regard to Russia, three policies are possible. One is to adopt a definitely aggressive attitude towards her. That idea has fortunately disappeared since the days when the Coalition Government was giving all material and moral encouragement in its power to General Denikin and Admiral Koltchak. The second is to sit down, as some members of the Labour Party would apparently desire, and assent to a Russian ban on the unification of Europe being imposed until such time as the Soviet Government should decide to co-operate with other States. The third is to take cognisance of Russia's repeated and vehement refusals to have anything to do with the League of Nations, and in the light of that self-chosen isolation to weld together the rest of Europe in an association which, while it could in case of need serve as the basis of defensive action against Russian aggression, could be interpreted by no honest man, even though he were a Commissar in the Soviet Government, as an instrument of aggression against Russia. That is the policy of Locarno, and Mr Chamberlain had no difficulty in justifying it absolutely against criticisms from the Labour benches.

The Foreign Secretary's clarification of certain doubtful points in the agreement was of some value, particularly in so far as it disposed of the idea with which Mr Lloyd George seemed still disposed to toy—that treaties, whether contracted at Versailles or elsewhere, could be overridden by a board of arbitrators. Mr Chamberlain made it perfectly clear that under the Locarno treaties, as under any known conception of international law, the function of arbitrators is to determine what a treaty actually means, not what it ought, on ethical or some other grounds, to have meant. A further point on which a categorical assurance was needed, and was given in uncompromising language by the Foreign Secretary, was the unfettered right reserved to this country to decide, pending a ruling by the League Council, whether a "flagrant violation" calling for British intervention has or has not been committed.

All things considered, the debate in the House of Commons should have done what little any external action can do to make smoother the path of the German Chancellor and Foreign Minister. The Nationalist opposition in Germany is no less clamorous than it was, but there are signs that it is in reality becoming steadily less formidable. The rumours of a wild plot for a march on Berlin hatched in Eastern Germany appear to have some foundation, and, exaggerated though they may be, the fact that such a conception is anywhere seriously entertained is enough to alienate the more responsible members of the parties of the Right. The Nationalists, indeed, are slowly becoming disunited, and the decision reached by the Ministries of Justice and of the Interior—that the ratification of the Locarno accords requires merely a simple, and not a two-thirds, majority in the Reichstag—is enough to guarantee the Government against anything like a Parliamentary defeat. But what is needed is something more than a narrow majority, even though it is realised that the smallness of the margin is accounted for by the abstentions of Socialists who are whole-heartedly in favour of the Pact. It is no doubt sound enough tactics for the Socialists to adopt any reasonable means to force the Right to declare

its acquiescence in the Locarno accords, but if that in the end proves impossible it is hard to see what good purpose they could serve by refraining from voting for the Pact. The probabilities seem to be that at the eleventh hour they will decide to support it, thus making ratification by a comfortable majority certain.

Fundamentally Germany must settle her own policy and take her own decisions, but so far as the Allied Powers (if that term may survive a little longer as a mere matter of convenience) have had it in their power, they have removed every obstacle in the way of the party of reconciliation. The evacuation of the Cologne zone is to begin on the day the Locarno agreements are signed in London. The occupation in the other zones is to become steadily more "invisible." The Notes exchanged between the German Government and the Conference of Ambassadors have to all appearance cleared the trouble about armaments out of the way once for all so far as direct negotiations are concerned. The League of Nations must now take up the task of supervision, and the fact that the body with which the ultimate decisions rest will be the Council, with Germany as a permanent member of it, promises to make a vital change psychologically in the whole situation. That it may lead to some unlooked-for difficulties is clearly possible, but that is true of the whole of Germany's prospective activities as a member of the League. If the fear of difficulties had daunted the statesmen of Europe there could have been no Locarno. There having been a Locarno, confidence as to the immediate and ultimate future is justified not by any mere instinctive optimism, but by simple sobriety of judgment and clarity of vision.

IMPERIALISM AND COSMOPOLITANISM.

OUR enemies in the late war counted among the forces which might work in their favour a possible snapping of the apparently weak bonds which bound together the British Empire. The almost sensational completeness with which their hopes were disappointed forms one of the most remarkable chapters in modern history. Yet the hope must have appeared to possess a logical basis to any foreign student of the physical slenderness of the thread upon which our Imperial unity hung in 1914. Equally logical would have been the supposition that the back-wash of the war storm and the close implication of Britain in the post-war European tangle must raise issues of policy involving a variety of differing local interests formidable enough to dispel even the appearance of a united front. Yet, so far, that prophecy, too, has been confounded. In the last few weeks the Treaty of Locarno has shown up in clearer relief than ever one of the deepest of Imperial problems. Britain's European status has driven her to conclude, even to lead the way in framing, a far-reaching Treaty which places upon her (but not upon the Dominions) a burden of responsibility in maintaining peace in Europe. She has even been forced, by the exigencies of the time factor, to do this without any full consultation with the other members of the British Commonwealth of nations. Yet, since Mr Chamberlain affixed his initials to the Locarno Pact, the Prime Minister of Canada, while reserving Canadian judgment on the Treaty, has affirmed his country's determination to maintain the unity of the Empire, while the Prime Minister of Australia, in the electoral campaign which has given him so striking a triumph, played on the same theme with equal strength and clarity.

Welcome though they are, these facts should not be allowed to blind us in any way to the extraordinary difficulties which face the Mother Country in combining what one may describe as a cosmopolitan, or League of Nations, policy with the continuance of the policy of Imperial unity. All who are alive to the urgency of this problem will find much to occupy their thoughts in an address which was delivered last week before the Colonial Institute by Sir Halford Mackinder. If Sir Halford does not attempt definite answers to some of the questions which he poses, he at least presents the broad issues in a thought-provoking manner. Moreover, the address derives peculiar significance from the personality of its author. The public regard Sir

Halford, not without reason, as a representative British Imperialist. He is steeped in knowledge, study, and practical experience of Empire affairs. From the whole range of public men, he has been selected by the British and Dominion Prime Ministers to preside over the Imperial Economic Committee. From twenty to thirty years ago he was a staff officer in Mr Joseph Chamberlain's Imperial campaign. In those days the British Imperialist used to say in effect, "Here is the Mother Country; there are the Dominions. Let us join them together by the application of fiscal putty." The address of Sir Halford Mackinder this week contains no trace of such crude and narrow thinking. If he may be taken as in any degree typical of current Imperialist thought, then it is clear that the Imperialist school has moved, not fast enough perhaps, but still a very long way towards realisation of the enormous change which the past two decades have wrought in the status of the Dominions and the broad aspects of the Imperial problem. If the change, typified by Sir Halford, is general, it not only provides the explanation of our escape up to date from major difficulties in Imperial policy, but also affords the best ground for hope that the problems of the near future will be solved by vision and broad statesmanship.

Sir Halford hung the greater part of his address on the text provided by the late Lord Milner's "Credo." The basis of this "credo" was a belief in the British race. "He believed in a certain blood," as Sir Halford puts it, "the carrier of a certain character, which it has taken tens of generations to evolve. He believed in the results of slow physical growth, and that paper conventions must supplement and not seek to supplant such growth." This conception of race as the basis of the Empire, as Sir Halford frankly realises, contains a dual challenge. Where, for instance, as the Aga Khan recently asked, do the Indians, the French Canadians, and the South African Dutch, find a place in such a conception of Empire? Sir Halford finds an answer to this criticism in the theory of the transference, albeit gradual, of the British tradition to other races. "Now, in my belief this slow transference of the English tradition to other races offers a reconciliation of Lord Milner's racial basis with such criticisms as that of the Aga Khan." Criticism, we are afraid, will be unassuaged by Sir Halford's explanation, which in Indian eyes will, rightly or wrongly, appear only one degree less racially arrogant than the "credo" of Lord Milner. But he treads on ground less assailable by critics when he lays stress on the opportunities given under British rule to native races to make their early experiments with Western institutions without risking the penalty of failure. Generally speaking, too, Sir Halford's whole defence of the Empire is mellowed by a breadth of view which was not associated with the propaganda of British Imperialists of the past. Of this fact one instance will suffice. In the course of his long argument for the maintenance of Imperial unity, and against the absorption of its units into their respective Continental groups, he yet gives full recognition to Canada's special problems arising from her position in North America, and of the peculiar local problems of Australia and New Zealand. Gone, we repeat, and we hope gone for ever, is the old crude idea of British Britain, British Canada, British Australasia, to be bound together just because they are all British, by material bonds which assume an absurdly exaggerated degree of community of material interest.

British public opinion, we believe, is sufficiently enlightened to be as near to the position of the critics of this tenet of Lord Milner's "credo" as to that of its author. The Imperial policy of successive Governments has shown this in varying degrees, and it is good to find so ardent an Imperialist as Sir Halford Mackinder rubbing off the angles of Lord Milner's statement. But there is another challenge that the "credo" throws down. As Sir Halford puts it, "This conception of race plainly—to those who regard the British Commonwealth as destined to be incorporated piecemeal into a world-crucial questions of the day. Are the League of Nations and a united British Empire compatible? Can we combine a League policy and an Imperial policy? Can we

maintain indefinitely a system under which Britain, representing the Empire, signs a European Treaty and leaves the Dominions free to adhere or stand aside, while Canada signs a treaty with America concerning a domestic matter between the two nations? Most serious students of world affairs will join with Sir Halford in returning a tentatively affirmative answer to all these questions. But it is beyond doubt that the gradual evolution and adaptation of the system of inter-Imperial consultation to meet developing and varying needs will tax to the full the statesmanship of the political leaders both of Britain and the Dominions. The practical problem, as Sir Halford puts it, is how to balance the dispersion of strength and interest in local spheres, with some adequate generation of strength and unity within the British Commonwealth as a whole. "Our greatest function is to balance functions that are only compatible by a continuous process of readjusting compromise." But a continuous process of readjusting compromise demands the development of the machinery for constant consultation and intimacy of touch. Sir Halford sees in such bodies as the Imperial Defence Committee, the Imperial Shipping Committee, and the Imperial Economic Committee possible embryos of the machinery desired. We do not dissent, but we cannot dismiss serious doubts as to whether, even in the economic sphere, such bodies will find themselves able to attack such big problems as, for instance, those of emigration and of tariffs. And as to the crucial field of foreign policy, successive Cabinets have learnt very clearly the extreme difficulty of establishing any system of quick consultation. So sensitive is Dominion opinion in the matter that the mere hint of a proposal for a liaison system between the British Foreign Office and Dominion representatives arouses a storm of criticism and suspicion. Unless and until the proposal for some such machinery comes wholeheartedly from the Dominions themselves, the subject must remain in abeyance. If, then, in spite of the recognised anomalies of the present position and the difficulties of combining Imperialism and Cosmopolitanism we are hopeful that adaptation of method will develop to meet proved needs, it is mainly because we believe that public opinion in the Dominions is awakening to the implications of the new position, and that in the Mother Country the old, narrow, and crudely material views of Imperial problems are rapidly disappearing everywhere except among those hide-bound High Priests of protection and preference, who are impervious to the lessons of history and blind to the significance of contemporary movements. Sir Halford Mackinder's address suggests that even in recognised Imperialist circles the prestige of that school is on the wane.

PROCEEDINGS OF THE COAL COMMISSION.—THE OWNERS' CASE.

A summary of the main points of the evidence given so far will be found in our issues of October 31, November 7, and November 14, 1925.

THE Coal Commission has come to grips this week with some of its most formidable difficulties, the owners having presented the first part of their evidence and the issue between the two contending parties is definitely joined. The first instalment of the owners' evidence, which may be termed the owners' *apologia* with "hands off the industry" as its main text, falls into two parts—an illuminating analysis of the industry's difficulties, and a much more controversial diagnosis of the causes. The case, up to a certain point, is a strong one. At the outbreak of the war the owners handed over to Government control a healthy and profitable industry which had increased its output in the preceding forty years by 115 per cent., its exports by 425 per cent., and its labour force by 120 per cent. They took over in 1921 an industry whose annual output had fallen from 287 million tons to 216 million tons, whose costs of production had risen from 9s 5½d to 40s 3d per ton, and whose 1913 profits of 1s 6½d per ton had been transformed into a loss of 7s per ton. The industry was heading straight for bankruptcy, and

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was embarrassed by serious labour discontent. The following table gives production figures for pre- and post-war years:—

COAL MINING INDUSTRY of the UNITED KINGDOM.

Year.	Coal Output.		Coal Exports.	Numbers Employed.
	Tons.	Tons Per Head of Population.	Tons.	
1875	133,306,485	4.06	13,979,000	510,523
1885	159,351,418	4.42	22,710,000	500,369
1895	189,652,562	4.84	31,715,000	693,935
1905	236,111,150	5.46	47,476,707	850,390
1913	287,411,869	6.29	73,400,118	1,118,453
1921†	163,216,505	3.45	24,660,552	1,144,311
1922	249,584,085	5.25	64,198,384	1,162,754
1923	275,965,702	5.78	79,449,678	1,200,431
1924	267,061,027	5.56	61,651,273	1,230,248
1925*	244,623,000	5.07	49,950,000	1,092,600

* Basis of first nine months. † Three months' coal stoppage. ‡ Including exports to Irish Free State.

Of the factors which have prevented the industry's return to its pre-war standard of prosperity, the Mining Association attaches considerable importance in its evidence to the amended wages agreement which came into force on May 1, 1924, and resulted in an increase in general minimum percentages on basis rates at a time when trade was on the down grade. The association produces figures showing that if comparison is made, not with the boom year 1913, but with the quinquennium 1909-1913, the present average weekly earnings of all persons employed in the coal industry, have risen, not by 50 per cent., as is generally stated, but by 75½ per cent., or in roughly the same proportion as the Ministry of Labour's Cost of Living Index (which, however, is on a July, 1914, basis). The part played by increased wages in the matter of total cost is shown in the next table:—

COSTS OF PRODUCTION in GREAT BRITAIN.

Item of Cost.	Cost per Ton Commercially Disposable.		Percentage Increase as Compared with 1913.
	1913.	May-July, 1925.	
	s d	s d	%
Wages	6 10.50	12 8.88	85.31
Timber and stores	1 1.00	1 10.26	71.83
Royalties	0 5.35	0 6.33	18.82
Health insurance	0 0.93	0 1.19	27.96
Workmen's compensation ..	0 1.25	0 3.54	183.20
Local rates	0 1.86	0 4.63	148.92
Administrative expenses	0 2.62	0 7.43	183.59
Other costs	0 5.99	1 5.96	200.00
Total costs	9 5.50	18 0.22	90.50
Total proceeds	11 0.00	17 1.21	55.10
Balance	Profit 1 6.50	Loss 0 9.89	...

These figures suggest certain pertinent criticisms. Wages have risen rather less sharply than total costs, and the proportion they bear to the total has fallen from 73 per cent. to 70½ per cent. The burdens imposed by the State in the shape of the Workmen's Compensation Acts, and by the local authorities in the shape of rates, have increased to a disproportionate extent, and the miners' representatives will doubtless have something to say regarding the large increase in administrative and other costs. The last two lines of the table reveal the dimen-

sions of the gap which must be bridged before the industry can again be placed on a profit-earning basis.

The owners' evidence includes an approximate estimate of world production and consumption of coal. In the pre-war year the total output is placed at 1,258.5 million metric tons, and in 1924 at 1,238.2 millions, the production of countries other than Great Britain being 966.5 million and 963.3 million metric tons respectively. The consumption of countries outside Great Britain declined from 1,041.1 million metric tons in 1913 to 1,025.9 millions, and our part in supplying this consumption by means of our exports fell from 7.2 per cent. to 6.1 per cent., while in the first six months of 1925 our contribution is estimated to have been no more than 5 per cent. Some light on the reasons for this loss of ground on the part of British exporters is thrown by other tables in the Mining Association's evidence, which compare production costs, hours of labour, and output per man shift in Great Britain and foreign countries. We have endeavoured to summarise the most striking figures in the table which follows, but it should be understood that the data for different countries are only very approximately comparable, owing to differences in methods of compilation:—

COMPARISON between COSTS of PRODUCTION, HOURS of LABOUR, and OUTPUT in GREAT BRITAIN and OTHER COUNTRIES.

Country.	Wages Cost per Ton.		Total Cost per Ton.		Hours of Working per Day Underground.		Output per Man-shift.	
	1913.	1925.	1913.	1925.	1913.	1925.	1913.	1925.
Great Britain ..	8 s 10 50	12 s 8 88	9 s 5 50	13 s 0 22	8	7	20.32	100
Germany (Ruhr) ..	15 s 11 50	17 s 9 60	11 s 5 45	14 s 10 62	8	8	18.38	100
France (Pas de Calais) ..	6 s 3 12	9 s 7 23	11 s 8 98	16 s 8 85	10	8	13.68	100
Belgium ..	5 s 11 35	10 s 3 87	14 s 1 29	12 s 11 48	8	8	10.38	100
Upper Silesia ..	8 s 0 37	12 s 3 46	14 s 1 29	12 s 11 48	8	8	22.62	100
Czechoslovakia ..	3 s 1 92	4 s 3 94	..	..	8	8	15.94	100
U.S. States (bituminous mines) ..	3 s 10 90	8 s 9 1	10 s 3 20	12 s 8 40	8-10	8	57.5	100

* Wages and costs per ton raised. † Wages and costs per ton disposable.
a 1924. b 1923. c 1922. d Total f.o.b. mine cost.

On the evidence of this table, the Mining Association would be on strong ground in basing its case on the claim that both wages costs and total costs are on a higher scale and have increased more rapidly since 1913 in this country than abroad, and that our hours of labour are so short as to impose a serious handicap on our ability to compete effectively in the world's market. The association's evidence, however, as so far presented, gives what may seem a somewhat disproportionate amount of attention to an alleged conspiracy on the part of organised labour in the industry to make impossible its profitable operation, for quasi-political ends. The association has, of course, every right to put on record its belief that "the history of the last few years is a story of persistent efforts to.....achieve the political objective of nationalisation, or, more correctly, syndicalisation of the mines," but wide charges of this sort are notoriously difficult to substantiate by concrete examples. Thus Mr W. A. Lee, the association's spokesman, was compelled to admit under cross-examination that he could not name any particular mines outside the anthracite group where deliberate "ca'canny" was practised, while figures quoted by Sir William Beveridge showed that since 1905 the output of miners working at the coal face had declined to an extent materially less than the reduction of the working time at the coal face. Again, the statements on which the association bases its charges are, in some cases, open to more than one interpretation, and the association would appear to take the utterances of certain miners' representatives much more seriously than the general public.

The remainder of the week's evidence may be briefly summarised. On Friday, November 13th, Sir William McLintock and Mr J. Alison Gordon, independent accountants to the National Board for the Coal Industry, gave evidence as to the principles followed in ascertaining wages under the agreements of 1921 and 1924. On Wednesday, November 18th, evidence was submitted on behalf of the Coal Merchants' Federation of Great Britain, denying the existence of any "ring," whilst admitting that representatives of certain firms frequently met to agree

on selling prices. On Thursday Mr George Rose, chairman of the National Council of Coal Traders, submitted evidence on behalf of the coal factors. The Commission will continue its investigations on Tuesday next, November 24th, when the evidence of the Miners' Federation will be taken.

MR LLOYD GEORGE'S LAND POLICY.

[Last week we published an article setting forth the case for the new Land Policy. The following article from another correspondent puts the case against it.]

NATIONALISATION of an industry, according to its present protagonists, means the acquisition by the State of essential elements of that industry, and the creation of a vast State monopoly which will tend to impose either fixed arbitrary, in place of competitive, values, or a combination of the two, according to the particular section of the industry which is being treated. Perhaps this latter condition is best illustrated by the concrete proposals put forward by the Liberal Land Committee with regard to the acquisition of the agricultural land of this country. Whilst the landowners are to be compensated at a fixed rate, the farmers are to pay a fixed rent; workers for the various districts are to receive a definitely defined wage; the State is to be free to deal with all land which, for various reasons, falls into its hands on competitive conditions in the open market.

Agricultural land is to be relet at apparently the best market price, whilst that with a site value is to be sold at prices which, it is optimistically predicted, would show the State a good profit. In fact, it is confidently asserted that the assets thus accruing would practically cover the cost of administration. But this is another question that will be dealt with later. This forecast of the operations of State land tenure also to some extent answers the contention of some of the supporters of land nationalisation that the acquisition of agricultural land would not constitute the State becoming an actual trader.

It seems to be generally assumed by the advocates of such a policy that, in the matter of the State taking over agricultural land, the only persons involved would be the nominal owners of the land and the cultivators. The present tenure of land is complicated by mortgages, settlements, leases, and other considerations, which have become part of the system, in the course of a gradual evolution during a thousand years or so. Banks, insurance companies, trustees, and numerous private individuals quite outside agricultural circles, are financially involved in the present system of land tenure, so that any drastic measures taken with regard to the land could not but affect the financial security and confidence of the country generally. One can even go further than that and assert that, on account of the interlocked conditions of national commercial finance, the natural sequence of State control of one great industry would mean, in lieu of throwing over the idea, at a certain stage of its consummation, the consideration of "adjustment" in the hands of the State of other units which to-day constitute our trade and commerce. The State ownership of land would, in fact, be but the thin edge of the wedge.

The levity with which some advocates of State ownership of land anticipate the handing over of a security estimated at a thousand million pounds from one set of owners to another is almost incredible. "On and from an appointed date," says the Liberal Land Committee, portentously, "the State shall be deemed to have resumed possession of all land in the United Kingdom which at that date is used for, or capable of use for, the production of foodstuffs, timber, or other natural products." Messrs. Orwin and Peel, in their book, "The Tenure of Agricultural Land," with a similar lack of a "relatively small transaction," or a "mere matter of arithmetic." Whilst these learned authors attempt to evade all haggling by airily suggesting that the land should pass from its owner to the State on the basis of a capitalisation of the Schedule A. assessment of the

income-tax, the Liberal Land Committee, owing to the peculiar nature of their proposals, cannot dismiss the matter quite so easily. There are to be set up "temporary" Commissioners and Land Courts, the latter as an appeal body, before which the net rental is to be fixed, as on this would largely depend the permanent income of the landowner on the one hand, and the permanent rent of the State tenant on the other. Experience of the workings of such tribunals, particularly the ill-fated attempts to administer the land values taxation of the Finance (1909-1910) Act, 1910, give reason to suspect that it would not be a question of months or years, but even generations before the work of these "temporary" bodies was fully accomplished. In the meantime, through death and other causes, fresh sets of circumstances might arise which would seriously retard the hearing of certain cases, and the result would be that cultivators would be required to carry on entirely in the dark as to what their rent eventually might be. The practical difficulties of transferring the land to the State, apart from absolute confiscation, are very real, and, on close examination, appear insurmountable. Any attempt to bring about a revolutionary change in an industry so financially involved and so immured in tradition as agriculture can only end in chaos and disaster.

The cost of State management and administration of land is not exactly a popular subject on which its advocates seem desirous of spreading themselves. Messrs Orwin and Peel devote a radiantly enthusiastic chapter in their book to the opportunities that would be opened up in this new branch of the Civil Service, and one instinctively feels that they are happier in discoursing upon this aspect of land nationalisation than upon any other, but not a word is said about the cost. The Liberal Committee, however, are a little more venturesome. They optimistically predict that the cost of administration and management would be covered from profits made by State dealings in land, and by a contribution of 3 per cent. of his old gross rent, which the farmer is to be called upon to pay over and above his net rent. This 3 per cent. is evidently intended to produce something like the amount required under the heading "management," since it is stated that as 5 per cent. of the gross rent was a generally accepted figure for the management of large estates under the present régime, it was thought that this might be considerably reduced under "unified management." As against this assertion, it was stated in the House of Commons on February 27, 1923, in reply to a question addressed to the Minister of Agriculture, that the expenses incurred by county councils on small holdings administration during the financial year 1922-23 amounted to about 20 per cent. Again, in the report of the Ministry of Agriculture of proceedings under the Small Holdings Colonies Acts for the period ending March, 1920, the following illuminating passage occurs:—"The fact remains that the whole staff, both technical and administrative, has been required, and necessarily required, to work under a system of Governmental sanctions which is unavoidable if the expenditure of public money is to be fitly controlled; but these sanctions are a drag upon the free and wise management of farming operations."

The proposals of would-be land nationalists are full of untenable and uncertain arguments, which lack of space precludes meeting in detail. A word must, however, be said regarding efficient husbandry, which is to be a *sine qua non* for the proposed State agricultural tenants. At present, a landowner can get rid of a farm tenant without paying compensation for disturbance if he can obtain a certificate from the County Committee to the effect that the farmer in question is an inefficient cultivator. In these cases, however, the standard is quite an elastic one, and various circumstances are taken into consideration. In the case of State ownership, however, it is fair to surmise that some kind of fixed standard emanating from Whitehall would be insisted upon, with the expressed and in many ways laudable object of subscribing in a measure to national needs, and making the fullest use of the land as regards the employment of workers. The farmer's primary ideas concerning his holding would be towards getting from it a living for himself and his family, and generally he might not see eye

to eye with the Government officials in the methods of working his farm from an economic standpoint. If this clash of interests should be in any way widespread, it would soon spell disaster to the system of State land ownership. An analogous position of affairs exists to-day. Many farmers cannot conduct their farming operations in accordance with national interests simply because they would lose money by so doing. What the farmer requires is not so much security of tenure (which to a large extent he already has) as a prospect of a fair return for time and money expended, just as security for the investment of capital by the landlord on the farms he lets is equally important for the maintenance and improvement of the permanent equipment of the land.

OUR OVERSEAS MARKETS.

WITH the October returns of overseas trade are given the customary statistics for the September quarter and the first nine months of the year relating to the direction of our trade, analysed according to the countries of origin of imports and of destination of exports and re-exports. In the tables which follow we show separately the imports and British exports for Europe, other foreign countries, and the Dominions. The first table shows our trade with Continental countries in the first nine months of this year, together with the figures for the corresponding periods of previous years:—

BRITISH TRADE WITH EUROPE, JANUARY TO SEPTEMBER (000's omitted)

	IMPORTS FROM.				EXPORTS TO.			
	1914.	1923.	1924.	1925.	1914.	1923.	1924.	1925.
France	38,899	47,453	53,940	64,824	20,330	43,537	37,432	28,088
Italy	6,005	10,289	12,624	14,947	10,103	15,104	15,252	14,138
Switzerland	7,539	14,571	14,098	15,851	2,586	5,252	8,771	6,627
Spain	11,065	16,761	16,735	16,854	6,292	10,092	9,973	9,803
Portugal	2,805	4,045	4,638	4,768	3,888	6,702	6,544	6,363
Belgium	15,085	20,859	26,926	27,048	8,171	18,891	17,117	14,776
Germany	47,238	25,454	25,325	34,259	24,456	33,014	31,026	30,992
Austria	4,393	1,498	1,760	2,028	780	1,871	1,871	1,708
Hungary	1,200	2,726	1,505	1,282	2,404	2,502	4,119	4,767
Greece	5,134	1,127	1,811	1,713	1,937	2,534	2,411	2,326
Romania	912	921	700	543	2,496	2,496	2,597	2,706
Turkey (Europe) ..	22,947	4,818	13,346	16,173	11,943	1,715	1,803	2,041
Russia	9,143	14,982	16,362	15,002	5,538	9,966	10,568	7,008
Finland	5,524	8,792	8,430	10,653	4,982	6,332	6,522	5,779
Sweden	18,567	33,717	35,101	36,865	4,189	9,316	10,264	8,142
Norway	21,287	38,628	40,494	43,910	10,525	28,596	25,662	27,344
Denmark	..	4,069	5,740	3,786	..	2,058	2,366	3,176
Poland	..	5,762	9,876	8,052	..	653	1,013	1,301
Czechoslovakia ..	..	4,238	4,651	4,179	..	990	1,510	980
Latvia	..	..	..	..	..	..	..	..
Total	209,833	270,581	303,647	320,772	122,078	202,531	198,382	186,987

The first thing to be noticed in these figures is the further increase in total imports from the Continent and a further decrease in our exports to Europe. The latter is accounted for entirely by the decline in exports to France, Belgium, and Switzerland. There was also a drop in exports to Scandinavia, but this was largely offset by a large increase in exports to Russia. We also sent more to Holland, Germany, and Italy. On the import side important decreases are shown only by Sweden, Poland, and Czechoslovakia. More than half the increase in imports is accounted for by Germany. As will be seen, however, from the table below, in which we give quarterly figures for Germany and Russia since the beginning of 1923, the imports from Germany in the last quarter were the lowest since the second quarter of last year:—

TRADE WITH GERMANY AND RUSSIA (000's omitted.)

	Trade with Germany.				Trade with Russia.			
	Im-ports.	British Ex-ports.	Re-ex-ports.	Total Ex-ports.	Im-ports.	British Ex-ports.	Re-ex-ports.	Total Ex-ports.
1913—Quarterly average ..	20,103	10,169	4,566	15,126	10,068	4,566	2,396	6,964
1923 ..	..	..	..	..	..	..	..	..
Jan.-March	8,643	8,542	4,061	12,603	900	647	159	806
April-June	8,287	12,255	6,327	18,582	1,052	646	453	1,097
July-September ..	8,534	12,218	3,919	16,137	2,266	421	781	1,182
October-December ..	9,547	9,566	3,958	13,514	4,490	780	617	1,397
1924 ..	..	..	..	..	..	..	..	..
Jan.-March	6,731	10,614	9,370	19,384	2,263	369	677	966
April-June	7,675	12,894	8,601	21,497	2,387	355	2,089	2,444
July-Sept.	10,919	8,118	3,321	11,429	8,758	1,148	3,067	4,209
Oct.-Dec.	11,572	11,629	7,619	19,448	6,648	2,045	1,524	3,539
1925 ..	..	..	..	..	..	..	..	..
Jan.-March	10,854	11,855	8,605	20,460	3,246	1,582	3,097	4,599
April-June	13,293	10,602	7,632	18,234	5,902	1,376	3,415	4,791
July-Sept.	10,116	10,536	5,265	15,801	7,025	1,163	3,089	4,252

The quarterly totals of imports both from Germany and Russia are still far below the quarterly average for 1913, but in the case of Germany exports are now on a higher level than in 1913. With Russia, however, British exports are making very slow progress, but re-exports have expanded considerably, and so far as can be gathered from the monthly returns, this increase is due to tea, cotton, and rubber. It will be seen that in our trade with Germany there is still a very substantial excess of exports, but imports continue to predominate in trade with Russia, as they did before the war.

In the next table we give the figures for other foreign countries, including the United States:—

OTHER FOREIGN COUNTRIES, JANUARY TO SEPTEMBER
(000's omitted.)

	IMPORTS FROM.				EXPORTS TO.			
	1914.	1923.	1924.	1925.	1914.	1923.	1924.	1925.
United States.....	95,789	142,985	160,787	171,692	27,253	45,027	39,188	39,418
Cuba.....	3,744	8,061	11,055	9,514	1,281	2,208	2,378	2,086
Mexico.....	1,422	4,777	4,739	4,697	484	1,969	1,751	2,472
Argentina.....	25,895	49,893	60,903	52,572	12,322	21,723	20,324	21,950
Brazil.....	6,230	4,828	4,255	4,230	5,281	8,255	9,487	12,248
Chile.....	4,370	4,581	9,280	10,405	3,385	5,158	3,882	4,344
Peru.....	2,141	5,101	6,779	6,218	921	1,919	1,969	1,846
Uruguay.....	2,170	3,941	4,864	3,938	1,439	2,473	2,379	2,433
Japan.....	3,172	5,217	5,819	5,602	7,066	18,532	20,533	19,378
China.....	3,581	9,134	9,374	10,464	11,237	13,390	16,811	11,308
Turkey (Asia).....	2,171	733	937	876	3,620	607	681	815
Persia.....	329	5,441	6,045	5,101	518	1,170	1,342	1,906
Egypt.....	13,472	19,884	23,188	23,017	5,458	10,932	11,132	12,505
Other countries.....	7,389	12,314	17,892	18,221	10,473	11,345	12,403	14,743
Total.....	171,875	276,890	325,915	326,601	91,008	144,868	144,357	140,752

In spite of an increase of nearly £11 millions in imports from America, total imports from the countries enumerated are only very slightly higher in value. Indeed, with the exception of Chile and China, all other countries show a decline, the most prominent being a drop of over £8 millions in the case of Argentina. The decline in exports is more than accounted for by decreases of £8 millions and £5½ millions in exports to Japan and China respectively, and apart from small declines for Cuba and Peru, all other countries have taken more from us than in the corresponding period of last year, the outstanding cases being Brazil and Argentina. In trade with the United States there is an excess of imports over total exports for the nine months of £110½ millions, as against £104½ millions for the same period of 1924 and £44 millions in the first nine months of 1914.

We next come to the figures for the Dominions:—

TRADE WITH DOMINIONS, JANUARY TO SEPTEMBER
(000's omitted.)

	IMPORTS FROM.				EXPORTS TO.			
	1914.	1923.	1924.	1925.	1914.	1923.	1924.	1925.
Irish Free State.....	19,061	37,397	30,773	30,773	13,981	14,782	32,026	30,902
Canada.....	20,844	37,057	43,694	48,859	20,487	20,690	20,690	20,955
Australia.....	28,945	40,966	41,662	57,886	26,252	42,596	44,789	45,425
New Zealand.....	20,252	36,641	40,446	46,299	7,332	11,059	14,888	17,155
India & Ceylon.....	36,715	56,690	61,926	68,642	52,933	67,302	71,172	69,332
South Africa.....	8,889	10,265	12,411	16,535	19,920	22,880	22,398	22,398
West Africa.....	4,811	8,954	10,255	10,680	4,458	8,527	7,015	9,767
Mauritius.....	376	3,092	2,895	339	2,953	855	982	698
Straits Settlements.....	10,029	7,191	8,473	11,733	3,691	5,723	6,394	7,999
Malay States.....	1,833	1,698	1,214	2,462	619	834	1,321	1,321
West Indies.....	1,880	4,788	3,941	4,894	1,765	2,581	2,638	2,789
Other Possessions.....	6,106	13,590	15,479	19,003	10,477	23,871	22,342	22,778
Total.....	140,810	239,993	279,793	318,105	137,663	218,323	246,580	251,519

Although trade with the Irish Free State has diminished in value, total imports and British exports have expanded. The most prominent increase in imports is that of £16 millions recorded for Australia, but all the other large Dominions show a substantial expansion. A sudden drop in imports from Mauritius is accounted for by sugar, our imports of sugar from that quarter in the nine months having dropped from £3,022,800 to £482,600 in value, and from 2,024,800 cwts to 551,800 cwts in quantity. India and Ceylon have taken less from us than in the same period of last year, and there is a slight decline in exports to South Africa, but exports to New Zealand show a further increase. Imports from the Dominions represent 33 per cent. of total imports, as against 30.7 per cent. a year ago and 30.4 per cent. two years ago, while exports to the Dominions are 43.4 per cent. of the total, against 41.8 per cent. and 38.5 per cent. We had occasion, however, to point out last week that trade which the Dominions do with Great Britain is a diminishing proportion of the trade of the Dominions.

In the final table we give re-exports to the principal countries:—

RE-EXPORTS—NINE MONTHS.
(000's omitted.)

To	1914.	1920.	1921.	1922.	1923.	1924.	1925.
France.....	7,859	34,261	8,050	13,728	13,933	13,048	15,536
Italy.....	704	4,696	1,095	1,236	1,485	1,764	1,946
Belgium.....	4,888	15,713	6,832	8,352	6,857	7,688	7,587
Germany.....	13,347	20,174	17,352	13,643	14,306	21,235	21,502
Russia.....	5,419	3,782	821	623	1,373	5,833	9,601
Sweden.....	631	3,951	1,341	1,158	1,259	1,249	1,375
Norway.....	408	1,528	572	534	554	484	646
Denmark.....	474	3,389	1,084	906	1,371	1,289	1,022
Netherlands.....	3,831	10,411	6,076	4,744	3,682	5,647	5,346
United States.....	24,525	48,501	14,919	14,650	20,906	17,139	21,727
Japan.....	146	1,491	569	225	199	217	266
Other countries.....	4,864	12,370	8,731	6,477	6,669	7,778	6,382
Total for foreign countries.....	67,096	160,267	68,042	66,336	72,596	83,498	92,856
British Possessions.....	9,700	20,192	9,598	11,538	14,262	19,409	19,995
Total.....	76,796	180,459	77,640	77,874	86,858	102,907	112,851

Russia and the United States account for the increase in re-exports to foreign countries, and in these two cases the increase in the price of rubber is largely responsible. Re-exports to the Irish Free State are practically unchanged at £8½ millions, and a decline in the figure for Australia is offset by an increase in the case of Canada.

RUBBER RESTRICTION—AN AMERICAN VIEW.

(BY A NEW YORK CORRESPONDENT.)

An article in the *Economist* of September 26th (p. 487) dealing with some of the results of the Stevenson Scheme has attracted attention here. From Mr Churchill's account of the manner in which Cabinet approval was secured, it seems that restriction was adopted in a spirit of levity, quite appropriately prophetic of some of its incidents and the farcical claims which have been made on its behalf.

The most striking fact brought out in the article is that, while during the three years 1922 to 1924 consumption exceeded production by more than 110,000 tons, the British proportion of the production fell from 75 per cent. of the whole to 52 per cent; if the figures were brought up to date the disparity would be even more remarkable. Restriction, therefore, appears to have been a costly matter for British producers, and even the questionable advantages of the present boom may prove sorry compensation for the eventual results of an experiment which, though perhaps at one time an excusable expedient, could have been abandoned over a year ago with great benefit to the whole industry; it is almost certain that a free market would on the whole have provided better earnings for the estates, and without the future reactions which are now inevitable. It is regrettable that the repeated demand for an impartial review of the results of restriction has been consistently refused by the Colonial Office; such an inquiry might have provided material to enable the industry to be placed on a less unstable basis, and it would almost certainly have removed the feeling of rancour against those responsible for restriction, which exists in a marked degree.

To understand the depth of the resentment against restriction one must go back to its inception. Shortly after the Scheme was made public, the Rubber Association of London invited a delegation from the Growers' Association of America to a visit here for a frank discussion of the whole subject. With one prominent exception, consuming interests showed a remarkably broad-minded willingness to give the experiment a fair trial, as the only available suggestion for saving the plantations from what then looked like disaster. The American Association, however, expressed the view that consumption was improving so rapidly that restriction was, in fact, unnecessary, and that in any event its provisions were too rigid for changing circumstances; moreover, its complete control of speculation, while at some period or other we should experience a shortage of supplies with prohibitive prices. Time has abundantly proved the truth of all these points, and the inevitable mischiefs resulting have yet to be realised. However, the Growers'

delegation, at that time desirous to placate any possible American doubts or opposition, gave assurances that the Scheme contained discretionary powers, which would undoubtedly be exercised to prevent any such dangers arising, and the American Association accepted the assurances in the spirit in which they were doubtless given; opposition by individuals was actively frowned upon, and the manufacturer mentioned above (who has always maintained active opposition to the whole idea of the Scheme) was forced to resign from his association as a protest against what is now generally recognised as an unfortunately supine attitude.

It is understood here that in reply to similar fears and doubts expressed by British manufacturers, Lord Stevenson, at an early meeting at the Colonial Office, was encouraged to give assurances of the same nature, and these have ever since been regarded as official confirmation on the part of the British Government of the pledges given by the Growers' delegates.

The American Association's doubts were quickly justified. Restriction contemplated a minimum price of 1s 3d and a hopeful expectation of 1s 6d per lb, not an unprofitable basis as compared with a cost of production of about 8d to 10d per lb. Consumption buying here quickly raised the price to 1s 6d, when, however, it was discovered that instead of Malayan exports being reduced under restriction, they had increased. Speculators quickly took advantage of the fact, and prices dropped at once.

Then it became apparent to everyone that, until visible stocks in London were materially reduced, the minimum 1s 3d must necessarily be regarded as the maximum price. Meantime the Dutch Estates, taking advantage of what they regarded as the perfectly satisfactory price of 1s 3d, increased their output materially, and loud complaints were heard against those who had promised, in restriction, higher prices and a panacea for all the ills of rubber. Other patent medicines were then suggested, and the idea of a central selling agency was gravely adopted as the one remaining thing necessary for rubber's salvation.

About the middle of 1924 general conditions and trade factors showed many and unmistakable signs of definite improvement, and it was quite apparent that consumption was improving at a rate which the industry had not experienced for years. If we had then had a market free from restriction influences we should almost certainly have seen a 1s 9d to 2s level quickly established and maintained. But because restriction had, in fact, done precisely what had been foreseen, in placing the market completely under the control of any bold, speculative movement, prices were depressed and kept depressed at levels quite unjustified by the demand.

This operation was undertaken by a combination of some of the large manufacturers, and was carried out with such remarkable success that it was not until they had acquired the bulk of the London stocks, as well as many thousands of tons for future delivery, that bear manipulation was allowed to cease and market prices began gradually to reflect the true conditions. Even then it was not until May last that we saw the 2s level, and London stocks reduced to less than 13,000 tons—a dangerously small quantity even if restriction had not been in operation.

Then prices began to mount rapidly, accompanied by an orgy of speculative activity reminiscent of the notorious boom of 1910, and a further shrinkage in London stocks to 4,500 tons. Some manufacturers were compelled to close their plants temporarily for want of supplies, and the situation became even more critical by accidental delays to several ships.

In short, the very situation foreseen by the American Association—short supplies and runaway prices—had arisen, and the Growers' Association, and later Lord Stevenson, were asked to carry out the assurances which had been given for remedial measures. No satisfactory reply was received from either, nor has there been any attempt to fulfil the promises, which now appear to be completely ignored. No candid person would think of accusing those involved of deliberate breach of good faith, but it is apparent that a method of control, designed for one quite laudable purpose, has had results not con-

templated by them at the time, and now speculative interests have the market in such tight grips that those responsible for restriction seem afraid, or powerless, to attempt a remedy for a state of affairs which is full of danger to the future of the industry.

The situation here is thoroughly uncomfortable from almost every point of view, and steps are being taken in various directions, the ultimate consequences of which are likely to be deplored by all legitimate trade interests. It is a highly sinister fact that a large part of the present price (probably to the extent of 1s 3d to 1s 6d) has been brought about by manipulation of the same combination as held the market down a year ago. We may well ask ourselves for what object such a course has been adopted, when natural interests would appear to point clearly in the opposite direction. Remembering, too, that major movements in rubber are invariably forced to over-exaggerated extremes, and are then followed by equally violent swings the other way, we should be prepared for drastic changes in the market and continued unsettlement before we are finished with the effects of restriction.

THE QUESTION OF THE SUBMARINE.

THE deplorable loss of the British submarine M1 with all its officers and crew has vigorously revived public discussion of the possibility of international agreement to discontinue the use of underwater craft. The discussion was given an effective send-off by a letter written to the *Times* by the chairman of Lloyd's. "It is not usual," he writes, "for business men to obtrude their advice in matters of high policy, but it is felt that this is an occasion when an institution whose work for centuries has related to the sea might now make its voice heard in an appeal to stop the use of a war machine which brings about the disasters of war in a time of profound peace." The weight attaching to the source of this appeal and the atmosphere of emotion in which it was launched assured for it a large measure of public attention. Moreover, even apart from the M1 disaster, the moment for it was propitious. The achievement of Locarno is on everyone's lips. If the current optimistic estimates of that achievement are well-founded, the Locarno Pact will create a degree of security that will make possible an important measure of international disarmament. If we are to have disarmament, what better starting-point could there be than the barbarous submarine?

Now, everyone will agree that the under-water ship, while having no contribution whatever to make to the world's peaceful or commercial development, is a barbarous instrument of battle, which aggravates the horror of warfare. But it is precisely for that reason that a certain school of thought would oppose its abolition. Let us, argue the members of that school, make war as horrible as possible. The more horrible it is made, the greater will be the reluctance of nations to engage in it. This argument, in our view, is overstressed. There is, of course, substance in the view that all endeavours to make war a gentlemanly pastime are sheer waste of good time and effort, which would be better expended upon the search for means to make war less likely. Nevertheless, in spite of all arguments that may be adduced in this strain, we should regard the abolition of submarines as a very welcome step.

At the same time, there are several considerations that should be clearly realised before we throw all our enthusiasm into the campaign which the chairman of Lloyd's has opened. The abolition of the submarine, for instance, would not ease national budgets and relieve taxpayers to an extent comparable to that which would be provided by a further international restriction on costly capital ships. Secondly, the proposal for abolition is not a new one. It was put forward and supported by Great Britain at the Washington Conference, and we still have to face the facts that led to its rejection, notably by France, on that occasion. To put the matter briefly and crudely, the submarine is felt by weaker naval nations to be their only effective weapon against stronger naval Powers; while Britain's position as the biggest possessor of mercantile

tonnage, as an island dependent for its life upon sea-borne supplies, renders her the greatest target in the world for the activities of the submarine. This fact, in the minds of other nations, adds a suspicion of hypocrisy to the advocacy by Britain of the submarine.

These points illustrate some of the main difficulties that may still be expected, in greater or less degree, to hamper and obstruct an international agreement. Nevertheless, it does not automatically follow that because the attempt made at Washington three years ago failed, a renewed effort now is foredoomed to frustration. The naval authorities of the nations have had a few years to ruminate upon the future of the submarine, and to digest the lessons of the Great War. One cannot attempt any sweeping estimate of what the results of such study may be. But it can, at least, be said that a school of naval thought has arisen which believes that there is no future for the submarine even in war-time. This belief is based on a study of the devices invented for crippling the submarine, and the extraordinary degree to which they were perfected by the end of the war. How far such devices may have been further developed since the war in the naval research departments of the world can only be a matter of conjecture. But there is the bare possibility that scientific research has, in the last few years, tilted expert opinion abroad, as well as in Britain, towards acquiescence in the submarine's extinction.

On the other hand, there is, so far as the public is aware, no present indication of a change of attitude in France on the submarine question, and we must be prepared to find that progress in the matter is still effectively barred. We should, therefore, guard against the mistake of concentrating public opinion exclusively on one minor, though important, brand of disarmament, which may prove impossible of achievement, instead of working to create an atmosphere favourable to progress on the broader issues of international restriction of fighting weapons and services.

Notes of the Week.

The Australian Elections.—Although the final figures of the Australian general election are not yet available, it appears that the earlier cables under-estimated the extent of Mr Bruce's triumph. Latest cables suggest that he will have no fewer than 53 seats in a House of 75 members, while, at the same time, the majorities of Government candidates for the vacant seats in the Senate is steadily growing. This sweeping victory is the more striking because during Mr Bruce's three-year tenure of office Labour has been marching from strength to strength in the State elections. The complete reversal of this tendency by the Commonwealth electorate is very remarkable. It would not be surprising to learn that the result is due to very much the same influence that brought Mr Baldwin his huge majority here last year, namely, the public fear of the growth of Communist penetration in the Labour Party. It appears that about 90 per cent. of the electorate went to the poll, a figure which shows that the new compulsory voting system has worked fairly effectively. The verdict of the Australian electorate has had a good reception in this country. For our part, we have had occasion to criticise Mr Bruce, and to differ categorically from some of his views. None the less we venture to offer to him our sincere congratulations on his victory. He is a convinced believer in the utility of preserving the unity of the British Empire. He knows Great Britain, and he knows post-war Europe. By experience and by mental equipment he is, we believe, well fitted to assist in the solution of those Imperial problems which are discussed in a previous column of this issue.

Irish Free State Politics.—The news of the week, writes our Dublin correspondent, portends novel developments in the political sphere. The immediate cause of trouble is the wages rates for unskilled labour on the

Shannon Scheme. An attendant source of political inflammation is the pending issue of the Report and Award of the Boundary Commission, which most forecasts—all unauthorised and probably baseless—agree in describing as unfavourable to the Free State contentions. The circumstances which make the movements of public opinion somewhat difficult to foretell derive their character from economic causes, and comprise deep discouragement and discontent, which adversely overlong sustained always brings in its train. Rates and taxes are heavy—and are being firmly exacted. A good harvest has been followed by low prices, and there is an extraordinary scarcity of money in circulation in the country districts. It is only now being realised how much capital was expatriated when many ex-landlords in 1921-2-3 fled the country. These, with their whilom estates represented by investments in British and American securities, had lived in their demesne houses, paid rates and taxes, and spent their income locally. Now of the large numbers who went away many are lost for ever both as taxpayers and resident spenders of income. The Siemens-Schuckert firm offer on the Shannon Scheme wages of 32s per 50-hour week, free hutment, and messing facilities at cost—a wage rate which compares favourably with the prevailing rates in the three adjoining counties for unskilled labour, either on farms or on County Council road schemes. They need 3,000 men in all, and some 10,000 have applied for work on their terms. Organised Labour professes to detect a sinister Government plot to lower the standard of living of the working classes, and has formally demanded in Dail Eireann that the 32s shall be increased to 50s. The Government declines to interfere—having, indeed, indicated to the contractors in advance what the prevailing wage rates were. Thereupon, without more ado, the Labour party has excommunicated the whole scheme, and has called upon all the unions to impede and thwart it by every means in their power. It contemplates withdrawing from the Dail, and it is stated to have entered into some species of alliance with the Republicans. On the merits and regarded merely as a labour dispute, the Labour party will gain no converts. If their demand was conceded, the wage and standard of living of the unskilled labourer would far exceed those of the smaller farmers and of the lower grades of non-manual workers amongst the urban populations. And they will be reproached for their attempt to diminish the already scanty amount of employment during a winter of great hardship. They may not improbably find themselves definitely at odds with the unemployed, whom already they are clearly seen to be unable to control. On the other hand, the Government has not handled Labour with tact. It had its opportunity when, at the end of the summer session, both employers and Labour desired a national conference on outstanding issues, and the Government failed to convene one. This was a blunder of great magnitude. The Labour party had deserved well of the State, to which it had stood loyal through very trying times against de Valera and Larkin. It is wrong on the present issue, no doubt; but it would have been better if it had not had its susceptibilities ruffled. The Government here is about to set up a Commission to consider Irish problems of banking, finance, and credit, but neither the terms of reference nor the personnel are as yet forthcoming.

Employment in October.—There was a decided improvement in employment during October. According to the *Ministry of Labour Gazette*, among the 11.9 million work-people insured under the Unemployment Insurance Acts in Great Britain and Northern Ireland, the percentage unemployed at October 26th was 11.4, as compared with 12.0† at September 21st and 11.0† at October 27, 1924. The total number of registered unemployed at the end of October was approximately 1,295,000, showing a decrease of 106,000 on the total number registered at the end of September. Among the members of trade unions, the percentage unemployed fell from 11.4 at the end of September to 11.3 at the end of October. The following

† Revised figure.

table gives the monthly trade union figures for several years past:—

TRADE UNION UNEMPLOYMENT PERCENTAGES.

	1913.	1919.	1920.	1921.	1922.	1923.	1924.	1925.
End of—	%	%	%	%	%	%	%	%
January ..	2.2	2.4	2.9	6.9	16.8	13.7	8.9	9.0
February ..	2.0	2.8	1.6	8.5	16.3	13.1	8.1	9.4
March	1.9	2.9	1.1	10.0	16.3	12.3	7.8	9.0
April	1.7	2.8	0.9	17.6*	17.0	11.3	7.5	9.4
May	1.9	2.1	1.1	22.2*	16.4	11.3	7.0	10.1
June	1.9	1.7	1.2	23.1*	15.7	11.1	7.2	12.3
July	1.9	2.0	1.4	16.7	14.6	11.1	7.4	11.2
August	2.0	2.2	1.6	16.3	14.4	11.4	7.9	11.4
September ..	2.3	1.6	2.2	14.8	14.6	11.3	8.6	11.4
October.....	2.2	2.6	5.3*	15.6	14.0	10.9	8.7	11.3
November....	2.0	2.9	3.7	15.9	14.2	10.5	8.6	..
December...	2.6	3.2	6.0	16.5	14.0	9.7	9.2	..

* Excluding coal miners.

The industries which showed an improvement during October were coal mining, iron and steel manufacture, the tinplate trade, the cotton, wool hemp, hosiery, and carpet trades, and textile bleaching and dyeing. Employment was fairly well maintained in the building and brick trades, although some seasonal decline was reported. It was also good in the printing, furnishing, and silk trades, and with coach-builders, mill sawyers and coopers. Employment, however, was still bad in the coal and iron mining, iron and steel, shipbuilding, and marine engineering industries. The fact that the trade union percentage has remained comparatively steady while the total percentage unemployed has fallen will doubtless be looked upon by Labour protagonists as an argument in favour of their theory that the improvement is due to a general tightening up of administration.

Cost of Living.—According to the index number of the *Ministry of Labour Gazette*, there was no change in the cost of living during October as compared with the previous month, the figure remaining at 76 per cent. above the level of July, 1914. Monthly movements and comparisons with previous years are given in the following table:—

AVERAGE PERCENTAGE INCREASE over JULY, 1914.—All items.
(Food, Rent, Clothing, Fuel, and Light, &c.)

1st Day of	1918.	1919.	1920.	1921.	1922.	1923.	1924.	1925.
	%	%	%	%	%	%	%	%
Jan.	85.90	120	125	165	92	78	77	80
Feb.	90	120	130	151	88	77	79	79
March...	90	115	130	141	86	76	78	79
April ..	90.95	110	132	133	82	74	73	75
May ..	95-100	105	141	128	81	70	71	73
June ..	100	105	150	119	80	69	69	72
July ..	100-105	105-110	152	119	84	69	70	73
Aug.	110	115	155	122	81	71	71	73
Sept....	110	115	161	120	79	73	72	74
Oct.	115-120	120	164	110	78	75	76	76
Nov.	120-125	125	176	103	80	75	80	76
Dec.	120	125	169	99	80	77	81	..

For food alone the figure was also stationary, remaining at 72 per cent. The chief changes that occurred during October were decreases in the prices of bread, flour, sugar, and potatoes, and increases in those of eggs and milk.

Cotton Trade and Short Time.—There was some surprise in Lancashire trade circles at the end of last week, writes our Manchester correspondent, when it was announced that the Short Time Committee of the Master Cotton Spinners' Federation had decided to recommend a further curtailment of production in the mills using American cotton. The proposal is that from the end of this month and during December and January the working week shall be 35 hours instead of 39½ at present. This means that the factories shall stop for a period equal to one and a-half days per week instead of one day. A ballot on this proposal is now being taken, and the voting papers have to be returned not later than the 26th inst. In a circular issued to the members the Federation says that the principal reason why the committee consider a further reduction of working hours essential is that from actual experience of the yarn situation, strengthened by the information contained in weekly returns from members, the offtake of

yarns is not holding its own with production based on 39½ hours per week. In the Manchester market the policy of the Federation has been criticised. Increased short time means higher production costs, and is certainly unsound economically. The Federation, however, is at its wits' end to know what to do to meet the depression. On behalf of the Federation it is pointed out that over 95 per cent. of the members are now observing the 39½-hour working week, and owing to the importance of the proposed alteration the committee is of opinion that the usual majority, viz., 80 per cent., required to carry a ballot decision cannot be regarded as adequate on this occasion. It is evident from this statement that the Federation is asking for a unanimous vote. There is some doubt in trade circles as to whether the necessary support will be obtained, but it is rumoured that a leading section which in the past has not always been ready to fall into line is likely to vote for the larger curtailment of production. The spinning mills engaged on American cotton in Lancashire contain about 38,000,000 spindles, out of a total of 56,000,000, and if the scheme is adopted the operatives affected will be chiefly in the Oldham district.

Wool Textile Wages Settlement.—The report of the Court of Investigation in the wool textile industry, which, in accordance with arrangements made when the Court was set up, is to be accepted as the basis of an agreement between the employers and workpeople, contains several features of interest. In the first place it recommends the stabilisation of wages till January, 1927, by which time the existing level of wages will have been maintained for four years. It is noteworthy that this industry, which was one of the first to adopt the principle of a cost of living sliding scale for the purpose of wage adjustments, was also one of the first to abandon the method when the cost of living index number showed signs of becoming more or less stationary. This policy has received endorsement by the Court. The wages which are stabilised consist of basis rates, which were originally adopted as being equivalent to pre-war rates, plus an augmentation of 10 per cent., the whole being subject to a "cost of living" wage of 72½ per cent. in the case of time-workers and 63½ per cent. in the case of piece-workers. The addition to pre-war rates thus amounts to about 80 to 90 per cent. The Court also recommends the extension of the system of piece-work, with an understanding that persons engaged on such work shall receive 25 per cent. more than their basis time rates, plus the appropriate percentage addition. The fact that operatives on piece-work normally earn more than when on time-work has, of course, long been recognised, but the fixing, by agreement, of a definite relationship between time-rates and piece-work earnings for the same kind of work is largely a post-war feature. This relationship is now definitely specified in several industries, including engineering and many of the trades covered by the Trade Boards Acts. A third feature of interest in the report is the decision that the provisions contained in the last agreement in regard to the bonus of higher-paid time-workers should be continued. This agreement provided that the full percentage should only be paid to those workers whose basis rates were below a certain limit, beyond which a reduced percentage applied. In this respect the woollen trade conforms to the principle prevailing in many other industries, but not all, in which the percentage increase over pre-war rates is greater for the lower-paid workers than for those receiving higher rates.

Reparation Receipts.—The Agent-General for Reparation payments has issued a statement of receipts and payments for the first two months, September and October, of the second annuity year under the Dawes plan. Total receipts were 154.6 million gold marks, including 50 millions as budgetary contribution, 53.9 millions from transport tax, and 50 millions of interest on Reparation Bonds. Total payments to the Powers in the same period were 153 millions, while the service of the German external loan claimed 19.2 millions. Of the total sum paid to the Powers, 16.4 millions were in respect of occupation costs, 99.9 millions were deliveries in kind, and 36.6 millions the yield of the Reparation Recovery Acts. Of

the total disbursed in various forms, France received 81.1 million gold marks, the British Empire 34.5 millions, Belgium 15.7 millions, and Italy 11.9 millions.

America and the British Motor Trade.—We have not been among those who bewailed the introduction of American capital into a British industry when the General Motors Corporation acquired control of Vauxhall Motors, Limited, last month. Pessimists who jumped to the conclusion that the latter company would thereby become completely Americanised may be able to derive some comfort from a speech delivered on Tuesday to the American Chamber of Commerce in London by Mr J. D. Mooney, vice-president of General Motors Corporation. He refused to discuss the detailed plans of Vauxhall Motors, Limited, but remarked that "the British public have continued for many years to display their confidence in the managing directors who created the Vauxhall company. As these men will continue to operate the company, it is to be expected that Vauxhall will continue to command the respect and confidence of the British public." Among the reasons that have led the General Motors Corporation to believe that a partnership with an English motor-car manufacturing company would be of mutual advantage, Mr Mooney told his audience of his belief that "during the next ten years we shall witness a remarkable increase in the use of motor vehicles in the British Empire," and that an investment in the manufacturing business in England is safe. "England is faced with the economic necessity of capitalising to better advantage, a thing that she can do exceedingly well, i.e., manufacture high-grade, complex, fine quality products. It seems to me that the manufacturing of motor-cars fits in, at the present time, with one of England's fundamental economic necessities." Further, "England provides the entire economic background that is needed to support the manufacture of motor-cars that can compete successfully in the world's markets." Summarising the position of the General Motors Corporation, Mr Mooney said that "we find here the general elements that provide a sound basis for investment in the motor industry; high character values, the amount and character of labour needed, the fundamental production facilities, and an expanding market." For our part, we attach more importance to the other side of the question. In our view it is highly desirable that American capital and American enterprise should be introduced into this country. In the American business world is to be found an openness of mind, new standards in industrial and commercial relations, and a ready, almost over-eager, welcome to improvements in technique, accountancy, and administration, which would be a very welcome antidote to Britain's traditional conservatism. We do not assume that the ultimate ideals of business are necessarily those of present-day America. But that country obviously has much to teach us, and we should welcome the introduction of a little American yeast into all branches of British commerce. Nor have we any objection to American capital in British industries. It does not come here to close our works, but, on the contrary, because it is already evident that when it comes to selling in world markets, America is handicapped by the high costs fostered by her tariff. We agree with Mr Mooney that arrangements of this kind are a mutual advantage.

Italian Loan in New York.—Cables from New York state that an Italian Government loan for \$100 millions was offered in New York yesterday by a banking syndicate, including J. P. Morgan and Co., the First National Bank, the Guaranty Trust Company, the National City Company, and the Bankers' Trust Company. The loan was offered at 94½, the bonds bearing interest at the rate of 7 per cent. A sinking fund will be created by annual payments of \$1½ millions beginning on September 15, 1926, which, together with the interest on bonds previously acquired for the fund will be used for annual redemption at par on December 1st of bonds drawn by lot. The bonds will nominally mature on December 1, 1951, and

except for the sinking fund are not subject to redemption until June, 1941, after which they may be redeemed, as a whole, at the option of the Italian Government, at par.

Statutory Small Holdings.—That a multiplication of small holdings is desirable, especially from a sociological point of view, has long been more or less generally agreed. With the object of overcoming the obstacles which, in many districts, prevented the acquisition of land for this purpose, an Act was passed in 1908 placing the responsibility of providing small holdings on county councils, and giving them compulsory powers to acquire land. The chief condition imposed on them was that no charge should fall upon public funds. Up to the outbreak of war, 12,868 small holdings had been provided under this Act. After the war an almost universal feeling in favour of giving the men who had fought the opportunity of getting a bit of the land they had fought for, led to the passing of the Land Settlement Facilities Act, 1919, which, *inter alia*, authorised the Treasury to provide £20,000,000 (later reduced to £17,000,000) to meet capital expenditure. Under this Act, 22,000 small holders have been settled at a capital expenditure of about £16,000,000, of which it is reckoned by the Ministry of Agriculture that probably one-half will have to be written off as lost. For this sum county councils have become the owners of about 217,000 acres, and the lessees of about 25,000 acres more. Including their pre-war possessions, they now hold about 440,000 acres. The recently issued report on Land Settlement from which these particulars are extracted states: "County councils have now become by far the largest agricultural landowners in England and Wales. The rent roll of statutory small holdings is approximately £1,000,000 per year." It may be added that the total area of land now owned by public bodies—including the Crown, the Ecclesiastical Commissioners, the universities, &c.—is nearly 1½ million acres. The striking financial difference between the pre-war provision of nearly 13,000 small holdings and the post-war provision of 22,000 is in a large measure explained by the universal desire to assist ex-service men as generously as possible. The sanguine expectations that the liberal assistance given would result in the settlement of large numbers on the land have not been fulfilled. About 49,000 applications were received, and of these 27,000 were rejected or withdrawn. At the end of last year 15,461 ex-service men had been supplied with holdings, and were still in occupation, 3,243 had been approved, but not yet supplied, and 1,048 applications were, for one reason or another, standing over. It appears that the proportion of failures on the post-war holdings was about 10 or 12 per cent. Both the high cost of the scheme and the large number of failures are mainly attributable to exceptional circumstances. The greater part of the land had to be acquired during the furious boom in agricultural land which followed the Armistice. The average cost per acre of land acquired before the war for small holdings was £32 17s 6d, while after the war it was £42 10s. The cost of loans was also much higher, the rate at which £11,000,000 was borrowed being 6½ per cent., gradually falling to 4½ per cent. in 1923, the average rate for the whole amount being 6½ per cent. The small holders were at the outset confronted with a drought, and also with an unparalleled slump in prices. The situation was met by considerable remissions of rent, followed in most cases by permanent reductions. One of the morals to be drawn from the experience of a scheme which was admittedly uneconomic from the start is that only in exceptional cases have men succeeded who had no previous agricultural experience. Those who have weathered the storm are now, as a rule, firmly established, and face the future with optimism.

The York-Antwerp Rules.—An official reply has now been sent by the International Law Association to American criticisms of the York-Antwerp Rules, 1924. Though the revised Rules have been generally adopted in shipping and marine insurance documents on this side of the Atlantic, serious objection was, it will be recalled,

taken in the United States. As mentioned in the *Economist* of June 27th, an intended resolution supporting the Rules was withdrawn at the Brussels Congress of the International Chamber of Commerce because of American opposition. Since then, informal conversations have taken place, and the various suggestions for changes in the Rules, as revised at Stockholm last year, which were received from the United States, have been dealt with fully in the formal reply. The reply notes with satisfaction that, despite their criticism, American interests express sympathy with the plan of declaring the principles of general average, and bringing about greater uniformity in all maritime countries. Only one of the new rules of principle—that defining general average—was the subject of American comment. After dealing with this point, the reply, a lengthy document, enters into the other questions at issue, which are matters of detail. Should there be no reiteration of the American request for a further international conference, some objections taken in Germany would also, it is understood, be withdrawn.

Agricultural Education and Research.—The development of facilities for agricultural education and of equipment for agricultural research has been very great since the war. There are now 15 universities, university colleges, and agricultural colleges at which higher education in agriculture is provided with the assistance of grants from the Exchequer amounting to £48,000. Capital grants have also been made to these institutions, usually on a "£ to £" basis, amounting to about £100,000. There are also 14 farm institutes in England and Wales, at each of which courses, in some cases extending over one or two years, but usually of shorter duration, in general agriculture, horticulture, dairying, and poultry-keeping are given. Under the Corn Production Acts (Repeal) Act, 1921, one of the purposes to which the funds thereby authorised were to be applied was "the establishment of scholarships and maintenance grants for sons and daughters of agricultural workmen and others." During the past three years 350 scholarships have been awarded under this scheme. The parents of the students were in 80 cases agricultural workers, and in 81 other cases small holders. Altogether, it appears from the report recently issued by the Minister of Agriculture that over 10,000 students are now receiving agricultural education at the charge, either wholly or partly, of public funds. The recognition of the obligation of the State in regard to the endowment of agricultural research is of comparatively recent origin. The work carried on for so many years at Rothamsted and Woburn by private resources has been in a large measure taken over, and greatly developed, by the expenditure of public funds. Research in various branches of science relating to agriculture is conducted at 23 institutions in various parts of the country. It may, perhaps, be regarded as significant of the trend of British agriculture in these times that eight of these institutions are engaged in horticultural research—mainly relating to fruit—and seven to research in animal pathology and husbandry. Two stations are specifically devoted to plant-breeding, a line of research in which private enterprise still co-operates helpfully.

Tin in Cornwall.—In a lecture before the London Cornish Association on Wednesday last, Mr Hamilton Jenkin gave an interesting survey of the tin-mining industry in Cornwall from ancient times down to the present day. In regard to the present position Mr Jenkin is optimistic. A considerable change has taken place since the slump of 1920 to 1923. Almost before the price of tin had begun to improve in 1923 development work in the Camborne-Redruth area alone costing more than £150,000 was begun, and three new shafts were sunk to depths varying from 1,000 to 1,800 feet. The lecturer, however, asked investors not to be impatient. "Sound modern mining principles demand that a preliminary stage of cross-cutting and driving on the lodes at higher and lower levels must take place first in order to block out the ground and test the reserves of ore body. That is the ground and test the reserves of ore body. That is what is meant by development. Though a good many

mines are still only in the development or chrysalis stage after the slump, it would be a mistake to think that this is all. The greater proportion of the mines are already working once more at full bore, and are large tin producers. It is not generally realised even to-day, when only just emerging from the shadow of the dark years, that six large mines are actually in the producing stage, and well over 2,000 men have been reinstated in employment. One mine alone is producing between 80 and 90 tons of black tin a month, which, with the metal in the neighbourhood of £280 a ton, represents a gross income of £13,000 a month, irrespective of by-products. Month by month the output of tin from Cornwall is creeping up, and more and more men are being taken on in their old occupation." Mr Jenkin asserted that, in spite of its age-long working, much tin remains in Cornwall at shallow depths and in positions requiring very moderate capital, and in support of this he stated that he had in mind places where he had seen good lodes both of tin and silver lead extending almost from surface, and inviting the time when Cornwall will once more be able to claim its fair share of capital for the development of mineral resources within the Empire.

Lead Prices and Supplies.—It was expected that with the freer supplies of pig-lead, combined with some falling off in the European trade demand, the recent setback in the value of the metal would become accentuated. "Prompt delivery" dropped a few days ago to £36 10s, and then steadied a little, but the outlook continues in consumers' favour, while there is the usual slowing down of operations by manufacturers towards the end of the year. The figure mentioned indicates a setback of exactly £4 a ton from the high record of September last, when the general demand was particularly brisk, and needy buyers had to pay a heavy premium ranging up to over £3 a ton in order to fill early requirements. There has been evidence of easier conditions in the course of this month, and the premium on prompt delivery has been reduced to about 12s 6d a ton. In view of the somewhat poor Continental demand, which particularly refers to Germany, where rather poor trade conditions exist, consumers are decidedly more circumspect in the filling of their requirements. The price is still very high, and affords every inducement to producers to push their operations, inasmuch as the outlook as regards consumption is eminently satisfactory, especially in the United States, where the market continues to show considerable resistance to the reactionary conditions on this side. Yet the American and Mexican production last month increased by 5,653 short tons on the previous month, the total amounting to 64,940 short tons; and the stocks at the end of October denoted an increase on the month of 3,196 tons to 16,069 tons. These stocks indicate an excess of about 6,000 tons from the lowest level recorded earlier in the year. There was also a considerable increase in the course of this year in the Canadian output. Lead in Canada is being produced more cheaply than in any other part of the world, and very big profits are thus being secured by smelters there for their high-grade refined lead. Our total imports for the year to the end of October have been 225,419 tons, or an increase of about 26,600 tons as compared with the same period last year. As there is every indication of very liberal supplies in the remainder of this year, including about 10,000 tons from Australia alone in the course of next month, the aspect of the market is viewed in a conservative light, although it remains to be seen to what extent the Continental demand may revive and absorb some of the apparent surplus facing the London market. Cable makers are still very busy, but not such eager buyers as they were up to a month or so ago, and the call for supplies on the part of sheet and pipe manufacturers has been for the time being rather curtailed, while the outlet for the various descriptions of pigments has become of a more hand-to-mouth character, partly as a precautionary measure in view of the possibility of another downward revision in prices.

Depression in Upper Silesia.—The depression in the industries of the part of Upper Silesia which was allocated to Poland after the plebiscite continues. Not only

has the production of coal declined by over 30 per cent., but the iron and steel works, engineering, and other chief industries have also had a serious setback. The depreciation of the zloty is having serious consequences in this sensitive industrial area. Iron foundries are closing down and salaries are in arrear. Unless a foreign loan is obtained soon the economic fabric of the country will receive a rude shock. The situation with regard to coal would have been difficult in any case, owing to the world over-production. It has been accentuated in the case of Polish Upper Silesia by less efficient management of the mines and the closing of the German market. There will be much distress among the working people during the winter. Thousands of miners have been dismissed. The German workers were, naturally, the first to go, but unemployment has now overtaken the Poles as well, and many of them are leaving the country. Although Germany was deprived of most of the coal, zinc, lead, and the large iron and steel works, production in the German portion of Upper Silesia will this year equal that of 1913. The following percentages illustrate the relative position of industry in the two sections of the former province:—

PRODUCTION OF WORKS SITUATED IN THE PRESENT AREA.

	Polish Upper Silesia.			German Upper Silesia.		
	1913.	1924.	% over 1913.	1913.	1924.	% over 1913.
Coal	51,997,906	23,701,873	74.1	11,172,350	10,900,222	97.6
Pig-iron	612,283	263,115	42.9	318,318	262,264	82.4
Ingots iron and steel	1,116,663	526,931	47.2	358,521	269,365	75.1
Half-finished iron products for sale	165,929	53,800	32.4	52,466	5,164	9.8
Finished iron products	1,058,287	467,759	44.2	310,267	245,250	79.0
Crude zinc	169,439	77,669	45.8	—	—	—
Zinc sheets	42,493	25,449	59.9	3,935	4,410	112.1
Sulphuric acid	255,589	150,699	59.0	—	—	—
Lead	41,560	16,143	38.8	—	—	—

It should be explained that the disruption of the industrial area has seriously interfered with production. In the case of half-finished iron products, for instance, the separation of works under the same direction has been got over by associating works in German Upper Silesia with undertakings in Germany outside that area, consequently the half-finished products produced in Upper Silesia and sent to other parts of Germany are not considered as sales. There are no zinc smelting or sulphuric acid factories in German Upper Silesia, these undertakings having all been allotted to Poland.

Money and Trade Balance in Sweden.—The present position of the Swedish money market, writes a Stockholm correspondent, is attracting attention. A tendency to easier credit conditions has been developing since the spring. As there is no open market for bills of exchange in Sweden, and thus no regular market quotations for short-term credit exist, the monthly consolidated balance-sheet for all Swedish commercial banks is, apart from the weekly State Bank return, the only source of information as to the situation on the money market. The following table gives the figures for deposits, loans, and rediscounts (on the last day of each month, expressed in millions of kroner):—

1925.	Deposits.	Loans and Discounts.	Bills Rediscounted.	Excess of Loans and Discounts over Deposits.	Rond Yields.
February ..	3,742	4,373	275	906	4.99
April	3,674	4,361	294	981	4.97
June	3,617	4,357	275	1,015	4.80
July	3,667	4,420	187	941	4.74
August	3,677	4,435	156	914	4.73
September ..	3,657	4,403	140	885	4.73

The figures for the excess of loans and discounts over deposits and for rediscounts clearly show that since June a marked improvement has been under way. This resulted in a lowering of the Bank rate on July 24th from 5½ per cent. to 5 per cent., and on October 8th from 5 to 4½ per cent., the last reduction immediately following the example of the Bank of England. The reason for the ease in the money market is seen from the above table. The supply of credit has been steady, while the demand has decreased considerably. A decrease in the demand for credit usually means a contraction of production and a slackening of business. However, the present Swedish situation seems more likely to have been caused to a con-

siderable extent by a remarkable change of the balance of payment to foreign countries. The net foreign balance has increased this year by 68 million kr from January 1st to September 30th, as compared with a decline of 63 million kr during the nine first months of 1924, and an improvement of 7 millions in 1913. Exports during the first nine months of 1925 were 967 million kroner, in comparison with 882 millions for the same period of 1924. Imports were 1,037 millions and 1,024 millions respectively. The excess of imports has thus decreased from 142 million kr in 1924 to 70 million kr this year. The recent weekly returns from the State Bank still indicate an easy money market. The level of stock prices reached its highest point in the beginning of September, after heavy advances during July and August, and has since that time as an average been more or less steady after the reaction in the middle of September.

Bank Laws in Peru.—A correspondent writes:—A situation, somewhat strained, has arisen between the Peruvian Government and the Bancos Hipotecarios, or Land Mortgage Banks, owing to the interference by Congress in the affairs of the monetary institutions of the Republic. A recent law modifies in a menacing manner legislation which dates back as far as January, 1889. At this period a number of financial institutions were brought into existence under charter for the carrying-on of land loan operations by means of advances on crops, &c. No one denies that the working of these finance institutions has hitherto been satisfactory, nor that the agricultural and farming interests of the country have benefited largely by the opportunities and assistance thus afforded, but it is now sought to introduce sweeping changes in regard to interest and amortisation payment and charges for administrative expenses. Hitherto the custom has been to discount loans in advance; the system seems to have worked well enough, since few complaints have been made. But, hereafter, the banks will be debarred from collecting the interest until the expiration of each quarterly period. With regard to the administrative services which they may render, the customary charge of 1 per cent. per annum, which appears reasonable enough, cannot in future exceed ½ of 1 per cent. per annum. In the opinion of leading bankers this modification is wholly uncalled for, and therefore impossible of acceptance. Owing to the great risks in making advances upon landed properties, no cautious banking-house could agree to accept them. Nor could there have been a more unfavourable period than the present for introducing such revolutionary restrictions, since Peruvian agricultural interests are suffering from an unusually severe depression as a result of the damage caused by the rains early in the present year. From the effects of this visitation even partial recovery cannot be expected for some time to come. The opposition of the Bancos Hipotecarios to the new legislation has taken the form of complete suspension of further transactions in land and mortgages, a policy which, if persisted in, will further affect detrimentally the over-charged agricultural interests of the country. It is believed that the Government, in face of this attitude, will appreciate the necessity of suspending the new Land Loan Law unless it decides that it shall be rescinded altogether. This would seemingly be the wisest step to take. The new legislation would affect certain foreign interests, especially institutions like the Banco Italiano, the Banco Popular, and, to a lesser extent perhaps, the Banco Internacional. The first-named institution has been working in Peru since 1889, being among the first to receive a State charter. Although some other foreign capital went into it at the start, the Banco Italiano represents to-day interests largely Italian. The management is, likewise, chiefly in the hands of Italians by birth or descent. The Banco Popular is, on the other hand, strictly Peruvian. Ranking as an institution of some importance, it was founded ten years later than the Banco Italiano. In its time it has proved a highly successful, profitable, and well-conducted concern, with considerably more than 1,000 current accounts. Extremely conservative in its operations, and seldom making loans for more than 90 days, the bank is equally cautious in its dealings with mining concerns and advances against growing crops. The Banco Popular would no doubt be seriously affected

by the operations of the new law, and it is not difficult, therefore, to understand its strong opposition to the enactment. Mortgage banks are the only monetary institutions in Peru which are subject to any special act of regulation. As in the majority of other South American Republics, foreign and domestic banks are organised under and are governed by the laws relating to corporations, such laws differing essentially from those of either English or American corporations.

British Dyestuffs.—The accounts of the British Dyestuffs Corporation, issued this week, cover a period of 17 months to March 31st last. For the year ended October 31, 1923, there was a profit of £251,400, which was used in reducing the debit balance at profit and loss account to £449,300. For the 17 months to March 31st there is a profit, after providing £437,800 for depreciation on property and plant, of £88,700, which reduces the debit balance to £360,600. Trading results, says the report, were "adversely affected by the fall in prices of dyestuffs and the increased competition in the home market." The balance-sheet dated March 31st last shows a far from satisfactory position, goodwill, &c., standing at £750,000, cash and investments (not shown separately) at £3,247,300, property and plant at £2,958,500, and stock-in-trade at £1,320,300. The paid-up capital is £9,197,100. The report mentions that the subsidiary companies in which the company was interested having been liquidated, their assets have been transferred to the parent concern and the necessary changes made in the form of the balance-sheet. In view of the state of the corporation's finances, it is not surprising that the directors have formulated a scheme for reconstructing the capital and removing certain restrictions under which the company now operates. This involves the surrender of £1,700,000 preference and preferred ordinary shares held by the Government in exchange for a payment of £600,000 in cash, the Government, at the same time, agreeing to terminate its existing rights of veto and control and to forgo its right to nominate two directors, and the company giving an assurance that in all matters of technical information and research it will keep in touch with the Government. The directors point out that the works were erected and equipped when costs of construction were abnormal, "and when it was anticipated that the output of dyestuffs would reach a much higher level than has actually been attained." It is, therefore, proposed to write down the book value of property and plant from £2,958,500 to £1,760,200. It is also proposed to write down stocks by £281,000 and to write off entirely preliminary expenses, £251,600, goodwill, &c., £750,000, and the adverse balance on profit and loss account, £360,600. To provide for all this it is necessary to reduce the remaining preference shares by 6s per share, the remaining preferred ordinary shares by one-third, and the deferred ordinary shares by two-thirds. The three classes will then be consolidated into £1 ordinary shares. The preference shareholders will thus receive 6s in cash and 14s in £1 ordinary shares for each preference share held, and the preferred and deferred shareholders will receive respectively two-thirds and one-third of their present holding in £1 ordinary shares. This will reduce the paid-up capital to £4,775,600, against which there will be assets of £1,760,200 for property, £1,039,300 for stocks, £1,667,200 for cash and investments, and £308,800 for debtors less creditors. The authorised capital will remain at £10 millions, but the articles will provide that the amount actually issued shall not exceed £6 millions unless authorised by the shareholders. With regard to future earnings the directors only say that if their proposals are approved "there will be no obstacles to the wider and more efficient use of the company's resources, although some time must necessarily elapse before definite results can be obtained." Profits for the 17 months to March last amounted to £526,500 before providing £437,800 for depreciation. With assets drastically written down, so large a sum should not be required in future for depreciation, and available profits should make a more satisfactory showing. If the scheme is approved, as seems likely, the company will be entirely free from Government control, and will

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JAMES STEUART, Chief Manager.

become an ordinary commercial undertaking. The directors make no mention of possible co-operation with the company's German competitors, but Lord Ashfield will doubtless refer to the matter at the meetings to be held on Wednesday next.

Three Iron and Steel Companies.—The reports for the year ended September 30th of three companies concerned in the coal and iron and steel industries of the North-East Coast have appeared this week. The first, the Cargo Fleet Iron Company, shows a decline in profits from £100,900 to £73,000. Depreciation absorbs £30,000, as against £50,000 a year ago, and debenture interest £40,000, against £40,700, the balance forward being increased by £2,900 to £215,800. The ordinary shares, of which there are £1,000,000, have received no dividend since 1920-21, when 5 per cent. was paid. There are debentures outstanding of £718,000. The general reserve fund stands at £150,000. Capital expenditure, including the amount invested in connected companies, is £1,931,700. The South Durham Steel and Iron Company also shows a decline in profits—namely, from £106,600 to £93,900, but here again depreciation requires only £25,000, against £40,000 last year, and the directors are able to maintain the 10 per cent. dividend which has been paid on the ordinary shares since 1920-21, and also to increase the carry forward by £2,400 to £206,200. The balance-sheet is considerably stronger than that of the Cargo Fleet Iron Company. The total capital is £650,000, and there is £300,000 of debenture stock outstanding, but reserves figure at £1,445,800. Investments include £501,000 in Government securities, and total capital expenditure stands at £1,788,200. A still larger decline in profits is shown by the Weardale Steel, Coal and Coke Company, last year's figures being £106,200, as against £166,200 for 1923-24. The allocation to reserve, including depreciation, however, is reduced from £100,000 to £25,000, the preferred ordinary shares receive a distribution of £40,000, or 8 per cent., and the deferred ordinary shares £23,500, or just under 10½ per cent., which compares with 7½ per cent. for 1923-24. The balance forward is increased by £6,200. The paid-up capital is £725,000, and debenture stock outstanding amounts to £287,300. The reserve fund is £710,000. The property item stands at £884,300, but there is also an item of £747,300 for investments, of which we are told nothing. The auditors' statement that those "for which there are quotations" are entered at less than market value suggests that some, at least, may be in subsidiary concerns. The results disclosed by these three companies are not so depressing as might have been expected from the state of the industries with which they are concerned during the past few years.

Mersey Docks and Harbour Board.—At the annual meeting of the Mersey Docks and Harbour Board, the chairman, Mr Thomas Rome, drew attention to the maintenance of the improvement recorded in revenue last year. Rates and dues brought in £2,493,161, an increase of £32,482. On the other hand, rents and receipts from dock traffic and warehouses accounted for less, owing to rent reductions and bad trade. Yet the net result was an increase in total receipts of £5,901 over 1923-24. This increase is on the small side, but some compensation is provided by the fact that the tonnage leaving and enter-

ing the port increased by 2,121,962 tons during the year, and, as the chairman pointed out, "the tonnage of vessels paying rates and dues is the greatest we have ever had." The usual amount of £100,000 has been transferred to the sinking fund, which leaves a surplus of £15,321, against £15,800. Mr Rome stated that the year opened with very poor prospects, and it was not until September, 1924, that the improvement over the previous year became noticeable. "We then had a steady increase of trade and revenue until the middle of March, when our revenue was considerably higher than in the previous year. From that point, however, the great depression began, and revenue began to fall. This was only to be expected from the state of trade, not only in this country, but pretty well all over the world." It is to be hoped that next year Mr Rome will have a less unfavourable story to chronicle.

Snia Viscosa.—This week there have been introduced to the Industrial market of the Stock Exchange, shares of the Snia Viscosa company, an Italian undertaking which deals with artificial silk and similar manufactures. The authorised share capital is 1,000 million lira, divided into 200,000 privilege voting shares, and 4,800,000 ordinary shares of 200 lira each. The capital in 1917 was 50 million lira, so that in eight years it has been multiplied by 20, the last increase from 600 million lira to the present amount of 1,000 million lira having taken place at the beginning of this year. The profits have gone ahead in very substantial fashion. According to the statements advertised in order to comply with the regulations of the Committee of the Stock Exchange, and for information only, the 1923 dividend was 8 per cent., that for 1924 being 10 per cent. The production has risen from 1,186,853 lbs in 1920 to over 11½ million lbs for 1924, and the chairman estimates that the production for the current year is likely to approximate 19,841,400 lbs. The Stock Exchange started dealing in the shares on the basis of 64s to 65s for the 200 lira shares, and a good deal of business has taken place in Snias during the past few days. This is one of those cases in which criticism may justly be directed to the manner in which a company is introduced to the public. Owing to the form adopted for publishing information, namely, the letter from the chairman, accompanied by the balance-sheet, &c., there is no necessity for the vendors to disclose the price at which they have sold to the financial houses the shares in which a market has now been made. It may be that the original sellers parted with their shares for 10s below the current price; possibly there are intermediaries who are handling the business at a substantial profit in between these figures. This, of course, is simply supposition. It is impossible, owing to the manner in which the shares are introduced, that is, through the medium of a statement only, to ascertain at what price the shares were sold in the first place. But this latter factor has a decided bearing upon the figure which the public might have been expected to pay had they known the details. It is, of course, perfectly legitimate for the buyers of a large block of shares to expect, and to take steps for the acquisition of, a substantial profit upon their purchase, having regard to the risks which they run, and of the possibility that some proportion of the issue might be left on their hands. Beforehand, however, it was generally understood that the opening price would be about 61s 6d. To quote the double price, as it has been done, was a little superfluous in view of the fact that nobody except the insiders had any shares for sale. Therefore, the starting price was simply that at which purchasers were allowed to come in. The reason for raising the first price from the originally intended 61s 9d, to 64s 6d, was that so great a demand developed in advance that the sellers were able to command a higher figure than they were at first willing to accept. It can be said quite justly that there is no necessity for people to buy the shares at all, and that, if they choose to put money into Snias at some price of which they were ignorant when they gave the order, they do so at their own risk. It may be surmised, indeed, that those who were given to understand in the first place that the opening price would be 61s 9d would have been equally content to pay 65s. If, however, the company does less well than is anticipated, if Italy should be distraught by some

fresh revolutionary outbreak, or if the artificial silk market were to become less popular, the price of Snias might easily slip well below the 65s or 66s which some people paid. The same argument would apply with equal force if the starting price had been 61s 9d. The speculator cares little about a difference of 3s 3d in shares of which he has but scanty knowledge. To the investor, however, the matter is of consequence, seeing that 61s 9d looks tolerably high, in view of the chairman's expectation that the dividend for the current year will be 12½ per cent.; even if that rate were to be raised by half as much again, the yield on the money from shares in an industrial undertaking of this nature, susceptible as it is to fashion and to competition, would not look unduly extravagant. The system of introducing shares into the Stock Exchange market is one which arose primarily through war conditions. It is doubtful, however, whether the method is one that redounds to the benefit of the public, and, therefore, to the credit of the Stock Exchange. Many protests are raised from time to time against a practice which it seems to the austere mind would be better relegated to the back-ground in favour of the more prosaic but more illuminating plan of presenting a prospectus in the ordinary way.

Wall Paper Manufacturers.—The improved results achieved in 1923-24 were not maintained during the twelve months ended August 31st last, although it must be admitted that the decline in earnings, as disclosed in the report just issued, is not of serious extent. Net profits for 1924-25 amounted to £743,400, in contrast with £751,852 a year ago. Owing, however, to the fact that the sum brought in amounted to £267,040, against £223,089, the available balance is £852,799, compared with £839,200. This figure is struck after payment of debenture interest, interim dividends, and income-tax. The ordinary dividend is, therefore, maintained at 10 per cent. for the year, while the deferred shareholders again receive a dividend of 10 per cent., plus a bonus of 2½ per cent., making 12½ per cent. for the twelve months, the same as in the previous period. Last time £25,000 was set aside for the special reserve for income-tax. This appropriation is not repeated, and while the reserve allocation is unchanged at £200,000, the sum carried forward has been raised from £267,040 to £306,638. The directors report that the balance of the company's claim in respect of the German business has been received through the clearing office and included in the profit and loss account. This amounts to £9,024. The deferred shares, which stand at 1½, give a yield of £8 14s per cent. They have been as low as 1 5-32 this year and as high as 1½.

India Rubber, Gutta Percha.—An improvement again fails to be recorded in the accounts of the India Rubber, Gutta Percha, and Telegraph Works Company, Limited, for the year ended August 31, 1925. Gross profits are higher at £330,695, comparing with £320,407 a year ago. And although net profits advanced from £101,317 to £108,482, the directors wisely refrain from increasing the dividend, which remains at 5 per cent. The reserve, however, has been apportioned £60,000, as against £40,000, and £20,457 is carried forward, as against £21,975 brought in from last year. The following table shows results over a number of years:—

September 30.	1913.	1919.	1920.	1921.*	1922.*	1923.*	1924.	1925.
Gross profit ..	176,855	357,768	359,349	Dr 149,040	166,490	311,150	320,407	330,695
General exps. ..	82,435	147,666	204,790	206,907	193,075	154,193	158,411	162,197
Inc.-tax, direc- tors' fees, &c.	3,008	72,257	32,370	40,632	10,150	4,239	4,013	4,104
Depreciation ..	23,861	44,931	28,889	30,949	37,671	36,374	36,666	35,913
Deb. interest ..	16,000	20,000	20,000	18,333	20,000	20,000	20,000	20,000
Net profit ..	50,551	71,913	73,300	Dr 44,640	Dr 94,406	96,344	101,317	108,482
Balance fwdrd.	5,904	90,955	100,368	142,418	35,498	3,592	10,658	21,975
From reserve ..	..	..	..	..	..	..	..	..
Available for dividends ..	57,455	162,868	173,668	46,957	119,498	99,936	111,975	130,457
Reserve	..	..	..	..	..	39,278	40,000	60,000
Staff fund	..	..	..	..	..	..	..	..
Prof. dividend ..	12,500	12,500	12,500	11,469	..	12,500	12,500	12,500
Ord. dividend ..	37,500	50,000	18,750	..	..	37,500	37,500	37,500
(7½ %)	(10 %)	(10 %)	(2½ %)	(2½ %)	(2½ %)	(5 %)	(5 %)	(5 %)
Applied to loss	..	..	..	..	..	..	..	..
Carry forward	7,455	100,368	142,418	35,498	3,592	10,658	21,975	20,457

* To August 31.

The directors in their report take a bright view of the year, and express the opinion that the French factory will continue to show an improvement. The auditors' certificate is noticeable for drawing attention to the value placed upon French assets and the item "shares in other companies." It concludes: "These are, however, provided for by reserves." The reserve fund now stands at £280,000, but these items should be remembered when taking the position of the company into consideration. The current quotation for the £1 ordinary shares is approximately 22s 6d. The low yield at this price suggests that the shares continue to be held by the conservative type of investor.

Consolidated Gold Fields.—A further improvement is shown in the accounts for the year ended June 30th last of the Consolidated Gold Fields of South Africa, Limited. The realised profit on the year's operations is £316,800, as compared with £271,800 for the preceding year, and the dividend is raised from 10 to 12½ per cent., the balance carried forward being £46,600, against £42,300 brought in. Profits are derived almost entirely from dividends on the shares in New Consolidated Gold Fields, Limited, on which a dividend of 7 per cent., free of tax, was paid, as against 6 per cent., free of tax, for 1923-24. The accounts of the latter, which are incorporated in the report, show a credit balance of £376,100, against £466,800 a year ago. On the latter occasion, however, £88,700 was charged for investment depreciation and £100,000 was transferred to reserve. This year investment depreciation requires only £35,900, and no allocation is made to reserve. The report states that investments, on current market prices, show a further unrealised profit. In a detailed report of the company's various interests it is pointed out in regard to the Transvaal that reduced working costs and greater efficiency have largely offset the gradual disappearance of the gold premium, but that progress would have been more marked but for the shortage of native labour. A reference is made to the Devonshire House site, the company having joined its associates in the erection of a block of flats and shops, the success of the enterprise being regarded as "practically assured." Operations in the Cumberland factory of the American Cellulose and Chemical Manufacturing Company began in January, and it is stated that the plant is now capable of turning out two tons of silk yarn per day, and will shortly reach its full daily capacity of three tons.

Oberseer Correspondence.

**UNITED STATES.—BOSTON BANK RATE RISE—
STOCK EXCHANGE BOOM BREAKS—MONETARY
POSITION—STEEL INDUSTRY IMPROVEMENT—
COMMODITY PRICES—COTTON.**

(FROM OUR CORRESPONDENT.)

NEW YORK, November 10.

ADVANCE in the rediscount rate of the Boston Federal Reserve Bank precipitated a wild outburst of selling on the Stock Exchange to-day that carried the turnover up to a new high record of about 3,400,000 shares. The break in prices was an extremely sharp one. Motor shares, which had advanced in such spectacular fashion recently, were the most susceptible. Losses in this department included one of 12½ points in General Motors, one of 15½ points in Hudson, and one of 24½ points in Chrysler. Steel common lost 4½ points on the day, and American Can, another leader, lost 7½. Over a third of a million shares of steel were traded in. The brunt of the selling fell on industrial shares, particularly those that had been most active on the advance. Rails were relatively little affected.

While the pronounced strength of the past week or so had rendered the market vulnerable, and while a reaction was undoubtedly due, the change in the Boston discount rate furnished the main motive for selling. Rightly or wrongly, the action at Boston was interpreted as indicating a change in policy on the part of the Reserve authori-

ties in general. It was assumed that the advance there would be followed by advances by certain of the other regional banks. Having reached the conclusion that the Reserve Bank authorities were about to place the money market on a higher basis, and that they intended to administer a check to speculation, the speculative public was quick to remember the market effects of last spring's rise in the discount rate of the Federal Reserve Bank of New York.

That the initiative should have been taken by the Boston bank instead of by the New York bank, as generally has been the case, is not so surprising as might seem. It must be remembered that most of the money that has been placed out on call in New York—and it is this money that has helped to sustain the level of speculative activity—has belonged to country banks. The New York City banks have had relatively little of their own money on call; they have placed large amounts, however, for their country correspondents. Member bank dependence on the Reserve institutions, furthermore, has been more pronounced in the other districts. At the New York Reserve Bank there has been a material reduction in member bank borrowings; the reserve ratio rose recently by about 6 per cent., and stands well above the level of a year ago. In Boston, and several of the other Reserve Bank cities, the picture has been quite otherwise, the total amount of credit being extended by the central institutions having risen persistently of late. Under these circumstances the rise at Boston is seen as entirely natural. Its effect will be to induce a contraction of member bank loans, and so draw home some of the money that has been loaned on call at New York. In addition to the New York bank, those at Philadelphia, Cleveland, and San Francisco still have 3½ per cent. discount rates. If certain of the latter institutions should follow Boston's lead, no close observer of the workings of our banking system would be surprised. Again the effect would be to draw home call money and harden the rate for that form of accommodation at New York. With the supply of out-of-town funds diminishing, and with the rate rising, the New York banks would probably be induced to enter the call money market on an increasing scale. Such a tendency would probably be reflected in increased discounting at the Federal Reserve Bank. If things develop in this fashion the way obviously would be prepared for an increase in the New York bank's rate. It seems likely, in short, that matters are shaping up for a general readjustment of the Federal Reserve system's relation to the open market. Whether and when the local rate will go up is, of course, a matter of conjecture. But that machinery is being set in motion that is likely to produce the result is fairly clear.

The background for the whole movement may be seen in the gradual hardening in money rates that has been going on for over a year, and in the increasing dependence of the market upon the central banks. The rate on bankers' acceptances, for example, has risen from 2 per cent. in the summer of 1924 to 3½ per cent. at present. The existing rate is on a parity with the Reserve Bank's discount rate; and this relationship has usually been followed in the past by an advance in the official charge for money. In addition, it may be noted that the total volume of credit that the Reserve Banks are extending to the country, which fell as low as \$800,000,000 during the summer of 1924, and which was as low as \$1,000,000,000 last May, has lately risen to \$1,250,000,000. Probably our rates might have gone up sooner had it not been for a desire to co-operate in the effort to restore the gold standard throughout Europe. However, the recent hardening in your money market, the removal of the ban on foreign capital issues at London and the possibility of a higher discount rate on your side of the water, have tended to remove the objection that a higher rate here would injure sterling, and defeat its purpose by attracting more funds from abroad. Another influence that may have led to the change in policy is the feeling that speculation in securities was beginning to assume formidable proportions.

What the broad effects of the new order of things will be is not entirely clear. Some hard-headed bankers say that a higher official rate cannot have a great effect because money is so plentiful throughout the country.

They admit the psychological effects of the news, but maintain that the market situation will soon adjust itself. Others believe that the processes of liquidation, once set in motion, will run a considerable course, that a reaction comparable to that of last March will develop, and that the latter will prepare the way for a return of easy money by the turn of the year. Holders of this view maintain that by that time stocks again will be due for recovery. Few persons believe that general business will experience any serious check. It is still doubtful whether the buying movements in the heavy industries, which set in this fall, will be continued without interruption through the winter, or whether a lull will intervene before spring. Most observers are confident, however, that general business will be good through the spring; the more optimistic see good business well through next year, with something like boom conditions and a certain amount of inflation in commodity prices. In any event, reasonably cheap money is expected to prevail during the winter.

Evidence of sustained improvement in the steel industry is furnished by the report on the United States Steel Corporation's unfilled orders. These increased by 391,886 tons during October. The gain is somewhat larger than had been expected, and follows one of 205,000 tons during September. The September gain terminated a decline that began last March, and that carried the corporation's unfilled orders down from 5,284,000 tons to 3,512,000 tons. Meanwhile, it is apparent that the pig-iron situation is much stronger. One leading maker has advanced prices from \$17 to \$22 a ton, and is sold up well into the second quarter of next year. A corresponding improvement has not yet been felt in the steel industry, but prices are firm, and buyers are coming to believe in their continued firmness, a circumstance that is likely to bring about a further increase in bookings.

Commodity prices in general remain firm. *Bradstreet's* index advanced 1.2 per cent. during October, standing on November 1st at 155.6 per cent. of the 1913 average. Breadstuffs, metals and fuels contributed the chief gains. *Dun's* index also increased 1.2 per cent. during October to 163.1 of the 1913 average. Both indices reveal a fairly consistent advance reaching back to last June.

Another sharp break in cotton was precipitated by the latest Government report on the cotton crop, that is, of November 1st. The Department of Agriculture, in this report, raised its estimate of a fortnight earlier by 160,000 bales to 15,386,000 bales. It explained the increase by saying that the hardness of the plant had permitted a remarkable recovery from the effects of the early autumn drought, while recent rains had injured quality more than yield. Ginnings to November 1st amounted to 11,198,660 bales. Making allowances for the limitations of conclusions that may be drawn from ginning figures, it may be said that the latest figures suggest that the yield that is now prophesied will be realised.

FRANCE.—GOVERNMENT'S FINANCIAL PROPOSALS —NEW TAXATION—REVENUE—FOREIGN TRADE.

(FROM OUR CORRESPONDENT.)

PARIS, November 18.

THE long struggle between the Painlevé Government and the Finance Commission of the Chamber, during which the Premier and Finance Minister's original proposals have been very roughly handled, is now over, and to-day M. Lamoureux, the Rapporteur-Général of the Budget, laid his report before the House. The Government's proposals in their final form cannot be said to have met with approval by any section of the Chamber, so thoroughly have they been modified to meet all kinds of political differences of opinion between the various sections of the Cartel des Gauches. To the hated "capitalist class," of course, they are *anathema maranatha*, and with very few exceptions newspaper opinion universally condemns them.

The disguised capital tax, which is given the title of the "contribution nationale exceptionnelle," has assumed the form, owing to the sweeping manner in which exemption has been granted to the vast majority of taxpayers, of a special political tax on quite a small section of the nation. M. Bokanowski, one of the acknowledged experts in the Chamber, points out that already, out of over

12 million taxpayers, only 1,140,000 pay income-tax. Out of the total yield of 2,250 millions from this source, 2,000 millions are paid by 88,000 persons, while the remaining 1,050,000 income-taxpayers contribute only 250 millions between them. Under the new proposals the duties on bearer bonds are increased to between 44 per cent. and 45 per cent., and the land tax to 38 per cent. A manufacturer who makes an annual profit of 1,000,000f will now be required to surrender 650,000f of it in direct taxation. The *Temps* stigmatises the Government's latest proposals as "the most redoubtable attack on property since the French Revolution, and the first and most serious manifestation of the 'division of classes.'"

No previous proposals emanating from a French Finance Minister have ever excited such bitter and universal opposition from the investing, industrial, and possessing class. By insisting on extending taxation to the Rente, M. Painlevé is accused of having broken the word given by the State to the hundreds of thousands of people who lent money to it during the war, and with having ruined the credit of the State for the future. By raising the authorised maximum of the advances to be made to the State by the Bank by a further 1,500 million—the third since the beginning of the present year—it is insisted that the Government has opened the floodgates to still further inflation in the near future. The danger of stagnation in business and widespread unemployment resulting from the double operation of excessive taxation of capital and what may very soon prove to be reckless inflation, is emphasised on every side. It is evident, however, that the crack of the Socialist whip will have to be obeyed (unless a sufficient number of Radical Socialists break away from the Cartel des Gauches during the seven or eight days' debate which opened in the Lower House to-day), and that M. Painlevé's proposals, if eventually they reach the Senate, will in all probability lead to a very grave constitutional crisis.

Whether M. Painlevé is deliberately riding for a fall is not clear. That section of the public which is most threatened by the new taxation is placing all its confidence at present in the belief that the whole Bill will be thrown out by the Senate. The Socialist retort to this is that if the Senate rejects the Bill the Cartel des Gauches will provoke a dissolution of the Chamber, and will go to the country with a programme for constitutional reform which would involve proposals to prohibit the Senate from interfering with money bills of any description in the future, thus placing the Chamber in the same supreme position, as regards financial measures, as is the British House of Commons. An important factor in the present situation is the fear that prevails that such a threat the Socialists may find themselves able to carry out.

One of the most favoured arguments of the Opposition is that the Government might get out of practically the whole of its financial difficulties if it would consent to the transfer of some, at least, of the State monopolies to private industry for a term of, say, 30 years. Although there is not much likelihood of its approval by the present Chamber, particularly at the present juncture, a private member on the Opposition side has put forward a proposal for the tobacco monopoly to be handed over to a private company for exploitation for a period of 30 years, on terms to be discussed later. The author of the proposal points out that, according to the present Government's Budget estimates, the new revenue from the monopoly at present exceeds 1,900,000,000f per annum, and he argues that under ordinary commercial management this might easily be increased to 2,000,000,000f. It should not be difficult, therefore, to find a concessionaire who would be prepared to pay 30,000,000,000f, practically on a cash basis, for the sole rights in the monopoly for 30 years. The State would lose the present revenue of 1,900,000,000f a year from tobacco, but this would be only in appearance, as it would be able, with a very limited period from the new concessionaire, to buy in on the open market, at present prices, sufficient Rentes to enable the annual debt charges to be reduced by a good deal more than 2,000,000,000f a year.

The revenue returns for October show that the total yield from all sources amounted to 2,973,845,800f, as

compared with 1,867,500,000f in September. The month's revenue was the highest that has been recorded since October, 1924 (in which latter month the total amounted to 3,047,000,000f, or some 74,000,000f more than last month). In view of the fact that the Budget Act for 1925 estimated a total revenue of 33,138,000,000f, including 1,275,000,000f from the operation of the Dawes Plan, the figures show that, unless the amount recovered during November and December is considerably higher than the yield during previous months of 1925 and during the last two months of last year, the Finance Minister at the end of the year will have to report a deficit of at least 3,500,000,000f to 4,000,000,000f.

The total revenue during October from "normal and permanent" resources was 2,885,306,200f, which again was the highest total since the year began, but still slightly below the yield in October, 1924. Indirect taxation and State monopolies yielded 2,262,000,000f during the month, or 132,928,000f more than in October, 1924. A notable feature of the return is that the yield from the turnover tax, which is usually a fairly reliable barometer of the economic situation, was 52,314,000f less than in October, 1924. The yield from income-tax in October was 461,000,000f, or 220,972,300f less than in October, 1924.

Foreign trade returns for October show an appreciable increase in both exports and imports, but the figures disclose that the excess of imports over exports, which began in August, still continues. The total value of the imports during October is returned as 4,476,245,000f (as compared with 4,317,029,000f in September), and of the exports as 4,374,751,000f (as against 3,849,879,000f in the previous month). The net result on the month is that, whereas the surplus of imports in September was 467,000,000f, the unfavourable balance in October was only 101,500,000f, as compared with a favourable balance in October, 1924, of 169,000,000f. The greater part of the increase of 159,000,000f in imports consisted in raw materials, while 397,000,000f out of the total increase of 525,000,000f in exports during the month was represented by manufactured goods. The general situation may be gathered from the fact that during the first ten months of the year exports exceeded imports by 2,631,037,000f, as compared with a favourable balance during the corresponding period of 1924 of only 1,351,953,000f. The detailed comparative figures in regard to the value of the imports and exports are as follows:—

	First Ten Months of		Differences in 1925.
	1924.	1925.	
Imports—	Francs.	Francs.	Francs.
Foodstuffs	7,369,079,000	7,366,658,000	— 2,421,000
Industrial materials ..	21,096,287,000	22,251,872,000	+ 1,155,585,000
Manufactured goods ..	4,096,678,000	4,342,132,000	+ 245,454,000
Totals	32,562,044,000	33,960,662,000	+ 1,398,618,000
Exports—			
Foodstuffs	3,190,342,000	2,826,262,000	— 364,080,000
Industrial materials ..	8,484,370,000	9,997,883,000	+ 1,513,513,000
Manufactured goods ..	20,645,208,000	22,055,038,000	+ 1,409,830,000
Postal parcels	1,594,077,000	1,712,516,000	+ 118,439,000
Totals	33,913,997,000	36,591,699,000	+ 2,677,702,000

The increased favourable balance is accounted for entirely by the general rise in commodity prices. This is strikingly shown by the fact that the total tonnage of the imports during the past ten months has been 7,850,581 tons less than during the corresponding period of 1924, while the weight of exports was 1,153,895 tons less.

GERMANY. — POLITICS — FINANCES — FOREIGN BORROWING—INDUSTRY—BOURSE.

(FROM OUR CORRESPONDENT.)

BERLIN, November 17.

THE political situation here has not yet been cleared up. The German-National Party Congress passed a unanimous resolution against the Locarno agreements, but many of the declarations sent in by the provinces, upon which the resolution was largely based, were qualified,

and the strongest opposition to the agreements seems to come from those members of the party who are satisfied that the ratification will be put through. The party continues to hunt for prestige as being vehemently patriotic, but it does not like the prospect—which was never very big—of being later accused of wrecking a necessary policy. To most Germans (though they are not fully satisfied) the best justification of the Locarno settlement is the new Ally policy on the points of evacuation of the Cologne district, reduction of the occupying armies, restoration of German civil authority, and the other measures of relief promised in M. Briand's Note of November 14th. A week ago a number of leading German-National politicians, largely representing the aristocratic element, issued a protest against the anti-Locarno policy so far pursued by their party; and the new Ally measures will strengthen this placable element. The Cabinet is preparing the necessary Bill for the Reichstag, and it expects to be fully supported in its policy by the heads of the States who will meet here on the 19th. The hesitation in business circles will not be allayed until the Locarno issue is settled.

The federal finances, as shown by the last monthly Treasury report, continue to develop satisfactorily:—

	October.	April-October.
Receipts—	Marks.	Marks.
From taxation (nett)	731,393,141	4,279,946,944
From other sources	18,519,908	104,533,336
Total	749,913,049	4,384,480,280
Expenditure—		
General administration	465,490,946	2,826,657,021
Subventions to states & municipalities ..	197,459,765	1,528,074,226
Reparations payments	45,642,160	103,456,840
Total	708,592,871	4,458,188,087

In the seven months payments-out exceeded receipts by 73,707,807 marks. Receipts in October were 210 million marks larger than in September, the reason being that the September-pledged revenues, which appear in the October return, were particularly large; and that income-tax quarterly prepayments were made where monthly prepayment was formerly the rule. The next months should therefore see a decline, which will be increased by the reduction of the sales tax from 1½ to 1 per cent. This reduction came into force on October 1st, and the effect will first be shown in November, when the monthly payment for October is made. Gross revenue in the seven months was 4,258,777,825 marks, out of 6,343,750,000 marks estimated for the whole fiscal year. Direct taxes yielded 3,143½ millions out of an estimated 4,729 millions. Customs and Excise (including spirits monopoly) 1,114½ millions, out of 1,514½ millions. In the estimated 6,343 millions revenue appeared 100,000,000 (added later) for expected increase in the yield of taxes, Customs, and Excise; this sum has been largely exceeded already in seven months. Customs yielded 320½ millions, out of 356 millions estimated for the whole year. The five pledged sources, Customs, tobacco, sugar, beer, and spirits monopoly, yielded 1,050.7 millions, out of 1,425.2 millions estimated for the whole year.

The conclusion of loans in the United States continues; and apparently, as much money will be borrowed in London as London is willing to lend, the only limitation from this side being upon borrowing by municipalities. Whether British foreign trade will gain from this is doubtful. The more money German business can get from abroad, the easier it will find it (until now it has found it difficult) to grant export credits to those countries whose imports are measured by the amount of credit they can get from foreign deliverers. Almost daily the trade Press reports further small contracts for the supply of goods on credit to East Europe. It is stated unofficially that the Government is itself considering the granting of export credits. The fact that some time back American export manufacturers objected to Wall Street's loans to Germany suggests that more of the free British capital might be applied in direct export credits to the countries referred to. By the present system Germany is helped to regain her old intermediary rôle, and British export trade may suffer. In Germany objections to heavy borrowing abroad are made on the ground not only of the effect upon the foreign payment-balance, but also that foreign capital may get too large a hold upon native industry. A recent deal, by which the American Harriman and Anaconda

Copper interests restored the finances of a Silesian company, and therewith got control of the chief German zinc-producing concern, has evoked some panicky comment, and has led to an interpellation in the Prussian Diet.

The Reichsbank's status improved, as usual, during the first week of the month. Discounts declined by 155.7 million marks, advances by 12.4 million marks, and circulation by 125 million marks, of which 51.4 million marks was due to rediscounting. While the Reichsbank still severely rations discounting, the use of commercial bills for payment purposes, and also, it seems, of accommodation bills, is increasing. Attempts to stave off payment difficulties by use of bills which there was very small prospect of meeting have preceded many of the recent bankruptcies; and that seems to have been a feature of the greatly increased bankruptcies of October. In the textiles, metal, motor-car, and leather branches bills have to a large extent become the only currency. Short-term money was very plentiful last week, day money occasionally dropping to the new low level of 6½ per cent. The Prussian State Bank and the Reichskredit A.G. have more public money than they can put out at interest. The Prussian Savings Banks show for the first three quarters of 1925 an increase by 542½ million marks in deposits, bringing the total to 948 million marks, an increase of over 133 per cent. The deposits are now 50-fold greater than at the end of 1923, but the absolute total is small. At the end of 1913 Savings Bank deposits in Prussia totalled 12½ milliard marks.

Prices are still falling. The wholesale official index number for November 11th was 119.9, against a high point this year (July 8th) of 135.8. The cost-of-living index has fallen slowly to 143.5, against a high point of 145 in August. Unemployed on October 31st numbered 364,000, against 299,000 on the 15th. Part of this relatively large increase is probably seasonal. The number of unemployed is now nearly double the year's lowest number, reached in the summer. The coal market is practically unchanged. The pits'-mouth stocks on the Ruhr have slightly declined as a result of the winter domestic demand, but they are still little under 9 million tons. The October Ruhr output increased. In Prussian Eastern Silesia, as a result of the trade war with Poland, coal production has increased, being in October about half a million tons more than in May, while stocks have fallen to one-half. The heavy iron and steel industry shows no material change. The demand for semi-finished steel is satisfactory, but the Raw Steel Syndicate has to cut prices in order to meet French competition; and export prices are reported to be considerably below production-cost. Home prices (in marks per metric ton) are, ex works:—Ingots, 104.26; blooms, 111.75; billets, 199.25; sheet-bars, 124.25; structural forms, 131.25; bars, 134.30; wire-rods, 140; thick sheets (over 5 mill.), 149.25. The domestic building industry, which recovered to some extent before the stabilisation, is again, owing to lack of capital, depressed. The Republic is still short of 600,000 dwellings. New dwellings built in 1919 numbered 57,000; in 1922, 146,000; 1923, 118,000; 1924, (estimated), 100,000. To cure the housing shortage within six years, 250,000 new dwellings per year would have to be provided. Several new industrial fusions of some magnitude are reported. An association called "Ausfuhrverein deutscher Rubenzuckerfabriken" has been formed to encourage and regulate export of sugar. At a Congress of the Electrotechnical Industry the former Minister of Industry, Herr V. Raumer, Herr Deutsch, of the General Electricity Company, and other speakers advocated a horizontal trust in this branch.

Stocks last week were slightly reactionary, and averages reached a new low level for the year. The *Frankfurter Zeitung's* index for the 14th is 62.88, against 63.11 one week earlier (100 on January 2nd). Last week began with an all-round rise, but ended weakly, and after moderate strength on the first day of this week there were new falls to-day, due, firstly, to selling by the outside public, and then by speculators. An index for stocks, according to branches for October 7th (100 on January 2nd) shows railway car companies stocks at 24.75; leather, 46.24; sugar, 46.02; steel and coal, 57.89; potash, 60.31; chemicals, 51.53; machinery, 34.30; textiles, 82.85; breweries, 89.04; shipping, 65.90; banks, 81.59; paper, 68.62. Paper-mark loans further dropped

last week, and ended at 18.49 of their average prices of the beginning of the year. Trustees for municipal paper-mark loans, under the Valorisation Law of July 17th, have now been appointed on behalf of the bondholders; after separate examination of each city's finances they may apply for an increase of the standard 12½ per cent. valorisation to 25 per cent., and for a reduction of the amortisation term. The Trustee for Berlin (and Brandenburg) has recommended a reduction of the amortisation term from 30 to 20 years, but has refused to recommend an increase in the valorisation percentage.

HOLLAND.—GOLD POLICY—NETHERLANDS BANK POSITION—FOREIGN ISSUES—NATIONAL WEALTH.

(FROM OUR CORRESPONDENT.)

AMSTERDAM, November 17.

ON the subject of finance no question has created more interest of late than the effects of the restoration of the gold standard on the different countries which have adopted it. This country has given evidence of its interest, especially now that in the last few weeks large quantities of gold have flowed to the Netherlands Bank. The Netherlands Bank has remained entirely passive in this—that is, it did not try in any way to interfere with the free course of the yellow metal. This has brought out clearly that the reduction of the purchase price of gold in the latter part of September from 1,648fl per kg to 1,647.50fl per kg has not had for its purpose the restriction of gold imports, but that the reduction has been solely the consequence of a new calculation of the costs of minting. The price of 1,648fl resulted in a small loss in minting.

The costs of minting will probably, in practice, soon begin to play a rôle. It is already rumoured that it is the intention of the Netherlands Bank shortly to put gold coins in circulation. If it is taken into consideration that the supply of gold coins in the possession of the Netherlands Bank has now been increased, for the first time in many years, by 3 million to 59 million florins, and that the Mint at Utrecht has already minted new gold pieces stamped with the year 1925, the rumours do not seem to be unjustified. In addition, there would be no difficulty connected with it. The position of the Netherlands Bank since the restoration of the gold standard has become exceptionally strong, as appears from the table given below:

(In Million Guilders.)

	Gold Coinage and Bullion.	Foreign Bills.	Miscellaneous Accounts.	Total.
May 4th	479	152	70	701
June 2nd	479	168	41	688
July 6th	444	195	54	693
August 3rd	419	232	41	692
September 1st	414	243	39	696
November 2nd	436	244	39	719
November 9th	452	244	40	736

Since the restoration of the gold standard on April 29 last, the total amount of gold in foreign drafts and foreign balances has increased by 35 million florins, while the total amount of banknotes in circulation has decreased from 946 millions on May 4th to 912 millions on November 9th. A distribution of gold in internal circulation may, under these circumstances, be considered as desirable, as the strong gold position in any case increases the danger of too great extension of credit facilities.

The increase in gold stock is entirely due to the condition of sterling exchange, which at the present time still continues to move near the point at which importation of gold may be done at a profit. Should the increase take on such proportions as to threaten inflation, then the Netherlands Bank could prevent this by reducing the Bank rate. However, it seems clearly to be the intention for the present to permit the gold standard to continue its unrestricted course, and only to bring about changes in the

Bank rate if the leading banks of issue abroad also adopt that course, or in case the flow of gold should increase too strongly.

The condition of the money market here does not afford any reason for any change in the official Bank rate; money continues to be easy, notwithstanding large foreign issues—almost 50 per cent. of the total of private issues during 1925 was for foreign account. As to these issues, the Stock Exchange Committee declared itself opposed to giving them an official quotation in the case of countries that have not fully met their obligations. For instance, not a single one of the newest German issues has been given an official quotation, with the exception of the Dawes Loan. In order to be able to establish a fixed policy in this, a committee of investigation has been appointed by the Government, which will make a report as soon as possible.

Some information bearing on the national wealth has been given in official statistics. An exact representation can hardly be obtained, but some light is thrown on the matter by the amounts paid in unearned income-tax. In this connection, it should be borne in mind that amounts under 16,000fl are free from taxation. In the table given below a comparison is made between the years 1920-21 and 1924-25, in connection with the fact that in the former year the highest amount of capital was registered. A comparison of the totals for the years 1915 to 1925 is also added:—

Amount of the Capital (in Guilders).	Number of Assessed Persons.		Amount of Capital. (in Millions of Florins.)		Total Tax. (in Thousands of Florins.)	
	1920-21.	1924-25.	1920-21.	1924-25.	1920-21.	1924-25.
16,000-50,000	102,441	111,176	2,817	3,010	2,257	2,376
50,000-100,000	37,795	30,098	2,117	2,967	2,113	2,053
100,000-500,000	22,707	20,684	4,401	3,942	4,382	3,933
500,000-1,000,000	2,267	1,798	1,550	1,215	1,546	1,212
1,000,000-and higher	1,239	942	2,704	1,979	2,703	1,978

	Number of Assessed Persons.	Amount of Capital. (in Millions of Florins.)	Total Tax. (in Thousands of Florins.)
Total—			
1915-1916	89,209	7,311	3,482
1916-1917	95,374	7,841	3,737
1917-1918	102,166	8,884	4,258
1918-1919	135,375	11,379	5,460
1919-1920	146,475	12,468	11,955
1920-1921	159,449	13,589	13,007
1921-1922	166,362	13,284	12,665
1922-1923	161,498	12,324	11,690
1923-1924	162,188	12,183	11,534
1924-1925	164,698	12,214	11,563

(In Percentage of Total.)

Amount of Capital in Guilders.	Number of Assessed Persons.		Amount of Capital.		Total Tax.	
	1920-21.	1924-25.	1920-21.	1924-25.	1920-21.	1924-25.
16,000-50,000	64.25	67.50	20.73	24.65	17.35	20.55
50,000-100,000	19.31	18.28	15.58	16.92	16.24	17.44
100,000-500,000	14.24	12.56	32.39	32.22	33.74	34.02
500,000-1,000,000	1.41	1.09	11.40	9.95	11.89	10.48
1,000,000-and higher	0.78	0.57	19.90	16.20	20.78	17.11

The amount of taxed capital from 1915-16 to 1920-21 continually increased; then, under the influence of the crisis, a decrease took place until 1923-24, since when a comparatively small increase has taken place in 1924-25. The figures were influenced by the war crisis changing prices and stock values and by war profits. The large increase from 1918-19 to 1919-20 especially attracts attention. This is caused by the doubling of the taxation rates on May 1, 1919.

In comparing the separate figures for the year 1920-21 and for 1924-25, total figures for the latter year are shown to be lower than those of 1920-21, except for the group capital from 16,000fl to 50,000fl. Large capital holdings have decreased considerably; small capital holdings have increased. During 1920-21 the owners of 1,000,000fl provided 20 per cent. of the total tax yield; for 1924-25 this percentage decreased to slightly less than 16 per cent. For the group of persons with a more than 16 per cent. For the group of persons with a capital of from 500,000fl and more, these comparative figures are respectively more than 31 and 26 per cent. On the other hand, for persons with a capital under 100,000fl the percentage rose from 36 per cent. of the total in 1920-21 to 41.57 per cent. in 1924-25.

DENMARK.—THE FALL IN PRICES—VALUE OF THE KRONE—TRADE AND CREDIT.

(FROM OUR CORRESPONDENT.)

COPENHAGEN, November 7.

PRICES in Denmark are still on the down grade, and the basis for the krone rise is thereby gradually strengthened. From September to October the wholesale price index of the Statistical Department has declined from 186 to 179 points, while that of the *Finanstidende*, which is computed on a somewhat different basis, has dropped from 163 to 158 points during October.

About the middle of October the Statistical Department and the Nationalbank estimated the value of the krone at that time—based on the wholesale price level at home and abroad—at 88 to 89 ore, a figure which likewise appeared in a report to the Government by the Nationalbank and the "Valutacentral" about the same time. Since prices at home have subsequently declined still further, the theoretical value of the krone might be put somewhat higher, the world level of prices not having declined as much during October as has the Danish level of prices. Based on the wholesale price level, the difference between the theoretical and the actual value of the krone—which, on the average for October, was 91.5 per cent.—can in any case not be very great. However, it may be considered certain that retail prices have not declined in proportion to the drop of the wholesale prices.

Negotiations concerning the new Exchange Act have not yet been completed, but are expected to be ended in the course of the next few days. The Act will presumably provide for a minimum rate for the krone of 90 per cent., without deciding anything with regard to the continuation of developments. At the same time, it is expected that endeavours will be made to have the exchange equalising fund of £5,000,000 renewed—this fund having been replenished during the favourable exchange conditions—while the credit of \$40,000,000 granted to the Nationalbank will still be at the disposal of the bank for maintaining the increased minimum rate. Finally, it may be stated that at the end of October the Nationalbank itself commanded Kr. 134,000,000 of foreign exchange, the amount being increased by Kr. 10,000,000 during last month. Accordingly, the Danish Note Bank has at disposal substantial exchange reserves, even considering that increased import engagements may arise, and that it may be expected that a certain amount of Danish bonds may return from abroad, while, in addition, foreign credit balances in this country may be withdrawn.

At the recent shareholders' meeting of the Nationalbank the chairman declared that it was the intention of the bank to re-establish the krone at par, but that nothing could be said as to when this should take place. The general opinion at present is that this last question should, as far as possible, be kept open; and—as suggested above—this will presumably be the case at the revision of the Exchange Act. However, there is no doubt that a big majority of the business men and the population as a whole desire the re-establishment of the full par value. This was stated yesterday at the session of the Council of the International Chamber of Commerce in Paris, the chairman, Mr Walter Leaf, expressing the following views:—"It seems that the business opinion of Denmark is entirely in favour of the return to parity, and the country is prepared to face with courage the crisis through which it must pass before the goal is reached."

As regards the difficulties of trade during the krone rise, it may be stated that last week the number of unemployed was 35,142, against 33,807 in the previous week, and that the corresponding figure last year was about 18,000 only. Depression is worst in manufacturing industries, but is severe in other branches as well. On September 18th the total number of ships laid up was 25, with a gross register tonnage of 45,339, while towards the end of October this tonnage was somewhat less owing to some of the ships having recommenced sailings in the course of the month. The Danish freight rate figure for September was 95.5 per cent., against 94.5 for August and 102.1 for January.

Trade is, of course, affected by the decline of prices, which causes the public to delay purchases in the expectation of further declines. This likewise affects the foreign trade, which has declined in volume during the last few months. The foreign trade figures for the third quarter of 1925 and 1924 were the following (in thousands of krone):—

	1924		1925	
	Imports. Kr.	Exports. Kr.	Imports. Kr.	Exports. Kr.
July	177,000	177,000	190,000	180,000
August	198,000	189,000	163,000	162,000
September	200,000	206,000	146,000	148,000

During the first nine months of the year the result has been an excess of imports of Kr. 81,000,000 only, while the corresponding figure for January-September, 1924, was Kr. 152,000,000. That this development has supplanted the advance of the krone rate is quite obvious.

The September figures for the total balance-sheet of the Danish private banks have just been published, and show a decline of Kr. 42,000,000. Loans have been reduced by Kr. 31,000,000, while deposits have declined by Kr. 21,000,000, and it is pointed out in the commentary to the statistical review that in the course of the month further settlements of documentary credit engagements have taken place. From the balance-sheet of the Nationalbank as at October 31st it appears that the item "home bills" has been reduced from Kr. 71,200,000 to Kr. 68,500,000 during the month, while a year ago this item amounted to Kr. 249,700,000. The reduction in the course of a year has thus been about Kr. 181,000,000, which is significant proof of the relaxation of the money market. At the same time, the note circulation of the Nationalbank has been reduced from Kr. 495,100,000 to Kr. 453,600,000.

CZECHOSLOVAKIA.—GENERAL ELECTIONS—NEW NATIONAL BANK—NEW LOAN—COMMERCIAL TREATIES.

(FROM OUR CORRESPONDENT.)

PRAGUE, November 17.

THE second General Election in the new Republic for the Senate and Parliament passed off very quietly on Sunday last. Despite the snow and the rain, it is estimated that 80 per cent. of the electorate of seven millions went to the poll. There is compulsory voting in Czechoslovakia, and the sale of alcohol is prohibited both during the day of the elections and for twenty-four hours previously. To the unbiased observer, it seemed a great pity that the election campaign should have been so full of the personal element—on both the Czech and German sides—especially when there are so many and such important issues awaiting consideration. As the elections are fought under the principles of Proportional Representation, the complete results will not be known for some time; but the first scrutiny reveals the fact that the new Parliament will again be ruled by a Pěka. Of the twenty-nine parties which went to the poll, nearly half will have no representative in the new House. The leading parties up to the present, both in the Senate and Parliament, are the Agrarians, the Popular Party (i.e., the Clericals), the Communists, the Socialists, and the Social Democrats. The most significant result is the increased vote of the Clericals and the Communists. The recovery of the former will certainly not help a speedy settlement of the present unsatisfactory relations between the Pope and Prague. Of the probability of real co-operation between the various parties of almost equal strength there seems some doubt, and already there is talk of another election early in March. M. Svehla will probably be the new Prime Minister (Agrarian), with Dr Benes (Czech Socialist) as Foreign Minister.

The success of the establishment of the new National Bank is striking. The 80,000 shares of 100 dollars per share offered to the general public were oversubscribed two and a-half times, and together with the participation of most of the leading banks, make the future of the new bank assured. The Czechoslovak Loan of 50 million dollars in U.S.A. has also been a great success. Issued at 96 at 7½ per cent., it is guaranteed upon the revenues from sugar and alcohol. (Three and a-half million dollars of the above were put upon the Amsterdam market.)

The above-mentioned facts, together with the settlement of the war debt to England, has had a good effect upon markets. Government stock stands very high at the present time, and public interest seems directed mainly in that direction.

During the next few weeks it is probable that the new commercial treaty with Belgium, and a supplementary treaty with Austria, will come into force, while the negotiations going on between this country and Switzerland should be terminated in December. The Polish Consul-General has also been conferring in Prague, and a Polish delegation is expected here to complete arrangements for a real commercial understanding with Poland.

LATIN-AMERICA.—BRITISH AND U.S. TRADE—RESPECTIVE SHARES—THE INFLUENCE OF FINANCE.

(FROM A CORRESPONDENT.)

THE extraordinarily successful penetration by the United States among the Latin Republics, which may be regarded as the direct outcome of the tremendous changes wrought by the European war, is further exemplified by the figures showing the imports and exports during the fiscal year 1924-1925. While the percentage increase of the total American trade during this period is 9.8, the full 10-year period (1913-1914/1923-1924) shows an advance of no less than 117 per cent. in imports and 189 per cent. in exports. No doubt, geographical propinquity and climate are responsible for a great part of the improvement noted; but something—in fact, a good deal—should be allowed for the intelligent methods by means of which American manufacturers cultivate relations with the 20 States of Latin-America. Those who imagined that the new United States tariff would adversely affect the trade with the Latin-American Republics and the West Indies have been disillusioned; an analysis of the trade carried on in these regions shows that the countries have been but little affected by the incidence of rates. Even the Latin-American Customs regulations, which continue to be interminable, vexatious, and irritating, notwithstanding the efforts at a common arrangement made by the Pan-American Union, have merely checked without destroying the progress of trade.

While the abnormal conditions which prevailed during and soon after the war have not as yet completely disappeared, trade has readjusted itself by degrees. Without some counteracting efforts upon the part of British exporters, it would appear not improbable that this flow may move definitely in the direction of our greatest rivals, the United States. Their trade carried on with the 20 Latin-American Republics for the fiscal year 1924-1925 reached the substantial total of \$1,824,680,443, compared with \$1,661,508,598 for the previous year, thus showing an increase of \$163,171,845, or 9.8 per cent. In this connection, however, a notable difference exists between the values of the imports from the Latin-American countries into the United States and the exports from the United States to Latin-America. According to the information supplied by the Bureau of Foreign and Domestic Commerce (United States Department of Commerce), imported into the United States from the Latin-Republics totalled \$1,015,557,618 (of which \$522,617,985 came from the 10 Southern Republics), and \$492,939,633 America reached a total of \$809,122,825 (\$451,707,828 to the Northern and Central Republics, and \$357,414,997 to the Southern Republics). In view of their geographical positions, it is but natural that such countries as Mexico, Republics of Cuba, Haiti, and San Domingo should carry on the greater part of their trade with North America; their interests are obviously to buy in the nearest markets. On the other hand, Great Britain should rightly show a higher percentage of trade with the South American countries, since it not only absorbs a very considerable proportion of their products, but is enabled to offer freight (shipping) rates more favourable than its competitor. What British trade has most to fear, however, is the gradual extension of the American sphere of banking and investment influence which has steadily expanded since

the Spanish war. Loans made by United States bankers, formerly confined to the more needy of the Latin States ready to pay a high rate of interest and to grant monopolies to United States capitalists, has now extended to those fields which were formerly considered almost exclusively within the British sphere, or, at least, that of Europe. The first half of the current year showed a great extension of United States advances, loans, or Government guarantees to foreign countries. Eliminating funding arrangements, more than \$437,000,000 has been thus advanced, and, of the total, the countries of Latin-America received \$151,000,000. During the same period little or nothing in the form of British advances was asked for or granted. This cannot be wholly attributed, as some may argue, to a new era of financial economy enjoyed by the Latin-American States, for a large—although somewhat lessened—stream of foreign capital is still pouring steadily into their coffers. These ambitious young countries have not materially changed their methods, but merely their bankers.

The result of this liberal—yet shrewdly discriminating—American financing has shown itself in the enormously-increased total trade carried on between North America and the Latin countries, with a corresponding decline in certain directions of commerce with Great Britain. Some of the large banking institutions, besides having made less profits, have witnessed the depreciation of their capital engaged in South America. An instance is afforded by the return for the current year of the Anglo-South American Bank (which, by acquiring the share capital of the British Bank of South America and the Commercial Bank of Spanish America, has attained a position of commanding importance). The bank chronicles a falling-off in its net profits of no less than £213,116 between 1922 and 1925, when the figures stood at £644,138 and £431,022 respectively. This decline in net revenue has meant a reduction of the dividend to 10 per cent. for the current year (which is the same rate of distribution as for 1923 and 1924) from 12 per cent. in 1922. It is probable that the second half of the current year may show a reverse swing of the pendulum; but it cannot be too emphatically impressed upon the minds of exporters that, while our trade with Latin-America is either becoming retrogressive or remains almost stagnant, the interchanges of merchandise between our North American rivals and the Spanish-American Republics are rapidly approaching the £400,000,000 (\$2,000,000,000) mark.

Books and Publications.

TOWARDS A NEW SOCIETY.*

MR LASKI has produced a book for which a very real need exists. The study of political science in the past has tended to be concentrated too exclusively on the legal and institutional aspects of the subject. In consequence, the interplay of political and economic forces, and the relation between the political and the economic institutions of Society, have been insufficiently studied in orthodox academic circles. At the other end of the scale Marx and his followers, concentrating on the economic and material aspects of organised human life, have developed a theory which allows to politics as hitherto understood scarcely any reality at all. Mr Laski has attempted a synthesis of the two lines of thought.

The fundamental social problem of our time arises from the incompatibility of the assumptions which underlie, on the one hand, our political, and, on the other, our economic life. Our political system is based on the democratic theory that all normal and adult human beings are free and equal; our economic system proceeds on a very different assumption. Political sovereignty is distributed among the mass of citizens, most of whom are poor; economic power is concentrated in the hands of a comparatively small section of people. Such a situation is dangerously unstable. "Political equality," Mr Laski argues, "is never real unless it is accompanied by virtual economic equality; political power, otherwise, is bound to

* "A Grammar of Politics." By Harold J. Laski. Geo. Allen and Unwin. 18s net.

be the handmaid of economic power." Those who wield the latter, being unable directly to control the political machine, will contrive to manipulate it in indirect ways—by the exercise of social and financial influence, by working upon opinion through the Press, and by interfering, as they have done in America, with freedom of thought in educational institutions. On the other hand, we find, on the part of the wage-earning majority, an increasing sense that political power is within their reach; and instruments, such as the Labour party, are being forged by means of which they may ultimately come to wield it. Society, in short, is drifting towards a moment when the inconsistencies of our political and economic systems may be very bleakly exposed.

Mr Laski, holding as he does that "democratic government is doubtless a final form of political organisation in the sense that men who have once tasted power will not without conflict surrender it," suggests drastic changes in the economic system. In the political sphere the modifications he would introduce are not so far-reaching. He is opposed to a Second Chamber, and he would give far greater powers to local authorities than they have at present. But he would retain the British system of government by a Cabinet responsible to a Chamber elected on a territorial basis. He rejects proportional representation on the grounds that it tends to weak and unstable government, and that minorities with special interests can exercise a great deal of influence within the structure of the two-party system. In order to ensure that single-Chamber government may not result in the pursuit of policies to which the electorate is opposed, he suggests a complicated system by which constituencies would be able to "recall" their representatives; but he hedges this right about with so many difficulties that it is impossible to envisage its practical utility. The author's detailed survey of existing political institutions is thoughtful and thorough, and although it may be overshadowed by his much more controversial industrial proposals, it deserves careful reading.

In his chapters on Property and on Economic Institutions, the Socialist solution of modern industrial problems is advanced. Mr Laski's Socialism, however, is of the gradual and empirical kind. He urges the need for the maximum equality of opportunity, which he would achieve by a wide extension of educational facilities, by a drastic limitation of the right of inheritance, and by a careful and equitable selection of the people charged with responsible work in the community. He does not suggest the socialisation of industry on a cast-iron universal plan. Big industries and distributive functions which are vital to the life of Society he would bring under national co-operative control, with a considerable measure of decentralisation, and with elaborate checks and balances to secure due regard for the workers, manual and managerial, of the community, and of any bodies of consumers who have a special interest in the commodity produced. A considerable margin of economic effort, however, he would leave to a modified form of private enterprise operating under effective control.

A point on which Mr Laski lays stress is the need to cultivate in industry something of the spirit which animates the great professions. He admits that the "line between the worst aspects of a profession and the best aspects of an industry cannot be clearly drawn"; but he maintains that there is a very real distinction between the codes which now regulate the two kinds of endeavour. The motive of pecuniary gain may operate, and may indefinitely continue to operate, in the professions as well as in commerce; but in the one case it is far more effectively controlled than it is in the other by the ideal of public service. The medical scientist, for instance, will immediately publish to the world at large any valuable discovery he has made; the business man will try to retain for as long as possible the exclusive right to exploit any new invention.

It is impossible in a short space to refer to more than a few of the points raised in a long book compact with suggestive ideas and comment; but enough has been said to indicate its nature, and also its importance. It deserves the attention even of those who emphatically reject the Socialist doctrine; for it states clearly and vigorously the problems which confront the great modern democracies—problems which cannot safely be left unsolved.

CONSUMERS' DEMAND.*

UNDER a very misleading title, "Profits," Messrs Foster and Catchings, already distinguished as the authors of "Money" in the series of Pollak publications, try to answer the question why glut and want should exist together. Or as they put the problem, why must industry as a whole slow down because of overproduction when millions are suffering from under consumption? This question they think anybody can answer—because people who want the goods have not the money to pay for them. But this answer merely brings us to another question which appears to baffle the entire financial and industrial world—Why is it impossible for the people, as consumers, to acquire and enjoy all the commodities which, as producers, they are perfectly able and willing to make?

The answer which they propound follows the prevalent fashion of attributing all industrial ills to faults in the credit and currency arrangements. Let us put their conclusions in their own words. "The greatest economic need," they say "is a flow of money to consumers which, after providing for savings, would always be approximately equal to the flow of finished goods. The certainty that people would have enough money to buy total output, no matter how large it might be, would be sufficient to induce both employers and employees to increase the output year after year, for the very good reason that higher real wages and higher real profits would depend mainly on increased output. If, to the highly efficient system which now provides money for production, we could add an equally efficient system of providing money for consumption, we could make rapid and sustained progress toward realising the potential output of industry, rapid progress therefore toward higher standards of living."

Certain doubtful assumptions have to be noted in the authors' argument. One is that the periodical checks to industrial progress, now experienced, must be due to the money factor, because there were no such checks, under the barter system, among primitive communities. "They raised corn and made wheelbarrows solely with the idea of having them used up. They not only produced what they consumed, but consumed what they produced..... If by any chance they produced more of any particular commodity than they wanted to consume at the time, this was an occasion for rejoicing rather than for concern." Is this so certain? If an exceptionally fortunate hunter or fisherman brought in a supply of bearskins or of fish that met all the needs of the community for the time being, he and the community would have cause for nothing but joy; but the rival hunter or fisherman who came to market next day would cry out against a system which left him with a stock of perfectly good bearskins or fish on his hands which he could not exchange into wheat or wives or anything else that he wanted, because nobody else wanted them. In other words, is it not possible that in order to be unchecked industrial progress must be even, whether under a system of barter or of money?

Another assumption is that the world's capacity for output is already sufficient to secure a much higher standard, if only there were enough money in consumers' hands to absorb it. This may be true of present industrial capacity, and of potential agricultural and mining capacity, if the necessary equipment and transport facilities were provided. But are the actual agricultural capacities sufficient to supply all the meat and food and cotton and wool that would be needed if everybody were able to have as much as is necessary to a decent standard of life? In other words, may not industrial checks be sometimes caused because industry has gone ahead of agriculture? The example of war-time productivity, quoted by our authors, is rendered less convincing to some of us on this side of the water by recollections of war bread and the scarcity of coal, meat, and butter, to mention only a few items in a list that might be extended.

Yet another, is the assumption that lack of consumers' money could not be met by lowering prices without necessarily checking production. This is a thesis that is highly popular, for obvious reasons, with producers. But is it true? According to the argument, "reduced prices

mean reduced production, reduced production means reduced wages, reduced wages mean reduced consumer income, reduced income means reduced demand, reduced demand means still lower prices, leading to further curtailment of output, and so on. Thus, in a period of falling prices, society finds itself receding farther and farther from its economic goal." It is a very pretty theoretical House-that-Jack-built, but did it happen in the period of falling prices from 1866 to 1896? If prices fell evenly, so that lessened money profits were compensated by higher buying power all round, it seems to be possible that an economic system employing money might make progress at least as comfortably as one working by barter.

THE ARMAMENTS PROBLEM.*

MR WHEELER-BENNETT has produced a handbook which is adequately described by its title. It includes a useful record of the efforts which have been made to reduce armaments from the first Hague Conference of 1899 to the Geneva Protocol of 1924, and also deals with the general question of substituting arbitration for force. With the entry of Germany into the League in the near future the discussions on disarmament will enter on a new and more important phase. Mr Wheeler-Bennett's handbook is therefore very opportune, and should be studied by all who can influence in any way this great step towards permanent peace. In conjunction with such books as "The Geneva Protocol," by Professor Philip Baker, which describes with freshness, imagination, and sympathy the underlying influences which have moulded European opinion in the direction of the Protocol, the reader should be in a position to form for himself a considered and independent opinion as to the policy this country should follow. Perhaps the most original contribution in the book is the last chapter, which shows in detail what a large number of demilitarised zones already exist in the world to-day.

* "Information on the Reduction of Armaments." By J. W. Wheeler-Bennett. Introduction by Major-Gen. Sir Neil L. Malcolm. (London) George Allen and Unwin, Limited. 10s net.

STATISTICAL METHOD.*

PROFESSOR SECRIST, of the North-Western University, was one of the first writers of books on statistical methods, his first edition of this book having appeared eight years ago. Since that time there have been many such books produced, year by year, in increasing numbers, but his first edition retained its popularity, and this new book, should again hold the attention of persons interested in this subject. The reason for this is not far to seek. The author has a double claim to be heard on this subject, because he has had experience both as a teacher and as the Director of the Bureau of Business Research, a department of the North-Western University which is located in Chicago. This bureau acts in a consultative capacity to business organisations with mutual satisfaction to both parties. For instance, his department undertook some years ago, as a piece of work at the instance of the Association of Retail Clothiers, to look into the various factors which affect the life and prosperity of the retail clothing stores. Many of the examples illustrating the methods of statistical analysis developed in the book under review are taken from the report made by the Bureau on completion of the work.

This experience over many years of the organisation of statistical inquiry has taught Dr. Secrist the important fact that a book of this kind is not complete without a preliminary discussion at great length of the method of collecting the facts which form the gist to be ground through the mill of statistical method. Normally a book on this subject starts out immediately with discussion as to the methods of analysis; perhaps the best part of this book consists of the first few chapters, where the collection and editing of data, the classification and tabulation of data, and the definition of the units

* "Profits." By W. T. Foster and W. Catchings. Published by Houghton Mifflin for the Pollak Foundation for Economic Research, Newton, Massachusetts. 4s.

* "An Introduction to Statistical Methods." By Horace Secrist. Ph.D. xxxiii. + 584 pp. The Macmillan Company, New York, 1925. Price 16s.

involved are dealt with at great length, before the author enlarges on the methods of dealing with the data for purposes of analysis.

Of special interest perhaps in the latter part of the book are the chapters on the various methods of graphic and diagrammatic representation of facts; on the treatment of figures of production and prices with time; and on the methods of calculating index numbers, and the various indices of prices, quantity, and business conditions which are calculated in the United States. The reader, if he has never realised before, should realise now that an index number is an attempt to give an indication of the alteration of some elusive, hardly measurable quantity, over a period of time. Thus if the cost of living index is 200, it indicates that "living" is about double what it was at some base period, and whereas different authorities might differ as to how "living" should be measured, and one authority might produce a figure of 208, another 196, and so on, yet the general indication is that "living" has roughly doubled.

THE HANDY INSURANCE CHART, 1925-26.*

It is not difficult to analyse the figures of insurance companies, but it is much less easy so to arrange the results that they can be readily consulted and apprehended by non-technical people. The Handy Insurance Chart, which is now in its fifth year, is prepared and published by the "Post Magazine," and has been designed to meet the needs for exact information of investors, bankers, merchants, brokers, shipowners, and all others interested in insurance, and fulfils its purpose more than adequately. Life and annuity business is generally excluded—these branches are fully dealt with in other publications, and the funds relating to them are earmarked for life policyholders or annuitants, and are not available to shareholders or creditors in a winding-up. The Chart deals with more than 100 British insurance companies, arranged in alphabetical order, and covers fire, marine, personal accident, employers' liability, and miscellaneous insurance business. In the 1925-26 edition an explanatory chapter takes the accounts for 1924 of a typical composite insurance office—in this instance the Phoenix—and shows exactly how the calculations are made from the official figures, and how the results, as published by this and other companies, appear in the Chart. A study of the preliminary chapter will enable any business man quickly to grasp the principles upon which the Chart has been compiled and arranged.

* Price, 3s 6d (by post 3s 8d), The "Post Magazine," 9 St Andrew street, London, E.C. 4.

MORE TRADE TERMS DEFINED.

MR CUTHBERT MAUGHAN has prepared a second volume, in which he discusses a further series of trade terms. The first (noticed in the *Economist* of August 2, 1924) related to merchanting, shipping, and marine insurance. In the book now published* commodity market terms are dealt with. The main headings are grain and other foodstuffs, metals and minerals, textiles and fibres, hides, skins, and furs, and miscellaneous industries. Each of these is subdivided into a number of chapters devoted to particular commodities, there being 76 chapters in all, so that a wide field is covered. There has been condensed into these pages a great deal of valuable information connected with the trade terms in common use in market reports and by those engaged in the numerous industries referred to. The information is better presented than in the earlier volume, having evidently undergone careful revision since its serial appearance in the *Times Trade Supplement*.

The value of the book, the author modestly suggests in his preface, is due to the fact that the information is the outcome of the knowledge and experience of those who are experts in the various businesses. The collection of the materials for the volume involved many interviews in London, but only in the case of the Lancashire cotton industry did the author find it necessary to go outside the metropolis in search of the facts. Perhaps this limita-

* "Commodity Market Terms," being Volume II. of "Trade Term Definitions." By Cuthbert Maughan. (London) Effingham Wilson. 1925. 10s net.

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tion on inquiry affected the statements made in the book. Should not, for instance, the indication of the places from which anthracite mined in this country is principally shipped include Port Talbot as well as Swansea and Llanelly? Tinsplates (not dealt in on the London Metal Exchange) are dismissed in a few lines, while the terms used in some of the other metal industries are discussed at length. The treatment seems somewhat uneven. In some instances reference is made to the development of the industry, or to the course of business, but in other cases is lacking. The chapters on the wool trade, though containing much of interest, stop short of mentioning changes in the course of business which have, of late, much affected dealings in London. The chapter on tea misses out the clue that the terms in use developed from days when China tea was almost exclusively dealt in. The explanations given here are far from clear, and there is a bad misprint on page 46, "flavouring" being substituted for "flavoury." But to have avoided defects in treating such a wide series of subjects would have been difficult, and the book should be of great service for reference purposes.

BOOKS RECEIVED.

Currency Problems and Policy of the Soviet Union. By Prof. L. N. Yurovsky. (London) Leonard Parsons. 7s 6d net.

Electrical Power and National Progress. By Hugh Quigley. With a Foreword by D. N. Dunlop. (London) George Allen and Unwin, Limited. 8s 6d net.

Revolution by Reason. By John Strachey. (London) Leonard Parsons. 7s 6d net.

League of Nations. Memorandum on Currency and Central Banks. 1913-1924. Vol. II. (London) Constable and Co. 10s 6d net.

Large Industrial Establishments in India. (Calcutta) Government of India Central Publication Branch. 1925. 7s 3d.

The Machinery of Business. By Alfred G. Barralet. (London) George Philip and Son, Limited. 2s 6d and 3s 6d.

Liberalism and Modern Industrial Problems. Trade, Currency, Industry and Unemployment. By Rt. Hon. Sir Alfred Mond, Bart., M.P. 6d.

Die Handelspolitik in Mitteleuropa. 7.50mk. *Das Geldproblem in Mitteleuropa.* 7mk. By Dr Elemér Hantos. (Jena) Verlag von Gustav Fischer.

Records of the Geological Survey of India: Vol. LVII.—Quinquennial Review of the Mineral Production of India for the Years 1919-1923. (Calcutta) Government of India Central Publication Branch. 9s 3d.

The Rubber Quarterly. November 16, 1925. (London) London General Press, 3 Arundel street, Strand, W.C. 1. 1s.

Includes two interesting articles, "The Future of Restriction" and "A Rubber Shortage?"

Boletín Bibliográfico. Universidad de Buenos Aires. (Buenos Aires) Seminario de Economía y Finanzas, Charcas, 1835.

Banken en Scheepvaart. Balansanalyses, 1925. (Amsterdam) "De Telegraaf."

OFFICIAL PUBLICATIONS RECEIVED.

The following may be obtained from H.M. Stationery Office, Adastral House, Kingsway, W.C. 2:—

Report on the Trade in Refrigerated Beef, Mutton and Lamb. 1s 6d net.

Report on the Economic and Financial Conditions in the British West Indies and Other British Possessions Contiguous Thereto. June 30, 1925. 2s net.

Final Protocol of the Locarno Conference, 1925 (and Annexes), together with Treaties between France and Poland and France and Czechoslovakia. Cmd. 2525. 1s net.

Correspondence between the Ambassadors' Conference and the German Ambassador at Paris respecting German Disarmament, Evacuation of Cologne, &c. October-November, 1925. Cmd. 2527. 3d net.

Fifteenth Report of the Development Commissioners for the year ended March 31, 1925. No. 147. 3s 6d net.

Accounts relating to the Trade and Commerce of certain Foreign Countries and British Countries Overseas, including figures received up to September 15, 1925. 6s net.

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STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET, December 2. ACCOUNT, December 3.

The pre-Christmas rush of new issues has started early, and the amount of new money required for fresh loans is on so large a scale that no particular surprise is felt at the failure of some of the issues to secure public support. The Gold Coast offer of 4½ per cent. at 94 resulted in a fiasco, the underwriters being left with 97½ per cent. The Brighton and Bristol Corporation loans met with a tolerable response, but Tasmania and Western Australia fared better, both of these, offering 5 per cent. stock at 98, securing the money from the public.

Rubber and industrial offers have been, as a rule, snapped up readily. It is known in the Stock Exchange that a number of new loans, rubber companies' shares, and other miscellaneous borrowings, are due to appear in the near future. The introduction to the Stock Exchange market this week of one million Snia Viscosa shares, on the basis of 65s per share, is the principal entry made under this particular method during the past week.

All this outpouring of new stock tends to hold back what vitality might otherwise develop in British Government and other gilt-edged stocks. The War Loan is firm, because of the knowledge that there will be purchases made of the stock with the dividend-money released on December 1st. The new Gold Coast scrip has fallen to 1½ discount.

In the foreign market Peruvian preference have been an active market, on anticipations of the dividend statement, and the price, after being rushed up, went back almost as abruptly. Chilean bonds have been better, and a mild recovery occurred in half-a-score of the Chinese Government descriptions. Mexicans are a little harder, on a vague report to the effect that it is intended to put into operation the scheme for dealing with interest arrears. French bonds have remained fairly constant. There is a good deal of business doing in one way and another amongst Foreigners.

Home Railway stocks stagnate, on account of the uncertainty connected with the issue of the dispute over wages. Argentine Railway stocks keep steady. United of Havana have gone back on profit-taking, and Brazilians reacted to some extent, in company with the Government bonds, by reason of a slight decline in the value of the milreis. Nitrate shares are weaker, the Lautaro dividend disappointment being still a factor in this market.

Rubber shares are buoyant. The market seethes with daily excitement, and the strength of the raw material is reflected in a persistent pressure on the part of the public to buy shares, not only in the good companies, but in the second-class concerns

as well. Tea shares, after a bout of weakness, recovered slightly, those in the companies which deal with rubber as well as tea being excepted from the dullness that prevailed in tea shares proper. The oil share market is giving a much better account of itself, Anglo-Persians being a feature of strength, and the list as a whole attracting greater public attention than it has done for some time past.

In the textile market Courtaulds dropped abruptly on the introduction of the new Snia Viscosa shares, some people exchanging into the latter from Courtaulds, others fearing lest Courtaulds may suffer from competition. As soon as the weaker holders were out, the price of Courtaulds rallied to some extent. Textiles on the whole are firm. A rise in gas stocks is noticeable on dividend anticipations. The shipping market is quiescent. London banking shares are better; the insurance group has moved but little. Iron and steel shares of the better-class companies continue to be in quiet demand, but those of the weaker brethren show a disposition to dullness. Brewery stocks are not so good as they were. In the hotel list Holborn and Frascatis stand out by reason of the expectation that the dividend may be raised before long. Amongst electricity shares the distribution by the Bournemouth and Poole company of Richmond Electric new shares had the effect of starting a lively market in the latter, the price of which is about 7s. 6d. premium on the 24s at which the shares are offered. British American tobacco shares are strong. The wireless group, after being in the doldrums, enjoyed a mild rally, and cable stocks are good all round. Shares in the equipment companies, cable and electrical, are a little irregular, but on the whole maintain their recent substantial advance.

South Africans receive spasmodic attention from the Cape and from Paris, but the home market is lackadaisical. Chartered tend to sag. Malayan tin shares retain a good deal of activity, though the tendency is somewhat irregular. Burma Corporation, Zinc Corporation, and other base-metal issues have strengthened. Russians are neglected, and other sections of the mining markets are uninteresting.

NEW ISSUES.

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

Amount previously recorded.....	Nominal Capital, £	Cash Subscription, £	First Payment, £	Further Liability, £
194,139,668	..	..	..	..

NATIONAL SAVINGS CERTIFICATES				
NET RECEIPTS INTO THE EXCHANGERS WEEK TO NOV. 14, 1925.				
April 1, 1925, to Nov. 14, 1925	£2,050,000	£	£	£

To the Public—	£	£	£	£
Western Australia, £2,500,000 5% Inscribed Stock, red. at par, 1945-Aug. 1, 1975, issued at 98 % ..	2,500,000	2,450,000	125,000	2,325,000
Govt. of Tasmania, £500,000 5% Reg. Stock, red. at par, 1945-Aug. 1, 1975, issued at 98 % ..	500,000	588,000	30,000	558,000
Bristol Corporation, £1,500,000 4½% Stock, at 97½, red. at par, 1945-Nov. 1, 1955 ..	1,500,000	1,455,000	75,000	1,380,000
Brighton Corporation, £700,000 4½% Stock, at 97½, red. at par, 1945-Oct. 1, 1975 ..	700,000	679,000	35,000	644,000
Cauldon Potteries, £250,000 6% Deb. Stock, at 6 % ..	250,000	240,000	25,000	215,000
Charterhouse Investment Trust, 300,000 Shares, £1, at par ..	300,000	300,000	30,000	270,000
Investors' Rubber Trust, 50,000 Ord. Shares, £1, at par ..	50,000	50,000	6,250	43,750
Sungei Siput Rubber Plantations, 1,600,000 Shares, 2s, at 2s 6d ..	160,000	200,000	40,000	160,000
Batavia (Kerkoven) Rubber and Tea Estates, 900,000 Shares, 2s, at par ..	90,000	90,000	22,500	67,500
Durian Sebatang Rubber Estates, 750,000 Shares, 2s, at par ..	75,000	75,000	18,750	56,250
Eastern Siam Tin Dredging, 125,000 Shares, £1, at par ..	125,000	125,000	15,625	109,375
Lancashire Electric Light and Power, 371,440 Ord. £1, at 22½ ..	371,440	417,870	18,572	399,298
Do 187,500 7% Cum. Ptg. Pref., £1, at 23s 6d ..	187,500	220,309	9,375	210,934
Total offered to public ..	6,890,179	6,890,179	451,072	6,439,107
To Shareholders only—				
Grout and Co., 75,000 Ord. £1, at 22½ ..	75,000	168,750	37,500	131,250
Halley Industrial Motors, £75,000 8% Five-year Notes, at par ..	75,000	75,000	18,750	56,250
National Mining, 500,000 Shares, 8s, at par ..	200,000	209,000	75,000	125,000
Reed (Austin), 150,000 8% Cum. Pref., £1, at 21s ..	150,000	157,500	37,500	120,000
Remble Rubber, 20,000 6% Cum. Ptg. Pref., £1, at 22½ ..	20,000	40,000	40,000	..
Richmond (Surrey) Light and Power, 168,670 Ord. Shares, £1, at £1 14s ..	168,670	202,404	33,734	168,670
Second Investors' Mortgage Security, 12,500 Shares, £10, at £12 15s ..	125,000	159,375	159,375	..
Sempah Rubber Estates, 50,000 Ord. Shares, £1, at 28s ..	50,000	70,000	25,000	45,000
Sungei-Timah Estate (Perak), 30,000 Ord. Shares, 2s, at 2s 6d ..	30,000	37,500	37,500	..
Total to shareholders only ..	1,110,529	1,110,529	464,359	646,170

Total offered for subscription to date	Total offered for subscription for whole year—
1925..... 202,340,376	1924..... 203,326,100
1926..... 174,938,525	1925..... 271,353,177
1927..... 26,784,958	1926..... 278,675,650
1928..... 55,567,324	1927..... 388,978,203
1929..... 318,931,861	1928..... 367,549,656
1930..... 352,436,977	1929..... 1,036,069,961

Western Australian Government.—Issue of £2,500,000 5 per cent. inscribed stock, 1945-75 at £98 per cent. Principal will be repayable at par on August 1, 1975, the Government of Western Australia having the option to redeem the stock, in whole or in part, at par, on or after August 1, 1945, on giving three calendar months' notice. The proceeds of the issue will, it is stated, be used for railways, harbours, water supply, advances to settlers, &c. It is a trustee security of the first class.

Tasmania Government.—Issue of £600,000 of 5 per cent. registered stock, 1945-75 at £98 per cent. Principal is repayable in London at par on August 1, 1975, the Government of Tasmania having the option of redemption at par, in whole or in part, on or after August 1, 1945, on giving three months' notice. It is a trustee security. The loan, which is issued to provide funds for hydro-electric and other public works, is an excellent investment.

Brighton Corporation.—This is an issue of £700,000 4½ per cent. redeemable stock, 1945-75, at £97 per cent. Principal will be repayable at par on October 1, 1975, unless previously cancelled by purchase in the open market or by agreement with the holders, the corporation having the option of redemption, in whole or in part, at par, on or after October 1, 1945, on giving three months' notice. The stock is secured upon all the property, rates, and revenues of the corporation. The rateable value is £990,292, and a rate of 1d in the pound will produce £3,900; the total average rates for 1925-1926 were 11s 4½d in the pound. The estimated population of the borough is 138,000. The total outstanding debt at November 1, 1925, was £2,908,066, of which £2,318,346 was in respect of reproductive undertakings. This is a good trustee investment.

Lancashire Electric Light and Power Company Limited.—Authorised capital £2,321,415, of which £2,261,440, including the present offer, has been issued. This is an offer for subscription of 187,500 7 per cent. cumulative participating preference shares of £1 each at 23s 6d per share, and 371,440 ordinary shares of £1 each at 22s 6d per share. The cumulative participating preference shares carry the right, after payment of the dividend on the cumulative first preference shares, to a fixed cumulative preferential dividend at the rate of 7 per cent. per annum on the amounts for the time being paid up thereon, and in any year in which the ordinary shares of the company receive a dividend at a higher rate than 7 per cent., then the cumulative participating preference shares are entitled to a dividend at a rate equal to that paid on the ordinary shares up to a maximum of 10 per cent. The company was formed in 1903 as the Lancashire Power Construction Company, Limited, and controls the Lancashire Electric Power Company, incorporated in 1900. Capital expenditure to date amounts to £1,938,318. Receipts have risen continuously from £249,904 in 1920 to £304,746 in 1924, and net earnings over the same period from £47,356 to £168,507. These figures are after allowing for income-tax, but before charging interest, depreciation, &c. The company has paid dividends of 7½ per cent. upon the 7 per cent. cumulative participating preference and ordinary shares for the three years to March 31, 1925. The money is required to repay loans used for extensions. Both classes of shares are a fair industrial investment, though it is to be regretted that no details of assets are given.

Elstree and Boreham Wood Gas Company, Limited.—Authorised share capital £50,000, of which £33,855 has been issued, including £1,065 in respect of premiums. Of the authorised loan capital of £25,000 there has been borrowed £8,850. Tenders are invited for 800 6 per cent. £10 preference shares, the minimum price of issue being £9 10s per share, at which the yield is £6 6s 4d per cent. The net revenue of the company, which was established in 1872, amounted in 1924-25 to £1,145. Loan interest requires £515, leaving £2,630, of which the preference dividend, including this issue, requires £1,181, leaving a distributable surplus of £1,448. Sales of gas have risen from 19 million cubic feet in 1913-14 to 43 millions in 1924-25. Fresh capital is required for extensions.

Charterhouse Investment Trust, Limited.—Capital, £300,000, in £1 ordinary shares. This is an issue at par of the whole of the capital, of which the directors and their friends will be allowed £100,000. The company has been formed to carry on the business of an investment trust and finance undertaking. The issue has not been underwritten. It is provided that there shall be carried to reserve each year a sum at least equal to 10 per cent. of the profits until such reserve fund equal to 50 per cent. of the ordinary capital. It should be realised that in a venture of this description shareholders are presenting directors with a blank cheque for investment purposes.

Cauldon Potteries, Limited.—Authorised capital, £500,000, of which £485,122 has been issued. The whole of the ordinary share capital of £350,000 is held by the directors

and employees. This is an issue at £96 per cent. of £250,000 6 per cent. first mortgage debenture stock. It is redeemable by means of a cumulative sinking fund of 2 per cent., commencing in 1928, or by drawings, at £102 per cent., the company reserving the right of redemption at any time at £103½ per cent. after September 30, 1928, on six months' notice. The stock will be a first specific mortgage on freehold and leasehold lands, buildings, fixed plant and machinery, and the shares in and debentures of the Coalport China Company, and a first floating charge upon remaining assets. The company was founded in 1920, and manufactures pottery and general earthenware. Profits are certified since 1921. In that year they were £34,873, and have since shown some fluctuation, the 1924 total being £49,885. These figures are given before allowing for directors' remuneration, mortgage, bank and loan interest, and income-tax. Net assets amount to £422,159. Debenture interest requires £15,000 per annum. It is stated that the proceeds of the present issue are required to discharge an existing bank loan of £150,000, to discharge liabilities of the Coalport China Company, which business was acquired in September last, &c. It is not stated whether dividends have been paid on the ordinary shares. The company's record is not very inspiring, and apparently the future depends to a large extent upon the success of the newly-acquired interests which have been reorganised.

Durian Sebatang Rubber Estates, Limited.—Share capital £75,000, in 2s shares. This is an issue of the whole 750,000 shares at par. The company has been formed to acquire certain rubber plantations in Johore, having a total area of 1,168 acres, of which 750 acres are planted. The purchase price is £54,674, payable in cash. A good proportion of the estate consists of reclaimed land, and it is reported that one section of 450 acres was neglected for several years, and was overgrown with secondary jungle mixed with lalang, "but this has not damaged the trees to any extent." Nevertheless, despite this statement, it would have been interesting to have had a few details as to past production and yields from the various areas.

Sungei Siput Rubber Plantations, Limited.—Capital £275,000 in 2s shares, of which 697,935 shares have been subscribed. This is an issue of 1,600,000 shares at 2s 6d per share, ranking *pari passu* with all other issues. The company was incorporated on November 8, 1911, and holds rubber estates in Perak of 3,837 acres, of which approximately 2,897 are planted. Of this 2,110 acres are planted and mature. The new capital is required for the purchase and working of additional estates. Although the company has now been established for some years, no production figures are given in the prospectus. Against this it must be noted that the board consists of practical and experienced men, and the company is under excellent management. The cost of the new areas is £165,000, payable in cash. The total underwriting commission is 2½ per cent., plus an option on 100,000 shares at 2s 6d each, exercisable at any time before December 31, 1928. It is stated that preferential allotment will be given to existing shareholders. This is a good issue of its class.

Investors' Rubber Trust, Limited.—Share capital £100,000 in shares of £1 each. This is an issue of 50,000 shares at par. The company has been formed to carry on the business of an investment trust and finance undertaking, and it is intended to confine attention principally to shares, debentures, and other securities in rubber companies. It is intended to invest in trustee securities monies which may not, for the time being, be required in the business. The total underwriting commission is 5 per cent. The success of the undertaking will depend upon the knowledge and efficiency of the directors.

Batavia (Kerkoven) Rubber and Tea Estates, Limited.—Capital £100,000, in shares of 2s each. This is an issue at par of 90,000 shares. The company has been formed to acquire rubber estates in Java having a total area of 2,187 acres, of which 644 acres are planted with rubber and 551 acres with tea. The factory is stated to be capable of working 300,000 lbs of tea per annum. There are two rubber-rolling machines, and the estate has its own electric installation. The purchase price is £60,000, payable in cash, equal to about £50 4s 2d per acre. The company comes out under good auspices.

Eastern Siam Tin Dredging, Limited.—Share capital £170,000, in £1 shares, of which 125,000 are offered for subscription at par. The company has been formed to acquire and work for tin certain properties in Siam, covering approximately 1,177 acres. Of this 764 acres have been proved. The purchase price is £75,000, payable as to £30,000 in cash and £45,000 in fully-paid shares. The underwriting commission is 5 per cent., with an overriding commission of 1 per cent. The board is an experienced one.

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

ACTIVE SECURITIES.

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

British and Colonial Government Securities.

	Price Last Week.	Latest Price.	Rise or Fall.		Price Last Week.	Latest Price.	Rise or Fall.
War Loans	100	100	0	India 3% Stock	104	104	0
Victory Bonds 4%	86	86	0	Do 7% 1926-31	104	104	0
Conversion Loan 3%	75	75	0	Do 5% 1932	102	102	0
Consols 2%	55	55	0	Do 4%	88	88	0
Irish Land Stock 3%	58	58	0	N.S.W. 5% 1922-32	100	100	0
Local Loans 3%	64	64	0	N. Zealand 3% 1940	85	85	0
				Nigeria 6% 1929-79	114	114	0
				U. of S.A. 6% 1930-40	103	103	0
				Victoria 5% 1924-34	100	100	0
				W. Aust. 6% 1930-40	103	103	0

American Railroads.

Chesapeake & Ohio	112	112	0	Southern	117	118	+1
Erie	39	39	0	Do Non-cum Pref.	94	95	+1
Do 4% 1st Pref.	43	44	+1				

British Railways.

Great Western, Ord.	87	87	0	Southern, Ord. "A"	38	38	0
London & North-Eastern	56	56	0	Do Ord. "B"	7	7	0
5% Pref. Ord.	56	56	0	Do Pref. Ord.	74	74	0
Do Def. Ord.	20	20	0	Do Def. Ord.	41	41	0
London, Mid., and	74	75	+1	Underground Electric	27	28	+1
Scottish, Ord.	70	70	0	Do "A" (1)	97	97	0
Metropolitan	47	47	0	Do Inc. Bds. (£100)	97	97	0
Metropolitan District	47	47	0				

Colonial and Foreign Railways.

Antofagasta Cons.	93	92	-1	Grand Trunk Pacific	47	48	+1
E. A. and Pacific	84	84	0	4% Debs.	35	34	-1
E. A. & Southern	83	81	-2	Leopoldina	9	9	0
Buenos Aires West.	154	153	-1	Mexican Railway	27	28	+1
Central Argentine	74	74	0	Do 1st Pref.	17	18	+1
Cordoba Cen. Ord. Stk.	28	29	+1	San Paulo	105	102	-3
				United Havana	105	102	-3

Banks.

Barclays B. (£1, p.d.)	23	23	0	Nat. Bank of S. Africa	8	8	0
Chartered Bk of India	19	20	+1	National Provincial	11	11	0
Lloyds (£5 with £1	32	32	0	(20, with £4 paid)	11	11	0
Midland (£12, with	82	82	0	Standard of S. Africa	11	11	0
£4 paid)	82	82	0	(20, with £5 paid)	11	11	0
Nat. Bank of Egypt	33	33	0	Westminster Bank	18	18	0
(£10)	33	33	0	(20, with £5 paid)	18	18	0

Telegraphs.

Anglo-American "A"	24	24	0	Marconi Canada	18	18	0
Marconi Wireless	18	18	0	Marconi Marine	18	18	0

Foreign Government Securities.

Argentine 5%, 1888-7	101	101	0	Great 5%, 1884	53	56	+3
Austrian 6% Guar. 1900	100	100	0	Do 7%, 1924	90	90	0
Belgian 3%	75	75	0	Hungarian 7%, 1924	99	99	0
Brasil 5% Fund., 1914	79	79	0	Japanese 4% 1910	63	63	0
Chilian 4%, 1895	86	86	0	Do 6% 1924	90	90	0
Do 7%	105	105	0	Mexican Cons. 1899	45	45	0
Chinese 5%, 1912	63	62	-1	Peruvian Corp. Pref.	34	37	+3
Egyptian 4%	82	82	0	P.L.M. 6%	82	85	+3
French 5%	111	114	+3	Rortuguese (New)	30	30	0
Do 4%	122	122	0	Russian 5%, 1906	61	64	+3
German 3% Loan	101	102	+1	Spanish 4%	61	64	+3
Do 7%, 1924	101	102	+1	Seine (Dept.) 7%	99	98	-1
				Siam 7%	103	103	0

Miscellaneous.

Aerated Bread (£1)	18	18	0	Imperial Tobacco (£1)	5	5	0
Amal. Cords (£1)	24	24	0	Linggi Plantans (£1)	24	24	0
Anglo Persian Oil (£1)	24	24	0	Lipton (£1)	8	8	0
Armstrong (Sir W. G.)	1	1	0	Liver 5% Cmp (£1)	1	1	0
As. Pind. Cement (£1)	1	1	0	Do 6% Cmp A Pref (£1)	1	1	0
Baker, John (£1)	1	1	0	Do 5% Cmp Ord (£1)	1	1	0
Bamford & Co. (£1)	1	1	0	Do 4% Cmp Ord (£1)	1	1	0
Brasil Tramway (£100)	72	72	0	Do 3% Cmp Ord (£1)	1	1	0
British-American	5	5	0	Do 2% Cmp Ord (£1)	1	1	0
Tobacco (£1)	5	5	0	Do 1% Cmp Ord (£1)	1	1	0
British Controlled	5	5	0	Do 0% Cmp Ord (£1)	1	1	0
Oil (£5)	5	5	0	Do 0% Cmp Ord (£1)	1	1	0
Burma Oil (£1)	5	5	0	Do 0% Cmp Ord (£1)	1	1	0
Corn (4 and 5) (£1)	5	5	0	Do 0% Cmp Ord (£1)	1	1	0
Cornmeal (£1)	5	5	0	Do 0% Cmp Ord (£1)	1	1	0
Cornard (£1)	5	5	0	Do 0% Cmp Ord (£1)	1	1	0
Dorman, Long (£1)	5	5	0	Do 0% Cmp Ord (£1)	1	1	0
Dunlop Rubber (£5/8)	1	1	0	Do 0% Cmp Ord (£1)	1	1	0
Fin. Cotton Spinners	1	1	0	Do 0% Cmp Ord (£1)	1	1	0
(£1)	1	1	0	Do 0% Cmp Ord (£1)	1	1	0
Forestal Land (£1)	1	1	0	Do 0% Cmp Ord (£1)	1	1	0
Furness, Withy (£1)	1	1	0	Do 0% Cmp Ord (£1)	1	1	0
Highlands and Low	1	1	0	Do 0% Cmp Ord (£1)	1	1	0
lands Rubber (£1)	1	1	0	Do 0% Cmp Ord (£1)	1	1	0
Hudson's Bay (£1)	1	1	0	Do 0% Cmp Ord (£1)	1	1	0

Mines.

Ashtanti Gold (4)	38	38	0	Modderfont. "B" (5)	1	1	0
Ashtanti Gold (4)	38	38	0	Modderfont. Deep (5)	1	1	0
Ashtanti Gold (4)	38	38	0	Mount Lyell (£1)	1	1	0
Ashtanti Gold (4)	38	38	0	New State Areas (£1)	1	1	0
Ashtanti Gold (4)	38	38	0	Reedbank Est. (£1)	1	1	0
Ashtanti Gold (4)	38	38	0	Reedbank Est. (£1)	1	1	0
Ashtanti Gold (4)	38	38	0	Reedbank Est. (£1)	1	1	0
Ashtanti Gold (4)	38	38	0	Reedbank Est. (£1)	1	1	0
Ashtanti Gold (4)	38	38	0	Reedbank Est. (£1)	1	1	0
Ashtanti Gold (4)	38	38	0	Reedbank Est. (£1)	1	1	0

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

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended Nov. 13, 1925.	(c) Week ended Nov. 14, 1925.	Week ended Nov. 15, 1925.	Aggregate 46 Weeks, 1925.
Miles Open.	Passen- gers, &c.	Goods, &c.	Total Receipts.
Great Western.....	3,765	200,000	338,000
Do for 1924.....	3,754	206,000	353,000
London & N. Eastern (a).....	6,714	342,000	590,000
Do same period 1924.....	6,714	352,000	600,000
London, Mid., & Scottish.....	6,950	484,000	889,000
Do for 1924.....	6,950	504,000	911,000
Southern.....	2,163	263,000	116,000
Do for 1924.....	2,142	262,000	114,000
Metropolitan (c).....	58	31,426	4,056
Do for 1924.....	58	31,152	4,170
Underground E.R. (c).....	..	..	..
Do for 1924.....	..	..	..
London & Sub. Group (c).....	..	..	..
Do for 1924.....	..	..	..
Belfast & Co. Down (b).....	80	2,614	977
Great Northern (b).....	562	12,800	18,700
Great Southern.....	2,181	29,815	48,241

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.		Total Gross Receipts.	
				1925.	+ or -	1925.	+ or -
INDIAN.							
Assam Bengal	29 weeks	Oct. 17	1,072	3,98,000	+ 60,414	93,32,877	+ 12,04,555
Barul Lt. Ry.	50 weeks	24	118	27,900	+ 3,000	8,65,900	+ 1,08,100
Bengal & N. Western	3 weeks	21	2,062	5,46,810	+ 43,286	17,92,710	+ 1,36,290
Bengal Nagpur	26 weeks	Sept. 30	2,800	21,83,000	+ 1,49,000	3,92,55,017	+ 12,81,466
Bombay, Bar., & O.L.	30 weeks	Nov. 7	3,033	24,99,000	+ 1,62,000	6,92,42,000	+ 9,11,000
Burma	28 weeks	Oct. 17	1,549	6,69,873	+ 41,389	21,56,148	+ 9,11,000
Dalh, Umballa, Kalka	6 weeks	Nov. 14	239	24,11,000	+ 1,50,400	2,06,00,910	+ 20,00,910
Madras & S. Mahr ..	50 weeks	Oct. 24	929	13,15,000	+ 15,500	7,16,43,000	+ 10,05,000
Nizam's Guarand.(s)	24 weeks	24	993	2,45,156	- 26,415	1,52,29,696	- 6,30,215
Rohilk'd & Kumaun	23 weeks	17	259	4,986	+ 20,270	4,77,859	+ 3,27,509
Do Lucknow-Breilly	28 weeks	17	287	52,448	+ 12,110	1,26,203	+ 44,118
South Indian	50 weeks	24	1,676	9,12,861	- 1,38,108	3,01,35,174	- 19,57,941

(a) Total receipts of all lines.

ARGENTINE (a).	20 weeks	Nov. 14	1925.	1924.
Argentine N.E.	20 weeks	Nov. 14	754	14,700
B. A. and Pacific	20 weeks	Nov. 14	1,611	139,000
B. A. Central	20 weeks	Nov. 14	15	20,000
B. A. Southern	20 weeks	Nov. 14	15	20,000
B. A. Western	20 weeks	Nov. 14	15	20,000
Central Argentine	20 weeks	Nov. 14	15	20,000
Cordoba Central	20 weeks	Nov. 14	15	20,000
Entre Rios	20 weeks	Nov. 14	15	20,000

CANADIAN.

Canadian National..	46 weeks	Nov. 14	22,001	5,786,786	+ 859,218	208,013,685	+ 2,558,900
Canadian Pacific....	46 weeks	14	14,138	4,432,000	+ 118,000	152,618,000	- 4,914,000

BRAZILIAN (b).

Gt. West. of Brazil...	46 weeks	Nov. 14	1,018	£	22,000	+	£	7,700	£	655,900	+	£	222,500
Leopoldina	46 weeks	14	1,856		47,000	+		8,702		1,536,833	+		117,692
San Paulo	46 weeks	15	1534		59,029	+		19,000		2,125,677	+		451,421

CHILEAN.

Antofagasta	46 weeks	Nov. 15	838	£ 54,515	+	£ 9,241	£ 1,833,925	+	£ 78,422
Nitrato (4-monthly).....	46 weeks	15	366	44,875	+	1,573	857,859	+	2,726

CUBAN.

Havana Central	20 weeks	Nov. 14	£	£	£	£
United of Havana ..	20 weeks	14	1,250	12,202 — 783	23,338 — 852	58,833 — 5,377
					1,32,325	147,877

URUGUAYAN.

			£	£	£	£
Central Uruguay ..	20 weeks	Nov. 14	273	31,565	3,675	
C. Urug. (East. Ext.)	20 weeks	14	311	6,349	12	463,597
C. Urug. (North. Ext.)	20 weeks	14	185	3,071	171	95.38.
C. Urug. (West. Ext.)	20 weeks	14	211	2,877	253	53.830
						47,323
						1,431
						9,418
						7,576

OTHER OVERSEAS.

OVERSEAS.								
Alcoy and Gandia ..	46 weeks	Nov. 14	33	Pa. 20,000	- 15,000	1,133,000 +	82,655	
Egyptian Delta	29 weeks	Oct. 20	600	12,693	-	1,777	174,456 +	1,957
Gt. Southn. of Spain ..	46 weeks	Nov. 7	104	Pa. 17,460	+ 1,256	4,628,530 +	28,865	
Mexican Railway ..	20 weeks	13	432	\$34,603	+ 8,703	4,561,390 +	511,900	
Paraguay Central ..	20 weeks	14	274	\$1,870	- 640	107,610 +	18,821	
Salvador	20 weeks	14	100	\$2,421	-			

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

TRAMWAY WEEKLY GROSS RECEIPTS.

TRAMWAY WEEKLY GROSS RECEIPTS.							
Name.	Period.	Ending.	Present Mileage.	Receipts for Week.		Total Receipts.	
				1925.	+ or -	1925.	+ or -
Anglo-Argentine...	45 weeks	Nov. 11	339	287,992	1,303	3,925,927	+ 7,79
B. Aires Lacrosse ..	20 weeks	15	15	214,029	63	248,182	- 6,44
Buenos Aires Corporation	1 week	14	12	23,018	159	..	..
Calcutta Tramways ..	1 week	14	55	1,286,224	6,500	..	..
Chatham & District ..	4 weeks	12	15	41,284	120	87,122	+ 1,07
Egyptian Markets ..	43 weeks	5	15	22,420	26	92,326	+ 1,43
Glasgow Corporation ..	21 weeks	14	108	443,07	2,122	1,071,447	+ 7,31
Harbour of Thanes Trams	45 weeks	11	11	22,166	26	120,138	+ 13,26
Liverpool Corp.	45 weeks	14	194	26,013	88	875,400	+ 52,28
L.C.C. Tramways	33 weeks	18	164	27,274	1,731	2,643,1	+ 21,25
Ma. Ras Elec. (2 wk.) ..	46 weeks	15	15	45,163	96	10,11,929	+ 52,68
Perambuco Trams	46 weeks	15	15	88,361	1,16	225,72	+ 23,35
Singapore Trams	34 weeks	Sept. 26	..	214,579	19	503,085	+ 13,60

BENEFICIAL RESULTS TO INDUSTRY.

On the Chancellor of the Exchequer announcing in April the decision of the Imperial Government forthwith to return to a gold standard, and to allow the regulations placing an embargo on the export of gold to lapse at the end of the present year, the Commonwealth Government simultaneously announced the return of Australia also to the gold standard. How sound was the argument of those who contended that the high rates of overseas exchange were primarily due to the embargo on the free movement of gold was strikingly evidenced by the rapidity and extent of the reduction in the exchange rates on the return to the gold standard. The return to the gold standard was announced in April. In the beginning of May the banks intimated a very substantial reduction in the exchange rates. In my judgment the reduction was somewhat too abrupt, having regard to all the interests affected, but I have no doubt that the prompt action of the banks in effecting this highly beneficial change to the industry and commerce of Australia has been duly appreciated. Other countries are following the example of Great Britain in the return to the gold standard, and this should gradually make for greater stability and confidence and purchasing power.

TREATY OF LOCARNO.

Perhaps the most important event in its ultimate bearings that has occurred since we last met is the passage of the Treaty of Locarno, in which our Government, and Mr Austen Chamberlain as its leading representative, have taken so leading and distinguished a part. If nothing occurs to prevent the ratification of the Treaty by the Governments of the various signatories, a great step will have been taken towards the removal of that distrust and suspicion and apprehension of war that has brooded like a nightmare over a great part of Europe for years, and more than anything else hindered the revival of international trade and commerce.

I will now refer to the report and accounts which, having been in your hands for some days, you will no doubt, in accordance with our usual custom, take as read.

BALANCE-SHEET ITEMS.

I think you have all a copy of the report and accounts. I will ask you to turn to the liabilities side of the balance-sheet. You will see that the authorised capital has been increased from £3,000,000, at which it stood last year, to £3,750,000 in 750,000 shares at £5 each, the whole of which has been issued. All the shares are paid up to £3 per share, with £2 uncalled, making the paid-up capital £2,250,000, an increase of £750,000. I have already dealt fully with this when referring to the recent issue of new shares.

The reserve fund stands at £1,837,331 1s, against £1,635,000 last year, having been increased by the allocation made at the last annual meeting of £185,000, and by the addition of £15,000 out of the profits of the past year as required by our articles of association, and by the transfer of £2,331 1s, the profit on the sale of new shares. Out of last year's profits we now recommend that a further sum of £112,668 19s be added, bringing the fund up to £1,950,000. While this is a substantial allocation, I am satisfied that it will be regarded by you all with hearty approval. Prior to the new issue of shares our reserve fund exceeded our paid-up capital by no less than £320,000, but now even with the additions already made and now proposed our enlarged reserve fund will still be £300,000 less than our increased paid-up capital.

Our deferred inscribed deposit stock at £335,000 is less by £65,000 by the application of the sum set aside out of profits last year in the purchase of stock to that amount. I look forward to this deferred inscribed deposit stock being entirely redeemed out of profit in a few years' time. The perpetual stocks are unchanged.

Deposits at interest are well maintained at £14,065,483, showing a decrease of only £185,736. This I regard as extremely satisfactory, especially at a time when Government stocks and other investments are available yielding excellent returns; while our current accounts at £11,663,827 show an increase of £218,292. Our deposit and current accounts together stand at £25,729,310, showing an increase of £32,556.

Notes in circulation stand at £1,148, or a reduction of £37 from the figure in the last balance-sheet. This item will gradually disappear, the issuing of notes being now confined to the Commonwealth Bank.

Bills payable, rebate on bills, and other liabilities, at £1,967,092, show a small decrease of £46,000, which calls for no comment.

ASSETS.

If you will now turn to the assets side of the balance-sheet you will see that cash and bullion and cash at bankers, together £6,998,035, show an increase of £488,000, and disclose a strong cash position, being 11s 11½d in the pound of our current accounts.

Our investments, consisting of British and Colonial Government securities, taken at or below market values at June 30, 1925, stand at £1,252,760, an increase of £88,000. Our cash and investments together amount to £8,250,795, being 14s 11½d in the pound of our current accounts, a very satisfactory position.

Bills receivable and remittances in transit, at £4,876,355, show the gratifying increase of £434,000.

Advances and other assets (after making provision for bad and doubtful debts and contingencies), at £20,635,697, show a decrease of £85,000, our policy being one for the present rather of restriction than of expansion in this direction. In view of the heavy demands made upon us to assist in financing the export of the primary products, which we always do our utmost to meet so far as the maintaining of an adequate cash position will allow.

The last item, bank premises and furniture, stands at £782,457, or a reduction from last year of £22,523.

PROFIT AND LOSS ACCOUNT.

Now, turning to the profit and loss account, I would ask you to take the first page of the report, where you will find the figures of this account grouped in a convenient form.

The profits for the year, after making full provision for bad and doubtful debts and contingencies, amount, you will observe, to £1,355,328, against £1,304,455 in the previous year, or an increase of £50,873, and this, you will remember, is an increase on substantial increases in each of the two preceding years.

Expenses of management in London and Australia, including directors' and auditors' fees, &c., amount to £663,387, and show an increase on the previous year of £47,108. Of this increase £29,000 is owing to increase in salaries and wages, the remaining £18,108 is accounted for by increased necessary outlays in connection with the equipment of our many offices and branches. On the other hand, there is a reduction under the head of income and other taxes, which at £175,960 is less by £9,713 than last year.

Expenses of management and income and other taxes, together amount to £839,347; deducting this from the profits, we have net profits of £515,980, or £13,478 more than in the previous year. Although taxation pressed a little less heavily on us than in the previous year, it is still a very heavy burden.

APPROPRIATIONS.

Coming to the appropriation of the net profits of £515,980, an interim dividend of 5 per cent., free of income-tax, was paid in May last, absorbing £75,000, and there has been transferred to reserve, as already explained, £15,000, leaving for further appropriation £425,980.

Of this we now propose to carry to reserve fund, as already indicated, £112,668 19s, making, with the £15,000 just referred to and with the £2,331 1s profit on the sale of new shares, £130,000 for the year, and bringing this fund up to £1,950,000.

To the English, Scottish, and Australian Bank Officers' Provident Fund, £10,000. In this I am quite sure that we carry you heartily with us.

To the payment of a final dividend of 7½ per cent., making 12½ per cent. for the year, free of British income-tax, £168,750.

To the purchase and cancellation of deferred inscribed deposit stock, in accordance with the requirements of our articles of association, £81,250.

After these appropriations an accumulated balance is left of £183,413 19s 10d to be carried forward.

This short analysis of the accounts shows that the results of the working of the bank during the past year have been very gratifying. The business is being well maintained, and continues to progress in a satisfactory manner.

WOOL INDUSTRY.

Following my usual course at these annual meetings, I will now say a few words by way of a brief and rapid review of the most important industries and overseas trade of Australia during the past year.

Taking first the premier industry, that of the growing and marketing of wool, the exports for the last four years, according to official statistics, are:—

For the year ending June 30th—

	Bales	Value.
1922	2,557,442	47,977,243
1923	2,315,599	57,138,766
1924	1,705,081	56,197,158
1925	1,700,519	63,136,388

The increase in the value of the exports of wool last year over those of the preceding year of some £7,000,000 is substantially less than had been generally estimated that the value of the 1924-25 clip would be between £75,000,000 and £85,000,000. The exports actually amounted to just over £63,000,000. There was an amount unsold at the end of the year, and carried over into the next of

about 500,000 bales, and then there is the proportion of the clip sold in Australia, but retained in the Commonwealth to be worked up into yarn and cloth by the local mills, so that the ultimate value of the clip must be well over £70,000,000, which demonstrates the immense value to Australia of its pastoral industry.

MARKET POSITION.

At the time of our last meeting the market for wool was exceedingly firm, with prices on a very high level. The statistical position was exceptionally strong, world wool production on the basis of the three previous years being below world consumption by at least a million bales. Buyers' stocks were light, and on the basis that consumption would continue to be maintained, and probably expanded, it began to look as if some one would be left short of raw material. Apprehension of this, and anxiety to cover requirements, caused such keen competition at the December sales that prices were forced up to so high a point that a reaction was inevitable. In the beginning of this year the reaction came swiftly and intensely. At the cloth end of the trade orders were withheld, consumption was arrested, and the opening wool sales of the year were characterised by a falling off in demand and steadily and seriously falling prices. Both here and in Australia withdrawals of wool by growers dissatisfied with prices offered were frequent. As sale succeeded sale prices continued to sag, and confidence on the part of buyers to evaporate. The Australian auctions were first reduced by 50 per cent., then suspended altogether till July. The July sales both in London and Australia were better in tone. Since then the various public sales in Australia and the London sales in September-October disclosed a steadily improving market with rising prices for nearly all classes of wool, and especially for fine wools. For some months Yorkshire was not much in evidence as a buyer, the main strength of the rising market coming from the continued Continental demand, especially from France. During the last few weeks the market has broadened remarkably, America, France, Germany, Japan and Bradford all now being in evidence, Yorkshire apparently being the main strength. There have also been increasing purchases by Russia. It is computed that the sharp fall which followed the high values of December last carried prices down from 35 per cent. to 45 per cent., according to the different wools, and that the recovery from the lowest point at the latest sales in Australia is from 15 per cent. to 20 per cent., with the tendency still upward. The next series of London wool sales begins on Tuesday, the 24th inst., and it is generally expected that the recovery will be fully maintained, possibly even carried further.

SOLID FOUNDATIONS FOR IMPROVEMENT.

The improvement in price so far seems to rest on solid foundations. Business has been steadily growing in piece goods; the cloth end of the trade and the hosiery section have been week by week showing increased vitality, and there has been a steadily growing demand for yarns. Notwithstanding the heavy Continental buying of recent months, stocks of wool on the Continent appear to be light, and in Yorkshire they are said to be bare. An active demand, with good prices ruling, is therefore probable at the coming sales. I trust that competition will not again force prices so high as to damp down the cloth end of the industry. Stability of prices on a reasonably remunerative level is best for all concerned. The current year's Australian clip, which at one time was estimated at approximately 2,300,000 bales, is not now expected to much exceed 2,000,000 bales. The outlook, therefore, for Australian wool is much brighter than it was six months ago, and indeed to-day is distinctly encouraging. The importance of this will be obvious when I remind you that last year wool represented nearly 50 per cent. of the value of Australia's total exports.

NEW AUSTRALIAN TARIFF.

The new Australian tariff, which has further raised the tariff wall against both cotton and woollen textiles, has called forth strong protest from manufacturers and shippers in this country. To these protests I hope that the Commonwealth Government will give serious consideration. As a leading Australian paper has well observed, in 1923-24, of the Australian exports to all countries, valued at £119,487,164, Great Britain took no less than £45,508,323, adding the pertinent inquiry as to how can Australia expect Great Britain to buy her foodstuffs and raw material if Australia refuses to accept her manufactured goods?

With every sympathy with the desire of the Government of the Commonwealth to foster the budding manufacturing industries of Australia, it is yet right to point out that too drastic steps in that direction by unduly shutting out British manufactured goods may in the long run recoil with injurious effect on the primary producers in Australia, as well as in injuring Great Britain.

WHEAT.

The exports of wheat and flour for the last four years, in quantity and value, were, in round figures:—

Year to June 30th:—

	Bushels.	Value.
1922	122,000,000	34,164,000
1923	44,700,000	12,991,000
1924	77,000,000	19,297,000
1925	177,900,000	40,600,000

and for these years the average prices for wheat were respectively 5s 8½d, 5s 4½d, 4s 8d, and 6s 8½d. The last year, you will observe, showed a marked increase in the exports of wheat and flour both in quantity and value over any of the preceding three years; indeed, it exceeds any year since the outbreak of the war, the year that most nearly approximates it being 1920-21, when the amounts were, in round figures, 84,500,000 bushels, value £39,400,000, and the average price 8s 11½d. At one time the indication pointed to a bountiful crop and large exports in the current year; the insufficiency of rain, however, in many districts during the last few months makes it certain that the earlier expectations will not be fully realised.

From the foregoing figures of wheat and wool it is seen that apart from Australia's home consumption the money value of the actual exports, in round figures, was:—Wool, £63,200,000; and wheat, £40,600,000, or together £103,800,000 for these two commodities alone.

BUTTER.

The export of butter from Australia for the last four years was:—

	Lbs.	Value.
1922	127,579,800	7,987,500
1923	79,571,100	6,133,800
1924	65,984,000	4,919,600
1925	145,281,300	10,006,100

And the average prices realised for the respective years were about 1s 3d, 1s 6½d, 1s 5½d, and 1s 4½d. Last year the quantity was easily a "record"; though the value was less by over a million than in 1920-21, when the quantity was only 92,421,000 lb, but in that early post-war year the butter exported was sold to the British Government, who paid 2s 4½d per lb for it.

FROZEN MEAT.

The exports of frozen meat for the last four years were:—

	Lbs.	Value.
1922	91,715,000	2,139,600
1923	167,612,600	4,321,900
1924	39,805,300	1,170,800
1925	49,290,900	1,474,000

BEEF.

	Lbs.	Value.
1922	124,167,300	1,867,900
1923	152,950,600	1,794,700
1924	105,163,900	1,301,800
1925	283,620,700	4,153,000

or, taking mutton and lamb and beef together, the combined quantities and values are:—

	Lbs.	Value.
1922	215,882,400	4,007,500
1923	320,563,300	6,116,600
1924	144,969,200	2,472,700
1925	332,910,000	5,627,000

When addressing you last year I said that it was expected that the export of frozen meat of all kinds would, during the then current year, show an improvement. From the foregoing you will see it has more than doubled, being in value £5,627,036, against £2,472,729 in the previous year. The outlook for the current year has been obscured by the hold up of shipping through the seamen's strike, to which I will shortly refer.

METALS.

The copper mining industry of Australia has suffered seriously during the past year from the continued low price ruling for copper of all kinds in the world's markets. Further, in consequence of fire breaking out in the mine, the Mount Morgan Company have had to flood their mine and close down operations for a time. The output of copper for the 12 months to June 30, 1925, was 13,127 tons, against 45,000 in 1913. On the other hand, the mines producing lead, silver and zinc are having an exceptionally prosperous time owing to the high prices ruling for these

metals. The production of lead for the year to June 30, 1925, was approximately 120,735 tons. The Electrolytic Zinc Company of Australia from its works at Risdon, in Tasmania, reached an output for the year to June 30th last of 46,929 tons of electrolytic zinc.

The output of gold for the year was 625,000 fine ounces, value £2,656,000, and of silver 11,200,000 fine ounces, value £1,634,000.

The value of all metals and minerals exported, including coal, but excluding gold, was, for the last three years:—

Year to June 30, 1923	8,578,134
Year to June 30, 1924	9,678,862
Year to June 30, 1925	9,824,581

The total exports for last year of wool, wheat, butter, frozen meat, and metals, together amounted to over £129,000,000; the financial accommodation necessary to effect the shipment and marketing overseas of such a volume and value of commodities lays no considerable burden on those banks who accept this class of business, and I may mention that year in and year out we take our full share in financing these transactions, which are so essential to the well-being of Australia.

SEAMEN'S STRIKE.

The seamen's strike in Australia, which has been going on for some months, has been the cause of serious losses to the shipping companies and to many others, and has dislocated the overseas trade of the Commonwealth. As a bank we stand clear of party politics, but I may express the hope that at least one outcome of the General Election which has resulted therefrom may be the re-establishment of harmonious relations between Labour and Capital, so vital to the best interests of both and the general well-being of the community, and that we shall henceforth see a whole-hearted repudiation of revolutionary extremists, alike by all parties in the Commonwealth and in all the States.

In pursuance of the policy which we have followed for some time of arranging at convenient intervals visits to this side of our principal Australian executive officers, I am pleased to inform you that the board have arranged for a visit here next year of our greatly-valued general manager in Australia, Mr Wren. Mr Wren hopes to arrive early next spring, and we look forward with much satisfaction to this opportunity of personal intercourse with him.

TRIBUTE TO THE STAFF.

I cannot draw my remarks to a close without expressing my admiration for the loyal and efficient manner in which the staff, from the highest to the lowest, here and in Australia have carried out the duties of their various offices during the past year. Before we separate, no doubt a vote of thanks to the staff will be passed by the shareholders, but I want at this point to say how much the board appreciate the spirit of goodwill and devotion which animates the service as a whole, the great ability of the management, and the efficiency of the entire staff.

I now beg to move: "That the report and statement of accounts now submitted be and are hereby adopted, and that the amount available for distribution be applied as therein recommended."

Mr John Paterson (deputy chairman) seconded the resolution.

Mr Frederick Tomkinson congratulated the chairman upon his speech, which, he said, had been of very great interest. The annual addresses of the chairman at the meetings of the bank were always anticipated with keen interest by people engaged in the different branches of the Australian trade, giving, as they did, an able survey of the whole of the trade between Australasia and this country.

The resolution was carried unanimously.

TRIBUTE TO THE CHAIRMAN.

The Hon. Sir Arthur Lawley, G.C.S.I.: Ladies and gentlemen, —I have a very pleasing duty to perform, and that is to move: "That Mr Andrew Williamson be re-elected a director of the bank." It is hardly necessary for me to remind you that it is now some time since Mr Williamson assumed the chairmanship of the bank, and I am sure it is not necessary for me to emphasise the invaluable services which he has rendered in that capacity to the shareholders and to the bank. You know as well as I do how very great are the responsibilities which appertain to the office of the chairmanship of a great enterprise like this, and if you have any doubt as to the manner of the fulfilment of those responsibilities in the present instance, I would only ask you to turn your attention to the balance-sheet. There, as I think you will all allow, is an exposition of the operations of the bank which is highly satisfactory, and you will believe me when I say that not a little of the success of the working of the bank has been due to the manner in which Mr Williamson has rendered service to the bank. I know you will carry this resolution with the utmost cordiality, and that you will echo the wish that his profound knowledge of all Australian banking matters and his great sagacity in dealing

with commercial affairs of every kind will be at the disposal of the board for many and many a year to come. I have great pleasure in moving that resolution.

Mr George Slade seconded the resolution, which was carried unanimously.

The Chairman expressed his appreciation of, he said, the far too kind and appreciative references to him by Sir Arthur Lawley, which credited him with far more than he deserved. But he could only assure the shareholders that in the future, as in the past, he would render what service he could to further the interests of the bank.

On the motion of the Chairman, seconded by Mr S. M. Ward, the Hon. Sir John A. Cockburn, K.C.M.G., was also proposed a director of the bank.

The Chairman, in moving the resolution, said that good wine needed no bush, and Sir John, as they all knew, had been a director of the bank for some 25 years, and had always taken a keen interest in its affairs.

The resolution was unanimously adopted.

Sir John Cockburn referred with gratification to the compliment paid him by his re-election, and expressed the pleasure of his colleagues and himself at seeing with them on that occasion Mr Charles Hegan, the late chairman of the bank for so many years.

Major J. Russell King then moved that Messrs Turquand, Youngs and Co., and Messrs Price, Waterhouse and Co. be re-elected auditors of the bank. He remarked that he had visited during the past three months all the States of the Commonwealth, and he had seen nothing but signs of the greatest prosperity. In his view Australia had a great future.

The motion was seconded by Mr E. Ambrose and unanimously approved.

VOTE OF THANKS TO CHAIRMAN AND DIRECTORS.

Mr T. B. Connell proposed: "That a hearty vote of thanks be accorded to the chairman, the deputy chairman, and the directors for their conduct of the affairs of the bank, and that they all be congratulated on the result of the year's working." He said the steady growth of exports from Australia and the equally steady expansion of the bank and of the bank's affairs had of necessity added to the responsibilities of the board. He thought they owed the directors a great measure of appreciative thanks for their efforts, and they all congratulated the board that, as a result of those efforts, they had been able to place before the shareholders such eminently satisfactory figures.

Mr Wm. A. Welch, in seconding the motion, said he arrived from Australia only a few weeks ago, and he could assure the meeting that the country was prosperous, and that their bank obtained a very good share of the banking business carried on in the Commonwealth. In his opinion the directors had correctly interpreted the commercial situation in Australia by extending a few years ago the operations of the bank by taking over other banks.

The resolution was carried unanimously.

VOTE OF THANKS TO MANAGERS AND STAFF.

The Chairman having briefly responded, Mr Frederick Tomkinson moved: "That the thanks of the shareholders be heartily accorded to Mr Wren, the general manager in Australia, Mr Janion, the manager in London, Mr O'Sullivan, the assistant general manager in Australia, Mr Shipston, the assistant manager in London, and to the executive officers and the staff at home and in Australia for the valuable services they have rendered to the bank during the past year." He said, no matter how able a board of directors might be, that without the executive officers they could not show results such as had been submitted on that occasion.

Mr Justice Schutt seconded the motion, and paid a warm tribute to the courtesy and the ability of the staff of the bank, both in personal experience.

The motion was unanimously approved.

Mr E. M. Janion thanked Mr Tomkinson and Mr Justice Schutt for their very kind words with regard to the staff here and in Australia. At the same time he would express appreciation of the would all continue to do their best for the bank, and that their work was always a pleasure to them.

Mr F. W. Turner proposed a cordial vote of thanks to the chairman for presiding. He agreed entirely with what had been said as to the value of the staff and their work, but that work, he thought, culminated in the chairman. He did not think they could have received from any chairman a better, a more complete, or a more masterly survey of the work of the bank than they had had from Mr Williamson at that meeting.

Mr A. E. Jolly seconded the resolution, which was unanimously approved.

The Chairman briefly acknowledged the compliment, and the proceedings terminated.

AUSTRALIAN, MERCANTILE, LAND AND FINANCE COMPANY, LIMITED.

YEAR'S RECORD PROFITS.

The sixty-first annual ordinary general meeting of the Australian, Mercantile, Land and Finance Company, Limited, was held, on the 19th instant, at the head office, 20-22 Coleman street, London, Mr Robert Henryson Caird (chairman and managing director) presiding.

The notice convening the meeting and the auditors' report having been read by the secretary (Mr J. L. Simpson).

The Chairman, in moving the adoption of the report and accounts, said that the profit earned in the year under review was by far the largest in the history of the company. While they might congratulate themselves on the magnificent results, it was only right that he should warn the shareholders that it had been an exceptional year, and that a large part of the profit was due to the extraordinary prices that were secured this time last year for their wool—the produce of their own properties. The price of wool then had been forced up to such a very high level that consumption was checked, the inevitable revulsion took place in the spring of the present year, and the demand for the commodity fell off to such an extent that it became necessary to suspend the sales in Australia. This had resulted in a very large carry-over of wool at July 1st, amounting in Australia to 505,964 bales.

CURRENT SALES.

The future was regarded with some trepidation, but the whole of that carry-over had since been sold, and the sales of the new clip in Australia are progressing favourably at prices remunerative to the growers. For the series of sales which opened in London on the 24th inst. there was no excessive quantity to be offered, and he quite expected satisfactory prices for all the new clip wools which were in time, and they had practically no stock of last year's clip in hand. The company's new clip of wool for 1924-5 had amounted to 7,645 bales, and had realised £299,909, against £240,623 for the previous year. 6,631 bales which had realised £240,623 for the previous year. He did not yet know what their clip for 1925-6 would be, but they had had quite a good season on the whole, and they should have a well-grown clip and every prospect of a satisfactory sale, though not on the extravagant level that prices had reached at the end of 1924.

GOLD STANDARD.

The return to the gold standard, both here and in Australia, had resulted in the removal of the difficulty of passing funds out to Australia, and it was very satisfactory to be able to say that the resources of the company were very fully and safely employed. The year under review had been eventful. They had opened a new branch in Townsville which was already bringing in a good profit, and they had been instrumental in putting through a large sale of pastoral property to a new company—Australian Sheep Farms, Limited—the flotation of which had been a great success, and which showed every prospect of a satisfactory result for its first year. They had also seen a great improvement in Argentina. Both the profits and the magnitude of the figures of their balance-sheet were records in the history of the company, and it was interesting to note that if they compared the present figures with the year 1876, when first he entered the service of the company, the capital, which was then £250,000, had increased nearly fivefold, and their profit—then £70,838—more than sevenfold.

PROFIT AND LOSS FIGURES.

Dealing with the accounts, it would be noted that in the profit and loss figures there was £205,067, against £176,384 last year, but the interim dividend and bonus paid in May cost £22,500 more than in 1924, so that the real comparison showed an excess of £51,183, plus an extra £25,000 to reserve, or £76,183 more than in 1924.

An event of general interest to wool growers was the latest attempt to start some sort of gigantic corporation to manage and control the sale of wool. He was glad to say that the scheme had been so emphatically voted down by the pastoral associations that it had not been considered necessary to hold a formal meeting to hear the result of the voting. He trusted they had heard the last of such schemes, which, if successful in forcing up prices, would certainly lead to diminished consumption and substitution, and so in a catastrophe for producers, and if unsuccessful simply proved a catastrophe for a horde of superfluous officials, and in either case would probably excite opposition and retaliation in consuming countries.

Mr F. A. White seconded the resolution, which was carried unanimously. The retiring director, Mr H. R. B. Lilley, was unanimously re-elected, and a cordial vote of thanks to the chairman, directors, and staff terminated the proceedings.

CASTLEFIELD (KLANG) RUBBER ESTATE, LIMITED. SUCCESSFUL RESULTS—GOOD PROSPECTS. LARGE CROP INCREASE FOR CURRENT YEAR.

The annual general meeting of the shareholders of the Castlefield (Klang) Rubber Estate, Limited, was held, on the 18th instant, at the registered offices, 7 Martin's lane, Cannon street, London, Mr W. Arthur Addinsell (chairman of the company) presiding.

Mr C. H. Smallwood, on behalf of the secretaries (Messrs Bright and Galbraith, Limited), having read the notice convening the meeting and the report of the auditors,

The Chairman said: Gentlemen,—I move: "That the directors' report and statement of accounts for the year ended June 30, 1925, as presented to this meeting be, and they are hereby, received and adopted, and that a final dividend of 25 per cent., making a total dividend of 35 per cent. for the year, be declared and paid."

The crop for the year was 668,095 lbs, which is slightly in excess of that obtained for the previous year.

INCREASE IN PRICE REALISED.

Owing to the improved conditions of the market, we were able to secure an increase of 9½d per pound on the average net price realised, and the cost of production was slightly lower.

The average net price realised for all grades (including the un-exportable surplus at the close of the financial year, which was taken in the accounts at a conservative valuation) was approximately 1s 10d per pound; the surplus has since been sold at more than double the price at which it was valued, the benefit of which will be received in the accounts for the current financial year.

It is satisfactory that the company's standard production figure has been increased to 1,219,989 lbs, and it is reasonable to assume that the rate of export under the restriction enactment will be increased by 10 per cent. on February 1st next, and a further 10 per cent. on May 1, 1926, which will give an average of 86.6 per cent. for the current year. The company will therefore be allowed to ship well over 1,000,000 lbs of rubber during that period.

This potential production, compared with last year's crop, is an increase of 58 per cent., and although labour is sufficient for present requirements, an increase is necessary, and will be secured.

No portion of the crop has been sold under forward contract.

REASON OF COMPANY'S PROSPERITY.

The net profit for the year was £40,048, which is equal to approximately 40 per cent. of the issued capital.

The reason for this company's prosperity stands revealed in the balance-sheet, which shows a share capital of £100,000, supported by a reserve of £35,000 (which will be increased to £40,000 if you adopt this report to-day), against an asset of 3,057 acres under rubber. The capitalisation per acre is therefore under £33, and half of this represents capitalised reserves. Another contributory factor is the high productivity of the trees, which enables us to secure an allotment for standard production of an average of 420 lbs per acre.

During the past few days a further substantial rise has been seen in the price of spot rubber and forward positions. If there were any likelihood or justification for any material fall in the price of the raw commodity, it is certain that forward quotations would reflect such an anticipation.

GOOD PROSPECTS FOR CURRENT YEAR.

Therefore there is every reason to expect that the results of the current financial year will be in excess of the past year, and shareholders will be able to calculate according to their views of the market the profit likely to be earned by this company.

The accounts are set out in the usual clear and concise manner and need little comment.

During the past year Mr Harold Rendle paid a visit to the estate, and the board have had the advantage of his views on matters concerning the property.

Our thanks are due to him, and also to Mr James Murray, our visiting agent, who states in his last report: "Comparing Castlefield with other properties in the country, it ranks among the best in the Peninsula—in fact, I know no better."

The board also wish to place on record their appreciation of the excellent work of the manager, Mr D. S. Gardner, and his assistants, and to Messrs Cumberbatch and Co., Limited, the local agents, who have served the company so well.

Gentlemen, that is a short and clear summary of the position of your property. I have not attempted to say one word to embroider it in any shape or way. It stands for itself and it speaks for itself. But I should like you at this time to listen to Mr Rendle, who, you will remember, opened the estate just about 20 years ago.

Mr Harold Rendle, a director, who seconded the motion, referred to his recent visit to the estate and his satisfaction with what he saw. He emphasised particularly the useful effort of systematic thinning out as a part of rubber estate policy.

The resolution was unanimously adopted.

The retiring director and the auditors were re-elected, and the proceedings concluded with a cordial vote of thanks to the chairman and directors and to the staff in the East and in London.

DJASINGA RUBBER AND PRODUCE COMPANY, LIMITED. **IMPROVED POSITION AND PROSPECTS.**

The fifteenth ordinary general meeting of the Djasinga Rubber and Produce Company, Limited, was held, on the 16th inst., at the Rubber Growers' Association, 2 Idol Lane, London, Mr H. Eric Miller presiding.

The Chairman, in moving the adoption of the report, in the absence of Mr Macfadyen, who is on a visit to the East, in the course of his remarks, said:

Our reserve account, as you will see in the balance-sheet, has been brought up to £20,000, an increase of £10,000 on the figure in the previous balance-sheet. This increase is made up of £5,000 appropriated from profit and loss account a year ago, and by a further £5,000 which your directors have transferred from taxation reserve account and from forfeited shares account. This is in pursuance of the policy of progressive improvement of the company's financial position, which our chairman indicated to you a year ago. Out of the profits for the year under review your directors propose to appropriate another £5,000, which will bring the reserve account up to £25,000.

The capital cost per cultivated acre is £60 8s 7d. In arriving at this figure I leave out of account the value of the rice fields and the large area of freehold reserve land.

RUBBER CROP.

The rubber crop harvested in the year under review was 955,325 lbs, which realised an average net price of 1s 8.77d per pound, as compared with 1s 1.15d per pound in the previous year.

The cost of production f.o.b. worked out at 1s 0.13d per pound, compared with 9.75d per pound in the previous year. With the advance in the price of rubber your directors felt that they should allow more funds for pushing on the improvement work more rapidly.

We have estimated the rubber crop for the current year at 1,000,000 lbs, which is under what we would be allowed to export under the scheme of voluntary regulation of exports to which we have adhered. It is possible that our actual crop will exceed that figure, but we are more anxious to improve our trees for the future than to exact the utmost from them at present. So far as we can judge at this early stage, the cost price, including provision for Java taxation, will work out at about the same figure as last year.

Our sales of rubber for the current year to the end of last month, including forward sales that remain to be delivered out of the crop to be harvested up to June 30, 1926, together approximately 497,280 lbs, work out at 1s 8.52d per lb net. Out of the 1926-27 crop we have forward contracts for 82 tons (183,680 lbs) at an average net price of 1s 10.55d per lb, and out of the 1927-28 crop 8 tons (17,920 lbs) at an average net price of 2s 1d per lb. The sale of the free balance of the crop will bring our average price up to a satisfactory figure.

TEA PRODUCTION.

The crop of tea harvested in the year under review amounted to 389,428 lbs, as compared with 374,177 lbs in the previous year. It realised an average net price of 1s 0.70d per lb, as compared with 1s 0.89d per lb in the previous year. This is a rather lower price than the chairman indicated in his speech a year ago, but the reason is that, on account of weather conditions, there was a larger proportion of coarse leaf which could not be delivered under the contracts, and was only saleable at a lower though still profitable price.

The cost of production f.o.b. worked out at 11.83d per lb, as compared with 10.28d per lb in the previous year. The special cultivation and manuring programme added 1½d per lb to the cost, and depreciation is ½d per lb heavier than last year. These two items alone more than account for the increase.

The dry season this year in West Java has been severe and protracted. The estimate of the tea crop for the current year was 400,000 lbs, which should, with normal weather conditions, have been easily obtainable. It is impossible to say what the effect of the recent drought will be. In the four months to the end of October we had harvested 95,371 lbs, as compared with 119,435 lbs in the previous year. The above estimate is accordingly given with reserve.

We have a contract running for the crop from July to December at 1s 4½d per lb London landed terms, which is equivalent to approximately 1s 2.16d per lb net.

The organisation for dealing with the rice fields, which are cultivated by the natives and with other matters of administration which devolve on us as owners of the freehold continues to operate satisfactorily, and supplies a small cash profit, which is included in the sundry receipts of the Java company.

The prospects for both the rubber and tea industries are encouraging, and I can assure you that your board are doing all

that lies in their power to ensure satisfactory results to the shareholders.

The net profit for the year amounted to £34,626, to which has to be added the amount brought forward from the previous year, £14,137, making available £48,763. Your directors recommend that this should be dealt with by writing to reserve £5,000, by paying a dividend of 7 per cent., and carrying forward a balance of £13,235.

Mr J. Lyndon Burt seconded the motion, and it was carried unanimously.

SUMATRA PARA RUBBER PLANTATIONS LIMITED. **GOOD RESULTS—ENCOURAGING OUTLOOK.**

The annual general meeting of the Sumatra Para Rubber Plantations, Limited, was held, on the 16th instant, at 2-4 Idol Lane, London, Mr H. A. Barrett (the chairman) presiding.

The Chairman said that he did not think there was need to apologise for their net average price of 1s 9½d per pound, which was equivalent to an average selling price of 1s 11d per pound. It was pleasurable to the directors to submit accounts showing such a satisfactory state of affairs, both in regard to earnings and to the general position of the company. In respect of the year 1915-16 the board recommended the payment of a higher rate of dividend than that proposed on this occasion, but a comparison was incomplete without taking into account the fact that in 1920 an allotment of fully-paid shares to the extent of £62,500 was made to members in part capitalisation of the reserve fund. Allowing for this, the present dividend of 25 per cent. (6d per share), which was four times more than that paid last year, closely approximated to the company's record distribution of 40½ per cent. (10d per share) in 1916.

Considering that since the inception of the company the area under cultivation had been increased from the original 880 acres to the present total of 4,067 acres, it was pleasantly surprising to find that the estimated and actual acreages differed in so slight a degree as 38 acres. Planting had been continued with the object of replacing wastages in the 4,067 acres, and of 200 acres taken in hand 50 acres had been already completed. There were still some 1,500 acres of old land available for planting, and as it was their intention to pursue a more active extension policy in the near future they were now acquiring 2,000 acres of land adjoining the estate



**The Anglo-South
American Bank Limited.**

Head Office:
117 Old Broad Street, London, E.C.2

Authorised Capital	£10,000,000
Reserve Fund	£4,000,000
Issued Capital	£3,734,000
Paid-up Capital	£4,367,330

The Bank, in addition to 7 Branches in
SPAIN
has with its
AFFILIATED INSTITUTIONS
THE BRITISH BANK OF SOUTH
AMERICA, Ltd., and
THE COMMERCIAL BANK OF
SPANISH AMERICA, Ltd.

53 offices in the principal countries of
LATIN AMERICA

Auxiliaries Abroad:
ANGLO SOUTH AMERICAN TRUST CO.
(Incorporated under the laws of the State of New York).
NEW YORK.
BANQUE ANGLO-SUD AMERICAINE, SOC. ANON.,
PARIS.
Northern District Office: 60, Market Street, BRADFORD.
Lancashire Branch: 19, Spring Gardens, MANCHESTER.

especially selected by the manager. Anything they proposed doing in the way of planting could easily be financed out of the company's cash resources.

With regard to the current season, they were working to a crop of 1,310,000 lbs, of which quantity they had, at the date of issue of the report, sold rather less than one-third at an average price equivalent to 2s 5½d per pound London landed terms. No forward contracts had been made up to the present for any period later than June, 1926. Given anything like a continuance of the present market conditions, they could not fail to do well in the year now current, but an increased selling price always carried with it an increased cost of working.

The report and accounts were unanimously adopted.

BUKIT TAMBUN ESTATES, LIMITED. **EXTENSION OF RUBBER AREA.**

The tenth annual general meeting of the Bukit Tambun Estates, Limited, was held, on the 18th instant, at the registered offices, 65 Bishopsgate, London, Mr T. M. C. Steuart, chairman of the company, presiding.

The Chairman, in moving the adoption of the report and accounts, said that the net profit was £3,569, and they were paying 3 per cent., free of income-tax.

The copra produced amounted to 433 tons, which was sold for £23 17s per ton. The f.o.b. cost worked out at £14 7s per ton. The copra was of excellent quality, and as regarded costs, he felt confident that as a result of the elimination of the poor yielding areas from the estates the costs would be lower in future.

A small area of 17 acres was planted on Bukit Tambun estates, bringing the total area under coconuts to 1,078 acres on this division. The palms throughout were in good condition, and the immature area of about 135 acres had moved particularly well.

The Sungei Kechil division had given considerable anxiety for some time past in view of the disappointing results from coconut areas. On the other hand, their small area of 97 acres of rubber had thrived, and they had planted up a further 100 acres during the year. On the recommendation of Mr W. Dunbar Fraser, who had reported upon the property, it had been decided to increase the rubber area and cut out the non-yielding coconuts. The estate manager had since been engaged actively upon the new planting programme, and they hoped that the rubber area would soon total 623 acres. They were leaving on this division a selected area of 280 acres of good yielding coconuts.

With regard to the rubber the figures were small, but it was only a beginning. They commenced tapping on 32 acres in April, and the yield for three months to June 30th amounted to 1,963 lbs, which realised an average price of over 2s 7d per lb, London landed terms. Only the larger trees were tapped, and their yield was well up to the average for young trees. As far as the present year was concerned a further 45 acres would be tappable, and it was anticipated that the crop to June 30th next would be 12,500 lbs. Allowing for an f.o.b. cost of 8d per lb, their production should yield a welcome addition to the revenue.

As regarded the future of rubber, he did not wish to prophesy beyond saying that in his view well-managed rubber plantations would be able to yield a good return on the capital expended. The planting of rubber on Sungei Kechil at a very moderate cost, bringing up the total to 623 acres, would substantially increase the capital value of the properties, and in due course should give the shareholders a satisfactory return on their holding. They were endeavouring to secure additional areas of planted land which could be worked economically with their own.

The report and accounts were unanimously adopted.

NORTH ANANTAPUR GOLD MINES, LIMITED. **INDIAN, SUMATRA, AND CANADIAN INTERESTS.**

The eighteenth ordinary general meeting of the North Anantapur Gold Mines, Limited, was held, on the 17th instant, at 6 Queen street place, London, E.C., Mr V. Herbert Smith (chairman of the company) presiding.

The Chairman, in moving the adoption of the report and accounts, said that at the North Anantapur mine gold to the value of £484 was obtained from milled tailings and the burning and scaling of the amalgamating plates. The total revenue was £2,265, and the expenditure £4,527. The Gooty area, which the company was exploring, was in the Madras Presidency, some distance north of the Anantapur goldfield, on the same run of auriferous rocks. They had already opened up at least 6,000 tons of ore, considered payable, trial crushing without preliminary sorting having yielded an average of 10 dwts per ton. The average width of reef was about 3½ feet. Wherever they had sunk on old workings short shoots of payable ore had been found, separated by unproductive ground.

They were bringing 10 heads of stamps from North Anantapur to mill the ore already opened up, while exploratory work continued.

OTHER INTERESTS.

The Sumatra Mining Exploration, Limited, in which they were interested, was vigorously prosecuting its programme of work with promising results. Good lengths and widths of ore had been exposed, and over 56,000 tons of ore opened up during exploitation. At the Mosaboni mine of the Indian Copper Corporation, Limited, 416,963 tons of reserves were standing, and the subject of erecting a smelting plant was engaging attention. Anglo-Canadian Explorers, Limited, has acquired an important interest in Central Manitoba Mines, Limited, owning the Kitchener group of claims, regarded as one of the most promising gold discoveries in Canada of recent years. The existence was proved of a strong lode of excellent width and value over 900 feet; surface work had proved the lateral extension of the ore body; and diamond drilling had proved a payable lode to a depth of 260 feet. These properties were held to have great potential value. Anglo-Canadian Explorers were interested in adjoining properties, believed to possess considerable value, and they looked with confidence to their Anglo-Canadian Explorers holding becoming valuable.

The report and accounts were unanimously adopted, and the usual formal business terminated the proceedings.

GOVERNMENT RETURNS, &c.

NATIONAL DEBT—(Million £).

	Aug. 1, 1914.	Dec. 31, 1919.	Mar. 31, 1921.	Mar. 31, 1922.	Mar. 31, 1923.	Mar. 31, 1924.	Dec. 31, 1924.	Mar. 31, 1925.	Nov. 14, 1925.
Funded Debt	588	315	315	315	314	314	314	314	314
Term Annuities	30	20	18	16	14	14	14	13	13
3½% Conversion Loan ..	..	..	..	266	684	666	666	709	752
4% Conversion Loan ..	..	..	..	..	..	..	210	210	210
3½% War Stock	..	63	63	63	63	63	63	63	63
4½% War Stock	..	13	13	13	13	13	13	13	13
4% and 5% War Stock ..	2,047	1,995	1,953	2,095	2,166	2,017	2,052	2,052	2,052
National War Bonds	1,509	1,413	1,201	953	820	813	778	771	771
4% Funding Loan	..	409	406	399	396	396	396	396	396
4% Victory Bonds	..	360	347	335	325	314	314	350	350
Treasury Bonds	..	323	289	185	150	150	69	15	15
Exchequer Bonds	..	267	285	342	364	366	364	369	370
National Savings Certs...	..	1,306	1,132	1,087	1,157	1,128	1,132	1,124	1,124
Other Debt	..	..	..	..	..	..	..	..	..
American Loan (Anglo-French)	..	51	1,107	1,121	878	616	588	576	541
Treasury Bills	15	1	243	154	147	194	186	230	167
Temporary Advances ..	..	..	..	..	..	..	..	..	..
Other Capital Liabilities ..	57	8,033	7,574	7,655	7,742	7,641	7,726	7,646	7,692
Total Liabilities	711	8,079	7,623	7,721	7,812	7,707	7,794	7,718	7,770

* Includes debt to American Government.

POSITION OF THE FLOATING DEBT.

Ways and Means Advances	Nov. 15, '24.	Mar. 31, '25.	Nov. 14, '25.	Nov. 14, '25.
Outstanding—				
Advances by Bank of England	178,695,000	166,585,000	128,190,000	3,500,000
Advances by Public Deposits	178,695,000	575,610,000	641,820,000	535,000
Treasury Bills Outstanding	615,725,000	792,420,000	742,195,000	770,010,000
Total Floating Debt	1,572,115,000	1,434,210,000	1,492,005,000	2,865,000

* Includes £55,000, the proceeds of which were not carried to the Exchequer within the period of the account.

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

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Redemption Account.					
			Silver Coin.	Gold Coin.	Bank of England Notes.	Ratio to Notes.	Government Securities.	Balance of Bank of England.
1922.								
Mar. 29	300,351	14,255	5,000	28,500	19,450	159	261,479	177
June 28	295,374	13,338	6,000	28,500	19,650	163	254,319	250
Sept. 27	298,127	12,648	7,000	27,000	21,150	166	246,456	189
Dec. 27	301,537	12,872	7,000	27,000	21,150	159	258,928	157
1923.								
Mar. 28	285,616	12,318	7,000	27,000	22,450	173	241,264	198
June 27	285,503	12,516	7,000	27,000	22,460	173	242,446	183
Sept. 27	282,784	12,401	7,000	27,000	22,450	175	238,565	159
Dec. 26	299,070	12,571	7,000	27,000	22,450	165	256,032	140
1924.								
Mar. 25	281,538	11,908	7,000	27,000	22,450	174	238,867	129
June 25	290,318	12,472	7,000	27,000	22,450	170	246,198	140
Sept. 24	285,592	12,227	7,000	27,000	22,450	173	241,185	184
Dec. 31	296,261	12,812	7,000	27,000	26,590	182	248,111	118
1925.								
Mar. 25	284,256	11,882	7,000	27,000	26,590	189	235,078	113
June 24	292,278	12,265	7,000	..	53,950	185	243,474	119
Sept. 30	293,004	12,555	7,000	..	56,250	191	242,188	121
Nov. 11	292,818	12,167	7,000	..	56,250	192	241,578	158
18	291,664	12,193	7,000	..	56,250	192	240,438	168

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1913 fixed at £380,000,000, for 1921 at £317,555,200, for 1922 at £309,988,400, for 1923 at £270,183,800, for 1924 at £248,190,900, and for 1925 at £248,145,400.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £40,000,000 in Treasury Bonds and Treasury Bills were opened on Nov. 20, 1925, and the total amount applied for was £43,065,000. For bills at three months dated Monday to Friday, £99 0s 1d, and above in full; Saturday bills at £99 0s 4d, above in full—in bills at 3 months, £36,115,000; in bonds, 50,000.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months Average Rate.	4% Treasury Bonds Average Price.
Sept. 18, 1925.	40,000,000	67,255,000	£ 3 10 10	94 0 0
Sept. 25.	40,000,000	62,900,000	£ 3 10 4	94 0 0
Oct. 2.	40,000,000	65,940,000	£ 3 7 3	94 8 0
Oct. 9.	40,000,000	66,420,000	£ 3 6 5	94 9 148
Oct. 16.	35,000,000	41,885,000	£ 3 12 7	94 8 0
Oct. 23.	40,000,000	48,395,000	£ 3 14 9	94 8 0
Oct. 30.	40,000,000	49,160,000	£ 3 16 1	94 8 0
Nov. 6.	40,000,000	47,865,000	£ 3 18 1	94 8 0
Nov. 13.	40,000,000	44,835,000	£ 3 17 3	94 8 0
Nov. 20.	40,000,000	43,065,000	£ 3 18 5	94 8 0

Tenders will be received on Nov. 27, 1925, for Treasury Bills and Treasury Bonds to be issued to the maximum amount of £45,000,000. The amount of Treasury Bonds issued will not exceed £4,000,000.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

Estimate for the Year 1925-26. (See Note)	Total Receipts into the Exchequer from	Receipts.	Week Ended Nov. 14, 1925.	Week Ended Nov. 15, 1925.
	Apr. 1, 1925, to Nov. 14, 1925.	Apr. 1, 1924, to Nov. 15, 1924.		
Balances in Exchequer on 1st April—				
Bank of England...	5,341,778	5,069,613		
Bank of Ireland...	1,215,322	1,562,001		
REVENUE.	6,557,100	6,631,614		
Customs...	102,040,000	64,108,000	1,884,000	1,837,000
Excise...	137,230,000	79,386,000	80,302,000	1,741,000
Motor Vehicle Duties...	17,500,000	5,852,000	4,965,000	
Estate, &c., Duties...	66,500,000	36,170,000	37,390,000	1,140,000
Stamps...	24,000,000	13,150,000	12,040,000	248,000
Land Tax, House Duty & Mineral Rights Duty...	1,000,000	180,000	670,000	10,000
Property & Income Tax...	282,000,000	112,171,000	123,261,000	1,217,000
Super-Tax...	63,500,000	29,600,000	27,360,000	420,000
Excess Profits Duty...	4,000,000	4,000,000		
Corporation Profits Tax...	9,000,000	7,220,000	10,610,000	130,000
Post Office...	67,000,000	34,900,000	34,500,000	1,300,000
Crown Lands...	900,000	600,000		
Interest on Sundry Loans...	12,600,000	8,857,785	8,578,642	87,653
Miscellaneous—				
Ordinary Receipts...	14,000,000	8,661,225	7,902,535	40,904
Special Receipts...	30,000,000	23,180,153	18,398,347	11,449
Revenue...	801,060,000	422,176,169	429,562,24	8,041,006
Total Inc. Balance...		428,733,269	436,148,138	

OTHER RECEIPTS.	Total Receipts into the Exchequer from	Receipts.	Week Ended Nov. 14, 1925.	Week Ended Nov. 15, 1925.
	Apr. 1, 1925, to Nov. 14, 1925.	Apr. 1, 1924, to Nov. 15, 1924.		
Temporary Advances Repaid—				
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904...	73,782	73,782		
Under the Unemployment Insurance Acts, 1921...	1,290,000	5,790,000	20,000	
Money Raised by Creation of Debt—				
(a) For Capital Expenditure Issues Under the Telegraph (Money) Acts, 1922 and 1924...	5,950,000	4,500,000		
Under the Housing Act, 1914...	6,000	4,000		
Under the West Indian Islands (Telegraph) Act, 1924...	20,071	260,719		
(b) Under the Unemployment Insurance Acts, 1921...	1,715,000	400,000		
(c) For other issues:				
By Treasury Bills...	1,559,863,000	1,514,456,000	48,028,000	46,587,000
By 3% Conversion Loan...	41,877,560	3,290,000		
By National Savings Certificates...	21,900,000	17,400,000	700,000	550,000
By Exchequer and National War Bonds...	15			
By Treasury Bonds, 1925...	10			
By 4% Treasury Bonds, 1923-24...	5,008,507	15,884,120		945,000
By Other Debt created under the War Loan Acts, 1914 to 1919...		3,700,000		
(d) Ways and Means Advances...	411,181,000	531,796,000	1,000,000	9,100,000
Anglo-Persian Oil Company—				
Dividends on Shares Acquired...		23,109		
Repayments—				
In respect of issues under Land Settlement (Facilities) Acts, 1919 and 1921...	126,701	577,041		
In respect of issues under Section 59 (4) of Finance Act, 1920...	9,901,981			
Interest received under Section 59 (5) of Finance Act, 1920...	256,778			
Total...	2,487,903,674	2,530,985,909	61,079,006	67,045,838

EXPENDITURE AND OTHER ISSUES.	Total Issues out of the Exchequer to meet Payments from	Issues.	Week Ended Nov. 14, 1925.	Week Ended Nov. 15, 1925.
	Apr. 1, 1925, to Nov. 14, 1925.	Apr. 1, 1924, to Nov. 15, 1924.		
EXPENDITURE.				
National Debt Services—				
Interest, &c.	305,000,000	196,157,935	199,633,695	837,467
Sinking Fund	50,000,000	24,346,005	16,386,740	3,447,199
Road Fund	16,900,000	4,691,044	4,364,044	784,179
Payments to Local Taxation Authorities, &c.	13,329,000	5,933,474	5,837,891	468,000
Payments to Northern Ireland Exchequer ..	4,000,000	2,687,465	2,702,484	
Land Settlement	700,000	281,088		2,732
Other Consolidated Fund Services	2,000,000	1,555,879	1,419,751	3,333
Supply Services	418,086,000	244,374,609	229,758,598	6,950,000
Expenditure	810,015,000	480,030,499	461,050,017	10,723,110

OTHER ISSUES.	Total Issues out of the Exchequer to meet Payments from	Issues.	Week Ended Nov. 14, 1925.	Week Ended Nov. 15, 1925.
	Apr. 1, 1925, to Nov. 14, 1925.	Apr. 1, 1924, to Nov. 15, 1924.		
Temporary Advances—				
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904...	73,782	73,782		
Under the Unemployment Insurance Acts, 1921...	1,715,000	560,000		130,000
Issues to meet Capital Expenditure—				
Under the Telegraph (Money) Acts, 1922 and 1924...	7,300,000	5,400,000	400,000	250,000
Under the Housing Act, 1914...	6,000	6,000		
Under the West Indian Islands (Telegraph) Act, 1924...	20,071	316,196		
Unemployment Insurance Acts, 1921—				
Repayment of amounts borrowed...	1,270,000	5,790,000		
Redemption of Debt—				
Treasury Bills	1,493,670,000	1,487,085,000	47,470,000	44,535,000
Principal of National Savings Certificates	18,750,000	19,700,000	500,000	550,000
Principal of Exchequer Bonds paid off	306,667			
Principal of National War Bonds paid off	8,344,789	6,586,653		
Principal of Treasury Bonds paid off Other Debt under the War Loan Acts, 1914 to 1919	23,645,865			
Ways and Means Advances Repaid	449,576,000	541,229,500	4,500,000	10,650,000
Anglo-Persian Oil Company—Issued to the National Debt Commissioners		23,109		
Balances in Exchequer—				
Bank of England	2,484,708,673	2,527,820,306	60,938,605	66,937,110
Bank of Ireland	1,127,737	2,013,508	19,401	8,950
Total	3,195,001	3,165,603	140,401	108,728

NOTE.—Budget Estimate as in H.C. No. 84 of 1925.

Treasury, November 16, 1925.

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, November 18, 1925.

ISSUE DEPARTMENT.

Notes issued	Government debt	Other securities	Gold coin & bullion
165,619,990	11,015,100	8,734,900	145,869,990
165,619,990			165,619,990

BANKING DEPARTMENT.

Proprietors' capital ..	Government securities ..	Other securities ..	Notes ..	Gold and silver coin ..
14,553,000	40,247,794	73,061,558	24,177,440	1,810,025
Rest	3,197,608			
Public deposits*	15,147,961			
Other deposits	106,631,653			
Seven-day & other bills ..	6,585			

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

Rest	Public deposits ..	Other deposits ..	Government securities ..	Other securities ..	Notes ..	Gold and silver coin ..
3,197,608	15,147,961	106,631,653	40,247,794	73,061,558	24,177,440	1,810,025
106,631,653	15,147,961	106,631,653	40,247,794	73,061,558	24,177,440	1,810,025
106,631,653	15,147,961	106,631,653	40,247,794	73,061,558	24,177,440	1,810,025

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Gold in or out of Bank.	Reserve and % of Reserve to Liabilities.	Bank Rate.
1925.							
Oct. 7	157,916,889	143,961,040	119,055,599	102,979,891	2,547,000 out	33,705,649	258
14	155,843,261	143,133,835	111,868,037	97,050,106	2,163,000 out	32,459,428	259
21	152,740,756	142,540,595	118,800,714	106,489,745	3,101,000 out	29,950,131	252
28	150,822,729	142,478,765	113,720,853	104,327,514	2,466,000 out	27,054,034	253
Nov. 4	149,046,856	141,448,830	120,013,665	110,358,065	1,288,000 out	27,354,026	252
11	148,058,069	141,518,165	122,367,940	113,324,869	958,000 out	26,288,904	251
18	147,680,015	141,202,550	121,779,624	113,309,352	378,000 out	26,227,465	251

BANKERS' CLEARING RETURNS (000's omitted).

Week Ending—	Town.	Metropolitan.	Country.	Total.
1925.				
January 1 to November 4 ..	30,123,435	1,416,392	2,499,491	34,039,318
Nov. 11	697,201	33,485	63,530	794,216
18	647,773	32,775	69,449	750,000
Total to date 1925	31,468,409	1,482,582	2,622,470	35,573,461
Do 1924	30,891,304	1,413,443	2,574,878	34,879,625
Increase or decrease in 1925 ..	+ 577,105	+ 69,139	+ 47,592	+ 693,836
Do 1924	+ 1.8 %	+ 4.8 %	+ 1.8 %	+ 1.9 %
Total for year 1924	35,038,605	1,594,114	2,800,145	39,432,864
Total for year 1923	32,270,373	1,546,586	2,810,654	36,627,613
Increase or decrease in 1924 ..	+ 2,768,232	+ 47,528	+ 98,491	+ 2,914,251
Do 1923	+ 8.6 %	+ 3.0 %	+ 3.5 %	+ 7.9 %

PROVINCIAL CLEARING RETURNS.

Number of Working Days	Month of October.		Aggregate Weekly Totals to Nov. 14.	
	1924.	1925.	1924.	1925.
BIRMINGHAM	10,110,000	11,910,000	106,019,700	115,618,800
Bristol	5,664,000	5,489,000	52,877,000	53,257,000
DUBLIN	5,415,000	4,274,000	247,725,400	234,115,300
HULL	4,181,000	4,163,000	45,600,100	45,025,000
LEEDS	3,164,000	3,379,000	34,410,900	35,936,300
LIVERPOOL	44,274,000	41,216,000	446,954,300	402,581,700
MANCHESTER	70,486,000	69,031,000	697,581,000	714,792,900
NEWCASTLE-ON-TYNE	7,506,000	6,517,000	90,478,900	72,948,300
NOTTINGHAM	2,812,000	3,013,000	28,336,300	30,367,000
SHEFFIELD	4,442,000	4,707,000	46,134,700	47,535,800
Total	157,954,000	153,699,000		

OVERSEAS BANK RETURNS.

NOTE.—The latest return of the Bank of Denmark appeared in the Economist of Nov. 7; Norway, Lithuania, Roumania, Bulgaria, Greece and Egypt in Nov. 14.

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

RESOURCES.	Nov. 13, 1925.	Nov. 6, 1925.	Oct. 30, 1925.	Oct. 23, 1925.
Total gold reserves	2,779,120	2,772,550	2,782,550	2,778,390
Bank bills discounted	332,610	332,610	332,610	332,610
Bills bought in open market	332,610	332,610	332,610	332,610
Total U.S. Government securities	1,259,870	1,316,040	1,250,090	1,295,500
Total earning assets	4,980,880	5,010,740	4,960,420	5,035,190
LIABILITIES.				
Federal Reserve notes in actual circulation	1,711,280	1,713,420	1,294,770	1,694,950
Deposits—Member bank—reserve account	2,232,170	2,245,630	2,227,210	2,206,350
Total deposits	2,232,170	2,245,630	2,227,210	2,206,350
Capital paid in and surplus	334,490	334,490	334,490	334,490
Total liabilities	4,980,880	5,010,740	4,960,420	5,035,190
Ratio of total reserves to deposits and Federal Reserve note liabilities combined ..	72.3%	71.5%	72.5%	72.6%

NEW YORK FEDERAL RESERVE BANK.—In \$'s (000's omitted).

	Nov. 13, 1925.	Nov. 6, 1925.	Oct. 30, 1925.	Oct. 23, 1925.
Total bills discounted	153,140	191,270	156,250	16,970
Bills bought in open market	32,310	32,390	36,390	23,020
Total U.S. Government securities	62,450	61,410	55,120	55,500
Total earning assets	249,900	285,100	248,690	244,180
Deposits—Member bank res. acc't	857,180	858,540	868,830	824,210
Ratio of total res. to dep. and Federal Reserve liabilities combined	82.4%	81.2%	82.4%	81.9%

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

Assets.	Nov. 14, 1925.	Nov. 7, 1925.	Oct. 31, 1925.	Oct. 23, 1925.	Nov. 8, 1924.	May 31, 1924.
Gold.....	230,719	230,761	230,858	230,926	2,946	104,918
Balance abroad and foreign bills.....	164,027	164,843	166,147	166,003	60,322	112,179
Swedish and for. Gov. securities.....	47,250	47,250	47,265	47,265	54,921	32,466
Discounts and loans.....	227,679	242,094	245,738	237,945	369,954	112,668
LIABILITIES.						
Notes in circulation.....	490,005	503,581	523,409	474,064	519,645	226,555
Deposits at notice.....	104,155	103,440	102,247	130,814	125,015	369,860

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

Assets.	Nov. 7, 1925.	Oct. 31, 1925.	Oct. 23, 1925.	Nov. 8, 1924.	Position, May 30, 1924.
Gold.....	43,286	43,286	43,286	43,285	35,091
Balance abroad and foreign bills.....	1,328,462	1,331,186	1,307,084	528,646	90,379
Finland and Foreign Government securities.....	405,137	405,483	405,107	497,338	21,826
Discounts and loans.....	361,573	350,107	398,177	873,898	106,151
LIABILITIES.					
Notes in circulation.....	1,268,149	1,271,214	1,278,964	1,250,725	123,941
Deposits at notice.....	581,145	584,928	654,407	513,763	21,225

BANK OF DANZIG.—In Danzig gulden (000's omitted).

Assets.	Nov. 14, 1925.	Oct. 31, 1925.	Oct. 15, 1925.	Sept. 30, 1925.	Sept. 15, 1925.	Nov. 15, 1924.
Coin and bullion.....	2,871	2,652	2,67	2,776	2,808	2,805
Of which gold coin.....	4	4	4	4	4	4
Danzig subsidiary coin.....	2,867	2,648	2,763	2,772	2,804	2,791
Balance, Bk. of Eng., Inc. notes.....	14,098	16,346	11,104	17,704	19,497	12,824
Bills of exchange.....	16,953	16,952	16,954	17,206	18,131	16,112
Loans.....	752	1,61	682	1,316	1,878	2,481
Foreign exchange.....	18,547	18,698	21,217	25,187	12,672	12,808
Other balances on demand.....	1,839	1,790	3,641	1,920	1,908	67
LIABILITIES.						
Capital paid up.....	7,500	7,500	7,500	7,500	7,500	7,500
Notes in circulation.....	30,581	34,043	32,372	35,796	30,856	24,972
Deposits on demand.....	5,850	5,664	6,657	9,443	4,676	13,711
Deposits at notice.....	nil	nil	nil	nil	nil	13,471

BANK OF POLAND.—In zloty (000's omitted).

Assets.	Nov. 10, 1925.	Oct. 31, 1925.	Oct. 20, 1925.	Oct. 10, 1925.
Gold.....	132,470	132,340	132,118	132,072
Foreign currencies.....	66, 06	63,966	64,036	63,355
Silver and bullion.....	14,722	6,367	18,467	18,884
Bills discounted.....	278,941	289,851	281,806	286,816
Loans against securities.....	6, 10	54,778	54,778	53,905
Short-term discounts.....	17,938	17,873	18,389	18,398
Liability of the Treasury.....	50,000	50,000	50,000	50,000
LIABILITIES.				
Share capital.....	100,000	100,000	100,000	100,000
Reserve fund.....	1, 97	1,197	1,197	1,197
Notes in circulation.....	362,043	38, 44	370,536	381,496
Current accounts.....	109,149	100,571	104,899	11, 667
Liability in foreign exchange.....	66, 08	52,589	53,060	41,684

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

Assets.	Nov. 7, 1925.	Oct. 31, 1925.	Oct. 23, 1925.	Oct. 15, 1925.
Gold and silver holdings.....	1,031,165	1,030,206	1,030,097	1,030,060
Balance abroad and foreign currency.....	740,619	727,875	722,985	719,456
Discounts and advances.....	1,003,809	1,121,851	1,035,503	1,034,441
Uncovered state notes debt balance.....	5,191,321	5,200,762	5,207,077	5,224,582
Other assets.....	310,610	572,440	342,913	448,438
LIABILITIES.				
State notes in circulation.....	7,708,466	7,919,021	7,297,985	7,414,617
Check account balances.....	1,034,842	50,837	814,811	174,565
Other liabilities.....	16, 26	240,321	225,978	327,795

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

Assets.	Nov. 7, 1925.	Oct. 31, 1925.	Oct. 23, 1925.	Nov. 7, 1924.
Metal reserve.....	14,830	14,830	14,830	1, 047
Gold in coin and bullion.....	498,647	50, 290	494,890	429,541
Foreign bills.....	60,615	60,664	62,555	
Other foreign bills.....	91,553	109,121	79,654	220,248
Advances to the Treasury.....	193,448	193,978	195,358	220,118
LIABILITIES.				
Reserve fund.....	2,679	2,679	2,679	487
Notes in circulation.....	806,576	852,544	762,590	783,262
Deposits.....	52,314	30,462	83,091	96,998

† Contains cash foreign bills and balances as bought from customers against kronen under the agreement that the same amount of foreign currency shall be supplied to the customers at fixed terms on condition of such sums in kronen being returned by them as were paid by the bank for the foreign currency delivered.

NATIONAL BANK OF HUNGARY.—In Hungarian crowns (000's omitted).

Assets.	Nov. 7, 1925.	Oct. 31, 1925.	Nov. 7, 1924.
Metal reserve.....	737,736,853	737,774,455	501,378,966
Gold coin and bullion.....	2,594,018,227	2,530,861,606	1,766,409,917
Foreign bills.....	12,514,331	12,544,120	13,300,976
Inland bills, warrants, and securities.....	1,667,399,379	1,684,865,017	1,895,368,846
Advances to the Treasury.....	1,955,063,362	1,955,878,312	1,975,651,354
LIABILITIES.			
Share capital (paid up crowns 30,000,000).....	432,186,664	432,186,664	432,186,664
Notes in circulation.....	5,141,200,885	5,149,951,645	4,488,532,827
Current accounts, deposits, &c.....	2,287,984,590	2,328,936,550	1,704,499,169

* Calculated at pre-war parity of exchange.

RUSSIAN STATE BANK.—Note-issuing Department.

Assets.	Nov. 16, 1925.	Nov. 1, 1925.	Oct. 16, 1925.	Oct. 1, 1925.	Nov. 16, 1924.
Gold in coin and bullion.....	18,271	18,484	18,484	18,476	13,140
Platinum.....	3,368	3,183	3,183	3,183	1,498
Foreign bank notes.....	4,704	4,676	4,676	4,676	10,070
Drafts in sterling (less 10%).....	171	171	170	170	162
Bills (less 10% discount).....	52,400	52,400	52,401	52,408	23,382
Securities covering advances on goods (less 10%).....	86	86	86	86	9,705
LIABILITIES.					
Bank notes.....	77,787	76,569	75,686	75,564	57,569
Balance to which notes may still be issued.....	1,213	2,431	3,314	3,336	378

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

Assets.	Nov. 8, 1925.	Oct. 31, 1925.	Oct. 22, 1925.	Oct. 15, 1925.	Nov. 8, 1924.
Gold.....	74,591	74,431	74,180	73,912	72,330
Other coin and notes.....	19,344	21,187	20,826	20,407	20,405
Foreign credits.....	401,94	414,206	417,111	411,604	386,214
Bills.....	1,074,626	1,051,834	1,043,736	1,036,939	1,344,527
Gov. advances.....	4,520,815	4,520,720	4,520,504	4,520,165	4,564,523
LIABILITIES.					
Notes in circulation.....	6,137,482	6,157,989	6,088,588	6,209,926	6,049,094
State credits.....	368,092	367,782	367,782	367,441	389,952
Deposits.....	681,570	702,813	776,383	668,313	581,396

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

Assets.	Nov. 14, 1925.	Nov. 7, 1925.	Oct. 31, 1925.	Oct. 21, 1925.	Nov. 15, 1924.	Position, May 30, 1924.
Gold.....	2,536,675	2,536,660	2,536,669	2,536,669	2,534,950	521,775
Silver.....	645,361	645,09	650,133	647,875	647,695	728,600
Loans and discounts.....	2,457,424	2,492,517	2,496,784	2,432,887	2,555,894	800,726
Spanish 4% stock.....	154,415	344,475	344,475	344,475	344,475	344,475
Treasury bills.....	150,000	150,000	150,000	150,000	150,000	150,000
LIABILITIES.						
Circulation.....	4,490,977	4,507,863	4,458,597	4,448,623	4,352,981	801,550
Deposits.....	989,231	987,546	969,169	977,44	934,910	477,500

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

Assets.	Oct. 28, 1925.	Oct. 21, 1925.	Oct. 14, 1925.	Oct. 7, 1925.	Oct. 29, 1924.
Coin and bullion.....	10,330	10,478	10,295	10,301	9,586
Of which gold coin.....	8,577	8,577	8,577	8,577	8,577
Balance abroad.....	288,382	269,999	265,163	261,951	305,796
Discounts.....	192,783	191,370	188,905	189,666	73,463
Government loans.....	1,640,9	1,686,909	1,578,984	1,563,657	1,619,711
LIABILITIES.					
Notes in circulation.....	1,679,741	1,669,751	1,670,302	1,680,181	1,747,490
Deposits.....	68,730	67,292	67,493	63,505	61,228

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

Assets.	Oct. 20, 1925.	Oct. 10, 1925.	Sept. 30, 1925.	Sept. 20, 1925.	Oct. 20, 1924.	Position, May 31, 1924.
Total cash.....	1,537,405	1,533,534	1,549,531	1,587,125	570,617	1,221,875
Inland bills.....	5,102,149	5,167,554	5,284,126	5,065,437	3,234, 05	418,400
Advances to the Treasury.....	5,378,235	5,378,235	5,378,235	5,378,235	5,566,863	nil
Other advances.....	3,241,925	3,021,47	3,260,167	3,191,391	1,908,852	79,175
Securities.....	363,795	364,162	366,021	366,320	366,101	906,700
LIABILITIES.						
Note circulation.....	15,208,172	15,413,945	15,355,533	15,044,609	13,660,441	1,556,929
Deposit & drafts.....	1,508,288	1,385,000	1,569,640	1,461,547	1,799,427	193,975

LONDON RATES.

	Nov. 13, 1925.	Nov. 14, 1925.	Nov. 15, 1925.	Nov. 16, 1925.	Nov. 17, 1925.	Nov. 18, 1925.	Nov. 19, 1925.	Nov. 20, 1925.
Bank rate (changed from 4½% Oct. 1, 1925).....	4 %	4 %	4 %	4 %	4 %	4 %	4 %	4 %
Market rates of discount—								
60 days' bankers' drafts.....	3½	3½	3½	3½	3½	3½	3½	3½
3 months' do.....	3¼	3¼	3¼	3¼	3¼	3¼	3¼	3¼
4 months' do.....	3¼	3¼	3¼	3¼	3¼	3¼	3¼	3¼
6 months' do.....	3¼	3¼	3¼	3¼	3¼	3¼	3¼	3¼
Discount (Treasury Bills)—								
2 months.....	3¼	3¼	3¼	3¼	3¼	3¼	3¼	3¼
3 months.....	3¼	3¼	3¼	3¼	3¼	3¼	3¼	3¼
6 months.....	3¼	3¼	3¼	3¼	3¼	3¼	3¼	3¼
Loans—Day to day.....	3	3	3	3	3	3	3	3
short.....	3	3	3	3	3	3	3	3
Deposit allowances: Banks.....	2	2	2	2	2	2	2	2
Discount houses at call.....	2	2	2	2	2	2	2	2
At notice.....	2	2	2	2	2	2	2	2

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

Comparison with previous weeks:—

		Bank Bills.				Trade Bills.			
		3 Months.		4 Months.		3 Months.		4 Months.	
		6 Months.		3 Months.		4 Months.		6 Months.	
1925.		%	%	%	%	%	%	%	%
Oct.	30	3 1/2	3 1/2	3 1/2	3 1/2	4	4 1/2	4 1/2	4 1/2
Nov.	6	3 1/2	3 1/2	3 1/2	3 1/2	4 1/2	4 1/2	4 1/2	4 1/2
	13	3 1/2	3 1/2	3 1/2	3 1/2	4 1/2	4 1/2	4 1/2	4 1/2
	20	3 1/2	3 1/2	3 1/2	3 1/2	4 1/2	4 1/2	4 1/2	4 1/2

OVERSEAS BANK RATES.

Changed.			Changed.		
Amsterdam	Oct. 3, 1925	3 3/4	Oelo	Sept. 14, 1925	5
Athens	Aug. 18, 1925	10	Paris	July 9, 1925	6
Belgrade		6	Pague	Mar. 25, 1925	7
B rin	Feb. 26, 1925	6	Riga	Feb. 16, 1924	8
Brussels	Nov. 5, 1925	6 1/2	Rome	June 18, 1925	7
Bucharest	Se. 4, 1920	6	Sofia		
Budapest	Oct. 21, 1925	7	Stockholm	Oct. 8, 1925	4 1/2
Calcutta	Sept. 24, 1925	5	Swiss Bank		
Copenhagen	Se. 8, 1925	5 1/2	places	Oct. 22, 1925	3 1/2
Danzig	Mar. 6, 1925	9	Tokio	April 15, 1925	7 1/2
Helsingfors	Oct. 29, 1925	7 1/2	Vienna	Sept. 2, 1925	9
Lisbon	Se. 12, 1923	9	Warsaw	(See note below)	
New York Federa- l Reserve	Feb. 26, 1925	3 3/4			

ounces in sycee, 65,000,000 dollars, and 5,980 silver bars, as compared with about 56,100,000 ounces in sycee, 66,500,000 dollars, and 5,400 silver bars on the 7th inst.

GOLD AND SILVER PRICES.

1925.	Gold Per Ounce.	Silver—Per Ounce.	Date.	Silver.
		Cash. Forward.		Cash.
Nov. 14....	84 11 1/2	32 1/2	Nov. 29, 1919..	72 1/2
16....	84 11 1/2	31 1/2	26, 1920..	48 1/2
17....	84 11 1/2	31 1/2	25, 1921..	37 1/2
18....	84 11 1/2	31 1/2	24, 1922..	32 1/2
19....	84 11 1/2	32 1/2	23, 1923..	33 1/2
20....	84 11 1/2	32 1/2	21, 1924..	33 1/2

NOTICES.

Mr Edmund H. Parker, L.L.D., has retired from the office of vice-chairman of Barclays Bank Limited but retains his seat on the board, and will continue to act as a local director at Cambridge. Mr W. Favill Tuke, a director and a general manager of the bank, has retired from the latter position, and has been elected vice-chairman of the board in succession to Mr Parker. Mr F. W. Griggs and Mr H. T. Mitchell, assistant general managers, have been appointed additional general managers, and Mr H. R. Bradfield has been appointed an assistant general manager of the bank.

Mr Nicasio E. Jauralde, manager of the London agency of the Bank of Spain, has retired from active service owing to ill-health and his advanced age. Owing to Mr Jauralde's retirement and to the recent death of Mr Santiago Laborda, lately cashier, who was also a well-known Spanish lawyer and writer on financial and other matters, the Bank of Spain has appointed as manager Mr Aurelio Valls, who was lately comptroller, and who is a nephew of Señor Belda, sub-governor of the Bank of Spain, and, as cashier, Mr Carlos Jauralde, son of Mr Nicasio E. Jauralde. Both these gentlemen have been in the London office since it was opened in 1903.

Branches of the Commercial Bank of Australia, Limited, have been opened at the undernoted places:—Koorlinga, South Australia; 121 William street, Perth, West Australia; Oamaru, New Zealand.

Lloyds Bank, Limited, announce that a sub-branch of the bank is now open at Kenton (corner of Kenton road and Draycott avenue) under the management of Mr H. S. Gill, M.C., of the Harrow branch.

Major-General Sir John H. Davidson, K.C.M.G., C.B., D.S.O., M.P., has been elected a director and a member of the London committee of the National Bank of Egypt.

The Midland Bank announces the opening of new offices in Main street, Alrewas, near Burton-on-Trent, Staffs, and The Platt, Port Isaac, Cornwall, under the supervision of the managers of the Lichfield and Wadebridge branches respectively.

Barclays Bank, Limited, announce that they have opened new branches at 67 High street, Whitstable, under the management of Mr F. R. Jackson, and at High street, Leatherhead, under the management of Mr G. E. Cox.

The Standard Bank of South Africa, Limited, announce that agencies have been opened at Grabouw, Greyton, and River Zonder End, near Caledon, Cape Province, and Koringberg, near Moorreesburg, Cape Province.

The Bank of Australasia has opened a branch at Blenheim, New Zealand.

Messrs Neidecker and Co., Limited, investment bankers, 9-13 King William street, London, E.C.4, announce that their house is opening a branch office in Zurich, Switzerland, under the charge of Mr S. Pantli-Meyer, for the purpose mainly of dealing in and distributing securities quoted on the London and New York Stock Exchanges for the benefit of the Swiss market.

OIL OUTPUTS.

ALGERIAN OILFIELDS, LIMITED.—Reports from the Algerian property, in which the Algerian Oilfields, Limited, is so largely interested, state that the production for the months of September and October was as follows:—September, 153 tons; October, 162 tons.

BRITISH CONTROLLED OILFIELDS, LIMITED.—By cable for the week ending November 11, 1925—Production, 47,080 barrels; shipments, 4,473 tons.

CALTEX OIL.—This company reports having received cables from two of its subsidiary companies notifying the following production for October:—Cia de Petroleo Caltex, S.A., 5,107 barrels, or 810 tons. Anglo-Texas Oil Company, 8,265 barrels, or 1,181 tons. The September production for the Anglo-Texas Oil Company was 3,784 barrels, or 541 tons.

LAGO PETROLEUM CORPORATION.—Production for week ended October 17, 1925, 203,586 barrels; for week ended October 24, 1925, 216,020 barrels.

MEXICAN EAGLE OIL COMPANY, LIMITED.—The production for the week ended November 7, 1925, was 119,000 barrels.

ANALYSIS OF BALANCE-SHEETS.

ROYAL BANK OF SCOTLAND.

October 10, 1925.

LIABILITIES.		Compared with Oct. 11, 1924.	ASSETS.		Compared with Oct. 11, 1924.
Amount.	£		Amount.	£	
Deposits.....	40,790,229	+ 1,070,898	Gold, Silver, and currency notes	4,731,859	+ 110,948
Notes in circulation	2,663,730	— 136,966	Money at call and notice.....	5,722,329	+ 374,520
Drafts outstanding	814,900	+ 188,658	British Govt. securities.....	13,422,654	+ 1,657,289
Acceptances.....	734,827	— 93,427	Colonial stocks, &c.....	1,353,136	+ 207,878
Capital.....	2,500,000	—	Other marketable securities	371,273	— 35,721
Rent.....	2,464,704	+ 117,310	Bills discounted	4,202,428	+ 346,606
Proposed dividend	160,000	+ 14,687	Advances.....	16,216,937	+ 2,106,420
			Loans.....	2,409,310	+ 711,741
			Acceptances.....	734,827	— 93,428
			Bank buildings	341,470	+ 37,922
			Property	147,167	+ 1,280
			Freehold property in London.....	475,000	— 34,609
Total.....	50,128,390	+ 1,161,160	Total.....	50,128,390	+ 1,161,160

WALL PAPER MANUFACTURERS, LIMITED.

August 31, 1925.

LIABILITIES.		Compared with Aug. 31, 1924.	ASSETS.		Compared with Aug. 31, 1924.
Amount.	£		Amount.	£	
Ord. shares.....	1,154,369	—	Capital expenditure on land, bldgs, plant, machinery, and good will.....	3,578,320	+ 60,022
Ord. shares.....	1,282,071	—	Investments.....	1,916,471	+ 291,627
Preferred shares	1,925,013	—	Stock-in-trade.....	819,119	— 38,785
4% deb. stock	1,027,945	—	Debtors.....	606,754	+ 80,694
Creditors.....	748,092	+ 158,020	Insurance.....	20,904	+ 4,318
Rents.....	3,823	— 579	Bills receivable.....	89,716	+ 6,057
Profit on purchase and cancellation of deb. stock.....	7,864	—	Cash.....	368,681	+ 19,800
Reserve fund.....	400,000	+ 200,000			
Profit and loss.....	852,798	+ 14,598			
Total.....	7,399,965	+ 372,039	Total.....	7,399,965	+ 372,039

CARGO FLEET IRON COMPANY, LIMITED.

September 30, 1925.

LIABILITIES.		Compared with Sept. 30, 1924.	ASSETS.		Compared with Sept. 30, 1924.
Amount.	£		Amount.	£	
Ord. shares.....	1,000,000	—	Cap. expenditure on land, bldgs, plant, machinery, and good will.....	1,931,716	+ 5,476
4% deb. stock	22,500	— 12,500	Stocks.....	261,920	+ 20,516
Int. accrued.....	2,491	— 242	Debtors.....	213,210	+ 4,656
6% deb. stock	496,500	—	Cash.....	53,978	— 22,964
Int. accrued.....	7,448	—	Govt. securities at cost.....	50,217	—
General reserve.....	150,000	—	Cash (trustees for deb. holders).....	44,774	— 234
Creditors.....	365,964	— 2,131			
Provision for renewals, &c.....	96,072	+ 972			
Profit and loss.....	215,838	+ 2,938			
Total.....	2,555,815	— 12,804	Total.....	2,555,815	— 12,804

SOUTH DURHAM STEEL AND IRON COMPANY, LIMITED.

September 30, 1925.

LIABILITIES.		Compared with Sept. 30, 1924.	ASSETS.		Compared with Sept. 30, 1924.
Amount.	£		Amount.	£	
6% cum. pref. shs.	300,000	—	Capital expenditure on land, bldgs, plant, machinery, and good will.....	1,788,240	+ 64,892
Ord. shares.....	350,000	—	Stocks.....	264,230	+ 80,208
4% deb. stock	300,000	—	Debtors.....	208,676	+ 102,623
Int. accrued.....	2,700	—	Cash.....	55,363	+ 8,578
Reserve account	1,445,783	+ 84	Govt. securities	501,000	— 91
Creditors.....	198,279	— 111,967	Other investments	20,000	—
Profit and loss.....	245,747	+ 2,431			
Total.....	2,842,509	— 109,452	Total.....	2,842,509	— 109,452

WEARDALE STEEL, COAL AND COKE COMPANY, LIMITED.

September 30, 1925.

LIABILITIES.		Compared with Sept. 30, 1924.	ASSETS.		Compared with Sept. 30, 1924.
Amount.	£		Amount.	£	
6% cum. pref. ord. shares.....	500,000	—	Properties.....	884,303	+ 16,930
Def. ord. shares	225,000	—	Expenditure on houses.....	50,471	+ 39,021
4% deb. stock	287,502	—	Investments.....	747,389	+ 38,430
Int. accrued.....	4,788	—	Cash.....	143,911	+ 10,086
Reserve account	710,000	+ 100,000	Debtors.....	70,847	— 7,563
Reserve for workmen's compensation.....	1,626	—	Stocks.....	96,022	—
Creditors.....	133,049	— 44,652	Short rents.....	7,236	— 99
Profit and loss.....	138,374	— 55,575			
Total.....	2,000,139	— 227	Total.....	2,000,139	— 227

INDIA RUBBER, GUTTA PERCHA, AND TELEGRAPH WORKS.

August 31, 1925.

LIABILITIES.		Compared with Aug. 31, 1924.	ASSETS.		Compared with Aug. 31, 1924.
Amount.	£		Amount.	£	
Ord. shares.....	750,000	—	Properties.....	740,842	+ 2,658
Prof. shares.....	250,000	—	Debtors.....	190,653	+ 8,111
Debentures.....	400,000	—	Bills receivable.....	468	— 5,079
Reserve.....	280,000	+ 60,000	Cash.....	143,169	+ 9,050
Creditors.....	256,383	— 6,091	Stock-in-trade.....	355,953	+ 30,221
Unclaimed divs.....	66	— 18	Shares in other companies, &c.....	52,696	+ 27
Profit and loss.....	57,937	— 1,518	Cash, stock, debts, &c.....	510,625	+ 7,385
Total.....	1,994,406	+ 52,373	Total.....	1,994,406	+ 52,373

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per annum, except where marked % or stated in Cash. * Interim div.	Interim Date of Payment.	Method of Payment.	Dividend for Whole Year.	Lat. Year.	Pre. vious.
Banks.						
Bank of London and S. America	7%+	..	Less tax	11	10	8
Bank of Belgium pour l'Etranger	5%	..	..	..	..	..
Mitsubishi	5%	..	..	..	..	..
Insurance.						
Alliance Assurance	7/8 p.s.*	Jan. 5	Less tax	..	..	..
Guardian Assurance	4/8 p.s.*	Dec. 31	Less tax	..	..	..
Railways.						
Alabama Great Southern	3%+	..	(& bonus of 1% (less tax) at 2/1)	..	..	..
Delhi Umballa	6%+	..	..	..	..	..
Mining.						
Chinese Engineering	5%+	..	Tax free	10	20	12 1/2
Keffyfontein	1/8 p.s.*	..	(& bonus of 1/8 p.s.) Less tax	at 4/1 1/2	..	..
Kramat Pulai	1/8 p.s.*	Dec. 2	Less tax	..	..	..
Lahat	5%+	..	Tax free	7	6	..
New Consolidated Goldfields	5%+	..	Less tax at 4/	..	..	..
Rambutan	7/8 p.s.	Dec. 21	Less tax at 4/	..	..	..
Seremban	1/8 p.s.	Dec. 3	Less tax at 4/	..	..	..
Tekka	4/8 p.s.	Dec. 3	Less tax at 4/	..	..	..
United African Explorations	..	..	..	7 1/2	5	..
Tea and Rubber.						
Amalgamated Tea	5%+	Dec. 22	..	..	..	..
Anglo-American Direct Tea	5%+	Dec. 22	..	..	..	..
Ayer Kuning Rubber	10%+	Dec. 18	..	..	..	..
Bamgaon Tea	5%+	Nov. 28	Less tax	..	..	..
Baracora (Sylhet) Tea	10%+	..	Less tax	..	..	..
Bengson Rubber	5%+	Dec. 4	Less tax	..	..	..
Borenguala Tea	5%+	Dec. 15	Less tax	..	..	..
Borhat Tea	5%+	Dec. 1	Less tax	..	..	..
British Darjeeling Tea	3 1/2%+	Nov. 30	Less tax	..	..	..
Chengola Tea	5%+	Dec. 15	..	..	..	..
Consolidated Tea and Lands	12 1/2%+	..	Less tax	..	..	..
Dalkeith (Ceylon) Rubber	10%+	Dec. 2	Less tax	..	..	..
Deamoolie Tea	7 1/2%+	Dec. 7	Less tax	..	..	..
Doonars Tea	5%+	Dec. 14	Less tax	..	..	..
Empire of India and Ceylon Tea	..	..	..	..	..	..
Highland and Lowland Para Rubber	10%+	Dec. 18	..	..	..	..
Isa Bheel Tea	5%+	Dec. 21	Less tax	..	..	..
Jhanzie Tea	10%+	Dec. 7	Less tax	..	..	..
Jokai Assam Tea	5%+	Dec. 15	..	..	..	..
Kunan Devan Hills Produce	..	..	..	6	2 1/2	..
Kenny Rubber	20%+	..	..	25	5	..
Krubong Rubber	15%+	..	..	20	5	..
Kuala Lumpur Rubber	..	..	..	15	nil	..
Lengong Rubber	..	Nov. 24	..	..	..	..
Mahawale Rubber and Tea	4%+	Dec. 5	..	25	10	..
Malay General Co.	20%+	Dec. 22	Less tax	17 1/2	..	..
Membakut Rubber	12 1/2%+	..	Less tax	..	..	..
Moopy Valley Rubber	10%+	..	Less tax	..	..	..
Noyapara Tea	7 1/2%+	..	Less tax	..	..	..

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DIVIDEND ANNOUNCEMENTS—Continued.

Pandan Tea	3%+	Dec. 5	Less tax	..	..	..
Preangor Rubber	10%+	..	..	50	12 1/2	..
Rajawalla Produce	17 1/2%+	..	Less tax	22 1/2	20	..
Rupai Tea	10%+	Dec. 2	Less tax	..	..	..
Sekong Rubber	..	..	..	10	nil	..
Simo Rubber	60%+	Dec. 1	..	..	..	..
Single Tea	7 1/2%+	Dec. 21	Less tax	..	..	..
Sumtravall Estates	20%+	..	..	45	35	..
Tara Tea	10%+	Dec. 2	Less tax	..	..	..
Tee Corporation	7 1/2%+	Nov. 30	Less tax	..	..	..
Telugore United Plantations	12 1/2%+	Dec. 16	Less tax at 4/4	..	..	..
Other Companies.						
Abdulla and Co.	2%+	Dec. 1	Less tax	..	..	..
A. B. Fleming	5%+	..	Less tax	..	..	..
Acme Tea Chest	1/6%+	..	Less tax	26	(20a)	..
African Produce	..	..	..	10	..	..
Allen, Everitt	6/8 p.s.*	..	Less tax	..	..	..
Archibald, Campbell, Hope, and King	..	..	..	..	..	..

Reports and Notices.

The Hudson's Bay Company announce with great regret the resignation, owing to continued ill-health, of Mr. Frederick Scott Oliver, who has been a member of the committee since 1917.

The Viscount Willingdon, G.C.S.I., G.C.I.E., G.B.E., has joined the board of the General and Commercial Investment Trust. Sir Charles J. Stewart and Mr. H. Morgan have resigned from the board of Marconi's Wireless Telegraph Company, Limited, and the directors have appointed Sir Frederick J. Barthorpe, D.L., and Sir William Slingo to fill the two vacancies.

Mr. Edward Hungerford has been appointed centenary director of the Baltimore and Ohio Railroad Company.

Messrs Spillers' Milling and Associated Industries, Limited, exercising their option to apply the annual sinking fund payments for the repayment of their 5½ per cent. 10-year sinking fund notes in the purchase of notes for cancellation, have invited noteholders to submit offers of sale through their stockbrokers, the price tendered to be exclusive of the interest payment due December 1st.

Mr. Henry Clark (London) of the Union Corporation, Limited, has been elected president of the Chartered Institute of secretaries. Mr. Richard B. Pilcher, O.B.E. (London), of the Institute of Chemistry, and Brigadier-General A. Maxwell, C.B., C.M.G., D.S.O. (London), of Glyn, Mills, and Co., have been elected vice-presidents, and Mr. W. G. Verdon Smith, C.B.E. (Bristol), Bristol Tramways and Carriage Company, Limited, has been elected treasurer for the ensuing year. Mr. J. J. Bisgood, J.P., has been appointed the Institute representative on the Council of the London Chamber of Commerce for the ensuing year.

Mr. J. J. Runge, a director of Tate and Lyle, has accepted a seat on the board of the London Produce Clearing House.

With regard to Commissioners of Inland Revenue v. Aboukir Co. The Aboukir Co. announce that they have received notice from the Solicitor of the Inland Revenue that the Commissioners do not propose to continue further with this appeal.

BANKS.

BANQUE BELGE POUR L'ETRANGER (SOCIETE ANONYME).—The following is a table of balance sheets for the past three years:—

	Year Ended June 30.		
	1923.	1924.	1925.
Net profit of the business year	9,478,582	12,238,806	12,279,800
Dividend (free of coupons tax)	7%	8%	8%
Capital—Subscribed	100,000,000	100,000,000	100,000,000
Paid up	75,000,250	75,000,250	75,000,250
Reserves	21,352,280	24,000,000	28,000,000
Sundry creditors	603,353,526	610,780,934	771,901,986
Acceptances	69,266,319	60,266,692	70,144,266
Note issue in China	2,443,964	2,163,121	3,749,167
Cash	124,218,085	113,984,928	132,165,468
Sundry debtors	325,415,336	347,509,776	492,468,448
Investments	85,319,446	99,352,782	82,370,323
Bills receivable	170,109,014	153,304,792	171,965,565
Total of balance-sheet	810,894,670	813,949,553	990,575,219

GUARANTY TRUST COMPANY OF NEW YORK.—The following extracts are from the bank's statement of November 14, 1925:—Deposits, \$505,103,912; total resources, \$604,539,443; surplus and undivided profits, \$21,538,678, the last item showing an increase of \$309,387 over the previous statement of September 30, 1925, and an increase of \$2,357,769 over the statement of November 15th, last year.

MITSUBISHI BANK.—The balance-sheet, dated June 30, 1925, shows total assets 404,400,241 yen. Cash is at 30,983,472 yen. Government bonds stand at 48,392,876 yen. Other bonds and securities stand at 64,398,043 yen. Loans and bills discounted stand at 208,449,710 yen. With regard to liabilities, deposits stand at 307,547,420 yen. Capital subscribed amounts to 50,000,000 yen. Capital paid up amounts to 30,000,000 yen. Reserve funds stand at 25,501,920 yen. The net profit for the half-year ended June 30, 1925, amounted to 4,092,263 yen. The ordinary dividend is 10 per cent. per annum.

ROYAL BANK OF SCOTLAND.—The accounts for the year ended October 10th last show net profits of £472,600, an increase of £20,300 as compared with 1923-24, a fact which accounts for the increase in the dividend, already announced, from 14½ to 15½ per cent. The dividend absorbs £305,312, £20,000 is written off premises and property, and £30,000 is carried to pension reserve fund, leaving £117,310 to be added to the rest, which now amounts to £2,464,704, against a paid-up capital of £2,500,000. Deposits at £40,790,200 show an increase of over a million, and loans and advances at £18,626,200 are £2½ millions higher. Bills discounted, including £1,835,000 in Treasury bills, are £347,000 lower at £4,202,400, and British Government securities have been reduced by £1½ millions to £13,422,700. Cash and money at call are slightly higher at £10,454,200. Freehold properties in London stand at the low figure of £475,000, this item including the premises in Bishopsgate and Drummond's branch.

UNION BANK OF SCOTLAND, LIMITED.—We are informed that this bank, which has had in view for some considerable time the opening of an office in the West-End of London for the convenience of its clients there and for the public generally, has

now secured excellent premises in a very suitable and prominent position in British Columbia House, situated at 1 Regent street (corner of Charles street and Regent street), S.W. 1. A branch of the bank will be opened there on Monday, November 23rd, under the charge of Mr Robert Dick, at present one of the joint accountants at the City offices in Cornhill.

INSURANCE.

NATIONAL MUTUAL LIFE ASSURANCE SOCIETY.—The board of the National Mutual Life Assurance Society have unanimously appointed their chief executive officer, Mr Geoffrey Marks, C.B.E., F.I.A., to be a director of the society. Mr Marks will remain actuary and manager, positions which he has held since 1893 with respect to the Mutual, and since 1896 of the amalgamated National and Mutual life offices.

RUBBER, &c.

KRUBONG (MALACCA) RUBBER.—The net profit for year ended September 30, 1925, amounted to £11,808, as compared with £1,074 in preceding year. The ordinary dividend is raised from 5 per cent. to 25 per cent. The sum of £3,000 is put to reserve, and £1,719 carried forward, against £276 brought in. Total assets are £44,002. Cash is at £5,322. There are no investments.

LENGGENG RUBBER.—Report for year ended July 31, 1925, reveals a net profit of £8,591, against £356. The ordinary dividend is 15 per cent., against nothing in preceding year. The carry forward is £3,354, against £3,135 brought in. Balance-sheet shows total assets £73,151. Cash is at £7,443. There are no investments. The report states that the restricted export allowance for the past year amounted to 188,230 lbs, the bulk of which has been sold in London. The new assessment of standard production from November 1, 1925, has not yet been fixed, but it is expected to be in the neighbourhood of 472,000, and 85 per cent. of this will permit of an export of about 33,000 lbs per month. The forward sales now current are 5 tons monthly at 15 6½d to end of 1925, and 5 tons monthly at 15 9d and 2 tons monthly at 15 11½d over 1926.

SEKONG RUBBER.—Net profit for year ended July 31, 1925, is £16,057, against £3,088. The ordinary shareholders receive 10 per cent., less tax, 4s 4d in £. No dividend was paid in preceding year. The sum of £2,000 is put to reserve, and £1,000 to income-tax reserve. The carry forward is a credit balance of £2,490, against a debit balance of £567 brought in. Crop of 257,982 lbs was harvested. Average net sale price was 2s 0.77d per lb. Cost of production was 9.71d per lb.

SUNGEI KARI (SUMATRA) RUBBER ESTATE.—The net profit for year ended June 30, 1925, amounted to £11,925, against £2,088 in preceding year. The ordinary dividend is raised from 5 per cent. to 20 per cent. The sum of £584 is carried forward subject to directors' extra remuneration. Total assets amount to £95,900. Cash is at £8,567. Investment, at cost, stands at £6,000.

TEBRAU RUBBER ESTATES.—The net profit for year ended June 30, 1925, amounted to £20,251, against £13,294. The ordinary dividend has been raised from 10 per cent. to 17½ per cent. The sum of £3,000 has been transferred to Imperial taxes reserve, and £2,153 carried forward. The crop of dry rubber harvested during the year 1924-25, as restricted, was 650,059 lbs, as against 754,329 lbs harvested in the previous year. The average gross price realised was 19.47d per lb, compared with 12.84d per lb in the previous year. The f.o.b. cost (Singapore) works out at 9.08d per lb, against 8.21d per lb. The "all in" cost, including directors' fees, staff bonus and capital expenditure, amounts to 11.18d per lb, against 9.39d per lb. Balance-sheet shows total assets £221,031. Cash is at £19,415. Investments in Government stocks, &c., at cost, stand at £46,630 in the balance-sheet.

MISCELLANEOUS.

BROOMHILL COLLIERIES.—The report for year ended June 30, 1925, shows a net profit, after payment of debenture interest, of £29,655, against £53,919 in preceding year. The ordinary dividend is maintained at 7½ per cent. The sum of £20,000 is put to forward, against £46,405 brought in. The report adds that the state of the coal export trade during the year was unsatisfactory.

CARRONGROVE PAPER COMPANY.—This company has just issued its balance-sheet dated October 31, 1925. It has total assets £804,501. Cash is at £51,287. Stocks are at £57,744. Debtors amount to £69,132. The net profit, after providing for depreciation, debenture interest and directors' fees, is £42,342, against £48,793. The dividend on the ordinary shares has been raised from 5 per cent. to 6 per cent. The reserve fund has been increased to £60,000. The sum of £43,600 is carried forward, subject to income-tax. A further £15,000 of the debentures have been redeemed and cancelled, and the amount redeemed to date is now more than sufficient to meet the sinking fund requirement for the next five years.

GEO. H. HIRST AND CO.—The works and machinery have been maintained in an efficient condition, and after providing amply for depreciation there remains a net loss for the year ended August 31, 1925, of £20,510. The balance brought forward from last year was £16,607, from which must be deducted:—The fixed dividend on the preference shares for the 12 months to August 31, 1925, £7,586; the fixed dividend on the preferred ordinary shares for the six months to February 28, 1925, £6,400, £13,986, £2,621, leaving to be carried forward an adverse balance of £17,880. The report points out that the disappointing results of the year's trading are due to increased depression in the wool textile trade, to more acute foreign competition, to the further fall in values, and to the loss entailed by the recent textile strike.

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280 lbs ex-store. Maize firm to dealer. Plate ex-ship to arrive quoted 38s 3d, landed ditto 39s 3d, white flat African ex-ship 35s, landed 37s 6d per 480 lbs. Yellow African maize meal ex-ship to arrive £9, white ditto £8 6s per ton. Barley maintained. Californian ex-store 36s-50s, Chilean Chevalier ex-ship 57s-66s, brewing 50s-53s, according to quality. Australian Chevalier 59s-61s ex-store, Polish and Danish ex-ship 45s-55s per 448 lbs. American malting ex-ship 28s 6d, landed 30s, No. 3 Canadian Western ex-ship November 31s 3d, No. 4 ditto 29s 3d, Russian ex-ship 27s 3d, landed 28s 6d per 400 lbs. English quoted 9s-21s 3d, the latter for finest malting quality per 112 lbs. Oats firm for spot and near parcels. Plate ex-ship near quoted 25s 6d, further distant 24s 9d, No. 2 Canadian Western ex-ship to arrive 29s 6d, landed 31s, No. 2 Canadian feed ex-ship 24s 6d, landed 26s 9d, No. 2 white clipped American, 38 lbs ex-ship to arrive 24s 6d, landed 26s 3d, all per 320 lbs. Danzig ex-ship 28s 9d per 336 lbs. English quoted 8s 10d-9s 10d per 112 lbs, free on rail. Millers' offals steady. Broad bran quoted 8s 3d-8s 6d, middlings 8s 3d-8s 6d, fine ditto 10s 3d, bags included ex-mill, powdered oat husks 6s 3d, feed oatmeal 8s 9d, ground oats 1s 9d per cwt, free on rail. Oatmeal in better demand. London-made flaked 7s 6d, rolled oats 6s 6d, medium also fine cut 16s 6d, coarse also medium pinhead 16s 6d ex-mill, ordinary Scottish oatmeal 17s 6d-18s, American ditto 16s-16s 6d per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest years 1925-26, 1924-25, 1923-24, 1922-23.

	1925-1926.	1924-1925.	1923-1924.	1922-1923.
Estimated sales of home-grown wheat—	Cwts.	Cwts.	Cwts.	Cwts.
1 week to Nov. 14	410,959	231,285	392,377	461,658
11 weeks to Nov. 14	3,978,425	2,672,734	4,469,166	4,812,158
Average price of English wheat per cwt.	s d	s d	s d	s d
	11 1	12 6	9 3	9 11

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1921 to 1924:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1925.	Cwts.	Cwts.	Cwts.	s d	s d	s d
Nov. 7	350,299	653,438	61,353	10 11	11 8	9 0
Nov. 14	410,959	554,810	58,837	11 1	11 9	9 1
1921	301,136	544,632	50,277	10 7	13 7	9 6
1922	461,657	471,893	80,379	9 11	11 2	9 8
1923	332,577	646,419	72,487	9 3	10 7	9 8
1924	231,285	499,156	83,125	12 6	15 11	10 2

ILFORD, LIMITED.—After making allowance for depreciation and provision for doubtful debts, &c., the net profit for the year ended October 31, 1925, is £57,219, against £56,746. This amount, with £8,148 brought forward from last year, gives £65,368 for appropriation. The dividend on the 6 per cent. preference shares, amounting to £11,400, has been paid, and the directors have written £5,000 off goodwill and transferred £10,000 to reserve fund. A dividend of 10 per cent., amounting to £31,000, is being paid on the ordinary share capital as before, leaving £7,968 to go forward.

INVERESK PAPER COMPANY.—The net profit for the year ended October 31, 1925, amounted to £47,992 against £41,318 for the 13 months to October 31, 1924. Dividend on the ordinary shares is 15 per cent. for the year (against 12½ per cent.), and, deducting the preference dividend to June 30th last also, there remains £55,672 to be carried forward, subject to income-tax, 1925-26. During the year the claims for recovery of overpaid taxation have been settled, and the net sum received, less bad debt allowances and sundry adjustments, has been placed to reserve, increasing that fund from £10,000 to £37,137. A further addition of £12,863 is to be made from the profit and loss balance, thereby bringing the reserve fund up to £50,000. Total assets are £757,015. Cash is at £72,927. Investments at cost stand in balance-sheet at £214,969.

LILLEY AND SKINNER.—The balance-sheet dated July 25, 1925, just issued shows total assets £882,509. Cash is at £83,634. Investments stand at £4,202. Stocks are at £310,950. The net profit amounted to £43,852, against £34,646. The ordinary dividend is again 10 per cent. Goodwill amounting to £30,000 has been entirely written off. The carry forward is £19,461.

PERUVIAN CORPORATION, LIMITED.—After payment of debenture interest and making special provision of £36,000 for loss on the Chira Canal by flood damage, and charging against the working expenses of the railways the actual expenditure to June 30th and the estimated further expenditure for flood reparations, the net revenue account shows a balance at June 30th last, subject to audit, of £154,757. To this there has to be added the "additional" 2 per cent. debenture interest which, having been set aside out of the previous year's revenue, has not under the new debenture arrangement to be provided this year, less difference in accrued interest to June 30th, £81,000—£235,757; out of which the directors propose to declare a dividend of £1 10s per cent. on the preference stock, amounting to £111,895; leaving a balance of £123,862 to be carried forward to the next financial year, against £116,701 brought into account from the preceding year.

SANTA CATALINA NITRATE.—The net profit for year ended June 30, 1925, is £16,169, against £21,099 in preceding year. The ordinary dividend is 20 per cent., against 22½ per cent. The carry forward is £2,121, against £1,752 brought in. Profit has been taken on 97,259 metric quintals, as compared with 93,136.20 metric quintals dealt with in the previous year. With the accumulation of stocks of nitrate, production at a reduced rate has been in operation since August, 1924, but manufacture has proceeded steadily throughout the year. Total assets are £143,948. Cash is at £15,801. The only investment is 3½ per cent. Conversion Loan at market price, £29,543.

WESTERN TELEGRAPH COMPANY.—The revenue for year ended June 30, 1925, amounted to £1,472,373, and the working expenses to £804,780. After providing £32,747 for debenture stock interest, and £99,834 for income-tax, there remains a balance of £535,012; to this is added the sum of £327,323, brought forward from June 30, 1924, making a total of £862,335. The directors have transferred £250,000 to the general reserve fund. Four dividends of 2½ per cent. each have been paid, amounting to £311,895, making a dividend of 10 per cent., free of income-tax, for the year ended June 30, 1925, thus leaving a balance of £300,440 to go forward.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

Winter sown cereals have made good progress, and a fairly large area is under cultivation. Threshings of native wheat were somewhat restricted, and moderate quantities offered at the principal markets realised full rates. A fairly good movement occurred in floating and forward wheat cargoes, North American grades in particular being in request and rates moved in sellers' favour, while stimulated by higher cables from North America and the Argentine. Steamers of No. 1 Northern Manitoba November sold 55s, December 54s 9d, No. 2 and No. 3 ditto November 54s 3d 55s, December 54s 9d, No. 2 and No. 3 ditto November 54s 3d 55s, West Australian mid-December 56s, and ditto to India and 53s 3d, West Australian with fair inquiries, adverse weather con-54s. Maize also firmer with fair inquiries, adverse weather conditions in the Danube delaying arrivals of grain at the loading ports. Steamers of No. 6 yellow African afloat sold 35s 4½d, No. 2 white flat ditto December-January 10th 43s, La Plata afloat 36s, white flat 36s 4½d net, December 20th-January 36s 3d, Dan-Gal-loading 36s 3d to 34s 6d per 480 lbs. Black Sea Foxanian December 34s 3d to 34s 6d per 400 lbs, all c.i.f. terms. Barley on passage sold at 26s 3d per 400 lbs, all c.i.f. terms. Wheat afloat firmer. No. 1 Northern Manitoba ex-ship to arrive quoted 60s, No. 2 ditto 59s, No. 3 57s 6d, No. 2 mixed Durum 55s 6d per 496 lbs. English 11s 4d-11s 8d per 112 lbs. free on rail. London standard grade quoted 47s, patents 49s-Flour dearer. 50s, town writes 47s per sack delivered in the Home Counties, with 6d to 1s per sack less for deliveries in the London districts. Imported in small supply on spot. Manitoba patents range from 44s-47s, Minneapolis 45s-46s 6d, Australian nominally 45s-46s per

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

Zealand and High Point fair, November-January, £39 ros; fair ditto, £35 ros; sisal, No. 1 Tanganyika, November-January, £45 10; No. 1, Kenya ditto, £45 per ton.

TALLOW.—Messrs Colchesters and Woolner write on November 18th as follows:—The tallow market was steady during the week, and prices were fully maintained to-day for inferior kinds. For the better sorts there was not a corresponding demand at the auctions, but a fair business has taken place privately. Shipments of tallow from Australasia during October amounted to 3,400 tons, against 4,400 tons during the corresponding month of last year. At auction to-day 1,960 casks tallow were offered, and 945 were sold. Quotations are:—Australian mutton: Fine, 48s 6d; good to fair, 47s 6d to 44s; dull to fair, 41s to 39s 3d; hard, 48s. Australian beef: Fine, 44s 6d; good to fair, 43s 6d to 41s 6d; dull to dark, 40s to 39s 3d; sweet, 46s 6d. Present shipment from Australasia: Good mixed, 45s 3d, nominally. Present shipment from South America, 44s 3d. The market letter is unchanged. Town tallow, 39s 6d per cwt. Rough fat, per 8 lbs, 3d; melted stuff, 30s per cwt. Quotations are:—Town, 39s 6d, net cash, naked, ex works. Country: Frail casks, 39s 6d; home melted, shipping casks, net, f.o.b., good coloured, 43s; fair to dull, 40s to 39s. Bone fat: white, none; pale, none; benzene, 36s; melted stuff, 35s 6d, f.o.b.

SHELLAC steady, quiet. Fair, T.N. spot, 250s; December, 225s; March, 210s per cwt.

COPRA quiet, and rather featureless. F.M.S. Straits, to Rotterdam, October-November, sellers, £30; October-December, £29 17s 6d; Dutch East Indies, October-December, £29 12s 6d. Ceylon, October-November, sellers, £30 17s 6d. Palm kernels, to Liverpool, January-March, sellers, £21 7s 6d per ton.

MISCELLANEOUS.—Cocoanuts quoted 25s per roo. Coir yarn, Ceylon, £25 to £40; Cochiti, £31 to £55. Ceylon bristle, £15 to £22; cinnamon leaf oil, 44d; citronella, Ceylon, 1s 10d; Java, 3s 6d.

METROPOLITAN CATTLE.—Nov. 19.

British Beasts, per stone of 8 lbs to sink the offal. Sheep, per stone.			
Beasts—Devons.....	s	d	q
Shorthorns.....	7	4	7 6
Herefords.....	7	2	7 6
Scottish.....	6	2	6 8
Irish.....	6	2	6 8
Fat Cows.....	5	6	6 6
Beasts—Heavy Bulls.....			
Canadian.....	10	0	10 8
Sheep—Downs (clipped).....	5	8	6 4
Ewes.....	5	8	6 4
Crossbred.....	5	8	6 4
Scotti h.....	10	4	11 4
Lamb—Downs.....	10	4	11 4

LONDON POTATO MARKETS.—Nov. 19.

Per Cwt.			
Lincoln—King Edwards.....	s	d	q
British Queens.....	7	0	8 0
Red Kings.....	5	6	6 6
Per Cwt.			
Majestic.....	s	d	q
Blackland—King Edwards.....	5	6	6 6
ditto Whites.....	4	6	6 0

COMMERCIAL TIMES—WEEKLY PRICE CURRENT.

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

LONDON, FRIDAY.			
COCOA—Duty, British grown.			
Se 4d, foreign, 14s cwt	s	d	
Trinidad.....	74	0	78 0
Grenada.....	58	0	68 0
Ceylon, plantation.....	90	0	110 0
Guayaquil.....	70	0	80 0
Bahia, finest.....	53	0	55 0
COFFEE—British grown.			
Se 4d, foreign, 14s cwt	s	d	
India, fine ord. gd. mid 15	150	0	140 0
Do good to fine.....	150	0	150 0
Costa Rica, ord. to mid.....	120	0	145 0
Good to fine.....	165	0	199 0
Central American, gd. ord.			
Mid to fine.....	115	0	138 0
Mid to fine.....	140	0	145 0
Colombian, ordinary.....	115	0	117 0
Do gd. ord. to low mid.....	120	0	130 0
Do mid to fine.....	135	0	168 0
CHEMICALS—			
Acid, citric.....	per lb	1 42	0 0
Nitric.....	0 24	0	0 0
Oxalic, net.....	0 6	0	6 3
Tartaric, English.....	1 04	0	0 0
Foreign.....	0 11	0	1 0
Cream of Tartar.....			
99%-100%.....	per cwt.	82	0 0
Alum lump.....	per ton	£10/10/0	11/0/0
Do ground.....	£11/10/0	12/0/0	
Ammonia, carb.....	ton 37	0	39 0
Muriate, White.....	ton 25	15	31 15
Sulphate.....	£14	0	15 0
Arsenic, lump.....	per ton 75	0	80 0
Powder.....	per cwt 17	0	18 0
Ashes, pot.....	per cwt 55	0	70 0
Pearl de.....	per cwt	nom	
Bleaching powder, per ton			
Borax, gran.....	cwt 24	10	0 0
Do crystals.....	25	0	0 0
Do powder.....	26	0	0 0
Calomel.....	per lb 4	2	4 4
Iodine, dry.....	per oz 1	0	1 1
Nitrate of Soda, per ton	12/15/0	13/0/0	
Potash—Chlorate, net.....	0 42	0	48 0
Prussiate.....	0 8	0	9 9
Do Foreign.....	0 74	0	8 8
Sulphate.....	per ton 11	0	12 0
Sal-Acetone.....	per lb 1	10	2 0
Sal-Ammoniac.....	per cwt 47	52	6 6
Soda Bicarb.....	per ton £10/10/0	10/10/0	
Crystals.....	per ton 5/0/0	5/5/0	
Alkali.....	5/17/6	6/15/0	
Caustic.....	14/2/6	16/10/0	
Sugar of lead, white.....	ton 0/0/0	0/0/0	
Foreign white.....	£49	0	50 0
Sulphate Quinine—			
English Brands.....	2	3	0 0
Foreign do.....	2	3	0 0
Sulphate Copper.....	per ton £4/10/0	25/10/0	
Zinc, cut.....	9/0/0	9/10/0	
Sulphur Flour.....	8/0/0	8/10/0	
Do Roll.....	8/0/0	8/10/0	
Vermillion, Chinese, per lb	4	6	4 9
English.....	4	6	5 0
Oil Peppermint, H.G.H.....	100	0	105 0
COPRA—per ton, c.i.f.			
Malabar, Oct-Dec.....	nom		
Ceylon.....	30	17	6
F.M.S. Singapore.....	29	17	6
F.M. Straits.....	29	2	6
COCHINEAL—per lb			
DRUGS.....	2/8	3/8	
Alone, fine E.L.....	per cwt 30	0	150 0
Caps, food to fine.....	41	0	42 6
Balsam Peru.....	per lb 7	0	0 0
Opivi.....	2	0	2 3
Camphor.....	2	84	2 9
Japan, refined.....	6	0	8 3
Cardamoms, Ceylon.....	6	0	8 3
Cantharides, China, per lb	4	0	0 0
Castor oil.....	cwt 85	0	95 0
Gum Benjamin Sum.....	5/0/0	10/0/0	
Olibanum, drops, fair to	good	60	0 105 0
Ipecacuanha.....	2	0	0 0
Jalap.....	2	0	0 0
Musk pod, China.....	os 75	0	77 6
Oil, Cassia.....	per lb 10	3	10 6
Aniseed.....	3	5	3 6
Peppermint, Wayne	County	70	0 75 0
Shanghai, China, fr to in	3	0	3 3
DYE STUFFS, &c.			
Galls, China.....	per cwt 60	0	62 6
Turmeric, Bengal.....	nom		
Madras, finger.....	35	0	0 0
Gambier, block.....	52	6	55 0
Cutch, ord. to fair.....	55	0	0 0
DYEWOODS—			
Brazil.....	per ton	18	0
Fustic, Jamaica.....	8	10	0
Cuba.....	15	0	0
Lima Wood.....	20	0	0
Logwood, Campeachy.....	9	0	0
Honduras.....	10	10	0
Jamaica.....	7	15	0
Red Sanders.....	12	0	0
Sapang Ceylon.....	15	0	0
FLAX—spot—c.i.f.			
Riga ZK.....	73	0	72 0
Pernau HD.....	72	0	0 0
Slanets U/A Medium.....	92	0	nom
FRUIT—			
Oranges, Murcia & Val 300	0	0	0 0
Do.....	350	0	0 0
Do Cape.....	18	0	25 0
Lemons, Naples.....	cases	0	0 0
Do.....	boxes	0	0 0
Do Sicilian.....	boxes	7	0 22 0
Do.....	cases	10	51 0
Do Malaga.....	cases	11	0 15 0
Grapes, Lisbon.....	boxes	0	0 0
Almeria.....	barrels	8	0 25 0
Val. Ona.....	6	6	8 6
Egyptian Ona.....	bags	0	0 0
Apples: American.....	boxes	9	0 12 6
Jonathan.....	boxes	9	0 12 6
HIDES—Wet salted—			
Australian.....	per lb	0 54	0 68
West Indian.....	0 4	0	73
Cape.....	0 6	0	8
Lisbon.....	0 54	0	74
Oporto.....	0 4	0	8
Dry & Drysalted Cape.....	0 8	0	124
Madagascar.....	0 62	0	74
Central American.....	0 72	0	124
Buffaloes, Singapore.....	0 4	0	12
Penang.....	0 5	0	146
E. I.....	0 5	0	144
Market Hides, London—			
Best hyr. ox & heifer.....	0 68	0	94
Do light do.....	0 64	0	74
2nd ox, heavy.....	0 74	0	88
Do light.....	0 54	0	68
Best cow.....	0 64	0	68
2nd do.....	0 54	0	68
Best calf.....	0 94	0	14
2nd do.....	0 84	0	12
INDIA RUBBER—lb—			
Para, fine hard spot.....	4	0	0 0
Plantation sheet.....	4	6	0 0
INDIGO—per lb—			
Bengal, good red violet to	fine.....	6	6 7 0
Mid. ord. vio. to good.....	6	0	6 6 6
Low to good ord.....	5	0	6 0
Madras, dry leaf, good.....	3	0	4 0
Do low to ord.....	1	0	3 0
Kurpah, gd. mid. to gd.....	4	0	5 0
Low to mid.....	3	0	4 0
HEMP—per ton—			
Italian P.C.....	75	0	
Manila, Jan. Mar. "J".....	Grade	42	10
N.Z., high point, fair, Oct-Nov.....	39	10	
JUTE—			
Native first marks, Nov. Dec.	61/0/0		
LEATHER—per lb—			
Sole Benda 8/9 lb.....	1	4	2 0
Do do 10/12.....	1	3	2 0
Do do 12/14.....	1	44	2 6
Do do 14/16.....	1	5	2 8
Do do 17 lb and up.....	1	6	2 6
Bark Tanned Sole.....	2	3	0 0
Shoulders fm DS Hides.....	0 10	0	11
Do Eng. or WS do.....	1	0	8
Bellies from DS do.....	0 74	0	84
Do Eng. or WS do.....	0 84	0	14
Dressing Hides.....	1	8	3 2
Ro. Eng. Calf, 20/30 lb.....	4	0	6 0
Ant. Sides.....	1	0	1 3
METALS—B. Copper			
Best selected.....	84	5	65 10
Sheets (strong).....	92	0	0 0
Standard.....	60/15/0	60/17/6	
Lead Eng. Pig per ton.....	38/0/0	0/0/0	
Soft Foreign.....	36/15/9	36/13	
Spelter G.O.B.....	39/15/0	38/0/0	
Tin—English ingots.....	286/10/0	286/15/0	
Do do bars.....	287/10/0	287/15/0	
Standard cash.....	286/2/6	286/5/0	
OILS Fish, per ton—			
Seal, pale.....	38	0	0 0
Linseed, p. ton net, naked.....	37	10	0 0
Rape, refined.....	50	10	0 0
Crude.....	47	10	0 0
Cotton-seed, crude.....	37	0	39 0
Edible, refined.....	45	0	0 0
Coconut, crude.....	47	6	0 0
Refined.....	50	0	52 0
Palm.....	39	10	40 5
Lard, American.....	70	0	78 0
Petroleum—Oil, per 8 lbs.....	1/0	0/0	
Water White.....	1/1	0/0	
Oil Cakes, Linseed, Eng.....	212/5/0	212/10/0	
per ton.....	212/5/0	212/10/0	
Oil Seeds—Linseed.....	18	5	0
La Plata, p. ton Nov-Dec.....	21	0	0
Bombay, p. ton Nov-Dec.....	21	0	0
Calcutta, p. ton Nov-Dec.....	20	5	0
PORTLAND CEMENT—Best English			
per ton delivered, London 58/0	63/6		
Rapid hardening "Ferrocrete," 10/	per ton extra.....		
PROVISIONS—			
Butter per cwt.....	s	d	q
Irish creamery.....	nom.		
Do factory.....	nom.		
Australian.....	160	3	200 0
Argentine.....	160	0	172 0
Dutch.....	210	0	212 0
New Zealand.....	196	0	210 0
Danish.....	218	0	0 0
Beacon, sgnd.—Irish.....	130	2	140 0
Danish.....	125	0	130 0
Canadian.....	120	0	124 0
American.....	110	0	116 0
Hams—Irish.....	nom		
Canadian.....	124	0	134 0
American.....	122	0	147 0
Lard—Irish bladders.....	84	0	100 0
American boxes.....	56	8	87 9
Pork—per 8 lbs.....	7	0	9 0
Beef—Frozen.....	per 8 lbs	3	6 5 0
Scottish.....	6	10	8 0
Cheese—cwt—Canadian.....	114	0	118 0
New Zealand.....	112	0	114 0
Eng. Cheddars.....	125	0	145 0
Cheshire.....	125	0	145 0
Dutch.....	74	0	118 0
Eggs, per 120—English.....	32	0	35 0
Irish.....	30	0	33 0
FLOUR—280 lbs—			
London standard ex mil 45	0	0	0 0
RICE—per cwt, c.i.f.—			
New Zealand.....	0	0	0 0
Rangoon, No. 2.....	15	6	0 0
Broken la.....	13	9	0 0
ROBIN—per ton—			
American.....	32/0/0	24/10/0	
French.....	31/0/0	0/0/0	
SAGO—Pearl, per cwt.....	25	0	27 0
SHELLAC—per cwt—			
Orange, first marks.....	300	0	325 0
Second, fair to fine.....	270	0	290 0
TM Orange.....	250	0	255 0
Garnet, Laco. AC.....	215	0	220 0
Button—Pure.....	250	0	0 0
Blocky (TN).....	210	0	0 0
SILK—per lb			
China—Bine Elephant.....	18	0	0 0
Canton.....	26	0	28 0
Tussah.....	10	0	12 0
Re-reeled.....	215	0	220 0
Japan.....	29	0	0 0
Italian—Raw, fr. Milan.....	30	0	33 6
SHELLS—M.-o.-P., per cwt—			
Manila, bold.....	£5/0/0	9/5/0	
Macassar.....	8/10/0	11/5/0	
Sydney.....	6/0/0	13/5/0	
N.W. Australian.....	7/0/0	13/5/0	
Bombay.....	7/0/0	13/5/0	
SUGAR—per cwt, duty, 11s 8d, per cent. polarisation			
B.W.I., muscovado.....	s	d	q
Crystallised.....	22	6	26 3
Java, white.....	spot	26	3 0 0
REFINED—London—			
Yellow Crystals.....	25	44	0 0
Cubes.....	31	9	32 9
Crystals, No. 3.....	28	44	28 10 0
Granulated.....	29	9	0 0
Castor.....	28	3	0 0
Pieces.....	30	6	32 7 4
SPICES—Pepper, lb—			
Muntok, fair White.....	1	32	0 0
Black Singapore.....	0	11	0 0
White Siam.....	1	34	0 0
Pimento.....	0	52	0 0
Cinnamon—lat sort.....	2	0	0 0
Do 2nd.....	1	11	0 0
Do 3rd.....	1	9	0 0
Cassia Lignea.....	55	0	0 0
Cloves—Zanzibar.....	0	11	0 11 4
Peang.....	2	2	2 4
Madagascar.....	1	3	1 5
Ginger, small rough.....	105	0	0 0
Cochin, small rough.....	80	0	0 0
Do wormy.....	80	0	0 0
Japan.....	80	0	120 0
Jamaica, ord. to good.....	80	0	120 0
Mace.....	per lb	4	3 8
Nutmegs, 65's.....	2	8	0 0
110's and 80's.....	2	4	2 7
Chillies—per cwt.....	45	0	97 6
TALLOW—per cwt.			
Good mutton.....	47	6	0 0
Beef.....	43	6	0 0
TAPIOCA—per lb—			
E. I. Flake, fair, spot.....	0	2	0 0
Medium Pearl.....	cwt 22	6	26 0
Seed.....	15	6	27 0
TEA—duty 3d, British, foreign, 4s per lb—			
Indian and Ceylon.....	s	d	q
Pekoe.....	1	3	2 3
Broken Pekoe.....	1	3	2 31
Orange Pekoe.....	1	5	2 6
Broken Orange.....	1	5	3 7
Pekoe Souchong.....	1	3	1 44
TIMBER—ex. yd—			
Swedish u/s 3 x 8, Pt. Std.....	19	0	0 0
Do 2 x 4.....	19	0	0 0
Do 2 x 4.....	19	0	0 0
Can'tin Spruce, Dia.....	17	10	0 0
Pitchpine.....	per load	9	0 0
Rio Deals.....	per std.	32	0 0
Teak.....	per load	20	0 0
Honduras Mahg. logs, c.i.f.....	0	11	8
African.....	0	6	6
American Oak Boards.....	0	6	0
Do Ash.....	0	6	0
English Oak Planks.....	0	6	0
Do Ash.....	0	6	0
TOBACCO—			
Duty 8/2-10/4d per lb. Empty			
growth, 8/1d per lb.....	s	d	q
Virginia leaf.....	1	3	2 3
Common to fine.....	2	0	2 6
Kentucky leaf—			
Common to fine.....	1	0	1 6
Strips.....	1	3	1 9
China.....	0	9	2 6
Borneo and Sumatra.....	1	0	7 0
Nyasaland.....	0	6	2 6
Seedling.....	1	6	4 6
Grass.....	1	6	6 0
Havana.....	0	10	1 6
English.....	0	6	1 0
Cigars, duty 15/7 per lb.....	2	0	0 0
Cigarettes, duty 12s 7d per lb.....			
TURPENTINE, p. cwt. 15 0 0			
WOOL—per lb—			
English, Southdown, washed.....	25		
Lincoln hgs.....	17		
Queensland, red. super embg.....	20		
N.S.W. greasy, super.....	20		
N.Z., grey, half-bred, 66 lbs.....	20		

as indicated by the Bank return and the prospect of a large creation of credit for the War Loan interest payment, and of heavy cash demands for Christmas and the turn of the year, combine to produce a situation which demands caution in the purchase of bills. Fine three months' paper was taken at $3\frac{1}{8}$.

	Nov. 27 1925.	Nov. 21 1925.	Nov. 13 1925.	Nov. 6, 1925.	Previous Rate and Date Changed.
Bank Rate	4%	4%	4%	4%	$4\frac{1}{2}$ (Oct. 1, '25)
Banks' Deposit Rate	2	2	2	2	$2\frac{1}{2}$ (Oct. 1, '25)
Discount (Call)	2	2	2	2	$2\frac{1}{2}$ (Oct. 1, '25)
Houses' Notice	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$ (Oct. 1, '25)
Market rate (3 months' bills) ..	$3\frac{1}{8}$	$3\frac{1}{8}$	$3\frac{1}{8}$	$3\frac{1}{8}$	..

The Bank return showed a decline of £946,000 in the stock of gold, £957,000 having been announced as withdrawn for export; the note circulation expanded, owing to end of the month demands, by £751,000, and so the Reserve was £1,697,000 lower, with its proportion to liabilities 2 per cent. lower at 19.5 per cent. Government and other securities rose by £1,350,000 and £4,286,000, and public deposits declined by £874,000. Other deposits were thus £4,809,000 higher on balance. Currency notes outstanding were reduced by £1,612,300 to £290,051,600, which includes £1,320,700 for notes called in but not yet cancelled. The Fiduciary issue is £232,480,900, or £15,664,500 below the maximum for the year.

NEW YORK MARKETS.

Our New York correspondent cables:—The markets have been severely shaken out since the raising of Federal Reserve Rates started. Leading motor shares have lost 30 to 70 points, and the average decline in industrials is 10 to 15 points. Speculative activity has developed on the short side, but the market at the moment has a steadier tone, and the force of the reaction seems to be diminishing. Pending an increase in discounts by member banks, the New York Federal Reserve discount rate may remain stationary, particularly as bullish enthusiasm has been pretty well killed. Reports of a Belgian loan here are proving premature, and considerable delay is now expected.

THE STOCK MARKETS.

Rubber shares continue to be the main centre of activity in the stock markets, but the boom has waned a little, and profits are being taken. The gilt-edged market keeps fairly steady, but in the foreign section French bonds have been at on the slump in the franc, which has also had a slightly depressing influence upon some of the European Reconstruction Loans. Home Rails remain neglected, and foreign rails have provided no movements of interest. Oil shares have been fairly steady, but industrials generally have been mostly irregular, though gas stocks are better, and the insurance market has strengthened. In the mining market Consolidated Gold Mines improved on the meeting, but Kaffirs, as a whole, and tin shares are dull.

New issue results of the week show that the investor is not attracted by offers yielding less than 5 per cent. The Union of South Africa issue of £4 millions in 5 per cents. at 99½ was fully subscribed, but of the Newfoundland issue of £513,800 in 5 per cents at 100, only 27 per cent. was publicly subscribed. Underwriting was arranged on Thursday of a new German Potash Syndicate loan, the British portion being, it is understood, £2 millions in 7 per cents at a price of 95; \$26 millions are to be offered in New York.

THE COMMODITY MARKETS.

The improvement in trade generally is maintained. Coal exports continue in greater volume, and colliery working is less irregular. Pig-iron remains firm, more especially in view of rising coke prices, but buying of semi-finished material is restricted. Cotton has advanced on a reduction in the American crop estimates, but trading conditions at Manchester have been quiet. Buyers in the wool textile trades maintain a cautious attitude, in view of uncertainty as to future wool prices. The wheat markets have again had a stronger tone. Demand for sugar remains strong, coffee is steadier, but cocoa the subject of limited enquiry.

Competition for tea offerings is brisk. Rubber has fallen back slightly, but remains in moderate demand. In the metal markets tin has been irregular from time to time, copper firm on the whole, and lead easier.

FOREIGN EXCHANGES.

The foreign exchange market has been comparatively active during the week, with interest concentrated mainly on Paris. The resignation of the Painlevé Government on Sunday accentuated the upward movement of the rate, which rose from 122.20 on the 20th to 124.80 on Monday. The failure of the President's negotiations with various leaders of the Left Centre and Left led to a further rise to 126.55 on Tuesday, and 130 at one time on Wednesday. On Thursday the rate opened at 129½, but in spite of an increase in the note issue of 142 millions and in the advances to the State of 350 millions, as shown by the Bank of France return, the news that M. Briand was once more attempting to form a Cabinet resulted in a closing rate of 127.20. Yesterday morning the rate opened at 124 on the report that M. Briand's efforts were likely to be successful on the basis of a Centre Government, which would look more to the moderate Right than to the extreme Left for its support. No details of his financial intentions are yet known, but the policy of the Right is likely to incline to inflation rather than to a moratorium or default. If this is so, its effects must ultimately be apparent on the rate. Moreover, the official assertion that the Morgan credits are still intact is sceptically received by the market. Brussels rose in sympathy over the week-end from 106.90 to 107.35, but had recovered again to 106.95 by yesterday morning. Forward rates on Paris at 40 centimes per month above spot show little change, but on Brussels have widened from 30 to 60 centimes per month above spot. The Italian rate is now reacting to the news of the debt agreement with America and of the voluntary subscriptions now being raised in Italy towards the first instalment, and has fallen during the week from 120½ to 119½. New York fell on Saturday from 4.84½ to 4.84½, and on further rumours of a projected rise in the Bank rate in New York fell further to 4.84½ on Monday. It was steady at this level until Thursday, when, no change having been made in either discount rate, it rose again to 4.84½. Yesterday it opened at 4.84½. Forward rates are steady at ½ cent. per month above spot. Amsterdam has moved in our favour from 12.04½ to 12.05½, Switzerland from 25.13½ to 25.15½, and Stockholm from 18.10½ to 18.11. Berlin has fallen from 20.35 to 20.34½, but Vienna, Prague, and Budapest are unchanged. Copenhagen has risen from 19.44½ to 19.46½ and Oslo from 23.72½ to 23.79½. Helsingfors is unchanged at 192½. Madrid, on the other hand, has risen from 34.00 to 34.17. Warsaw rose slightly from 31½ to 32 owing to the political crisis, but fell again to 31½ on the formation of Count Skrzynski's Coalition Cabinet. In the other Baltic States there is no change. In the Near East, Athens is slightly better at 362½ and Belgrade at 273, while Bucarest, after rising to 10.85, is once more quoted at 10.60. In the East the rupee is steady at 1s 6½d, but the yen has appreciated from 1s 9½d to 1s 9½d. The silver market has been quiet, though there has been a small demand from India which resulted in a slight rise in prices. Hong Kong, after being steady at 2s 4½d during the week, fell yesterday morning to 2s 4½d, while Shanghai, after rising from 3s 1½d to 3s 1½d, is once more quoted at the former figure. In South America, Rio has continued to depreciate from 7½d to 7d, but Buenos Aires is steady at 46½, and Monte Video at 50½. Valparaiso, after rising from 39.10 to 39.30, has fallen again to 39.00 pesos.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended November 21st:—

(000's omitted.)			
EXPENDITURE.	£	REVENUE.	£
Supply Services	10,710	From Revenue	15,208
Interest, &c. on Debt	4,114	Increase in Debt	1,862
Min. Exp. Fund	760		
Sundries	1,368		
Increase in Exchequer Balances ..	118		
	17,070		17,070

Revenue amounted to £15,207,500, against £15,901,000. Customs yielded £1,704,000, against £1,795,000. Excise produced £7,839,000, as compared with £7,637,000. Property and Income-tax yielded £1,296,000, against £1,182,000. Nothing came in from Special receipts, against £1,059,500 a year ago. The week's operations increased the National Debt by £1,862,000, and caused the following changes:—

(000's omitted.)		
	£	100
National Savings Certificates ..	+	4,311
Treasury Bills	+	2,200
3½ % Conversion Loan	+	100
Sundries	+	6,711
	+	6,711
Public Department Advances ..	—	4,849
		— 4,849

The floating debt was reduced by £544,000 to £769,466,000.

FINANCIAL YEAR, 1925-1926 (April 1st to Nov. 21st).

	£		£
Total Expenditure..	496,982,351	Raised by Revenue..	437,383,722
		Decrease in Balances ..	3,244,398
		Amount borrowed ..	56,354,231
Total	496,982,351	Total	496,982,351

ESTIMATES FOR FINANCIAL YEAR 1925-1926.

	£		£
Expenditure	799,400,000	Revenue.....	801,060,000
Surplus	£1,660,000.		

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—Royal Bank of Scotland, British Dyestuffs Corporation, Johannesburg Consolidated Investment, Western Telegraph Company, Cargo Fleet Iron, South Durham Iron and Steel, Consolidated Gold Fields of South Africa, Nigerian Base Metals Corporation, Piccadilly Hotel, Wall Paper Manufacturers, Ansell's Brewery. Various aspects of the trade outlook were dealt with at the meetings of the Royal Bank of Scotland, Cargo Fleet Iron, South Durham Iron and Steel, and Wall Paper Manufacturers. We refer to Lord Ashfield's remarks at the British Dyestuffs meeting in a later column.

ECONOMIST INTELLIGENCE BRANCH.

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

MONTHLY TRADE SUPPLEMENT.

We publish this week our Monthly Supplement, in which will be found an appreciation of the trade situation at home and abroad, together with statistical information on the foreign trade, price movements, currency, and production of the leading commercial countries of the world. Its contents include a review of the brown coal and electrical industries of Germany.

THE FRENCH FRANC AND THE POLITICAL CRISIS.

It is not surprising that the French franc has reached new low records this week. The wonder is rather that it has held up so well against the depressing influence of what appears to be a complete political deadlock. M. Painlevé, M. Briand, M. Doumer, and M. Herriot have all tried their hand and failed, and at the moment of writing M. Briand is trying his hand once again. The Socialists are not willing to enter any Government which will not accept their plan of a capital levy; but they are, of course, too weak to govern by themselves. The Radicals realise that the Socialist plan will not pass the Senate, and though a national effort is needed to meet the crisis, will not accept the Socialist terms. In their turn, however, their party definitely refuses to form a Government by combination with the Right. With no section strong enough to govern by itself, and all possible combinations ruled out, the foreign observer can do nothing but wait and see how

QUEEN ALEXANDRA.

To-day in spirit the whole nation joins with His Majesty the King in mourning at the graveside of his mother, Queen Alexandra. We believe that even the Royal Family themselves must have been surprised by the depth and spontaneity of feeling which her death has aroused among all sections of the community. Public memories are notoriously short, and for the 15 years of her widowhood the late Queen had been so largely withdrawn from the public gaze that to the younger section of the population she could have been little more than a legendary figure. Yet it is abundantly clear to-day that when Alexandra stepped down from the throne she retained the firm hold upon the affections of the British people that she had so fully and deservedly won by her half-century of devoted and unremitting service as Princess and Queen. The public remembered; and to-day there is an unfeigned sense of loss over the land from palace to cottage. The explanation is not far to seek. Queen Alexandra combined in a rare measure Royal dignity, devotion to duty, and deep sympathy for human suffering. The mass of the people saw in her something far more than a conscientious and successful tenant of high representative office. They saw, too, a shining example of womanhood, a true wife, a loving mother, and a real friend, untiring always in her lavish support of every agency devoted to the alleviation of suffering and the creation of happiness. There are not so many such characters that the nation can afford to lose one without regret, and there is a genuine feeling of companionship in loss in the sympathy which all citizens, high and low, tender to King George in his hour of bereavement.

French politicians solve the old problem of an irresistible force meeting an immovable body. The deadlock has not unnaturally given a handle to those—of whom there are many in every community—who think that parliamentary government is bound to fail when it comes to difficult crises, and it is therefore not surprising that in a continent whose Mediterranean seaboard is lined with a row of military or civil dictatorships, gossip is current of private requests to Marshal Foch to assume the reins, of meetings of the French Fascisti, &c. The real danger of this sort of talk is that it will make the situation more difficult if and when the Socialist Party are called upon to accept office.

In the face of these difficulties it might have been expected that the franc would show something of a landslide, but it is not difficult to see why the movement has been kept within comparatively modest bounds in comparison with the spectacular movements we used to see in the mark or Austrian crown. In the first place the French Budget is within measurable distance of balancing and great efforts have been made to this end already. This never was in sight in Germany before the Dawes plan. Again, France is a nation of rentiers who have everything to lose by drastic depreciation of their currency. They have before their eyes examples of the result of unlimited depreciation, and the country is likely to resist to the utmost any such disaster if only its leaders can combine to fight the threatened danger. Thirdly, the trade balance of France, unlike that of Germany, is favourable, and were it not for the flight from the franc there is nothing in the exchange market to cause the external value of French currency to fall unduly. Again, the speculator learned to his cost nearly two years ago that France has a large gold hoard with which she can, if need be, punish those who gamble on a French financial disaster.

Finally, those who follow the situation closely realise that if France can get past the turn of the year the problem of the floating debt will for the moment be less pressing, and she will have a breathing space in which to mature her financial plans. Such considerations as these are likely to keep the present movement within bounds, though we cannot close our eyes to the fact that every day the political crisis remains unsolved the confidence of the world in

important or urgent work, loans may, if necessary, be made by the Reich and the Federal States.

The decrees also contain provisions for the increased use of unemployment relief funds for improving the earning capacity of the unemployed, such as apprenticeships, equipment, free transport to other places of work, advanced training and the learning of new trades.

The features of this statement are that benefit without work is not continued for indefinite periods, but if no ordinary work is available the claimants are put on to emergency work; secondly, that what we call the insurance fund is used for assisting to finance emergency work; and thirdly, that the fund is also used for training purposes. This thorough report on German experience is worthy of study in connection with our own problems.

PROCEEDINGS OF THE COAL COMMISSION.—THE MINERS' EVIDENCE.

A summary of the main points of previous evidence will be found in our issues of October 31st, November 7th, November 14th, and November 21, 1925.

A WEEK ago we commented on the evidence submitted to the Coal Commission by the Mining Association of Great Britain; this week the case of the men was put forward. The Miners' Federation has prepared two memoranda, relating respectively to wages and working conditions in the coal industry. The miners, like the owners, have reserved their suggestions for the betterment of the industry for a future occasion—in other words, the real battle between the two sides has been postponed, and the public has yet to discover whether either has a practicable alternative to propound to the present unsatisfactory state of affairs.

The miners' memorandum on wages is a statistical analysis with various lengthy appendices. They point out that difficulties in the way of obtaining any reliable wage figures for the whole country are almost insurmountable. Wages are made up of fixed basis rates, plus a variable percentage. The former include, in the case of piece-workers, a series of prices for the actual getting of coal and for various subsidiary operations, the prices varying with different districts, different collieries, or even different seams in the same colliery. Day-wage rates vary according to district and grade of labour. The basis rates are subject to change only at long intervals (in many coalfields 1879 remains the standard year, but here again the practice of different districts is not uniform), and wage alterations are usually effected by varying the percentage additions. Under the 1921 agreement the percentages of July, 1914, were added to the existing basis rates to form a standard, to which a uniform national minimum increment of 20 per cent. was added—subsequently increased to 33½ per cent. under the 1924 agreement. The Commission will doubtless consider the possibility of simplifying this complicated system, which always mystifies the public—however well it may be understood by the industry.

Actual earnings are, however, higher than 133½ per cent. of the 1914 level for the majority of workers, owing to such factors as the grant of subsistence allowances to low-paid workers, &c. The following table is given by the Miners' Federation as showing "average maximum" earnings—i.e., the amounts receivable by the "average" miner able to work whenever the pits were working. We have added columns showing the average cost of living figure of the Ministry of Labour, and the resulting level of "real" earnings:—

AVERAGE MAXIMUM EARNINGS OF MINERS IN GREAT BRITAIN.

	Earnings Per Shift.	Working Days Per Week.	Maximum Weekly Earnings.	Earnings as Percentage of June, 1914, Figure.	Cost of Living.	"Real" Earnings as Percentage of June, 1914.
1914—June.....	s d 6 5/64	5 25	s d 34 0	100	*100	100
1921 1st quarter..	19 2	4 92	94 4	277	252	110
1921 4th " ..	12 7 89	4 91	62 2	185	204	90
1922 1st " ..	11 0 18	5 25	57 6	169	189	89
1922 2nd " ..	10 2 51	4 88	49 10	147	161	81
1922 3rd " ..	9 5 23	5 08	47 5	139	181	77
1922 4th " ..	9 7 72	5 56	53 7	158	177	89
1923 1st " ..	9 9 77	5 62	55 2	162	171	95
1923 2nd " ..	10 7 20	5 13	54 4	160	171	94
1923 3rd " ..	10 3 33	5 59	57 6	169	176	96
1923 4th " ..	10 2 81	5 51	56 4	166	178	93
1924 1st " ..	10 11 12	5 36	59 7	174	171	101
1924 2nd " ..	10 10 22	4 99	56 2	169	171	93
1924 3rd " ..	10 7 04	5 25	55 7	164	179	91
1924 4th " ..	10 7 58	5 30	56 8	166	179	93
1925 1st " ..	10 6 17	4 92	52 0	153	173	88

* July, 1914.

These figures, which are theoretical computations, are at considerable variance with the actual average earnings figures put forward by the Mining Association; the reader will remember also that the latter were related to a five-year period before the war on the ground that immediate pre-war conditions were exceptional; they purported to show that the pre-war standard has been maintained. It is important that the Commission should establish a clear series of figures to show what truth there may be in the miners' contention as to the standard of living.

The figures in the above table allow of certain significant inferences. They indicate that the miners have contributed substantially to the fall in working costs since the decontrolling of industry, on which the owners laid emphasis in their evidence last week. Only in one quarter since 1921 have the maximum real earnings reached the 1914 level. The miners automatically obtained their proportion of the benefits accruing to the industry from the Ruhr occupation, the index of real earnings moving fairly steadily from a low figure of 77 in the third quarter of 1922 to a high level of 101 in the second quarter of 1924. Later, the operation of the new agreement clearly prevented earnings falling as rapidly as they would otherwise have done during the subsequent depression, but in the April-June quarter of 1925 the miners were back at the standard of living of late 1922. Real earnings still appear, however, to be above the level April-December, 1922. Deductions must be made on account of explosives and other materials which the miner has to purchase, but, unfortunately, these cannot be statistically assessed, or their relative importance in *post* as compared with *pre-war* times estimated. On the other hand, the figures leave out such items as free coal and cheap houses.

The *crux* of the miners' case is a table showing the level to which earnings would have fallen had the national minimum percentage been abolished, as the owners proposed in July. For this purpose the earnings paid by the industry last month (as distinct from those assumed by the Government) are shown side by side with those payable at the minimum percentage provided by the 1921 and 1924 agreements respectively:—

AVERAGE EARNINGS PER DAY WORKED

1	2	3	4	5	6	7	8
District.	J. y. 1914.	At Minimum Per-centage Provided by 1921 Agreement (August, 1923).	At Minimum Per-centage Provided by 1924 Agreement (August, 1925).	As Borne by the Industry in October 1925.*	Per-centage of (5) to (2).	Per-centage of (4) to (2).	Per-centage of (5) to (3).
Scotland.....	s d 6/8.88	s d 9/2.55	s d 10/2.14	s d 7/4.91	% 136.68	% 151.01	% 109.93
Northumberland	6/2.17	8/4.22	9/2.70	6/4.20	135.39	149.25	102.74
Durham	6/2.50	8/11.43	9/11.10	7/0.30	144.10	159.76	113.88
South Wales ..	6/9.22	9/6.67	10/7.53	7/8.05	141.18	157.02	113.33
Eastern Division	6/7.75	9/5.85	10/9.19	9/5.16	142.76	162.99	141.89
Lancs. N. Staffs.							
Cheshire.....	6/0.25	8/9.70	10/0.09	7/8.36	146.02	166.12	127.83
North Wales....	5/10.04	7/10.64	9/0.71	6/7.58	135.12	155.21	113.62
Forest of Dean	5/1.37	7/10.30	8/10.34	6/8.12	148.35	166.33	125.25

* Based on number of shifts worked in August and the basis wages of August plus the percentage borne by the industry in October.

The federation claims that some of the worst-paid workers would actually have received lower amounts than in 1914 had the proposals of July been carried into effect. The figures in column 5, however, assume that no minimum would have existed; but, in fact, the owners had conceded the principle of a district minimum. The miners' efforts to avert a depressed standard of living will command public sympathy, but both sides have yet to show how the gap is to be filled when the tax-payer has ceased his present contribution.

The remainder of the evidence put before the Commission during the week may be briefly summarised. On Wednesday Sir Daniel Macaulay Stevenson, on behalf of the British Coal Exporters' Federation, emphasised the unfortunate effect of industrial unrest on the export trade, but expressed, on the whole, a hopeful view of the future. On Thursday Professor A. S. Sargent also gave evidence on the export side of the industry, and Mr Charles H. Merz expressed the view that greater electrical development would favourably affect the demand for coal in the long run, but would not have an immediate stimulating effect. The public sittings of the Commission will be continued on Tuesday next.

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ARGENTINE LAND COMPANIES.

LAND companies domiciled in this country and operating in Argentina form an interesting little group of speculative undertakings. The methods vary widely, ranging from the many-sided activities of the Forestal Land to the modest concern speculating in building plots or the more adventurous Silver West ranching propositions. Usually, they are well managed, and although occasionally subject to irritating interference from local authorities and provincial bodies, in the main they follow a prosperous track. Indeed, it might be thought by some that the comparatively modest yields obtainable are not commensurate with the risks involved. This point we return to in the concluding paragraph of the article.

From the accounts of eight of the most important companies which we have selected as representative of these activities, we make the following comparative statement of gross and net revenue:—

	Year	1923-24.		1924-25.		1925-26.	
	Ende	Trading Rev'ue.	Net Profits.	Trading Rev'ue.	Net Profits.	Trading Rev'ue.	Net Profits.
		£	£	£	£	£	£
Argentine Land and Investment.....	June 30	114,211	73,171	150,066	100,300	165,296	114,967
Argentine Southern Land	June 30	130,715	33,179	161,515	69,559	157,985	56,244
Cordova Land	Dec. 31	53,387	10,505	..	..	1140,080	175,118
Forestal Land, Timber, and Railways.....	Dec. 31	136,601	113,902	652,932	418,869	701,632	387,326
Leach's Argentine Estates.....	Mar. 31	1290,867	1239,867	257,136	117,267	244,766	118,083
Port Madryn	June 30	5,570	3,359	8,530	6,394	7,219	5,333
Rio Negro	June 30	96,412	39,548	109,383	57,856	84,327	40,419
Tecka	June 30	71,289	22,073	91,634	43,337	79,358	30,510

+ Represents debit balance. £ 15 months.

† Represents debit balance. ‡ 15 months.

It will be observed that in the majority of cases trading revenue is lower, notably in the figures of the Rio Negro and Tecka companies. This, apparently, was due to the fact that weather conditions were unfavourable, the directors of the Tecka company stating that "the rainfall for the twelve months to June 30, 1925, was one of the lightest recorded since the company's formation, with the result that the condition of the pastures was not as good as usual." Moreover, it is reported that the wool clip as whole was not equal in quality to that of the preceding year, owing to unfavourable weather conditions during the six months to December 31, 1924. The Forestal Land, however, in spite of these handicaps, shows a bigger trading revenue. The net profit figure, however, registers a decline. Indeed, the only undertakings whose net profits advanced during the period were the Argentine Land and Investment and Leach's Argentine Estates. In the former case the improvement was from £100,300 to £114,967, and in the latter from £117,267 to £118,083. Leach's directors state that "climatic conditions were again generally favourable during the year." Ap-

parently, what constitutes "favourable climatic conditions" is a varying factor. The better results shown by the Argentine Land and Investment were due to no one reason, although the net credit to rents, after deduction of expenses, was £59,009, an increase of £12,561 over the previous period. The Cordova Company's accounts cover 15 months to December 31, 1924, and although strict comparison with previous results is thereby rendered impossible, it will be seen from the figures given in the first table that net profits were well maintained. All the factories of the Forestal Land were operated to their fullest capacity, but owing to keen competition the prices realised for Quebracho extract were appreciably lower than in the year 1923. Sales of town lots by the Port Madryn during the year "were negligible," but the loss of revenue under this head was made up very largely by an increase under the heading of rents and sundry earnings, the company's Estancia having been leased for a period of three years.

Our next table shows the balance-sheet total, and an analysis of principal assets and liabilities during the past two years:—

Name and Year Ends.	Balance Sheet Total.	An Analysis of Principal Assets and Liabilities.						
		Share Capital & R'svs.	De. s. and Loans.	Credits.	Land & Pro. perty.	Stocks, Bonds, Str., &c.	Cash and Invt. &c.	Debits.
Argentine Land, &c. June 30, 1924 ..	£ 1,010,144	£ 708,755	£ ..	£ 11,094	£ 252,720	£ 12,835	£ 464,934	£ 12,970
June 30, 1925 ..	1,115,947	755,377	..	39,649	236,495	10,123	543,765	25,508
Argentine Southern Land June 30, 1924 ..	773,999	697,650	..	15,769	604,071	58,076	105,127	8,725
June 30, 1925 ..	796,136	715,074	..	21,245	637,467	89,480	55,870	15,319
Cordova Land— Sept. 20, 1923 ..	1,611,111	1,142,085	406,787	51,468	1,560,377	..	33,265	17,468
Dec. 31, 1924 ..	1,641,149	1,155,167	406,767	23,691	1,560,377	..	69,476	11,257
Forestal Land— Dec. 31, 1923 ..	9,137,887	8,117,012	..	528,364	4,053,640	1,412,635	5,116,811	554,800
Dec. 31, 1924 ..	9,440,334	8,326,597	..	578,254	4,294,526	1,333,941	5,116,811	624,620
Leach's Estates— Mar. 31, 1924 ..	2,743,163	1,710,765	838,355	137,331	2,033,314	262,102	71,857	243,188
Mar. 31, 1925 ..	2,884,760	1,806,976	874,952	151,863	2,009,908	292,196	121,105	268,150
Port Madryn— June 30, 1924 ..	181,195	165,204	..	2,761	59,781	1,134	79,074	41,206
June 30, 1925 ..	180,626	165,120	..	3,067	59,759	1,134	82,933	36,799
Rio Negro— June 30, 1924 ..	502,296	429,494	..	13,066	300,283	10,620	190,491	901
June 30, 1925 ..	504,476	432,915	..	13,316	302,268	37,550	157,430	7,187
Tecka— June 30, 1924 ..	318,106	265,028	..	12,409	202,756	23,263	83,944	8,140
June 30, 1925 ..	331,504	283,645	..	7,631	202,922	27,842	92,244	8,496

As was intimated in the 1923 report, the Argentine Land and Investment has increased its authorised capital from £650,000 to £850,000 by the creation of 200,000 ordinary £1 shares. The issued capital still remains the same. The report states that, "in view of the restricted powers of investment under the existing memorandum of association of the company, and owing to the increasing sums available for investment, combined with the growing difficulty of finding suitable outlets for same in Argentina, the directors consider that wider powers should now be taken, enabling the company in the future to invest in all classes of securities, and generally to undertake the business of an investment trust company." The company placed the usual £1,500 to staff pensions account, and while the

allocation to reserve for exchange was reduced from £20,000 to £10,000, the general reserve was strengthened by £35,000, against £15,000. The Port Madryn again place nothing to reserve. It was the intention of the board, says the report, had the sale of the Chubut Railway Company (in which the Port Madryn has a considerable interest) been carried through, to recommend a reduction in capital, to enable a return of capital to be made. The purchase of the line by the Government, however, has been postponed, so that "under existing circumstances it has been decided to defer any question of a distribution on capital account until the Central Railway of Chubut has been sold." Leach's balance-sheet shows that the amount of 5½ per cent. first mortgage debentures has been further reduced during the year, those withdrawn for redemption amounting to £47,400, against £44,900. The bank overdraft is practically unchanged at £111,630, but the reserve is augmented by £73,083 in comparison with £57,267. The company was approached during the year by the Government of Jujuy (the seat of its operations), "with the object of obtaining a loan for the re-organisation of the finances of that province. In default of such assistance, the Government foreshadowed a considerable increase in the provincial tax on sugar. After lengthy negotiations, the company, in conjunction with other sugar manufacturers in the province, agreed to make an advance up to \$2,500,000 paper, of which this company's share is 46 per cent., or \$1,150,000 paper. The loan bears interest at the rate of 6½ per cent., and is repayable over ten years by means of retention out of sugar taxes in excess of a fixed yearly amount. In consideration thereof the Government has undertaken that no increase shall be made in the provincial taxes on sugar for a period of at least six years, and thereafter only in the event of certain contingencies. At the date of the balance-sheet the company had advanced \$460,000 paper in respect of the loan, which sum, plus interest, is shown as a separate item in the balance-sheet. A further instalment of \$230,000 paper has since been advanced."

By appropriating £100,000 to general reserve, the Forestal Land took the total of the fund up to £1,274,163, while £162,492 was written off for depreciation, so that the amount to the credit of the depreciation account is £1,252,745. With the provision of £225,000 as reserve for fluctuation in exchanges, and for taxation, there are thus total reserves of £2,751,908, against an issued capital of £52 millions, while there also probably exists a hidden reserve under the item of holdings in associated undertakings, which figure for £1,841,984, and are taken "at or below cost." The directors of the Cordova Company, after transferring £5,000 to general contingencies and renewals reserve, recommended that the balance, after payment of the debenture interest, should be carried forward. This is because "the revenue from sales of live-stock has been abnormally swollen by the inclusion of £44,565, representing the proceeds of 4,859 head of cattle, the disposal of which became imperative owing to five months' exceedingly dry weather.....These 4,859 cattle under ordinary circumstances would have been held until the financial year commencing January, 1925. As a result of these forced sales, the number of cattle to be disposed of during 1925 will be correspondingly reduced, and the directors consequently are of the opinion that it is in the interests of the shareholders that the balance to be carried forward should include the full amount received during the period to December 31, 1924, from sales which are properly applicable to 1925. On July 1st last a further 6,500 ordinary shares were allotted by the Argentine Southern Land, being the third instalment of the purchase price of £90,000 for certain properties. The total number of shares issued to date under this head amounts to 38,000 ex 45,000 shares. The second moiety of the purchase-price, amounting to £45,000, can be paid in cash by annual instalments of £6,500 at the option of the Argentine Southern Land Company, Limited." It will be seen from the foregoing table that both debtors and creditors are higher, as also are cash and investments and stocks.

In the table given below we show dividends over a period of five years, together with prices at the end of November, 1924 and 1925. Present yields, based on recent dividends, are added:—

Name and Amount of Share.	Dividends.					Prices.		Pre-ent Yield.
	1920-21.	1921-22.	1922-23.	1923-24.	1924-25.	End Nov. 1924.	End Nov. 1925.	
Argentine Land & Invt., £1	201	201	10	10	10	1½	1½	8 6 9 0
Argentine Southern Land, £1	5	5	5	5	5	1½	1½	6 8 0
Cordova Land Ord., £1.....	5	Nil	Nil	Nil	Nil	1½	1½	Nil
Forestal Land Ord., £1.....	12	Nil	Nil	6½	7½	1½	1½	6 6 9 0
Do 6% Cum. Pref., £1.....	6	6	6	6	6	1½	1½	6 4 0
Leach's Estates Ord., 10s.....	6	Nil	Nil	Nil	Nil	1½	1½	Nil
Do Def. 1s.....	Nil	Nil	Nil	Nil	Nil	1½	1½	Nil
Do 6% Pta. Cum. Pref., £1	6	Nil	Nil	Nil	Nil	1½	1½	8 14 0
Port Madryn, 10s.....	6	5	10	10	10	1½	1½	4 9 0
Rio Negro Ord., £1.....	7	5	8	10	10	1½	1½	7 12 6
Tecka Ord., £1.....	7	5	8	10	10	1½	1½	7 0 0

† Paid on old capital.

Some of the yields are by no means generous. A comparison of present returns with those obtainable in 1914 will not throw much light on the matter. Share capitals have been changed, while the very low yields shown in some cases in 1914 indicate the fact that shares were being held on future prospects. It is, of course, quite possible that many of the companies have now substantial hidden reserves on account of the increased value of their land holdings. So far as the Forestal Land is concerned, the disclosed reserves are quite substantial in relation to the issued share capital. Beyond this, however, there is not much to be learned from an examination of the records of the various undertakings.

PERUVIAN CORPORATION.

BAD weather appears to have seriously influenced the fortunes of the Peruvian Corporation, Limited, during the past year, heavy rains, with which the country is not usually afflicted, having caused serious floods, and a whole or partial interruption of traffic on the company's various lines, which produce more than half the company's income, from the beginning of February until the end of April. Revenue contributed by the principal railway—the Central—was £176,200 less than in the previous year, and most of the other lines show diminished returns. Further, as a result of the floods, which occurred in the early part of 1925, the River Chira, from which the Chira Canal drew its water, altered its course, and damaged the upper reaches so severely that the directors "have reluctantly been compelled to abandon any attempt at repair. The profits from the undertaking were never large, and, in the opinion of the board, not sufficient to justify the heavy expenditure that would be necessary to reconstruct the canal." Of the capital cost £36,000 has been written off against the current year's revenue.

Total gross receipts from the working of the railways and steamers were 16,490,100 Peruvian soles, against 17,287,800 soles in 1923-24, and working expenses were 13,114,800 soles, against 11,506,100 soles, giving net receipts of 3,375,300 soles, against 5,781,800 soles. At an exchange of 21½d for the Peruvian sol, net receipts in sterling were £302,400, against £530,000 for the previous year, when the rate was 22d. The amounts accruing to the corporation out of the net income of the railways, and from the navigation of Lake Titicaca for the year ended June 30th last, totalled £262,200, as compared with £470,300 for the preceding year, a decrease of £208,100. In the case of the Central Railway, gross receipts declined by 11.9 per cent., and working expenses increased by 15 per cent. The Government annuity of £80,000, which, under the agreement of 1907, is secured primarily on the sugar tax, has been paid in full for the past year; guano shipments have produced £110,200, against £121,300 a year ago, and other miscellaneous receipts, including a debit balance of £11,100 on exchange account, amounted to £38,800, against £30,700 a year ago. This gives a total income of £491,200, as compared with £702,300, against which administration expenses of £33,300, or £2,800 more, are charged, giving

net revenue of £457,900, against £671,800. The table below compares results for the past five years:—

	Year to June 30.				
	1920-21.	1921-22.	1922-23.	1923-24.	1924-25.
£	£	£	£	£	£
Railway net revenue ..	379,341	387,293	363,751	470,269	262,165
Government annuity ..	46,667	80,000	113,333	80,000	80,000
Guano account.....	36,026	49,798	100,840	121,333	110,244
Interest, exchange, &c..	30,893	27,965	22,609	3,667	38,770
Total income.....	492,927	545,056	600,533	702,269	491,179
Administration.....	45,816	29,926	27,648	30,479	33,312
Balance of revenue	447,111	515,130	572,885	671,79	457,867
Deb. int. (4%)	216,000	216,000	216,000	216,000	216,000
Sum written off, &c.	37,050	127,583	37,031	59,787	41,811
Deb. amortisation	54,000	54,000	54,000	54,000	54,000
Available balance	140,061	117,547	265,854	342,0 3	146,056
Additional deb. int. (2%)	108,000	108,000	108,000	108,000	27,000
Preference dividend.....	37,294	74,592	149,190	223,785	111,895
(£ %)	(£ %)	(£ %)	(£ %)	(£ %)	(£ %)
Year's balance	Dr5,233	Dr65,016	8,664	10,218	7,161
Brought forward	146,927	149,986	97,819	1,6483	116,701
Carried forward	141,694	84,941	106,483	116,701	123,862

Under a scheme of arrangement adopted in December last, debenture-holders agreed that the rate of interest be permanently fixed at 6 per cent., and that the final date of redemption be extended from 1926 to 1945. Of the 7 per cent. required for debenture interest and amortisation, 2 per cent. had already been reserved out of the revenue for 1923-4, whilst under the new conditions it is unnecessary to make any such reservation. Only 5 per cent., therefore, is chargeable during the past year for interest and sinking fund, together with £27,000 for additional interest accrued to June 30, 1925. The preference stockholders get 1½ per cent., against 3 per cent. a year ago, and after the payment of this there remains £7,200 to be added to the balance forward. The arrears of dividend accrued on the 4 per cent. preference stock amounted at June 30th last to 106½ per cent. The main items of the balance-sheet are summarised below:—

June 30.	Debt-entures.	Cred-itors and Bills.	Sinking Fund, Reserve, Insur-ance and Net Revenue.	Conces-sions, &c.	Rail-ways.	Invest-ments, Bills, and Cash.
1913	5,176,000	71,769	1,253,291	12,772,305	9,700,667	253,741
1914	5,111,750	130,829	1,370,807	12,772,305	9,741,496	322,001
1919	4,739,700	120,001	1,770,044	12,772,305	9,506,566	566,685
1920	4,650,550	137,436	1,899,811	12,772,305	9,506,566	383,273
1921	4,556,300	306,257	1,929,906	12,772,305	9,509,988	289,157
1922	4,456,650	302,463	2,022,666	12,772,305	9,509,988	295,213
1923	4,351,300	232,289	2,325,579	14,389,704	7,477,035	498,699
1924	4,293,950	270,237	2,535,404	14,389,704	7,477,035	744,242
1925	4,122,250	248,929	2,387,540	14,353,704	7,477,075	711,116

Under the debenture scheme already referred to, the corporation was empowered to accelerate redemption of the debentures at 105 per cent., and the redemption of the whole of the debentures will be thereby finally completed by annual drawings by April, 1945. The amount issued was £5,400,000. The sinking fund stands in the balance-sheet at £1,290,300, and there is a reserve account of £700,000. Cash has increased by £130,600 to £337,600, but bills receivable have fallen from £202,900 to £89,100. The 4 per cent. preference stock, which has this year been as high as 4½, is now quoted at 36½, giving a yield on the basis of the reduced dividend of £4 1s 11d per cent. Traffic returns for the current year show a substantial improvement, and have encouraged purchases of the preference stock in the hope of better results at this time next year.

LORD D'ABERNON.

In view of the part played by Lord D'Abernon in the re-establishment of international relations, which has culminated in the Pact of Locarno, the news of his retirement from the post of British Ambassador at Berlin on the signing of the Pact will be received with universal regret. We take this opportunity of publishing the following appreci-

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ation by a German correspondent of Lord D'Abernon's ambassadorship:—

"The development of communications has put an end to the days of great ambassadors. The possibility of being in daily contact with their Foreign Office has reduced them to hard-working, conscientious civil servants, who have to carry messages from their masters, and explain them in polite language and report on the impressions they have made and on the things they happen to see. Only when there is an international upheaval, when owing to war and revolution international relations are cut and governments and people lose touch with each other, do opportunities for a revival of the great ambassadorial tradition arise.

"Such has been the case with Lord D'Abernon's ambassadorship in Berlin. When he came to Berlin Germany had, owing to the good work done by General Sir Neil Malcolm and his staff, ceased to be quite the unknown country which it had become during the war and the revolution. But nothing was settled yet. The powers of old had gone. Society, with a capital 'S,' the happy haunt of diplomats in former days, had, so to speak, dissolved. There were new men everywhere, who knew little of international affairs and about whom the international world of trained diplomats knew next to nothing. Not being a mere diplomatist, Lord D'Abernon succeeded in getting in touch with all sorts of people; he probably gained a wider knowledge of real Germany than his predecessors had possessed in easier days, when the life of an ambassador flowed through well-regulated channels. He arrived in Berlin a few hours before the German delegation started for Spa. He lost no time in getting in touch. Having been trained in international business affairs on a big scale he was a broad-minded business man. But he was more than that. He was an orthodox economist, who thoroughly mastered the theory of currency and exchange, in the days when all the world talked exchange, and when the balance of trade was discussed in drawing-rooms with the same dilettante fervour which in other times turned towards the discussion of fashions in art, music, literature, and tailoring. His was a proud intellectual position indeed, for he was one of the few men who really knew what he was talking about when the subject of discussion was 'Valuta,' which, as a German financier wittily put it, seemed to be for most people the name of a somewhat extravagant lady.

"In those days there were two Powers in Germany—the organised working-class whose intellectual leaders knew a great deal about economic theory, and nothing whatsoever about business, and the leaders of German industry, who knew extremely well how to run their business, but who had no inkling whatsoever of economic theories. Germany was heading towards inflation. There was only a small band of people who tried to stem the current. They were answered everywhere by the slogan, first reform economic affairs, and currency will follow. Lord D'Abernon naturally upheld the orthodox theory that the reform of currency is the best and the only way to economic stability. His well-known attitude was of enormous moral support to the reformers, who were defeated at a time when reform could have easily been carried out, but were fully justified later on when, after the complete breakdown, monetary reform was tardily approached and achieved. Lord D'Abernon clearly saw the close connection between reparation and currency reform. The re-

formers wanted a provisional stabilisation from Germany's own resources, thus trying to induce the Reparation Commission to grant them reasonable terms, so as not to wreck their good work. Their foresight was rewarded two years later, when the Dawes plan matured as an after-effect of currency reform.

"The first few months of Lord D'Abernon's ambassadorship saw signs of a policy of international rapprochement. For notwithstanding the ultimatum, Spa was the beginning of financial co-operation. It looked for a time as if it could be successfully amplified at the Brussels Conference, in December, 1920, where Lord D'Abernon was the chief figure. Success seemed to be in sight when the obstruction of the German industrialists and the political crisis in France smashed all chances for the time being.

"After the London Conference, after Wirth and Rathenau had tried to carry out the policy of fulfilment, which had been forced upon them by the mistakes of their predecessors, another spell of co-operation seemed possible. It was made very difficult by the rapid decline of the German currency. It received a severe blow by the decision on Upper Silesia. It seems to be near its goal at the Conference of Cannes, and notwithstanding Briand's overthrow it did not appear beyond reach at the Conference of Genoa, and the negotiations which followed after. In all these difficult times, when the chance of failure and success changed almost daily, Lord D'Abernon was one of the leaders. He was not merely a diplomatic spokesman, he understood the technical financial problems sometimes better than the Government departments concerned in these details. His wonderful optimism sometimes grated on the German mind, which naturally saw little reason for cheerfulness, when things seemed to go from bad to worse. And the confidence which the German statesmen and the German people had originally put in him suffered some rather severe shocks. His Government occasionally seemed to let him down. And though there may be excellent reasons for a central government to curb the exuberant, optimistic energy of its chief representative, it takes a strong character to remain confident, and to survive suspicion engendered by the ever-recurring dashing of hopes.

"Lord D'Abernon survived those squalls, and survived them successfully. He even survived the ordeal of the occupation of the Ruhr when the power of the British Government seemed wholly negligible to German eyes; when Poincaré ruled the world by trying to smash it; and when, owing to the increase of inflation, the great process of social dissolution began, which very nearly ruined Germany. Lord D'Abernon did not lose hope. He had always impressed upon the responsible men of Germany the necessity of taking a bold step: to begin with currency reform in order to get a basis for the settlement of the Reparation problem, and to make an honest, courageous proposal to France. At last, in the late autumn of 1923, the mark was stabilised. The agony ceased. International negotiations began. The Dawes plan was produced, and, later on, accepted. Lord D'Abernon's share in this constructive work can probably not be accurately measured. It is known, however, that he was an adherent of the main features of the plan long before the negotiations began in Berlin, and he certainly was one of the warmest advocates of the Pact, and of the entrance of Germany into the League of Nations, an event the near consummation of which has made it possible for him to retire from the international stage with the claims of a great ambassador. It has even been suggested that the idea of the Pact originated with him, though it cropped up as early as December, 1922, when the Cuno Government made an effort to cut the Reparation knot by the offer of a pact. Lord D'Abernon has certainly had the great luck of seeing the policy carried out in which he believed, a fact far more pleasant to the heart of a man of his type than would be the uncontested claim of having originated a policy which, however brilliant, failed to materialise. His certainly has been a very powerful influence in the period which laid the foundations for the reconstruction of Europe. Let us hope that the era of master-wreckers, which started in August, 1914, is over, and that an age of master-builders has begun. Of that band, Lord D'Abernon has certainly been one of the first and not the least."

Notes of the Week.

The Communist Trial.—On Wednesday at the Old Bailey five Communist leaders were sentenced to a year's imprisonment in the second division, and seven others, refusing to be bound over to keep the peace, to six months terms. The indictment on which they were convicted had three counts, as follows:—

(1) Conspiring on certain days between January 1, 1924, and October 21, 1925, to publish and utter seditious libels and words; (2) conspiracy to incite persons to commit breaches of the Incitement to Mutiny Act, 1797; and (3) conspiracy to endeavour to seduce from their duty persons serving in His Majesty's Forces to whom might come certain publications, books, and pamphlets, to wit, the *Workers' Weekly* and certain other publications, and to incite them to mutiny.

So far as the legal aspect of the trial is concerned little comment is necessary. It is possible, of course, to complain that the Act offended against is as old as the hills, and to argue that no Communist could expect justice from a bourgeois judge and jury. We are satisfied, however, that the accused received at least as fair a trial as they could have had in any country, and probably fairer—though, human nature being what it is, that may not be saying as much as it might appear to say. The defence was allowed considerable latitude. The offences were clearly committed, and the sentences, seeing that seven offenders only go to gaol because they refuse to be bound over, are not severe from the legal point of view. But from the political aspect the whole affair is regrettable, largely because of the atmosphere created by the inept remarks of the most indiscreet Home Secretary within memory. Whether intentionally or not, Sir William Joynson Hicks has cast a deep political hue over the whole affair, and in a series of speeches has conveyed the idea to the public of a party prosecution, the success of which would be a party triumph and a feather in his own cap, and this unfortunate impression is deepened by what almost amounts to platform flirtations with Fascism. If he looks at the results through political spectacles and is pleased with it, then he is even more short-sighted than we had supposed. He may have satisfied a clamouring Press; but he has driven underground a noxious propaganda, which was much safer in the fresh air; has presented the potent asset of martyrdom to twelve otherwise insignificant men; and by his handling of the subject of Communism and Fascism has done much towards changing the sane trade union view of the former from abhorrence to condolence. Furthermore, he has contrived to portray himself and the Government he represents as hardly up to the standard in regard to their attitude towards freedom of speech. None of these impressions need have been conveyed at all. The affair is to be debated in the House of Commons on Tuesday, when the Home Secretary may perhaps be taught an elementary lesson in the dangers of indiscretion.

The Irish Boundary.—The resignation of Professor John MacNeill, the Free State nominee on the Boundary Commission, from the Commission on the ground that he as being inconsistent with the terms of their reference, has precipitated a grave crisis, referring to which our Dublin correspondent writes as follows:—"Mr Justice Feetham and Mr Fisher, his remaining colleagues, have countered by stating that they had all three long since agreed to make a unanimous report, and that Professor MacNeill had apparently assented to the draft award until quite recently, and then had resigned suddenly on the grounds stated. Professor MacNeill has also resigned from the Free State Government, and his explanation of his action as Boundary Commissioner is—baldly summarised—a confession of inefficiency as a politician. The implied proviso that it should be in accord with the terms of their reference; and he had assented provisionally to the draft award until he became alive to the fact that it was inconsistent with the terms of their reference, and, in addition, certain to cause trouble. He awoke, admittedly, to the latter facts on seeing a forecast of the

award, which reached the public through the indiscretion of the *Morning Post*. It is an unfortunate episode, which creates a bad atmosphere for the award when it arrives, because passions quite irrelevantly have begun to stir. Nothing final has been done to commit either parties to the investigation. And it is quite clear that if the Commissioners have, in fact, gone outside the terms of their reference it is not too late to raise the point and to procure an adjudication on the juridical issues which are involved. Britain will hardly attempt to enforce an award if the Free State alleges that it is bad on the face of it, and seeks to have the matter tried out. But prompt action will be necessary, since the award, when published, will be a definitive delimitation of a boundary, with a date fixed for its coming into operation automatically in accordance with the provisions of Article XII. of the Treaty, which have been given the force of law by statute in both countries. The most serious aspect of the case is that news is already to hand of movements of armed bodies of the Northern Special Constabulary in military array into the border districts likely to be affected by the disputable award. Nothing short of the actual physical interposition of British troops between the armed agents of the Irish Free State and of the local authorities could provide a truly effective guarantee against possible local clashes precipitated by mischief-makers on either side, which might lead to extensive turmoil and bitterness and bloodshed. And, technically, as the boundary and its adjustment arises out of the contractual relationship created between the Imperial authorities and the Irish Free State by the Anglo-Irish Treaty, the effective and formal steps of cession or taking over, and the accompanying measures for the preservation of the peace along the whole border should properly be taken by the Imperial authorities and by the Irish Free State authorities respectively on either side. It may be remembered that there are other issues outstanding besides the boundary issue which it might quite conceivably be possible to dispose of in one comprehensive settlement supplementary to the treaty. A delay while the juridical issues as to Article XII. are being disposed of might provide a convenient interval for its negotiation. The view is expressed in many quarters that the Anglo-Irish Treaty having been registered at Geneva, the aid of the League of Nations might well be invoked to provide an impartial tribunal of complete detachment from British and Irish party controversies for the decision as to the true construction of the much-discussed Article XII." Meanwhile, Mr Cosgrave and Sir James Craig have been conferring with Mr Baldwin in Downing Street, and although the position is complicated and difficult there may be ways out of the deadlock. Northern Ireland, in view of its efforts to prevent the Boundary Commission, from functioning, has no moral standing entitling it to claim the enforcement of the award, while the Irish Free State obviously opposes its enforcement. It would seem possible, therefore, that, with the good offices of the British Cabinet, the two Irish sections should attempt some agreement for a temporary observance of the *status quo*, during which other outstanding questions might be examined with a view to a more comprehensive settlement, with or without the assistance of the machinery of the League of Nations.

The Mosul Decision.—The Permanent Court of International Justice, by its ruling on the legal points submitted to it by the League of Nations Council, has removed what should be the last obstacle to the Council's final decision on the main question. The ruling of the Court was commendably clear and decisive. The Council, it is declared, is required under the Treaty of Lausanne to give a decision that shall be final and binding on both parties. It must be given unanimously, but in determining unanimity the votes of the interested parties shall not be counted. It follows, therefore, that the way is now clear for the Council to dispose of the matter finally at its December sitting, provided its members are unanimous on the line of frontier to be laid down. As to that it will be difficult to depart far from the suggestions of the League's Commission of Inquiry, whose members held that Mosul should be attributed to Iraq if Great Britain was prepared to continue its association with the latter State for a period

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of anything up to 25 years, but that failing that undertaking the province should, with the exception of a small region, revert to Turkish rule. If that is so, the matter may lie very largely with the British Government. Mr Amery did in September give what was understood to be a specific undertaking to stand by Iraq so long as might be held necessary, up to a maximum period of 25 years, but the Prime Minister's references to the subject in his Brighton speech were far more equivocal. So was an answer given to Captain Wedgwood Benn in the House of Commons on Wednesday. A more definite statement will no doubt be invited when the Council deals with the matter finally in 10 days' time.

M. Tchitcherin's Travels.—The health of the Soviet Commissar for Foreign Affairs appears to affect his movements in a way by no means advantageous to his diplomatic duties. Having visited Warsaw and Berlin on his way to a cure, he has now visited Paris on his way back from one or on the way to another. The visit would have been the more interesting had the visitor found M. Herriot in power, for M. Herriot is more disposed towards a *rapprochement* with Russia than most French politicians. What the aims of the Soviet Government are, apart from debt settlement on a basis satisfactory to itself, is not yet quite clear. The conclusion of the Locarno treaties and the entry of Germany into the League of Nations obviously creates a new situation for Russia, and there are some signs that, in spite of continued vilification of the League, Moscow is beginning to see the advantages of co-operation through it with the rest of Europe in technical if not in political matters. But the effect on Paris of a visit from M. Tchitcherin might be of some interest, too. The trend of politics in France is taking the form of a widening of the gap between the two extremes, and any idea that the leader of the Cartel des Gauches was temporising with Bolshevism would provoke, at any rate, an attempt at reaction among the Right. Exactly how much truth there was at the back of last week's rumours of definite Royalist activities it is hard to determine, but the incipient Fascist movement in Paris may be capable of being a nuisance, though hardly a danger. As it happens, however, M. Tchitcherin did not find M. Herriot in power, and M. Briand has not found it possible or prudent to give the Soviet Commissar more than a few minutes' formal conversation.

Oil and War.—In an address before the Royal United Service Institution on Wednesday, Admiral Sir E. J. W. Slade argued that, in order to be safe in the event of future wars, Great Britain must develop her control of oil supplies. At present, he said, we draw 38 per cent. of our oil supplies from the United States, 21 per cent. from South America, and 24 per cent. from Persia; and in the event of war the last-named would be our only certain source of supply. The argument is familiar, and the answer twofold. In the first place, if we are at war and have got command of the seas our oil supply is assured, provided the United States is not our opponent; and if we have not got command of the seas, we shall not find it any easier to get oil from our own wells than from wells under other ownership. Secondly—and as a corollary—Admiral Slade's argument only holds good on the assumption that we are going to war with the United States. If we are really contemplating a war with

America, let us not merely strive for the control of all oil resources outside America, but give up all thoughts of debt repayment or sinking funds or reduced taxation, and build an unconquerable Navy. But really such an assumption cannot be taken as the basis for policy by any sane person—nor will it, we trust, for centuries.

Trade Union Membership.—The Report of the Chief Registrar of Friendly Societies for 1924 (H.M. Stationery Office, Price 4s) sets out the statistics of trade union membership in 1924 compared with previous years. The latest year's figures show that the continuous drop in membership which had been in progress since 1920 has now been checked. The course of the figures over recent years is traced below:—

Year.	Number of Trade Unions at End of Year.	Membership at End of Year—(000's omitted).		
		Males.	Females.	Total.
1900.....	1,323	1,868	154	2,022
1910.....	1,269	2,287	278	2,565
1915.....	1,229	3,868	491	4,359
1920.....	1,364	6,994	1,340	8,334
1921.....	1,251	5,618	1,004	6,622
1922.....	1,203	4,744	870	5,614
1923.....	1,161	4,597	813	5,410
1924.....	1,155	4,720	811	5,531

The very substantial fall in the total membership from 8,334,000 at the end of 1920 to 5,410,000 at the end of 1923 may be attributed in the main to trade depression; while the check and slight recovery of 1924 (confined, it will be noticed, to the male membership) reflects in part the result of the very vigorous "back to the unions" campaign, which was no doubt assisted to some extent by the advent of a Labour Government to office. The total membership is now about 1,400,000 larger than at the close of the last pre-war year. The decrease in the number of separate unions reveals the effect of the steady progress of the policy of amalgamation.

Changes in Unemployment Insurance Figures.—The November issue of the *Ministry of Labour Gazette* gives figures showing that the estimated working population insured under the Unemployment Acts in Great Britain and Northern Ireland, at the beginning of July last, was 11,892,000, an increase of 252,000, as compared with July, 1924. Over and above the normal increase in the insurable population, a larger number of persons appear to have been brought into employment in 1924, as a result of the general improvement in the volume of trade since 1921-23, and such persons still figure in the July, 1925, totals, despite diminished activity in certain industries this year. The practice of making sweeping generalisations on the monthly figures, without sufficient knowledge as to the base on which those figures rest, is thus seen to be highly dangerous. The number of persons registered as unemployed at the end of June, 1924, was 1,049,000, and at the corresponding date in June, 1925, 1,368,000—an apparent increase of 319,000. In the meantime, however, the number of insured persons had been significantly enhanced, and if allowance is made for certain other factors, it would seem that the numbers *actually in employment* did not differ greatly at the two dates. The Ministry of Labour assumes that the increase in the insurable numbers was spread evenly over the 12 months, so that the average monthly increment was approximately 20,000. Of individual industries, the largest increases fell to the lot of the distributive trades (106,090), building (12,560), local government (14,660), public works contracting (14,300), and the motor trade (11,500): the largest decreases to coal mining (19,900), shipbuilding (12,200), and the iron and steel groups (pig-iron 4,410, steel melting, rolling, &c., 7,140). Present trade tendencies are reflected in an increase of 12.4 per cent. in the numbers insured under the heading "silk," and a decline of 14.6 per cent. under "pig-iron."

An Index of Electrical Production.—The possibility of preparing an index of the physical volume of production in industry has been widely discussed during the last few years, and considerable progress has been realised in this matter by statisticians in the United States, France,

Belgium, and Britain. In certain industries—coal-mining, iron and steel, for example—the problem to be solved is comparatively simple, since the unit of weight has a genuinely representative value. In engineering, however, which is steadily modifying and improving design with a view to obtaining the maximum of power with the minimum of materials, the unit of weight is not representative. To take a concrete example, the weight of a turbo-alternator capable of yielding 3,000 kilowatts in 1912 is now almost exactly the same as that of a turbo-alternator yielding 6,000 kilowatts. From the power point of view, the ton in 1925 is twice as valuable as the ton in 1912. In preparing an index of activity in electrical engineering, it was decided to abandon weight and price, and concentrate on horse-power as the only true indication of output even under varying conditions of design and materials. The index so prepared covers the heavy plant engineering side of the industry, which is fully 60 per cent. of the total production even if lamps, accessories, small control and recording apparatus, domestic heating and cooking appliances are included in the latter. To avoid seasonal fluctuations and neutralise to some extent the effect of abnormally large orders, an annual total ending with the month in question was taken and continued on this basis from January, 1924, onwards. The year 1920 was taken as a basis of 100. To read the index correctly, it should be noted that it takes three months on an average for orders to pass into production in the shops, so that the index of 61 given for home trade in August, 1925, applies to November:—

INDEX OF ACTIVITY IN THE ELECTRICAL INDUSTRY.
(1920 = 100.)

Year ending—	Home. Export. Total.		
	100	100	100
1920.....	100	100	100
January, 1924.....	96	95	96
February, ".....	100	83	95
March, ".....	107	95	104
April, ".....	106	105	106
May, ".....	108	107	108
June, ".....	105	89	101
July, ".....	102	79	96
August, ".....	92	79	88
September, ".....	89	94	90
October, ".....	83	92	85
November, ".....	91	96	92
December, ".....	80	80	80
January, 1925.....	78	102	84
February, ".....	77	102	83
March, ".....	67	105	76
April, ".....	60	95	69
May, ".....	55	87	62
June, ".....	58	86	65
July, ".....	58	119	73
August, ".....	61	119	76
September, ".....	61	121	76

Examination of the index will show how unreal the legends of remarkable prosperity in the electrical industry this year have been, and it will also show that the competitive ability of the industry, judging from the export figures, was never higher than at the present time. The continued success of the industry in the foreign market has been a notable feature of the last two years at least, and would indicate that the electrical plant manufactured by British firms is steadily creating a tradition of excellence in the world. The reasons for depression in the home market are not to be found in the inefficiency of the industry, but in the uncertainty regarding Government action in the standardisation and inter-connection of electricity supply. No undertaking could launch out on any important supply scheme involving the expenditure of capital if it were certain that legislation might, through frequency adopted in its area, make this expenditure inoperative at the outset. There has been almost complete cessation in the construction of new power stations, and the orders received have been for extensions which were unavoidable. The consumption of electricity, owing to like Glasgow, Sheffield and South Wales, and this has had immediate effect on the demand for electrical plant. The index affords a reliable clue to the present state of the industry, and will be published monthly in the special supplement on the state of trade issued by the *Economist*. The copyright is reserved by the Economic and Statistical Department of the British Electrical and Allied Manufacturers' Association.

The Rating of Machinery.—An important debate took place in the House of Commons, on Wednesday, on a clause of the Rating Bill, designed to relieve industrial machinery of the burden of local rates. Mr Barker and Mr Mardy Jones, on behalf of the Labour party, moved and seconded the rejection of the clause mainly on the ground that it might mean a transference of rates, to the tune of some £10,000,000 per annum on to rate-payers less able to bear the burden than industrial concerns. Mr Runciman was the chief exponent of the opposite view. He explained that there was at present no uniformity of practice in regard to the rating of machinery. For instance, of 55 million spindles in Lancashire, only 9 million were at present rated. In Scotland the cotton industry was free from rates on machinery, whereas in the North-East of England this burden was becoming a very serious one for major industries. He claimed, too, that in that and other areas the "unrating" clause would bring important assistance to industries in the task of meeting international competition. Mr Neville Chamberlain, replying on the debate, emphasised the line of argument introduced by Mr Runciman, and at the same time combated the suggestion from the Labour benches that the relief to machinery would add seriously to the burden of rates on humbler folk. The change in rating would not take place until after the next revaluation, and he staked his reputation as an authority on municipal affairs on the statement that "they would be able to count on the fingers of two hands the number of places where there would be increases of rates due to the change." The new clause should certainly do something, as Mr Chamberlain claimed, not merely to assist certain industries in competition by reducing a burden, which does not come out of profits like income-tax, but which is a production cost, but also to encourage the keeping of machinery up-to-date.

Japan's Financial Policy.—A the general meeting of the Japanese Clearing Banks, last week, Mr Hamaguchi, the Minister of Finance, outlined the financial policy of the Government. According to cable advices, he stated that the same policy of strict economy had been followed in framing the Budget for the year 1926-7 as in the previous year. The estimates of expenditure were about 1,598 million yen, of which 1,079 million were to meet ordinary expenditure, and 519 million extraordinary. The figures included 220 million yen for various expenses directly arising out of the great earthquake in 1923, that is, expenses for the reconstruction of the metropolis, and the replacement of damaged Government buildings and plant, as well as interest on the reconstruction loans. The estimates of expenditure for 1926-27 showed an increase of about 48 million yen, as compared with those of the previous year. The principal items of the fresh expenditure proposed are as follows:—

	Yen.
Increase in the grant to local authorities for salaries of primary school teachers.....	20,000,000
Construction of auxiliary vessels for the Navy.....	8,000,000
Relief to the Industrial Bank of Japan, the Bank of Taiwan, and the Bank of Chosen in connection with their loans to China.....	7,000,000

In the coming session of the Imperial Diet the Government, the Minister went on to say, intended to introduce a Bill to amend the present system of taxation, so as to obtain a better distribution of the burden, to simplify and improve administration and collection of inland revenue, and to adapt the system of taxation to the present economic conditions of the country, while maintaining the present amount of the total revenue. The main features of the plan were the reduction of income-tax, land tax, and business tax, the abolition of excise duty on cotton textiles, and travelling tax, as well as lesser taxes, the establishment of a new tax on interest arising out of capital, an increase in the duties on spirits and higher death duties. As regards the Government borrowing, he said that the amounts to be raised during the year 1926-27 would be about 150 million yen, for the purpose of reconstruction work, the development of the colonies, and the State railway enterprises. Those loans were intended to be issued through post offices, or by way of advances from the various public departments, so as to avoid a recourse to the public market. This policy, which had been followed by the

present Government since last year, had relieved the money market from the demand of public finance, and had been very successful in mitigating stringency of the money market, and in reducing the general rate of discount, and in enabling capital issue at lower rate and longer term.

Scottish Shale and Ammonium Sulphate.—A correspondent writes:—One aspect of the present stoppage of work in the Scottish shale-refining industry does not loom large at the present time, but it may eventually prove to be of considerable economic importance. It is not generally known that this industry is the largest individual producer of sulphate of ammonia in the United Kingdom (over 50,000 tons per annum, or one-eighth of the total), though the output of the recently introduced synthetic product manufactured at Billingham by the Synthetic Ammonia and Nitrates, Limited, may perhaps soon take the foremost place. Ammonium sulphate prices during the past two or three seasons have been appreciably higher in the controlled home market than in the world markets, and this has caused great discontent among users in this country. In deference to the growing importance of the home market, British manufacturers, 90 per cent. of whom are members of the Sulphate of Ammonia Federation, have reduced quotations to a level more in accordance with world prices, which have gradually been forced down by the weight of German competition. Complaints have just been voiced by the Federation that high production costs and dear sulphuric acid are forcing makers to sell at almost unremunerative prices, and there is a danger that the present cessation of operations in the shale fields—which may last longer than is anticipated—will be used as a lever to raise prices of ammonium sulphate. Should this happen we may expect to see cheap foreign material entering this country, and since the German synthetic product is, on the whole, far superior to the by-product sulphate mainly manufactured here, such competition would undoubtedly be felt, as is the case with the United States, where German material is successfully competing with the home product, despite the protective duty, equal to about 23s per ton. Already, small quantities have been imported into the United Kingdom, and we may yet be faced with an application to the Government under the Safeguarding proposals for a protective duty to be placed upon imports of a chemical product, the world market for which, before the war, was dominated by British producers.

British Dyestuffs.—As anticipated, the shareholders of the British Dyestuffs Corporation, at extraordinary meetings held on Wednesday, approved the scheme of reconstruction outlined in last week's *Economist*. In his speech, in which he elaborated the information already before the shareholders, Lord Ashfield stressed the difficulties which had beset the company as a result of the Government restrictions under which it had had to operate. "These restrictions," he said, "have been repressive of the corporation's activities, and have hindered its expansion; they made it impossible for its business to be conducted with secrecy or rapidity—two essential elements in obtaining commercial success; and they invited political interference with a commercial undertaking. They were safeguards against contingencies which no longer had to be feared; shackles whose utility had gone, but whose weight remained." With regard to the payment of £600,000 in cash to the Government in return for its surrender of £1,700,000 preference and preferred ordinary shares, Lord Ashfield stated that the figure had been arrived at after considerable negotiation and inquiry, and pointed out that it approximated to the market value of the shares at the time. The company is to be congratulated upon securing freedom from Government control, even at this late hour, on terms which appear reasonable on both sides. But it is a pity that the negotiations proved so difficult, and that the Government could not be induced to surrender its holding at a much earlier date. On the subject of the proposed agreement with German manufacturers of dyestuffs, Lord Ashfield said that the negotiations which began about four years ago finally resulted in an agreement, which, however, was not sanctioned by the Government. He added that "Whether an agreement

between the I.G. interests and ourselves is now possible I am quite unable to say, but I should like to give this assurance, that whatever may happen in the future, the present board are prepared to give a definite pledge that while the management of the Corporation is entrusted to their care it will not, as was alleged, be allowed to sink or to drift into the position of a mere distributing agency for dyestuffs, and that whatever agreement may be made, it will not be inimical to the interests of our customers, the colour users, but will be made with the object of securing for them the widest measure of freedom in the conduct of their business, and the opportunity, as far as lies in our power, to purchase their colours at the world's prices." When one recalls the flourish of trumpets with which the corporation was formed, with the avowed object of developing a dye industry in this country which should be entirely independent of foreign manufactures, the resort to an agreement with the German dye makers really amounts to an admission of failure. Had the various Governments of the past three years not vetoed an agreement, it would undoubtedly have been consummated long ago. When it does come it will certainly be of great advantage to British users of dyestuffs.

British Overseas Bank.—Some reflection of the success which has attended the efforts to restore economic equilibrium in Europe is to be found in the report of the British Overseas Bank for the year ended October 31st last. The bank has extensive foreign connections, but is particularly concerned with the Continent, so that any improvement in financial conditions there should have a beneficial influence upon its business. The net profit for the year as disclosed by the report just issued amounted to £126,015, against £105,548 in respect of the previous 12 months. With the sum of £54,330 brought in, there is a total surplus of £180,346, in comparison with £174,330. This enables a distribution to be made to holders of the "B" ordinary shares, which is the first payment made on this class of capital since the commencement of operations six years ago. The dividend is at the rate of 3 per cent. per annum. The distribution on the "A" ordinary shares is again 6 per cent. The dividend on this issue has been regularly paid, which is of primary importance to investors, as the "B" shares are not available to the public, being only for issue to banks and other financial institutions. The declaration now made on the latter class, however, though not of direct public importance, is of indirect concern, as it illustrates the progress being made. The usual appropriation of £5,000 is made towards reduction of premises account, although the general reserve this time receives only £25,000, compared with £55,000 a year ago. This leaves a sum of £60,346 to be carried forward, in contrast with £54,330 brought in. Acceptances have advanced from £3,331,917 to £3,913,516, while deposits, on the other hand, have contracted from £2,294,569 to £2,138,867. Bills discounted have fallen from £464,106 to £307,581, but advances figure at £805,788, against £703,934. The holding of Government securities remains the same, but other investments have gone up from £31,984 to £306,449. Money at call stands at £1,345,000, compared with £1,610,000. The price of the "A" ordinary £5 shares, fully paid, is 5½, making the yield, on the basis of the 6 per cent. dividend, £5 4s 3d per cent.

Bolckow, Vaughan, and Co.—The only encouraging feature in the report of Bolckow, Vaughan, and Co. for the year ended June 30th last is in connection with the subsidiary and connected companies. The directors state that the accounts of these concerns, though not yet completed, "indicate an early return to a dividend-paying basis." The company itself still seems far away from this fortunate position, the accounts now presented showing an even more unsatisfactory state of affairs than was the case twelve months ago. The accounts for 1923-24 showed a profit, before allowing for depreciation and interest, of £84,700, but depreciation of ore stocks required £53,300; loss on demolitions, £18,700; interest on loans and overdrafts, £109,000; and half-year's preference dividend, £11,800. This left a debit balance of £173,300, including a credit of £24,800 brought forward, which was met by transferring £150,000 from

income-tax reserve and writing off the balance of £23,300 from general reserve. The past year's accounts show still more unfavourable results. There is a loss of £37,900, to which has to be added a charge of £33,400 for depreciation of stocks. Interest on loans and overdrafts requires £38,000, and debenture interest £140,000, leaving a deficit of £249,300. To meet this a sum of £100,000 is transferred from income-tax reserve, and the balance is written off general reserve. The table below compares results for the past 13 years:—

	Gross Profit.	Depreciation and Extensions, &c.	Deb. Int. and Pref. Div.	Balance.	Written Off Cap. Expenditure.	Ordinary Div.	Rate.
1912-13	£ 642,235	£ 161,850	£ 54,168	£ 436,017	£ 160,000	£ 274,630	% 10
1913-14	371,261	146,432	51,551	173,278	nil	164,778	6
1914-15	538,119	132,415	50,759	151,947	nil	161,778	6
1915-16	*521,631	172,917	58,039	292,565	nil	302,903	11
1916-17	*771,408	371,382	54,021	315,935	nil	329,556	12
1917-18	*715,100	324,011	46,896	344,163	nil	329,556	12
1918-19	*696,785	207,050	42,796	446,939	nil	397,687	12
1919-20	*805,364	308,415	40,197	456,752	nil	450,677	12
1920-21	*441,641	77,664	74,513	291,664	nil	300,451	8
1921-22	Dr 34,800	50,569	10,504	Dr 188,978	nil	nil	nil
1922-23	Dr 185,480	83,753	124,801	Dr 394,034	95,684	nil	nil
1923-24	84,677	71,918	71,047	Dr 198,149	nil	nil	nil
19 4-25	Dr 37,886	53,379	178,014	Dr 249,279	nil	nil	nil

* After allowing for War taxation.

During the past year the directors called up an uncalled balance of 8s per share on 1,860,900 ordinary shares of £1 each. This produced £741,300, and the overdraft owing to bankers has been reduced by £726,900 to £347,000. A series of debit balances has reduced the general reserve fund from £1,000,000 at June 30, 1921, to £279,900 at the date of the last balance-sheet. There is also an accident and fire insurance reserve of £164,200, and this is now to be made available for meeting any further losses in case of need, the directors having recently effected, "upon advantageous terms," an insurance against fire and explosion risks "whereby practically the whole of the existing fire insurance reserve will become available for the general purposes of the company." No depreciation has been charged in the accounts for the year, a fact to which the auditors draw attention, without comment. Investments, which are mainly in subsidiary and connected companies, show an increase of £68,600 at £1,822,400. They are taken at or below cost, the total, in the opinion of the auditors, being in excess of to-day's values. Stock-in-trade has been reduced by £267,200 to £893,000. The company's position is still far from encouraging. In explanation of the poor results the directors remark that "the year has been marked by severe depression in the coal trade, and the improvement in the company's iron and steel works has been offset by the adverse results at the collieries, for which the burdensome Wages Agreement is in great part accountable." An analysis of the balance-sheet will be found in a later column.

Dorman, Long and Co.—The accounts for the year ended September 30th last of Dorman, Long and Co., in common with those of many other North-East coast undertakings of a similar nature, show a substantial decrease in profits. There is, in fact, a decline of over 50 per cent., but although the preferred ordinary shares receive no dividend, there is nearly sufficient to cover debenture interest and preference dividend. By reducing the carry-forward by £88,000, provision of the £28,700 required for debenture redemption and an allocation of £50,000 for depreciation is possible. The following table shows results for the past five years:—

	1920-21.	1921-22.	1922-23.	1923-24.	1924-25.
Profit	397,711	157,369	272,454	501,984	228,170
Brought forward	248,540	239,488	201,173	202,667	210,151
Debit interest	646,251	396,887	473,627	714,651	438,321
Redemption of deba.	36,286	35,684	88,189	208,500	206,444
Balance of amalgamation expenses	10,477	..	..	27,872	28,710
Reserve, &c.	..	..	..	7,044	..
Preference dividend	..	40,000	50,000	100,000	50,000
Preference ord. dividend	120,000	120,000	120,000	120,000	31,083
Ordinary dividend	240,000	(nil)	(nil)	(nil)	(nil)
Carried forward	239,488	201,173	202,667	210,151	122,065

The accounts for 1922-23 included for the first time the figures of Bell Brothers, Limited, Sir B. Samuelson and Co., Limited, Carlton Iron Company, Limited, and North-

Eastern Steel Company, Limited, which went into voluntary liquidation for the purpose of amalgamation with Dorman Long. The directors mention that expenditure on bridge contracts and the development of the coal undertaking in Kent have made heavy demands on the company's resources, and account for the bank overdraft, which stands in the balance-sheet at £992,100, in addition to other liabilities of £1,132,300, including an unsettled amount due for taxation. Stocks and work in progress stand at £3,281,900, an increase of nearly £400,000, which would indicate that the company is well employed.

Slaters.—Although the trading profits of Slaters in respect of the year ended September 30th last declined from £80,409 to £71,241, the net profits rose from £37,876 to £42,941. This was due to the fact that £20,673 was realised as profit on sale of investments. Were this not included in the item, therefore, net profits would have shown a fall from £37,876 to £26,269. Whether the apparent increase in prosperity presented by the comparative figures given below is likely to become an accomplished fact remains to be seen. Perhaps the chairman will enlighten shareholders at the annual meeting:—

Sept. 30.	Trading Profit.	Interest and Divs.	Exp'ses and Inter'st Ch'rges.	Net Profit.	Pref. Div.	Ord. Div.	Rate.	Balance.
1906	£ 52,021	£ 4,513	£ 19,508	£ 37,023	£ 5,650	£ 30,281	% 12½	£ 1,222
1907	52,660	4,680	20,443	37,046	5,650	30,281	12½	1,066
1908	48,302	4,718	20,756	32,386	5,650	30,281	12½	2,460
1909	41,630	4,839	21,416	25,143	5,650	19,295	8	223
1910	41,068	3,097	21,834	22,443	5,650	19,200	8	Dr. 2,417
1911	39,045	2,353	21,261	22,443	5,650	16,808	7	Dr. 2,280
1912	42,890	3,119	21,881	24,229	5,650	16,808	7	1,771
1913	44,065	2,169	22,648	23,673	5,550	16,808	7	1,215
1914	42,506	2,133	23,822	20,881	5,640	14,180	6	860
1915	17,786	1,556	20,988	Dr. 6,603	3,997	..	..	Dr. 1,861
1916	14,261	1,257	22,474	Dr. 7,768	..	..	..	Dr. 45,178
1917	18,006	2,584	27,337	Dr. 6,777	..	..	..	Dr. 61,955
1918	23,148	3,315	27,769	Dr. 1,306	..	..	..	Dr. 63,262
1919	68,612	3,193	29,858	41,947	..	..	..	Dr. 17,315
1920	81,306	4,435	31,260	54,481	22,050	7,140	..	7,976
1921	60,871	4,993	40,107	17,758	4,200	8,526	4	8,508
1922	47,026	12,412	50,531	8,976	5,250	9,244	5	3,791
1923	61,854	8,800	51,991	22,263	4,575	11,858	6	6,830
1924	89,409	4,943	47,471	37,876	4,650	15,810	8	17,416
1925	71,241	72,113	50,433	42,941	4,725	18,073	9	24,144

* Including £20,673 profit on sale of investments.

The saving effected in expenses in 1923-24 was not maintained during the last financial period. The difference, however, is not of great importance, and the figure of expenditure is still below that of 1923. The ordinary dividend was raised from 8 to 9 per cent., absorbing £18,073, in comparison with £15,810, leaving a balance of £24,144 against £17,416. The directors state that the smaller amount of profit shown in the trading figures this year, as compared with those of 1923-24, "was entirely due to the fact that in the former year special profits, apart from the ordinary trade, were due to excursion parties from the provinces, organised on a very large scale to visit London and the Wembley Exhibition. These organised parties of many thousands of people were not repeated this year, owing to adverse industrial conditions in the textile, iron and steel, and mining industries in the north. Accompanying the report is a notice drawing attention to the fact that a number of shareholders have recently received a circular, bearing the names of some shareholders, nominating another director. "This circular," says the board, "is so misleading and so full of inaccuracies that your directors strongly advise you not to sign any proxies in favour.....of the candidature....." It is stated, moreover, that "the board, as at present constituted, is working in absolute and complete harmony for the continued progress and development of the business and in the interests of the shareholders." If that is so, and judging by recent results, the newly nominated director appears to have little justification for his claim to membership of the directorate. The price of the ordinary £1 shares is 1½, making the yield, on the basis of the 9 per cent. dividend, £7 2s 3d per cent.

Peter Walker and Robert Cain.—A further improvement occurred in the position of the brewery undertaking of Peter Walker (Warrington) and Robert Cain and Sons, Limited, during the year ended September 30th last. The accounts covering that period disclose that the net profit went up from £576,310 to £608,541. With the sum of £34,470 brought in, which compares with £25,470 twelve months before, the available balance is brought up to £643,010, in comparison with £601,770 in 1923-24. The debenture interest again absorbs £150,000, while the amount required to pay the preference dividend—£160,000—is also unchanged. There then remains a distributable balance of £333,010, compared with £291,770. The ordinary dividend of 9 per cent. for the year is the same as in the preceding period, while the appropriation to the staff benefit fund remains unaltered at £3,000. The allocation to reserve, however, has been raised from £50,000 to £80,000, leaving £45,710 to be carried forward in contrast with £3,470 brought in. In commenting upon the 1923-24 accounts we observed that "obviously a reserve of £70,000 (which was the figure at that time), against assets of approximately £6,900,000, is absurd." On turning to the consolidated accounts, we find that reserves are nearly £617,000. The consolidated balance-sheet this time shows reserves of £747,000. The directors report that during the year a scheme to alter the terms of the debentures was submitted by persons largely interested in the company, but not receiving the requisite support from the debenture-holders, was abandoned. Freehold and leasehold properties, goodwill, loans and advances, and sundry investments, &c., are lumped together under one heading. They stand at much the same figure as a year ago. Sundry debtors, however, have declined from £49,812 to £4,009, though creditors show little change. The holding of cash has risen from £192,768 to £244,710. The concern, as noted previously, is partly a holding company, and the directors are to be congratulated upon presenting a consolidated balance-sheet. In another direction commendation is less deserving. We refer to the cumbersome and unwieldy title of the undertaking. Several of the big joint stock banks have realised that no useful purpose is served by continuing under a lengthy nomenclature, and we think the directors of Peter Walker should give the matter consideration.

Turkish Petroleum Company.—Much comment has been aroused by a statement made casually by Sir Charles Greenway, at the recent shareholders' meeting of the Anglo-Persian Oil Company. He gave the division of interests in the Turkish Petroleum Company as 47½ per cent. Anglo-Persian, 22½ per cent. Royal Dutch-Shell, 25 per cent. French consortium, and 5 per cent. Mr Gulbenkian. It was then discovered—apparently to the surprise of many—first, that the Standard Oil and the other oil companies comprising the American group, had not actually taken up the shares in the Turkish Petroleum Company which had been placed at their disposal; secondly, that Mr Gulbenkian, a director of the Mexican Eagle Oil Company, and a prominent figure in Royal Dutch finance, was somehow in possession of 5 per cent. When it was further discovered that a dispute was raging between Mr Gulbenkian and the American group over the cash valuation of Mr Gulbenkian's holding, a first-class international oil dispute was quickly "written-up." But in reality nothing unusual has happened. It is usual for Mr Gulbenkian to have 5 per cent., and his 5 per cent. in the Turkish Petroleum Company was clearly laid down in a document signed at the Foreign Office in March, 1914, by the respective commercial oil interests and the German and British Governments. Mr Gulbenkian had been instrumental in bringing the Royal Dutch-Shell group and the Turkish Government together on the terms or idea of a concession, and presumably in consideration of his services he was assigned under this agreement a "beneficiary 5 per cent. interest, without voting rights, this 5 per cent. being contributed equally by the D'Arcy group (Anglo-Persian Oil) and the Anglo-Saxon (Royal Dutch-Shell) out of their respective holdings (50 per cent. and 25 per cent.)." Whether this remuneration for Mr Gulbenkian's services was too high can hardly be considered now when our ideas

of oil and duty in the Middle East have so completely changed. It was then (in 1914) provided that if Mr Gulbenkian should desire to dispose of his interest in the Turkish Petroleum Company, the Anglo-Persian and the Royal Dutch-Shell should have the option of purchasing it, which in the present circumstances would amount to almost an obligation. What could be more natural than for Mr Gulbenkian to desire to cash this 5 per cent. interest? Every other shareholder, certainly the French, would like to do the same. Profits are very far removed from the Turkish Petroleum Company, and a prudent financier prefers his bird in the hand. As the American group were offered half the interest of the Anglo-Persian, it took over also half its obligations towards Mr Gulbenkian. It is not unnatural that Standard Oil should fail to see eye to eye with Mr. Gulbenkian on the present cash value of Turkish Petroleum shares. It is probable that if Mr Gulbenkian does not accept the Standard Oil views, the American group will decline to proceed further, and refuse the offer of participation in the shares of the company. The company would no doubt work more harmoniously if the number of its powerful interests were reduced. At present parties of geologists are examining the parts of the concession outside the disputed area of Mosul on behalf of each of the four interests—an incident which seems to present possibilities of war among geologists if not war in Mosul. No wells have been sunk, and no oil in commercial quantities has ever been discovered. It is rare to find a company, that has accomplished nothing in the course of a life of 14 years, excite so much lively interest over the value of its shares.

De Beers Diamond.—Our mining correspondent writes:—It will be recollected that this important undertaking paid for the past financial year on its deferred shares dividends totalling 20s, against 10s in respect of the preceding period. The accounts now to hand indicate that the great bulk of the additional revenue was provided by realisation of investments, "other income" figuring at £948,400, as against £326,300 a year ago. In point of fact, "diamond account," at £3,348,200, shows a slight reduction, although higher prices were received for the stones sold. Some economy was effected in costs, but taxation further expanded to £258,500. After providing for the dividends on both classes of shares, the somewhat larger balance of £451,700 goes forward. A point on the technical side is a reduction in the stock of blue ground on the floors owing to the new and more economical method of treating this material direct from the mine. The directors emphasise the benefit which will accrue from the agreement made this year, under which practically all the African output of the precious stones will be handled by a single organisation. On the basis of last year's dividends, the deferred £2 10s shares, at a current market price of about £13 15s, give a yield of just over 7 per cent., which may be regarded as making some allowance for still better results in the future. The preferred shares, which are also of the denomination of £2 10s, show a return of about 7½ per cent. at the current market price of £13.

"Johannes."—At the annual meeting of the Johannesburg Consolidated Investment Company—a fairly full report of which has been cabled—the chairman, Prof. J. G. Lawn, announced that in future the dividends will be declared half-yearly. This departure is in accordance with the expectations for some time past entertained in usually well-informed quarters; it is also in accordance with the practice of other leading Kaffir finance institutions. Some people are hoping that the first interim distribution will be at a higher rate than that paid for the past two years—namely, 3s per share, tax free. This view may prove optimistic, but it is highly probable that the total for 1925-26 will represent an increase. For the rest, interest centres chiefly around such of the Professor's remarks as were of a general rather than a particular character. Considerable attention was naturally devoted to the new diamond selling agreement, which takes effect from January 1st next, and continues for a period of five years. The "Johannes" company stands to benefit in a sub-

stantial degree, both directly and indirectly, from the new scheme, in the arrangement of which it took a prominent part. Dealing with the Union Government's attitude towards the mines, and with the position as regards the supply of native labour, the professor was on less happy ground. Little change can perhaps be hoped for in taxation, but it would seem reasonable to look for some relaxation of the regulations as to the recruitment of native workers. Despite the introduction of greatly improved mechanical appliances, the operations at various mines are seriously handicapped by lack of "boys."

Pahang Consolidated.—Some disappointment was occasioned at the absence of any increase in the dividends, the final of 15 per cent. making 20 per cent. on the ordinary as before, the preference also again receiving a total of 15 per cent. The enhanced price received for the tin sold failed to offset a decline in the output, last year's total of 2,600 tons showing a decrease of about 100 tons. Thus the profit of £124,300 fell somewhat short of the 1923-24 results. On the present occasion, in addition to an allowance of £20,000 for depreciation, £10,000 is set aside for special development. The Pahang, of course, is the only lode tin-mining proposition in Malaya. In 1923-24, as we pointed out when commenting on the report for that year, developments in the principal mine took an adverse turn. Last year these disappointing results continued, although satisfactory values were found in another property. No new alluvial ground of importance was discovered. On the dividends of the past two years the ordinary shares yield no more than 8 per cent. The only "bull point" in the position appears to consist in the company's holdings of seven-eighths of the capital of its subsidiary, the Kuala Reman Rubber Estate.

Life Policies in Reichsmarks.—A case of very considerable interest, though *sui generis*, and not of general application—was decided by Mr Justice Acton, in the King's Bench this week. It concerned a life assurance policy issued in reichsmarks to one Anderson by the Equitable Life Assurance Society of the United States in 1887. At that date the American life office was doing business in Germany, though it withdrew in 1901. The life policy was with participation in profits, and the premiums were payable for 20 years only. Premiums were paid regularly between 1887 and 1907, when the policy became paid up, and it would be noted that all through these 20 years the reichsmarks were at their full gold value in relation to sterling or American dollars. The policyholder, Mr Anderson, had fulfilled his part of the contract, and paid in good currency, and yet when he died in March, 1922, it was contended by the defendant company that the policy money became payable in paper marks at their enormously depreciated value in 1922. This meant that the policy had been practically waste paper. It appears from the judgment of Mr Justice Acton that, taken by itself without reference to other circumstances, the contention of the defendant company would have been sustained, inequitable though it must appear. But it happened that the company, in allotting profits on his paid-up policy to Mr Anderson in terms of marks between 1907 and 1922 had always taken the mark at 20.43 to the £ sterling, or the equivalent in dollars. The judge held that they could not treat the mark at its gold value for the purpose of allocating profits, and at its depreciated paper value, when it came to paying the policy money at the death of the assured. He therefore gave judgment for Mr Anderson's widow, and declared the sum insured payable to her, with profits, at 20.43 reichsmarks to the pound sterling. That this judgment is in accordance with equity and common sense would appear incontestable. The whole of the premiums were paid in reichsmarks at gold value, and the company (which had withdrawn from Germany in 1901) had not—like the German companies—been landed with enormous depreciated mark investments of its life funds. Any other decision would have left the defendant company in possession of the premiums paid in gold currency, and given the plaintiff widow a sum insured paid in marks at fantastic millions to the £ sterling. And yet the decision

must, it would appear, have legalised this gross injustice had not the defendant company tried to adopt two mutually exclusive valuations of the reichsmark—one when allotting profits, and the other when seeking to evade full payment of the sum insured.

THE first ordinary meeting of the present session of the Institute of Actuaries will take place on Monday next, 30th instant, at 5 p.m., at the Hall of the Institute, Staple Inn. Subject: "Some Notes on the Changes Made by the New Law of Property Acts, with special reference to Life Assurance Practice." By Mr D. Houseman, A.I.A.

Oversea Correspondence.

UNITED STATES.—STOCK MOVEMENTS AND MONEY PROSPECTS — INDUSTRIAL POSITION — COMMODITY PRICES—ITALIAN DEBT SETTLEMENT
(FROM OUR CORRESPONDENT.)

NEW YORK, November 17.

ALTHOUGH the stock market rallied strongly after the severe shake-out precipitated by the news of the advance in the discount rate of the Boston Federal Reserve Bank, speculative enthusiasm seems to have received a pretty definite check. The sweeping losses of the day after the news came from Boston were followed by two or three days of steadily advancing prices. The railroad averages pressed forward into new high ground; the industrial averages made up most of their loss. The bull party made a determined effort to demonstrate to the public that the bull movement was not ended. The public seemed disposed not to give up the game on the basis of one day's showing. Nevertheless, reactionary tendencies made their appearance by the end of last week. Yesterday (Monday) another sharp reaction, with no more adverse news than a tightening of call money, that would have been disregarded a short time ago, was followed by the news that the Cleveland Federal Reserve Bank had accepted the example of Boston and increased its rate from 3½ to 4 per cent. To-day a lower opening on the Cleveland news brought out a fair rally. But keenness to buy, plainly, is falling off; and the shadow of Federal Reserve action hovers over the market.

The boom in the motor share seems pretty definitely broken. Chrysler, after soaring to 253, broke to 200; Hudson, after touching 139½, sold off to 100; General Motors, whose top was 149½, came back to a fraction above 127; many of the minor shares that were taken in hand late have fallen back to the prices that prevailed before their moves started. As far as the motors are concerned, the speculative community feels that all the good news is out. Production still is running at a high rate; but the Studebaker dividend has been raised, and General Motors has declared a long-anticipated dividend in an extra of \$5 for the common shares. Talk has shifted from brilliant earnings to the possibility of over-production next year. Big operators feel that the motors are "through"; they have been turning their attention to oils and rails. Railroad earnings have been most satisfactory; oil news is improving. Neither class of shares has had much of an advance this year. The question is, whether public interest can be held while attention is shifted from motors to oils and rails, and whether the market as a whole is to feel the effects of the change in Federal Reserve policy too strongly to maintain its upward movement. The bull party has talked very confidently; it has declared that an increase in official discount rates would have little effect; it has fought recent reactionary tendencies energetically. Many good judges feel, on the other hand, that the new Reserve policy will take a certain amount of money away from the market, while the psychological results of official intervention are considerable.

As for the Federal Reserve system itself, matters are developing along the lines suggested in this letter a week ago. The Reserve authorities have plainly been disturbed over the extent of speculative activity. Realising, however, that most of the call money that is at the disposal

of the New York Stock Exchange has been coming from out-of-town, they have seen that the contraction should be started at the out-of-town centres. An advance in the discount rate at New York would have accentuated the existing situation; more outside balances would have been attracted. In addition, it was the resources of the outside Reserve banks that had been drawn on in increasing measure during recent months; discounts at New York are well below the peak, and have been diminishing rather than increasing. If, as seems likely, a contraction is had out-of-town, some of the outside call money pretty certainly will be drawn home. The effect of this would be to stiffen call rates at New York, and so bring the New York banks into the call market on an increasing scale. If this were followed by increased discounting at New York, the way would be prepared for an advance in the discount rate of the local Reserve institution. However, the developments on which this action would be based still lie in the future; their actual occurrence is something that cannot be forecasted accurately. For the moment it seems that the New York rate will be left alone, and that further moves on the Federal Reserve checkboard will be made at places like Philadelphia and San Francisco, where 3½ per cent. discount rates still exist. Much will depend on the effects of these moves, and upon the course of events in the stock market. It is possible that no change at all will be made in the New York rate; if discounting does not increase, and if speculation proves to be checked, the directors may feel that none is necessary. On the other hand, if market activity keeps up, higher call money probably will call out additional discounting at the central institution.

Industrial news continues favourable. Iron and steel prices are firm, and belief in the firmness of the latter will, according to some good observers, encourage forward buying and bring a considerable increase in unfilled orders. Production in the steel industry keeps up at something better than 80 per cent. of capacity, and consumption, especially in the important automobile and construction industries, is maintained well. An improvement, also, is noted in the textile trades, where decreases in the costs of raw materials and the high level of public purchasing power are helping to restore profit margins. The country's cotton mills consumed 543,000 bales of lint during October, as compared with 483,000 in September, 448,000 in August, and 532,000 in October of last year. Exports of cotton during October were exceptionally large, reaching 1,421,000 bales of lint and linters. This figure is nearly half-a-million ahead of that of October of last year, and tops the high record shipments of last November, which amounted to 1,306,000 bales. The consumption and export figures furnish some offset for the increase in the official crop estimates, which point to a yield in the neighbourhood of 15,500,000 bales.

Somewhat contradictory indications are furnished by the several indices of commodity prices. Those of Bradstreet and Dun, which are computed as of the first of each month, have risen mildly of late. That of the Bureau of Labour Statistics, which is our best weighted index, and which represents prices prevailing during each month, has been receding slightly. This index was 1.3 per cent. lower during October than during September; the decline followed a previous decline of 0.4 of 1 per cent. In October the index stood at 158 per cent. of the average during 1913. The high record for the year is 161, which prevailed during February and March; the low is 155, touched in May. The recent decline may be charged principally to lower prices for farm products. The prices of industrial products are holding well.

Much satisfaction is felt over the Italian debt settlement. The financial district regards the agreement as fair to the United States and generous to Italy. The early burden is light enough to permit Italy's industrial development. Settlement of the debt on these terms will enable Italy to secure the credits that really are needed in this market. In general, it would seem that the Italian agreement should improve the chances of one with France, although the cynics point out that the presence in this country of some five millions of voters of Italian extraction, who are well organised, may have been a factor influencing judgments of Italian capacity to pay. Then, too, the troublesome Mr Borah seems not to find in

the case of Italy those militaristic inclinations that trouble him in the case of France. In any event, it is thought that the latest settlement will prepare the way for Italian Government borrowing to the extent of as much as \$100,000,000. Reports on this matter have been, it may be noted, exaggerated and premature. Our market, also, is interested in the possibility of Belgian borrowing. It is felt that the Belgians are wisely preparing to make their franc independent of the fluctuations in the French franc, and that a Belgian franc stabilised in relation to gold is a fairly early possibility.

FRANCE.—MINISTERIAL CRISIS—BANK OF FRANCE ADVANCES—TREASURY POSITION—SPEEDING UP TAX COLLECTION.

(FROM OUR CORRESPONDENT.)

PARIS, November 25.

THE second Painlevé Ministry fell on Sunday, when its head made the adoption of one of his proposals—that for the consolidation of the short-term Treasury bonds, and of the Crédit National bonds—a question of confidence. The circumstances of the Ministry's fall were unprecedented. A fortnight previously M. Painlevé, in defiance of Socialist pressure, flatly refused to embody the consolidation of these securities in his proposals, and the *Temps* went so far as to congratulate him on his opposition to "this form of bankruptcy," and insisted that it would be an insult to suppose him to be capable of any compromise on this point. On Sunday, however, it was made clear that not only had the Government completely changed its mind on the subject, but that it proposed that consolidation should take the form of spreading reimbursement of the securities in question over a period of 25 years, *dating from January 1, 1928*. In other words, the Government proposed what was virtually a three years' moratorium in regard to short-term Treasury bonds and Crédit National bonds. When the Speaker came to read over the text of the clause it was found, to the stupefaction of the Chamber, that an explanatory paragraph had been added to it which had never been placed before the Finance Commission. Protests rose immediately from all parts of the Chamber.

These were all the more emphatic because the House had already been disturbed by unfounded suspicions that the Government had allowed its plans to be manipulated by interested persons for their personal profit. On November 10th, it was pointed out, a decree was promulgated authorising holders of Treasury bonds to exchange them for National Defence bonds. Six days later another decree cancelled the first. The accusation was made that in the interval large blocks of these bonds, bought at 360f, had been discounted by the Bank of France at their face value of 500f. M. Painlevé insisted that the second decree had been promulgated on the formal demand of the Finance Commission of the Chamber, therefore he claimed that the Government could not be held responsible for the fact that holders of bonds who had not presented theirs for repayment before that decree was issued had been prevented from securing the suggested profit of 140f per bond. It has since been shown that the accusation was without foundation, but the effect of the charge was to incite the Communist group, when the division on the vote of confidence was taken, to abandon their policy of abstention, and to cast the whole of their 26 votes against the Government, which was consequently defeated by 278 votes against 275, in practically a full House. The Ministry immediately resigned, and the whole of its financial proposals have been thrown back into the melting pot.

The whole situation is still one of Nero fiddling while Rome is burning. The politicians are still indulging in vain improvisations that offer no prospect of furnishing the Treasury with the immediate relief which is so vitally required, and public confidence is rapidly dropping back to the deplorable level at which it stood early in the year, when the revelations as to the real situation between the Treasury and the Bank of France brought about the swift fall of the Herriot Cabinet. The Government, since its resignation, has hastily rushed through both Chambers a measure sanctioning the raising by another 1,500 million

francs of the authorised limit of the advances that may be made by the Bank to the Treasury. The limit of these advances, which was reduced to 22,000 millions at the end of 1924, was raised to 26 milliards in April (for the purpose of legalising undisclosed borrowings by the Herriot Government), and then to 32 milliards at the end of June last. Last Thursday's Bank statement showed that the Treasury had only a margin of 400,000,000f before the authorised limit would be reached. The margin on the authorised note circulation (the limit of which was raised in April last from 41 to 45 milliards last April, and then to 51 milliards in June) still amounted to slightly over 3,000 millions last Thursday; therefore, it has not been modified.

It is seriously questioned, however, whether the additional 1,500 millions which the Treasury can now obtain from the Bank will be sufficient to meet more than the immediate needs of the moment. M. Painlevé's original proposition was for 2,500 millions, but under pressure of the Socialists, who urged, for tactical party reasons, that he should reduce this to 1,000 millions, the Premier-Finance Minister compromised by reducing his demand to the figure agreed to. M. Henry Bérenger and other Parliamentary experts are convinced that the additional sum which has been borrowed will be barely sufficient to meet the requirements of the public services, pensions, railways, posts, telegraphs, &c., at the end of the current month, and the question is being asked: "How long will it be before a substantial rise in the note circulation will become necessary?"

M. Malvy, who is President of the Finance Commission of the Chamber, insisted that before the end of the year the Treasury will need something like 6,000 millions. M. Caillaux, shortly before he left office, estimated that, in view of the 2,000 millions which the Treasury still possessed at the Bank, the speedy putting into operation of his Debt Redemption Fund machinery would render unnecessary any further borrowing from the Bank. A week later, M. Painlevé informed the Finance Commission that he estimated the Treasury would require 4,000 millions between then and December 31st. To-day it is calculated that the real amount necessary will be 6,000 millions. The most deplorable fact in the situation, perhaps, is that the mere announcement of M. Painlevé's proposal for a three years' moratorium in connection with the short-term debt alarmed many holders of these descriptions into demanding repayment of their bonds. It is estimated by one authority that this alone has increased by 1,500 millions the sum the Treasury will require before December 31st.

All this is causing undoubted uneasiness, and from more than one direction there are demands for a frank statement as to what the real situation of the Treasury is. The present policy of drift, it is urged, cannot continue, and the exact position must be made known. After the revelations of last spring, and the futile bickerings of doctrinaire politicians that have occupied the past six weeks, public opinion is distinctly alarmed, and the swift fall of the franc from 102 to 130 during the last six or seven weeks has only intensified this feeling.

The outlook at the moment of writing is obviously sombre. The proposed Caisse d'Amortissement, the idea of which is excellent in itself, will doubtless be adopted by M. Painlevé's successor, as it was adopted by him from M. Caillaux; but it is obvious that its mechanism is too cumbersome to yield immediate results other than those of a moral character, while the vital requirement is for some means by which immediate relief on a substantial scale can be given to the Treasury. The only proposal put forward by M. Painlevé by which this end might to some extent be attained was that which stipulated for the complete clearing off of all arrears of overdue taxation, including the payment of the present year's assessments by January 31st next, with severe cash penalties in the case of default. Here M. Painlevé placed his finger on what is nothing short of a scandal. British taxpayers will be inclined to regard with incredulity the statement that, in spite of all that has been done in the way of "speeding up," summonses are only now being issued for income-tax and other imposts for which the demand notes were issued well over a year ago; and this is merely one typical factor in the situation.

GERMANY.—POLITICS—BUDGET FOR 1926-27—CREDIT—INDUSTRY—BOURSE.

(FROM OUR CORRESPONDENT.)

BERLIN, November 25.

THE Locarno Bill has been read in the Reichstag once. The second and third readings will take place on November 26th and 27th. The Bill authorises the signature on December 1st of the Treaty between Germany, Belgium, France, Great Britain, and Italy, and of the four arbitration agreements between Germany and her neighbours, and authorises the Government to take the necessary steps for joining the League of Nations. The attempts of opposition parties to associate the legislative sanction of the Bill with pledges in regard to the Cabinet's future policy, or with the condition of a prior Reichstag dissolution, have not succeeded. The Socialists, who count most, justify their acquiescence on the ground of the urgent necessity for joining the League. There is a good deal more opposition to the Bill than at first appeared. The Economic Party, while not opposing the Locarno policy as a whole, demands the postponement of Germany's entry into the League, on the ground that the Ally concessions are inadequate. The Bavarian Minister-President was very critical. The German Nationals will probably, and as usual, succeed in their policy of ultra-patriotic abstention, with the safe assurance, however, that the Bill will go through without them, so that they will escape the reproach of wreckage and at the same time the reproach of showing weakness against foreign enemies.

The Budget for the fiscal year 1926-27 is prepared, and though it has not yet been published, the figures are available:—

GENERAL ADMINISTRATION BUDGET.		
	1925-26.	1926-27.
Revenue.....	6,689,156,232	7,412,786,883
Whereof from taxation	6,569,255,784	7,255,060,000
Recurring Expenditure	6,258,933,998	7,164,191,433
Whereof—		
Foreign Office	44,553,300	55,046,200
Interior	212,611,249	21,308,392
Labour	428,297,053	381,722,573
Defence	467,313,600	559,756,240
Communications	78,898,776	93,283,025
Pension Fund	1,357,084,776	1,555,485,000
Debt Service	182,338,535	295,165,523
Finance Ministry	380,835,960	431,510,563
General Finance Administration	3,062,303,879	3,725,175,126
Non-Recurring Expenditure	413,170,050	248,595,450
Total Ordinary Expenditure	6,672,104,048	7,412,786,883
Extraordinary	603,259,243	301,096,957
Revenue		
Whereof General Finance Admini- stration	315,327,194	294,239,650
Expenditure	435,802,494	301,096,957
Total Ordinary and Extraordinary Revenue	7,292,415,475	7,713,883,840
Total Ordinary and Extraordinary Expenditure	7,107,906,542	7,713,883,840

WAR BURDEN'S BUDGET.

Ordinary.		
Revenue.....	200,791,190	242,649,780
Whereof from Ordinary Budget	200,391,190	238,777,110
Recurring Expenditure	183,981,740	218,756,500
Non-recurring	16,809,450	23,893,280
Total Ordinary Expenditure.....	200,791,190	242,649,780
Extraordinary.		
Revenue.....	1,238,134,666	1,285,859,000
Expenditure	1,238,134,666	1,285,859,000
Total Ordinary and Extraordinary Revenue.....	1,438,925,856	1,528,508,780
Total Ordinary and Extraordinary Expenditure	1,438,925,856	1,528,508,780

The decline in the interior expenditure is due to omission of 190,000,000 marks booked in 1925-26 for special police protection. The increase in pensions is due as regards about 18 millions to civil and as regards about 180 millions to military pensions. The expenditure items totalling 3,725 millions for "General finance administration," including 2,337 millions subventions to states and municipalities, as against 2,210 millions in 1925-26. The extraordinaries, as general administration revenue, it will be seen, is aryl general administration revenue, it will be seen, is aryl practically all yielded by the surplus on the ordinary budget. Of the Extraordinary expenditure in the War Burdens Budget, 1,201.6 millions are for execution of the London Agreement of 1924.

National Bank of Commerce in New York

Chairman of the Board
JAMES S. ALEXANDER

President
STEVENSON E. WARD

Capital Paid up \$25,000,000
Surplus \$25,000,000
Undivided Profits \$15,000,000

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The credit situation remains in general unchanged. On the one hand borrowing from abroad increases, and New York, in particular, seems to be ever more inclined to lend; on the other hand, the number of bankruptcies and cases of "operation supervision" or suspended bankruptcy, due largely to the credit stringency, is increasing. The slackening in industrial and commercial activity shown by the unemployment figures reported last week does not seem to have set any money free; and this indicates that the slackening is itself partly a result of the credit stringency. Short-term money is again very plentiful, and indications are that the coming month-end will see less pressure than usual. The Bourse November mid-month settlement had no visible influence upon the money market. The Rentenbank Credit Institution law is being amended to please foreign lenders, in the sense that a separate and independent reserve will be created for each issue of its bonds instead of, as at present, a common reserve for all issues. Foreign investors are showing considerable interest in mortgage bonds. In view of the uncertainty as to the effect of the Valorisation Law of July 17th, in view, also, of the possibility of a new Valorisation Law, and of the fact that such laws annul valid contracts and destroy or impair the security of lenders, foreigners ought to be careful. The real value of the security behind a large volume of mortgage bonds is at present not known, and will, probably not be known for months or years, that is, until after the estate valorisation authorities have pronounced on many thousands of individual claims. The Reichbank's return for November 14th shows a decline of 31,334,000 marks in discounts of 118,815,000 marks in circulation. Rediscounts increased by 40,000,000 marks. Circulation is now 2,558,829,000 marks, against 1,941,440,000 marks at the close of 1924.

Bankruptcies in the first half of November further increased, being 468, against 1,139 in all October, 914 in September, and 751 in August. The greater number of bankruptcies in recent months have been in trade, and not in industry. Conditions in shipbuilding are very

depressed; but a meeting of the Shipbuilders' Association has passed a resolution condemning the plan to create a horizontal Trust, and also condemning the demand for State financial support; the yards, it is added, must re-establish their positions from within, and the inferior yards must disappear. It is reported that the Reierstieg Yard, which has been in difficulties, is to be taken over jointly by four or five Hamburg shipping companies. The steel industry reports no improvement. The Steel Syndicate's price rebates on material bought by it for conversion into export wares will be extended to thin sheets, on which so far no rebate has been granted, the rebate being provisionally fixed at 15 marks per metric ton. The Government has been considering a plan to revive in a new form the Federal Breadstuffs Board, a war creation which is now being wound up. The new Board would buy up and store grain. The reason given is that, owing to the shortage of capital, private grain dealers are unable to handle the trade satisfactorily, and that agriculture suffers. The grain dealers oppose the plan, and there is opposition from consumer quarters, it being suspected that the measure is intended to maintain prices, which have already risen considerably in the last weeks.

The Bourse last week was again depressed. On November 19th almost panic conditions prevailed. The first sign of recovery came yesterday. The decline of last week, which brought averages to a new low level, was due immediately to certain failures and to the placing of the Richard Kahn concern, which controls numerous industrial companies, mostly in Berlin, under "operation supervision." Since then the Aktiengesellschaft für Automobilebau, a Stinnes company, of late managed by Dr Edmund Stinnes, against which the Berlin banks recently proclaimed a credit boycott, has formally gone into bankruptcy. The stock market is now being closely watched by foreigners, and at each recession there is some foreign buying, often American; but the volume of this buying has been insufficient to prevent further falls. The market is so inactive that many stocks, including relatively important ones, find no quotation at all. The *Frankfurter Zeitung's* stocks index for November 21st shows 58.19, against 62.88 one week earlier, a high point of 111.37 on January 31st, and 100 on January 2nd. The average Bourse value of those stocks which have continuous quotations on the Berlin Bourse is now less than 50 per cent. of the share capital shown in the companies' first gold mark balance-sheets. Paper mark loans had a further sharp fall last week, and they now average about 15½ per cent. of their prices of January 2nd.

SWITZERLAND.—FOREIGN TRADE—CUSTOMS NEGOTIATIONS WITH GERMANY—INDUSTRIAL TROUBLES—RAILWAYS.

(FROM OUR CORRESPONDENT.)

GENEVA, November 23.

THE Swiss foreign trade returns for October are rather unsatisfactory, as imports totalled £11,794,000, as against £9,180,054 in September last, and £9,320,000 in October, 1924, while exports reached a value of £6,824,000, compared with £7,239,982 in September last and £7,320,000 in October, 1924. Apart from that drop of £415,982 in exports over September, there is a heavy adverse balance of £4,970,000, which greatly exceeds the adverse balances recorded during the preceding months. This decrease in exports is chiefly attributed to the enforcing of the high Customs duties in Germany. During October Swiss exports to Germany totalled £1,193,605, as against £2,032,918 in September and £1,394,479 in August last. On the other hand, exports to Great Britain have slightly recovered, as they reached £1,004,170 in October, compared with £764,165 in September and £705,152 in August last. Imports from Great Britain are also progressing, as they rose from £1,124,555 in August to £1,580,167 in September and to £2,687,240 in October.

The negotiations which were taking place between Switzerland and Germany with regard to Customs duties came to an end on November 5, and a provisional agreement has been reached pending the conclusion of a new Treaty of Commerce to replace the treaty renounced in

1921, and for which negotiations will begin next month. The provisional agreement provides for a certain number of reductions in the Customs duties of both countries. Germany provisionally agreed to reduce the duties on Swiss cheese, chocolate, fruit, cattle, cotton thread, silk ribbons and watches, while Switzerland reduced her duties on German foodstuffs, leather goods, paper, machines, and chemicals. It is probable that the application of these reductions will result in a rise in Swiss exports to Germany during the coming months.

The general economic situation is, nevertheless, far from being encouraging. Crops failed in many cantons; the Federal Government has been compelled to grant a subsidy to the vinegrowers of Canton Vaud, where the 1925 vintage was very bad, as its value was nearly 1 million pounds inferior to the previous year's; the watch-making industry of Canton Neuchâtel—one of the most important watchmaking centres of Switzerland—has asked for the help of the Federal Government; the embroidery and silk industry in Eastern Switzerland is at a standstill, trade is very slack in the machinery, wood, and building industries, and the number of unemployed has risen in one month from 10,356 to 12,291. Orders in other industries are not plentiful at present; the home market is flooded with foreign goods, which, owing to the low exchange, are cheaper than the home-produced goods, so that the prospects for trade and industry, at the beginning of the winter, are somewhat gloomy.

The Swiss railways, particularly the mountain railways, had a good season this year, as the number of passengers transported was very much higher than last year. From January 1st to October 31st the Swiss Federal Railways transported 84,923,905 passengers, as against 80,943,628 last year, and 13,467,200 tons of goods, compared with 13,923,905 tons during the corresponding period of 1924. The receipts total £12,812,598, compared with £13,641,088 in 1924, and the surplus is £4,192,161, as against £4,889,294 during the corresponding period of 1924. The drop in receipts results from the decline in the transport of goods, and also from a reduction in passengers' fares. Electrification has made good progress, as out of a total network of 2,882 kilometres (nearly 1,800 miles) 840 (525 miles) will be electrified by the end of this year, and a further 172 kilometres will be ready by the end of 1926, when the Federal Railways will possess a total of 1,012 kilometres (632 miles) completely electrified lines. Electrification will result in a quicker train service, and the cost of electrification, according to the plan which is to be completed by the end of 1928, will be less by £3,200,000 than the estimated total of £30,400,000. From 70,000 to 80,000 workmen are now getting their living from the electrification of the railways, an undertaking which has during the past four years greatly eased the unemployment question.

NORWAY.—TIMBER PRICES AND WOOD PULP INDUSTRY—THE NORSK HYDRO—EXCHANGE AND STOCK MARKETS—A NEW INDUSTRY.

(FROM OUR CORRESPONDENT.)

OSLO, November 17.

A QUESTION claiming the attention of business circles in this country is that of the prices at which forest owners were able this autumn to sell their products to the wood-working industry, and more particularly to the wood pulp and cellulose makers. The forest owners for several years have got very satisfactory prices for their timber, which was indeed necessary to them on account of the greatly enhanced cost of production. The sudden and great rise in the external value of the Norwegian krone, and the consequent difficulties of exporters of wood products, made it absolutely necessary for the manufacturers to buy much cheaper wood if they were to carry on at all. Forest proprietors were loth to agree to this, and for weeks and weeks fruitless negotiations took place. Finally, agreement was arrived at, and the price of wood was established at a figure from 10 to 20 per cent. below that of last year. The pulp and paper industries, now the most important in the country, are well occupied, but hampered to some extent by scarcity of water, and still more, of course, by the exchange. Something unique has happened in that

Swedish paper mills have had to import wood pulp from Norway, because in some districts of Sweden there is a more serious lack of water even than in Norway. The prices for pulp and paper, however, leave much to be desired.

The greatest industrial concern but one in this country (and until recently the greatest), viz., Norsk Hydro, has just published its accounts for the year ending June 30th. These show a net profit of over 10 million kroner. After liberal allocations, 17 per cent. will be paid as dividend. As may be remembered, this concern is manufacturing nitrate from the air, and other chemical products. The company has always been prosperous.

Unfortunately, this country is an exception, especially at present. Trade generally is slack, and unemployment on the increase. At Oslo, for instance, last week there were nearly 600 more persons seeking employment than the preceding week, and no doubt a proportional growth in unemployment exists over the whole country. The exchanges have moved within narrow limits during the last month or so, and kr 24 for the pound sterling (or a trifle over or under) has been the rate. It is generally thought that this steadiness is the result of efforts made by the Bank of Norway, aided by the private banks. The stock market is quiet. Several not unimportant loans have been launched in the home market, not all of them meeting with a complete success. The Norwegian Hypotekbank is applying to the market for 20 million kroner 5½ per cent. at par, and as this is the best security that can be offered, there can be little doubt of the success. (Only 8 millions are offered for public subscription, the rest is kept by the underwriting banks.)

A new and interesting industry has just been started at the large Borregaard factories, namely, the refining of common salt for household and table purposes. The quantity needed in this country has been about 15,000 to 20,000 tons annually, which will be fully covered by the new industry, at lower prices than for the imported commodity. The raw material comes to a great extent from England.

CANADA.—THE POLITICAL SITUATION—CROP ESTIMATE INCREASED—BUSINESS IMPROVEMENT—STOCK MARKETS—MANITOBA LIQUOR COMMISSION—FEDERAL FINANCES—C.N.R.'S EXPERIMENTS WITH ELECTRIC OIL CAR—LUMBER PROSPECTS IN QUEBEC—EMBARGO ON DOMINION LOANS.

(FROM OUR CORRESPONDENT.)

OTTAWA, November 16.

THE composition of the fifteenth Federal Parliament of Canada is now definitely ascertained, and it will consist of 117 Conservatives, 101 Liberals, 24 Progressives, 2 Labourites, and 1 Independent. After considerable hesitation, Mr Mackenzie King has decided to exercise his undoubted constitutional right of retaining office and awaiting the verdict of Parliament, whose meeting has been provisionally fixed for December 10th. But the impracticability of securing by that date the return of writs from far distant constituencies like the Yukon may force a postponement until after the Christmas holidays. Meanwhile four of the defeated Ministers have resigned their portfolios, and if Parliament meets on December 10th the leadership of the Government will be in the hands of Mr Lapointe, the Minister of Justice, until Mr King finds a seat. The fate of the Government, which will be challenged by a want of confidence amendment to the Address, will rest in the hand of the Progressives, and while some of them will desire to keep the Government in power, the attitude of others is doubtful.

Meanwhile the public finds consolation for its political troubles in the latest crop survey of the Bureau of Statistics, which raises its previous estimate of the 1925 wheat crop by 30 million bushels. The total yield of wheat, now placed at 422,327,000 bushels, is the second largest for Canada, having only been exceeded by the 474 million bushels of the year 1923. The Bureau's estimate of the yield (in bushels) of Canada's principal grain crops (the final figures for 1924 being given in brackets) is as follows:—Fall wheat, 22,921,000 (22,294,000); spring wheat, 399,406,000 (239,803,000); all wheat, 422,327,000

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(262,097,000); oats, 521,922,000 (405,976,000); barley, 113,118,000 (88,807,000); rye, 14,434,000 (13,750,900).

The average yields per acre for the whole of Canada in 1925, with last year's final averages in brackets, work out as follows:—Fall wheat, 28.9 (28.8); spring wheat, 18.9 (11.3); all wheat, 19.2 (11.9); oats, 35.6 (28); barley, 27.8 (26.1); rye, 16.9 (15.4). The estimated total yield of 521,922,000 bushels for oats has only twice been repeated, viz., in 1923, 563,997,500 bushels, and in 1920, 530,709,700 bushels. The yield of barley, 113,118,000 bushels, constitutes a record, and compares with 88,807,000 bushels, the previous record of 1924. Threshing returns have greatly exceeded expectations, but unfortunately Saskatchewan and Alberta have not been accorded the spell of fine weather which they need so badly, and there is now little prospect of some 60 million bushels of wheat and large quantities of coarser grain, still unthreshed in these provinces, escaping the serious diminution of grade which exposure throughout the winter will entail. The generally favourable character of crop reports has caused a steady sagging of grain prices, and the enemies of the co-operative wheat pools are gleefully predicting that the initial payment on the basis of \$1 per bushel for No. 1 Northern at Fort William will prove too high and involve the pools in disastrous losses. At present, however, they have some leeway before the danger-point is reached. But after making allowance for the disappointments brought to certain areas by bad weather, the fact remains that the 1925 crop has given the farming community greater purchasing power than at any time during the last five years, and as a result of the improvement in prices of farm produce, the readjustment of the balanced relations between agriculture and manufacturing industry, which are so vital to Canada's economic health, seems well on the way to completion. The figures for bank loans and clearings and railway car loadings indicate a steady expansion of business, and the fundamental conditions are now rated very favourable for its continuance. Wholesale merchants almost everywhere report a substantially larger flow of orders than at the same period of 1924, and retailers record a brisk demand for seasonal winter goods. The West is beginning to recover its old optimistic temper, and the only note of disappointment is that the wintry weather has seriously curtailed the autumn ploughing and the crop acreage for 1926 may be considerably reduced.

The sharp reaction which last week followed the orgy of speculative buying in Wall Street only affected the Canadian stock markets in a limited degree. A few Canadian stocks, like Consolidated Smelters, had enjoyed spectacular rises, but the banks had wisely prevented any dangerous exuberance in the local stock markets, and as a result the recessions which took place were not serious. The boom in mining stocks which threatened to develop has also been kept well in hand, and such advances as have taken place have usually been justified by the technical position of the mines.

The Federal revenues continue to be reasonably satisfactory. During October they amounted to \$30,410,185, which represents an increase of roughly \$3,000,000 over the \$27,328,469 of October, 1924. The chief source of increase was in Customs, which have risen a little more than \$2,000,000; Excise of the ordinary type gained \$500,000, and special Excise war taxes produced \$1,391,639 more. The returns for income-tax are remarkably steady, but the business profits tax is now negligible as a source of revenue. During October the expenditures leapt up to \$29,535,758, as compared with the \$16,000,081 of October, 1924, but most of the increase is accounted for by a readjustment in interest dates, which makes an additional \$10,000,000 of interest on bonds payable during the month. For the seven-month period from April 1st to October 31st the Federal revenues, placed at \$230,209,345, show a gain of roughly \$16,000,000, of

which about \$10½ millions accrues from Customs. Expenditures during the same period show an increase of \$7,000,000. There was an increase of \$421,000 in the net national debt during October, but on October 31st its official figure was given as \$2,360,022,809, as compared with \$2,376,349,075 a year ago.

The Department of Lands and Forests for Quebec estimates the probable cut of lumber for the winter season of 1925-26 at 1,500 million feet, which is a figure one-third larger than the average cut in this province for the last 10 years, and is 250 million feet above the expected figure for the period 1920-30. Government officials, however, contend that the rate of depletion of the country's timber resources will not be accelerated, because the lumber companies are now living up to the strict Government regulations about the diameter of trees which can be cut, and also because many million feet of burnt timber will be taken out this winter. It is claimed that a new process has been discovered by which very good wood-pulp can be secured from burnt timber.

The removal of the embargo upon Dominion loans in London is welcomed in Canada, but excites much less interest than it would have done in the pre-war years. The atmosphere of hostility to Canadian investments which was generated in London by the Grand Trunk affair and the oft-repeated threat of a boycott of Canadian issues have made both Canadian Governments and corporations very chary of taking the risk of an unfavourable reception in the London market, when such a plethora of money was available near at hand in the United States.

Books and Publications.

BLACK AND WHITE.*

At a time when large grants of money, whether in the form of loan or otherwise, from the taxpayer of this country, to enable larger cultivation of cotton in, or extend the railway system of, Kenya, are under discussion, it is of more than ordinary importance that the said taxpayer, and those who speak and rule in his name, should know, not some, but all the facts. As Professor Murray says in his preface, Dr Leys would not claim, for himself, to be right in every one of his opinions, but he has the right to speak of what he knows through 16 years' continuous experience of actual conditions in Kenya. And, on most readers, the way in which he speaks will make its impression. For he is concerned, throughout, to be fair; to allow for inextinguishable facts, and things that, having happened, cannot, whether right or wrong, be merely lamented. Read his chapter on missions, and the conspicuous fairness of his point of view will strike you; as it will, again, when he talks of the impossibility of restoring the tribal system, and the need to face, for good or evil, the fact that the black man has been brought into the white man's civilisation, and, even if, at first, it expresses itself as a taste for drink, the "movies," and so on, that is a stage in his education which has to be gone through.

Kenya, as he shows it to us, gives small scope for "white" complacency. The bare facts are that, having established ourselves there, as protectors, we—i.e., a handful of Europeans—have, by means of more than doubtful legality, asserted an effective ownership of all the land. That is not all. There is enough land in Kenya for black and white, though some of it is much better than other, and the Europeans have taken the best—the story of the moving of the Masai, as set out mainly from the pages of Blue books, is grim reading, hard to forget. But—and here is the crux—there is not enough "labour" to work both. After 20 years the 7,487 square miles of alienated land are occupied by, and 335 of them are cultivated by, no more than 193 Europeans. The real cultivators are the "50 or 60 thousand African employees who work for wages, employed, most of them, in growing crops which they could, and often do, grow just as well at home." And the trouble is that it is at home that they want to grow them. They do not want to work for wages; they desire to cultivate their own flocks and fields—and

* "Kenya." By Dr Norman Leys. Hogarth Press. 15s. With an introduction by Gilbert Murray.

there they work, when they get the chance, exceedingly hard. But what has happened is that since the European owners desire to make money out of their large holdings of cheaply acquired land—that being why they are there—they must have wage labourers, and can only get them by removing Africans from their own lands to work on the European.

To effect that removal, to make wage-earners of the Africans, a policy of heavy taxation, and of all kinds of penalties and punishments, has been devised, and is in force. Because they must pay a poll or hut tax which has been as high as 16s a head, they work for wages which average 25s a month. As Sir Percy Girouard put it, in 1913, in a speech quoted by Dr Leys, "we consider that taxation is the only possible method of compelling the native to leave his reserve for the purpose of seeking work. Only in this way can the cost of living be increased for the native. . . . To raise the rate of wages would not increase, but diminish the supply of labour. A rise in the rate of wages would enable the hut or poll tax of a family, sub-tribe, or tribe to be earned by fewer external workers, and as the payment of this tax is avowedly the reason for what labour we have seeking employment, it follows that if we increase the rate of remuneration to the individual we decrease the number of individuals necessary to earn a given sum."

Dr Leys's chapters on the social and economic results of this policy, which is the policy, broadly, now in operation, ought to be carefully studied. Economic servitude has been forced on the people of Kenya. So far, it has been accompanied by complete political servitude. Dr Leys is no romantic; he does not expect or desire to have the clock put back. He declares that, provided two conditions are fulfilled, "the existence of farms and plantations owned and managed by Europeans in the various divisions of British East Africa, will prove beneficial to the people of these countries." These conditions, not hitherto fulfilled, are "first, the prevention of political control by the concessionaires over the countries in which their estates lie; and, second, the pursuit of such a policy in the land outside the alienated areas as would give to every native of the soil the opportunity of supporting himself by his own exertions." Reform in Kenya must, he argues, also include a redistribution of taxation, putting some part of the burden of direct taxation on European and Indian merchants and shopkeepers, and European landowners and farmers. When wealth is equitably taxed, the crushing hut tax can be reduced. Preliminary to action, in his view, is a thorough and impartial enquiry—a Royal Commission, with power to take evidence on oath. To that the recent parliamentary visit was a useful preliminary. Everyone who reads Dr Leys will feel further enquiry to be essential.

PRINTING IN CHINA.*

THIS book ably presents the results of a remarkable piece of research. The author has pieced his evidence together from scattered sources in the diverse fields of Far Eastern, Islamic, and Western history and archaeology, and has thus produced a fuller and clearer picture of his subject than any of his predecessors. At the same time, he has not been carried away by the temptation to arrive at definite conclusions; and, after surveying all the data at present available, he is content to deliver tentative or throw further light on his problem. "To state categorically that there was no direct connection between the typography of China and Korea and that of Europe would be premature. On the other hand, no clear evidence of such connection has been found, and until such evidence—or the contrary—is at hand it is necessary to keep an open mind."

Professor Carter—a young scholar, full of promise, who had recently returned from China to the United States in order to take up the study of Chinese history at Columbia—seemed marked out to find the essential solution of the problem which he has discussed with such good

* "The Invention of Printing in China and Its Spread Westward." By Thomas Francis Carter, Ph.D., Assistant Professor of Chinese in Columbia University. (New York, 1925.) Columbia University Press. 7s. 50.

judgment in this volume. Though the writer of this review only met him once, and that only for a few hours, he received a lasting impression of his enthusiasm, the range and alertness of his mind, and the charm of his character. It is grievous that Professor Carter's life and work should have been cut short. A few days before his premature death he had the happiness of holding in his hands a completed copy of this present work. Not only his personal friends, but readers of this book who never knew him personally, will mourn his loss.

Professor Carter displays a faculty not only for discovering and criticising individual pieces of evidence, but for asking the interesting questions of general import. Why, for instance, did the manufacture of paper (invented in China in A.D. 105) spread rapidly from end to end of the Islamic world when once the secret of the process had been learnt at Samarkand in A.D. 757, whereas the invention of printing, which was applied in China to books in the ninth century after Christ, found no response among the Islamic peoples, though half the principal centres of Islamic culture came, during the thirteenth and fourteenth centuries, under the rule of Mongol governments, which brought the practice of printing with them from the Far East? Professor Carter takes account of the traditional repugnance of Muslims for reproducing the Qur'an in other than manuscript form—a repugnance which still extends to printing from movable type, though not to lithography. But this repugnance itself needs explanation. Why, a century earlier, did Muslims not shrink from committing their sacred book to a new-fangled writing material like paper? Perhaps the answer is to be found in the respective dates at which the two inventions reached the Eastern borders of the Islamic world. The eighth and ninth Christian centuries were the age of Islamic society's intellectual prime, when the Muslim mind was wide open to new ideas. But in the tenth century, when book printing in China reached its zenith with the printing of the Confucian Classics (A.D. 932-953), the intellectual life of Islam had already begun to petrify; free speculation had been brought to an end by force; and doubtless this paralysis of abstract thought affected the whole mental outlook of Islam, including its attitude towards practical inventions.

A point on which the author rightly lays great stress is the vigorous intellectual progress of China under the Sung Dynasty (A.D. 960-1280)—a progress marked by constant creative achievement as well as by a high degree of energy—in spite of the fact that, politically, militarily and financially, China was all the time on the decline. The new Chinese civilisation which arose, under the fertilising influence of Buddhism, after the interregnum and the barbarian invasions of the third, fourth, and fifth Christian centuries, reached its political zenith under the T'ang Dynasty (A.D. 618-907), and even this Dynasty lost its glory after the disastrous foreign wars and domestic disorders which filled the decade following A.D. 750. Yet the following five centuries of political decline were centuries of unbroken intellectual and æsthetic progress. The printing of the classics—an immense material achievement—actually took place during the two generations of anarchy between the extinction of the T'ang and the accession of the Sung; and even the crowning political disaster—the conquest of China by the Mongols in the thirteenth century—gave a new stimulus to Chinese intellectual and æsthetic life by temporarily overthrowing the classical tradition, and so enabling popular literature and art to raise their heads.

The Mongols carried certain elements of Chinese culture, including the governmental use of printing, into their Western conquests in Persia and on the Volga. Professor Carter describes the unsuccessful issue of printed paper money by the Mongol administration at Tebriz in A.D. 1294, and draws attention to the fact that at that date there were considerable colonies of Venetian and Genoese merchants in the city. Did the conception of block printing filter through from some such source as this to Western Europe? As yet there is no certain answer either to this question or to the still more interesting question whether there was any direct connection between the outburst of printing with movable metal type in Korea in the early part of the fifteenth Christian century and the emergence of printing by the same method towards the close of the same century, in Germany.

Professor Carter notes, in passing, the "strange fact that the nations the symbols of whose languages present more difficulties to the typographic printer than those of any other languages in the world should have been the first nations to invent and develop the art of typography"—though naturally, in countries using the Chinese script with its infinity of characters, block printing has prevailed. He also makes the illuminating suggestion that the first stimulus to printing, both in the Far East and the West, has been religious and popular. Churches, eager to disseminate their literature wholesale among the poor, have been the first to divine the possibilities of the invention. A curiosity of history, to which he gives due weight, is the part played in the westward transmission of printing by the Nigur Turks, who inherited the cosmopolitan culture of the oasis of Turfan, and who afterwards spread far and wide as the secretaries and accountants of Mongol conquerors.

Altogether, the layman as well as the specialist will find this book of the deepest interest, and will feel as deep a regret that it should be the last work of its author.

COST OF RAIL TRANSPORT.*

MR ROGERSON sets out in this pamphlet to develop a system of cost accounting applicable to the conveyance of freight traffic by railway. Any contribution to this thorny subject is welcome, for it is only through such a system of costing that a goods manager can tell theoretically whether, if he quotes a given rate, he will be able to convey the traffic offered at a profit. For practical purposes he has other means at hand, but they are admittedly imperfect where narrow margins are concerned.

Mr Rogerson does not make his processes any too clear. The division of expenditure between coaching and freight services is disposed of in a page, and when he comes to expenditure on freight traffic the costs per ton-mile for use of railway, haulage, and use of wagons are based on calculations sometimes debatable in themselves, and elsewhere not described in detail sufficient to admit of full appreciation. He does not give any of the basic figures on which he has worked, or state the year or railway selected. His final assumed figures of cost of conveyance only of merchandise, coal, and other minerals, respectively, appear on the face of them to be impossibly high, but that may be due to the selection of a period when expenditure was higher than at present. Similarly, in the case of terminal expenses, he formulates certain average costs per ton of traffic, but the same difficulties arise as in the case of cost of conveyance.

No reasoned estimate of the value of the method is possible without a test by a railway company, and it may be doubted whether the cost of compiling the manifold data which would be needed would at the end of the day be recouped by the value of the resultant figures, especially as there would be one general average only for all merchandise traffic, unless further refinements were introduced. Mr Rogerson is a brave man, but it seems likely that for the moment practical politics limit the issue to a well-considered division of expenditure between coaching and freight services. That achieved, his subsequent proceedings would stand on firmer ground.

* "Cost of Freight Transport by Railway." By F. W. Rogerson. Published from 27, Pembroke place, Liverpool. Price 4s 4d, post free.

PRACTICAL INCOME-TAX.*

THIS book presents a good birds-eye view of the subject of Income-tax, and contains separate chapters on Dominion Income-tax and Super-tax. It is intended particularly to meet the practical requirements of final examination students of the various professional bodies, and also to provide the practising accountant and the business man with a clear explanation of the general provisions and principles of the Income-tax Acts and Regulations. A large part of the book is usefully devoted to practical examples and explanations, all being stated as simply as possible. Unfortunately, this work was printed

* "Complete Practical Income-Tax." By A. G. McBain, chartered accountant. (London) Gee and Co. (Publishers), Limited. 7s 6d net.

BRITISH DYESTUFFS CORPORATION, LIMITED.

RECONSTRUCTION SCHEME APPROVED.

DETAILS OF THE SCHEME.

POSITION AND PROSPECTS OF THE CORPORATION.

LORD ASHFIELD ON BOARD'S FUTURE POLICY.

The adjourned sixth ordinary general meeting of British Dyestuffs Corporation, Limited, was held in Manchester on the 25th inst. It was followed by an extraordinary general meeting of the company and by separate class meetings of shareholders to approve the scheme of reconstruction submitted by the directors.

Lord Ashfield (the chairman of the company) presided, and there was a large attendance of shareholders.

THE ORDINARY GENERAL MEETING

In moving the adoption of the report and accounts for the 17 months to March 31, 1925, Lord Ashfield said: This is the first general meeting of the corporation at which I have presided. It is also one of the most important, if not the most important, in the corporation's history; and it is a matter of extreme regret to me, and I am sure this feeling is shared by my colleagues, that it is necessary to follow this meeting by a series of extraordinary general and class meetings at which the preference shareholders will be asked to forgo their preferential rights, and both classes of ordinary shareholders will be asked to submit to a reduction of the nominal amount of their shareholding in the corporation. In the subsequent meetings, I will endeavour to show why this sacrifice is necessary. That it should be required cannot come upon you as a surprise, for it is the realisation of a policy which has been long anticipated and advocated by some among you who have given public expression to their opinions; it is indeed the inevitable consequence of the conditions under which the corporation has been trading during the past few years. The delay in giving effect to this policy has been caused by the desirability of making certain other alterations in the corporation's constitution at the same time.

In view of the large amount of business which has to be got through this morning, I do not propose, at this ordinary general meeting, to make any detailed statement in regard to the corporation's activities during the period of 17 months covered by the accounts which are in your hands. The report, which accompanies the accounts, refers briefly to the salient features of the trading, and any questions can probably be more appropriately dealt with at the extraordinary general meeting, which will immediately follow this one.

In addition to dealing with the report and accounts, which are certified in the usual form by the auditors, it is necessary for you to deal with the appointment of directors, but I think that I shall be meeting your wishes if I ask you to adopt only the resolution dealing with the report and accounts and then to adjourn this meeting until immediately after the extraordinary general and class meetings which follow, when the re-election of directors can be dealt with. I will therefore move:—

"That the report of the directors and the statement of accounts for the 17 months to March 31, 1925, be received and approved." The resolution was carried.

EXTRAORDINARY GENERAL MEETING.

At the extraordinary general meeting which followed Lord Ashfield said: This extraordinary general meeting of the shareholders of the corporation has been called to discuss a scheme for the reorganisation of the corporation's business. Particulars of the scheme and a memorandum explaining its main features have been circulated to you. It is proposed not only to write down the assets and correspondingly reduce the capital, a sacrifice to which all classes of shareholders contribute, but also to adopt new articles of association. I have asked all classes of shareholders to be present at one time, although there will be separate votes of the various classes at appropriate meetings, because I wish to avoid inflicting the same or a similar speech upon shareholders who hold shares in two or three classes, and to save their time.

May I first of all repeat my expression of regret that circumstances have made it impossible to submit the board's proposals at an earlier date, but I think it will be agreed that any scheme which did not deal with the question of the Government shareholding and veto must, as the circular which you have received states, have been partial and ineffective, and, until the negotiations with the Government had been brought to a successful issue, your board were not in a position to submit a scheme to the shareholders. It will probably be convenient if, in my remarks, I

follow the same general order as that in the circular, but in so doing I shall endeavour to avoid repeating what you have already read in that memorandum.

REVIEW OF THE PAST.

It is, therefore, unnecessary for me to refer to the corporation's history in any great detail, a story with which you are only too well acquainted, but it is, I think, important to remind you that the association of the Government with dye-making was primarily for the benefit of the colour-using industries. The inauguration and success, or otherwise, of British Dyes, Limited, the parent of your corporation, was an affair of the Government's and of the colour users, who, in the first instance, provided all the money required by that company. They were primarily concerned in ensuring that colour sufficient in quality and quantity was produced to meet the country's needs in industries which annually manufactured goods estimated at pre-war values to be worth 200 millions, and involved the employment of 1,000,000 people. The corporation's parent, therefore, could not be regarded as an ordinary commercial trading company, since if the proprietors did not receive dividends, they aided in the supply of, or were themselves supplied with, goods which were essential for their own and other businesses, and this supply was of paramount importance.

The character of the whole scheme was, however, entirely changed when your present corporation was formed and an invitation extended to the general public to subscribe for the additional capital which was necessary to discharge the commitments, past and future, of British Dyes, Limited, and Levinstein, Limited, and to extend and expedite the manufacture of dyestuffs in this country; for, as soon as the ordinary public held the majority of shares in the corporation, it was no longer a matter of indifference whether the benefit from the undertaking accrued in the form of profits or the supply of goods. Unfortunately, however, although the character of the ownership was changed, the restrictions which in other circumstances had been imposed were, in turn, imposed upon the corporation.

GOVERNMENT RESTRICTIONS.

It is difficult for anyone not intimately connected with the management of the undertaking to realise, although it may not be difficult to conjecture, the handicap that is imposed upon a trading concern by such conditions as are contained in the corporation's articles of association. They purport to control its prices, and they give power to the Government, acting through their appointed representatives, to veto agreements which the corporation might deem it expedient to make. These restrictions have been repressive of the corporation's activities, and have hindered its expansion; they made it impossible for its business to be conducted with secrecy or rapidity, two essential elements in obtaining commercial success; and they invited political interference with a commercial undertaking. They were safeguards against contingencies which no longer had to be feared; shackles whose utility had gone, but whose weight remained.

I am not insensible to the benefit conferred by the financial support of the Government at the time that the corporation was formed, and I am bound to say that the two departments principally concerned, the Treasury and the Board of Trade, have acted throughout in a considerate and conciliatory manner, not only in regard to the Government restrictions, but during the negotiations for their removal. This did not, however, prevent the restrictions themselves from militating very strongly against the successful management of the corporation.

I am addressing a meeting which is attended very largely, if not entirely, by men who are equipped with a very wide experience of business, and if I ask you to visualise a situation in your own businesses in which the Government had the power to interfere with and, at their discretion, prevent any arrangement which you or your board might unanimously agree was in the best interest of your undertaking and, that, as a result, exhaustive and endless discussions, not only with Government Departments, but with Cabinet Committees, were necessary, you will perhaps better realise the difficulties which have confronted the board of the corporation and how impossible our task has been. And I might emphasise that statement by pointing out that this form of Govern-

ment interference does not apply to the dye industry as a whole, but only to one particular member of the industry. In other words, it has been possible for any other dye-making concern to do that which is denied to us.

NEGOTIATIONS WITH THE GOVERNMENT.

I think from what I have said it will be agreed that although a scheme of reorganisation of the corporation's capital is long overdue, it was vitally necessary that before putting any scheme before you your directors were right in deciding that a definite attempt must be made to place the corporation upon an ordinary commercial footing. I will not say much about the Government negotiations, with which I have been closely associated, except that they were both intricate and protracted, and, in spite of the help afforded by the departments concerned and the Government directors, they imposed a considerable strain upon one's patience as well as upon one's powers of negotiation. Fortunately, they were successful.

Now let me refer to the conditions which the Government imposed in return for relinquishing the powers they possessed over the corporation's business. The first is the payment of the sum of £600,000, an amount arrived at after considerable inquiry and negotiation, and, in fact, approximately the market price of the shares at the time. I find it impossible to concur in a suggestion which has been put forward from time to time by shareholders that the Government should have surrendered their shares without payment, for the benefit of the other shareholders. Possibly one of the grounds for this suggestion is the mistaken assumption that the Government in some way guaranteed the undertaking. Let me say emphatically that, whatever the Government may have done, they certainly did not guarantee either the stability, or the earning capacity, of the corporation. In the exceptional circumstances arising out of the war, they ventured a portion of the general taxpayers' money in a business in which the ordinary investor was also invited to embark. The Government are, therefore, primarily responsible to the general body of taxpayers and only responsible to the shareholders as co-adventurers with them. The offer which is now before the shareholders to sell the Government shares for £600,000, was not made in a niggardly or bargaining spirit. In order to be fair to those persons who subscribed to the undertakings and to free the corporation from the shackles which now confine it, I think the Government have made some sacrifice on behalf of a national industry, thus serving the true interests of those who use the corporation's products, but this has been done with due regard to the interest of the general taxpayers.

BRITISH CONTROL TO BE MAINTAINED.

Apart from the payment referred to, the offer of the Government, which the directors have provisionally accepted, and which they ask this meeting to confirm, contains two conditions: The first that the British character of the concern be conserved by the provision that not more than 25 per cent. of its voting power may be foreign or foreign controlled. The carrying out of this condition is left to the corporation itself, and it will no longer be necessary, as previously, to have the consent of the Board of Trade to each individual transfer of shares. The second condition requires that the corporation should keep in touch with the Government in regard to all matters of technical information and research in such manner as the President of the Board of Trade may direct. The object of this condition is to ensure that our activities in research, in those directions which may prove of utility for the defence of the Realm, may be brought to the knowledge of the Government. Should the corporation make discoveries or possess technical information which may be of use for national defence, the Government will have first hand information and be in a position to negotiate for their use, but these negotiations would be with a company possessing entire commercial freedom and, therefore, at liberty to make an ordinary commercial bargain.

The very fact that these conditions have been imposed seems to me to negative the suggestion that the Government has ceased to be interested in the corporation, and merely sought to escape from an unsuccessful undertaking; although it has sold its shares, it wishes to retain an interest, at least in regard to certain aspects of the corporation's activities. I hope that we shall, out of our experience and discoveries, prove to be of real use to the nation, and perience and discoveries, prove to be of real use to the nation, and that the Government will not be unmindful of the importance of giving assistance and encouragement to us in those matters which are of national peril, such as that from which we have recently emerged, will be of incalculable value to the Empire. Having entered into a provisional agreement with the Government, your board took steps with all possible expedition to place the whole organisation before you, combining in one suggested scheme of re-situation a writing down of assets, a reduction of capital, an amendment of the articles of association, and a consideration of the future policy of the corporation.

SCHEME OF RECONSTRUCTION.

Now let me deal with the general scheme of reconstruction itself, and I will preface my remarks by saying that the circumstances in which this corporation's capital is being reconstructed are very exceptional indeed. It is most unusual for a company to reconstruct when it has more than a third of its assets (in this case nearly 3½ millions of money) in investments and cash, and with debts due to it nearly twice what it owes; and at least the corporation is fortunate in this, that its cash resources are ample.

The corporation has four main classes of assets: (1) Fixed assets, (2) stocks of raw material, intermediates and colour, (3) investments and cash, and (4) intangible assets. It is proposed to write down or write off considerable sums from the values placed upon three of these classes of assets. The reasons which determined your board to suggest to you the adoption of this course in regard to each class are stated in the memorandum, but I will slightly enlarge upon them. The first and most considerable writing off is from the valuation on the corporation's works which were erected six years ago on far too large a scale and at far too great a cost. The error in judgment as to the scale of the works necessary is not peculiar to this corporation, it is an error into which other dye manufacturers fell; for to-day throughout the world dyemaking works, partly, no doubt, because their plant and machinery have been found useful for war purposes, exist on a scale greatly in excess of the requirements of the industries using colour. It can be confidently estimated that to-day the dyemaking capacity of the world is nearly three times the world's present requirements.

HIGH CONSTRUCTION COSTS.

The exceptional cost of construction, as distinct from the excessive scale of the construction, was a handicap which your corporation suffered from in common with all traders who had to undertake capital expenditure on works, plant, and machinery during or immediately after the war. In the case of this undertaking and its parent, such an expenditure was considered justified, not only because of the great national emergency existing during and immediately following the war, but because of the persistent pressure of dye users for the supply of particular dyestuffs. But its disastrous effect upon your corporation's capital position can be judged from the fact that, though appropriations amounting to £2,366,000 have been set aside to meet depreciation on plant and machinery which has cost your corporation £5,325,000 during the past six years, your board considers it prudent that on reconstruction a further sum amounting to nearly £1,200,000 be written off. The new reduced value is, in the opinion of our officers and of the valuers who have been consulted, not in excess of the utility value of the plant at the present day after making all necessary allowances for redundancy and obsolescence.

The writing off of the sum of £280,000 from the valuation of the stocks is a measure of prudence dictated by the further fall in prices. It is always difficult to make a true estimate of the value of a large stock of commodities whose prices are subject to considerable fluctuation, and of which the amount by relation to the turnover is necessarily large, owing to its variety, and the time it takes to manufacture, and that is the case with the stocks of your corporation, of which the selling prices are dependent not only upon the competition of other manufacturers in this country, but upon the decision of the Licensing Committee, as to the price at which such commodities can be imported from abroad. After the proposed writing down it is believed that the stocks will stand in the new balance-sheet at a reasonable value, even making allowances for a possible further fall in prices.

PRELIMINARY EXPENSES AND GOODWILL.

In regard to the proposed writing off of the preliminary expenses, I need only say that the entry as it stands in the balance-sheet is not a true asset, and that such expenditure is invariably written off out of profits as speedily as practicable. If the corporation had made profits, undoubtedly that policy would have been adopted, but its financial results did not permit of this being done; and having regard to the time which has elapsed since the corporation was formed it is only prudent on reconstruction to relieve the profit and loss account from a debit in the future in respect of this item.

Goodwill might have been retained at a nominal value, but it would be anomalous for a corporation not at the moment able to pay dividends, and having an adverse balance of £360,000 to allow its goodwill to stand at any considerable sum in the balance-sheet, and the board suggest that the whole of this item should be written off. Some portion of the £750,000 might have been retained with some justice as representing an estimated value of the corporation's patents and trade marks, but here again the board thought it prudent to strengthen the capital position by entirely eliminating this item. There is no need for me to explain the suggested writing off of the loss, which, like the preliminary expenses, is not a true asset. Fortunately, it is unnecessary to write down the value of the investments or the debtors, which, with the cash, amount to

£3,894,207, because the investments are practically all in Government securities and the debts are good—i.e., the amount brought into the balance-sheet is arrived at after making all necessary allowances for possible bad debts.

DEDUCTION FROM CASH AND INVESTMENTS.

From the cash and investments there is deducted, as distinguished from being written off, the sum of £1,580,000, of which £600,000 is used to cancel £1,700,000 shares held by the Government, and of which £980,000 is used to pay the preference shareholders a part of their shareholding. The total of these amounts is £4,421,000, but I must emphasise that of this only £1,741,000 represents capital lost to the public, for the writing off of the Government shares of £1,700,000 in exchange for £600,000 provides a sum available for the purpose of writing down the assets of £1,100,000, and the cash (£980,000) returned to the preference shareholders releases an equivalent liability. It is not the fact, as has been stated, that the shareholders have lost £4,421,000; excluding the Government holding they have lost £1,741,000 out of a shareholding capital of £7,497,000; that is bad enough, but it is under 24 per cent. of the whole.

This loss has to be fairly apportioned between the various classes of shareholders, and it may be well here to remind you of their respective rights. The preference shareholders have prior rights in regard to capital, as well as in regard to profits, although the latter are non-cumulative; the preferred ordinary share has preference over the deferred in regard to the distribution of profits, but none in regard to the distribution of assets, if the corporation were wound up.

EFFECT ON SHAREHOLDING.

Each shareholder naturally judges any scheme of reconstruction by the way in which it affects his own particular interests, and, in deciding whether he will give or withhold his sanction, asks himself whether the sacrifice demanded of him is in fair relation to that of other classes of shareholders. It is an accepted axiom that no man is a good judge in his own cause, but the board, who are not interested in any particular class of share to the exclusion of others, have endeavoured in formulating their scheme of reconstruction equitably to distribute the sacrifice which the various classes of shareholders must make towards the rehabilitation of the corporation's capital. Their judgment in this respect is supported by the judgment of the investing public, who for some considerable time past have priced the preference shares at a value of about 6s in excess of the preferred ordinary shares. So far as I have been able to judge from consultation with several of the largest holders of shares, many of them holders of all three classes of shares, they are satisfied that the sacrifice required has been fairly apportioned.

To deal with the actual figures, the first main relief to the capital account is effected by the payment of £600,000 in cash to the Government for a shareholding of £1,700,000, already referred to as deducted from the assets. The second is that the preference shareholding is reduced by the sum of £980,000, equivalent to the cash repaid. The balance of the reduction in capital (£1,741,000) is effected by writing down the nominal value of the preferred and deferred ordinary shares, other than the Government holding, the former by one-third and the latter by two-thirds of their nominal value. The proposal that the deferred ordinary should suffer a double share of the loss is again confirmed by the market price of the relative shares. All the new shares rank equally. There is only one class of shares, and the sacrifice which the preference shareholder is asked to make to the common good is his consent to this equal ranking of shares.

CAPITAL POSITION.

In paragraph 9 of the scheme, it is pointed out that there is at the present moment £802,888 unissued out of the total authorised capital of £10,000,000, and this would remain, and the total capital of the corporation would, therefore, be £5,578,468, if the changes in the issued capital which I have indicated were made and no other action was taken; but it is possible that the future expansion of the corporation's activities may demand a larger capital than this sum; moreover, stamp duty has already been paid to the Government on a capital of £10,000,000. If the capital on reconstruction were confined to 5½ millions, then in the possible contingency of expansion of the corporation's activities a further expense for stamp duty would again have to be met; accordingly the board propose that the authorised capital of the corporation shall remain as at present at £10,000,000 (of which £4,775,580 is issued), but they do not propose that they should be at liberty to issue an amount which would bring the issued capital in excess of £6,000,000 without the specific sanction of the shareholders.

I will not refer at any length to the amendments to the Articles of Association. These have been made in order to carry out the release of the corporation from the restrictions which now hamper

it, and in so far as they are material they are referred to in paragraph 14 of the scheme; they also carry into effect the proposed changes in the corporation's capital.

FUTURE PROSPECTS.

The memorandum which has been circulated by the board is very brief in regard to the future prospects of the corporation, and I think that you may perhaps expect me to enlarge upon it. In the first place, you will be aware that your management were given the task of setting up and making successful a most complicated industry, of which a practical monopoly had been established, prior to the war, by manufacturers producing outside this country. There has not been too much time, and the conditions have not been favourable for trying out a new industry, even if the corporation had not been hampered by its association with the Government, and by the initial costs which it had to incur, and the constant fall in prices.

The final record of success or failure of any concern is, of course, found in its balance-sheet, and for the last three and a-half years the corporation's balance-sheet has been unsatisfactory, while a struggle has been waged against the loss made in the year 1921—a loss of over £1,000,000—which would have been more than doubled if in that particular year over £1,000,000 had not been repaid in respect of excess profits duty. The adverse balance thus created has been gradually reduced to the sum of £360,000, at which it now stands in the balance-sheet, and this has been effected concurrently with a fall of more than 50 per cent. in prices.

If the scheme which is now before you be accepted, the corporation will be in the position of having dissolved an association with the Government which did not conduce to the corporation's prosperity, and the writing down of the assets will render it unnecessary for us to devote such a considerable annual sum in the future towards the depreciation of our plant and machinery. We shall be, indeed, in an exceptionally strong financial position, for there are very few companies which can show 35 per cent. of their assets in realisable investments and cash, with no loans or debentures, with debtors exceeding creditors by over £300,000, and with fixed assets and stock written down to realisable present values.

ECONOMIES AND IMPROVEMENTS.

We have effected, and are continuing to effect, improvements and economies in management, and the complaints as to the quality of our productions are now very much rarer and, we think, much less justified, but we hope to eliminate entirely these complaints, and, in addition, to provide better and more efficient technical service. Our works costs have fallen very considerably during the past few months. We have, in fact, done our best to cut out the dead wood; but I do not pretend, nor do the board believe, that merely by the means already adopted can the corporation achieve success in the future. We have appointed Dr E. F. Armstrong as managing director; he came to us from Joseph Crosfield and Sons' works at Warrington with very high credentials and equipped with a knowledge and experience of especial value to our undertaking, and I am sure that every shareholder will desire to be associated with the board in their expression of goodwill and encouragement which has been extended to him. We are also fortunate in having officers of exceptional skill, who are working valiantly and without any thought for themselves in their efforts to bring success to our undertaking. In addition, the board will avail themselves of every opportunity to strengthen the organisation and encourage a spirit of greater enterprise in the whole of our undertaking; but even so, all that we can do will not necessarily mean that we can make a profit out of the manufacture of dyestuffs. I doubt whether any large concern is making a profit out of the manufacture of colours to-day.

WIDENED SCOPE OF ACTIVITIES.

We recognise that in the business of making dyes we have to face a world competition, and that in order to succeed we must be able, ultimately, to sell at a world price. In such circumstances your board are of opinion that the scope of the corporation's activities should be widened in order fully to make use of its assets. Although the shareholders can be assured that this board will not embark on any rash or hazardous enterprise, they hope to utilise the resources, the equipment, and the personnel of your undertaking in that wider range of activities which is now open under its proposed amended articles. I am not able to indicate in what direction our pursuit for this wider use of our resources will take us, but I think it well to mention the matter so that you might know that the board are not unmindful of the need for engaging in the manufacture of other products which will, without prejudice to our main business, bring increased income to our corporation.

THE PROPOSED AGREEMENT WITH GERMAN MANUFACTURERS.

I must not close without saying a word upon a matter which has

been the subject of considerable controversy, not only in the Press and other places, but particularly among the colour users. I refer to the proposed agreement between the manufacturers of dyestuffs in Germany and your corporation. I took an active part in all the negotiations which began about four years ago, and which finally resulted in an agreement between the I.G. and your corporation, but unfortunately (and I use that word advisedly) it was subject to the approval of the Government. I will not occupy your time by a recital of the reasons which prompted the Government to exercise their power of veto, but content myself by saying that the fears of what would happen to our industry and to the interests of the colour users in this country if that agreement had been sanctioned were not well founded, and nothing has transpired during the years which have elapsed to alter my views and those of my colleagues on the board.

Whether an agreement between the I.G. interests and ourselves is now possible I am quite unable to say, but I should like to give this assurance, that whatever may happen in the future, the present board are prepared to give a definite pledge that while the management of the corporation is entrusted to their care it will not, as was alleged, be allowed to sink or to drift into the position of a mere distributing agency for dyestuffs, and that whatever agreement may be made, it will not be inimical to the interests of our customers, the colour users, but will be made with the object of securing for them the widest measure of freedom in the conduct of their business, and the opportunity, as far as lies in our power, to purchase their colours at the world's prices.

AIM OF THE CORPORATION.

The corporation will continue to be in the future what it has been in the past, a large manufacturing company whose aim will be to meet so far as its resources will allow and upon an ever-widening scale the needs of the colour users of this country and employing a large staff of skilled chemists that will continue to be an undoubted asset to our country in times of peace as well as war.

I have tried without trespassing too far upon your time and patience to place before you the important points which I have thought you may wish to know about, but there may be other matters which shareholders might wish to mention, and I shall be glad, before formally moving the necessary resolutions, to answer questions which anybody may wish to ask. Finally, allow me to say that the scheme of reconstruction, the agreement with the Government, and the new articles of association are submitted to you with the complete support of the whole board, who ask you to give them your approval.

The Chairman then moved: "That the scheme dated November 11, 1925, as printed and circulated to each shareholder, be and the same is hereby approved and adopted."

Sir William Robertson seconded the motion.

THE DISCUSSION.

Mr H. Sutcliffe Smith supported the motion. He was glad that the company was proposing this very necessary financial reconstruction, which he, as chairman of the Colour Users' Association, had advocated persistently for the past four years. As representing a large firm with considerable holdings in the corporation, he was authorised by his colleagues to say that the scheme had their approval. He was glad to have Lord Ashfield's assurance that, so far as the present board were concerned, nothing would be done that in any way would debar the corporation from remaining a manufacturing entity, and he welcomed the chairman's promise that it would not be allowed to drift into a mere distribution agency.

Mr H. P. Greg moved a number of amendments to the new articles of association, some of which had reference to the directorate of the corporation. He continued, amid interruption, to read lists of other companies on the boards of which the directors served; he referred also to the fact that several of them lived in the South of England, and were not in as close touch with the business of the corporation as was desirable.

All the amendments he submitted were defeated.

Mr Lindsay moved, as an amendment: "That the scheme put forward by the directors be modified to the extent that the preference shares shall retain their existing preferential rights."

Sir Bernard Greenwell and Major Gillan supported the directors' proposals.

Mr Lindsay's amendment was defeated on a show of hands, as was also a similar proposal by Mr T. J. Mackay.

The resolution approving the reconstruction scheme was carried by an overwhelming majority.

Separate meetings of the preference, preferred ordinary, and deferred ordinary shareholders were then held, at each of which a resolution approving the reconstruction scheme already passed by the extraordinary meeting was approved.

RE-ELECTION OF DIRECTORS.

The ordinary meeting was then resumed, and Sir Henry Birchenough moved and Sir William Robertson seconded: "That the Right Hon. Lord Ashfield, the Right Hon. Lord Colwyn, the Right Hon. Sir Alfred Mond, Mr G. P. Norton, and Mr E. F. Armstrong be and they are hereby re-elected directors of the company."

Mr Greg moved as an amendment that, in addition to the gentlemen proposed, four other directors should be elected who were intimately connected with the concern. He was prepared, he said, to leave the election of those men to the existing board.

The Chairman said there could be no disagreement in principle with what was suggested, but he would ask, in view of the difficulties of finding the ideal director, that the matter should be left with the board. He was compelled to rule the amendment out of order on the ground that the necessary 14 days' notice had not been given.

The resolution re-electing the directors was then carried.

Major Gillan moved, and Mr Harris seconded, the reappointment of Messrs Thomson, McLintock and Co. as auditors, at a remuneration to be decided by the board.

This was carried, and a vote of thanks to the chairman was passed, on the motion of Mr H. Sutcliffe Smith.

WESTERN TELEGRAPH COMPANY, LIMITED.

IMPROVED RECEIPTS.

The 92nd ordinary general meeting of the Western Telegraph Company, Limited, was held, on the 26th instant, at Electra House, Moorgate, E.C.

Sir John Denison-Pender, G.B.E., K.C.M.G. (the chairman), in moving the adoption of the report and accounts, said it was gratifying to record that their receipts, which had had a downward tendency since 1920, now showed an improvement, the actual net increase from all sources being £41,576, in spite of the low value of the milreis in Brazil. Exchange was now very much better, and the message receipts since June 30th up to the present continued satisfactory. The working expenses, on the other hand, were increased by £22,035, but £9,703 of this was for maintenance of cables. Against the increase of expenses there had been a decrease in income-tax and corporation profits tax of £55,993, making a net gain of £75,534 over last year's account. After paying the four quarterly dividends of, in all, 10 per cent. for the year, free of income-tax, the directors had transferred to the general reserve fund £250,000, and were carrying forward £300,440. The general reserve fund had been debited with the cost of a very important renewal of cable, some 550 miles, at a cost of £131,278, replacing the last remaining portion of the original cable laid in 1874 between St. Vincent and Pernambuco. The final instalment of the cost of their new cable repairing steamers appeared in the balance-sheet under review. The entire cost of new vessels had been charged against the maintenance ships' funds, also the loss sustained on the sale of their old store ship Norna. This fund still remained a substantial figure—namely, £166,708.

The negotiations for a wire between Paris and London, referred to last year, still continued, but so far they had made little headway. Sooner or later they could not help thinking the justice of the application would be admitted by their French friends. At previous meetings he had mentioned the approaching Italian competition for South American traffic. This was now an accomplished fact, the Italian cable to South America having been opened for business on the 12th of last month. It was early yet for him to be able to judge what the ultimate effect of the competition would be. South America was a vast continent with undoubtedly a great field for developments, and the company had a well-equipped system, working expeditiously and accurately, which the directors had reason to believe gave satisfaction to the telegraphing public. As regarded wireless telegraphy, he had told the shareholders last year of the opening of the Argentine radio station. The position in South America was much the same to-day; so far it had not proved a serious competitor, being chiefly engaged in the cheaper class of traffics. Among other items of interest to the telegraph service in general was the recent meeting of the International Telegraph Conference in Paris. The conference lasted eight weeks, during which certain alterations were made in the regulations under which telegrams were exchanged, and which, as far as the directors could see, would not materially affect the revenue of the company.

In conclusion, the chairman referred to the recent tour made by the Prince of Wales.

The report and accounts were unanimously adopted.

JOHANNESBURG CONSOLIDATED INVESTMENT COMPANY, LIMITED.

YEAR OF STEADY PROSPERITY.

FIFTEEN PER CENT. DIVIDEND, FREE OF INCOME-TAX.

The Johannesburg Consolidated Investment Company, Limited, announces the receipt of the following cabled report from Johannesburg of the proceedings at the annual meeting held on November 24, 1925:—

At the annual meeting of shareholders, Professor J. G. Lawn presided in the unavoidable absence of the Permanent chairman, Mr S. B. Joel, and there was a good attendance.

The report and accounts for the year ended June 30, 1925, were unanimously adopted.

DIVIDEND AND ALLOCATIONS.

The Chairman said that the year under review had been one of steady prosperity, and the company had been able to again pay a 15 per cent. dividend, free of income-tax, absorbing £592,500, and to increase the reserve by a further £150,000, making the reserve fund £550,000, and to carry forward £178,161.

The financial position was sound and very strong. The book value of the assets was £6,020,698, leaving £4,481,951 in excess of liabilities to the public, after providing for dividend, £592,500, and taking into account contingent liabilities, £196,210. The liquid assets were £1,159,878, and the net profit for the year £744,671.

GOVERNMENT EXTRAVAGANCE.

In dealing with the general conditions affecting the gold mining industry, the Chairman stated that responsible employers regarded the Wages Bill as unnecessary and an unwise measure, and likely to give rise to trouble in the future. He considered the Government had shown a tendency towards extravagance in expenditure which, with the so-called policy of civilised labour upon the railways, must result in putting up costs against the two primary producers, the farmer and the miner, and as mining has a limited life, the whole burden of public expenditure and cost of running the railways would eventually fall on the farming interest if the manufactures in the country were not reduced in cost sufficiently to allow of their exportation in competition with older countries.

RETROSPECTIVE MINERS' PHTHISIS COMPENSATION.

While fully sympathetic with sufferers from miners' phthisis, and agreeing that something had to be done, the Chairman referred to the unfairness of the incidence of retrospective Miners' Phthisis Compensation notwithstanding that the Government was equally responsible with mine-owners for conditions in the mines, and that the country participated largely in the revenue from gold won, and, further, that many of the older mines were now closed down, yet existing mining companies were compelled to pay the whole of the compensation, the total present value of which now amounted to no less a sum than £5,808,130. The Chairman contrasted the attitude of the Western Australian Government with that of the Union Government, where the Government make substantial payments towards compensation. The action of the Union Government is dictated by political considerations, and is likely to do irreparable harm to the mines and indirectly to the country at large.

NATIVE LABOUR.

Touching on native labour, the Chairman stated the position was serious, and that it was hoped the Government would soon sanction recruiting from outside territories, as already the poorer mines, as well as some of the richer ones, were feeling the shortage of labour acutely.

The ore crushed by mines of the group during the year totalled 7,690,000 tons, and the gold produced amounted to 2,563,728 ozs, yielding a revenue of £11,318,375, a small reduction on last year due to the fall in the price of gold, which had become normal in May. The working profit amounted to £4,166,215, and the dividends declared totalled £2,338,566, as compared with £1,937,344 for the previous year. Direct Government taxation amounted to £277,396, and there was paid to the Government on account of leased areas £1,433,493. The working costs of the group show a slight reduction on the previous year.

GOVERNMENT GOLD MINING AREAS.

The ore crushed was 96,500 tons in excess of 1923, and the profit was considerably in excess of that year. Dividends for the year amounted to 65 per cent. The Government's share of profits was £1,311,289. The total amount paid to the Government to the end of 1924 was £6,143,412, and the total dividends paid to the shareholders to the same date was £5,005,000.

The installation of the ventilation fan was completed in August last, and the extension of the reduction plant is in progress. It is anticipated the plant will be running in April next. Although this expenditure is being provided out of profits, no reduction in the present rate of dividends is considered likely, and increased dividends are expected to result from the additional output. The ore reserves were 11,000,000 tons. The position of the company is excellent from every aspect.

NEW STATE AREAS, LIMITED.

During 1924 this company crushed 754,000 tons, and earned a profit of £428,587, enabling the company to write off the previous year's loss and to pay the Government £117,689 as its share of profits, and carry forward £85,983. The first dividend at the rate of 7½ per cent. was declared last June.

Development was satisfactory, and the ore reserves at the end of December last totalled 2,582,400 tons, of an average value of 8.8 dwts.

The company has every prospect of a long and successful life.

VAN RYN DEEP, LIMITED.

The ore crushed during 1924 amounted to 790,000 tons, which constitutes a record in the history of the company. The working profit was £887,998, including £152,851 from gold premium. Dividends distributed during the year totalled £748,057. Although the working profit for the current year was not so high as in 1924, owing to the disappearance of the gold premium and a lower grade of ore won, the company was able to declare a dividend of 27½ per cent. in June last.

The reef in the western section of the mine is wider than in the eastern section, but neither so rich nor so uniformly payable. The inclusion of ore from the western section reduces the average value of the ore reserves, but adds considerably to the tonnage of payable ore, and materially lengthens the life of the mine. The total ore reserves at December last were estimated at over 3½ million tons, of an average value of 7½ dwts. Although the future revenue per ton will be lower owing to the increased proportion of ore from the western section, the future of the company is sound and the condition of the mine satisfactory.

LANGLAAGTE ESTATE AND GOLD MINING CO., LIMITED.

During 1924 the ore treated totalled 1,147,900 tons, yielding a working profit of £310,378. Dividends declared totalled 12½ per cent., amounting to £189,979. A comprehensive programme of development is in hand, costing over 3s per ton crushed. Recent results show a decided improvement, as compared with the past year or two, so that the prospects are very hopeful.

RANDFONTEIN ESTATES GOLD MINING COMPANY.

A record tonnage was crushed in 1924, and the profit earned was £701,077. Dividends totalling 15 per cent. were paid for 1924, and 5 per cent. for the first half of the current financial year. Working costs were reduced from 18s 11d in 1924 to 17s 6d in the third quarter of the current year. An extensive development programme is in hand. The footage accomplished during the past ten months amounted to 69,200 feet, of which 33,400 feet was on reef. The footage sampled during last quarter was 16,015 feet, giving 64 per cent. payability, 10,215 feet having an average value of 16.2 dwts over 19 inches of reef. The recent good development in the West Rand Consolidated Mines gives ground for the hope of better values in the northern section of Randfontein, and a shaft in this section which had been closed for several years is being reopened. A ventilation shaft is being sunk which will put ventilation of the mine on a sound and adequate basis.

DIAMONDS.

The position of the diamond industry is very much improved owing to the formation of a strong new marketing syndicate, which has contracted to handle the output of the four large producers in South Africa for five years. The syndicate also has a lengthy agreement with the Angola Diamond Mining Company for handling its diamonds, buys the West African diamonds, and has friendly relations with the Congo producers, with the object of limiting the quantity of diamonds put on the market and maintaining prices. The new syndicate is in a very strong position to secure that stability which is so essential. Trade has already improved considerably, and the outlook is exceedingly promising. Through the good offices of the permanent chairman the company has secured an important interest in the new syndicate which will

result in substantial additions to its revenue. The company will also benefit by its large holdings in diamond companies.

COAL

The colliery companies are making steady progress, although handicapped through the inability of the railways to supply adequate facilities for transport of output owing to shortage of rolling stock.

The New Springs Colliery has paid dividends totalling 12½ per cent. Since last year the Consolidated Collieries' debt to our company has been practically liquidated, and is approaching the dividend stage.

DIVIDENDS.

The directors have decided to pay interim dividends, so that in future an interim dividend will be declared in December and a final in June.

THE WALL PAPER MANUFACTURERS, LIMITED.

SATISFACTORY YEAR'S RESULTS.

SOUND FINANCIAL POSITION—GOOD PROSPECTS.

CHAIRMAN'S SPEECH.

The annual general meeting of the Wall Paper Manufacturers, Limited, was held at the Caledonian Room, Holborn Restaurant, High Holborn, London, W.C., on November 26th, Mr Edgar Smith (the chairman) presiding.

The secretary (Mr John T. Chasney) having read the notice convening the meeting and the report of the auditors,

The Chairman said: Ladies and Gentlemen,—

As you have each received a copy of the directors' report and the balance-sheet, may I assume that it is your pleasure that we take them as read?

The profit for the year, as shown in the profit and loss account, is £733,348. It includes the profits for the manufacture of wall-paper, and also the profits—which are very considerable, and steadily increasing—from our various enterprises other than wall-paper manufacture, together with dividends and interest on our investments.

YEAR'S PROFIT.

It is slightly better than that of the previous year. The previous year's profits were £725,730, to which were added £25,353, which we had received on account of our German claim, and £768 in transfer fees, or a total of £751,852. We have in the present account £733,348 profit, £9,023 (final settlement) of the German claim, and transfer fees £1,027, making together £743,399. The amount brought forward from last year's account is £267,040, against £223,088 brought forward the previous year. The amount now available for further appropriation is £852,798, against £838,200 last year.

Your directors recommend that the same dividends be paid as last year, that a sum of £200,000 be added to the reserve fund, and that £306,638 be carried forward.

BALANCE-SHEET ITEMS.

In the balance-sheet, shown as liabilities, you will notice that the issued capital and debenture stock are the same as last year. The creditors are £748,081, against £590,062; this increase is largely due to income-tax which awaits settlement by the surveyor. The reserve fund is £400,000, against £200,000 last year, and the balance of the profit and loss account £852,798. On the other side of the balance-sheet, shown as assets, we have the land, buildings, plant, machinery, and goodwill, £3,578,319, an increase of £113,380. This increase is accounted for by new buildings and plant at various branches, together with the cost of our new office buildings known as King's House in Manchester, which in last year's balance-sheet was shown separately, less, of course, depreciation for the year. The next item, investments, including shares in subsidiary companies, £1,916,471, shows an increase of £291,628. This is mainly due to further investments in Government securities.

The stock-in-trade, £819,119, is rather less than last year, and has been taken on our usual basis. There is no old or obsolete stock. The debtors are £606,754, against £526,059 last year. Ample reserves are made against doubtful debts. The other items on the assets side of the balance-sheet are about the same as last year.

BOARD'S SOUND FINANCIAL POLICY.

I feel sure that you will agree with me that it is a substantial balance-sheet, and I am sure also that you will confirm the recommendations of the directors, and approve their conservative action with regard to dividends, reserve, and carry forward. Your directors are unanimous in their conviction that the first consideration of our company must be to build up a strong financial position. Ours is a large business, with subsidiary companies manufacturing besides wallpaper, distempers, paints, colours, varnishes, enamels, paper, raised materials, and other things; and although these are all in a state of prosperity at the moment, the times we live in are extremely unsettled and difficult to forecast with accuracy. It is only three years since I had to address you

under circumstances much less happy than those of to-day, and I know that those shareholders whose interest in the company is a permanent one, will agree that the first duty of an industrial concern like ours is to consolidate its position by reserving a reasonable amount of the profits in the business. This will do more to guarantee the prospects of all classes of shareholders for the future than any other course which could be taken. A letter from a deferred shareholder has appeared in two financial papers, suggesting that we ought to distribute more of our profits and issue the balance of our authorised capital as bonus shares. Such a course could not possibly commend itself to anyone who is interested in the permanent welfare of the company.

ARTISTIC VALUE OF COMPANY'S PRODUCTIONS.

During the past year your directors and staff of artists have made a great effort to improve the artistic value of our productions, and I think that the merchants' new pattern books which will appear early in the New Year will reflect this. We are keenly interested in any attempt to lift wallpaper art on to a higher plane of excellence. A very valuable book on the History of English Wallpaper is to be published in January by the well-known house of Batsford. It has been written by the chairman of our executive committee, Mr Alan Victor Sugden, in collaboration with Mr J. L. Edmondson, a well-known writer and expert. I look forward to its being a standard work on English wallpaper. It will contain hundreds of illustrations of English wallpapers from the early part of the sixteenth century onwards.

Last May a lecture was delivered in the Stationers' Hall, London, by Mr Hilary Jenkinson, M.A., F.S.A., of the Record Office, on Historic Wallpapers; also during the winter a lecture was given at the Royal Society of Arts by Mr Henry G. Dowling, F.R.S.A., on "Wallpapers." The popular interest in wallpaper was shown by the very large and appreciative audiences in both cases. The wonderful collections of wallpaper designs of the past, which were exhibited by the lecturers, made one think that we should soon have collectors acquiring and preserving examples of wallpaper, just as they do other works of art. Your company began some time ago to form a collection of wallpapers, which will grow year by year, so that examples of the best designs of the past will be kept as a permanent collection for future generations.

JEFFREY AND CO.

We recently acquired a controlling interest in Jeffrey and Co., Limited, a very old-established wallpaper factory in Islington. This firm has had a world-wide reputation for high-class goods for nearly a century, and its contribution to the art of paper staining is a unique one, both as to the quality and beauty of the product, and also as to the long sustained effort over such a period of years.

Our works have been kept fully employed during the year, and there have been very few, if any, of our workpeople on the unemployment list. The shortage of houses has the effect of restricting the demand for the cheaper classes of wallpaper. In the days when houses were plentiful, and many houses to let, people removed more frequently, and each removal meant that two houses would probably be papered throughout. In those days the landlord often re-papered his empty houses to entice prospective tenants. At the present time, the tenant needs no enticement, and usually has to pay for the wallpaper himself. If the time comes again when there are more houses than tenants, we may expect to sell a greater quantity of wallpaper, and we shall be fully equipped to do it. We are able to hold and to increase our trade overseas in the face of world competition, and this proves to us that our prices are right and our methods of manufacture and of distribution are efficient.

GENERAL TRADE CONDITIONS.

Probably we shall soon see a big revival in trade. Our country has passed through a period of deflation of currency, leading up

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The productive capacity of the plate mills in this country was such that even if the shipbuilders and other constructional engineers were fully employed, and allowance was made for exports, there was no reasonable prospect of all the mills being supplied with sufficient orders to enable them to produce at full capacity.

In the past they had relied upon ship plates as their principal manufacture, but, as already indicated in previous years, the directors were now following a policy of diversifying their products, so that they would not be so dependent upon one class of business, as increased competition might compel them to enter other branches of special steels of higher value.

The report and accounts were unanimously adopted.

CARGO FLEET IRON COMPANY, LIMITED.

IRON AND STEEL INDUSTRY AND FOREIGN COMPETITION.

The annual general meeting of the Cargo Fleet Iron Co., Limited, was held, on the 26th instant, at Middlesbrough.

The Right Hon. Viscount Furness, the chairman, after referring with regret to the sad and premature death of Captain John E. Rogerson, and after dealing with the figures in the accounts, said that the year under review had been one of very great difficulty so far as the iron and steel trade was concerned. Prices of the commodities which they manufactured had continued to fall steadily throughout the year. The Board of Trade index of prices showed that in October, 1924, the price of steel was 137.8, as compared with the pre-war parity of 100, whereas in October, 1925, it had fallen to 119.9. The prices of general commodities during the same period had fallen from 170 in October, 1924, to 154.8 in October, 1925, so that the price of steel was out of proportion to that of other commodities.

It was common knowledge that an application had been made to the Government under the Safeguarding of Industries Act. In view of the competition to which the iron and steel industry was subjected from abroad, and its anomalous position in relation to other home industries, it was difficult to see how it could survive unless some relief was given against unrestricted imports. Notwithstanding any such relief, their cost of production must be reduced by revision of working conditions in the trade itself, as well as the other industries upon which it was dependent. The following figures indicated clearly that the volume of their net export trade was rapidly disappearing:—

Year.	Imports. Tons.	Exports. Tons.	Excess of Exports over Imports.
1907	935,472	5,152,227	4,216,755 tons
1913	2,230,955	4,969,225	2,738,270 "
1924	2,430,000	3,853,000	1,423,000 "
* 1925	2,551,000	3,374,000	823,000 "

* The 1925 figures are based on the returns for the nine months ended September 30, 1925.

In view of the importance of Tees-side as an iron and steel-producing centre, it was significant that, during the 12 months ended October, 1925, imports of iron and steel to the Tees totalled 180,470 tons, compared with 54,564 tons in 1913-14. It seemed futile to endeavour to get their works into full operation and to find employment for the large number of men who were unemployed, while they were content for the workmen in other countries to do the work which ought to be done here. It was his considered opinion that no solution of their difficulties was possible while they were subject to unequal foreign competition.

The report and accounts were unanimously adopted.

PICCADILLY HOTEL, LIMITED.

The sixteenth annual ordinary general meeting of the Piccadilly Hotel, Limited, was held on the 19th instant.

Sir Charles T. Ruthen, the Chairman, in presenting the accounts for the year ending July 31, 1925, said:

I would first call the attention of the shareholders to the volume of business for the period under review.

INCREASED TURNOVER.

It is with real pleasure that I am able to report that in this year we have achieved a greater turnover than ever before in the history of this company, excepting for the year 1920, when conditions were abnormal and the after-war boom was at its height. It has not been an easy period in many respects. Trade throughout the country has been depressed, and a business such as ours, obviously is affected by national trade depression. With a decreased spending public to draw upon competition becomes increasingly keen among the hotels and restaurants of our standing, and it is more than ever necessary to keep up a high standard of service and to offer a variety of attractions if we are to retain our full share of the general patronage that is available for high-class establishments such as the Piccadilly Hotel.

We, who know the hotel intimately, feel that in one respect our task is not difficult. It is our belief that there are no finer and comfortable apartments to be found in any hotel in the world, and the continual patronage which is extended to us by our regular visitors, and the constant demand throughout successive years, lead us to believe that we do not over-estimate our good name in this respect. In one other department of our business which has sprung up within the last year or two, that of entertainment, we are, we believe, without equal. We have given our untiring efforts to obtain the best bands and the best artistes for the entertainment of our customers. It is, then, to these factors that we owe our success in maintaining and increasing the volume of business. Heavy expenditure, however, is entailed; but it has been the definite and determined policy of your directors to maintain this high standard, even though such a policy may not in a year of comparative depression permit of such a high percentage of profit upon the total takings as in more favourable years.

PROFIT AND DIVIDEND.

I will state shortly the prominent features of the year's trading. We have earned a net profit of £66,000, and after placing a substantial sum to general reserve we are able, with your approval, to distribute a dividend at the rate of 250 per cent. per annum, free of tax. We have spent what has been necessary to keep the hotel in that condition of which we are justly proud, and beyond those we have expended a considerable sum upon work which without doubt adds to the earning capacity of the hotel, and which will be of mutual benefit to our shareholders and visitors in the coming year.

Since our last annual meeting we have decided to distribute to our shareholders in the form of a bonus dividend £150,000, which sum has been put to reserve in previous years. We have started the new year with every facility for making the best of trade conditions, whatever they may be, and although it is apparent that business is restricted in many directions and for many causes, yet we feel confident that not only can we hold our own in competition, but that our popularity will increase amongst that large section of the public for whom we cater.

PICCADILLY FACADE.

There is one word which I should like to say in regard to the exterior of the hotel in Piccadilly. The rebuilding operations now have the effect of opening up our Piccadilly circus will shortly which perhaps is not generally appreciated. This very fine and hidden from view; but within a few months it will come into its own, and I believe that not only will this new view of the hotel public, but will excite general admiration. I personally am pre-finest pieces of street architecture in London cannot fail to be of the greatest value to the business of the company.

The proceedings concluded with a hearty vote of thanks to the chairman and directors and to the staff.

ANSALLS BREWERY, LIMITED.

RECORD YEAR'S RESULTS.

The 24th annual meeting of the shareholders of Ansells Brewery, Limited, was held at the Queen's Hotel, Birmingham, on Thursday, November 19th, under the presidency of Mr J. A. Fairhurst, chairman of the directors.

The Secretary read the notice convening the meeting and the auditors their certificate.

The Chairman said before saying anything with regard to the report and balance-sheet he must with great regret apologise for the absence of their late chairman, Mr Edward Ansell, whose health did not permit of him being present.

It was his (the chairman's) privilege to propose the following resolution in support of the report and balance-sheet:—

"That the report and accounts be received and adopted, and that the following dividends be paid, viz., at the rate of 5 per cent. per annum (less income-tax) on the preference shares, and at the rate of 15 per cent. per annum, making 12½ per cent. for the year, together with a bonus of 2½ per cent. on the ordinary shares (both free of income-tax) for the half-year ended September 30, 1925.

RECORD ACCOUNTS.

"I consider myself extremely fortunate," continued the chairman, "to preside on this occasion, which marks a record in our trading accounts, which is accounted for by the fact that the article we manufacture is popular with the public, and has resulted in increased output this year at our own houses as well as Rushtons, which business we recently acquired. As we are all aware, increased output is the aim of all commercial undertakings. I should like, and I am sure my co-directors would wish me, to pay some tribute to the excellent work of our managing director, Mr Thomas Ansell, whose business capabilities and sound judgment have done much to achieve the result we have arrived at.

With regard to the balance-sheet, the Chairman said his remarks must of necessity refer more particularly to the interests of the debenture holders and preference shareholders, as this is more or less a private company in view of the fact that the whole of the ordinary shares are privately held.

Last year he was able to say that the profits were sufficient to pay the debenture interest ten times over, and after paying that interest there was sufficient to pay preference dividends eight times. "This year I am pleased to say we can pay each of them ten times over, and in addition to that we are carrying forward £27,000 more than we did last year."

LIQUID ASSETS.

Turning to the liquid assets, the Chairman said there was an important and very satisfactory item of £335,000 cash in hand and at the bank, and in addition investments amounting to £52,000, of which £50,000 was Birmingham Corporation stock.

Taking the whole of the liquid assets together, cash in hand, stocks, debtors, and loans on security and investments, they

arrived at a total of £808,000, which left a good balance over the item of £737,000 creditors and credit balances on the debit side.

Mr Thomas Ansell formally seconded the resolution, which was carried unanimously.

RE-ELECTION OF MR H. P. RUSHTON.

Mr J. Timings proposed the re-election of Mr H. P. Rushton as a director, and said he supposed the absence of shareholders—there were only four present—indicated that there was nothing to complain about. All the directors had done their work exceedingly well, and the balance-sheet was a very good one.

Mr C. Bemand seconded, and the resolution was carried unanimously.

Mr Rushton thanked the shareholders for his re-election, and said it had given him very great pleasure to be still connected with the trade, especially through Messrs Ansells. He was glad to know that the transaction had turned out so satisfactorily.

Messrs Fisher, Randle and Fisher were re-elected auditors of the company.

Mr James Evans, J.P., proposed, and Mr Timings seconded, a vote of thanks to the chairman and directors.

Mr Fairhurst, in reply, said they were doing their best to grapple with the difficulties which arose, and he would like to take that opportunity of thanking the staff and the employees for the loyal support which had been given during the past year, and was always given.

GOVERNMENT RETURNS, &c.

NATIONAL DEBT—(Million £).

	Aug. 1, 1914.	Dec. 31, 1919.	Mar. 31, 1921.	Mar. 31, 1922.	Mar. 31, 1923.	Mar. 31, 1924.	Dec. 31, 1924.	Mar. 31, 1925.	Nov. 21, 1925.
Funded Debt	588	315	315	315	318	314	314	314	314
Term Annuities	30	20	18	16	14	14	14	13	13
3½% Conversion Loan	..	..	..	266	684	666	666	709	754
4½% Conversion Loan	..	..	..	..	..	..	210	210	210
3½% War Stock	..	63	63	63	63	63	63	63	63
4½% War Stock	..	13	13	13	13	13	13	13	13
4% and 5% War Stock	..	2,047	1,995	1,953	2,095	2,166	2,017	2,052	2,052
National War Bonds	..	1,509	1,413	1,201	953	820	813	778	777
4% Funding Loan	..	409	406	401	399	396	396	396	396
4% Victory Bonds	..	360	347	335	325	314	314	350	350
Treasury Bonds	..	323	289	185	150	150	69	15	15
Exchequer Bonds	20	267	285	342	354	366	364	369	370
National Savings Certificates	..	1,306	1,132	1,087	1,157	1,128	1,132	1,134	1,134
Other Debt	..	..	..	..	..	..	..	..	..
American Loan (Anglo-French)	..	51	121	878	616	588	626	576	626
Treasury Bills	15	1,107	1,121	154	194	186	220	187	183
Temporary Advances	..	..	..	..	..	..	..	..	..
Other Capital Liabilities	654	8,033	7,574	7,655	7,742	7,641	7,726	7,646	7,692
Total Liabilities	57	46	49	66	66	66	66	72	80
Total Liabilities	711	8,079	7,623	7,721	7,812	7,707	7,794	7,718	7,772

* Includes debt to American Government.

POSITION OF THE FLOATING DEBT.

Ways and Means Advances	Nov. 22, '24.	Mar. 31, '25.	Nov. 21, '25.	Nov. 21, '25.
Outstanding—				
Advances by Bank of England	165,745,000	165,585,000	123,341,000	4,949,000
Advances by Public Deposits	681,715,000	575,610,000	664,125,000	4,366,000
Treasury Bills Outstanding	..	..	..	..
Total Floating Debt	847,460,000	741,195,000	787,466,000	544,000

* Includes £49,000, the proceeds of which were not carried to the Exchequer within the period of the account.

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

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Redemption Account.				
			Silver Coin.	Gold and Bullion.	Bank of England Notes.	Ratio to Government Securities.	Balance at Bank of England.
1922.							
Mar. 29	300,351	14,255	5,000	28,500	19,450	15.9	261,479
June 28	295,374	13,338	6,000	28,500	19,650	16.3	254,112
Sept. 27	289,127	12,648	7,000	27,000	21,150	16.6	246,456
Dec. 27	301,337	12,872	7,000	27,000	21,150	15.9	258,922
1923.							
Mar. 28	285,616	12,318	7,000	27,000	22,450	17.3	241,294
June 27	286,503	12,516	7,000	27,000	22,460	17.3	242,446
Sept. 27	282,784	12,401	7,000	27,000	22,450	17.5	238,595
Dec. 26	299,070	12,571	7,000	27,000	22,450	16.5	265,039
1924.							
Mar. 26	281,538	11,908	7,000	27,000	22,450	17.6	236,867
June 26	290,316	12,472	7,000	27,000	22,450	17.0	246,136
Sept. 24	285,592	12,227	7,000	27,000	22,450	17.3	241,185
Dec. 31	296,261	12,812	7,000	27,000	26,950	18.2	246,111
1925.							
Mar. 25	284,256	11,882	7,000	27,000	26,950	18.9	235,076
June 24	292,278	12,265	7,000	..	53,950	18.5	243,474
Sept. 30	293,004	12,555	7,000	..	56,250	19.1	242,185
Nov. 18	291,664	12,193	7,000	..	56,250	19.2	240,439
25	290,052	12,040	7,000	..	56,250	19.3	238,738

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £320,600,000, for 1921 at £317,555,300, for 1922 at £328,984,400, for 1923 at £370,183,800, for 1924 at £348,130,900, and for 1925 at £348,146,400.

KANSALLIS - OSAKE - PANKKI

(National Joint Stock Bank).

Established 1889.

Head Office: Helsinki (Helsingfors), FINLAND.

134 BRANCHES at all important business centres in Finland.

Capital	...	Fmk. 150,000,000
Reserve Fund and Profits	...	" 115,000,000
Deposits, etc.	...	" 1,704,000,000
(31/12/24)	...	" 1,704,000,000

All descriptions of banking business transacted.

Telegraphic Address: KANSALLISPANKKI.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £45,000,000 in Treasury Bonds and Treasury Bills were opened on Nov. 27, 1925, and the total amount applied for was £47,435,000. For bills at three months dated Monday, £99 0s 7d, and above in full; Tuesday to Saturday bills at £99 0s 4d, above in full—in bills at 3 months, £38,885,000; in bonds, nil.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.	4% Treasury Bonds. Average Price.
1925.				
Sept. 25.	45,000,000	82,900,000	3 10 4-26	94 8 0
Oct. 2.	45,000,000	65,940,000	3 7 3-39	94 8 0
Oct. 9.	40,000,000	66,420,000	3 6 5-79	94 9 1-48
Oct. 16.	40,000,000	41,885,000	3 12 7-86	94 8 0
Oct. 23.	40,000,000	48,395,000	3 14 9-79	94 8 0
Oct. 30.	40,000,000	49,160,000	3 16 1-72	94 8 0
Nov. 6.	45,000,000	47,865,000	3 18 1-44	94 8 0
Nov. 13.	40,000,000	44,835,000	3 17 3-73	94 8 0
Nov. 20.	40,000,000	43,065,000	3 18 5-17	94 8 0
Nov. 27.	45,000,000	47,435,000	3 19 0-91	94 8 0

Tenders will be received on Dec. 4, 1925, for Treasury Bills and Treasury Bonds to be issued to the maximum amount of £45,000,000. The amount of Treasury Bonds issued will not exceed £4,000,000.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1925-26. (See Note)	Total Receipts into the Exchequer from	RECEIPTS.	Week Ended Nov. 21, 1925.	Week Ended Nov. 22, 1925.
		to			
		Nov. 21, 1925.			
		Nov. 22, 1925.			
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		Nov. 276, 1925.			</

BANK OF LITHUANIA.—In lt. (000's omitted).

Assets.	Nov. 15, 1925.	Oct. 31, 1925.	Oct. 15, 1925.	Sept. 30, 1925.	Sept. 15, 1925.	Nov. 15, 1924.
Gold	34,112	32,158	33,661	33,648	33,622	30,722
Silver	25	25	20	46	29	55
State Treasury coin	1,785	1,818	1,878	1,968	2,035	2,035
Dollars & sterling, &c.	36,662	29,669	27,137	24,768	26,246	60,564
Discount and credit	45,628	44,268	43,322	41,735	39,944	34,757
LIABILITIES.						
Capital	12,000	12,000	12,000	12,000	12,000	12,000
Reserve	625	625	625	625	625	100
Banknotes in circulation	86,537	84,653	85,187	81,091	82,195	89,726
Deposits	15,047	14,852	11,511	13,451	14,704	35,972

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

Assets.	Nov. 15, 1925.	Nov. 7, 1925.	Oct. 31, 1925.	Nov. 15, 1924.
Metal reserve—				
Gold in coin & bullion	14,830	14,830	14,830	1,052
Foreign bills	498,230	498,647	501,290	403,610
Other foreign bills	55,867	55,867	60,664	—
Bills discounted	91,717	91,553	109,124	203,935
Advances to the Treasury	192,912	193,448	193,978	220,012
LIABILITIES.				
Reserve fund	2,679	2,679	2,679	487
Notes in circulation	779,304	806,576	852,524	760,321
Deposits	74,361	52,314	30,462	104,610

† Contains such foreign bills and balances as bought from customers against kronen under the agreement that the same amount of foreign currency shall be supplied to the customers at fixed terms on condition of such sums in kronen being returned by them as were paid by the bank for the foreign currency delivered.

NATIONAL BANK OF HUNGARY.—In Hungarian crowns (000's omitted).

Assets.	Nov. 15, 1925.	Nov. 7, 1925.	Nov. 15, 1924.
Metal reserve—			
Gold coin and bullion	737,789,803	737,786,853	506,077,102
Drates and notes	2,559,200,539	2,594,028,227	1,851,855,480
Silver coin and bullion	12,544,584	12,544,331	13,300,888
Foreign bills, warrants, and securities	1,537,434,156	1,667,399,309	1,910,038,735
Advances to the Treasury	1,955,061,362	1,955,061,362	1,975,631,354
LIABILITIES.			
Share capital (gold crowns 30,000,000)	432,186,664	432,186,664	432,186,664
Notes in circulation	4,930,614,765	5,141,200,885	4,392,851,728
Current accounts, deposits, &c.	2,836,198,821	2,697,952,590	1,915,914,201

* Calculated at pre-war parity of exchange.

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

Assets.	Nov. 15, 1925.	Nov. 8, 1925.	Oct. 31, 1925.	Oct. 22, 1925.	Nov. 15, 1924.
Gold	74,745	74,591	74,431	74,180	72,330
Other coin and notes	18,515	19,244	21,187	20,826	21,120
Foreign credits	383,410	401,934	414,206	417,111	383,364
Bills	4,080,174	4,074,626	4,061,834	4,043,736	1,368,401
Govt. advances	4,521,067	4,520,815	4,520,720	4,521,504	4,564,523
LIABILITIES.					
Notes in circulation	6,072,944	6,137,482	6,157,989	6,088,588	5,990,269
State credits	368,345	368,092	367,997	367,782	389,954
Deposits	688,237	681,570	702,843	776,383	622,474

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

Assets.	Nov. 7, 1925.	Oct. 31, 1925.	Oct. 24, 1925.	Nov. 8, 1924.	May 12, 1922.
Gold	566,336	566,214	566,112	562,957	545,275
Silver, &c.	5,487	5,672	5,614	2,255	775
Government loan	11,330,726	11,321,253	11,314,869	11,335,182	12,585,130
Other advances	10,320,722	10,251,560	10,200,948	9,387,302	5,037,432
LIABILITIES.					
Notes in circulation	20,411,759	20,358,992	20,493,748	19,205,222	15,485,426
Deposits	8,159,917	8,130,285	7,951,897	7,099,400	7,077,350

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

Assets.	Nov. 21, 1925.	Nov. 14, 1925.	Nov. 7, 1925.	Oct. 31, 1925.	Nov. 22, 1924.	Position May 30, 1914.
Gold	2,536,975	2,536,875	2,536,680	2,536,669	2,534,943	521,775
Silver	650,016	646,361	645,09	651,777	651,777	728,600
Loans & discounts	2,410,038	2,457,424	2,492,317	2,496,784	2,516,740	800,725
Spanish 4% stock	344,475	344,475	344,475	344,475	344,475	344,475
Treasury bills	150,000	150,000	150,000	150,000	150,000	150,000
LIABILITIES.						
Circulation	4,430,760	4,490,977	4,507,863	4,458,597	4,501,313	901,550
Deposits	1,007,415	989,233	982,546	969,169	933,933	477,500

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

Assets.	Nov. 4, 1925.	Oct. 28, 1925.	Oct. 21, 1925.	Oct. 14, 1925.	Nov. 5, 1924.
Coin and bullion	10,323	10,330	10,418	10,295	9,612
Of which gold	8,577	8,577	8,577	8,577	8,577
Balance abroad	303,794	288,382	269,999	263,163	345,532
Discounts	188,813	192,783	191,370	188,905	166,785
Government loans	1,621,461	1,606,409	1,586,909	1,578,984	1,660,506
LIABILITIES.					
Notes in circulation	1,704,507	1,679,741	1,669,751	1,670,302	1,778,734
Deposits	66,793	68,730	67,292	67,093	59,061

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

Assets.	Oct. 31, 1925.	Oct. 20, 1925.	Oct. 10, 1925.	Sept. 30, 1925.	Oct. 31, 1924.	Position May 31, 1914.
Total cash	1,516,370	1,537,405	1,533,534	1,549,537	1,565,378	1,221,875
Inland bills	5,345,958	5,102,149	5,153,534	5,249,126	5,367,042	418,400
Advances to the Treasury	3,378,186	3,378,235	3,378,235	3,378,283	3,378,283	—
Other advances	3,333,925	3,241,925	3,241,925	3,260,167	3,249,061	79,175
Securities	363,126	363,795	364,162	366,021	379,432	205,700
LIABILITIES.						
Note circulation	15,437,163	15,208,172	15,413,945	15,355,533	13,966,536	1,556,929
Deposits & drafts	1,560,778	1,528,288	1,585,000	1,569,640	1,675,131	193,975

MOSCOW QUOTATIONS FOR CHERVONETS

According to advices received in London, the following are the Moscow quotations for chervonets:—

£1,000 sterling equals 940½ chervonets,

£1,000 " " 154 " "

LONDON RATES.

	Nov. 20, 1925.	Nov. 21, 1925.	Nov. 22, 1925.	Nov. 23, 1925.	Nov. 24, 1925.	Nov. 25, 1925.	Nov. 26, 1925.	Nov. 27, 1925.
Bank rate (changed from 4½% Oct. 1, 1925)	4%	4%	4%	4%	4%	4%	4%	4%
Market rates of discount—								
60 days' bankers' drafts	3½%	3½%	3½%	3½%	3½%	3½%	3½%	3½%
3 months' do	4½%	4½%	4½%	4½%	4½%	4½%	4½%	4½%
6 months' do	5½%	5½%	5½%	5½%	5½%	5½%	5½%	5½%
Discount (Treasury Bills)—								
2 months	3½%	3½%	3½%	3½%	3½%	3½%	3½%	3½%
3 months	4½%	4½%	4½%	4½%	4½%	4½%	4½%	4½%
6 months	5½%	5½%	5½%	5½%	5½%	5½%	5½%	5½%
Loans—Day to day	5%	5%	5%	5%	5%	5%	5%	5%
Short	3½%	3½%	3½%	3½%	3½%	3½%	3½%	3½%
Deposit allowances: Banks	2½%	2½%	2½%	2½%	2½%	2½%	2½%	2½%
Discount houses at call	2½%	2½%	2½%	2½%	2½%	2½%	2½%	2½%
At notice	2½%	2½%	2½%	2½%	2½%	2½%	2½%	2½%

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

Comparison with previous weeks:—

	Short Loans.	Bank Bills.			Trade Bills.						
		3 Months.	4 Months.	6 Months.	3 Months.	4 Months.	6 Months.				
		%	%	%	%	%	%				
Nov. 1925.	%	%	%	%	%	%	%	%	%	%	%
Nov. 6.....	34	32	34	34	47	42	3	42	47	3	47
13.....	34	34	34	34	47	4	3	42	47	3	47
20.....	34	34	4	4	47	4	5	47	47	5	47
27.....	34	51	4	4	47	4	4	47	47	5	47

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended Nov. 20, 1925.	(c) Week ended Nov. 21, 1925.	Miles Open.	Passengers, &c.	Goods, &c.	Total for Week.	Passengers, &c.	Goods, &c.	Total for Week.	Aggregate 47 Weeks, 1925.
Great Western	3,765	195,000	338,000	5,400	125,690	151,940	27,763,000	27,763,000	
Do for 1924	3,754	205,000	354,000	5,500	126,410	152,600	28,567,000	28,567,000	
London & N. Eastern (a)	6,714	347,000	706,000	10,300	207,740	211,080	51,882,000	51,882,000	
Do same period 1924	6,714	350,000	725,000	10,700	210,700	214,400	53,172,000	53,172,000	
London, Mid., & Scottish	6,950	477,000	897,000	12,400	234,000	238,400	69,572,000	69,572,000	
Do for 1924	6,950	477,000	897,000	12,400	234,000	238,400	71,151,000	71,151,000	
Southern	2,163	262,000	524,000	7,700	107,200	110,900	21,417,000	21,417,000	
Do for 1924	2,142	260,000	517,000	7,700	107,200	110,900	21,372,000	21,372,000	
Metropolitan (a)	68	31,085	4,064	35,139	1,865,274	183,087	1,789,361	1,789,361	
Do for 1924	68	30,757	4,172	34,921	1,853,772	184,179	2,037,951	2,037,951	
Underground R.R. (a)	..	..	..	..	..	..	..	..	
Do for 1924	..	..	..	..	..	..	..	..	
London & Sub. Group (a)	..	..	..	..	..	..	..	..	
Do for 1924	..	..	..	..	..	..	..	..	
Belfast & Co. Down (b)	80	2,694	872	3,566	184,500	50,447	234,947	234,947	
Great Northern (b)	563	11,850	18,400	798,850	820,000	1,618,850	1,618,850	1,618,850	
Great Southern (b)	2,181	29,554	45,140	74,694	1,793,509	2,061,564	3,855,073	3,855,073	

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Millage.	Gross Receipts for Week.		Total Gross Receipts.	
				1925.	+ or -	1925.	+ or -
INDIAN.							
Assam Bengal	30 weeks	Oct. 24	1,072	Rs. 3,96,000	+ 70,818	Rs. 96,94,295	+ 12,40,792
Barsi La Ry.	31 weeks	31	118	84,300	+ 63,900	9,50,200	+ 44,200
Bengal & N. Western	4 weeks	31	2,062	7,61,200	+ 2,46,251	25,53,910	+ 4,02,511
Bengal Nagpur	26 weeks	Sept. 30	2,800	21,83,000	+ 1,49,000	3,92,55,017	+ 12,81,466
Bombay, Bar., & C.I.	29 weeks	Oct. 24	1,349	24,26,000	+ 89,000	7,37,99,000	+ 7,84,000
Burma	7 weeks	Nov. 21	339	7,39,155	+ 1,10,571	2,23,35,903	+ 27,11,481
Delhi, Umballa & Calcutta	31 weeks	Oct. 31	3,029	13,70,000	+ 1,30,447	4,65,92,866	+ 7,60,666
Madras & S. Mahr ..	30 weeks	Oct. 31	993	3,66,592	+ 1,45,608	98,44,451	+ 3,17,251
Nizam's Guaranteed (a)	4 weeks	31	259	43,191	+ 12,095	1,50,714	+ 52,613
Rohilk'd & Kumaon ..	4 weeks	31	287	54,722	+ 62	1,80,930	+ 29,246
Do Lucknow-Breilly ..	4 weeks	31	1,876	8,79,861	+ 13,137	3,10,15,035	+ 19,71,078
South Indian	31 weeks	31	1,876	8,79,861	+ 13,137	3,10,15,035	+ 19,71,078

(a) Total receipts of all lines.

ARGENTINE (a).							
				£		£	
Argentine N.E.	21 weeks	Nov. 21	754	13,800	+	700	301,900
B.A. and Pacific	21 weeks	21	2,611	140,000	+	16,000	2,717,000
B.A. Central	21 weeks	21	1,478	14,492	+	1,076	886,237
B.A. Gt. Southern	21 weeks	21	4,718	226,000	+	19,000	4,075,000
B.A. Western	21 weeks	21	1,883	100,000	+	9,000	1,726,000
Central Argentine	21 weeks	21	3,305	218,000	+	10,000	4,375,000
Cordoba Central	21 weeks	21	1,202	75,000	+	14,000	1,568,500
Entre Rios	21 weeks	21	729	25,400			501,200

CANADIAN.							
Canadian National...	46 weeks	Nov. 14	22,001	5,786,786	+ 859,218	208,013,685	+ 2,558,900
Canadian Pacific....	47 weeks	21	14,138	4,746,000	+ 496,000	157,364,000	+ 4,418,000

BRAZILIAN (b).							
				£	£	£	£
Gt. West. of Brazil..	47 weeks	Nov. 21	1,018	22,500	+ 4,300	678,400	+ 226,800
Leopoldina	47 weeks	21	1,856	43,553	+ 4,677	1,580,386	+ 122,369
San Paulo	47 weeks	22	1534	53,760	+ 4,856	2,199,407	+ 456,272

CHILEAN.							
Antofagasta	47 weeks	Nov. 22	838	£ 54,940	+ £ 9,460	£ 1,891,865	+ £ 87,885
Nitrato (8-monthly)	46 weeks	15	366	£ 44,875	+ £ 1,573	£ 857,859	+ £ 2,726

CUBAN.							
				£	£	£	£
Havana Central	21 weeks	Nov. 21	..	12,866 +	84	245,204	+ 8,443
United of Havana ..	21 weeks	21	1,250	56,545 —	8,721	1,188,869	+ 156,593

URUGUAYAN.							
				£	£	£	£
Central Uruguay ..	21 weeks	Nov. 21	273	32,832	1,331	500,829	+ 100
C. Urug. (East. Ext.)	21 weeks	21	311	6,320	426	101,704	+ 8,992
C. Urug. (North. Ext.)	21 weeks	21	185	3,475	223	57,305	+ 7,899
C. Urug. (West. Ext.)	21 weeks	21	311	3,125	292	51,072	+ 1,451

OTHER OVERSEAS.									
Alcoy and Gandia ...	47 weeks	Nov. 21	33	Pa. 28,000	—	7,000	1,167,000	+	75,650
Argentine Delta ...	21 weeks	Oct. 20	600	£12,693	—	1,777	174,456	+	1,957
Bahian Railway of Spain	47 weeks	Nov. 14	104	Pa. 88,297	—	33,157	4,716,836	+	4,294
Bahian Railway ...	21 weeks	Nov. 21	432	£208,200	—	49,200	4,770,100	+	561,000
Bahian Railway ...	21 weeks	Nov. 21	274	£1,830	—	530	111,640	+	18,290
Salvador ...	21 weeks	Nov. 21	100	Pa. 22,923	—	52	57,395	+	1,928

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

TRAMWAY WEEKLY GROSS RECEIPTS.

Name.	Period.	Ending.	Present Receipts.	Receipts for Week.		Total Receipts.	
				1925.	+ or -	1925.	+ or -
Anglo-Argentine...	46 weeks	Nov. 18	339	\$89,647	841	\$1,015,574	+ 6,955
B. Aires Laorone...	21 weeks	22	22	\$14,143	..	262,325	+ 6,446
Burley Corporation	1 week	21	1	\$2,878	94	..	..
Calcutta Tramways	1 week	21	32	..	6,023	..	..
Chatham & District	44 weeks	12	12	\$24,614	..	..	..
Egyptian Markets	46 weeks	12	12	\$1,284	120	\$6,122	+ 1,079
Glasgow Corporation	25 weeks	21	108	\$4,416	197	\$9,741	+ 1,236
Isle of Thanet Trms*	46 weeks	18	..	\$40,416	4,666	1,111,533	+ 2,446
Liverpool Corp.	43 weeks	21	134	\$2,153	206	122,301	+ 50,569
L.O.C. Tramways	34 weeks	25	164	\$34,092	1,332	899,492	+ 22,929
Madras Elec. (S. Wks)	46 weeks	15	..	\$78,171	1,643	2,731,377	+ 22,929
Paramatibo Trams.	46 weeks	15	..	\$4,163	966	1,011,928	+ 52,687
Singapore Trams	34 weeks	Sept. 26	..	\$5,361	1,161	226,773	+ 22,396
			..	\$14,579	191	\$53,086	+ 13,603

* Combined revenue.

MONTHLY TRAFFIC RETURNS.

AMERICAN RAILROAD GROSS AND NET RECEIPTS.
This table is extracted from the Commercial and Financial Chronicle of New York.

	Miles of Road.		Gross Earnings.		Net Earnings.	
Date.	1923.	1924.	1923.	Increase or Decrease.	1924.	Increase or Decrease.
			\$	\$	\$	\$
Sept.	235,640	235,178	539,853,860	+ 5,116,223	165,049,184	+ 30,137,28
Oct.	235,625	235,189	571,465,30	+ 15,135,757	402,654,709	41,345,59
Nov.	235,612	235,189	504,589,062	+ 26,135,505	131,435,505	+ 6,350,39
Dec.	235,575	235,196	504,818,559	+ 11,308,918	160,337,665	6,688,81
1924.			1925.			
Jan.	235,496	236,149	483,195,642	+ 15,866,417	101,029,458	+ 17,341,70
Feb.	236,031	236,642	454,009,669	+ 24,441,338	93,460,389	+ 29,350,07
Mar.	236,048	236,559	485,498,143	+ 18,864,833	109,260,083	+ 5,447,66
April	236,664	236,045	472,591,665	+ 1,696,103	102,361,475	+ 5,389,79
May	236,663	236,663	487,664,385	+ 11,114,584	112,595,524	+ 16,805,03
June	236,557	236,779	506,002,036	+ 40,955,601	130,837,294	+ 29,350,07
July	236,525	236,762	501,538,604	+ 40,955,601	139,766,732	+ 27,819,6
Aug.	236,546	236,760	514,559,318	+ 47,021,764	166,558,666	+ 32,412,6
Sept.	236,587	236,752	504,443,591	+ 24,381,004	127,249,686	+ 21,816,9

OVERSEAS RECEIPTS.

Name.	Period.	Ending	Present Misage.	Receipts for Month.		Total Receipts.	
				1924-25.	+ or -	1924-25.	+ or -
INDIAN.							
Southern Punjab	3 mths	July 31	Rs 842	Rs 9,24,061	-Rs 2,88,252	Rs 37,76,723	-Rs 108,328

CANADIAN.						
Canadian National	10 mths	Oct. 31	Gross \$27,175,821	+ 433,512	196,444,081	+ 1,118,758
			Net \$8,159,958	+ 346,614	20,485,720	+ 9,16,056
Canadian Pacific	9 mths	30	Gross \$18,909,000	+ 341,500	124,674,300	+ 4,685,000
			Net \$6,265,000	+ 172,000	21,636,400	+ 1,190,000
Temiscouata.....	1 mth	30	Gross \$34,088			

BRAZILIAN,							
State of Bahia ..	6 mths	Oct. 31	52	Rs 324	+ 2,125	25,000	27,125

CHILE AND PERU.									
Peruvian Corp. . .	4	mths	Oct. 31	1,066	81,783,700	+ 308,450	6,856,500	+ 1,080,050	
Taital	4	mths	Oct. 31	172	227,120	+ 5,475	105,135	+ 2,933	

			31	112	247,120	—	5,475	105,135	—	2,93
URUGUAYAN.										
Midland Uruguay	4	mths	Oct.	31	319	£	15,745	—	106	£
N.W. Uruguay	4	mths		31	113		7,234	+	496	54,150
Uruguay North	4	mths		31	73		3,083	+	159	22,768
										9,734
										+
										2,12
										99
										99

OTHER OVERSEAS.

Algoma Cent. & Hudson Bay (a)	3 mths	Sept. 30	Gross	\$156,713	+ 23,552	434,739	+ 75,240
Beira and Mashonaland	1 mth	30	810	155,059	+ 32,314	..	..
Bilbao	9 mths	30	15	2,030	+ 1,287	25,648	+ 2,612
Bolivar	10 mths	Oct. 31	136	10,500	+ 1,082	125,873	+ 681
Costa Rica	3 mths	Sept. 30	190	37,26	+ 6,720	97,749	+ 8,118
Dorado Extension	9 mths	30	45	13,400	+ 12,450	152,950	+ 34,788
Dorado Roro. Ex.	9 mths	30	45	8,100	+ 1,700	81,350	+ 9,618
International of Central America	10 mths	Oct. 31	Gross	93,850	+ 10,842	1,061,080	+ 186,758
La Guaira & Car.	10 mths	31	222	33,297	+ 7,826	4,098	+ 54,997
Mid. of W. Aust.	3 mths	Sept. 30	277	12,040	+ 2,040	126,230	+ 6,140
Nasejo Occ'ys	10 mths	July 31	31	12,243	+ 1,340	33,644	+ 2,610
Puerto Cabello, Co.	10 mths	Oct. 31	35	5,000	+ 350	70,380	+ 9,610
Rhosela Rad'ys	1 mth	Sept. 30	1,397	183,860	+ 8,460	49,250	+ 3,000
Samana & Sant' go	10 mths	Oct. 31	..	5,050	+ 1,633	70,720	+ 7,410
Sante Fe Prov.	10 mths	31	..	162,468	+ 36,410	..	..
Zafra and Huella	10 mths	31	112	14,767	+ 664	129,293	+ 3,388

Reports and Notices.

Major Reginald Bonsor has been appointed a director of the London Assurance, to fill the vacancy caused by the death of the late Mr R. E. Henderson.

The Hon. Richard Martin Preston, D.S.O., has been elected a director of the Rio Tinto Co., Limited.

On and after December 14, 1925, the address of the Mitsui Bank, Limited, will be Winchester House, Old Broad street, E.C. 2.

GOVERNMENT STOCKS, &c.

GREEK DEBT.—The Council of Foreign Bondholders issues the following information, compiled from figures published by the International Financial Commission at Athens, with regard to the revenues assigned under the Law of Control for the service of the Greek debt from January 1 to September 30, 1925, compared with those for the same period in 1924:—

	Monopolies, Tobacco, Stamps, Stamped Paper, Naxos Emery.	Piræus Customs.
Gross receipts, September, 1925 ..	Drachmæ. 10,958,020.60	Drachmæ. 48,341,020.20
Do do do 1924.....	10,187,550.95	41,658,500.00
Estimated receipts for nine months (Law of Control)	21,675,000.00	8,025,000.00
Actual receipts for 1925 (nine months)	91,285,831.75	383,243,410.90
Actual receipts for 1924 (nine months)	80,125,795.55	(e) 305,759,394.05

NOTE.—Of the surplus over the estimated receipts from monopolies, tobacco, stamps, stamped paper, and Naxos emery, 49 1-5 per cent. is applied towards increasing the minimum rates of interest and sinking fund on the External Gold Loans of 1881 to 1893. As regards receipts subject to the system of plus-values, increases in duties and prices are excluded therefrom in the above table. (e) In addition to these amounts import duties equivalent to £6,211 5s in the case of (e) were paid in gold at the Piræus Customs.

GREEK GOVERNMENT 7 PER CENT. REFUGEE LOAN, 1924.—Hambros Bank state that the revenues for the nine months ending September 30th, assigned to the service of the Greek Government 7 per Cent. Refugee Loan, 1924, are as follows:—

	1924.* For Whole Year. Drachmæ.	1925. January to September Drachmæ.
New revenues †	541,397,112 ..	530,360,573
Old revenues	1,428,681,881 & £14,982	1,196,787,798
Old revenues surplus †	735,819,000 ..	\$
Average approximate exchange (Drachmæ per £1)	248.17 ..	296.18
Nine months service of loan at above exchange requires .....	.. ..	204,910,538

* Adjusted definite figures. † The loan has a first charge on † these revenues and surplus. ‡ No actual figures can be given until after the end of the year.

BANKS.

BANK OF MONTREAL.—The total assets at October 31, 1925, are \$755,000,000, as compared with \$718,000,000 at the end of the half-year, viz., April 30th. Current loans and discounts in Canada stand at \$225,000,000, as against \$211,000,000, which indicates a greater demand on the part of commercial borrowers during the last six months. The liquid assets total \$450,000,000, being equal to 66.37 per cent. of liabilities to the public. Cash stands at \$103,000,000, or 15.30 per cent. of liabilities to the public. The past half-year reveals a growth of deposits from \$604,000,000 to \$631,000,000. The profits for the year are \$4,604,962, from which the usual dividend and bonus have been paid. \$316,700 has been transferred to rest account, which with surplus assets acquired in respect of the Molsons Bank's absorption, as shown in the April statement, makes the rest equal to the paid-up capital. Profit and loss carried forward is \$596,788. A further sum of \$250,000 has been written off bank premises from sale of premises of acquired institutions.

YOKOHAMA SPECIE BANK.—The net profit of the bank for the half-year ended June 30, 1925, after providing for all bad and doubtful debts, rebate on bills, &c., shows yen 14,568,628, in-

clusive of yen 5,417,952 brought forward from last account. The directors propose that yen 3,000,000 be added to the reserve fund, and recommend a dividend at the rate of 12 per cent. per annum, which will absorb yen 6,000,000. The balance, yen 5,568,628, will be carried forward to the credit of next account. Balance-sheet shows total assets yen 1,339,872,546. The capital of the bank is yen 100,000,000. Reserve fund stands at yen 80,500,000. Reserve for doubtful debts is at yen 5,319,000.

RUBBER, &c.

BANTAM (JAVA) RUBBER ESTATES.—Output of rubber for year ended June 30, 1925, was 726,832 lbs. The "all-in" cost, including depreciation, was 9.06d per lb. The average gross selling price was 1s 8.73d per lb. The net profit on operations amounted to £26,983. The ordinary shareholders receive 20 per cent. dividend, and a credit balance of £512 goes forward, against a debit balance of £3,033 brought in. A settlement of British taxes has not yet been definitely concluded, but the directors believe that sufficient provision has been made for all tax liabilities.

RAJAWELLA PRODUCE.—The report for year ended June 30, 1925, states that the policy of fine plucking, which resulted in the production of higher grade teas, has been continued. The total crop amounted to 1,987,379 lbs, against 1,916,373 lbs in the previous year. The average net price realised was 17.46d per lb, compared with 15.46d per lb last year. The rubber crop sold, which was restricted, amounted to 495,827 lbs, compared with 502,450 lbs in the previous year, the average net price realised being 18.67d per lb, against 11.23d per lb last year. In addition, 23,396 lbs were harvested and brought into stock at cost. The cocoa crop amounted to 10,313 cwts, compared with 9,654 cwts in the previous year, of which 7,462 cwts have been sold at satisfactory prices, and the balance of 2,851 cwts has been taken into the accounts at valuation. Net profit amounts to £57,709. The ordinary dividend is raised from 20 per cent. to 22½ per cent.

UNITED TEMIANG (F.M.S.) RUBBER ESTATES.—The net profit is £26,372 for year ended July 31, 1925, against £7,128 in preceding year. The ordinary dividend has been raised from 5 per cent. to 15 per cent. The carry forward is £15,002, against £12,630 brought in. Total assets are £267,746. Cash is at £11,570. Government securities at cost stand in balance-sheet at £29,032. Investments under cost amount to £2,828. Reserve stands at £56,000.

MISCELLANEOUS.

BRITISH COTTON AND WOOL DYERS.—The profits (audited) for the half-year ended September 30, 1925, including income from investments, &c., after charging administration expenses, £3,119 for specific depreciation, and £28,082 for repairs and renewals, and providing an estimated amount in respect of income-tax, and other contingencies, amount to £67,463. From which have to be deducted audit fee and other professional charges, £1,219; interest on first mortgage debenture stock to September 30, 1925, £12,400; debenture holders' trustees, £100; amount transferred to depreciation fund, £12,500 (which now stands at £252,500), showing a profit for the period of £41,244; amount brought forward at March 31st last (after deducting £5,250 voted at shareholders' meeting), £38,037, leaving a credit balance on profit and loss account of £79,281.

CALLARD, STEWART, AND WATT, LIMITED.—The net profit for year ended October 3, 1925, amounted to £24,557, against £25,922. The ordinary dividend is maintained at 12½ per cent. The sum of £10,000 is put to reserve, and £500 to employees' benefit fund. The carry forward is £30,359, against £32,476 brought in. Total assets are £740,958. Cash is at £16,272. Investments stand at £113,075.

CALDWELL'S PAPER MILL.—Gross profit for year ended October 31, 1925, amounted to £46,361, which with £11,670 brought in makes £58,031. After providing for depreciation, bank interest, directors' fees, &c., the balance subject to income-tax is £36,631. Preference dividend absorbed £5,499, leaving £31,131 to go forward, subject to income-tax. Early in 1925 the control of the company was acquired by the Inveresk Paper Company, through the purchase of a majority of the ordinary share capital.

CHINESE ENGINEERING AND MINING.—The report for year ended June 30, 1925, shows the amount brought to the credit of profit and loss, including interest in China, less certain small expenses, is £256,034. Interest, exchange, and other items bring up the total credit to £286,546. After deducting administration and other expenses in Europe, £19,826, there remains a net profit of £266,720. Adding the amount brought forward from the last account £185,406, and the amount recovered in respect of excess profits duty less expenses, £22,479, there is a total credit of £474,605. Income-tax amounts to £90,485, and the available balance of the year is therefore £384,120. The ordinary dividend

is 10 per cent., against 20 per cent. last year. The carry forward is £241,234. The sales of coal by the Kailan Mining Administration for the year amounted to 2,861,708 tons.

DENNIS BROTHERS, LIMITED.—This concern has increased its net profit from £122,552 to £202,533 for year ended September 30, 1925. The ordinary dividend has been increased from 18 per cent. to 25 per cent. The sum of £50,000 has been put to reserve and £44,046 carried forward, against £16,719 brought in. The general reserve is now £155,000. Total assets are £917,212. Cash is at £110,431. Investment in White and Poppe, Limited, at cost is at £100,748. Investments in British Government securities at or under market value amount to £250,000.

E. W. TARKY AND CO.—The profit for 10 months to June 30, 1925, is £12,820, to which is added £1,755 brought in, making £14,575. Preference dividend absorbed £7,500. The ordinary dividend of 2½ per cent. absorbed £3,750. The carry forward is £3,325. Balance-sheet shows total assets £372,349. Cash is at £22,523. Investments total £20,278, of which £20,205 is in 5 per cent. War Loan.

HUMBER, LIMITED.—The net profit for year ended August 31, 1925, is £28,157, to which has to be added the net amount brought forward from 1924, £86,755, giving a total available balance of £214,912. The directors recommend to add to buildings reserve account £20,000. To general reserve account £68,901. This raises the general reserve account to £328,901, from which it is proposed to deduct the book value of the goodwill, trade marks, patents, &c., viz., £248,901, leaving the account standing at £80,000. Preference dividend £19,889. Dividend of 10 per cent. (free of income-tax) on the ordinary shares £29,288, also a bonus of 1s 6d (less income-tax) per share on the ordinary shares £21,966. To carry forward £54,868. For preceding year ordinary dividend was 10 per cent., free of tax.

LONDON NITRATE CO., LIMITED.—The net profit for year ended June 30, 1925, amounted to £99,895, against £85,573 in preceding year. The ordinary dividend has been raised from 20 per cent., free of income-tax, to 25 per cent., free of income-tax. The sum of £50,000 has been put to reserve for redemption of debenture stock. The carry forward is £11,887, against £11,992 brought in. Balance-sheet shows total assets £745,292. Cash is at £4,237. Loan against securities stands at £25,000. Stocks of nitrate stand at £92,169. Stores, &c., stand at £54,074.

NEW ZEALAND LOAN AND MERCANTILE AGENCY.—The net profit for year ended June 30, 1925, after payment of debenture interest, amounts to £141,890, against £131,725. The ordinary dividend is 7 per cent., less tax at 2s 3d in the £. The carry forward is £39,646, against £27,756 brought in. The total assets amount to £5,595,882. Cash is at £288,409. Money at short notice stands at £105,000. Investments in British Government securities total £410,310. Shares in Colonial Government securities and Corporation of London 3½ per cent. loan total £114,773. Shares in other companies amount to £206,638. The general reserve account stands at £500,000.

PATERSON, LAING, AND BRUCE.—The net profit for year ended July 21, 1925, after payment of debenture interest, is £61,377, against £72,014 in preceding year. The ordinary dividend has been reduced from 10 per cent., free of income-tax, to 7½ per cent., free of income-tax. The carry forward is £26,209, against £19,582 brought in. General reserve fund is £125,000. External reserve fund is £100,000. Creditors and bills payable stand at £469,170. Total assets amount to £1,831,395. Cash is at £18,914. Sundry debtors and bills receivable stand at £391,715.

SCOTTISH AUSTRALIAN INVESTMENT.—The net profit after payment of debenture interest is £219,466 for year ended June 30, 1925. This compares with £164,156 in preceding year. The ordinary dividend is 20 per cent., against 17½ per cent. The sum of £80,000 is put to reserve, making total reserve £580,000. The carry forward is £116,817, subject to settlement of income and corporation profits taxes.

SENA SUGAR ESTATES.—Net profit, after payment of debenture interest, amounted to £207,336 for 1924, which compares with £258,886 for 1923. No dividend is being paid on the ordinary shares, against 15 per cent. for 1923. The sum of £50,000 goes to general reserve and £30,000 to depreciation reserve. The carry forward is £157,384, against £30,049 brought in. During the period January to April, 1925, a most disastrous flood visited the Zambesi Valley, resulting in the loss of more than half the crop of growing cane.

STRAND HOTEL, LIMITED.—The report for year ended September 30, 1925, shows a net profit of £99,989, against £99,088. Preference dividends absorbed £37,000. The preferred ordinary dividend is 11 per cent., absorbing £25,300, and the deferred dividend is 506 per cent. as before, absorbing £25,300. The sum of £10,000 is put to reserve, and £10,392 carried forward,

against £8,003 brought in. Balance-sheet reveals total assets £1,396,483. Cash is at £93,089. Investments are at £183,716.

TUBE INVESTMENTS.—Net profit for year ended October 31, 1925 is £100,604, against £95,681. Ordinary dividend is 10 per cent., against 7½ per cent. Carry forward is £79,574, against £48,336 brought in. Balance-sheet shows total assets £1,352,311. Cost of shares in constituent companies, less capital reserve £168,970, amount to £1,204,338. Cash stands at £137,973.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

Cold and frosty weather has prevailed during the week, consequently field work was rendered difficult. The general situation, however, is quite satisfactory, progress being more forward than usual at this time of year. Threshings of native wheat were of moderate extent, and with a better demand prices continue to harden. A further upward movement was recorded in both bread and feeding stuffs owing to higher forward values, and demand being stimulated by cold weather sellers showed more reserve. In the floating and forward wheat cargo section a much firmer tone prevailed, while reflected by the strength of American and Argentine markets. Latest reports estimate the damage to the Argentine crop at 500,000 tons, but prospects appear more favourable, and the surplus available for export points to a total of 4,500,000 tons. A good demand was in evidence, chiefly from home millers, as stocks were apparently running low. Sales include No. 1 Northern Manitoba afloat sold up to 60s, ditto loading 58s to 58s 6d, December 57s 9d to 59s 6d, with proportionate prices for lower grades. Australian December 59s 9d to 60s 6d, ditto December-January 58s 9d to 59s 9d, and Rosafe 62½ lbs early December loading at 59s 4½d. Of maize, Plate steamers December-January sold 36s 4½d, Dan-Gal-Foxanian loading, also early December, 36s, Bessarabian early December 37s 6d, No. 2 white flat African afloat 35s, bags 34s 6d bulk, and No. 6 yellow ditto December-January at 36s per 480 lbs c.i.f. terms. Wheat again firmer. No. 1 Northern Manitoba ex-ship to arrive quoted 64s, No. 2 ditto 63s, No. 3 61s 9d, No. 2 mixed Durum 58s 9d, and Barusse 62½ lbs ex-ship 62s 3d per 496 lbs. English quoted 11s 10d-12s 3d per 112 lbs free on rail. Flour firmer. London standard grade quoted 49s, patents 51s-52s, town whites 49s per sack delivered in the Home Counties, with 6d to 1s per sack less for deliveries in the London districts. Imported in limited supply. Manitoba patents range from 45s 6d-48s 6d, Minneapolis 46s-48s 6d, Australian nominally 45s-46s per 280 lbs ex-store. Maize occasionally dearer. Plate ex-ship to arrive quoted 38s 6d, landed ditto 40s, white flat African ex-ship 35s 6d, landed 37s 9d per 480 lbs. Yellow African maize meal ex-ship to arrive £9, white ditto £8 5s per ton. Barley firm. Californian ex-store 37s-50s, Chilian Chevalier 56s-68s, brewing 50s-53s, according to quality, Australian Chevalier 59s-60s ex-store, Polish and Danish ex-ship 45s-60s per 448 lbs, American malting ex-ship 28s 6d, landed 30s, landed 29s 6d per 400 lbs. English quoted 9s 3d-21s 3d, the latter for finest malting quality per 112 lbs. Oats tend firmer, with sellers reserved. Plate ex-ship near quoted 25s 6d, further distant 24s 6d, No. 2 Canadian Western ex-ship to arrive 29s 9d, landed 31s, No. 2 Canadian feed ex-ship 24s 9d, landed 27s, No. 2 white clipped American 38 lbs ex-ship to arrive 24s 9d, landed 26s 3d, all per 320 lbs, Danzig ex-ship 28s 9d per 336 lbs. English quoted 9s-9s 10d per 112 lbs free on rail. Millers' offals maintained. Broad bran quoted 8s 3d-8s 6d, middlings 8s 3d-8s 6d, fine ditto 10s 3d bags included, powdered oat husks 6s 3d, feed oatmeal 8s 9d, ground oats 11s 9d per cwt free on rail. Oatmeal in fair demand and tendency firmer. London made flaked 17s 6d, rolled oats 16s 6d, medium, also fine cut, 16s 6d, coarse, also medium pinhead, 16s 6d ex-mill, ordinary Scottish oatmeal 17s 6d-18s, American ditto 16s-16s 6d per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest years 1925-26, 1924-25, 1923-24, 1922-23.

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Dividend Interest.	Amount Available for Distribution.	Appropriation.			Corresponding Period Last Year.	
					Dividend.		Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.
					Profes.	Ordinary.			
		£	£	£	Amount.	Amount.	Rate.	£	%
Banks.									
British Overseas Bank	Oct. 31	54,330	126,015	180,345	..	60,000	6 "A"	30,000	105,548 6 "A"
						30,000	3 "B"		
Breweries.									
Hull Brewery	Sept. 30	22,121	73,321	95,442	9,100	35,000	12½	30,000	74,326 12½
Morgans Brewery	Sept. 30	33,806	43,122	76,928	13,800	15,024	12	12,000	39,074 10
Peter Walker (Warrington) and Robert Cain and Sons	Sept. 30	34,470	458,540	493,010	160,000	204,300	9	83,000	426,300 9
Financial, Land, &c.									
Scottish Australian Investment..	June 30	109,351	219,466	328,817	32,000	100,000	20	80,000	116,817 17½
Tube Investments	Oct. 31	48,336	100,604	148,940	29,284	40,082	10	..	79,574 7½
Hotels, Restaurants, &c.									
Slaters	Sept. 30	27,229	38,064	65,293	4,725	18,073	9	12,000	30,495 8
Strand Hotel	Sept. 30	8,003	99,989	107,992	37,000	25,300	11 P/O	10,000	99,088 (11 P/O)
						25,300	506 D		506 D
Iron, Coal, and Steel.									
Bolckow, Vaughan, and Co.	June 30	..	Dr 249,271	Dr 249,271	..	..	..	Dr 249,279	Dr 186,346
Dorman, Long and Co.	Sept. 30	210,152	21,726	231,878	31,083	..	..	78,740	226,440 ..
Motor and Cycle.									
Dennis Brothers	Sept. 30	16,719	202,533	219,252	..	125,206	25	50,000	44,046 18
Humber	Aug. 31	86,756	128,157	214,913	19,890	51,254	10½	88,901	127,122 10½
							7½		
Nitrate.									
London Nitrate	June 30	11,992	99,895	111,887	..	50,000	25½	50,000	11,887 20½
Santiago Nitrate	June 30	10,616	10,306	20,922	..	12,000	7½	..	8,922 7½
Rubber, &c.									
Bantam (Java)	June 30	Dr 3,033	26,983	23,950	..	23,438	20	..	512 6,729
Dwa Plantations	June 30	..	1,248	13,038	..	6,138	17½	6,219	1,929 15
Malaya General Company	Aug. 31	38,369	55,551	93,920	..	48,726	25	17,240	27,954 ..
Rajawala Produce	June 30	6,978	57,709	64,687	7,440	28,125	22½	21,594	7,518 20
Tikam Batu	June 30	Dr 1,796	1,893	107	..	..	..	..	107 Dr 1,192
United Temiang	July 31	12,630	26,372	39,002	..	24,000	15	..	15,002 5
Trust.									
Cleveland	Sept. 30	577	2,540	3,117	..	2,388	6	..	729 2,556
Other Companies.									
African Lakes Corporation	Dec. 31	3,673	21,640	25,313	..	22,500	9	..	2,813 7½
Caldwell's Paper Mill	Oct. 31	11,670	24,960	36,630	5,499	..	..	31,131	..
Callard, Stewart, and Watt	Oct. 3	32,476	24,557	57,033	6,160	10,014	12½	10,500	30,359 12½
Chinese Engineering and Mining	June 30	185,406	195,828	381,234	..	140,000	10½	..	241,234 20½
E. W. Tarry and Co.	June 30	1,755	12,820	14,575	7,500	3,750	2½	..	3,325 ..
Lloyd's Packing Warehouses	Sept. 30	83,794	149,609	233,403	16,741	91,956	15	66,250	58,456 15
Nelson Brothers	Oct. 31	45,740	96,408	142,148	6,875	63,694	15½	25,000	46,579 ..
New Zealand & Mercantile Agency.	June 30	27,756	141,890	169,646	50,000	70,000	7	10,000	39,646 6
Peterson, Laing, and Bruce	July 21	19,582	61,377	80,959	36,000	18,750	7½	..	26,209 10½
Sena Sugar Estates	Dec. 31	30,048	207,336	237,384	..	..	..	80,000	157,384 15

† Tax free. s Ten months.

	1925-1926.	1924-1925.	1923-1924.	1922-1923.
Estimated sales of home-grown wheat—				
1 week to Nov. 21	Cwts. 424,477	Cwts. 271,097	Cwts. 348,104	Cwts. 526,248
12 weeks to Nov. 21	4,402,902	2,943,831	4,817,270	5,338,406
Average price of English wheat per cwt.	s d 11 3	s d 12 6	s d 9 5	s d 9 10½

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1921 to 1924:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1925.						
Nov. 14	Cwts. 410,959	Cwts. 554,810	Cwts. 58,837	s d 11 1	s d 11 9	s d 9 1
Nov. 21	424,477	525,866	62,307	11 3	11 5	9 2
1921	380,777	584,425	74,952	10 9	13 11	9 11
1922	526,247	465,921	64,879	9 10	10 9	9 7
1923	348,104	684,549	79,286	9 5	10 7	8 9
1924	271,097	531,758	89,449	14 6	15 7	10 0

AMERICAN WHEAT MARKETS.

Prices continue to advance in the American wheat markets, a new high level of prices for the season having been created. Export business is good, but Argentine crop news is still disquieting:

	Nov. 28, 1924.	Jan. 2, 1925.	Nov. 12, 1925.	Nov. 19, 1925.	Nov. 26, 1925.
Winnipeg (No. 1 Manitoba)—Cents per 60 lbs.	164½	183	(c) 135½	(c) 141½	(c) 154½
Chicago (No. 2 Winter)—Cents per 60 lbs.	153½	177	(b) 153½	(b) 159½	(b) 162

(a) October delivery. (b) December delivery. (c) November delivery.

In Canada the visible supply of wheat now stands at 42,083,000 bushels, as against 33,215,000 bushels this time last year. The High Commissioner for Australia has been advised that the Australian wheat yield is estimated at 115,310,000 bushels, made up as follows:—New South Wales, 35,000,000; Victoria, 25,973,000; South Australia, 32,064,000; Western Australia, 20,022,000; Queensland, 2,000,000; Tasmania, 251,000. The exportable surplus is estimated at from 65,000,000 to 70,000,000 bushels. The estimated yield is almost 50,000,000 bushels less than last season.

COAL.

Our Cardiff correspondent writes:—The improvement in the position on the Cardiff coal market has been maintained. Exports have been greater in volume during the past two or three weeks than at any other period since last July, and there is a reasonable prospect that the present level will be maintained until the end of the year. One or two contracts have been arranged for supplies up to the end of next May, when the period fixed for the subvention expires, and the Egyptian Railways and the British Admiralty are also in the market for an aggregate quantity of about 500,000 tons. There has been no material change in prices. The following are the current approximate quotations:—Best Admiralties 22s 6d to 23s 6d, seconds 21s 6d to 22s, best drys 22s 6d to 24s, Black Veins 19s to 20s, Western Valleys 19s 3d to 19s 6d, Eastern Valleys 18s 9d to 19s, best steam smalls 11s 9d to 12s 3d, ordinary cargo smalls 10s to 10s 6d, coking smalls 11s 6d to 12s, anthracite best large 39s to 42s 6d, Red Vein large 28s to 32s, machine-made cobbles 56s 6d to 58s 6d, French nuts 57s 6d to 59s, stove nuts 57s 6d to 58s 6d, rubbly culm 11s 6d to 12s, coke, special qualities, 35s to 40s, patent fuel 20s to 23s, pitwood ex ship 31s to 32s.

Our Glasgow correspondent writes:—Although mineral traffic on the railways was resumed nearly a week ago following the stoppage brought about by fog, general conditions in the Scottish coal market are not yet normal. The collieries are still considerably in arrears with their engagements. In all districts, however, the majority of operative collieries are quite comfortably placed for the remainder of the year, so that prices, for prompt shipment, at any rate, are easily maintained. For some qualities, indeed, the tendency is distinctly upward. The smaller sizes of nuts, which are in good demand on Scandinavian account, are rising in price in all districts, and Lanarkshire large fuels have spurted within the past few days. In Fifeshire third steams are practically unobtainable for this year's shipment. The price is nominally 12s. 6d.

Our Sheffield correspondent writes:—The coal trade fails to improve in the export section, but there is more doing in house coal. There is a fair demand for boiler fuel. South Yorkshire steams are quoted at 16s 6d upwards, and best Durhams at 17s to 18s.

IRON AND STEEL.

We extract the following from the weekly report of the London Iron and Steel Exchange:—Rather quieter conditions have developed in the iron and steel trades, but there is still a fairly good volume of business passing. The most notable feature of the market of late has been the falling off in business in Continental iron and steel materials. Purchases of pig-iron continue on a fairly good scale, not only on the part of home users, but also from abroad. The buying of semi-finished material, on the other hand, has been somewhat restricted, and the demand for finished steel also.

Our Middlesbrough correspondent's report, dated November 26th, is as follows:—Pig-iron: Although the market for foundry iron is a trifle quieter, prices are very firm. No. 3 Cleveland G.M.B. remains at 66s per ton. The hematite position is strong, and three additional furnaces are to be lighted. Prompt iron is scarce, and even for forward the price is very firm at 75s per ton for East Coast mixed numbers. The rise in coke prices is causing iron-masters a little anxiety, sales of good Durham brands having been made at up to 20s 6d per ton. Manufactured iron and steel: The healthier tone is still maintained, but shipbuilding remains depressed. The following remain the approximate home quotations: Steel ship plates, £7 5s; steel ship angles, £7; iron bars, £11 5s; steel rails, £8. Iron ore: The foreign ore position, on the whole, is still quiet, and best rubio is quoted at 20s 6d per ton c.i.f. Tees.

Our Sheffield correspondent writes:—The sentiment in local trade circles continues optimistic, but without any expectations of substantial revival before the new year. The departments most depressed of all are bar iron, wire rods, and shipbuilding steel. Pig-iron has been fairly active for some time past, but production is not yet on a remunerative basis. Local production of open-hearth steel remains at recent levels. Acid steel is suffering to an increasing degree from the competition of the high-carbon varieties of basic, which is cheaper. The scrap market is rather weaker, and 62s 6d is the utmost which users are willing to pay for heavy basic steel. The guaranteed qualities used for making acid steel are not much inquired for. Special steels are selling freely, and there is a good deal of special work on hand in the steel foundries for engineering schemes. Railway work is tapering off. Trade is brisk in agricultural tools and implement spares, especially on export account, and there is no abnormal unemployment in the tool branches. Plate and cutlery are severely depressed, activity being at an end for the term of the present year. The making of the blades of safety razors is becoming an industry of some importance, several additional firms having lately taken up the trade.

Our Glasgow correspondent writes:—The low levels to which prices have dropped in the iron and steel trade seem to have brought more buyers into the market, as inquiries and orders are more numerous this week. In pig-iron the undertone is distinctly better, but actual business is still slow. Steel plates are quoted at £7 10s to £7 15s per ton f.o.b. Glasgow, but orders are still somewhat scarce. Sectional material is in strong demand for structural engineers, several of whom have good contracts on hand. The shipbuilding position is slightly improved. Orders have been secured by Port Glasgow yards for a 7,800-ton vessel for the Calcutta trade of the Anchor-Brocklebank Line and a 12,300 tons carrying capacity oil tank steamer for the Vacuum Oil Co. Malleable iron makers are doing better with wagon and carriage builders, but works are only partially employed. Steel sheets continue to be in strong demand, and makers are well placed, especially for light gauges for export, while the home market is taking increasing supplies for motor-car work and other industrial purposes. Galvanised sheet makers are fully booked for the next three months, and are quoting £16 15s per ton for 24-gauge for March delivery.

Our Cardiff correspondent writes:—In the iron and steel industry the general conditions are improving, and it is now estimated that approximately between 85 per cent. and 90 per cent. of the tinplate mills are in operation. The tinplate manufacturers have reaffirmed their decision to inaugurate a pooling scheme, which will be brought into operation as from January 4th next.

OTHER METALS.

The market for tin proved very irregular owing to fluctuating Eastern cables and realisations at times, while a fairly good business transpired. Standard, cash, sold £287 5s-£283 5s. In £286 5s, with three months at £282 10s-£278 10s and £281 5s. In the East sales were reported at £292 5s-£290 15s and £288 5s. COPPER in good demand, but with sellers to the fore rates exhibited irregularity, closing firm. Standard, cash, sold £60 8s 9d to £60 and £60 10s, three months £61 10s-£61 and £61 10s. LEAD easier on selling pressure, though business was on a fair scale and closed steadier. Good soft foreign pig November sold £36 12s 6d-£35 18s 9d and £36 5s, December sold £36 7s 6d to £35 15s and £36, January £36 2s 6d to £35 10s and £35 7s 6d, February £36 to £35 7s 6d and £35 10s. SPLITTER firmer, with active dealings. November sold £39 2s 6d-£39 12s 6d, December £38 17s 6d to £39 5s, January £38 10s-£39 12s 6d, February £38 2s 6d to £38 7s 6d. ANTIMONY firm. English specials quoted £90 ex warehouse. China grade December-January sold £61, Regulus ditto £80 c.i.f., white oxide January sold £61, Regulus ditto £80 c.i.f. ALUMINIUM. Home trade nominally £120, export £125 ton. WOLFRAM firm. Forward quoted 21s to 21s 3d per unit c.i.f. QUICKSILVER firm. Spot quoted £14 15s to £15 per bottle.

THE COTTON TRADE.

LIVERPOOL, November 26, 1925.

American cotton has again been in fair demand, but Egyptian has been quiet. For Peruvian and Brazilian the demand has been quieter, but prices have advanced slightly. The estimated spot sales from the 20th to to-day (inclusive), are 40,000 bales, including 2,300 for export. Of these 23,900 are American, 2,850 Brazilian, &c., 4,250 Peruvian, 1,900 Egyptian, 4,800 African, 1,300 East Indian, and 1,000 sundries. The imports for the week are 156,356 bales, these including, 116,781 American, 16,912 Brazilian, &c., 1,893 Peruvian, 18,450 Egyptian, 739 African, 1,554 East Indian, with 27 sundries. To-day middling American is quoted at 10.79; Egyptian, fully good fair Sakel 19.85, F.G.F. Upper 15.95; fair Brazilian, 11.24; good fair mod-rough Peruvian 16.00, smooth 12.99; fully good fair Tinnivelly, 9.95; good fair East African, 13.45; and middling West African, 10.49. The markets have been dull all week, and the parity between this market and New York is the lowest for a very long time. Very little trading has been done in Egyptian futures, but a small demand caused an improvement, and the difference to-day between January American and January Egyptian is about 770 points.

MANCHESTER, November 26, 1925.

Trading in the market during the past week has been very quiet, and producers have tended to lose ground. Cloth manufacturers have complained of the very limited quantities purchased even by large merchant houses. Dealers in India on the other side are handicapped by having to clear relatively dear goods, and some cases of failures are mentioned. Some orders have been put through in bleached shirtings for China. The undercurrent of demand for the Continent and the United States keeps up fairly well, but business remains dull for the Near East. Irregular reports have been received from the home trade. American yarns for home use have been sluggish. It is not believed, however, that the proposal to increase short time has been carried.

(I.) Comparative Statement of the Cotton Trade.

	Price, Nov. 26, 1925.	Previous Weeks in 1925.				
		Price, Nov. 19.	Price, Nov. 12.	Price, Nov. 5.	Price, Oct. 29.	Price, Oct. 22.
Raw Cotton—Mid. American	d 10.79	d 10.74	d 10.70	d 10.44	d 10.68	d 11.37
— Sakellaridis Fully Good Fair Egyptian	19.85	20.50	20.85	21.90	22.85	23.35
Yarns—32's twist	17½	18	18	17½	18	18½
— 40's twist	18½	18½	18½	18½	19	19½
— 60's twist (Egyptian)	33½	33½	33½	34	34	34
32-in. Printers, 116 yds, 16 by 16, 32's and 50's ..	28 9	29 0	29 3	29 3	29 3	29 9
36-in. Shirtings, 75 yds, 19 by 19, 32's and 40's ..	33 6	33 6	33 6	33 6	33 6	34 3
38-in. ditto, 38 yds, 18 by 18, 10 lbs.	16 4½	16 6	16 6	16 6	16 7½	17 0
39-in. ditto, 37½ yds, 16 by 15, 8½ lbs.	14 6	14 7½	14 7½	14 6	14 7½	15 0

(II.) Compared with Previous Years.

	Price, Nov. 26, 1925.	Corresponding dates in				
		1924.	1923.	1922.	1921.	1920.
Raw Cotton—Mid. American	d 10.79	d 13.55	d 11.99	d 14.79	d 11.29	d 12.70
— Sakellaridis Fully Good Fair Egyptian	19.85	26.00	26.95	18.25	20.50	28.50
Yarns—32's twist	17½	24	28½	21½	18½	30
— 40's twist	18½	25	29	20½	18	28½
— 60's twist (Egyptian)	33½	38½	39	28½	33	44
32-in. Printers, 116 yds, 16 by 16, 32's and 50's ..	28 9	37 0	40 6	31 0	32 0	53 0
36-in. Shirtings, 75 yds, 19 by 19, 32's and 40's ..	33 6	41 9	44 3	31 0	32 0	52 0
38-in. ditto, 38 yds, 18 by 18, 10 lbs.	16 4½	19 3	24 3	18 6	19 0	28 0
39-in. ditto, 37½ yds, 16 by 15, 8½ lbs.	14 6	18 0	21 6	17 0	18 6	23 0



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BANK OF LONDON

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—A little uncertainty has been caused by the cable reports of a weaker tendency in the overseas markets, but at present the London market is of more direct interest. It is known that several firms are in urgent need of wool, and it is manifest that wool on the spot in London is worth more than wool in the Colonies. It remains to be seen whether the demand for urgent delivery will be sufficient to maintain values throughout the series, but in the meantime demand in Coleman street Wool Exchange is fairly general, and prices are steady at about opening rates. Users in the West Riding, however, are not at all disposed to force the pace. They cannot lose sight of the fact that raw material values are still well above the Bradford parity, and there is nothing in the general situation to warrant anything in the nature of speculative buying in the hope that tops and yarns will be forced into line. For this reason spinners and manufacturers continue to operate on hand-to-mouth lines, and orders are mainly for prompt delivery. Practically all qualities of tops are quoted at slightly lower figures to-day, and the future course of prices will depend entirely on how things go in London. The real test will come when buyers have satisfied their urgent and immediate requirements, and the influence of the depreciated franc on French activities cannot be ignored.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

The basis of values at the opening of the London sales last Tuesday was very much in line with our forecast. A good three weeks ago everybody was talking about a 10 per cent. advance in all descriptions, but such a rise would not have contributed anything to the further stabilisation of the industry. We have no reason to withdraw our previous contentions in favour of reasonable values, for we are still convinced that this way lies the reconstruction of the textile industry of all Europe.

There is every prospect of some good wools being brought to the hammer this series, both in merinos and crossbreds, but particularly the former. On the opening night some good lots of new Queensland clip were offered, chief among them being Wellshot, one of the largest Australian clips grown. This sold up to 30d for the grease combing, even the broken touching 28½d, and pieces 25½d. Nive Downs was also in good order, nice fine quality, and this clip also touched 30d, while Corinda sold up to 26d. Burra Burra from New South Wales is a very familiar brand to London sales frequenters, and touched up to 25d. This clip is always burry, but usually of acceptable quality. All these wools called forth very strong competition from Alsace-Lorraine spinners. Apparently most users are wanting good 70's fleece wool and upwards, and are prepared to pay very good figures indeed. Crossbreds will figure prominently all through the series, and we expect the home trade, along with Germany, to offer steady, persistent competition. Values will in all probability not be very much different at the finish. The competition of the biggest home trade topmakers may be somewhat limited before the end of the series with a view to affecting New Zealand sales, for so far they have not gone too well, largely through the absence of the competition of the big importing topmakers, who any time can either make or mar a market. It cannot be said that New Zealand has opened too auspiciously, but prices are being paid fully in line with what can be made in Bradford.

HIDE, LEATHER, AND ALLIED TRADES.

The hide market position is steadier this week, and prices show little alteration. At the sales held in Bermondsey on Thursday best ox sold from 6½d to 9½d per lb, and seconds from 6½d to 6½d, a slight decline of an ½d to ½d on the two heavy classes. Best cows made from 6½d to 6½d, and seconds 6d to 6½d. Best calf were steady at 7d to 11½d, two light classes showing 4d advance. Wools sold from 7s 3d to 13s and hoggs 3s 3d to 13s each. Imported hides are still slow, with a weak tendency. In Argentine fregorifics, 8½d has been paid for Argentine ox, and 9½d for Montevideo. Dries are not much in demand, and dry Americanos have sold at 11½d to 11½d. The American market is cabled as steady, with best native packers selling at 16 cents. The demand for sole leather shows a falling off this week owing to impending stock takings; the exception is, however, the insistent inquiry for light bends for the Cossack boot, and in this direction there is a decided scarcity, with prices advancing. Box and willow calf are wanted in small lots, but patent is slow. The centres making the high-leg boot are flooded with orders, but there is again a lull in the demand for stout boots for men's wear.

THE TIMBER TRADE.

(FROM OUR OWN CORRESPONDENT.)

The very cold weather prevailing in the upper centres of the North of Europe has stopped shipments of timber, and it is now evident that the season will end very early this year. Imports have been very large, and stocks have been always on the heavy side. A falling off in imports in October, however, assisted in levelling off the heavy stocks in docks and private yards. These are still large, especially in batten sizes. In our reports during the summer we commented on the poor state of the spot timber trade. This has since changed very much for the better; the market now shows more confidence, and prices on the spot have shown a

decided improvement, which is likely to increase still further before first open water next April.

In the free-on-board market the position has also shown great improvement, but too late to be of great assistance to the Finnish and Swedish markets. Last summer a large percentage of the Finnish and Swedish manufacturers decided on a minimum basis price policy. The British market was not greatly disturbed at the artificial rates; but the Continental consumers bought more largely, thus assisting the shippers to clear their stocks and relieve this market of unwanted timber. Both Swedish and Finnish shippers have had a good year as regards sales, but not prices. Russian shipments to date have not been so heavy as last year. Canadian spruce has not arrived in such large quantities as last year; evidently the competition of European varieties has been too keen. In shipbuilding woods teak timber still holds a commanding position, values being very firm, and stocks here and at shipping ports light. Pitch pine timber is a good market, States shippers assisting in keeping prices very firm, although the demand here gives room for improvement. Mahogany logs are also a strong feature, provided that the timber is of good grade and dimensions, squared, round wood being little in request. Inferior grades of mahogany, however, are hard to sell. In sawn hardwoods the market keeps steady, and was assisted a little by the lessened supplies from the United States last month. Shipments from the Southern States, which have this year been so large, are likely to be restricted on account of the excessively heavy rains experienced, which has stopped transport of logs to the mills. In all sections of the market the tendency is for continued firmness, and appreciation of present values is likely.

VEGETABLE OILS AND OILSEEDS.

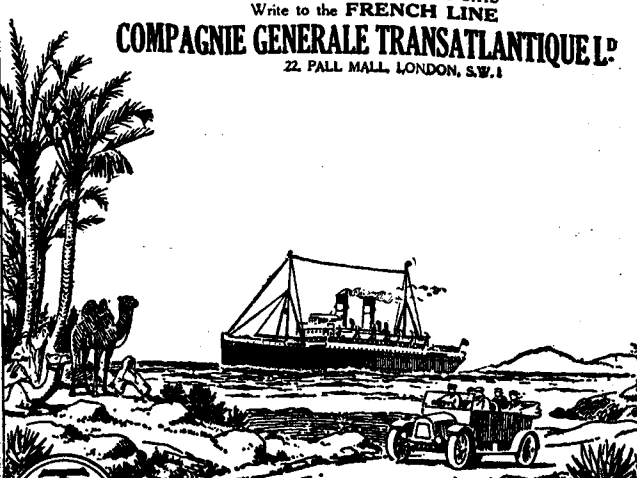
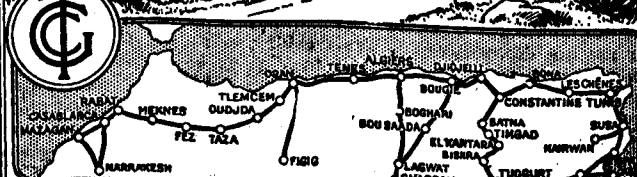
Only a moderate amount of business has been done. Linseed oil has been scarce on spot and for near delivery, but the position has been relieved by offers of Dutch linseed oil. Value advanced to £38 per ton naked for prompt oil, but has since declined to £37 5s, while for November-December delivery £37 represents current value. Cotton oils are in poor demand and easier, crude Egyptian offering at £36 3s ex Hull mill, and ordinary refined at £38 15s, without attracting much demand. Palm kernel oil has advanced sharply to £45 on a good export trade. Soya, and most other vegetable oils, are quiet and unchanged. Though linseed is somewhat firmer in sympathy with wheat, values are little different on balance. Plate seed on passage is fully steady at about 20s per ton premium over new seed, in which a fair trade has been done at £17 7s 6d and £17 10s for January-February shipment. For Calcutta to London, November-December shipment, £20 7s 6d has been paid. Egyptian cotton seed is easier, black having been done at £9 17s 6d November, and £10 December loading.

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OVERSEAS PRODUCE.

FOOD, BEVERAGES, &c.

SUGAR.—A firm tone governed the market for actual parcels, and prices of British makes were advanced by 6d per cwt, while steady business resulted. Messrs Tate and Lyle's cubes quoted 32s 3d to 33s 3d; crushed, 30s 3d; coffee crystals, 33s; nibs, ordinary and No. 1, 33s; granulated, stove, 31s 1½d; fine, also coarse grain, 29s 4½d; No. 1, 29s 1½d; No. 2, also London and T.L., 28s 10½d; January delivery, 29s; February-March, 29s 3d; mi eral water white, spot, 29s 3d; icing bags, 33s 9d; drums, 34s 6d; pulverised, 31s 9½; castor, finest, 33s 1½d; ditto, A, 32s 7½d; B, 31s; and yellow crystals, 25s 10½d. English-grown granulated, 28s, ex London for Cantley, and 28s, ex works, Ely, with 3d per cwt more required for one cwt bags. Foreign descriptions also dearer, with sellers more reserved. American granulated, spot, 27s 7½d; Dutch "J" ditto, 27s 9d; Nove-ber-December, 14s 9d; January-March, 15s 6d; April-August, 15s 10½d; f.o.b. Rotterdam. Czecho granulated, November-December, 14s 9d; January-March, 15s 3d; April-August, 15s 10½d, f.o.b. Hamburg. White Java, May-June, London, 15s 9½ per cent. November-December, firm but quiet. Cuban, basis 95 per cent. November-December, sellers, 11s 9d, c.f. and i., U.K. White terminal firmer, and a good business resulted. December sold, 14s 4½d to 14s 6d; March, 15s 0½d to 15s 1½d, 15s 0½d, and 15s 2½d; May, 15s 4½d to 15s 5½d; August, 15s 9½d to 15s 10½d per cwt.

COFFEE.—Market generally steady for spot parcels, with a moderate business in force. Kenya, common to fair bold, sold, 110s to 120s; peaberry, 125s to 130s; Uganda, bold common to 110s, 110s to 115s; peaberry, 112s 6d. Arusha, good bold, 124s; good, 110s to 115s; peaberry, 112s 6d. Futures steady, and March, sold, 90s Kilimanjaro, fair colory, 94s.

COCOA.—Spot lots met with only limited inquiries at about late rates. Fine Grenada, sold, 66s; good Samoa, 76s; New Hebrides, good, 63s. Accra, for shipment, F.F. grade, December-February, also January-March, sold, 36s 6d to 37-; Lagos, ditto, 34s 6d, f.o.b. terms; Trinidad, December-February, sellers, 60s; Bahia, November-December, 45s; Guayaquil, Epoca, November, 65s 6d; Caraquez, ditto, 66s 6d, c. and f. terms, cwt. Cocoa butter, C.F.R., spot, sellers, 1s 4d per lb.

TEA.—Indian offerings for the week totalled 55,394 packages. Competition proved very brisk, especially for grades up to 1s 8d per lb, with prices marking an advance of ½d to 1d per lb. The better medium and fine descriptions were fairly well supported at generally steady rates. Later s me irregularity was noticeable amongst common and low medium kinds, and top points were not maintained. Pekoe, sold, 1s 4½d to 1s 11½d; broken orange pekoe, 1s 6½d to 2s 4d; finest to choice, 2s 7d to 3s 4½d. Ceylon sales of 17,654 packages encountered an active demand at full to dearer prices, medium to better liquoring broken, also all leaf grades suitable for export being the strongest feature, and values showed a rise of ½d to 1½d per lb. Fine kinds maintained generally late rates. Pekoe sold, 1s 4½d to 2s 2½d; broken orange pekoe, 1s 10d to 2s 5½d per lb, in bond. A fair business transpired in China descriptions, and Kintucks sold up to 2s 2d, and old Keemuns, 1s 1d to 1s 4d, while moderate sales in common kinds at steady rates. In auction, 4,777 pack gss Java and Sumatra were offered and experienced a brisk demand. Common grades ruled firm to slightly dearer, while fine sorts realised full rates. Pekoe sold, 1s 3½d to 1s 6d; broken ditto, 7½d to 2s 0½d; orange pekoe, 1s 6d to 1s 8d; broken ditto, 1s 3½d to 1s 9d; pekoe souchong, 1s 2½d to 1s 4½d per lb, in bond.

RICE.—Market steady, but European demand fails to expand. Rangoon, two stars, spot, London, 16s; November-December, also January-February, 15s 0d, c.f. Spanish, November shipment, 23s to 23s 6d, with spot lots at 24s 6d, and oil dressed 25. Italian, spot, 22s to 22s 6d cwt. Rice bran: Burma, December-February, quoted £6 10s; February-March, £6 12s 6d per ton, ex ship, London/Liverpool. Japanese p-ras firm. Sp't, quoted 32½; November-December, 30s; December-January, also January-February, 30s 4½d. B-rans: Rangoon, hand-picked, October-November, 13s, f.a. i.; ditto, 11s 6d. Madagascari butter beans, spot, 32s to 33s; November-December, 28s per cwt, c.f.i.

SPICE.—Pepper quiet, and rates tend in buyers' favour. Bl ck Singapore, f.a.g., January-March, sellers, 1s 0½d; Lampong, October-December, 11½d; January-March, 1s 0½d; white Muntok, October-December, 1s 3½d; January-March, 1s 4½d. Cloves main ained. Zanzibar, October-December, quoted 10½d. Pimento, spot, 5½d per lb; ditto, October-November, 48s per cwt. Tapioca quiet. Singapore flake, to Havre, December-January, quoted 16s 6d; Penang seed, to London, ditto, 16s 6d. Sago flour quiet Sarawak, to U.K., November-December, sellers, 15s. Desiccated coconut, spot, halves, 40s 6d; December-January, 39s. Ginger steady. Japan, spot, 90s; Octo er-November, 85s; West African, spot, 59s; forward, 57s cwt, c.f.i.

FRUIT (Dried).—Currants quietly steady. Amalia, quoted 32s to 33s; Gulph, 35s to 40s; Pyrgos, 30s to 31s; Patras, 34s to 36s; Vostiza, 42s to 52s. Sultanias steady. Smyrna, new crop, 7s to 9s; 90s; Australian, 66s to 80s; Cretan, 75s to 90s. Figs in steady demand. Layers, new crop, boxes, 70s to 105s; Locoums, 110. Dates in fair request. Halloween, spot, 26s 6d; Siar, 14s 6d; Khadrowie, 18s 6d. In auction 270 tons Valencia raisins were offered, and met a poor demand, at 2s to 3s per cwt decline. Common, sold, 30s to 34s; medium, 36s to 42s; good, 45s to 55s; fine, 57s to 61s. Muscatels sold readily, at steady rates. Clusters, common, sold, 68s to 78s; medium to good, 90s to 97s; fine to choice, 100s to 112s 6d per cwt. Evaporated fruits quiet. Californian, apricots, standard new extra choice, 120s; fancy, 130s; Australian, 117s 6d to 130s. Plums, Oregon, size 30/40, quoted 72s; 40/50, 52s. Californian, 40/50, 58s; 50/60, 54s; 70/80, 45s. Bosnian new crop, 60/70, 45s. Pears, Californian, extra choice, 90s; fancy, 105s. Lake County, extra choice, 105s; fancy, 117s 6d. Apple rings, Californian, extra choice, 55s to 70s; Canadian, 63s 6d per cwt.

CANNED GOODS.

CANNED FISH.—Trade quiet, and prices without material change. Sardines firm. Portuguese ½'s quoted 4s 9d to 5s per dozen tins. Salmon firm, but trade slow. Red, tall, 1 lb, 63s to 64s; ½ lb, pink, 38s 6d to 39s; tall pink, 25s to 26s. Lobsters firm. Halves quoted 160s to 165s; and ½'s, 95s to 100s.

CANNED FRUITS.—Qu et, and stocks of new season's arriving are not up to the same quality of old crop, while many shippers fail to send full contracts. Prices generally maintain a steady 1 vel. Californian Bartlett pears, standard, 13s 3d to 13s 6d; seconds, 12s to 12s 6d; Oregon, choice, 15s; standard, 13s 3d; seconds, 12s to 12s 3d; Canadian, standard, 11s 6d. Californian peaches, choice, 11s; stand rd, 9s 6d; seconds, 8s 9d. Californian apricots, standard, 9s 3d; seconds, 8s. Log-berries, fancy, 11s to 12s, choice, 10s 3d per dozen tins. P nes steady, with improved inquiries for shipment parcels. Italian tomatoes in good request at full rates.

CANNED MEATS.—Corned beef unaltered, with a steady demand for Australian and New Zealand produce, while Dani-h lunch tongues sell well, 6-lb tins being in rather short supply. Corned beef, South American, 6 lb tins, quoted 34s; and New Zealand, 34s. Lu ch tongues, Danish sixes, quoted 116s; and 1 lb, 18s; New Zealand ox, 6 lb, 125s per doz n tins.

CONDENSED MILK. very firm for machine-skimmed a' hardening rates, but full cream in moderate request. Machine-skimmed quoted 15s 9d; full-cream Danish, 26s to 26s 6d; Dutch, 23s 6d to 24s per case.

HONEY.—New Zealand continues in good demand, especially on continental account, and despite increased production supplies are well sold up, but other descriptions move off quietly.

RUBBER.

In moderate demand, and prices somewhat irregular. Plantation standard sheet, spot, sold, 4s 1½d to 4s 5½; December, 4s 3d to 4s 4½d; January-March, 4s 2½d to 4s 2d, and 4s 4½d; April-June, 3s 11½d to 3s 11d and 4s 1½d; January-December, 3s 10d to 3s 11d. Fine hard Para, spot, 4s 2d; soft fine, ditto, 3s 6½d; caucho ball, 2s 9d per lb. To New York, ribbed smoked sheet, November, sold 4s 4d to 4s 3½d; January-December (1926), 3s 9½d; January-December (1927), 2s 10½d; first crepe, November, 4s 3½d per lb, c.i.f. terms.

GUMMERS.

HEMP.—Manila remains firm. J grade, December-February, also January-March, quoted, £45; K, ditto, £39 10s; L, ditto, £40; and M, £34 10s. New Zealand and High Point, November-January, £39 10s; fair, £35 10s. African sisal, No. 1 Tanganyika, November-January, £5 10s; No. 1, Kenya ditto, £45 per ton.

TALLOW.—Messrs Colchesters and Woolner write on November 25th as follows:—The tallow market was steady during the week, and prices were fully maintained to-day for inferior kinds. Prices required for shipment from Australasia and from South America are not readily obtainable here. At auction to-day 1,585 casks talow were offered, and 661 were sold. Quotations are:—Australian mutton: Fine, 48s 6d; good to fair, 47s 6d to 44s; dull to dark, 41s to 39s 6d. hard, 48s. Australian beef: Fine, 44s 6d; good to fair, 43s 6d to 41s 6d; dull to dark, 40s to 39s 3d; sweet, 46s 6d. Present shipment from Australasia: Good mixed, 45s 3d, nominally. Present shipment from South America, 44s 3d. The market letter is unchanged. Town talow, 39s 6d per cwt. Rough fat, per 8 lbs, 3d; m-lled stuff, 30s per cwt. Quotations are:—Town, 39s 6d, net cash, naked, ex works. Country: Frail casks, 39s 6d; home melted, shipping casks, net, f.o.b., wood coloured, 43s; fair to dull, 40s to 39s. Bone fat: white, none; pale, none; benzine, 36s; melted stuff, 35s 6d, f.o.b.

SHELLAC. steady. Fair, T.N. spot, 245s to 250s; December, 225s; March, 212s 6d per cwt.

GOPHA quiet, and bar-ly steady. F.M.S. Straits, to Rotterdam, October-November, quoted £30 3s 9½; October-December, £30 3s 9d; November-January, £30 2s 6d; December-February, £30 2s 6d. Dutch E.I., October-December, sellers, £29 17s 6d. Ceylon, November-December, £31 5s; South Sea Islands, F.M.S. quality, November-December, £29 7s 6d. Palm kernels, to Liverpool, November-January, £22 7s 6d per ton.

MISCELLANEOUS.—Cocoanuts quoted 25s per 100. Coir yarn, Ceylon, £24 10s to £40; Cochin, £30 to £54. Ceylon bristle, £16 to £22 10s; cinnamon leaf oil, 4½d; citronella, Ceylon, 1s 10d; Java, 3s 6d.

METROPOLITAN CATTLE.—Nov. 26.

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

Beasts—Devons.....	7 4 to 7 8	Beasts—Heavy Bulls ..	5 d s d
Shorthorns	7 2 7 6	Canadian	10 0 to 10 8
Herefords	7 2 7 6	Sheep—Downs (clipped) ..	10 0 to 10 8
Scottish		Ewes	5 8 6 4
Irish		Crossbred	
Fat Cows		Scottish	
		Lamb—Downs	10 4 11 4

LONDON POTATO MARKETS.—Nov. 26.

	Per Cwt.		Per Cwt.
Lincoln—King Edwards	7 0 to 8 0	Majestic	5 0 to 5 6
Bri ish Queens	5 0 5 6	Blackland—King Edwards	5 6 6 6
Red Kings	5 6 6 6	ditto Whites	4 6 5 0

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COMMERCIAL TIMES—WEEKLY PRICE CURRENT.

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

LONDON, FRIDAY.		DYE STUFFS, &c.—		METALS—B. Copper		SUGAR—per cwt, duty, 11s 8d.	
COCOA—Duty, British grown,		Galls, China, per cwt	60 0 62 6	Best selected	£ 15 66 0	per cent. polarisation	s d s d
9s 4d. foreign, 14s cwt		Turmeric, Bengal	nom	Sheets (strong)	92 0 0	B.W.I. muscovado	nom
Trinidad	0 78 0	Madras, finger	32 6 34 0	Standard	60/7/6 60/10/0	Crystallised	22 9 26 6
Grenada	0 68 0	Gambier, block	50 0 52 6	Lead Eng. Pig per ton	37/10/0 0/0/0	Java, white	spot 27 0 0 0
Ceylon, plantation	0 110 0	Cutch, ord. to fair	55 0 0	Soft Foreign	36/3/9 35/10/0	REFINED—London—	
Guayaquil	70 0 80 0	DYEWOODS—		Spelter G.O.B.	39/8/1 38/1/9	Yellow Crystals	25 10 0 0
Bahia, finest	53 0 55 0	Brazil	18 0	Tin—English ingots	286/15/0 0/0/0	Cubes	32 3 33 3
COFFEE—British grown,		Fustic, Jamaica	8 10	Do do bars	289/15/0 0/0/0	Crushed	30 3 0 0
9s 4d. foreign, 14s cwt		Cuba	15 0	Standard cash	286/15/0 287/0/0	Granulated	28 10 29 4 1/2
Do good to fine	150 0 158 0	Lima Wood	9 0	OILS—Fish, per ton	£ s d	Crystals, No. 3	28 9 0 0
Costa Rica, ord. to mid.	120 0 145 0	Logwood, Campeachy	10 10	Linseed, p. ton net, naked	37 5 0 0	Castor	31 0 33 1 1/2
Good to fine	165 0 199 0	Honduras	7 15	Rape, refined	51 0 0 0	Pieces	23 9 27 3
Central American, gd. ord.		Jamaica	12 0	Crude	48 0 0 0	SPICES—Pepper, lb—	
to mid.	115 0 138 0	Red Sanders	15 0	Cotton seed, crude	37 0 39 0	Muntok, fair White	1 32 0 0
Mid to fine	140 0 145 0	Sapang Ceylon	15 0	Edible, refined	45 0 0 0	Black Singapore	1 03 0 0
Colombian, ordinary	115 0 117 0	FLAX—spot—c.i.f.	£ s d	Cogonut, crude	47 6 0 0	White Siam	1 33 0 0
Do gd. ord. to low mid.	120 0 130 0	Riga 2K	72 0 71 0	Refined	50 0 52 0	Pimento	0 52 0 0
Do mid to fine	135 0 172 0	Pernam HD	72 0 71 0	Palm	40 10 41 0	Cinnamon—1st sort	2 0 0 0
CHEMICALS—		Slanets U/A Medium	87 0 nom	Lard, American	70 0 78 0	Do 2nd	1 11 0 0
Acid, citric	per lb 1 42 0 0	FRUIT—		Petroleum—Oil, per 8 lbs.	1/0 0/0	Do 3rd	1 11 0 0
Nitric	0 28 0 4	Oranges, Murcia & Val.	300 0 0 0	Water White	1/1 0/0	Cassia Lignea	55 0 0 0
Oxalic, net	0 0 0 63	Do	350 0 0 0	Oil Cakes, Linseed, Eng.	212/5/0 12/10/0	Cloves—Zanzibar	0 11 0 11 1/2
Tartaric, English	1 03 0 0	Do Cape	0 0 0 0	per ton	212/5/0 12/10/0	Penang	2 2 2 4
Foreign	0 114 1 0	Lemons, Naples	0 0 0 0	Oil Seeds—Linseed—	£ s d	Madagascar	1 3 1 5
Cream of Tartar—		Do	0 0 0 0	La Plata, p. ton Nov-Dec.	18 5 0	Ginger—per cwt—	
99% 100%	per cwt 82 0 0 0	Do Sicilian	0 22 0 0	Bombay, p. ton Nov-Dec.	21 5 0	Cochin, small rough	105 0 0 0
Alum lump	per ton 110/10/0 11/0/0	Do	0 51 0 0	Calcutta, p. ton Nov-Dec.	20 7 6	Do wormy	0 0 0 0
Do ground	111/10/0 12/0/0	Do Malaga	0 15 0 0	Portland Cement—Best English		Japan	0 0 0 0
Ammonia, carb.	ton 37 0 39 0	Grapes, Lisbon	0 0 0 0	per ton delivered, London	58/0 63/6	Jamaica, ord. to good	90 0 0 0
Muriate, White	ton 22 0 29 0	Almeria	0 25 0 0	Rapid hardening "Ferrocrete," 10/		Mace	0 120 0 0
Sulphate	ton 64 0 15 0	Val. Ona	6 6 8 6	per ton extra		Nutmegs, 65's	2 8 4 8
Arsenic, lump	per ton 15 0 70 0	Egyptian Ona	0 0 0 0	"Lightning" brand Aluminous Cement		110's and 80's	2 4 2 7
Powder	per cwt 17 0 18 0	Apples: American—		108/ to 113/6 per ton.		Chillies—per cwt	45 0 97 6
Ashes, pot	per cwt 65 0 70 0	Jonathans	9 0 12 6	PROVISIONS—		TALLOW—per cwt.	
Pearl	per cwt nom	HIDES—Wet salted—		Butter—per cwt—	s d s d	Good mutton	47 6 0 0
Bleaching powder, per ton	9/0/0 9/10/0	Australian	0 54 3 6 1/2	Irish creamery	nom.	Beef	43 6 0 0
Borax, gran.	cwt 24 0 0 0	West Indian	0 4 0 7 1/2	Do factory	nom.	TAPIOCA—per lb—	
Do crystals	25 0 0 0	Cape	0 6 0 8	Australian	160 0 198 0	E. I. Flake, fair, spot	0 2 0 0
Do powder	26 0 0 0	Lisbon	0 52 0 7 1/2	Argentine	154 0 172 0	Medium Pearl	cwt 22 6 28 0
Calomel	per lb 4 2 4 1	Oporto	0 4 0 7 1/2	Dutch	210 0 216 0	Seed	15 6 27 0
Iodine, dry	per oz 1 0 1 1	Dry & Drsalted Cape	0 8 0 12 1/2	New Zealand	190 0 210 0	TEA—duty 3d, British,	
Nitrate of Soda	per ton 13/0/0 13/5/0	Madagascar	0 62 0 7 1/2	Danish	198 0 200 0	foreign, 4d per lb	
Potash—Chlorate, net.	0 42 0 4 1/2	Central American	0 72 0 12 1/2	Bacon, sund.—Irish	120 0 140 0	Indian and Ceylon—	
Prussiate	0 8 0 9	Buffaloes, Singapore	0 4 0 12	Danish	125 0 130 0	Pekoe	1 43 2 2 1/2
Do Foreign	0 74 0 8	Penang	0 5 0 11	Canadian	120 0 124 0	Broken Pekoe	1 43 2 3 1/2
Sulphate	per ton 11 0 12 0	E. I.	0 5 0 14 1/2	American	110 0 116 0	Orange Pekoe	1 43 2 3 1/2
Sal-Acetone	per lb 1 10 2 0	Marked Hides, London	0 8 0 9 1/2	Hams—Irish	nom.	Broken Orange	1 43 2 3 1/2
Sal-Ammoniac	per cwt 47 0 52 0	Be-hy, ox & heifer	0 6 0 7 1/2	Canadian	124 0 136 0	Pekoe Souchong	1 54 0 4 1/2
Soda Bicarb.	per ton 5/0/0 5/5/0	Do light	0 6 0 8 1/2	Lard—Irish bladders	122 0 147 0	TIMBER—ex. yd—	
Crystals	per ton 5/0/0 5/5/0	Do heavy	0 7 0 8 1/2	American boxes	56 lbs 82 0 84 0	Swedish u/s 3 x 8, Pt. Std.	19 0 0 0
Alkali	5/17/6 6/15/0	Do light	0 5 0 6 1/2	Pork—per 8 lbs	7 4 9 0	Do 2 1/2 x 7	19 0 0 0
Caustic	14/2/6 16/10/0	Best cow	0 6 0 6 1/2	Beef—Frozen	per 8 lbs 2 10 4 4	Do 2 1/2 x 4	19 0 0 0
Sugar of lead, white	ton 0/0/0 0/0/0	Best calf	0 5 0 11 1/2	Butter—Irish	7 2 8 4	Can'dn Spruce, Dis.	17 10 0 0
Foreign white	£47 0 49 0	2nd do	0 5 0 11 1/2	Cheese—cwt—Canadian	110 0 116 0	Pitchpine	per load 9 0 0 0
Sulphate Quinine—		2nd do	0 8 0 10	New Zealand	nom.	Rio Deals	per load 32 0 0 0
English Brands	2 3 0 0	INDIA RUBBER—lb—		Eng. Cheddars	175 0 145 0	Teak	per load 20 0 0 0
Foreign do	2 3 0 0	Para, fine hard spot	4 2 0 0	Cheshire	125 0 145 0	Honduras Mahg. logs, c.i.f.	0 6 0 0
Sulphate Copper per ton	24/10/0 25/10/0	Plantation sheet	4 5 0 0	Dutch	71 0 118 0	African	0 6 0 0
Zinc, ord.	nom	INDIGO—per lb—		Eggs, per 120—English	34 0 37 0	American Oak Boards	0 6 0 0
Sulphur Flour	9/0/0 9/10/0	Bengal, good red violet to	6 6 7 0 0	Irish	32 0 34 0	Do Ash	0 6 0 0
Do Roil	8/0/0 8/10/0	fine	6 6 7 0 0	FLLOUR—280 lbs—		English Oak Planks	0 7 0 0
Vermillion, Chinese, per lb	4 6 4 9	Mid. ord. vio. to good	6 6 6 0 0	London standard ex mil	47 0 0 0	Do Ash	0 6 8 0
English	4 6 5 0	Low to good ord.	5 6 6 0 0	RISE—per cwt, c.i.f.—		TOBACCO—	
Oil Peppermint, H.G.H.	100 0 105 0	Madras, dry leaf, good	3 0 4 0 0	Rangoon, No. 2	15 6 0 0	Duty 8/2—10/4 per lb.	Empire
COPRA—per ton, c.i.f.—		Do low to ord.	1 0 3 0 0	Broken la	13 6 0 0	growths, 6/14 per lb.	
Malabar, Oct.-Dec.	nom	Kurpah, gd. mid. to gd.	4 0 5 0 0	ROBIN—per ton—		Virginia leaf	s d s d
Ceylon	31 5 6	Low to mid.	3 0 4 0 0	American	32/0/0 34/10/0	Common to fine	1 3 2 3
FMS Singapore	30 7 6	HEMP—per ton—		French	31/0/0 0/0/0	Strips	2 0 2 6
FM Straits	29 10 0	Italian E.C.	75 0	SAGO—Pearl, per cwt—	25 0 27 0	Kanuck leaf	
COCHINEAL—per lb	29 3/6	Grade	45 0	SHELLAC—per cwt—	s d s d	Common to fine	1 0 1 8
DRUGS—		N.Z. high point, fair	39 10	Orange, first marks	300 0 325 0	China	1 3 1 9
Aloes, fine E.I.	per cwt 130 0 150 0	Nov-Jan.		Becond, fair to fine	270 0 290 0	Borneo and Sumatra	0 9 2 8
Cape, good to fine	41 0 42 6	JUTE—		TN Orange	250 0 255 0	Nyasaland	1 0 7 0
Balsam Peru	per lb 7 0 0 0	Native first marks, Nov. Dec.	61/0/0	Buton—Pure	250 0 0 0	Seedleaf	0 6 2 6
Capivi	2 0 2 3	Manila, Dec. Feb. "J"	75 0	Blocky (TN)	210 0 0 0	Havana	1 6 4 6
Camphor—		Grade	45 0	SILK—per lb—		Greek	0 10 1 6
Japan, refined	2 84 2 9	N.Z. high point, fair	39 10	Chins—Blue Elephant	18 0 0 0	East Indian	0 6 1 0
Cardamoms, Ceylon	6 0 8 3	JUTE—		Canton	26 0 28 0	Cigars, duty 15/7 per lb.	2 0 0 0
Cantharides, China, per lb	4 0 0 0	Manila, Dec. Feb. "J"	75 0	Tussah	10 0 12 0	Cigarettes, duty 12s 7d per lb.	
Castor oil	cwt 85 0 95 0	Grade	45 0	Re reeled	0 0 0 0	TURPENTINE, p. cwt. 74 3 0 0	
Gum Benjamin Sum.	cwt 5/0/0 10/0/0	N.Z. high point, fair	39 10	Japan	29 0 31 0	WOOL—per lb—	
Olibanum, drops, fair to	good	Nov-Jan.		Italian—Raw, tr. Milan	30 0 33 6	English, Southdown, washed	25
Ipecacuanha	12 0 0 0	JUTE—		SHELLAC—M.-P. per cwt—		Lincoln hog	17
Jalap.	2 0 0 0	Native first marks, Nov. Dec.	61/0/0	Manila, bold	26/0/0 9/5/0	Queensland, sud. super combg.	54
Musk pod, China	75 0 77 6	Manila, Dec. Feb. "J"	75 0	Macassar	8/10/0 1/5/0	N.S.W. greasy, super	29
Oil, Cassia	per lb 10 3 10 6	Grade	45 0	Sydney	6/0/0 13/5/0	N.Z. grv., half-bred, 50 56	20
Aniseed	3 43 3 54	N.Z. high point, fair	39 10	W. Australian	7/0/0 12/10/0	Crossbred 4-44	16
Peppermint, Wayne		Nov-Jan.		Bombay	2/0/0 8/5/0		
County	70 0 75 0	JUTE—					
Rhubarb, China, fr to fu	3 0 3 3	Native first marks, Nov. Dec.	61/0/0				

BANK OF NEW SOUTH WALES

Established 1817.
 London Office—29, Threadneedle-street, E.C.3.
 Paid-up Capital £6,000,000
 Reserve Fund 4,150,000
 Reserve Liability of Proprietors 6,000,000
 Aggregate Assets at 30th Sept., 1924, £16,150,000
 The London Office issues drafts on demand on its Head Office (Sydney, N.S.W.) and Branches in all the Australian States, New Zealand, Fiji and Papua. Makes Mail and Cable Transfers, Negotiates and Collects Bills of Exchange, Receives Deposits for fixed periods on terms which may be known on application, and conducts every description of Australian Banking Business.
 J. S. CAMPBELL, Manager.

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Authorised Capital - - £6,154,988

Capital Subscribed and paid up	£ 6,154,988
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"A" Preference Shares issued to New Zealand Government	500,000
"B" Preference Shares	1,375,000
Ordinary Shares	3,750,000
Reserve Fund and Undivided Profits	£ 6,154,988
	3,088,299
	£ 9,243,287

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ROBERT MILL, Manager.

THE BRITISH OVERSEAS BANK, LTD.

ESTABLISHED 1919.

Report by the Board of Directors to the Sixth Annual General Meeting of Shareholders to be held in the Bank Premises, 33, Gracechurch-street (Lombard-court), London, E.C. 3, on Friday, the Fourth day of December, 1925, at 12 noon.

The Directors submit to the Shareholders the Balance-sheet of the Bank as at 31st October, 1925, and Profit and Loss Account, together with copy of the Auditors' Certificate.	In payment of a Dividend on the "B" Ordinary Shares at the rate of three per cent. per annum (less Income-tax) for the year ended 31st October, 1925, which together with Income-tax thereon amounts to
The Profit, after allowing rebate of interest and providing for all bad and doubtful debts, Income-tax and other Taxation for the year ended 31st October, 1925, amounts to	£30,000 0 0
Balance available from last account	54,330 1 0
Making a total of	£84,330 11 3
Interim Dividend on "A" Ordinary Shares at the rate of six per cent. per annum for the half-year ended 30th April, 1925, and Income-tax thereon	30,000 0 0
Leaving a Balance of	£150,345 11 3
which has been appropriated as follows:	
In payment of a Dividend on the "A" Ordinary Shares at the rate of six per cent. per annum (less Income-tax) for the half-year ended 31st October, 1925, which together with Income-tax thereon amounts to	£30,000 0 0
to	£150,345 11 3

BALANCE-SHEET as at 31st October, 1925.	
LIABILITIES.	ASSETS.
Capital:—Authorised:	Cash in hand and at Bankers' £33,302 9 6
300,000 "A" Ordinary Shares of £5 each	Money at Call and Short Notice 1,345,000 0 0
300,000 "B" Ordinary Shares of £5 each	Balances with Bankers Abroad 583,833 1 5
part as "A" or "B" Ordinary Shares	Bills Discounted 307,581 4 8
	Government Securities 286,250 0 0
Subscribed and Paid in Full:	Other Investments, including Shareholding Interests in Foreign Banks 306,449 6 5
300,000 "A" Ordinary Shares of £5 each	Advances to Customers and other Accounts 805,788 6 11
300,000 "B" Ordinary Shares of £5 each	Liability of Customers for Acceptances, &c. (per contra) 3,973,516 0 2
	Premises Account 356,008 4 6
Current, Deposit and other Accounts	
Reserve Fund	
Acceptances, &c., for Account of Customers (per contra)	
Balance of Profit and Loss Account	
(Note.—Contingent Liability on account of Endorsements on Bills Discounted, £2,211,539.)	
	£8,237,728 13 7

PROFIT AND LOSS ACCOUNT for the Year ended 31st October, 1925.	
Da.	Cr.
To Interim Dividend on the "A" Ordinary Shares at the rate of 6 per cent. per annum and Income-tax thereon	£30,000 0 0
" Final Dividend on the "A" Ordinary Shares at the rate of 6 per cent. per annum and Income-tax thereon	30,000 0 0
" Dividend on the "B" Ordinary Shares at the rate of 3 per cent. per annum and Income-tax thereon	30,000 0 0
" Reduction of Premises Account	5,000 0 0
" Reserve Fund	25,000 0 0
" Balance carried to Balance-sheet	60,345 11 3
	£180,345 11 3

CHURCHILL, Chairman.
 ARTHUR C. D. GAIRDNER, Deputy Chairman and Managing Director.
 G. E. MAY, Director.

AUDITORS' REPORT.
 We have examined the above Balance-sheet and compared it with the Books of the Bank.
 We have satisfied ourselves as to the correctness of the Cash Balances and the Bills of Exchange, and have verified the Securities.
 We have obtained all the information and explanations which we have required, and are of the opinion that the Balance-sheet is properly drawn up, so as to exhibit a true and correct view of the state of the Bank's affairs, according to the best of our information and the explanations given to us and as shown by the Books of the Bank.
 A. W. TAIT, } Chartered
 A. S. MACHARG, } Accountants.
 London, E.C., 19th November, 1925.

DIRECTORS.
 The Right Hon. VISCOUNT CHURCHILL, G.C.V.O., Chairman.
 ARTHUR C. D. GAIRDNER, Esq., Deputy-Chairman and Managing Director.
 JAMES CAIRD, Esq.
 N. L. CAMPBELL, Esq.
 Hon. BERNARD ROLLO.
 ADVISORY DIRECTORS.
 Sir ARTHUR A. HAWORTH, Bart.
 R. T. HINDLEY, Esq.
 Sir HARRY MCGOWAN, K.B.E.
 MANAGERS.
 WILLIAM DEAN.
 H. HOPKINS.
 DUDLEY WARD, C.B.E.
 INTELLIGENCE DEPARTMENT.
 F. O. A. SPEED (Commercial Section).
 FOREIGN EXCHANGE DEPARTMENT.
 H. W. GURNEY (Chief Operator).
 TRUSTEE DEPARTMENT.
 F. O. A. SPEED.
 ACCOUNTANT.
 F. J. SULLIVAN.
 SECRETARY.
 A. E. THORNE.
 AUDITORS.
 A. W. TAIT, Esq., C.B.E., C.A., London.
 A. S. MACHARG, Esq., C.A., Glasgow.

DE BEERS CONSOLIDATED MINES, LIMITED.

REPORT OF DIRECTORS

For the Twelve Months ended the 30th June, 1925.

To be submitted to Shareholders at the Thirty-Seventh Ordinary General Meeting to be held on the 11th December, 1925.

TO THE SHAREHOLDERS—
GENTLEMEN,—Your Directors beg to submit their thirty-seventh Annual Report, Balance-Sheet at 30th June, 1925, Profit and Loss Account for the year ended 30th June, 1925, and Appropriation Account, 30th June, 1925. The undistributed balance at 30th June, 1924, was represented by:—

Suspense Profit Account—Diamonds unsold at that date £333,365 3 9
Balance unappropriated 73,859 18 8

During the year the Diamond Account amounted to 407,218 2 5

Add to this the following:—
Interest and Dividends on Investments ... £380,732 0 9
Profits realised on sales of Investments 554,072 6 3
Income from other sources 12,996 18 11

948,401 5 11

Less Expenditure as follows:—

Mining Expenditure £1,588,162 19 6
Farms and Landed Property Expenditure ... 15,196 2 11
Donations and Relief 10,951 8 2
Allowances to Employees, including Provident Fund 87,652 13 9
Directors' Fees 22,100 6 8
Exchange on Remittances 21,981 19 0
Salaries—Head Office 29,777 16 8
General Charges—Kimberley and London... 70,226 6 6
Interest on Debentures and on Capital of Leased Companies 162,630 1 0
Sinking Fund for repayment of Debentures 95,114 3 3

2,103,193 17 5

Leaving a balance of £4,703,842 8 9

Which has been dealt with as follows:—

Union of South Africa Income Tax £258,465 16 4
Preference Shareholders' Dividend 800,000 0 0
Deferred Shareholders' Dividend 1,090,514 0 0

2,148,979 16 4

Balance undistributed carried to next year:—

Suspense Profit Account—Diamonds unsold 30th June, 1925 £64,439 2 3
Balance unappropriated 387,229 12 9

£451,668 15 0

The stock of blue ground and lumps on the floors at 30th June, 1925, was as follows:—

De Beers Mine 48,396
Wessington Mine 338,141
Bultfontein Mine 223,129
Dutoitspan Mine 1,051,719

Total 2,261,385

BALANCE-SHEET, JUNE 30th, 1925.

Capital Authorised:—
800,000 Preference Shares at £2 10s 0d each 2,000,000 0 0
1,100,000 Deferred Shares at £2 10s 0d each 2,750,000 0 0

£4,750,000 0 0

Capital Issued:—

800,000 Preference Shares at £2 10s 0d each 2,000,000 0 0
1,090,514 Deferred Shares at £2 10s 0d each 2,726,285 0 0

4,726,285 0 0

De Beers 4 per cent. South African Exploration Debentures, secured by Mortgage of Assets purchased from the London and South African Exploration Company, Limited, redeemable by 1st January, 1930

1,635,495 0 0

Appropriation for Stabilisation of the Diamond Trade, invested in other Diamond Mining Companies and Kindred Interests

2,573,841 16 0

Reserves (per contra):—

General Fund £1,500,417 15 7

Premium on Deferred Shares, less Expenses 287,726 6 4

Redemption Fund: South African Exploration Debentures 1,112,582 17 5

2,900,726 19 4

Blue Ground Stocks, 30th June, 1925, at cost 392,728 12 5

3,293,447 11 9

Current Liabilities:—

Kofffontein Mines Loan and Interest Account 295,261 16 10

Loans and Open Accounts 223,330 5 5

Unclaimed Dividends and Sundries 40,215 1 10

Interest on Debentures accrued to date 32,198 16 2

Commissioner for Inland Revenue—Union of South Africa 198,022 7 10

Commissioners of Inland Revenue—Great Britain 61,639 17 9

Preference Shareholders 430,000 0 0

Deferred Shareholders 545,957 0 0

1,825,995 5 10

Suspense Profit:—Diamonds unsold at date (per contra) 64,439 2 3

Balance transferred from Appropriation Account Contingent Liability—The Company has guaranteed the repayment of, and interest on, £1,250,000 5 per cent. 1st Mortgage Debenture Stock issued by the Cape Explosives Works, Limited, Somerset West, Cape Province. 387,229 12 9

£14,506,663 8 7

During the year the usual Preference Dividend of 20s per share, less 1s 6d in the £ Dividend Tax, was paid.

Owing to the abolition of the Dividend Tax with effect from 1st July, 1924, the Preference Dividend will in future be paid without deduction. The amount deducted in respect to the year under review has since been refunded to Preference Shareholders.

A Dividend of 20s per share was also paid to Deferred Shareholders.

During the year under review the diamond market remained steady, and slightly higher prices were realised by the company for its diamonds.

It is with deep regret that your Directors have to record the death on the 15th November, 1924, of the Right Honourable Edwin S. Montagu, Deputy Chairman of the Company.

The vacancy on the Directorate has been filled by the appointment of the Right Honourable the Earl of Bessborough, C.M.G., who was afterwards elected Deputy Chairman.

The Conference of the four large Diamond Producers, which, as mentioned in last year's report, was held in April, 1924, and adjourned *sine die*, was resumed towards the end of that year, with the result that the Inter-Produrers Agreement was renewed, with slight modifications, for one year from 1st January to 31st December, 1925.

In January, 1925, negotiations took place between representatives of the Conference Producers and the Diamond Syndicate with the object of arranging contracts for the sale of the Producers' diamonds, but these negotiations bore no result. Subsequently, however, the three Union Producers entered into contracts for the sale of their diamonds for the period 1st January to 31st December, 1925, to a reconstituted Syndicate composed of the majority of the members of the Syndicate which had purchased this Company's diamonds for many years. The South-West Africa Producers made other arrangements for the disposal of their diamonds.

Since the close of the year under review agreements have been concluded by the four Conference Producers for the sale of their diamonds for a period of five years from 1st January, 1926, to a new Syndicate, which includes some of the members of the previous Syndicate, with whom the Company had these agreements subject to the approval of the Honourable the Minister of Mines and Industries.

The fact that all the Conference Producers' diamonds are once more handled by a single organisation should ensure stability to the diamond trade.

A report by the General Manager will be submitted at the Meeting.

In terms of Clause 84 (c) of the Company's Articles of Association, three Directors retire, namely, Friedrich Hirschhorn, Robert Philipson-Stow, William Pickering, but, being eligible, offer themselves for re-election.

P. ROSS FRAMES, Chairman,
A. G. W. COMPTON,
F. HIRSCHHORN,
R. PHILIPSON-STOW,
W. PICKERING,
Directors.

Kimberley, 27th October, 1925.

By Order of the Board,
E. F. RAYNHAM, Secretary.
JNO. A. NEVILLE, Chief Accountant.

HOWARD PIM & HARDY,
SALISBURY, BEATON, & RAYNHAM,
Auditors.

We certify that all our requirements as Auditors have been complied with, and that we have examined the above Balance Sheet with the Accounts and Vouchers relating thereto, including the Audited Returns of the London Transfer Office, and find the same to be correct.

Kimberley, 27th October, 1925.

The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor:

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. CI.

SATURDAY, DECEMBER 5, 1925.

No. 4,293.

ALLIANCE

ASSURANCE COMPANY, LIMITED.

(Established in 1824).

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ASSETS EXCEED £25,000,000.

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and
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or Agencies of the Company.
O. MORGAN OWEN, General Manager.

Centralbanken for Norge

a/s under off. adm.

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Head Office of the Bank: MILAN.

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THE MONEY MARKET.

FIVE PER CENT.

BANK rate was raised on Thursday to 5 per cent. For the past fortnight the City had been watching the policy of the New York Reserve Bank for indications of an approaching rise in the Bank of England rate. This week, however, domestic developments in the shape of continued heavy gold withdrawals forced themselves upon the attention of the money market, and by Wednes-

day evening there was a general expectation that the Bank of England would take the course which it actually adopted, though in some quarters it was thought that the Bank might compromise with a move to $4\frac{1}{2}$ per cent. The banks and discount houses raised their deposit rates by 1 per cent., and the clearing banks also put up their rate for advances, by 1 per cent., to 4 per cent. Money was surprisingly comfortable on Monday, the last day of November, and became very easy after the War Loan interest payment. Repayments to the Bank and a Conversion Loan instalment that fell due yesterday had no apparent effect on the supply of credit. In view of monetary conditions here, it seems probable that before long the margin between Bank rate and the market rate of discount, which in the past few months has been reasonably narrow, will become much wider, and thus reduce the effectiveness of the official minimum. The discount market has hardly yet found its feet on the new level, but fine three months' bank bills were quoted at $4\frac{1}{2}$ per cent. and taken in some quarters at $4\frac{3}{8}$, $\frac{7}{16}$ per cent.

	Dec. 4, 1925.	Nov. 27, 1925.	Nov. 20, 1925.	Nov. 13, 1925.	Previous Rate and Date Changed.
Bank Rate	5%	4%	4%	4%	4 (Dec. 3, '25)
Banks' Deposit Rate	3	2	2	2	2 (Dec. 3, '25)
Discount (Call)	3	2	2	2	2 (Dec. 3, '25)
Houses' Notice	$3\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$	$2\frac{1}{2}$ (Dec. 3, '25)
Market rate (3 months' bills) ..	$4\frac{1}{2}$	$3\frac{1}{8}$	$3\frac{1}{8}$	$3\frac{1}{8}$	..

The Bank return shows a decrease of £1,074,000 in the stock of coin and bullion, £1,060,000 in gold having been announced as exported. The note circulation increased by £1,330,000, and the Reserve was thus £2,404,000 lower with its proportion to liabilities 3.6 per cent. lower at 15.9 per cent. Government securities rose by £20,840,000 owing to borrowing by the Treasury for War Loan interest, while repayments by the market were shown in a decline of £5,652,000 in Other securities. Public deposits declined by $5\frac{1}{2}$ millions, and the Other deposits were thus $18\frac{1}{2}$ millions higher. Currency notes were reduced by £633,100 to £289,418,500, which includes £1,318,900 for notes called in but not yet cancelled. The fiduciary issue is £231,849,500, or £16,295,900 below the maximum for the year.

NEW YORK MARKETS.

Our New York correspondent cables:—The share market, after the severe shake-out which followed the increases in Federal Reserve discount rates, seems to have recovered equilibrium, with oils and rails firm on a resumption of bullish activity. *Bradstreet's* commodity price index number has risen by 0.6 per cent., and is now 56.3 per cent. above the pre-war level. The Federal Reserve system statement shows a rise in discounts of \$19 millions, with reserves and open market purchases little changed, the ratio being 70.5. The discounts of the New York bank have declined by \$5 millions and the ratio by 0.6 per cent. to 79. Circumstances will probably control future policy. An advance in the New York rate would be not unnatural, but there is no pressing reason for a change. The Belgian financial representatives have sailed without securing the desired loan, but have probably obtained assurances of sufficient short credits to maintain the exchange position.

THE STOCK MARKETS.

Thursday's rise in Bank rate to 5 per cent. was not altogether unexpected by the Stock Exchange, and prices in the gilt-edged market, which were marked down slightly when the change was announced, were unchanged on balance at the end of the day. The markets generally, indeed, reflect relief at the removal of monetary uncertainty. French bonds have recovered a little, and European bonds are better on the signing of the Locarno Pact. Home Rails have remained quiet, but there was a slight improvement towards the end of the week. Argentine rails slumped on rumours of damage to crops by rust,

but recovered on reassuring news. The boom in rubber shares continues and overshadows the industrial section. Chartered recovered on dividend expectations, but mines are mostly neglected.

THE COMMODITY MARKETS.

The approach of the annual stocktaking period has induced the usual slackening in the iron and steel trades, but the general tone remains cheerful. There is no change in the coal markets, steam coals remaining a fair demand. In the cotton textile markets inquiry has been on slightly broader lines, but wool textile buyers in the West Riding are unwilling to commit themselves very far until prices are more certain. The jute trade is quieter, with prices steady in the absence of marked buying activity. The wheat market continues very firm, sugar is in moderate demand at recently established price-levels, coffee steady, and tea is an active market. Rubber is firmer, though showing irregularity from time to time. In the metal markets tin has lost ground after an advance, copper has been liberally offered, while lead is firmer after early weakness.

FOREIGN EXCHANGES.

There has been considerable activity in the foreign exchange market during the week. In view of the continued drain of gold from the Bank for export, and the increase in credit caused by Government borrowing, the rise in the Bank rate to 5 per cent. on Thursday was not unexpected, but in the absence of any certainty in the matter, the New York rate weakened steadily during the preceding days. Thus it fell from 4.84 $\frac{1}{2}$ on November 27th to 4.84 $\frac{1}{4}$ on Saturday, and 4.84 $\frac{1}{2}$ on Monday. On Tuesday it closed at 4.84 $\frac{1}{4}$, and on Wednesday actually touched gold point. As it did not, however, fall sufficiently far below gold point to make the export of gold to America a profitable transaction, there is no record of any despatch. On the announcement of the rise in the Bank rate on Thursday it recovered to 4.84 $\frac{3}{4}$, and opened yesterday morning at 4.84 29-32. Forward rates are narrower at $\frac{1}{2}$ cent per month above spot. Paris has fluctuated sharply in accordance with the various incidents in the political crisis. From 124.70 on November 27th it rose to 125 on Saturday, but on Monday recovered to 121.45 on the news of the formation of M. Briand's Cabinet. The effect of this, however, soon wore off, and from 123.90 on Tuesday the rate rose to 126.55 on Wednesday, when it became clear that further inflation was inevitable. This view proved on Thursday to be correct when M. Loucheur made his proposals in the Chamber to increase the legal limit of the Bank of France's advances to the State by 6 milliards and of the note issue by 7 $\frac{1}{2}$ milliards, as well as a heavy increase in taxation. The Bank return issued on that day already showed an increase of 1 milliard in the note issue, and $1\frac{1}{2}$ milliards in the advances. On this news the rate rose to 127.50, but yesterday morning was slightly better at 126.50 on the news that the Finance Bill had passed the Chamber. Brussels has been steady between 106.95 and 107.05 during the week. It would seem that the Belgian Government have decided upon devaluation in principle, but that the actual rate at which this is to be carried out has not yet been determined. Forward rates on Paris have narrowed slightly from 40 to 30 centimes per month above spot, but on Brussels are steady at 60 centimes per month above spot. Italy has fallen slightly from 119 $\frac{1}{2}$ to 120 $\frac{1}{2}$. Amsterdam moved against us early in the week from 12.05 on 27th to 12.04 $\frac{1}{2}$ on Wednesday, partly in sympathy with New York and partly owing to heavy purchases of rubber from the Dutch East Indies. With the change in the Bank of England rate, however, it recovered to 12.06. Switzerland has moved from 25.13 to 25.15 $\frac{1}{2}$, and Stockholm from 18.10 $\frac{1}{2}$ to 18.11 $\frac{1}{2}$. Berlin has risen from 20.34 to 20.35 $\frac{1}{2}$, but Vienna, Prague, and Budapest are unchanged. Copenhagen, after rising from 19.45 to 19.50, fell again to 19.37, while Oslo is steady round 23.82, and Helsingfors round 192 $\frac{1}{2}$. Madrid continued at first to rise from 34.16 to 34.22, but reacted to the news of the formation of a constitutional Government, and opened yesterday at 34.16 again. Warsaw had a further decline to 38 as a result, probably, of the uncertainty prevailing while the new Ministry is establishing itself. In the Near East, Athens rose from 362 to 364, but Bucharest is slightly easier at 1070. In the East the rupee is steady

at 1s 6 13-64d, while the yen is $\frac{1}{2}$ d better at 1s 9 $\frac{1}{2}$ d. The silver market has been quiet during the week, with little movement in price. Hong Kong is $\frac{1}{2}$ d weaker at 2s 4 $\frac{1}{2}$ d, and Shanghai has fallen from 3s 1 $\frac{1}{2}$ d to 3s 1 $\frac{1}{4}$ d. Rio is steady around 6 31-32d, but Buenos Aires is $\frac{1}{2}$ d better at 46 $\frac{1}{2}$ d. Monte Video has fallen from 50 $\frac{1}{2}$ d to 50 $\frac{1}{4}$ d, and Valparaiso has risen from 39.00 to 39.30 pesos.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended November 28th:—

(000's omitted.)			
EXPENDITURE.		RECEIPTS.	
Supply Services	7,392	From Revenue	8,971
Interest, &c., on Debt	1,030	Increase in Debt	979
Sinking Fund	590	Decrease in Exchequer Balances ..	114
Sundries	1,052		
	10,064		10,064

The Revenue for the week amounted to £8,971,200, as compared with £9,893,700 in the corresponding week last year. Customs were higher at £2,338,000, against £1,992,000, but Excise was lower at £1,485,000, against £1,626,000. Property and Income-tax brought in £1,258,000, as compared with £1,502,000, while Super-tax, at £360,000, was £30,000 higher. Ordinary receipts were higher at £618,200, against £74,600, but Special receipts were lower at £82,500 as compared with £1,011,100. The week's operations increased the National Debt by £979,200, and caused the following changes:—

(000's omitted.)			
Treasury Bills	+ 585	Public Department Advances ..	1,200
3 $\frac{1}{2}$ % Conversion Loan	+ 2,017	Sundries	423
	+ 2,602		1,623

The floating debt was reduced by £645,000 to £768,821,000.

FINANCIAL YEAR, 1925-1926 (April 1st to Nov. 28th).

£		£	
Total Expenditure ..	507,046,924	Raised by Revenue ..	446,354,936
		Decrease in Balances ..	3,358,557
		Amount borrowed ..	57,333,431
Total	507,046,924	Total	507,046,924

ESTIMATES for FINANCIAL YEAR 1925-1926.

£		£	
Expenditure	799,400,000	Revenue	801,060,000
Surplus			£1,660,000.

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—British Overseas Bank, British and Chinese Corporation, Inveresk Paper Company, Chinese Engineering and Mining, Strand Hotel, E. W. Tarry and Co., and Malaya General Company. At the meeting of the Inveresk Paper Company the chairman dilated at length on the woes of the paper trade, and competition from countries using "sweated labour," but was able to announce a dividend of 15 per cent., against 12 $\frac{1}{2}$ per cent. for the preceding year.

ECONOMIST INTELLIGENCE BRANCH.

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

AFTER LOCARNO.

LOCARNO is almost in danger of undergoing the fate of Aristides, whose undoing was the excess of eulogy his virtues provoked. It was inevitable that this should be what the papers have called Locarno week, but now that it is over and the treaties are duly signed, there will be general agreement that it is the future that must henceforth claim attention and not the past. Locarno was a milestone. The conference itself made a substantial contribution to the cause of peace and reconciliation in Europe, and the actual ceremony of signature, together with the diplomatic conversations for which it gave opportunity,

have made another. The speeches at the Foreign Office on Tuesday, commendably brief as they were, were worthy of the occasion. That is particularly true of the declarations of Dr Luther and Dr Stresemann, who alone of the delegates present had the record of a hard domestic fight over the treaties behind them, but there was, in fact, little to choose between the spirit in which M. Briand held out the hand of friendship and the spirit in which the German delegates grasped it.

But tempting though it may be to dwell on an episode so hopeful, the one thing that matters now is the effect of Locarno on the future of Europe. Already the treaties have had various secondary consequences. The evacuation of the Cologne zone has been begun, and its completion is to be accelerated so as to remove the last excuse any recalcitrants in Germany may have for urging postponement of the country's application for membership of the League of Nations. Belgium has announced her formal abandonment of the idea of carrying further the futile war criminal accusations, and France appears to be intending to follow suit. In the same order of things, though on a manifestly lower level of importance, is Sir Austen Chamberlain's decisive denunciation of the revived "Kadaver" legend.

All this has its value so far as it goes. Dr Luther and Dr Stresemann will at least avoid the reproach of returning home empty-handed. But it is by developments of much greater moment than these slight though welcome gestures that the value of Locarno must be gauged. The agreements have, of course, to be ratified by the countries that signed them. There is no good reason for much delay about that. The Reichstag and Reichsrath votes give the necessary authorisation in Germany, and in the other countries concerned there is nothing to justify delay in carrying the necessary formalities through. Apart from that, the centre of attention will now be Geneva. Germany is, of course, pledged to enter the League, and the Reichstag resolution has given Ministers full authority to make application for membership at any moment—for though the operation of the Locarno agreements must wait on Germany's admission to the League, her application for membership need not wait on ratification of the agreements. Unfortunately, the existing Cabinet appears to regard its mandate as discharged, and its members propose to resign office forthwith, thus leaving it to their successors to take the necessary steps at Geneva. That disposes of any prospect there may have been of an immediate application which would have admitted of the summoning of a special Assembly to admit Germany some time in January. Nothing worse than delay is threatened, and it is likely enough that Dr Stresemann will be Foreign Minister in the new administration as in the old, but, in view of the importance attaching to Germany's co-operation at Geneva, the sooner it becomes a practical reality the better.

Meanwhile there are certain indications, almost impalpable but unquestionably with some reality behind them, that the actual signature of the Locarno treaties is recognised at Moscow as a new and vital factor in the political life of Europe. The old cry that the accords mean an aggressive move against Russia is still being sustained, but it cannot be supposed that any responsible person in Russia believes it. Sir Austen Chamberlain has made declarations on that point sufficient to dispel the most insistent suspicions, and so long as the door of the League of Nations (the ordinary door, not a special entrance) stands open for Russia it is futile to affect to discover in a series of agreements which happened to be concerned with areas of Europe outside Russia, and which are manifestly defensive, and only defensive, in character, some sinister marshalling of the armies of Europe for aggression in the East. M. Tchitcherin is sagacious enough to grasp the real situation, and to recognise that the Locarno agreements do affect Russia's position to this extent, that if at any moment she herself contemplated aggressive action, or were still cherishing the idea of a Russo-German bloc with interests and intentions opposed to those of Western Europe, the day for the realisation of any such hopes has passed. Germany, as signatory of

the Locarno agreements, and as prospective member of the League of Nations, has thrown in her lot definitely with the Allied States (as it is still convenient to call them) in their resolve to keep peace unbroken.

That the policy of the Soviet Government has completely adjusted itself to this new situation is unlikely, particularly as the Commissar for Foreign Affairs has been away from Moscow for more than two months. But the successive visits of M. Tchitcherin to Warsaw, Berlin, and Paris, coupled with rumours, for which there may or may not be solid foundation, of his desire to meet Sir Austen Chamberlain, are indications of a sudden interest in European diplomacy which nothing but Locarno can explain. Russia, there is some reason for assuming, recognises that with Germany in the League of Nations she can no longer maintain her attitude of contemptuous indifference towards Geneva. That does not mean, of course, that anything like an early Russian application for membership of the League is to be contemplated. Nor, it may be added, is that entirely to be desired. It will take some little time for Germany and the League to adjust themselves satisfactorily to one another, and it is as well that that process should be completed before the rather more formidable task of assimilating Russia is entered on. But a gradually increasing willingness on the part of the Soviet Government to associate itself with the technical activities of the League may be anticipated. The fact that a Soviet representative has been taking part in the last fortnight in the discussions of a League sub-committee on the measurement of tonnage in inland navigation is in itself a matter of almost negligible consequence. It has its significant side none the less, and the participation of the Soviet Government in the ill-fated naval disarmament committee convened by the League at Rome last year, and in certain of the standing activities of the Health Organisation, show that chronic denunciation of the League on its political side is not felt at Moscow to be any fatal obstacle to a certain amount of co-operation in some of its non-political enterprises. That tendency will almost certainly be found to have been stimulated by Locarno.

These, however, represent some of the ultimate consequences of the treaties just signed. The immediate questions concern Germany and not Russia. The time is at hand to put Locarno to its real test. That can be done better at Geneva than anywhere else. It is indeed at Geneva, by the nature of things, that that must be done. But concurrently there are direct negotiations between Germany and certain of her neighbours, notably the discussions now in progress with Poland over a commercial treaty, that will provide just as good a touchstone. It is hardly likely that the formal resignation of the present German Cabinet will mean the succession of an administration more Nationalist in colour. If, as seems probable, the Government is reconstructed on no very different basis from the present, a Cabinet not unlike the one which took responsibility for Locarno will have an early opportunity of proving to the world what Locarno really means to Germany.

THROUGH SAFEGUARDING TO PROTECTION.

IN the first public speech which he delivered after his return to power last autumn Mr Baldwin emphasised his recognition of the truth that the votes by which the Conservative Party was returned included very many cast by those who did not hold Conservative views. He had in mind, presumably, mainly those who would normally vote on the Liberal or Labour ticket, but who were scared into his camp by the bogey of Bolshevism. He must have reflected, too, that these very people, to whom he owes the commanding nature of his Parliamentary majority, would, even in those special circumstances, never have voted for him if they had not been lulled by his definite pledges into the belief that the Free Trade system was reasonably safe in his hands. That he had swum into power on a wave of votes of which many would normally have been used against him, Mr Baldwin professed himself determined to remember in his conduct of government. Either his memory must be atrocious or his conscience extremely uneasy. Within six months his Government

had put protectionist duties on motor cars, clocks, watches, cinematograph films, hops, and lace, had taxed silk, and had put into operation the machinery of "safeguarding" which is already yielding a new crop of tariffs, for cutlery, packing paper, gloves, and gas mantles, and promises to produce a bumper harvest of other duties. "I will not introduce a general tariff," said Mr Baldwin a year ago, and (even more recently) "I will not make the safeguarding scheme the thin end of the wedge of Protection." The hundreds of thousands of Free-traders who were lulled into a sense of security because they thought that he honestly meant what he said, are having a bitter lesson in the value of political promises.

We do Mr Baldwin the credit of believing that when he made his pledges he intended to carry them out. But he has been too weak to withstand the pressure from his own party, and has lacked the support in withstanding it, which he might have expected from his alleged free-trade Chancellor. We are prepared to believe, further, that when the Safeguarding scheme was set up Mr Baldwin did not contemplate the ease with which industrial applicants would surmount the barricade of conditions. He meant, probably, to drive the tariff car cautiously and within the speed limit. But he misjudged the power of the engine, and finding that his brakes will not work, has now lost control and is rushing with increasing velocity down a steep place into the sea of Protection.

Let us see how this has happened. The conditions to be satisfied by a tariff applicant looked, when they were issued, capable of keeping at bay any but the most exceptionally needy and deserving case. But they were loosely enough drawn to admit of varying interpretation; and the machinery, which looked as if it might be harmless, when it was new, has developed amazing propensities in the hands of a protectionist administration. An industry, thinking it would like a bite at the new tariff cherry dangled over it, submits its case to the President of the Board of Trade. To him it has to make out a *prima facie* claim. But the President happens to be a protectionist, so the first step is easy, and a Committee of Inquiry is granted. Next the protectionist President of the Board of Trade himself appoints the Committee, and in almost every case the persons appointed are so little known that the public cannot even judge the accusation that it is packed with Protectionists. The Committee sits and hears the application, but does not hear the case for the consumer or for any other interests involved. The broader ramifications of effect of a duty are not even considered. It reports. But the President of the Board of Trade not only delays the issue of the report till a few days before Parliamentary action, but entirely suppresses the evidence on which the Committee's recommendations are based. We need say no more to show that the whole procedure is suspect, inadequate, of a hole and corner variety, an insult to the intelligence of Parliament and the country, and a haphazard toying with the foundations of our fiscal system.

The reports recommending the four duties now being rushed through the House of Commons appeared as we were going to press last week, and we were only able to say of them, after a cursory glance, that they revealed that the interpretation of the White Paper conditions was purely a matter of chance. Further study shows these reports to be the most amazingly unsatisfactory documents. One of the truest remarks made in the House of Commons this week was that of Mr Philip Snowden when he said that every recommendation of the Committee's was a *non-sequitur*. Take the cutlery report as a test of this statement. First, is the industry of substantial importance? Yes, say the Committee. Why? Because it employs 8,000 workers—truly a surprising interpretation of the word substantial—and because it made knives in the days of Julius Cæsar! Secondly, are competing goods being imported and retained in abnormal quantities? Here, although no comparable figures for 1913 are available, an affirmative answer is given to all branches coming under the application, even though the figures given show enormously lower than in 1920. Turning next to the question whether similar imported goods are being sold at prices impossible to home manufacturers, the Committee again say "yes" on the flimsiest of evidence. Here is

the relevant passage: "Whatever difference there may be in the qualities of the steel and in general durability, the articles have the same appearance and finish....." If a business man, like the Committee, were satisfied with merely superficial appearances, he would soon be in the bankruptcy court. The next question is whether import competition seriously affects employment in this country. Another affirmative, of course, is given by the easy-going Committee, who give it in spite of their admitted inability "to obtain the actual statistics of unemployment in the cutlery industry." On the next question, whether competition is "unfair," the Committee make the usual reply, but make no better case for it, for the most they can do is to make a very dubious kind of estimate of relative wages in England and Germany. On the next count, whether the industry "is being carried on with reasonable efficiency and economy," the Committee are guilty of downright contradiction. They return the usual "yes," but reach that conclusion by arguing that Sheffield manufacturers "are desirous of bringing their factories up to date," and want a tariff to help them to do so. So admittedly the factories are not up to date. Yet they pass the Committee's efficiency test. Finally, without mentioning export trade, the Committee dismiss the contention that any seriously adverse effect could be produced in other industries by a duty on cutlery. On every count discussed the Committee's treatment of the subject is so insufficient, lax, and even ignorant, that the report is absolutely worthless from start to finish.

The other three reports, if not quite such amazingly bad pieces of work, are heavily tarred with the same brush. Here are a few points illustrating the fact. Gas mantles only employ 1,624 people, but they are said to be "of substantial importance" for some abstruse reason connected with the "key industry" argument. Competing imports are said to be abnormal, although the figures given only take us back to 1920, and show a decline in 1924. Employment "has not varied greatly in recent years"; figures adduced to suggest unfair competition are admitted to be unreliable; as regards the efficiency question "in regard to factory on-costs and in regard to general overhead administration expenses, there is room for considerable improvement." Not one word of justification for a duty on the basis of the White Paper is to be discovered anywhere, yet one is recommended. Take next the Report on gloves. One condition which, according to the White Paper, every applicant has to satisfy is that competing imports are abnormal. In this case the figures are instructive. Of the total British leather glove consumption in 1913, 26 per cent. was home produced and 74 per cent. imported, in 1924, home production had risen to 32.5 per cent., and imports had dropped to 67.5 per cent. Yet leather gloves pass this test for some reason which we utterly fail to fathom. With fabric gloves the story is the same; the British manufacturer has a greater share of the home market than in 1913, but the Committee regard it as a "post-war industry"—there was nothing about that in the White Paper—now capable of supplying the entire home market, and so with absolute disregard for the conditions which they were supposed to apply recommend a duty, even though it is admitted that the evidence regarding the unfair nature of the competition "was very conflicting." Into the Report on wrapping and packing paper we have not here the space to enter in any detail, except to say that a duty is recommended after admission that efficiency of the British mills leaves much to be desired, while most of the other tests are passed in as dubious a method as those which we have enumerated in the case of the other industries.

This rapid survey of some points in the Reports suffices, perhaps, to give an idea of the fantastic grounds on which the Government is forcing through Parliament piece-meal measures of high protection, which threaten, as they multiply, to permeate our fiscal system, which cannot improve, and may even aggravate, the unemployment problem, and which immensely discourage at the very outset the embryo attempts at an international onslaught on tariff walls. Where will the process end? A frontal attack on the Free Trade position by the straightforward proposal of a general tariff would be

easier to meet and resist than this spasmodic and uncorrelated infiltration by back-door methods. How far, we repeat, is the process to be allowed to go? The country is entitled to a clear statement by the Prime Minister. But the amazing thing about the debates in the House of Commons this week is that, while these new tariffs were being forced through by the closure, and while the Prime Minister's political honour was being gravely indicted hour by hour, neither Mr Baldwin nor Mr Churchill spoke a word, or, indeed, listened to more than a small portion of the debate. Pre-occupation with the Irish negotiations may perhaps serve as an excuse; but nothing will excuse much more delay on the part of Mr Baldwin in taking up the challenge.

THE FINANCIAL PROBLEM IN FRANCE.

AT last a step towards the solution of the French crisis has been taken. On Thursday, following a strong appeal by M. Briand, the drastic financial proposals of M. Loucheur (described by our Paris correspondent on a later page) passed the Chamber by a majority of 28, for which Socialist abstentions were largely responsible. The object of the political manœuvres of last week is now clear. It was to explore every possible avenue to satisfy Socialist opinion, this having to be thoroughly attempted before the Radical Socialists could be reconciled to working with groups nearer to the Centre. M. Briand was quick to recognise this vital factor in the situation. On the other hand, in spite of the evidence that the Cartel des Gauches cannot work together as a harmonious force, no one believes that a fresh appeal to the country would substantially alter the composition of the Chamber. The fundamental reason for this is that France is now profoundly persuaded that her interest is to pursue the policy of Locarno, not of the Ruhr. Even if any doubts on this point remained, the present financial crisis compels France to realise that any reversion to the latter policy would be suicidal.

We print below a French view of the financial and political problems with which France is wrestling, which comes to us from an eminent French observer. It was, of course, written before the developments of the present week:—

The problem which M. Painlevé attempted to solve with distinguished courage presents to any Government two inseparably connected aspects—the political and the financial. From the political standpoint, the crisis of the franc demands immediate action, which requires a disciplined Parliamentary majority, prepared to pass the necessary new taxation at once. Had a sufficient group detached itself from the old Bloc National to constitute, with the Radical Socialists, a working majority, M. Painlevé would not have been obliged to turn to the Socialists, and so incur the reproaches of the Conservative parties. As it was, the little group composed of MM. Landry, Le Trocquer, and Colrat—who had all served under M. Poincaré or M. Millerand—only decided a few weeks back to break with the Bloc National and approach the Cartel. Moreover, it was not strong enough to free a Republican Government from dependence on Socialist support in the Chamber. This Socialist support, in its turn, has involved, for every Cartel Government to date, a fatal weakness in the Senate. Those, however, who regard the Senate as simply intransigent make a profound mistake. It is far too well aware of the financial difficulties to fail to see the urgent need of new taxation. It has, moreover, too much political sense to force a violent conflict with the Chamber which must disturb the country, cause a fresh slump in the franc, and benefit exclusively the most reactionary section of the Bloc National. Nevertheless, the Senate would be loth to accept a plan which, even if only in form, looked like a class rather than a broadly national measure. Will the Socialist party display enough political sense to see this? Or is it, also, to be split into two sections, of which the more reasonable will support a "Ministry of Concentration," in line with the unspoken hopes of the Senate? This is the secret of to-morrow.

On finance, the new Ministry will have to take its prescriptions from the same pharmacopœia by M. Painlevé. The gist of his plan, as of that first adopted by M. Cail- laux, was to ask for three and a-half milliards to balance

associations, is making itself felt. It was evidenced at the time of the session of the Royal Commission on Food, and comes to the surface again whenever there is any kind of trade investigation, especially any that concerns the textile trades, who claim that they are penalised by the profitable operations of the "rings" in bleaching, dyeing, and finishing.

Fortunately, the workings of the Federal Trade Commission need not be studied in political and polemical articles in the Press. Two scholarly books are available. One just issued in French,* is the work of an American who, after a period as director of comparative social economics at Lyons, has returned to Illinois as professor of economics there. Moreover, a year ago another American, Mr G. C. Henderson, issued a very impressive, if critical study, published by the Yale University Press†. Mr Henderson's book looks at the work of the Commission mainly from the angle of a lawyer, concerned with an experiment in administrative law; Mr Wassermann takes a more comprehensive view, and gives a fuller description. With these two volumes to guide him, the student can get a clear and complete picture of the origin and work of the Commission, established in 1914 as the result of a widespread demand for a new administrative agency and tribunal to carry out the anti-trust laws. Opponents of the trusts were at one with the big business interests in holding that the courts were not the right authority, since their outlook was purely legal, while the problems to be dealt with required for their solution business and economic judgment. This was more particularly the case since the Supreme Court had in 1911, during the proceedings against the Standard Oil and Tobacco Trusts under the Sherman Act, propounded the so-called "Rule of Reason"—ruling that the Sherman Act prohibited only those contracts, combinations, and conspiracies which *unreasonably* restrained trade. This suggested that the decision of the Court in any particular case was likely to depend largely upon the economic views of the judges.

The Federal Trade Commission Act provided for the appointment of a Commission of five members, with a secretary, administrative, legal, and clerical staff. Its functions were partly investigatory, and partly of an administrative and judicial order, being connected with the suppression of certain acts and practices prohibited by the Act itself or by the Clayton Act, which was passed also in 1914. In connection with its investigatory functions the Commission was to take over the Bureau of Corporations, an organisation established some years earlier. The powers of investigation granted to the Commission were very wide, though not unlimited; much useful work has been done, and a number of valuable reports have been published.

The Commission has power to issue and serve a complaint upon any person or corporation believed to be carrying on any of certain practices, or to have performed any of certain acts prohibited by the Federal Trade Commission Act or the Clayton Act. The complaint calls upon the parties concerned to "show cause why an order should not be entered by the Commission requiring such person.....to cease and desist from the violation of the law so charged in the complaint." The Commission was given no power directly to enforce an order made by it, but if the order were disobeyed it could apply to the circuit court of appeals to have the order enforced. Alternatively, a person against whom an order had been made could apply to the court to have it set aside as invalid. In either case there might be appeal to the Supreme Court on *certiorari*. The courts were instructed in the Acts that "the findings of the Commission as to the facts, if supported by testimony, shall be conclusive," but otherwise they were left to interpret the law.

The prohibited acts and practices with which the Commission is concerned are briefly as follows:—

1. Unfair methods of competition in inter-State commerce.
2. Discrimination in price between different purchasers, except on account of differences of grade, quality, &c., or differences in cost of selling or transportation.

* "L'Oeuvre de la Federal Trade Commission." Par Max J. Wassermann. 1924. (Paris) Giard. 50 frs.
† "The Federal Trade Commission." By G. C. Henderson. Yale University Press. 1924.

3. Sale, leasing, &c., of goods on condition of exclusive dealing, where the effect may be substantially to lessen competition or tend to create a monopoly.
4. Acquisition by one corporation of stock in another, where the effect may be substantially to lessen competition between them, or to restrain commerce, or tend to create a monopoly.
5. Interlocking directorates between competing companies with a capital of more than \$1,000,000.

The importance of the results achieved by the Federal Trade Commission in its judicial capacity has certainly fallen far short of popular expectations at the time when the legislation of 1914 was passed, and also, no doubt, of the expectation of the Commission itself. This is primarily due to the severe limitations which the courts have placed upon the powers of the Commission by the interpretation of the Trade Commission and Clayton Acts. The Commission had supposed that it was endowed with discretion in deciding what were unfair methods of competition, but the courts held that this was a matter for legal interpretation. Mr Henderson observes that "if the Commission is, by these decisions, shorn of all power to exercise administrative discretion in matters of unfair competition or of restraint of trade, and monopoly, it has become little more than a subordinate adjunct of the judicial system." He thinks, however, that the decision of the courts may mean merely that it is for them to decide ultimately the limits within which practices may reasonably be held by the Commission to be unfair.

Another limitation of the Commission's authority, as defined by the Supreme Court, is that the order can prohibit only the method of competition or other practice charged in the complaint. However reasonable this may seem, it leads to great difficulty in drawing orders. If the order is too general it goes beyond the practice complained of, and if it is too narrow it can be evaded by a slight modification of the practice.

Apart from the limitation of authority by the Courts, Mr Henderson considers that many of the Commission's findings are open to serious criticism on the ground of accuracy and fairness. Mr Wassermann, it may be noted, disagrees with him here; and Mr Henderson admits that the later findings show improvement, and he also notes that in the extra-legal proceedings known as "Trade Practices Submittals," the reports "are invariably more illuminating, more judicial in tone, and more imbued with the scientific spirit, than are the findings entered in formal proceedings." The "Trade Practice Submittal," it should be explained, is a voluntary procedure, under which the fairness or unfairness of any trade practices which have grown up or are growing up are discussed by representatives of the industry in the presence of the Commission.

Many of the cases dealt with by the Commission involve deceptive or dishonest practices of a kind which are judged in this country by the ordinary courts, under such legislation as the Merchandise Marks Acts. Others relate to practices in restraint of trade, i.e., to practices which it was more particularly the purpose of the anti-trust acts to suppress. The harvest of practical results achieved in these latter cases is quite meagre.

In other cases involving unfair price tactics, Mr Henderson finds that the records of the Commission indicate no attempt to grapple with the difficult questions of law and accountancy involved, or to analyse the business facts necessary to a decision. The trade boycott cases were as a rule more satisfactory, but the Commission has handled them just as a court would handle them, except that its powers are more restricted, its procedure less flexible, and its remedy less prompt. Much the same holds of cases involving the question of price maintenance schemes. In the cases involving trade discounts the Commission's work proved ineffective, because it was based on a theory of law which the courts rejected. In the cases involving "tying clauses and contracts for exclusive dealing," the record has been one of consistent failure. The Commission waged a special campaign against the system under which the leading oil refiners leased tanks and pumps bearing their name or distinctive mark, to retailers at virtually nominal rentals on the understanding that the retailer would use them only to sell the lessor's brand of gasoline. No less than 35 separate orders were issued condemning the practice, and from the point of view of

time and expense these cases represent, according to Mr Henderson, probably the greatest single effort of the Commission to deal with a trade practice deemed to be injurious. The result, however, was a complete failure, for wherever an order was appealed against it was set aside by the Courts.

Nevertheless, both Mr Henderson and Mr Wassermann take an encouraging view of the future, though in Mr Wassermann's case native optimism, and a Latin predilection for centralising machinery, is clouded by the sense of the assembling forces, marshalled against this comparatively youthful institution.

BRITISH SEWING MACHINES.

CONSIDERING that so many of the improvements effected in sewing machines had their origin in America, it is surprising that British trade in these goods has shown such an uninterrupted advance for the last 35 years or so. It is true that one of the first machines of any promise was invented by an Englishman, but it was a crude production, and it was not till the American improvements were effected that the sewing machine began to take its place as a universal household requisite. America has certainly contributed far more towards the perfecting of the machine than we have done, and yet our trade in it has been continuously progressive.

That trade was badly hit by the war, and by the post-war slump. A considerable recovery has, however, already been made, as the following shows:—

RECENT OVERSEAS TRADE IN SEWING MACHINES AND PARTS.

	Imports.		British Exports.	
	Tons.	Thous. £.	Tons.	Thous. £.
1913	2,790	413	33,259	2,368
1920	1,897	721	23,343	3,937
1921	1,816	295	9,291	1,782
1922	1,198	502	19,823	2,946
1923	1,128	445	19,430	2,568
1924	1,222	563	21,712	2,429

From a third to a half of the imports are re-exported, as will be seen subsequently, so that these need not detain us. British exports are what concern us most, and it will be noticed that these fell from 33,259 tons in 1913 to only 9,291 tons in the great trade slump of 1921. The revival since has been both marked and sustained, and the results of the present year will carry it much further. For the ten months to October last shipments have aggregated 23,778 tons, valued at £2,436,000, and the year will probably end with a total of 29,000 tons, worth about £3,000,000.

This is a remarkable recovery, and next year should see the handsome beating of our pre-war record in quantities shipped.

A noticeable feature of the trade is that the great bulk of the goods are sent out of the country in parts. In 1924, for example, out of the 21,712 tons shipped only 2,760 tons went as complete machines, the remaining 18,952 tons being in parts. The manifest explanation is provided by import duties. These are usually much heavier on completed articles than on parts, which have to be "assembled" into complete machines after arrival in the country of destination. Doubtless this is why our manufacturers find it preferable to export their machines so largely in the form of "parts." However, it matters little to us whether they go in one form or in the other. If they go in sufficient quantity, that is all we need care about.

In considering the distribution of the trade we have to remember that before the war an overwhelming proportion of the business was done with the Continent of Europe. The 1913 exports of £2,368,000 went in the proportions of £1,877,000 to Europe, £218,000 to other foreign countries, and £273,000 to British Possessions. In other words, nearly 80 per cent. of the entire overseas trade was done with the Continent. Surprisingly large though this proportion is, it will be easily understood when we remember that Russia (at that time our best customer by far) took no less than £840,000 worth of these goods in that year. Seeing that over one-third of our entire exports thus went to one European country alone—and that country the one which has suffered

so terribly from the war and its consequences—it is remarkable that the trade has already made so vigorous a recovery. What it may be expected to do when Russian affairs again approach the normal will be seen from the following table:—

DESTINATIONS OF EXPORTS OF SEWING MACHINES AND PARTS. (In Thousand £.)

	Five-year Averages of—					
	1894-98.	1899-03.	1904-08.	1909-13.	1914-18.	1919-23.
Russia	164	517	709	647	228	7
France	178	237	212	214	219	581
Spain	25	97	75	99	81	166
Italy	76	110	113	149	105	173
Turkey	25	46	52	72	20	29
Other foreign countries	434	534	565	611	430	941
Total foreign countries	902	1,541	1,726	1,792	1,083	1,897
British Possessions	57	91	116	224	426	704
	959	1,632	1,842	2,016	1,509	2,601

Russia's average for the five years immediately preceding the war was £647,000, and if she had taken the same quantity of goods during the five years to 1923, their value at the prices then ruling would have been a long way in advance of £1,000,000, instead of the £7,000 worth of goods she actually bought. Clearly, the recovery of Russia is earnestly to be desired by all interested in the sewing-machine industry.

The most pleasing feature of the table is the excellent recovery of trade with France. In 1913 the actual quantity sent to that country was 4,806 tons, worth £218,000; in 1923 it was 4,649 tons, valued at £509,000. This is the degree of revival that we have to look forward to when Europe is herself again; and it will mean the raising of our exports to a value of nearly £4,000,000 per annum. Prices have, of course, fallen considerably since 1923, but they do not seem likely to fall much further. Our principal competitor in this trade has always been the United States, and cheapness is not generally that competitor's strong point.

The secondary competitor is Germany, but she has so many heavy handicaps to work under that we shall probably have little to fear from her for some time to come.

Meantime our own exports are going ahead in a highly satisfactory manner, and it will now be interesting to see how they look when we take a bird's-eye view of the trade over the past 36 years. In doing this we must confine ourselves to values alone, as quantities have only been recorded by the Board of Trade since the year 1908. This, then, is the progress we have made:—

BRITAIN'S OVERSEAS TRADE IN SEWING MACHINES AND PARTS. (In Thousand £.)

Five-Year Averages—	Imports.	Re-Exports.	Net Imports.	British Exports.
1889-93	233	27	206	716
1894-98	271	39	232	959
1899-03	331	62	269	1,632
1904-08	404	165	239	1,842
1909-13	366	126	240	2,016
1914-18	366	108	258	1,509
1919-23	517	295	222	2,601
Single Year—				
1924	563	195	368	2,429

For years previous to those covered by the above table the statistics are not easily available. It may be said, however, that in 1886 net imports were £182,000, and British exports £435,000; while still further back, in 1882, net imports at £202,000 were about 42 per cent. of the British exports at £487,000. The great advance since made will be realised when it is noted that in 1924 net imports were only 15 per cent. of British exports.

It is well to observe, too, that the greatest part of the advance had been made before 1908. The establishing here of an important American enterprise in 1905 can therefore have had nothing to do with it. English initiative and vigour—admittedly making large use of American inventions—was entirely responsible for the progress made.

Moreover, it should be noted that this American firm does the whole of its manufacturing for its British home and British export business at its extensive works in Scotland. Indeed, the organisation may be said to be wholly British, save for the American ownership of the capital. And the goods made at its Scottish factory have not only a large sale in this country, but also a wide and excellent reputation all over the European Continent.

We have said that our principal competitor is the United States. It is, however, very easy to over-rate the strength of that country's competition if only the gross exports of the two competitors are contrasted. Roughly, about a fourth of America's exports goes to nations in North and South America, where the markets for British machines and parts are negligible. Somewhat less than a fourth goes to Europe, which, as above mentioned, took 80 per cent. of our exports in 1913, and even in 1923 (when Russia was eliminated as a customer) still took as much as 60 per cent. of the goods we shipped. It will be realised that the distribution of the two countries' trade is entirely different, and that America's competition with us in our particular markets on the European Continent does not amount to much.

Perhaps a postscript may be added on the lack of clearness in our trade returns. From these it is impossible to discover whether our Board of Trade's classification covers any industrial sewing machines, as well as domestic sewing machines; and, if so, how many varieties of industrial machines are included. Certainly all of them are not grouped under the sewing-machines heading, for some are grouped under other headings in the machinery section—such as stitching machines for use in the bookbinding trade. Then, again, one wonders whether the heading of "Boot and shoe-making machinery" covers the sewing machines used in that trade or not. If not, it is to be presumed that they will be classed with the sewing machines. In short, we are left guessing at every turn on matters that should be made quite clear.

In the American trade returns there is perfect clearness. We have the headings, "Sewing machines for domestic use" and "Sewing machines for factory or industrial use," and then as regards the bootmaking trade there is the heading, "Shoe-making machinery, except sewing."

The imperfection of our own trade returns thus makes it impossible to attempt any exact comparison with the American statistics—a comparison which would have been of great interest and utility. It is to be hoped that something will be done to improve our trade statistics in this and in other respects.

PROCEEDINGS OF THE COAL COMMISSION.

A summary of the main points of the previous evidence will be found in our issues of October 31, and November 7, 14, 21, and 28, 1925.

THE Coal Commission resumed its sittings at Westminster Hall on Tuesday last, when evidence was given by Mr T. H. Bailey on behalf of the pioneer companies, which sink borings in areas believed to be coal-bearing, and make over proved fields to colliery companies, usually in consideration of deferred payments on subsequent output. These arrangements were stated to involve, as a rule, the payment of one penny or more super-royalty per ton raised. The work was described as extremely speculative, and although pioneering companies have been in existence for 25 years, in many cases where deposits have been proved the productive stage has yet to be reached.

Mr Frank Hodges gave evidence on behalf of the Miners' International Federation, whose main purpose he defined as the levelling up of conditions in all producing countries to those of the best-situated States. To that end, he suggested the creation of a representative International Coal Council to regulate the distribution of the available output. Severe competition between the two largest coal-exporting countries—Great Britain and Germany—had, Mr Hodges believed, had an unfortunate effect on the industry of both during the last two years. He suggested that the establishment in this country of syndicates of coalowners analogous to those of Germany, with powers to fix prices and output in each district, and having a central body on the lines of the Reichskohlenverband, would be an important first step. Apart from any question of international control, the central body would be in a position to negotiate with similar bodies abroad for the elimination of waste and overlapping, and its effectiveness would be increased if representatives of

the Government and the miners were included. The witness admitted that in Germany the policy followed by an analogous body had tended to raise domestic prices to compensate for the losses in the export trade, and suggested that public regulation of prices similar to that obtaining on the railways might eventually be called for.

On Wednesday, after the cross-examination of Mr Hodges had been concluded, evidence was given by Mr C. P. Markham, a coalowner controlling one-twenty-fifth of the annual British production. The witness described the methods by which his business had been built up, and strongly criticised any proposals which would tend to lessen competition in the industry. He advocated the working of an extra hour daily at the face, the closing of old pits which were no longer able to compete with the large output of the modern collieries, and a policy of friendly agreement with the workers with the object of adjusting British conditions as regards wages and other costs to a common basis with those of other countries. The witness strongly criticised various aspects of trade union policy.

On Thursday Mr H. F. Smithson submitted evidence on behalf of the National Association of Colliery Managers. Mr Smithson emphasised the fact that the managers bore the sole responsibility for mining operations, and urged the maintenance of this state of affairs. He believed that the managers as a whole were sympathetic towards the workers' suggestions in the matter of health and safety conditions, and that the conciliation machinery in operation at each mine had in practice given good results. He did not believe that there was any objection on the part of the miners to the introduction of machinery, nor was there any deliberate restriction of output, but absenteeism, due to "human" factors, was a definite evil.

Lieut.-Colonel M. G. Thwaites submitted evidence on behalf of Low Temperature Carbonisation, Limited, stating that small coal, the output of which was estimated at some 60 million tons annually, and had a market value of 2s 6d per ton, was capable of conversion into a commodity worth 30s per ton. Other advantages would accrue from a lessening of the risk of mine explosions due to finely divided coal and the production of large quantities of oil at present imported from abroad. A plant of 1,000 tons daily capacity would have an annual output of 1,260 million cubic feet of gas, 235,000 tons of "coalite," smokeless coal, 6,300,000 gallons of fuel oil and lubricating oil, 900,000 gallons of motor spirit, and 2,280 tons of sulphate of ammonia. The witness stated that serious opposition had been met with from certain bodies, but this attitude was now being modified. Evidence was also submitted by Mr Harold Nielson on behalf of Sensible Heat Distillation, Limited, as to the economies which would result from widespread adoption of distillation processes, and the Commission adjourned.

Notes of the Week.

An Irish Agreement.—It was suggested in these columns last week that the deadlock over the Irish boundary problem might become the occasion for a more comprehensive agreement with a temporary agreement on the present boundary as its basis. This hope has been fulfilled. All the week the Premiers of Northern Ireland and Baldwin and his colleagues, and all three parties are to be congratulated on their success in hammering out the agreement which was published late on Friday night. The gist of the agreement is as follows:—The Boundary Commission's powers are revoked; its report is not to be published and the boundary line between Northern Ireland and the Free State is to remain as before. The Free State is relieved of the obligation, placed on it by the Treaty, to contribute towards the service of the British debt and Treaty, but assumes full liability for malicious damage to property in the Free State since January 21, 1919. The Free State further agrees to repay damage compensations paid since that date by the British Government, and to

increase by 10 per cent. the compensation to be paid under the Damage to Property (Compensation) Act, 1923, for malicious damage done between July 11, 1921, and May 12, 1923. Five per cent. stock or bonds are to be issued for this purpose. The powers of the Council of Ireland are transferred to the Government of Northern Ireland, and "The Governments of the Free State and of Northern Ireland shall meet together as and when necessary for the purpose of considering matters of common interest arising out of or connected with the exercise of the said powers." The enforcement of this agreement requires identical legislation by the British and Free State Governments. In the meantime, the profit and loss account of the bargain will be carefully studied, and, since there is already talk of substantial opposition and possibly an appeal to the electorate in the Irish Free State, it is too soon as yet to throw up our caps. We may, however, echo the hopes expressed in harmony by Sir James Craig and Mr Cosgrave that an important step has been taken towards real Irish peace.

Parliament and the Communist Trial.—In the House of Commons on Tuesday the leader of the Opposition moved a vote of censure on the Government in connection with the Communist trial. The result, a rejection of the motion by a large majority, was, of course, a foregone conclusion, and the debate itself, though mainly unexceptionable in tone, suggests little addition to the comments made on the trial in these columns last week. There was no disposition in any quarter of the House to impugn the fairness of the trial or the justice of the verdict, and abhorrence of the Communist doctrine was manifest in all parties except the Communist Party, which consists of one member. Mr MacDonald made debating points by citing revolutionary speeches by present Ministers at the time of the Ulster crisis, and Sir William Joynson-Hicks cried "peccavi" in that connection; and the latter, when faced with quotations from his recent platform references to the trial in question, argued, rather weakly, over the accuracy of newspaper reports. Otherwise the debate turned on the limits of free speech and the expediency of the prosecution. As we have said before, the trial created a bad impression, not because of its method of conduct or its result, but because of the political atmosphere cast around it by the Home Secretary. On the whole, the House of Commons debate may be said to have cleared the air. All sections of the House vied with each other in spoken devotion to the liberty of speech and action within the limits prescribed by the safety of the community, and the Home Secretary, we believe, will have learnt the necessity of importing discretion and unequivocality into his public utterances on delicate matters.

A Cabinet for Spain.—Technically the Dictatorship in Spain is over. After discussions and an interchange of letters with King Alfonso, the Marquis de Estella has formed a Cabinet in which certain civilian elements are incorporated with members of the old junta. It is too early as yet to assess the inward meaning of this outward manifestation of a change in the form of government. But we find it a little difficult to swallow at the first gulp the propaganda by which foreign countries are being taught to believe that a real return towards constitutional government has been taken. The first Spanish Press comments that came through suggest that the change is superficial; and so far we have seen no hint of any intention to consult the wishes of the Spanish people. It appears at first sight, indeed, that all that has been done is to give the old dictatorship a thin veneer of civilian polish. The reasons for the secrecy with which the approach to this change was made are somewhat obscure; but one interesting point about the affair is the emergence of the figure of King Alfonso as something rather more than a cipher in Spanish public life.

Indian Cotton Excise.—The Indian Government's announcement of the suspension of the collection of the Excise Duty on cotton goods and its withdrawal in the next Budget is by no means a bolt from the blue. Indian pressure for its removal has long been irresistible enough

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to draw from the Viceroy promises of its abandonment as soon as the Budget position warranted such a step; and even those who dislike the measure most find consolation in the evidence which the announcement gives of the improvement in India's public finances and economic position. But even though this lifting of the Excise Duty was known to be only a matter of time, those who remember the storm aroused in 1921 by the increase in the import duty without a simultaneous increase in excise, may be surprised at the quiet, if pained, acquiescence of Lancashire. Explanation is afforded by our Manchester correspondent, who writes as follows:—"On Tuesday afternoon, at short notice, there was a special meeting in Manchester of representatives of the spinning and weaving employers and the Manchester Chamber of Commerce to consider the situation, and after a comparatively short discussion an official statement was issued. The view was expressed that owing to the changed situation in India, and recognising that India's own needs are best determined by the Government of India, the reasons for the action of the Viceroy in suspending the Excise Duties are appreciated. The statement goes on:—"

"If the industrial and general situation in India improves in the way in which it is so much desired, it is clear that the Lancashire industry may hope for better trade as a result. That there is a potential purchasing power in India sufficient to engage the producing power of both Indian and Lancashire industries cannot be doubted. In the interests of the consumers of India, we trust not only that the position of Lancashire may not be further prejudiced, but also that, as and when the finances of India permit, the Import Duty on Lancashire cotton goods may also be reduced. It is to be hoped that in the new situation now created we may find ourselves moving towards a position where the needs of the Indian market will be met to an increasing extent by her own manufacturers in their class of product, and by Lancashire in the types upon which she will naturally concentrate. Such a state of affairs would satisfy the legitimate aspirations of India, whilst not doing injustice to the Lancashire industry. If this situation, frankly recognised by both parties, could lead to the fostering of a better spirit of mutual sympathy, support, and accommodation, we would be prepared to accept any difficulties which may be imposed on Lancashire by the present decision in a generous manner."

The views expressed above read very strangely when the bitter controversies of the past on this burning subject are remembered. The fact of the matter is that times have changed. India has now fiscal autonomy, and it is useless for Lancashire to make protests against reductions in Excise Duties or increases in Import Duties. It must not be forgotten that this action of the Indian Government will probably be a more serious matter for Japan than this country. Lancashire realises more fully than ever that in the future she will have to concentrate her machinery more and more on the finer makes of cloth, and leave the coarser materials to be made by the mills in the East. During the last few years leading authorities have noticed a desire on the part of Indian consumers of cotton cloth to purchase higher quality goods. If this is maintained and extended, as there is reason for thinking that it will be, if the purchasing power of the natives is increased, then cotton manufacturers in this country have nothing to fear. It is primarily desirable that a spirit of friendship and goodwill should exist between the people of this country and of India."

Our Index Number.—Very little change in the general level of wholesale prices is shown in our Index Number as at the end of November. The net change is a decline

of 5 points, but this results from the offsetting of a substantial increase in primary foodstuffs by a similar decline in textiles. There was also a further decline in the minerals group, which was partly counter-balanced by a small increase in secondary food products. The table below shows that the end of November total is 4,322. This compares with 4,550 at the end of April last, and 4,833 at the end of November, 1924 :—

Date.	Cereals and Meat.	Other Food Products (Tea, Sugar, &c.)	Textiles.	Minerals.	Miscellaneous (Rubber, Timber, Oils, &c.)	Total.	%
Basic (avg. 1901-5) ..	500	300	500	400	500	2200	100.0
End July, 1914	879	382	616	464	853	2568	116.6
" Nov., 1918	1289	782	1848	903	1389	6212	282.6
" Mar., 1920	1808	915	2974	1246	1709	8352	379.6
" Dec., 1921	1344	805	1284	1216	1275	5924	269.8
" Dec., 1922	921	636	1106	762	931	4357	198.0
" Dec., 1923	861	706	1184	705	807	4264	193.8
" Dec., 1924	853	815	1382	774	755	4580	208.2
" Mar., 1925	897	843	1313	805	780	4640	210.9
" June,	914	736	1347	764	769	4531	205.9
" Sept.,	1003	777	1395	762	790	4729	214.9
" Dec.,	992	789	1452	815	806	4855	220.7
" June, 1925	885	704	1234	736	791	4351	197.8
" July,	908	698	1274	756	809	4446	202.1
" Aug.,	952	718	1235	748	796	4450	202.3
" Sept.,	934	702	1250	752	788	4427	201.2
" Oct.,	886	699	1203	749	788	4327	196.7
" Nov.,	918	704	1174	737	787	4322	196.4

The increase of 32½ points in primary foodstuffs, which follows a decline of 48 points in October, is almost entirely due to increases in both foreign and home-grown wheat and in flour, the latter having risen by 7s per 280 lbs during the month. These increases are partly offset by a decline in barley. Beef and pork are higher on the month, but mutton is a little lower. In subsidiary foodstuffs changes are small, and are confined to slight rises in tea and sugar. Cotton prices continued to decline in the first part of the month, but the Washington forecast issued on November 21st, showing a slight reduction in the estimated yield from the United States, checked the downward movement. Egyptian cotton, however, shows a substantial decrease for the month, and cotton yarn is a little lower. Wool, both English and Australian, is unchanged, and a rise in hemp was offset by a similar decline in flax. Jute remains at the high figure to which it rose in October. In the minerals group the only movement of note is a decline of 10 points in lead, copper showing a slight drop, and tin being unchanged. In the miscellaneous section a further rise in rubber was counteracted by a decline in timber, and an increase in vegetable oils by a similar decrease in tallow. In the next table we show the changes in each commodity's index number, as compared with the end of October, the figure 50 representing in each case the index for the basic period of 1901-5 :—

	Index Number.	Inc. or Dec.		Index Number.	Inc. or Dec.		Index Number.	Inc. or Dec.
Wheat—For..	102	+ 9	Cotton, A	95	- 2	Copper	50	- 1
English	88	+ 7	Cotton, B	134	- 23	Minerals	737	- 12
Flour	98	+ 14	Yarn	105	- 3	Baltic timber	93	- 3
Barley	87	+ 5	Cloth	123	..	Amer. timber	77	- 2
Oats	75	- 8	Wool, Eng.	123	..	Leather	100	..
Potatoes	119	+ 5	Do. Aus.	108	- 1	Petroleum	76	+ 3
Rice	78	+ 5	Silk	102	- 6	Oils	81	+ 3
Beef	89	- 4	Flax	64	+ 5	Oilseed	70	- 3
Mutton	109	+ 5	Hemp	203	..	Tallow	80	..
Pork	109	+ 5	Jute	203	..	Indigo	53	+ 4
Cereals & meat	918	+ 32	Textiles	1,174	- 29	Crystals	53	+ 4
Tea	167	+ 2	Pig-iron	71	- 3	Rubber	787	- 1
Coffee	134	+ 1	Steel rails	86	..	Miscellaneous	787	- 1
Sugar, cane	83	+ 1	Iron bars	86	..	Total	4,322	- 5
Sugar, beet	101	..	Coal, steam	116	..			
Butter	101	..	House coal	85	..			
Tobacco	116	..	Lead	150	- 10			
Other foods ..	704	+ 5	Tin	112	..			

As a result of these changes in November the total increase over the pre-war level is reduced from 68.7 per cent. at the end of October to 68.5 per cent. at the end of November. In the final table we show how the various

groups contribute to the general increase over the pre-war figure :—

End of—	Cereals & Meat.	Other Food.	Textiles.	Minerals.	Miscellaneous.	Total.
July, 1914	100	100	100	100	100	100.0
Dec., 1918	226	222	293	186	241	237.5
Mar., 1920	261	260	484	269	309	325.6
Dec., 1921	233	229	209	261	230	230.9
Dec., 1922	159	180	180	164	168	169.6
Sept., 1922	151	194	181	150	148	163.3
Dec., 1923	149	200	193	152	146	166.2
Dec., 1924	148	231	225	167	136	178.6
Dec., 1924	171	224	235	175	146	189.3
June, 1925	153	200	200	159	143	169.6
July,	157	198	207	163	146	173.3
Aug.,	164	204	200	161	144	173.5
Sept.,	161	199	203	162	143	172.6
Oct.,	153	199	195	161	143	168.7
Nov.,	159	200	191	159	142	168.5

At the end of April last the increase shown by the total was 77.4 per cent., and at the end of November, 1924, 88.4 per cent. At the latter date cereals and meat stood at 174, other food at 228, textiles at 231, minerals at 172, and miscellaneous at 145.

Working of the Coal Subsidy.—A correspondent writes:—Statistics are now available regarding the operations of the coal subvention during the three months ended October 31st last. The total claims paid by the Mines Department amount to £6,037,451, representing on the total quantity of coal raised in the period about 2s 2d per ton. The contribution of the Exchequer to the South Wales coalfield has amounted to £1,435,284, to the Eastern Federated Area £1,127,798, to Scotland £1,046,351, to Durham £1,003,987, to Lancashire, N. Staffs and Cheshire £687,357, and to Northumberland £409,413. At this rate of expenditure the cost of the subsidy to the State would aggregate over £18 millions, and as only £10 millions has been sanctioned by Parliament, a supplementary estimate would have to be introduced later on. Of particular interest is the incidence of the subsidy on the various coalfields, which may be illustrated by the case of South Wales, where the claims paid in the three months ending October have been heavier than those in any other district. The effect on the current market prices of coal has been remarkable. The middle prices ruling on November 30th, as compared with those of July 3rd, show decreases ranging from 1s 9d to 5s 1½d per ton, but the proportion of the output sold at these prices has, however, been comparatively small. The pit-head price realised in the South Wales coalfield, according to the certified joint audit, amounted in October to about 16s per ton, compared with 17s 1.92d in July. The average f.o.b. price shows a corresponding movement, being 22s 3d in October, as compared with about 23s 4d in July. The consumer, therefore, has gained enormously. On the whole of the output of South Wales during the three months, the subvention has amounted to approximately 3s 6d per ton. In August the commercial loss in the coalfield was £622,392, or 4s 9½d per ton; in September £535,274, or 3s 4d per ton; and in October £542,690, or 3s 5d per ton. It will be recalled that under the terms of the Government settlement it was conditionally provided that the owners should receive 13 per cent. of the net proceeds after the deduction from the gross proceeds of costs other than wages. In practice that arrangement has proved, in the main, simply a formula for the determination of the wage rate on the basis rates for which the owners would be liable. The minimum wage rate in the South Wales coalfield, which the miners have been guaranteed, is 42.22 per cent. on the 1915 standard rates. In August the owners were liable for a payment of only 17.95 per cent. on the 1915 standard rates, in September 19.01 per cent., and in October of 4.76 per cent. Even so, they suffered a loss on a district basis of no less than £428,756. October was the first month in which they were able to make a profit, which amounted to £105,943, equivalent to 7d per ton on the coal produced. If the net deficit on the three months' trading of £322,813 be added to the contribution of £1,377,543 which (according to the returns of the Monmouthshire and South Wales Coal-owners' Association) has been made by the State, the total

loss over the three months amounts to £1,700,356. It may be added that in November the liability of the coalowners was limited to 1.64 per cent. of the 1915 standard rates, and that in December it was further reduced to 7.22 per cent. below the standard wages. The wage rate which the South Wales owners will thus be paying during the present month is equivalent to 13.82 per cent. less than that paid by them in 1914, when the general wage rate of 60 per cent. on the 1879 standard rates then in force was equivalent to 6.6 per cent. on the new 1915 standard.

Maintenance of Services.—We have before us a circular issued from the Ministry of Health giving an outline of the methods by which the Government proposes to assure the continuance of essential services in the case of any emergency arising which threatened to stop them. The skeleton of the scheme is the division of England and Wales into ten Divisions, in each of which a Minister will in such an emergency act as Civil Commissioner, and will, with his staff, keep in touch with local authorities, be available for consultation, and give decisions if necessary. He will, also, it appears, co-operate with the local authorities in appealing for and using, if necessary, local volunteers. Responsible Labour leaders have inveighed against this circular, and affect to see in it a threat and an indication that the Government will not act conciliatorily in certain Labour disputes which may be pending. For ourselves we cannot read any such meaning into the document, nor find anything improper in it. Mr Ramsay MacDonald himself, when Prime Minister, publicly recognised in very clear terms the Government's responsibility and duty to maintain essential services in any emergency which might threaten them from whatever quarter the threat might arise. All that the Ministry of Health's circular does is to explain to local authorities the outline of the scheme which the Government has in mind for discharging this responsibility should they unfortunately be called upon to do so. To make plans is obviously correct, and plans would be of no use unless the local authorities were acquainted with them. Should volunteer assistance be necessary, the obvious duty of the Government is to appeal for it, not to any section or any private organisation, but to the whole body of good citizens. This intention is, to our reading, implicit in this circular. We should have thought that, instead of finding the circular sinister, Labour opinion should regard it as putting the feet of the Government back on the path of correctitude in this matter and as providing a timely and much-needed antidote to the Home Secretary's platform hints of the usefulness of Fascism and his overtures to the O.M.S.

The Oil Situation.—It must not be inferred, writes a correspondent, from the recent advances in the prices of refined oil products that economic conditions in the American oil industry have radically altered, but there are some indications that the crude oil commodity is "touching bottom" economically. The strength of the oil share market in London is not due to any intelligent appreciation of this prospect, but partly to a rush of French buying and partly to a blind belief that oil prices are moving upward. What advances have been made have so far been special, seasonal, or local. There is heavy export buying of American gasoline, as European importers are covering their spring requirements in the fear that crude oil prices may advance. There is the seasonal demand for fuel oil for burning, and in some districts this is intensified by the coal strike. The demand for kerosene for heating stoves has received a fillip for the same reason. There is also the seasonal demand for zero cold test lubricating oils, and premiums are being paid by refiners as a result for Pennsylvania crude oil. Hence there have been advances in the price of Pennsylvania crude oil, and in the prices of gasoline, kerosene, and fuel oil. But for the sign of any real change in the basic condition of the oil industry it is necessary to turn to the oil fields. Since the beginning of September there has been a decline in the daily average output of crude

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oil from 2,138,850 to 2,039,100 barrels. Up to the last few weeks this decline has not been important, partly because it has centred in the heavy oil districts, partly because there was a prospect of an increase in light oil output, partly because California was still producing a surplus which was being shipped to the Atlantic coast and there depressing the mid-Continent prices. Last month, however, the Californian output began to decline from about 652,000 barrels a day to about 642,000 barrels, and in the light oil field of Garber, Oklahoma, which was the danger zone, salt water suddenly appeared. It has happened before that salt water has changed an oil situation overnight. The Garber field was expected to produce its 100,000 barrels a day, but it is now believed that 60,000 barrels may be its peak. The fact that last month the biggest light oil well ever completed in America was brought in on the Garber field does not remove the possibility that the field will shortly go to salt water. This decline in light oil production makes an advance in mid-Continent crude oil prices possible, but it must be remembered that stocks of oil are still excessive, and that the Prairie Oil and Gas Company, which practically controls the mid-Continent crude oil situation, is still putting oil to storage. At the end of October there was approximately eight months' supply of oil at the current rate of consumption and exports :—

	June.	July.	August.	September.	October.
Crude oil*	420,936,000	421,857,000	419,963,000	422,645,000	420,666,000
Refined oils	125,443,000	126,195,000	126,586,000	124,783,000	124,837,000
	546,379,000	548,052,000	546,549,000	547,428,000	545,503,000

* Includes many grades of oil used as fuel.

If the light oil production continues to fall off, there will almost certainly be an increase in the price level of mid-Continent crude oils, which is the real index of the American oil situation, particularly as this is the season of the year when American oil producers like to raise inventory values to make a better showing in their balance-sheets. In the case of some of the big companies, the balance-sheets of the year are likely to appear very favourable.

Cotton Trade Short-Time.—Our Manchester correspondent writes :—As anticipated by leading authorities in the industry, spinners of American cotton in Lancashire have rejected the proposal that the working hours in the mills should be further reduced. Early in November the Master Spinners' Federation decided to recommend the members engaged on American cotton to reduce the working hours in the factories from 39½ per week to 35 per week. A ballot on this proposal has been taken, and the

result shows that the members were not prepared to give the necessary support. According to the rules of the Federation, no short time recommendation can be put into force without the approval of the owners of 80 per cent. of the spindles, but on this occasion the Federation stated that they would not consider such a vote as adequate, and undoubtedly an appeal was made for unanimous support. The result of the ballot was announced late last week, the figures being, in favour, 73.47 per cent.; against, 20.89 per cent., no replies being received from 5.64 per cent. In view of the result, the Committee did not feel justified in asking the members to reduce the working hours. It was pointed out, however that the fact that the ballot proposal had not met with success did not remove the need of a continuance of a lessening production. The committee, therefore, urged all members concerned to continue the working week of 39½ hours, instead of the full production of 48 hours.

Municipal Wages.—There can be no doubt that economy in local expenditure, which has recently been strongly urged by the Associated Chambers of Commerce, is of vital importance at the present time, but the means of effecting such economy on a wide scale are not obvious, owing to the fact that a large proportion of the expenditure is imposed upon local authorities by demands from bodies over which they have no control. In one direction, however, economy is possible—namely, in the matter of the wages of employees of the authorities. Such employees occupy a favourable position even in comparison with other sheltered industries. The wages of certain typical classes at the present time and in 1914 are as follows:—

	1914.	1925.	Increase
	s d	s d	per Cent.
Gas works labourers	25 8 ..	52 11 ..	107
Electricity "	26 6 ..	54 10 ..	107
Non-trading services labourers..	26 9 ..	53 5 ..	99
Tramway drivers	30 6 ..	59 2 ..	91
" conductors	26 7 ..	54 9 ..	106

These figures represent the average rates in the large towns. When it is considered that the average increase in weekly wages in industry as a whole is only 75 per cent., and that in many industries it is less than 70 per cent., there can be little doubt that the wages in these public utility services are unreasonably inflated. In some industries, in which the percentage increase since 1914 is high, there is some justification in the fact that the pre-war wages were unduly low, and that, in any case, some increase would have been granted in the absence of war conditions. But in the case of the local authority employees the pre-war rates were relatively high. It may be argued that local authorities should set an example to employers generally by paying a decent living wage, but it must be remembered that high wages in the municipal services can only be maintained by contributions in the form of rates from both employers and employees in other trades. At a time when some trades are barely paying their way and large numbers of workers are near the poverty line, the arguments in favour of effecting reductions in the wages of municipal employees are very powerful.

Banking in Chile.—The new Banco Central de Chile, which is organised on lines somewhat similar to the Federal Reserve system of the United States, is expected to begin operations early in January, and will be given the sole right to issue the new national currency. All the banks in Chile are called upon to take up shares to the extent of 10 per cent. of their capital and reserves, and such member banks will have the right of rediscounting with the Central Institution. The foreign banks operating in Chile are: Anglo-South American Bank, Limited, Banco de Chile y Alemania, Banco Mercantil (Oruro), Banco Yugo-Slavo de Chile, Bank of London and South America, Limited, Banque Francaise et Italienne pour l'Amerique du Sud, Banque Italo-Belge, Deutsche Heberseische Bank, Deutsche-Sudamerikanische Bank Akt. Ges., National City Bank of New York. The board of directors will consist of ten members, nominated as follows: Three by the Government, two by the native banks, one by the foreign banks, one by the public shareholders, and the remaining three will represent agricultural, industrial,

and the labour interests. It is announced that Mr Sidney H. Salmon, manager of the Santiago branch of the Anglo-South American Bank, Limited, has been appointed a director representing the foreign banks. News has been received this week that the Banco Espanol de Chile has been placed under official supervision, and we understand that a moratorium of 60 days has been granted. The effect will be purely local, as it has no branches outside Chile, and its business with Europe has been on quite a minor scale of late years.

The Tinplate Pooling Scheme.—The scheme for the pooling of orders, of which the majority of the South Wales tinplate manufacturers have approved, and which is to come into operation on January 4th next, differs, states our Cardiff correspondent, in one or two important respects from the stabilisation scheme which was recently abandoned. The main provision of the stabilisation agreement was the regulation of prices, and it was the alleged disloyalty of certain makers to the minimum prices fixed that led to the discontinuance of that control expedient. The main purpose of the new arrangement is to distribute the current volume of business as equally as is commercially practicable. The invoiced volume of trade in a particular month is taken as the basis of the participations of manufacturers in an ensuing month. A manufacturer exceeding his allotted percentage quota will contribute at the rate of 1s per box of such excess, while firms producing short of their quota will be compensated to the extent of 9d per box. Prices are left uncontrolled, and there is no specific restriction on output. The scheme is criticised by merchants on the ground that it will tend to maintain prices artificially, and by some manufacturers on the ground that it is not sufficiently penal on works of low productive efficiency.

The Course of Tin.—There has been more activity in tin this week, writes a correspondent, and cash delivery rose to £290 just before the November statistics becoming available; these showed an increase of about 2,000 tons in the visible supply, and not only tended to check new buying, but to encourage bear tactics. With America refraining from further buying, and the rise in the Bank rate, reactionary conditions were accentuated on Thursday, when prices closed at a decline of £3 15s for cash and £2 a ton for forward delivery as compared with the figures paid at the week's opening. The visible supply at a little over 17,000 tons is still about 2,300 tons less than it was a year ago. The total quantities which came into sight during November at 10,531 tons were about 2,500 tons greater than for October, owing to the exceptionally large shipments of Straits and Banca tin combined; the total deliveries in the month indicated a shrinkage of roughly 1,400 tons at 8,449 tons. So far as can be gathered, America has yet to cover a good portion of her needs for next month, and the outlook as regards general consumption is quite satisfactory, especially in the United States, where the output of tinplates is expected to be maintained at a high record well into the coming year.

Bankruptcy in 1924.—The 42nd General Annual Report by the Board of Trade on Bankruptcy* shows that the number of receiving orders and administration orders under the Bankruptcy Acts in 1924 was 4,794, a decrease of 254 in comparison with 1923; but the liabilities, as estimated by debtors, showed an increase of £1,863,100 at £12,617,100. The number of deeds under the Deeds of Arrangement Acts was 1901, an increase of 93 on 1923, but liabilities were £921,100 lower at £4,328,300. There were in all 27 cases during the year under the Bankruptcy Act in which the liabilities exceeded £40,000. In 10 of these, with liabilities amounting to £2,875,200, the failures may apparently be classified as "ordinary trade failures"; in 10 cases, with liabilities amounting to £1,307,200, the failures were apparently due to "financial and speculative enterprise apart from ordinary trading."

* H.M. Stationery Office. 3s net.

The aggregate liabilities in these larger cases, viz., £5,227,200, is over one-third of the estimated liabilities under the whole of the receiving orders for the year. The total number of estates finally wound up by the Official Receiver during the year was 3,815, an increase of 123. In 1,586 cases, or 41 per cent., the assets realised under £25, and in 620 cases between £25 and £50. The proportion of total costs to gross assets realised was 39 per cent. Failures in Scotland in 1924 were 247, as against 291 in 1923, liabilities amounting to £1,993,500, against £707,500, and assets to £199,500, against £148,500.

P. and O. Results.—The reduction in the dividend on P. and O. deferred from 12 to 10 per cent. prepared the way for a decrease in profits in the accounts of the Peninsular and Oriental Steam Navigation Company for the year ended September 30th last. The directors say in the report that they are compelled to recommend the reduction in the dividend by the poor state of trade generally, by the unrest in China, and by the unofficial shipping strike "as they consider it prudent in present circumstances to husband the company's resources." How far profits have declined it is impossible to say, as the profit and loss account shows only the "net result" after providing an unstated amount for depreciation. This was probably on a similar scale as in 1923-24, and if so, profits have declined by £73,000, the "net result" being £1,273,500, against £1,346,900 in the previous year. The following table compares results for several years past:—

	YEAR ENDED SEPTEMBER 30TH.					
	1914-15.	1920-21.	1921-22.	1922-23.	1923-24.	1924-25.
"Net result" Brought forward.	£ 494,160	£ 623,531	£ 696,661	£ 1,013,241	£ 1,346,938	£ 1,273,533
	68,703	111,939	101,305	101,799	101,873	101,034
Deb. interest..	562,863	735,470	796,966	1,115,040	1,448,811	1,374,567
Deb. stock red. fund, &c..	63,000	52,065	52,065	297,065	375,814	419,565
Preferred div.	152,000	152,000	152,000	152,000	152,000	152,000
Deferred div...	269,681	431,100	431,102	431,102	431,102	359,252
	(15%)	(12%)	(12%)	(12%)	(12%)	(10%)
Carried forward.	78,182	100,305	101,799	101,873	101,034	142,143

It may be mentioned that at the annual meetings the chairman for several years past has stressed the fact that the sums available for dividends were derived more from dividends on investments and from other sources than from surplus on the working of the ships. In November, 1923, the company issued £3½ millions of 5 per cent. debenture stock, and as this did not rank for a full year's interest in the 1923-24 accounts, debenture interest for the past year requires £43,700 more. A sum of £261,600 is transferred to debenture stock redemption reserve against £249,150 a year ago, and £40,000 goes to provident good service fund. A year ago £139,700 was debited for discount and cost of debenture issue. The balance-sheet is in the same form as in the previous year, assets of over £32 millions being divided into five items, of which two account for nearly £30½ millions. The first covers the fleet and payments on account of new ships, and stands at £17,850,100, an increase of £3,175,500 as compared with last year. The actual tonnage of the fleet as given in the report shows a reduction of over 11,000 tons at 604,810 tons. Two vessels were sold for breaking up purposes during the financial year, the prices realised being considerably in excess of the book values. The difference goes to the depreciation of the fleet. The second of the two large items covers "sundry investments (less loans), cash at bankers, and in hand, and debts owing to the company." This composite item stands at £12,583,100, and shows a decline of £624,600 as compared with this time last year. Three years ago Lord Inchcape stated that holdings of British Government securities amounted to £7½ millions, but no further light on the matter has since been shed, and it would seem that we must still exercise patience before we see this balance-sheet, which is undoubtedly a strong one, presented in a form which will enable shareholders to prove this for themselves, instead of leaving them to struggle with a set of incomplete and obscure accounts. The report mentions

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that the mail service has now resumed its full pre-war programme, and that the volume of passenger traffic continues satisfactory. The shipping strike, it is stated, has involved the company in "very serious loss."

J. and P. Coats.—In 1924 the well-known textile undertaking of J. and P. Coats was able to record an improvement in results. Shareholders will have learned with satisfaction, therefore, that the progress then indicated was taken a step further during the twelve months ended June 30th last. The following table shows how profits have been distributed since 1906:—

Year ended June 30.	Net Profit After Depreciation, &c.	Interest.	Dividends and Bonus.	Pension, Insurance Fund, &c.	To Reserve, &c.
	£	£	£	£	£
1906	2,974,088	36,642	1,972,821	294,629	450,000
1907	3,056,125	19,680	2,206,642	175,963	500,000
1908	2,701,697	19,394	2,193,403	6,588	500,000
1909	2,917,667	19,399	2,427,402	32,522	500,000
1910	3,171,464	19,278	2,448,908	25,000	675,000
1911	3,102,952	19,096	2,453,808	42,500	525,000
1912	2,794,072	..	2,449,183	26,440	500,000
1913	2,903,239	..	2,449,183	..	500,000
1914	2,634,388	..	2,225,803	..	..
1915	2,598,966	..	2,208,347	..	30,000
1916	3,387,395	..	2,210,016	..	100,000
1917	3,360,950	..	2,294,131	..	2,000,000
1918	3,171,796	..	2,289,732	100,000	..
1919	3,995,149	..	2,850,638	400,000	750,000
1920	4,164,894	..	3,161,214	150,000	450,000
1921	2,072,449	..	2,911,263	..	Dr 250,000
1922	3,270,913	..	2,911,250	..	250,000
1923	2,889,959	..	2,911,250	..	..
1924	3,107,213	..	2,911,250	..	200,000
1925	3,655,700	..	2,911,250	..	..

The net profit, after making allowance for depreciation, &c., advanced from £3,107,213 to £3,655,700, making, with the sum of £398,580 brought in, a total available balance of £4,054,280, against £3,509,830 in the preceding period, when £402,617 was brought forward. The ordinary dividend is kept at 17½ per cent., including the bonus of 6d per share. This leaves £1,143,030 to be carried into the next accounts. Although the directors make no reference to the matter, the balance-sheet shows that the item representing additional shares in subsidiaries, &c., rose from £71,473 to £446,118. Bills receivable advanced from £24,279 to £176,351, though advances to subsidiaries figure for £6,302,549, compared with £6,733,966. Creditors have gone up from £2,026,279 to £2,302,282, and investments total £802,646 in contrast with £567,946 a year ago. The latest price of the ordinary £1 share is 3¼d, at which they yield about 5½ per cent.

Aerated Bread Company.—In their report for the year ended October 3rd last the directors of the Aerated Bread Company state that a catering contract was entered into with the management of the British Empire Exhibition. As, however, the Exhibition did not close until October 31st, "it was not possible to bring the result of the trading into the company's accounts for this financial year." Apart from this venture, the undertaking continued to

make good progress, as will be seen from the following table:—

September.	Gross Profit.	Expenses.	Net Profit.	Depreciation, &c.	Div.	Rate.	Carried Forward.
£	£	£	£	£	£	%	£
1907-8	276,252	220,366	55,886	5,000	50,409	27½	17,376
1908-9	276,101	224,822	51,279	5,000	50,167	27½	15,458
1909-10	281,852	233,348	48,504	5,000	45,425	25	13,567
1910-11	283,695	236,203	47,492	5,000	40,883	22½	14,176
1911-12	284,319	227,801	56,518	8,239	45,424	25	17,031
1912-13	308,114	234,091	74,023	8,000	54,791	27½	31,263
1913-14	315,476	240,350	75,126	28,000	49,846	27½	28,543
1914-15	286,919	253,146	33,773	8,000	29,948	17½	26,598
1915-16	299,434	282,354	17,080	11,764	7,959	5	23,955
1916-17	289,199	303,882	D-16889	8,000			12,771
1917-18	419,112	322,566	96,546	59,000	28,135	15	10,682
1918-19	587,456	435,506	151,950	62,000	80,500	30	20,132
1919-20	685,831	520,274	165,557	57,882	113,050	25	14,757
1920-21	728,376	582,381	145,995	40,000	102,637	15	14,150
1921-22	637,811	488,936	148,875	48,184	87,975	12½	14,639
1922-23	629,104	497,964	131,150	37,621	79,784	8½	19,499
1923-24	681,578	526,639	154,939	35,250	102,943	10	30,276
1924-25	692,860	535,443	157,417	28,000	100,606	10	46,736

* Includes special bonus to employees.

The gross profit went up from £681,578 to £692,860, so that while expenses also advanced from £526,639 to £535,443, the net profit came out at £157,417, in contrast with £154,939. The provision for depreciation, &c., was reduced from £35,250 to £28,000, and was accounted for by a decline in the amount set aside as provision for income-tax from £18,000 to £11,000. The ordinary dividend was maintained at 10 per cent. During the year a number of further branches have been opened, a policy of expansion which the directors record their intention of following. Shareholders will be greatly interested in knowing the result of the catering at Wembley. Probably the chairman will be able to enlighten them to some extent at the forthcoming annual meeting. The latest price of the £1 ordinary shares is 1½, at which they yield £7 5s 6d per cent.

Tate and Lyle.—The report of Tate and Lyle, sugar refiners, for the year ended September 30th last, shows that the experience was not so satisfactory as in the preceding twelve months. The net profit has declined from £616,784 to £543,138. Owing, however, to the fact that the sum brought in was £69,934, against £38,650, the available balance is £613,072, compared with £655,434. The appropriation to reserve, however, is reduced from £100,000 to £50,000, although the dividend is maintained at 13½ per cent. for the year. The sum carried forward is £52,733, in contrast with £69,934. The balance-sheet, which is analysed in another column, shows that freehold land and buildings figure for £1,505,145, compared with £1,427,209. Leasehold property stands at £11,714, in contrast with £2,840, while a new item is introduced into the present accounts, under the heading of cottage property, which totals £45,357. Plant and machinery have risen from £2,781,394 to £2,833,247, and while investments, which are taken at market value, amount to £2,103,888 against £2,182,402, the latest accounts include an amount of £112,632, representing investments in associated companies. Stocks have gone up from £1,261,701 to £1,940,854. In the previous balance-sheet there was no separate entry of cash in hand. This time the item is inserted, the figure being £49,180. Sundry debtors have risen from £498,268 to £643,150, but creditors have declined from £1,056,440 to £722,826. The bank overdraft has been increased from £621,320 to £2,055,000, and is now secured as to excess over £2,000,000 by deposit of certain investments. The ordinary £1 shares are quoted at 1½, and the yield is 7½ per cent.

Wankie and Bwana.—Our mining correspondent writes:—For those concerned, the Wankie Colliery Company has proved a distinctly profitable enterprise. The report presented at the second annual general meeting held on Tuesday last showed a net surplus of £164,250, as against £138,470 in the twelve months ending August 31, 1924; and the final dividend of 5 per cent. brought the year's total up to 20 per cent., as compared with 10 per cent. previously. It is true that the profits of the past session were divided up to the hilt; on the other hand, £32,000 had to be set aside for taxation. An important and interesting phase in the company's operations con-

sists in the supply of fuel to the Tanganyika group of undertakings in the Belgian Congo and to the Bwana M'Kubwa Copper Company, whose property is situated in Northern Rhodesia. From the particulars given at the meeting, it appears that comprehensive arrangements have been made for the supply of fuel to these concerns for a series of years ahead. In the case of the Bwana the contract covers 60,000 tons per annum—the quantity estimated to be required for the first unit of the treatment plant, due to start up in March; duplication is envisaged as a possibility of the not very distant future. To provide for the equipment of the company's present colliery and of the new one which is being opened up in connection with the requirements of Northern Rhodesia, also for an electrical power installation, the 38,000 shares in reserve are to be offered to the members at par. The market price being about 26s, this represents a small bonus. On the basis of 20 per cent. dividends, Wankie shares give fully 15 per cent.—a yield which, in view of the position and prospects of the company, may be regarded as attractive. An elaborate brochure having been issued earlier this year the annual statement of the Bwana M'Kubwa Company is naturally confined in the main to an exposition of the features as regards finances and ore reserves. The latter are now computed at nearly 7½ million tons, averaging 3.9 per cent. copper; the quantity represents over twenty years' supply at the rate of 1,000 tons per day. It is worth noting that the estimates have been checked by independent engineers. The Bwana Company is expected to be able to place copper on the London market at a cost of under £41 per ton of best select. Results will be awaited with much interest; not only by those immediately concerned, but also by those interested in other properties in Northern Rhodesia.

Obersea Correspondence.

UNITED STATES.—MONETARY POLICY—STOCK MARKET REACTION—BUSINESS OUTLOOK—ITALIAN LOAN—VIEWS ON FRENCH FINANCE.
(FROM OUR CORRESPONDENT.)

NEW YORK, November 24.

INTEREST has been concentrated pretty largely during the past week on the question of Federal Reserve policy and the market's reaction to it. The advance in the discount rate of the Federal Reserve Bank of Boston from 3½ to 4 per cent., which occurred two weeks ago, was followed at intervals by similar action by the Reserve banks at Cleveland, Philadelphia and San Francisco. Their action leaves the Federal Reserve Bank of New York the only one of the twelve regional banks still having a 3½ per cent. discount rate. All the others now have 4 per cent. Naturally there has been the greatest curiosity as to whether the New York bank would bring its rate into line with the others. With the directors meeting tomorrow, unofficial opinion on the matter is divided. There are those who feel that an advance at New York is inevitable; there are others who believe that action here may be delayed for some time.

Taken altogether, the arguments on the side of the local rate remaining where it is, at least for the time being, in which differences in rates as between the several regional banks have existed for considerable periods. While it does not appear that the New York bank alone has remained on a different basis for any material time, it has done so in company with one or two of the other banks. degree of independence, each dealing with its local money market and each being governed primarily by conditions existing in its particular region. In times of extremity, as during 1920, the regional banks have made loans to each other. Open market purchases are made by a committee of the system. The Federal Reserve Board recommends, and gives or withholds its approval; but in the bank is changed by the directors of an individual Reserve there may be certain virtues in a uniform discount rate throughout the system, the record shows that these rates

are fixed with regard to local conditions and suggests that uniformity will not be brought into being now unless there are particular reasons why New York should have a 4 per cent. rate at this juncture.

When the operations of the New York bank throughout this year are reviewed, no very convincing reason for a change emerges. It may be recalled that discounts had been rising at the out-of-town Reserve banks that have raised their rates, and that the large supply of out-of-town call money in the New York market had been helping to maintain the extraordinary activity on the New York Stock Exchange. Discounts at the New York Reserve Bank, however, have not been increasing. During the last two months, in fact, they have decreased materially. In September they rose to a high point of about \$172,000,000; the latest statements shows them to have fallen to about \$95,000,000. During the last week for which reports are available, and this is a week during which the effects of the higher rates out of town had a chance to make themselves felt, discounts at New York fell moderately. The present level approximates to the level that prevailed during the quiet months of last summer; it is some \$80,000,000 below the level that existed when the bank raised its discount rate at the end of last February. It is clear, therefore, that no increasing demands for accommodation are being made on the New York Reserve Bank. Last February, when the rate was raised from 3 to 3½ per cent., the situation was quite different. Discounts had increased during January and February to \$175,000,000. The Federal Reserve Bank had shown an intention to intervene in the market by selling large amounts of short-term Government securities. If the lifting of rates out of town should result in the local banks increasing discounts to make good a loss of out-of-town money a new situation would, of course, be created and the directors of the local Reserve bank would then have one of the standard reasons for raising their discount rate. Until such a thing happens, however, the chances for the rate remaining where it is seem fairly good.

If, as seems probable, the extent of speculative activity in stocks was one of the chief reasons for the change in Federal Reserve policy, the subsequent course of events on the Stock Exchange certainly should make further restrictive measures less imperative. Since the higher rate policy was initiated, the stock market has had a reaction of no mean proportions. As was the case during the later stages of the upswing, the motor shares have furnished most of the fireworks. Chrysler, which had swept up from 108½ to 253, sold to-day as low as 167½. General Motors, which went from 64½ early in the year to a height of 149½, has now touched 106. Du Pont, which owns a large share of General Motors, has swung from 134½ to 27½ and back to 202½. Hudson, after a remarkable rise from 33½ to 139½, has been back to 88. If motor shares were overhauled a few weeks ago they did fair to be under-valued again soon if the present reaction continues. While these sweeping declines have been occurring the rest of the market has held fairly well. The common stock of the United States Steel Corporation, always watched closely as a market index, has been put under severe pressure, and has declined from a peak of 139½ to 126½. The averages for industrial shares, and these include some of the more volatile issues, have fallen 10 to 15 points or thereabouts. Railroad shares have been noticeably firm, a circumstance that is explained by the relatively small speculative interest in this group and by the excellent character of railroad earnings. Oils also have held well, partly because of the fact that no large advance had occurred in this department, and partly because of bullish news with regard to oil production and cause of oil prices. At the time of writing the market still seems to be going backwards; short selling is meeting with success, and activity dies out on rallies. Many shrewd observers believe that after some further reaction the market will recover its equilibrium. They maintain that money still is too plentiful, efficiency in industry too high, and earnings too satisfactory to indicate the approach of a big bear market. They expect oils and rails to lead a recovery. However this may be, the fact stands out that speculative excesses have been killed off, and that whatever desires the Federal Reserve authorities may have had in this direction must be pretty well satisfied.

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Whether or not the reaction in the share market will find a reflection in industry remains to be seen. Current reports on industrial activity are good. There is some dropping off in the extraordinary rate of automobile production; but that is natural at this season, and a maintenance of the previous high rate would have been disturbing. Building construction remains remarkably large, and the winter activity along this line promises to be above normal. Operations at the steel mills are in the neighbourhood of 85 per cent. of capacity, and steel and iron prices are firm. Unfilled orders at the steel plants seem to be rising. Most observers expect at least normal industrial activity throughout the winter and a large business in the spring.

Successful flotation of the \$100,000,000 Italian loan has furnished an offset for the news of the French crisis. Our bankers believe that both Italy and Belgium are wise in taking steps to stabilise their currencies and to make them independent of possible fluctuations in French francs. The expectation here is that Italy will come back on to a gold basis in some non-spectacular fashion early next year. Whether Italy or Belgium will be the first to take a step of this kind is a matter on which there is no precise information. As for French finance, the trouble is regarded as primarily political. Our bankers believe that there is nothing in the French financial problem that could not be solved by courageous application of orthodox financial measures. One view held in good quarters is that what France needs is a hard money policy. Such a policy would, it is maintained, produce the deflation that is needed to relieve the demands for currency, and would permit the Treasury to regain control of the money market. This hard money policy, it is emphasised, should be applied by the Treasury as well as the Bank of France. It is recalled that our own Treasury had to pay 6 per cent. for money during the inflationary period that followed the Armistice, but that the cost of Government borrowing fell rapidly after hard money had had a chance to check inflation.

FRANCE.—THE NEW CABINET—M. LOUCHEUR'S PROPOSALS—INCREASED TAXES.

(FROM OUR CORRESPONDENT.)

PARIS, December 2.

M. BRIAND, on his second attempt during the same week, succeeded on Saturday in forming a Ministry; but it cannot be said that the new combination is as satisfactory as might be wished, or that it contains the necessary elements to justify a belief in its chances of long life. The Socialists, finding it would be hopeless to persuade their old leader to comply with their demands for a capital tax, declined his offer to participate in the new Cabinet, except on the condition that they were allotted five of the principal portfolios, including the all-important one of Finance. This M. Briand found it impossible to comply with, and as an alternative he turned, as he was expected to do, towards the Republicains de Gauche, a group of moderates which technically belongs to the Left of the Chamber, but which has never participated in the Cartel des Gauches. In this he had for some time to contend with opposition from the Radical Socialists. At one moment, it is understood, M. Briand was within an ace of again renouncing his task, and only the insistence of the President of the Republic induced him to persevere. In the result he was able on Saturday night to announce his success.

The complexion of the new Ministry may be gauged from the fact that out of its 14 members, ten (including M. Painlevé) held office in the previous Cabinet. The newcomers are M. René Renoult, who was M. Herriot's Minister of Justice, and who again holds this portfolio, which carries with it the Vice-Presidency of the Cabinet; MM. Georges Leygues (Marine) and Jourdain (Pensions), who have been brought in from the more moderate Republicains de Gauche; and M. Loucheur (Finance). This last appointment may be regarded as a mild surprise, and one which has not been welcomed with any marked enthusiasm. It may be attributed largely to tactical reasons. M. Loucheur and M. Daniel Vincent, who retains the post of Minister for Commerce, represent in the new Cabinet the Radical Left group, with its 44 votes, whose defection, in the event of abstention by the Socialists (97 votes), might prove fatal.

M. Loucheur himself is not a popular favourite. He is known to be ambitious, and is alleged to have long coveted the post of Finance Minister. As one of the most successful business men in the country, he was Minister for Armaments in the Ribot, Painlevé, and Clemenceau War Cabinets. He subsequently held the responsible post of Minister for Industrial Reconstitution, and was afterwards M. Briand's Minister for the Liberated Regions and Reparations. During this period M. Loucheur signed the Wiesbaden agreements with Dr Rathenau, from which much was at one time hoped, but which proved disappointing. In the last brief Poincaré Cabinet M. Loucheur was Minister for Commerce and the Post Office Department. On the face of it, therefore, if practical knowledge of business and long experience in posts where this special knowledge was above all else required, M. Loucheur should to a great extent be well fitted for his new post, particularly at the present critical juncture.

It is generally admitted that M. Loucheur has shown no lack of courage in the resolute manner in which he has begun his task. The new Finance Minister fully realises that he is faced with a twofold problem. The first necessity is to provide sufficient ready-money to enable the Treasury to escape from the wretched hand-to-mouth situation, with national bankruptcy always immediately ahead, that has existed for nearly three years past owing to the lack of ability by his predecessors to realise the real situation and let the country face the truth. The second part of the problem is to devise means by which the ever-increasing tide of debt can be stayed and the national finances placed on a permanently sound basis. Within three days of assuming office M. Loucheur has told the country plainly that there will be not only a heavy deficit on the financial year which closes on December 31st, owing to the yield from taxation not having come up to expectation, but that 2,500 million francs are immediately required to enable the Treasury to pay off bonds that will be presented for reimbursement next Tuesday, while another 2,500 millions are required to meet war expenditure in Morocco and Syria, and requirements for pensions, the devastated regions, the payment of civil servants, the deficit on the railways (which must be paid by the State), and payments of foreign debts. Further, the requirements of ordinary commerce are such that, quite apart from the additional 1,500 millions which the State was authorised to borrow from the Bank last week, a further 1,500 millions of currency must be provided.

To meet this situation M. Loucheur boldly proposes that the limit of the amount the State is authorised to borrow from the bank, which now stands at 33,500 millions, shall be increased by 6,000 millions, and that the limit of the note circulation shall be increased from 51,000 millions to 58,500 millions. To the objection that this is unadulterated inflation, and must lead to a continuance of the fatal principle of the vicious circle, "Inflation, high cost of living; high cost of living, more inflation," M. Loucheur retorts that he is above all an anti-inflationist, and that his proposal is strictly one of controlled inflation that will be made automatically to disappear almost immediately, as it will be compensated for forthwith by the yield of an equivalent sum from increased taxation, that will enable the extra amount borrowed from the Bank to be repaid and the increased paper money simultaneously retired.

How M. Loucheur proposes to carry out this plan was

laid before the Chamber this evening, when the new Government came before the House for the first time. It then became known to the startled Deputies that the Government propose to secure the bulk of the money required by passing a Bill forthwith stipulating that all arrears of taxation shall be cleared off, at the risk of heavy penalties for default, before December 31st. Another huge sum of "about 3,000 millions" M. Loucheur proposes to raise by immediately imposing an additional—

	Millions of Frs.
50 per cent. on all existing taxes on land and house property..	300
50 per cent. on industrial and commercial profits	950
100 per cent. on mining royalties	60
20 per cent. on the general income-tax	600
50 per cent. on the schedule rates on incomes from securities and on transfer duties	1,180
	3,090
Less certain abatements on—	
Incomes from commercial and industrial profits	20
Land taxes	80
Total ("about 3,000 millions")	2,990

The new Finance Minister's initial proposals are certain to meet with stubborn opposition from a large section of the Chamber on the grounds that they will constitute merely another form of disguised capital tax, and that they will operate with unjustifiable harshness against a comparatively small section of the community which is already severely penalised. In 1924, out of between 12 and 15 million taxable persons in this country, only 1,140,000 paid general income-tax, while 2,000 of the 2,250 millions which the income-tax yielded was drawn from 88,700 persons only, the remaining 1,050,000 persons contributing only 250 millions, or an average of 250 per head. These figures, when quoted in the Chamber some time ago from an official report, caused a murmur of incredulity, which was intensified when a wealthy deputy from the Nord insisted that "income-tax dodging" is so widespread in France that it would be quite easy to secure an extra 250 millions a year from his department alone if adequate measures such as prevail in England were taken to prevent non- and under-declaration. There is good ground for believing that if fiscal fraud and evasion were better repressed the income-tax in this country would yield an additional total of anything from 5,000 to 10,000 million francs.

Whatever be the fate of M. Loucheur's proposals, and this must be known within the next 48 hours, in view of the urgency of the situation, there is no lack of alternative plans, all of which have been widely discussed during the past few weeks, and all of which are put forward as means of ensuring an immediate yield of large sums. The most conservative of these is based on sweeping further economies in expenditure. The most favoured of the suggestions is that the tobacco monopoly should be handed over to private industry for a term of, say, 30 years, in return for an immediate cash payment of 30,000 millions upwards. Other proposals which are rapidly gaining favour with public opinion are for a huge national lottery; for a poll tax of 20, 50 or 100 francs a head, on much broader lines than that for a tax of 20 francs which was for a brief moment advocated by M. Painlevé; and for the sale of the bulk of the vast unproductive real estate and no longer required military and other establishments belonging to the State.

GERMANY.—POLITICS—FINANCES AND CREDIT— BRITISH IMPORT DUTIES—FUSIONS AND CARTELS—INDUSTRY—BOURSE.

(FROM OUR CORRESPONDENT.)

BERLIN, December 2.

THE acceptance of the Locarno agreements by a relatively small Reichstag majority has not disposed of the internal crisis. The Social-Democrats supported Cabinet policy in regard to the agreements, but they show no desire to enter a new administration. Some weeks back the easiest solution of the Cabinet crisis seemed to lie in the revival of the "Great Coalition," including all parties from the German People's Party on the Right to the Socialists on the Left; and the Socialists seemed willing to discuss this,

on condition that they got certain pledges as to the new Cabinet's policy. Later events have tended to modify this viewpoint. The Socialists do not want to be identified with the increasing unemployment; they are strongly opposed to the present Cabinet's plan to retain the "Reichsgetreidestelle" as an organisation for keeping up the prices of breadstuffs; and they imagine that they see in the electorate a new movement towards the Left from which they may gain, if they keep clear of unpopular responsibilities, while if they do not keep clear the gain may fall to Communism. A patchwork Cabinet of the Central parties is most likely, but such a Cabinet would depend in certain questions upon the two chief outside parties on opposite wings, the German-Nationals and the Socialists.

The pressure for a further reduction of taxes continues. The German-Democrats (for somewhat different reasons) here take up almost the same standpoint as the industrial People's Party. They have introduced into the Reichstag a motion against over-taxation of business. They demand a Budget Fundamental Law which will limit expenditure during the next few years to a fixed—unstated—sum; abolition of the Luxury Sales Tax, which has already been reduced from 15 to 7½ per cent.; reduction of the Capital Transactions Taxes (on company capital issues, stock transfers, bills, &c.) also these have already been reduced. The Democrats hold that the financially independent Reichspost ought to be paying 100 to 150 million marks a year towards Budget expenditure.

The Cabinet has prepared a Bill to prolong the law legalising mortgages in foreign currency, which lapses at the end of this year. Cables from New York speak of the United States as being saturated for the present with German issues. In the last two months New York has granted, it is added, 20 German loans of a total exceeding 103 million dollars. The home short-term money market has been very fluid; the month-end settlements were got through with even less tension than at the end of October; and the day money (minimum) rate remained as low as 8 per cent. The bi-monthly reports of the commercial banks for October 31st are satisfactory in that they show a new increase in deposits and other business, after a period of relative stagnation, and also show an increase in liquidity after a continuous decline in the February, April, June, and August balance-sheets. The percentage of liquid assets to liabilities for the great Berlin banks is calculated at 51.9 against 50.9 on August 31st, and 61.6 on December 31, 1924. Liabilities of these banks to all creditors increased from 4,139½ million marks to 4,330 million marks, whereof deposits were 1,760 million marks against 1,705 million marks. The chief items in the balance-sheets (capitals and reserves being unchanged) are:—

	(Marks—000's Omitted.)	
	October 31, 1925.	August 31, 1925.
Bills and Treasury Bills.....	1,141,974	1,113,404
Balances with other banks	634,900	583,079
Advances on wares	392,222	339,090
Advances on Bourse securities ..	101,294	82,051
Own securities	67,049	69,671
Syndicate participations	66,173	71,861
Shares in other banks	138,296	137,297
Current-account debtors.....	2,391,236	2,333,063
Total assets	5,249,920	5,051,344
Creditors	4,330,153	4,139,569
Whereof deposits	1,760,030	1,705,190
Acceptances and cheques	257,797	259,692

Half-yearly reports of the banks indicate that fair profits were reaped in spite of the dullness of the capital-issue and securities markets, so that the dividends of 1924 are likely to be maintained. The leading banks have gained considerably from their intermediate work in the negotiation of foreign loans to business.

The fusion movement continues. The absorption by the Badische Aniline Co. of its former partners in the Aniline Concern "Interest-Community" has been sanctioned by all the companies' shareholders. The Western Steel Trust negotiations proceed slowly, but the trust will apparently be formed. Negotiations are under way for cigarette and cement trusts. Already these industries are fused into regional groups. For an international Tubes Cartel negotiations are under way with France, Belgium, and Czechoslovakia. The biggest new fusion into a

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single company is that of the North German Lloyd with the Roland Line, the Hamburg-Bremen-Africa Line, and the Horn Shipping Co., of Lübeck. The North German Lloyd will increase its capital to 52 million marks, thereby remaining slightly behind the Hamburg-America Line with 54 million marks, but in tonnage it will lead with 631,000 gross, against 450,000. The extended North German Lloyd will conduct regular traffic under its own flag with five Continents. Reports that the Hamburg-America Line is planning a similar fusion are denied; the company is negotiating an American loan of, it is believed, \$10,000,000. The North German Lloyd fusion brings it closely into touch with the Hamburg-America, with which it already collaborates through its affiliated smaller companies. The Roland Line has an "interest-community" with the Hamburg-America and with the Deutsch-Austral-Cosmos Line. The Hamburg-Bremen-Africa Line has arrangements with the Hamburg-America, the German East-Africa, and the Woermann Line. The Roland Line also controls the Argo Co., of Bremen, which collaborates with the Deutsch-Levante A.G., and the latter's shares are held by the Hamburg-America. All German shipping companies that count are now bound together by cross arrangements.

The partial failure of the London negotiations over the Anglo-German Trade Treaty is taken in some quarters as text for severe attacks upon British trade policy. It is believed that Germany will suggest that Hague arbitration shall be invoked under Article 30 to interpret Articles 1 and 2 of the Protocol, but it is understood that London holds the Hague Court to be competent to interpret only the Treaty, not the Protocol. Trade journals complain that the new British duties are aimed with special intensity against particular German industries, and claim that British educative duties, as for the chemicals and optical branches, could not be imposed under the clause of the Protocol permitting "preservation" duties. The German-Nationals have submitted an interpellation to the Reichstag concerning the increased imports of British coal, which were 550,630 metric tons in October, against 337,865 tons in September and 282,000 tons in January. British coal, the interpellation proceeds, helped by the State subsidy, has penetrated from the coast, where it was always at home, to Berlin, and even to the south and west. Germany's own coal foreign-trade balance is rapidly improving. In January-September coal imports totalled 5,920,059 tons, and free exports 10,438,032 tons, against 13,202,087 tons and 2,795,090 tons respectively in the whole of 1924. In August, the best month of the year, exports exceeded imports fivefold. October, with 11,950,000 tons, shows the largest coal output of the year, exceeding also the monthly average of 1913 in the same area (11,730,000 tons). The lignite output in October constituted a record, being 12,760,000 tons (average in 1913, 7,270,000 tons).

Bankruptcies are increasing, having numbered 1,320 in November, against 1,139 in October and 887 in September. Cases of "business supervision" (suspended bankruptcy) numbered 838 in November, against 588 in September. The wholesale prices index number for November 25th was 122.7, against 121 on November 17th; the cost of living index number for November 141.4, against 143.5 in October. Wheat prices rose greatly in November, rye prices slightly. The Cabinet's Bill for maintaining grain prices prolongs the "Reichsgetreidestelle," a war-time foundation which was in course of liquidation,

and authorises it, on instructions from the Food Ministry, to buy up and store not more than 200,000 tons of grain. The plan is being strongly opposed. In general, divided opinions prevail as to the wisdom of granting credits to Russia, and as to the propriety of bank guarantees of such credits; the Disconto and Darmstaedter Banks, it now appears, contrary to Press reports, did not join in the 100,000,000 marks bank guarantee already reported from here. Industrial conditions are not improving. Krupp's, however, deny reports of reduction of output by them.

The considerable increases in exports in recent months have induced a more optimistic spirit. The Bourse during part of last week and this week was under the influence of this optimism. While shipping stocks, as all along, were very firm, the general level of quotations rose considerably. The *Frankfurter Zeitung's* stocks index for November 28th shows 61.64, against 58.19 (the lowest of the year) one week earlier, 111.37 (about high point) on January 31st, and 100 on January 2nd. The Locarno settlement, having been discounted in advance, had no visible influence; but expectations in connection with Dr Schacht's return from New York played a rôle. A reduction of the Reichsbank discount rate has been talked of; but there is so far no reason to expect it. Foreigners have bought considerable quantities of stocks at around the lowest levels. Certain financial journals complain that the big industrial companies pursue a policy of strengthening their positions instead of paying dividends. It seems certain that the companies are better off than the numerous o's in the lists of dividends indicate. Stocks, even on the days of recovery, were extremely inactive. Paper mark loans had a considerable rise in the last week of November; but business in them is insignificant.

POLAND.—MR GRABSKI'S RESIGNATION — UNEMPLOYMENT — POLISH BANKS — DANGER OF INFLATION—NEED FOR FOREIGN CAPITAL. (FROM OUR CORRESPONDENT.)

WARSAW, November 24.

MR GRABSKI's resignation came unexpectedly. It was not the result of a vote of censure. On the contrary, the Diet accepted Mr Grabski's plans of financial and monetary reform. Mr Grabski explained his decision by the differences of opinion which existed between himself and the president of the Polish Bank. When the zloty was exposed in the middle of this month to a new shock, Mr Grabski favoured a policy of intervention to prevent a further fall. Mr Karpinski, the president of the Polish Bank, was opposed to such a policy, which would have entailed a weakening of the position of the Bank. The actual reserve is too small for such experiments.

The number of unemployed is steadily increasing. To-day it surpasses 213,000, and the closing of different great undertakings is announced. As much as 30 per cent. of the industrial population is unemployed. The representatives of Poland's industry, agriculture, and finance, in a memorandum presented to the President of the Republic, express themselves in the following manner on this subject:—"Such a percentage of unemployment is to be found nowhere in Western Europe. Even those who work are very often employed only five, four, or three days a week. In a short time the minority will be obliged to feed the majority. We may say that this is a burden which cannot be supported." There is no exaggeration in this dark picture of Poland's present situation. No improvement is to be expected shortly. The troubles from which Poland is suffering are, in the first instance, the natural result of a lack of circulating capital, which has been destroyed during the period of inflation. The creeping crisis which has lasted more than two years became acute when the drain of foreign currencies forced the Bank Polski to apply a restrictive credit policy. The fall of the zloty entailed a run on the banks, which were deprived of an important part of their liquid assets, which from 18 millions in July fell to 12 millions in August. (These figures refer to the 16 largest Polish joint stock banks.) This forced the banks to a further restriction of their credit operations, which even before the acute crisis were quite insufficient for a normal working of the economic system of the country.

A very shrewd observer of Poland's economic affairs has recently declared that it is impossible to call the Bank Polski the bankers' bank, because, apart from the central institution, banks do not exist. This is true in the sense that the rôle of the Polish banks on the credit market, if measured by pre-war standards, has become quite insignificant. It is clear that such a disorganisation of the credit machine must react on the industry and trade of the country in a very detrimental manner. The restrictive policy of the Polish Bank and of the other credit institutions makes it impossible for many firms to liquidate their old engagements. About 40 per cent. of the bills are returning unpaid and protested. The assets of the banks are in consequence to a great extent frozen. There are only two ways out of such a situation—a reconstruction of the whole credit system with the assistance of foreign capital, or the melting of the frozen assets by inflation. There is a great propaganda in this direction, and the pressure is so strong that the Government is unable to resist it. Mr Grabski, before leaving office, asked the Diet to grant him powers for the issue of 100 million zlotys additional Treasury notes, which he intended to distribute in the form of credits to the banks. The Bill was rejected at the second reading by the Socialists, but it seems certain that it will be reintroduced.

Attempts are also being made to obtain the assistance of foreign capital. The reform of the credit system is to-day the most important problem of economic reconstruction. It can be solved only by a combined effort of foreign and Polish finance. Without such action Poland will necessarily fall back into a chaos of inflation.

The situation is the more serious because the economic depression begins to react on the finances of the country. One of the greatest achievements of Mr Grabski's administration was the increase of revenues, which for the first ten months of the year increased from 204.3 millions in 1923 to 894.4 millions in 1924, and to 1,100.6 millions in 1925. During this year of deep commercial depression the Ministry of Finance succeeded in increasing revenue by 200 millions. The statistics for recent months show, however, that the strain is becoming too great for the exhausted country. In September, for instance, the revenues amounted to 129.5 million zlotys, as compared with 136.2 millions in 1924. It seems that in October a similar decline has taken place. Efforts are made to balance the Budget by cutting down expenditure. The Budget for 1926 is to be reduced by 300 to 400 millions. The Ministry of War is to be included in this programme of economy. The proposed reduction of military expenditure is a result of the decreased international tension since Locarno.

I believe, however, that foreign assistance is essential. Mr. Grabski failed because he over-estimated the resources of the country. He tried too much in attempting to realise financial and economic reform without foreign aid. His successors will hardly obtain better results unless they succeed in attracting foreign capital, without which the whole productive machine of the country must be brought to a standstill.

As stated above, the claim for inflation becomes every day louder. Leading landowners, such as Mr Chrzanowski, are propagating the idea of the issue of notes similar to the German Rentenmark. Others are trying to convince the Government that the only salvation can be found in a liberal credit policy of the Polish Bank. The resistance of those who are aware of the dangers of inflation would be much strengthened if signs were forthcoming proving her efforts of maintaining a sound financial and monetary policy.

ARGENTINA.—PUBLIC FINANCE — GOOD CROPS—TRADE AND EXCHANGE PROSPECTS. (FROM OUR CORRESPONDENT.)

BUENOS AIRES, November 9.

LITTLE that is exact, or of immediate aid in judging the present state of Argentina's national finances, can be gleaned from the events of the past month. Congress has not yet been called to extraordinary sessions, which makes it unlikely that any practical legislative measures will be given full discussion and eventually become law.

Yet there are sundry matters that ought to be dealt with out of hand, such as the final despatch of the Senate's recommendation to suspend the General Pension Law No. 11,289; the assistance of the Banco de la Nacion by means of an issue of bonds wherewith to take up the \$350,000,000 paper in rediscounted Treasury bills that at present weigh so heavily on its cash resources; and the regularisation of the financial position of the State Railways. The administrator of this latter department, which is at present but a sub-department to the Department of Public Works, has just launched a strongly-worded appeal for close on \$3,000,000 paper wherewith to meet urgent needs in connection with the replacement of some 40 locomotives, the repair of certain parts of the permanent way on the Central Northern section, and the installation of block and staff signalling parts of the line where, though the track is single, the traffic has of late been much increased. Gross receipts on the State Railways are steadily rising, and it is claimed that by the end of 1925 they will be \$1,750,000 paper above the amount laid down in the department's estimates; but it is hardly necessary to point out that this means nothing when read in relation with the heavy charges of every kind that weigh upon the system, considered as a whole. The report of the officially appointed investigator shows \$184,000,000 paper of outstanding indebtedness, but this is no new revelation; and as the main object of the document seems to be to show that this indebtedness was incurred before 1922, in other words, under the auspices of the previous presidency, it becomes little better than a party pronouncement, akin to the talk of intervention in the province of Buenos Aires and the charges against the financial administration of its private government. Inasmuch as Argentina to-day is privately so flourishing and so progressive, it is a thousand pities that the old party spirit is once more to the fore. It has nullified the whole of the ordinary sessions of Congress, left the country still awaiting a Budget Law to govern the expenditure of the current year, and looks very much like launching Argentina into 1926 with not one single official measure of an administrative nature ready to be incorporated in the law of the land. Meanwhile, the Minister of Finance is doing what he can to wipe out the floating debt by consolidation, even although by so doing he apparently adds to the charge for debt services which will figure in the annual Budget. The remainder of the Government's obligation to the Banco de la Nacion has been wiped out, and on October 31st the total liability in the shape of floating debt stood at \$513,842,000 paper.

The wisdom of this course is justified by the rapid change that has come over the local money market, wherein rates are firm and likely to rise higher in the course of the next month. Banks are doing all they can to strengthen their cash position by normal means, and the latest official figures show that the Banco de la Nacion is likewise trying to make ready for the heavy call that December will surely bring in connection with the lifting of the crops. Discount rates are at 7½ per cent. for lists of trade bills, and 8 per cent. is merely a nominal figure for single name advances, with a strong likelihood that December, if marked by heavy buying of cereals, will see an advance in both rates. Crops are not yet altogether out of danger, but if expectations are realised and Argentina harvests the largest yield of wheat and linseed she has ever known, the call for funds is likely to be acute. It is more than likely that if the Conversion Office had been open, not only would sterling exchange have reached par, but there might also have been evidence of early gold shipment hither, such as characterised the months of November and December in pre-war days, when the Argentine currency system was untrammelled by the so-called emergency legislation of 1914. One may even hazard a guess at the likelihood of such shipments being arranged despite the restriction; since with local exchange rates where they are to-day—only a shade above 1 per cent. below parity—and the wide difference between the money markets of London and Buenos Aires, it will pay private interests to bring out gold, encash it through the Conversion Office, purchase and ship cereals, and complete the cycle by drafts on London or New York against the proceeds. It is reasonable to suppose that when the coming export movement

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of the new season really begins parity will not only be reached but passed, there being no logical cause to prevent the Argentine dollar running up to 52 pence, or even more should the world demand for Argentine produce prove brisk in the beginning of the New Year.

That the state of this year's crops is unusually promising is by this time generally realised abroad, and by the time this letter is in print it ought to be possible to estimate the prospects of Argentina reaping the largest harvests of wheat and linseed that she has ever known. Linseed—a valuable crop—promises to yield an exportable surplus which has been variously estimated at anything between 1,500,000 and 2,000,000 tons, while the wheat which has been sown over 7,700,000 hectares, is in excellent shape over the whole of this vast area, which is half a million hectares more than was cultivated in the record season 1917-18. Barley, oats, rye, and birdseed are also much above the average, both as regards area sown and general crop prospects, while, to complete the optimistic outlook the conditions for maize sowing have been as nearly perfect as they could be. It may be true that the immense yield in sight will depress prices to some extent, but even so the amount of work and the call for transport that these figures imply will revive Argentine commerce during the first half of 1926 to a very great extent. Nor should it be necessary to emphasise what this will mean to the railways and to the shipping interest, while in the case of the former their favourable outlook is enhanced by the prospects of exchange. In the wool trade, too, there has been a sharp and a very welcome reaction. Coarse crossbred wools of the new clip are selling freely at \$12 to \$14 paper the 10 kilos, with \$18 for fine crossbreds and \$21 for fine Rivers wools, though these latter are not so readily merchantable. October shipments were good, 5,831 bales going to France, 2,975 to Germany, 1,249 to U.K., 1,051 to Italy, 660 to U.S.A., 749 to Belgium, and 773 to various destinations. Freights, which were quiet, not to say sluggish, all October, have suddenly moved upwards, a very sharp advance taking place in the quotations for prompt loading.

JAPAN.—FOREIGN TRADE—COTTON IMPORTS—GOOD CROP—TRADE OUTLOOK. (FROM OUR CORRESPONDENT.)

TOKIO, November 6.

FOREIGN trade has continued to show fairly satisfactory returns. The October returns show that imports at 165,645,000 yen were 1,314,000 yen higher than in September, and 6,559,000 yen higher than in October, 1924, and exports at 227,443,000 yen were 5,187,000 yen lower than in the previous month, but 65,137,000 yen higher than a year ago. The excess of exports in October amounted to 61,798,000 yen, as against 68,299,000 yen in September and 3,220,000 yen in October, 1924. The adverse balance of trade for the ten months ended October has thus been reduced to 316 million yen, which is compared with 625 million yen in the corresponding period of last year. These figures are such as to encourage the hope that this year's balance of external payments will be further diminished to a comfortable minimum.

November is the month when, as a rule, the import season sets in with arrivals of new cotton. But cotton imports during the remainder of the year are likely to play a less conspicuous part than usual, partly because

lower prices and the improved exchange will lower import values, and partly because importers are holding off for the downward movement in cotton quotations. The import of rice will also fall off substantially, the home rice crop being sufficiently good. On the export side the present activity in the silk and cotton trade seems likely to continue, if in a lesser degree, in view of situations in the United States and other overseas markets, for which those goods are destined. Such being the outlook, it may not be unreasonable to expect a further fall in the total adverse balance of trade for the current year.

The agricultural situation also is quite encouraging. According to a recent report of the Department of Agriculture and Forestry, the output of spring cocoons amounted to 42,865,000 kan, an increase of 3,387,000 kan against last year, and its value was estimated at 445,143,000 yen, as compared with 268,061,000 yen in 1924. The wheat crop was placed at 22,393,000 koku, valued 458,480,000 yen, as against 19,073,000 koku, valued at 255,499,000 yen in 1924. This is the largest harvest since 1918. Taken together, these results should increase the farmers' income by 382 million yen. Besides this, the output of summer and autumn cocoons having been no less excellent, and the rice crop estimated to be much above the average, farmers' income will be still further increased. Why purchasing power, in spite of the increase of receipts, has not been more notably revived is explained by the fact that previous years had left a volume of unpaid debts, which constituted the first claim on farmers' income, and which greatly reduced the sums that would otherwise have been available for the purchase of goods. Now that, however, the autumn cocoons have been sold, and the rice crop has been garnered, farmers' purchasing power will prove a progressively stimulating factor as time goes on.

Continued improvement in the foreign trade, and the cheerful agricultural situation, are gradually being reflected in more than one way. The output of commodities is on the increase, and warehoused stocks of goods are decreasing. Banking deposits are rapidly swelling. The deposits of the Postal Savings Bank were increased by 35 million yen, and those of the Clearing Banks by 175 million yen on September 30th, as against the same date of last year. Despite these hopeful indications, however, opinion is divided as to the business outlook. A section of observers fear that, in view of improvement in the exchanges and competing power recovered by British and Indian manufacturers, exports of cotton goods will decline in the coming year, and the reaction in the trade, on the continued prosperity of which our hope for an industrial revival rests, will neutralise other factors.

AUSTRALIA.—WHEAT CROP DISAPPOINTMENT—WOOL PRICES—EXPORT OUTLOOK.

(FROM OUR CORRESPONDENT.)

MELBOURNE, October 28.

THE Australian wheat crops have taken an unfavourable turn in a manner hardly expected at the end of September. After making satisfactory progress, though without any margin, through the winter, the crops received a fair amount of rain in September, and if this had been followed by a corresponding amount in October, completing the critical period, a good yield could have been hoped for. But the unusual sequence of September rains and a dry October has taken place, and while estimates of the harvest are still premature, the total will be much below last season, and the value of wheat and flour exports during 1926 will be about 20 millions sterling less than in 1925. The 1924-25 harvest was exceptionally large, the yield being 166 million bushels, of which 115 million bushels have so far been exported. The 1923-24 harvest was 125 million bushels, of which about 58 million bushels were exported from mid-December, 1923, to mid-December, 1924. In September the outlook encouraged chartering for new season's loading, but this and other preparations are now in suspense. A good rainfall within the next week or two would still be in time to affect the result, but at best the Australian harvest can only be moderate. To-day (October 28) is the fifth consecutive day of unseasonably warm weather in Melbourne.

The smaller wheat harvest and the lower prices obtainable for wheat and wool mean that a substantial reaction in Australian export trade is impending after the high value reached in 1924-25, and as imports for some time past have been heavy, a reduction in orders will be required in order to make a corresponding adjustment in the total value of imports in 1926.

Letters to the Editor.

TAXABLE CAPACITY AND A SUBSISTENCE MINIMUM.

TO THE EDITOR OF THE ECONOMIST.

SIR,—The principle laid down in the Peace Treaty that Germany should be placed under a burden of taxation at least as heavy as that borne by the peoples of the Allied countries was duly accepted and considered by the Dawes Committee. In their report some interesting pages have been devoted to a discussion of the practical consequences of that principle, and it was found that many thorny problems arose complicating the principle, which is superficially so simple. The committee discusses *inter alia* the necessity of deducting a "minimum of subsistence" from *per capita* income; it finds that the amount of the minimum is not exactly determinable, and it seems to vary as between different countries of different climates, different economic development, and different customs, e.g., as between Spain and the United States. This is, of course, all true, but the Committee then arrives at the astonishing result that, "as a rough working proposition, such a minimum may be regarded as varying in proportion to the *per capita* income of different countries." If it were so, it would not be necessary to take account of the minimum, for in that case it would not change the relative position of the countries. It is, I believe, *commune bonum* in public finance that the principle of a minimum of subsistence is introduced for the very reason that the minimum represents a relatively greater proportion of the smaller income than of the higher.

I thought at first that the words quoted from the Dawes Report were only a *lapsus* due to the hasty composition of the report, but I now find that Sir Josiah Stamp (himself a member of the Dawes Committee), in the discussion on Mr. G. Findlay Shirras' paper on Taxable Capacity, read before the Royal Statistical Society on June 16, 1925, said:—

"I remember the extraordinary experiences we had on the Dawes Committee. Some set out gaily with the notion that all that was necessary was to arrive at the total national income per head, and find out what taxation was being borne, and then to bring the laggards up to the level of those who were doing best. The question was what should be adopted as the minimum of subsistence figure necessary for maintaining the population. A figure that appeared to an American to be an impossible thing on which to sustain life was sufficient to wipe out the whole national income of Italy. The actual solution suggested was that the minimum must vary proportionately to the national income per head; nothing else was possible."

If nothing else is possible (which, personally, I doubt), there is nothing in the whole principle of a minimum of subsistence.—I am yours, &c.,
December 2nd, 1925.

MINIMUM.

Books and Publications.

REVOLUTION THROUGH BANK CREDIT.*

In his "Revolution by Reason" Mr. John Strachey provides an expansion and explanation of the proposals put forward by Mr. Oswald Mosley in a pamphlet with the same title. It is an interesting scheme, lucidly and earnestly submitted, and it would be rather attractive if there were any possibility that it could work in practice. The idea is that, since there are many who are out of work, while there are many others who want, but cannot buy, things that those out of work could make, all that is needed to cure both poverty and unemployment is that the necessary buying power should be put into the hands of those who want the goods. Accordingly, all that we have to do is to make employers pay higher wages and for the authorities to distribute larger unemployment allowances. If the employers plead that they cannot pay the higher

* "Revolution by Reason." By John Strachey. Leonard Parsons, 7s 6d net.

wages, money for this purpose is to be furnished to them by the banks, which will have been nationalised, and the employers will then have to submit to control by an economic council whose business it will be (among other things) to see that the extra buying power will be met by increased production, so that there will be no inflation or rise in prices. The greatly increased demand and the certainty of a market would enable employers to work at so satisfactory a profit that they would shortly be able to pay the higher wages without the grant of any further credits, and the thing is done, and Socialism can go forward to its next conquest. Mr. Strachey answers very effectively the objection that the scheme would not help the export trades, as he shows that extra wages and allowances would be spent partly in foreign goods, and these purchases would transfer buying power to foreign buyers, to whom we should consequently export. But his assumption (1) that the grant of credits would presently cease and (2) that his economic council would efficiently perform the very difficult task assigned to it, is so contrary to all experience that we can only envy, without admiring, the confidence with which he makes it. But he seems to be a mighty swallower of assumptions. He says, for example, that "effective demand is concentrated in the hands of a few property owners." Seeing that there are nearly 50 millions of people in these islands, and that they are all, in varying degrees, fed, clothed, housed, warmed and amused, it would seem that a certain amount of effective demand is exercised by, or on behalf of, all of them. And he does not strengthen his case by rhetorical claptrap, as when he tells us that "100 gardeners toil to rear the orchids which decorate the jacket of the politician as he makes his great speech in defence of cutting off the milk allowance of necessitous children"; or by foolish exaggeration, as when he says that "75 per cent. of our population live in miserable poverty."

LOCAL AUTHORITIES AND LOANS.*

LOCAL Authorities derive their power to raise loans in one of three ways—i.e., from public Acts, such as the Municipal Corporations Act, 1882, and the Local Government Acts, 1888 and 1894, under which no cash limit is placed upon the borrowing, but the sanction of a Government Department for each loan is required; or from a local Act obtained by the Authority, which Act usually stipulates the amount of money to be borrowed; or, lastly, from a Provisional Order issued by a Government Department and confirmed by Parliament, which also generally limits the amount of the loan. The early practice in regard to security for loans was to empower Local Authorities to borrow only on the security of specified undertakings, properties, or revenues; but now it has become the common custom for Local Authorities to give the same security for each loan—i.e., all the rates, funds, and revenues under their control.

Borrowing powers are usually limited by reference to rateable or assessable value. But these limits are by no means uniform, and the position is often obscure and sometimes even ludicrous. For instance, owing no doubt to defective draftsmanship, the Public Libraries Act, 1892, appears to give a borough power to borrow for the purposes of the Act an amount equal to twice its assessable value. Particulars as to restrictions on borrowing will be found in Chapter II. of this work. It is evident that there are many ways of avoiding these restrictions, and getting the limits, at least temporarily, relaxed. A loan sanction is a formal document under the seal of the appropriate central Department (generally the Ministry of Health) granting to the Local Authority the express power to raise a loan subject to prescribed conditions. The Minister of Health has discretionary power to fix such a period for repayment as he considers expedient having regard to the probable life of the assets to be created by the loan, and this power is now strictly exercised. The maximum periods allowed by the various Acts of Parliament are evidently sometimes altogether excessive; thus the loans of Urban District Councils for such things as ambulances, carts and vans, disinfectors, fire-engines,

* "Loans of Local Authorities." By J. R. Johnson F.S.A.A., Treasurer of the City of Birmingham. (London) Charles Knight and Co., Limited. 3s 6d net.

refuse destructors, stone breakers, and other plant may all extend to a maximum of 60 years.

In the course of a review of borrowing methods, the important question of the proportion of a Corporation's debt which may safely be covered by short-term securities is considered, and for this purpose the repayment period of five years is adopted as the minimum below which all debt must be regarded as short-term or floating. Debt repayable at dates over five years is considered as funded debt. From an examination of the experience of the principal Local Authorities during recent times, the conclusion is arrived at that in the majority of towns the floating debt is not allowed to exceed one half of the total debt, and that in many cases the floating debt does not exceed one-third. It is somewhat surprising to learn that the latter figure represents probably the highest standard reached.

An overdraft at the bank seems to be an almost indispensable incident in the financing of a Local Authority. The legality of bank overdrafts was a matter of grave doubt until 1921, when the Local Authorities (Financial Provisions) Act authorised the raising of loans "by bank overdraft or otherwise" for the specific purpose of providing working capital. Nothing is said in this book as to the utilisation by Local Authorities of the large sums standing to the credit of municipal bank depositors. The amount of money available from this source—as cash with Corporation at call—may sometimes amount to between 10 and 20 per cent. of the total outstanding debt of a municipality, and the subject is therefore important. This book, which is a second edition revised and enlarged, can be well recommended to all serious students of municipal finance.

INCOME-TAX CASES.*

THESE two text-books contain summaries of all the taxation cases (income-tax, super-tax, excess profits duty, and corporation profits tax) decided within the respective years, together with short notes on the judgments. It is difficult nowadays even for specialising counsel to keep up with the decisions given each term by the English, Scottish and Irish Courts, and it is even more difficult to bear them in mind. The author hopes that these text-books, which it is proposed to publish at the beginning of each year, will make these feats possible.

So involved is income-tax law that almost every decision raises questions capable of infinite discussion, although all are merely different aspects of the one question, "What is income?" In the notes on the judgments frequent reference is made to the difficulties surrounding the administration of our present tax system. For instance, (a) "This is another example of a case which purports to be stated by General Commissioners for the opinion of the Court, but which does not set out the facts on which alone an opinion could be formed." (b) "It is probably safe to say that there is no section in any Act of Parliament which is drafted more vilely than Section 39 of the Finance (No. 2) Act, 1915." (c) "This case affords an interesting example of the curious problems of construction which are incessantly presented by taxing Acts. Here the High Court judge found that the view of the taxpayer was clearly right: 'The present case is quite clear,' and the Court of Appeal found that it was clearly wrong." These books will be found very useful for reference.

BOOKS RECEIVED.

Commercial Management. By Cunliffe L. Bolling. (London) Sir Isaac Pitman and Sons, Limited. 10s 6d net.

Practice and Procedure of Registrar of Companies. By A. E. Campbell-Taylor. (London) Jordan and Sons, Limited. 10s net.

The Ruhr-Lorraine Industrial Problem. By Guy Greer. (New York) Macmillan Company. \$2.50.

Effective Regulation of Public Utilities. By John Bauer. (London) Macmillan and Co. 10s 6d.

* "Annual Summary of Tax Cases," 1922-23. Vol. I. 1924. Vol. 2. By Raymond Needham, Barrister-at-Law. (London) Gee and Co. (Publishers), Limited. 10s 10d per volume net.

The System of Book-keeping for Agricultural Estates. (London) Central Landowners' Association. 2s 6d net.

The South American Handbook, 1926. Edited by J. A. Hunter. (London) South American Publications, Limited. 7s 6d net.

Bulletin of the British Library of Political and Economic Science. November, 1925. London School of Economics.

Annual Report of the Southern Australian Railways Commissioner for the Year 1924-25. (Adelaide) R. E. E. Rogers.

The Round Table. December, 1925. (London) Macmillan and Co. 5s net.

OFFICIAL PUBLICATIONS RECEIVED.

The following may be obtained from H.M. Stationery Office, Adastral House, Kingsway, W.C. 2:—

The Registrar-General's Statistical Review of England and Wales for the Year 1924. Tables, Part I.—Medical. 15s net.

Bankruptcy, 1924. 42nd General Annual Report by the Board of Trade. 3s net.

League of Nations. 36th Session of the Council. Report by the Right Hon. Austen Chamberlain, M.P. Cmd. 2543. 3d net.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET, December 16.	ACCOUNT, December 17.
Thursday's rise to 5 per cent. in the Bank rate came not altogether unexpectedly. The Stock Exchange had been on the look-out for an advance before Christmas in the rate, and gilt-edged prices fell upon dullness in consequence. Now that the change has been made, Stock Exchange men argue that the uncertainty is ended, and that the new minimum will prove a useful working rate. War Fives and other British Government stocks have slightly declined in price. Of the newer stocks, the Tasmania scrip is noticeably strong.	

The German Potash loan should be out, according to report, within the next few days, and a Belgian loan is expected to follow immediately afterwards. French Government bonds went better, but gave way again on the decision to inflate still further the French note issues. European bonds, apart from French descriptions, are better, because of the signature of the new Pact. South Americans and Mexicans are idle. Turkish bonds moved rapidly and capriciously. There is nothing doing in Chinese descriptions.

Home railways have few friends, and prices are easier. The Argentine railway stocks went down with a run upon news of a visitation of rust in the northern part of the Republic. Reassuring cables arrived, and caused a partial recovery in prices. Cordoba Centrals are noticeably lower, however, on the week.

The rubber boom has raged irresistibly. In many Stock Exchange offices nobody went home on Wednesday, the ticket night. Announcement that the standard production in the restricted countries will be raised to 100 per cent. next February caused a slight pause to the exuberance, but the market has been extremely busy throughout the week. Tea shares are quiet; their turn, so men say, will come next. French buying of Shells, Royal Dutch, and Mexican Eagles has been the main motive of oil market movements.

Industrials outside the rubber market have been overshadowed by the rush of business in their predominant partner. Courtaulds spent a week that has been almost tame; Snias were neglected. Bleachers went back, the dividend being a disappointment. Iron and steel shares continue dull and heavy. The shipping market is inclined to droop. Wireless shares are inactive, and dull in parts. The brewery section is slightly better. Eastwoods have been a strong market. The banking group is quiet. Dunlops are said to be contemplating a new issue of debentures.

Chartered recovered briskly on dividend expectations, and Rhodesians exhibited a few sparks of vitality. Kaffirs have been enlivened by a better tone in platinums. Tin shares moved idly and towards rather lower levels. Canadians and Mexicans arouse no fresh public interest. Other mining sections continue to suffer from neglect.

NEW ISSUES.

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

Amount previously recorded.....	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
ISSUES OF THE WEEK—	£	£	£	£
208,794,177	..	..	..	..

NATIONAL SAVINGS CERTIFICATES.				
NET RECEIPTS INTO THE EXCHEQUER WEEK TO NOV. 28, 1925.				
April 1, 1925, to Nov. 28, 1925..	£	£	£	£
22,150,000	..	..	..	..

To the Public—				
Bulmer Rayon Co., 500,000 8% Cum. Prf. Shrs. of £1, at par	500,000	..	500,000	.. 50,000 .. 450,000
Do 750,000 Def. Shares of 1s, at par.....	37,500	..	37,500	.. 37,500
Silver Line, Limited, £1,107,000 5% Guar. Deb. Stk. (rep. 1930-1945) at 99½% ..	1,107,000	..	1,101,465	.. 110,700 .. 990,765
Tolgu Mines, 208,000 Shares of 5s, at par ..	52,000	..	52,000	.. 13,000 .. 39,000
Tybar (Java) Plantations, 1,500,000 Shares of 2s each, at par ..	150,000	..	150,000	.. 37,500 .. 112,500
Craigielea Rubber Plantations, 3,480,000 Shares of 2s, at 2s 6d per Share ..	348,000	..	435,000	.. 87,000 .. 348,000
Bajan Rubber and Produce, 1,100,000 Shares of 2s, at par	110,000	..	110,000	.. 55,000 .. 55,000
City of Wellington, City Street Works, £200,000 5% Deb. Stk. (red. March 31, 1949), at 98% ..	200,000	..	196,000	.. 10,000 .. 186,000
Do City and Suburban Highways, £130,000 5% Deb. Stk. (red. March 31, 1950), at 98% ..	130,000	..	127,400	.. 6,500 .. 120,900
Total offered to the public ..	..	..	2,709,365	.. 407,200 .. 2,302,165

To Shareholders only—				
Bangsawan Rubber, 221,250 Shares of 2s each, at 3s per share ..	22,125	..	33,138	.. 33,138
Johnson and Phillips, 100,000 Ord. Shares of £1, at 40s ..	100,000	..	200,000	.. 50,000 .. 150,000
Romeo, 62,563 Ord. Shares of £1, at 22s ..	62,563	..	68,819	.. 15,642 .. 53,177
Second Scottish Lvest. Trust, 100,000 Shares of £1, at par ..	100,000	..	100,000	.. 100,000
United Tamiang Rubber Estates, 400,000 Shares of 2s, at 4s 6d ..	40,000	..	90,000	.. 40,000 .. 50,000
Total to shareholders only ..	..	..	491,957	.. 238,780 .. 253,177

Total offered for subscription to date ..				
1925.....	211,985,499	1924.....	209,326,100	
1924.....	185,308,864	1923.....	271,393,173	
1923.....	259,169,638	1922.....	573,675,650	
1922.....	560,840,957	1921.....	388,978,203	
1921.....	323,804,861	1920.....	367,549,656	
1920.....	355,818,603	1919.....	1,036,069,951	

City of Wellington (N.Z.).—Issue of £330,000 5 per cent. debentures at £98 per cent. The money is required to provide permanent paving for the main streets of the City of Wellington, &c., and the loan is divided up into two parts, one being £200,000 Wellington City street works loan, 1925, redeemable March 31, 1949, and the other £130,000 Wellington City and suburban highways loan, 1924, redeemable March 31, 1950. Both loans are secured on special rates which, the prospectus states, will produce together £28,983 annually. The indebtedness of the city is £4,397,316, less sinking fund of £729,249, leaving £3,668,067. The rateable value of the city is £14,839,400, and of adjacent districts £3,456,390. The estimated value of Corporation assets, exclusive of reserves, is £5½ millions, the total capital value of all rateable property is £30,708,261, and the total revenue £1,353,036. An attractive issue.

Barclay, Perkins, and Co., Limited.—The issued share capital is £730,200, £720,000 being in cumulative preference shares of £4 each and 10,200 ordinary shares of £1 each. There is also outstanding £1,776,239 of loan capital. Particulars of the company are advertised in order to comply with the regulations of the Stock Exchange Committee, whose permission is being sought to deal in £500,000 5 per cent. mortgage debenture stock, 1937-77. The stock constitutes a first specific mortgage upon certain freehold licensed properties in London valued at £755,332, and a floating charge on all other assets, subject as to the properties specifically charged as security for £1,700,000 3½ per cent. debenture stock. It will be repayable by means of a cumulative sinking fund of ½ per cent. per annum to be applied in redemption by drawings at par, commencing in July, 1927. Any stock not previously redeemed will be repayable at par on July 1, 1977. The company reserves the right of redemption at £102 per cent. on or given for the past three years, before allowing for debenture interest. In 1922-23 they were £235,691, in 1923-24 £216,625, and in 1924-25 £252,756. Debenture interest requires £54,562 per annum. The book value of the assets, according to the last balance-sheet (exclusive of goodwill and after deducting all liabilities other than existing debenture stocks and after allowing for the final dividends) was £2,638,058. The stock, which is a sound and well-secured investment, has been issued at £91½ per cent., less a commission of 2 per cent. But we have not seen a prospectus.

Silver Line, Limited.—Share capital £500,000, of which £4,007 has been issued. In addition 384,543 shares of £1 each will be issued in part payment of motor vessels to be acquired by the company. The loan capital consists of £1,107,000 5 per cent. debentures and £456,000 income bonds. This is an issue of £1,107,000 5 per cent. guaranteed debenture stock, 1930-45, at £99½ per cent. Principal and interest are guaranteed by the Government under the Trade Facilities Acts. The stock will be repayable between 1930 and 1945 by means of a cumulative sinking fund to be applied in purchasing stock at or under par or by drawings at par. The first annual payment in respect of the sinking fund will be made on or before May 15, 1930. Stock not previously redeemed will be repayable at par on November 15, 1945. The company has contracted to purchase six Diesel-engined British motor vessels, of a total gross tonnage of 27,831 tons, for £685,918, of which £384,543 will be satisfied by the issue of shares. The company has also ordered the construction of six additional motor ships, with a gross tonnage of about 31,488 tons, at a total price of £1,140,000. These vessels (except the engines) are to cost £624,462, of which 40 per cent. is to be satisfied by the issue of income bonds, ranking behind the debenture stock, and 60 per cent. in cash. The engines are to be supplied for £515,538, of which 60 per cent. is payable in cash and 40 per cent. in income bonds. It is intended to run the vessels between New York and the Far East via the Mediterranean. The debenture stock, by reason of the Government guarantee, is placed in the category of first-class investments, and can confidently be recommended.

Bulmer Rayon Co., Limited.—Share capital £600,000. This is an issue of 500,000 8 per cent. cumulative preference shares of £1 each and 750,000 deferred ordinary shares of 1s each at par. The company has been formed to acquire as a going concern the business of manufacturers of artificial silk yarn carried on as a branch of Smith, Bulmer, and Co. It is stated that production commenced in September last. "The output has continually increased, and costs have decreased as the workpeople have become more efficient." Viscose machines are being installed at the rate of one a week, and the erection of the whole plant will be completed by the end of June, 1926. The purchase price is £265,000, and includes £133,000 for freehold factories and fixed equipment, and £70,000 for manufacturing plant. The balance of £62,000, payable in shares, is allocated for the right to use patents, special processes, &c. It is stated that the £70,000 for the present manufacturing plant is the actual cost of the machinery to Smith, Bulmer, and Co. The underwriting commission is 4 per cent., and a fee of £6,000. A practical industrial proposition.

Singapore Traction Company, Limited.—Particulars of this undertaking are published in order to comply with Stock Exchange regulations. The share capital is £400,000, divided into 200,000 £1 preference, 199,999 £1 ordinary shares, and the £1 management share. The management share has been issued to the Shanghai Electric Construction Company, Limited, which has been appointed managers of the company's business in Singapore. The Shanghai company are entitled to receive as remuneration for their services 50 per cent. of the net profits. On a poll the management share is to confer on the holder such number of votes as shall together with any other votes exercisable by the holder of the said share exceed the total number of votes which could be cast by all by one the total number of votes which could be cast by all other shareholders. This is of £200,000 6 per cent. first mortgage guaranteed debenture stock at £94½ per cent. It is gage guaranteed by means of a cumulative sinking fund commencing repayable by drawings at par, the company reserving the right in 1928, by drawings at par after December 31, 1928, on two months' notice. The stock is secured by a specific mortgage and charge on the traction undertakings authorised by ordinances or on the traction undertakings of Singapore (Straits Settlements) cessions of the Settlement of Singapore (Straits Settlements) and on all stations, power-houses, generating stations, sub-stations, carsheds and depots, and all lands, tenements, cessations, and hereditaments, real and immovable property, &c., of the company in Singapore. It will be unconditionally guaranteed by the Shanghai Electric Construction Company on consideration to it of 1 per cent. per annum. The company was formed to acquire and take over the undertaking of the Singapore Electric Tramways. The whole of the preference shares and about 167,000 ordinary shares have been issued as a Stock consideration. Presumably, it is intended to apply for a Stock Exchange quotation for the debenture stock, but no indication of this is given in the advertisement.

Kaminiatiqua Power Company, Limited.—Loan capital authorised \$5,000,000, outstanding \$2,999,833. Authorised share capital \$1,250,000, of which \$1,248,500 has been issued in 7 per cent. cumulative redeemable preference shares of \$100 each. In addition there are authorised and outstanding 40,000 common shares of no nominal par value, coming 30.750 class "A" shares (non-voting) and 9.250 class "B" (voting). Application is being made to the London Stock Exchange for permission to deal in £200,000 (\$973,333) first mortgage 5½ per cent. sinking fund registered debenture

stock of series "A," for which purpose particulars of the undertaking are published. The company has acquired the undertaking and franchise of a company of similar name, owning and operating a hydro-electric development in Ontario. It is provided that the company provides for a sinking fund for the retirement of bonds and "A" registered debenture stock, equal to not less than 1 per cent. of the total outstanding. Sinking fund payments are to commence in November, 1926. The stock is subject to redemption at the option of the company on any interest date at a premium of 4 per cent. on or before November 1, 1935, of 3 per cent. thereafter to November 1, 1940, of 2 per cent. to November 1, 1945, and of 1 per cent. thereafter until maturity. The advertisement states that the physical assets, including power site and station, and transmission and distribution systems, but excluding franchises, contracts, and goodwill, have been valued, as at September 30th last, at a replacement value of \$6,326,565. The property and assets were acquired for a total cash consideration of \$3,762,550, and the allotment of 12,485 7 per cent. cumulative preference shares. Prospectusless.

Associated Lead Manufacturers, Limited.—Particulars of the company are advertised in order to comply with Stock Exchange regulations. The authorised share capital is £2,020,000, of which £2,003,661 has been issued in the form of 799,959 6 per cent. cumulative preference and 1,203,702 ordinary shares of £1 each. Application for permission to deal in both classes is being sought. The company was incorporated in July, 1919, and has recently acquired other lead and antimony manufacturing businesses. It is stated that there are outstanding £184,226 6 per cent. secured notes, £174,226 of which were issued in exchange for gilt-edged securities. The notes constitute a floating charge on the undertaking. No detailed profit figures are presented, it being merely shown that the combined profits of some of the acquired businesses, after charging Excess Profits Duty, directors' and managing directors' remuneration at the rates at present payable and depreciation, but before charging Income-tax, Corporation Profits Tax, excluding paid or received interest, and before crediting interest and dividends on marketable securities, have during the ten completed years to December 31, 1923, shown an average of £150,088. The profits of the company for the year ending December 31, 1924, amounted to £167,066. Prospectusless.

Tolgu Mines, Limited.—Capital £200,000 in shares of 5s each, of which 592,000 shares are issued. This is an issue at par of 208,000 5s shares. The company has been formed to acquire a licence to work the Great South Tolgu and South Tolgu mines at Redruth, Cornwall. It is stated that the mines, which many years ago had been extensively worked for copper, were abandoned when the lodes reached the greenstone, "the fact that these copper lodes turn to tin-bearing lodes in the underlying granite being then unknown." The capital now being raised is required for exploitation and development work. The venture is obviously speculative, and until production is established on a commercial scale we cannot recommend the shares to investors.

Tybar (Java) Plantations, Limited.—Authorised share capital £160,000 in 2s shares. This is an issue of 1,500,000 shares at par. The company has been formed to acquire estates in Java of 4,750 acres, of which 1,705 acres are planted with rubber and tea. The purchase price is £106,000, and is payable in cash. The vendors also have the right to subscribe at par for the 100,000 unissued shares until December 31, 1927. The total underwriting commission is 5 per cent. The company, apparently, has much development work to undertake before it reaps the benefit of the large acreage acquired.

Craigielea Rubber Plantations, Limited.—Capital £400,000 in shares of 2s each. This is an issue of 3,480,000 shares at 2s 6d per share. The company has been formed to acquire a rubber estate in Johore. The area of the estate is 3,506 acres, of which 3,040 acres are planted with rubber. The purchase price is approximately £365,750, the vendors having the right to subscribe for 520,000 shares at 2s 6d per share up to December 31, 1928. The total underwriting commission is 4 per cent. The company is under expert guidance and should do well.

Bajan Rubber and Produce Estates, Limited.—Capital £125,000 in 2s shares. This is an issue at par of 1,100,000 shares. The company has been formed to acquire as a going concern a rubber estate at Singapore. The area is 1,323 acres, of which 1,220 acres are planted, 400 acres being in bearing and 350 acres in part bearing. The cash purchase price has been agreed at the equivalent of five years' estimated profits, £90,253. In addition, the vendors have stipulated for the right to subscribe at par for 100,000 shares and an option upon the unissued capital at par for two years. The issue has been underwritten for a total commission of 5 per cent.

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

CHAIRMAN'S REVIEW OF ECONOMIC CONDITIONS IN EUROPE.

In its economic aspects the year has been less satisfactory. The poor harvests of 1924 put a severe strain on many of the younger European States, which have not yet had time to recover from the successive ravages of war and of the inflation period. In the North, Estonia, Latvia, and Lithuania have all suffered severely, and recovery so far has been only partial. In the last two, however, the solid basis of a stable currency has been maintained, and by now also the collapse that was threatened in Estonia appears

I will not detain you by dealing with each country in turn, and will confine my remaining remarks to the outstanding example of France. As to the essential soundness of the economic position of our neighbour, there can be little doubt. At the same time, the crisis through which that country is now passing is only one more example of the results of financial timidity and the refusal to look facts in the face. It has taken a very long time for the French public to free itself from the chimera of being able to escape the financial burden of the war by means of Reparation-payments from Germany, and still longer to realise that international sympathy would not release it from its external obligations. Even now it still does not seem able to realise that, with its existing burden of internal debt, there is no third course between the alternatives of further taxation and further inflation. In the meantime failure to face the situation is being accompanied by the inevitable consequences of further collapse, with the serious danger that the underlying elements of strength and stability in which France is so rich may themselves become affected.

UNITED STATES.

I have left little time to deal with the one quarter of the globe, the United States, where for the past year prosperity would appear to have been unalloyed. I will not dwell on this, but I should add, at least, that to some observers there would seem elements in this upward swing of prosperity which give cause for serious thought, and would suggest more caution than is usually felt. It is to be hoped that these less satisfactory features may be eliminated. For there is nothing that could be less desirable than that the slow and painful progress which Europe is now making towards healthy conditions should be interrupted again by any unexpected reaction in the United States.

BALANCE-SHEET ITEMS.

You will remember that last year the reserve fund against our shareholding interest in foreign banks, amounting to £45,000, was amalgamated with the allocation of profit of £55,000 then made to general reserve. This year we have made an allocation to this account of £25,000, bringing our reserve fund to the substantial figure of £125,000. Acceptances for account of customers show an increase of some £600,000, and this is the result not so much of increases in regard to old clients as from new connections. On the other side of our balance-sheet the figures speak for themselves, and if they occasion any surprise it arises from their consistency, which, having regard to the character of our business, is remarkable. The contingent liability on bills of £2,211,000 is, as in other years, purely a formal entry, as we hold the obligation of first-class London banking houses in connection with every item.

PROFIT AND LOSS ACCOUNT.

The profit and loss account shows a satisfactory increase in profit for the twelve months of fully £20,000. Last year we made a specially large contribution to reserve to inaugurate the fund, and it was felt that the sum of £25,000 would this year be a satisfactory addition. Our usual allocation of £5,000 to reduction of premises account has also been made.

The general position and profit-earning capacity of the bank is such that the board had no hesitation in approving of a dividend of 3 per cent. per annum on the "B" shares, which, up to the present, have not received any return on their capital. I am sure you will agree with me that the £30,000 required for this purpose is not only justified, but that the "A" shareholders have every reason to show their appreciation of the patience shown, which has enabled the bank to produce such a strong balance-sheet before the "B" shareholders received a dividend.

THE RESOLUTION.

I now move the following resolution:—"That the report and accounts for the year ended October 31, 1925, as audited and certified by your auditors, now before the meeting, be approved and adopted; that the dividends recommended of 3 per cent. (final) on the "A" ordinary shares and 3 per cent. for the year on the "B" ordinary shares be approved, such dividends to be paid to shareholders on the register of members at the closing of the books on November 21, 1925."

MR HINDLEY'S SPEECH.

Mr R. T. Hindley (advisory director): Lord Churchill and gentlemen, I am very pleased indeed to be asked to second the motion which Lord Churchill has proposed, and, as representing one-third of the "B" shares, I do so with great pleasure. As this is the first occasion upon which a dividend has been paid on the "B" shares, it makes my mind go back to the meetings which eventually resulted in the formation of the British Overseas Bank. That bank has been an idea and an ideal in the minds of some of my friends, and we had many meetings, and the ideal took shape, but, as you know, it is very easy to have and to promulgate ideals; it is much more difficult, and much more necessary, to work out those ideals in practical daily life. I wish to take this opportunity of congratulating all the shareholders, including the "B" shareholders, upon having such men as they have at the head of affairs in this bank, from the managing director downwards, who have guided it through its first six years, and brought it to this state, an achievement which I can only describe as remarkable when one considers what those six years have been.

The whole of my life has been spent in practical banking, and I know what the last six years have meant, and I give respect and homage to those who have not only guided an existing bank, but have attained a far greater thing, creating a new bank amidst the turmoil of the last six years, and guiding it through with practically no difficulties, and with practically no bad debts except such as come from the devaluation of foreign currencies. I think it is a remarkable achievement.

NECESSITY FOR INDIVIDUAL ECONOMY.

Those six years have meant that the nations, and the bankers in whose hands the finances of the nations have been, had to face situations for which there was no precedent. It has meant elas-

ticity of mind, and of method, in order to guide the ship straight through the turmoil. At the same time, you have had economics and finance very largely subservient to politics for a large portion of the period. Happily, they are coming into their own again now, and I hope we shall have less politics and more sound economics in our finance in the future. After all, a nation is composed of individuals, and the soundness of national finance must be based upon the soundness of individual finance. During the war there was a period when the perspective of the individual was completely out of gear, owing first to inflation, and then to an excess of pessimism which followed the slump, and it is only now that we are getting back towards normal business methods. I sincerely hope that at the same time we are getting back to a sound and reasoned view by individuals of the need for sound finance. It was truly said the other day that we do not want fewer capitalists; we want more capitalists. We want every individual in every nation gradually to become a capitalist by a steady habit of saving, however small his savings may be relatively to the size of his income. On those lines alone shall we get back to sound finance nationally.

Gentlemen, I have made these rather lengthy remarks because it has appealed to me so much as a practical banker that during these times of unsound views and lack of perspective and lack of perception the gentlemen in whose hands the affairs of this bank are resting have come through with a remarkable record. In heartily seconding the resolution which Lord Churchill has put before you, I just wish to say, speaking for my own part, and I am sure I am speaking for you as shareholders in this bank, that we are to be heartily congratulated not only upon the present position of the bank, but upon the gentlemen whom we have to guide our great British Overseas Bank. I very heartily second the resolution.

The Chairman: Gentlemen,—Before putting the resolution, if any gentleman has any questions to ask or remarks to make, I shall be very happy to hear him. (A pause.) Well, if there are no questions, I will put the resolution which has been proposed by myself and seconded by Mr. Hindley. Those in favour will kindly hold up their hands; to the contrary. That is carried unanimously. I now ask Mr. Norman Hird to move a resolution.

RE-ELECTION OF DIRECTORS.

Mr Norman L. Hird (advisory director): Lord Churchill and Gentlemen,—The resolution which I have been asked to move is the re-election of the retiring directors, Sir George E. May, K.B.E., and the Hon. Henry D. McLaren, C.B.E., and it gives me very great pleasure to do so. Sir George May, as you are aware, has been connected with the British Overseas Bank from its earliest days, and the bank has had the advantage of Mr McLaren's services for the last two or three years. We are very much indebted to them both for their help, and I have much pleasure in moving the resolution.

Mr D. W. Berdow-Wilkinson: I have much pleasure in seconding that.

The Chairman: Those in favour will kindly hold up their hands; to the contrary. That is carried unanimously. I now invite a shareholder to move the reappointment of the auditors, Mr A. W. Tait, C.B.E., C.A., and Mr A. S. Macharg, C.A.

Mr Jacinto Magalhaes: I beg to move that the retiring auditors, Mr A. W. Tait, C.B.E., C.A., and Mr A. S. Macharg, C.A., be reappointed as auditors of the company for the current year at the same remuneration, namely, a collective fee of 500 guineas.

Mr A. S. V. Llewellyn: I second that.

The Chairman: Will those in favour kindly hold up their hands; to the contrary. Carried. That concludes our business, gentlemen.

VOTE OF THANKS TO THE BOARD AND STAFF.

Colonel G. R. C. Westropp, C.B.:—Mr. Chairman and Gentlemen,—Before we leave I am sure that it is the wish of every shareholder present to express appreciation of the good work which has been done by the board and all the members of the staff in being able to put before us the good figures which they have to-day. It is very gratifying to see that the bank is making steady progress and expansion. Now that there is a greater likelihood of continued peace in Europe for years to come, let us hope, we have every reason to expect that the bank will achieve still greater expansion and progress. We all realise how much an institution of this sort is dependent on the wisdom and guiding hands of the directors, and I wish to propose a very hearty vote of thanks to the board as well as to the staff for all they have done for us during the past year.

Mr W. J. Slatford: I have much pleasure in seconding that.

Colonel Westropp: All those in favour; that is carried unanimously.

The Chairman: I am going to ask Mr Gairdner to respond to that very gratifying vote, but before asking him to do so I should like, as your chairman, to emphasise what has fallen from Mr Hindley as to the great debt of gratitude which we all owe to Mr

Gairdner personally as our managing director and deputy-chairman, and I am quite sure that all my colleagues on the board will agree with me when I say that. We are indebted to him for his sound judgment, great care, and never-ceasing attention to our affairs which he has devoted so very successfully in the past years.

MR GAIRDNER'S REPLY.

Mr Arthur C. D. Gairdner (deputy-chairman and managing director):—Lord Churchill and Gentlemen,—The motion which Colonel Westropp has so kindly proposed is, I think, almost an original one so far as this bank is concerned. I do not think that we have ever had a formal proposition of that sort before; not that there has not been appreciation, but I think that everyone felt that the expression of this feeling in other speeches was sufficient. I feel that on the present occasion it comes most happily because we have got into the position of paying a dividend upon all our capital. Speaking on behalf of my colleagues and myself, I can say that we most deeply appreciate what has been said not only by Colonel Westropp, but also by Mr Hindley. Perhaps we appreciate Mr Hindley's remarks even more, for he is a banker, and knows all the difficulties we have been through. We appreciate it also because, if I may say so, I think we all feel that we really deserve it. We have had anxieties in the past; we have anxieties now, and we shall have anxieties in the future. We have made mistakes in the past; we are making them now, and we shall make them in the future, but as long as we have your confidence we can look forward to the future with optimism.

We have complete confidence in ourselves; we have complete confidence in one another, and I think I can congratulate you on the fact that in the British Overseas Bank you have got "a team." Banking is team work, and perhaps in no bank is that more essential than in the British Overseas Bank. One man cannot do anything in banking, but a team of men, all pulling together and each pulling his weight, can do anything. On possessing such a team I congratulate you. I thank you on behalf of myself and my colleagues for all the kind words that have been spoken, and for the confidence which you have expressed in us to-day, which is most encouraging in facing the troubles which no doubt lie in front of us.

The Chairman: That concludes the business.
The proceedings then terminated.

BRITISH AND CHINESE CORPORATION, LIMITED.

POSITION AND PROSPECTS IN CHINA.

The 27th annual ordinary general meeting of the British and Chinese Corporation, Limited, was held, at the Cannon Street Hotel, London, on the 3rd inst., Major W. S. Nathan, C.M.G. (chairman of the company), presiding.

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

The Chairman said: Gentlemen,—At the last annual general meeting of this corporation I warned you as to the danger of prophesying about future events in China. However, what I told you at that meeting regarding the probable trend of the general political situation has been borne out by facts. To-day the position in China generally, both politically and industrially, is even worse than it was a year ago, and I see no possibility of an early issue out of the difficulties the country is passing through.

The dangers I anticipated Chang Tso Ling would experience in maintaining his power in the face of opposition from the Christian general and the generals of the Chihli party have apparently culminated during the last few days. So far as can be judged from the telegrams which have been received, the power of this Tsuchun inside the Great Wall has been practically annihilated, whether or no for good still remains to be seen.

A spirit of nationalism has been developing among the Chinese during the last few years to a degree which only a short time ago would have seemed impossible. I believe, however, that this spirit will in the end prove the salvation of the country if and when its guidance falls into capable hands. It manifests itself at present in all kinds of foolish and irrational courses, but were it guided into a sane and steady channel of thought and applied to the re-building of the Government and the stabilising of the political situation, it may prove, as I have said, the salvation of China.

I hope the influence of the Central Government will still be sufficient to prevent the worst consequences of Communism and Sovietism. Meanwhile, I regret to say that, as always happens in these crises, the railways are suffering from loss of revenue and deterioration of their properties, and that during the past year there has been no possibility of attempting anything to improve their condition, and at the present time I see no prospect of our being able to attempt any considerable programme of re-habilitation or reconstruction.

CAPITAL POSITION.

You will remember that, at our last meeting, I discussed the probability of the corporation calling up further capital, but so far it has not been necessary to take any action in this matter, nor do I see any immediate necessity for doing so. As you are aware, your directors have each year, since 1919, recommended setting aside a sum for building up the reserve with the result that the sum is now nearly double what it was six years ago. We think events have shown that this was a wise and prudent policy, and whilst the state of affairs in China continues as at present, and in order to bring the corporation in a good and strong position to resume the business for which it was chiefly constituted, the contracting of loans for public services, your directors are of the opinion that this policy should steadfastly be maintained.

Regarding the accounts for the year under review, the decrease in profits is chiefly due to the non-payment of the overdue dividend on the Shanghai Nanking Railway net profit certificates, as compared with two dividends received in the previous year's accounts. The value of our investments is reduced owing to a heavy charge having to be made for depreciation.

DEBTORS AND OPEN ACCOUNTS.

Advances to the Canton Kowloon Railway during the year amounted to £35,000, and in connection with the Peking Mukden Railway double track loan, only four monthly instalments have been received against the principal and interest.

The increase is due to bank overdrafts in China to meet the advances I have mentioned.

In pursuance of the policy I have advocated, it is recommended that a further sum of £10,000 be placed to the reserve, and to enable the usual amount to be carried forward to the next year's account, we propose that the dividend be reduced to 10 per cent.

I beg to move: "That the directors' report and accounts now presented, be and they are hereby received and adopted, and that a dividend of 10s per share be, and the same is hereby declared payable, less income-tax, on the 5th inst."

Sir Charles Addis, K.C.M.G., seconded the resolution, and it was carried unanimously.

The Chairman then moved the re-election of Sir David Barbour, K.C.S.I., as a director of the corporation.

The motion was seconded by Mr David Landale, and unanimously approved.

On the motion of Mr J. R. Michael, seconded by Mr J. G. P. Jepps, the auditors, Messrs Broads, Paterson and Co., were re-appointed.

The proceedings then terminated.



The Anglo-South American Bank Limited.

Head Office:
117 Old Broad Street, London, E.C.2

Authorised Capital	: : : : £10,000,000
Reserve Fund	: : : : £4,000,000
Issued Capital	: : : : £8,754,660
Paid-up Capital	: : : : £4,367,330

The Bank, in addition to 7 Branches in

SPAIN

has with its

AFFILIATED INSTITUTIONS

THE BRITISH BANK OF SOUTH AMERICA, Ltd., and

THE COMMERCIAL BANK OF SPANISH AMERICA, Ltd.

53 offices in the principal countries of

LATIN AMERICA

Auxiliaries Abroad:

ANGLO SOUTH AMERICAN TRUST CO.
(Incorporated under the laws of the State of New York)
NEW YORK.

BANQUE ANGLO-SUD AMERICAINE, SOC. ANON.,
PARIS.

Northern District Office: 60, Market Street, BRADFORD.
Lancashire Branch: 18, Spring Gardens, MANCHESTER.

CHINESE ENGINEERING AND MINING COMPANY, LIMITED.

RESULTS OF A DIFFICULT YEAR.

EFFECTS OF POLITICAL AND INDUSTRIAL SITUATION.

The thirteenth annual ordinary general meeting of the Chinese Engineering and Mining Company, Limited, was held, on the 2nd inst., at Winchester House, Old Broad street, London, Mr W. F. Turner (the chairman) presiding.

The secretary (Mr Alf. W. Berry) having read the notice convening the meeting and the report of the auditors,

The Chairman said: Gentlemen,—The report and accounts for the year ended on June 30th last, which we submit to you to-day, form a striking and unpleasing contrast to those which were presented at the meeting in December of last year, but those of you who have borne in mind the information which we gave you on that occasion as to the working of the first five months of the year will have been prepared for it to a great extent. The final result is that we recommend the payment of a balance dividend of 5 per cent., free of income-tax, which, together with the interim dividend of the same amount paid in May last, makes a total for the year of 10 per cent., free of income-tax, compared with 20 per cent., free of income-tax, for the preceding year.

The report shows that the gross profit of the Kailan Mining Administration for the past year amounted to \$5,640,271. This compares with a gross profit of \$10,830,007 for the preceding year. After providing for interest on the 6 per cent. Kailan bonds, £55,440; redemption of bonds for the year, £24,000; reserve for depreciation, \$846,040; the proportion of profit to which the Chihli Provincial Government is entitled and other items, there is a net profit remaining of \$3,116,238, as compared with \$7,339,371 in the preceding year.

PROFIT AND DIVIDEND.

The proportion of this profit brought to credit of our profit and loss account, together with interest in China, is £256,034. The average rate of exchange for the year was approximately 2s 3d, which is rather lower than that for the preceding year. Interest in Europe, exchange, and minor items bring up the total credit to £286,546. Administration and expenses of all kinds in Europe amount to £19,825, leaving a net profit for the year of £266,720. The corresponding figure last year was £500,225. The balance brought forward from the previous year's account was £185,406, and we have a credit of £22,479, being the balance of our claim for repayment of excess profits duty. These sums make a total credit of £474,605. Income-tax absorbs £90,485, so there remains a balance of £384,120 to be carried to the balance-sheet. The interim dividend of 5 per cent., free of tax, paid on May 7th last, amounted to £70,000, which leaves available the sum of £314,120 shown in the balance-sheet.

Out of this balance we propose that a further dividend of 5 per cent. be declared to-day, free of income-tax (making 10 per cent. for the year, free of tax); that is, £70,000. The directors' further remuneration under article 83 of the articles of association amounts to £2,885, so there will remain a balance of £241,234 to be carried forward to the next account. It is equal to about 17½ per cent. on the share capital. We regret that we do not feel justified in recommending a larger dividend, but in view of the political and industrial situation in China, to which I shall refer presently, and the consequent necessity of our maintaining a strong financial position, we are sure that the shareholders will approve our decision.

The balance-sheet shows liabilities to creditors, £63,456, which is about one-half of the amount in the preceding year, the difference being chiefly in respect of claims of the Inland Revenue. The reserve for corporation profits tax was estimated at £14,425, and the half-year's debenture interest credited to June 30th was £27,360, making the total liabilities £105,241. On the other side, there is a large reduction in the cash, which stands at £367,827, against £696,779 in the preceding balance-sheet. Bills receivable were £8,284, against £20,262 last year. The debtors, £3,693, are about as usual. You will see that the debit balance on the Kailan Mining Administration current account is £298,633, compared with £134,072 in the preceding year. It consists mainly of our share of the profit of the past year.

PURCHASE OF RAILWAY WAGONS.

There is a new item in the balance-sheet this time called "Kailan Mining Administration—Railway Car Loan Account," £77,290. This debit is in respect of the 200 railway wagons bought by the Kailan Mining Administration in Europe, to which I referred in my address a year ago, and sold to the Peking-

Mukden Railway on the hire purchase principle, the exclusive use of the wagons being retained by the Kailan Mining Administration. The loan is being repaid to us by the Administration in agreed monthly instalments. This transaction has been of great value to the business of the Administration, and it illustrates the importance of our maintaining the company in such a financial position that we can render temporary assistance of this kind when the need arises. The engineer-in-chief, in his annual report, says: "One may realise what services our own rolling stock has rendered us, because if we had only had the Peking-Mukden Railway cars for the transportation of our coals we would simply have been compelled to close our mines for some time, or only work two or three days a week, which would have been an impossible régime."

REDUCED SALES OF COAL.

The directors' report states that the sales of coal were 2,861,708 tons, a decrease of no less than 1,422,000 tons compared with the preceding year—almost 33 per cent. At the general meeting a year ago we gave you information as to the sales during the first four or five months of the working year. It was stated that the sales were well maintained for the months of July and August. Then came the hostilities of September and October, which almost paralysed the railway traffic as far as we were concerned, and the sales fell to their lowest point of 16,000 tons in the first week of November, 1924. The recovery from this point was slow, and it was not until the month of May following that normal figures were reached. The recovery was simply a question of the return to normal facilities for the transport of the coal.

The output for the year was 4,033,000 tons, against 4,464,000 tons in the preceding year. Development work has continued as usual, and the coal in sight at June 30th last was estimated at 28,809,000 tons, against 27,658,000 tons at the close of the preceding year.

Before leaving this part of the subject, I should say that Mr Young, the general manager of the Kailan Mining Administration, writes acknowledging the zeal and devotion to duty that every member of the Administration's staff has displayed throughout a most trying time last year. He says that the board may feel that they have a staff proud to belong to the Administration, and ready to do their utmost to preserve its credit and its good name.

CURRENT YEAR.

As regards the business of the current financial year 1925-26, the report tells you that the sales for the four months, July to October, show an increase of 202,000 tons compared with the same months of 1924. The latest figures we have show that to the end of the third week of November the sales were 1,443,000 tons, compared with 1,111,000 tons in the preceding year, an increase of 332,000 tons; but this rate of progress does not seem likely to continue. During the past few weeks there has been a great sequent upon the demands made upon the railway by the movement of troops, and the sales will, of course, be affected sooner or later. Advantage had, however, been taken of the opportunity to accumulate large stocks of coal at Chinwangtao, Tientsin, and the mines so as to be prepared for all emergencies. The latest return shows at Chinwangtao 446,000 tons, at Tientsin and neighbourhood 67,000 tons, and at the mines over 680,000 tons. This preparation will help to minimise the effects of civil war if it should come in the north, where we are chiefly concerned, and to place the Administration in a position to make the most of the situation when the trouble is over.

GENERAL MANAGER'S REPORT.

I will conclude with one or two passages from Mr Young's report commenting on the work of the past year and describing the position in which we now stand. He says:—

"It is not surprising that in such adverse circumstances the profits on the year's working are very much reduced. Rather, I think, it is a matter for congratulation that the powers of resistance of commerce and industry in China to military interference are so great as to have enabled us to realise a gross profit of as much as \$5,640,000. But what strikes me as even more remarkable is that out of a turnover which we estimate as \$22,000,000, we have found it necessary to write off no more than \$24,000 as bad debts, or .11 per cent. of our gross receipts. Anywhere, and in

any circumstances, that figure would be satisfactory. In such circumstances as those of China at the present time, it bears extraordinary evidence of the fact that, in spite of political chaos and rampant militarism, the business community of China—the best element in the country—is sound.

"As to our general situation and the prospects of our business for the future, I can only reiterate what I have said on many previous occasions. The equipment and maintenance of our mines leaves nothing to be desired; the spirit of our staff in all grades is excellent; the potentialities of a large and prosperous business exist. All that is required is freedom from political disturbances and military interference. Whether hopes based on the Tariff Con-ference will be realised, and a period of peace will at last visit China, or whether a further period of chaos lies before us, none can predict. I can only say with confidence that, if our hopes should be realised, we are in a position to take full advantage of the favourable turn of events, and that if the worst should happen, we are better able than any other concern in China to weather the storm."

We are in close touch with all that concerns our affairs in China, our colleague, Major Nathan, having recently returned from a stay of two months in the country.

THE FUTURE.

In regard to the future, I will read you a short passage from the report of the engineer-in-chief as to the richness of the mines. He says:—

"To sum up, we notice that we have as tonnage to work out in the depths limits fixed for each mine a total of 141,000,000 tons in round figures. This does not represent a maximum, as it is more than certain that our mines will be further deepened. Indeed, at Tongshan, we shall soon start work towards the 11th level, which is not indicated in the statements here alluded to. If to the tonnage mentioned we add the 24,000,000 tons that Tongchiachwang mine mentioned we have a grand total of 165,000,000 tons of coal, or, will produce, we have a grand total of 165,000,000 tons of coal, or, at the annual rate of 6,000,000 tons, an output for a minimum duration of about 28 years. In next year's report we shall increase the depth limit fixed for the exploitation which will be logical, being given our equipment."

If we take the annual rate of output to be about 4½ million tons—the highest we have yet reached—the duration would be about 40 years instead of 28 years. It is obvious, then, that the known and the potential resources of the mines are enormous; we have an admirable organisation in all departments; as the industries of China develop they require our coal in increasing quantities; all that is needed is stable government.

I now move: "That the directors' report and accounts to June 30, 1925, be and they are hereby received and adopted, and that a final dividend be declared of 5 per cent., free of income-tax, making 10 per cent. for the year, free of income-tax, payable on December 3, 1925."

Mr Félicien Cattier seconded the resolution, which was carried unanimously.

Mr Edward Davis, Mr Emile Francqui, and the Chevalier E. de Wouters, the retiring directors, were re-elected, and Messrs Annan, Dexter and Co. were reappointed auditors.

A hearty vote of thanks to the chairman, the directors, and the staff concluded the proceedings.

E. W. TARRY AND COMPANY, LIMITED.

IMPROVED RESULTS AND PROSPECTS.

The annual general meeting of E. W. Tarry and Co., Limited, was held, on the 1st instant, at the Cannon-street Hotel.

Sir J. Foresee Flannery, Bt., D.L. (the chairman), in moving the adoption of the report and accounts, said that for two or three years past the trading of the company had been adversely affected by strikes, political disturbances, bad seasons, poor crops, poor trade, and other misfortunes in the Dominion of South Africa, but the directors were now able to point to some signs of improvement, and, indeed, had a better showing to submit than of improvement, and the sales of large stocks which had accumulated in the hands of weak holders among their competitors had to an extent counterbalanced the improvement in South African trade, but when these stocks were liquidated the full revival of trade for which the directors hoped should inure to the advantage of this company.

The general condition of the company throughout the Dominion was sound; from Rhodesia down to the Cape encouraging reports had been received, and the future might be looked forward to with a great deal of confidence.

Pursuing the board's policy of inter-communication between officers here and in the Dominion, Mr Allison, the secretary of the company and manager in London, was now in South Africa, where he would discuss with the local committee the extension of the business in districts where they were not at present repre-

sented, any reorganisation or extension of business in places where they were now working, and various other matters. With the intention of extending the scope of the business, the directors had had under consideration the sale of motor-cars, and had made certain arrangements as a start, and further inquiries were now being made with a view to the extension of the board's policy. The possibilities also of a trade in wireless were now being investigated.

Dealing with the balance-sheet, the Chairman pointed out that the increased business had been done without increasing the stock, but with a still further increase of turnover the figure could not be expected to remain stationary. One of the great attractions of Tarrys in the Dominion was that what a customer wanted they could supply on demand, and this necessarily involved carrying a considerable stock. The gross profit for the ten months to June 30th last amounted to £56,523, being, proportionately, somewhat better than in the previous twelve months, and the directors were able to recommend a dividend of 2½ per cent., or at the rate of 3 per cent. for twelve months, on the ordinary shares.

The report was unanimously adopted.

STRAND HOTEL, LIMITED.

ANOTHER SUCCESSFUL YEAR.

The eighteenth ordinary general meeting of the Strand Hotel, Limited, was held, on the 3rd instant, at the Trocadero Restaurant, London.

Major M. Gluckstein, the chairman, presided, and, in the course of his speech, said: The profit for the year has again increased. This, I am sure, you will consider very satisfactory, because last year was undoubtedly an exceptional one, the number of visitors to London having been largely increased by the additional attraction of the British Empire Exhibition at Wembley. As was to be expected, Wembley did not prove so great an attraction this year, and the number of visitors to London was not so large as in the previous year. That, in spite of this, we should have achieved even better results will, I am sure, be regarded by you as proof that we are not dependent on these abnormal attractions.

The balance from trading account, after deducting all the expenses, provision for depreciation, redemption, income-tax, and contingencies, and crediting dividends received from investments, shows a profit of £111,349. (Cheers.) Although this is only £900 more than last year, we think it is, for the reason already given, and having in mind the present depression in trade, an excellent result. It is proposed to pay final dividends at the same rates as last year—namely, 7 per cent. and 8 per cent. respectively on the cumulative preference shares; on the participating preferred ordinary shares at the rate of 15 per cent. per annum, making a total distribution of 11 per cent. for the year; and on the deferred ordinary shares an amount equal to that proposed on the participating preferred ordinary shares. These final dividends will absorb £53,000, and will leave a sum of £10,392 to carry forward.

I told you last year that we were preparing for an extension of the present Strand Palace Hotel premises, but that we should not be able to commence work for some time. That extension will, in fact, enable us to double the present number of bedrooms. I need not say that this is not the end of the extension schemes, but it is sufficient for the time being.

As regards the future, we are not pessimistic. We have weathered such storms as we think are not likely to occur again in the lifetime of any of those present. There are many alarming rumours about, but I have great faith in the strong common sense of the mass of the population of this country. There are slight indications of improvements on the horizon. If such indications develop, your company will share in the additional prosperity; if they do not, we have in years past sufficiently strengthened the foundations of our business to be able to face a continued period of depression with equanimity.

The report and accounts were unanimously adopted.

MALAYA GENERAL COMPANY, LIMITED.

YEAR'S RECORD PROFIT.

The seventeenth ordinary general meeting of the Malaya General Company, Limited, was held, on the 2nd inst., at Winchester House, London, Mr George M. Weekley (chairman of the company) presiding.

The Chairman, in moving the adoption of the report and accounts, said: The year's profit of £55,551 is a record in the company's history, and it has been accomplished with an average selling price of 1s 8.59d, delivered in Singapore. Measured by to-day's quotations, this may appear very low, but you must remember that our financial year began in September, 1924, and that rubber prices did not rise to any appreciable extent until May of this year. Our previous year's average was rather under 1s

per lb, and when I last addressed you we had sold "forward" 12 tons per month of our crop at the ruling rates, with a minimum of 1s 3d and a maximum of 1s 9d per lb. We still have to deliver 12 tons to complete the contract at 1s 9d per lb, but for the bulk of our output we have, of course, been getting current rates.

We have sold the whole of our crop until the end of 1926, delivered in Singapore, on the basis of the London average selling price for the month of delivery, less 4d per lb, so that we are assured of the full market value during the whole of next year. Buyers have the option of taking delivery in the form of latex, and this they will do as soon as their installation is ready early in the new year. The price for the latex will then be 1d per lb under the London average for standard smoked sheet, and, as we shall be saved the cost of manufacture, packing, &c., this will really give us an advantage of 2d to 3d per lb over the price of manufactured rubber on the London market.

Our estate cost of production was 7.44d per lb, as against 7.02d in the previous year. Our general expenses, including agency, directors' remuneration and depreciation, represent only .98d per lb, as against 1.24d in 1924, being a saving of more than 4d per lb over the whole crop.

The reserve account has been brought up to £50,000, all invested in Government securities, of which £10,000 of War Loan has been purchased since the date of the balance-sheet. This is equivalent to more than 25 per cent. of the capital of the company. Our other securities are in process of realisation, and should ultimately realise the amount, nearly £14,000, at which they stood on August 31st last.

After paying 20 per cent. dividend—which will make a total of 25 per cent. for the year—we propose to carry forward the sum of £27,953.

Within the last few days we are informed, by cable from Singapore, that our standard production has been increased to 1,871,425 lbs, being nearly 75,000 lbs more than was stated in the directors' report.

The report and accounts were unanimously agreed to.

GOVERNMENT RETURNS, &c.

TREASURY BILLS AND BONDS BY PUBLIC TENDER

Tenders for £45,000,000 in Treasury Bonds and Treasury Bills were opened on Dec. 4, 1925, and the total amount applied for was £56,295,000. For bills at three months dated Monday, £98 17s 10d, and above in full; Tuesday to Saturday bills at £98 17s 7d, above in full—in bills at 3 months, £44,145,000; in bonds, nil.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.	4% Treasury Bonds. Average Price.
1925.				
Oct. 2.....	45,000,000	65,940,000	£ s d	£ s d
Oct. 9.....	40,000,000	66,420,000	3 7 3/39	94 8 1/48
Oct. 16.....	35,000,000	41,385,000	3 12 7/86	nil
Oct. 23.....	40,000,000	48,395,000	3 14 9/79	94 8 0
Oct. 30.....	40,000,000	49,160,000	3 16 1/72	94 8 0
Nov. 6.....	45,000,000	47,865,000	3 18 1/44	nil
Nov. 13.....	40,000,000	44,835,000	3 17 3/73	nil
Nov. 20.....	40,000,000	43,065,000	3 18 5/17	94 8 0
Nov. 27.....	45,000,000	47,435,000	3 19 0/1	nil
Dec. 4.....	45,000,000	56,295,000	4 10 6/05	nil

Tenders will be received on Dec. 11, 1925, for Treasury Bills and Treasury Bonds to be issued to the maximum amount of £40,000,000. The amount of Treasury Bonds issued will not exceed £4,000,000.

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

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Redemption Account.	Ratio to Notes.	Govt. Securities.	Balance at Bank of England.
1922.						
Mar. 29.....	300,351	14,355	5,000	28,500	19,450	177
June 28.....	296,374	13,338	5,000	28,500	19,450	177
Sept. 27.....	289,127	12,648	7,000	27,000	21,150	169
Dec. 27.....	301,337	12,872	7,000	27,000	21,150	137
1923.						
Mar. 28.....	285,616	12,318	7,000	27,000	22,450	190
June 27.....	286,503	12,519	7,000	27,000	22,450	123
Sept. 27.....	282,784	12,401	7,000	27,000	22,450	140
Dec. 26.....	289,070	12,571	7,000	27,000	22,450	169
1924.						
Mar. 26.....	281,538	11,908	7,000	27,000	22,450	130
June 25.....	280,316	12,472	7,000	27,000	22,450	140
Sept. 24.....	285,592	12,227	7,000	27,000	22,450	184
Dec. 31.....	296,261	12,812	7,000	27,000	26,350	132
1925.						
Mar. 25.....	284,256	11,822	7,000	27,000	26,350	112
June 24.....	292,278	12,265	7,000	27,000	26,350	119
Sept. 30.....	293,004	12,555	7,000	27,000	26,350	121
Nov. 25.....	290,022	12,040	7,000	27,000	26,350	104
Dec. 2.....	289,418	12,084	7,000	27,000	26,350	137

Since July 21, 1920, notes and certificates outstanding include notes cancelled but not yet cancelled. Maximum fiduciary issue for 1925 fixed at £200,000,000, for 1921 at £217,556,200, for 1922 at £209,988,400, for 1923 at £270,183,900, for 1924 at £248,190,900, and for 1925 at £248,145,400.

NATIONAL DEBT.—(Million £).

	Aug. 1, 1914.	Dec. 31, 1919.	Mar. 31, 1921.	Mar. 31, 1922.	Mar. 31, 1923.	Mar. 31, 1924.	Dec. 31, 1924.	Mar. 31, 1925.	Nov. 28, 1925.
Funded Debt.....	588	315	315	315	314	314	314	314	314
Term Annuities.....	30	20	18	16	14	14	14	13	13
34% Conversion Loan.....	..	..	..	266	684	666	666	709	756
4% Conversion Loan.....	..	..	..	..	..	..	210	210	210
34% War Stock.....	..	63	63	63	63	63	63	63	63
44% War Stock.....	..	13	13	13	13	13	13	13	13
4% and 5% War Stock.....	..	2,047	1,995	1,953	2,095	2,166	2,017	2,052	2,052
National War Bonds.....	..	1,509	1,413	1,201	953	820	813	778	771
4% Victory Bonds.....	..	409	406	401	399	396	396	395	395
Treasury Bonds.....	..	360	347	335	325	314	314	360	350
Exchequer Bonds.....	..	20	323	289	185	150	150	499	479
National Savings Certs.....	..	267	285	342	354	362	364	369	370
Other Debt*.....	..	1,306	1,132	1,087	1,157	1,128	1,132	1,124	1,124
American Loan (Anglo-French).....	..	15	51	121	878	616	588	626	576
Treasury Bills.....	..	1,107	1,121	1,121	1,121	1,121	1,121	1,121	1,121
Temporary Advances.....	..	1	243	147	147	147	147	147	147
Other Capital Liabilities.....	654	8,033	7,574	7,655	7,742	7,641	7,726	7,646	7,693
Total Liabilities.....	711	8,079	7,623	7,721	7,812	7,707	7,794	7,718	7,773

* Includes debt to American Government.

POSITION OF THE FLOATING DEBT.

Ways and Means Advances	Nov. 29, '24.	Mar. 31, '25.	Nov. 28, '25.	Movment Week ended Nov. 28, '25.
Outstanding—				
Advances by Bank of England	163,645,000	166,585,000	122,141,000	1,200,000
Advances by Public Deptms.	624,400,000	575,610,000	646,680,000	555,000
Treasury Bills Outstanding	788,045,000	742,195,000	768,821,000	645,000
Total Floating Debt	1,576,090,000	1,484,390,000	1,537,642,000	1,400,000

* Includes £19,000, the proceeds of which were not carried to the Exchequer within the period of the account.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1925-26. (See Note)	Total Receipts into the Exchequer from	Receipts.	Week ended Nov. 28, 1925.	Week ended Nov. 29, 1924.
		Apr. 1, 1925, to Nov. 28, 1925.	Apr. 1, 1924, to Nov. 29, 1924.		
Salaries in Exchequer on 1st April—					
Bank of England.....	..	5,341,778	5,069,613	..	..
Bank of Ireland.....	..	1,215,322	1,562,001	..	..
REVENUE.					
Customs.....	102,040,000	68,150,000	66,696,000	2,338,000	1,992,000
Excise.....	137,220,000	88,764,000	89,565,000	1,485,000	1,625,000
Motor Vehicle Duties.....	17,500,000	5,998,000	4,965,000	146,000	..
Stamps.....	66,500,000	38,650,000	40,550,000	680,000	1,270,000
Land Tax, House Duty & Mineral Rights Duty.....	24,000,000	14,420,000	12,940,000	720,000	680,000
Property & Income Tax.....	191,000,000	114,725,000	125,945,000	1,258,000	1,502,000
Super-Tax.....	63,300,000	30,296,000	28,050,000	360,000	330,000
Excess Profits Duties, &c.....	4,000,000	9,000,000	11,240,000	130,000	190,000
Corporation Profits Tax.....	9,000,000	37,000,000	36,500,000	1,100,000	1,000,000
Post Office.....	57,000,000	740,000	760,000	140,000	130,000
Crown Lands.....	900,000	8,861,254	8,666,650	3,469	88,018
Interest on Sundry Loans.....	12,600,000	7,893,993	8,244,670	618,215	74,622
Miscellaneous—	14,000,000	23,202,689	20,464,921	82,530	1,011,084
Ordinary Receipts.....	30,000,000	446,354,936	455,311,251	8,971,214	9,893,724
Special Receipts.....	801,060,000	452,912,036	461,942,666	..	..
Revenue.....	..	..	..	..	..
Other Receipts.....	..	..	..	..	..
Temporary Advances Repaid—					
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	..	73,782	73,782	..	..
Under the Unemployment Insurance Acts, 1921.....	..	1,390,000	5,920,000	..	..
(a) For Capital Expenditure Issues: Under the Telegraph (Money) Act, 1924.....	..	5,950,000	4,500,000	..	..
Under the Housing Act, 1914.....	..	6,000	..	..	..
Under the West Indian Islands (Telegraph) Act, 1924.....	..	20,071	260,719	..	..
(b) Under the Unemployment Insurance Acts, 1921.....	..	1,715,000	400,000	..	..
(c) For other issues: By Treasury Bills.....	..	1,655,744,000	1,601,307,000	46,385,000	46,135,000
By 34% Conversion Loan.....	..	46,094,560	2,017,000	..	..
By National Savings Certificates By Exchequer and National War Bonds.....	..	23,050,000	18,550,000	600,000	..
By Treasury Bonds, 1925.....	..	15	..	..	..
By 4% Treasury Bonds, 1923-33.....	..	10	..	..	..
By Other Debt created under the War Loan Act, 1914 to 1919.....	..	5,055,707	15,931,370	47,200	..
(d) Ways and Means Advances.....	..	418,031,000	533,369,000	4,100,000	2,500,000
Anglo-Persian Oil Company—Dividends on Shares Acquired.....	..	..	23,109	..	..
Repayments In respect of Cunard Loan.....	..	130,000	..	130,000	..
In respect of Issues under Land Settlement (Facilities) Acts, 1919 and 1921.....	..	126,701	577,041	..	..
In respect of Issues under Section 69 (4) of the Finance Act, 1920.....	..	9,901,981	1,622,025	..	..
Interest received under Section 59 (5) of the Finance Act 1920.....	..	256,776	..	..	..
Total.....	..	2,620,467,641	2,651,180,911	62,300,414	58,750,746

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1925-26. (Including Supplementary Grants).	Total Issues out of the Exchequer to meet Payments from	Week ended Nov. 28, 1925.	Week ended Nov. 29, 1924.
		Apr. 1, 1925, to Nov. 28, 1925.	Apr. 1, 1924, to Nov. 29, 1924.	
EXPENDITURE.				
National Debt Services—	305,000,000	201,301,935	203,263,625	1,030,158
Interest, &c.....	50,000,000	25,699,139	18,406,740	589,629
Sinking Fund.....	16,900,000	5,251,044	4,364,044	..
Road Fund.....	..	..	..	..
Payments to Local Taxation Authorities, &c.....	13,329,000	7,578,390	7,587,891	845,000
Payments to Northern Ireland Exchequer.....	4,000,000	2,892,626	2,977,735	205,161
Land Settlement.....	700,000	288,677	377,549	..
Other Consolidated Fund Services.....	2,000,000	1,558,504	1,656,635	2,625
Supply Services.....	418,086,000	262,476,609	245,094,398	7,886,000
Expenditure.....	810,015,000	507,046,924	483,728,517	11,426,410
OTHER ISSUES.				
Temporary Advances—				
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904.....	..	73,782	73,782	..
Under the Unemployment Insurance Acts, 1921.....	..	1,715,000	650,000	90,000
Issues to meet Capital Expenditure: Under the Telegraph (Money) Act, 1924.....	..	7,900,000	5,950,000	600,000
Under the Housing Act, 1914.....	..	6,000	..	..
Under the West Indian Islands (Telegraph) Act, 1924.....	..	20,071	324,541	..
Unemployment Insurance Acts, 1921—	..	1,270,000	5,790,000	..
Repayment of amounts borrowed—	..	1,584,655,000	1,565,245,000	45,800,000
Redemption of Debt—	..	19,800,000	20,800,000	550,000
Treasury Bills.....	..	306,667	..	..
Principal of National Savings Certificates.....	..	8,344,789	6,586,653	..
Principal of Exchequer Bonds paid off.....	..	23,645,865	..	..
Principal of National War Bonds paid off.....	..	..	50	..
Principal of Treasury Bonds paid off.....	..	..	..	..
Other Debt under the War Loan Act, 1914 to 1919.....	..	462,475,000	558,879,500	5,300,000
Ways and Means Advances Repaid.....	..	..	..	..
Anglo-Persian Oil Company—Issued to the National Debt Commissioners.....	..	23,109	..	..
Balance in Exchequer—	..	2,617,259,098	2,648,057,252	62,314,573
Bank of England.....	..	2,001,361	2,012,815	1,998
Bank of Ireland.....	..	1,197,182	1,110,844	112,161
Total.....	..	3,198,543	3,123,659	114,159

NOTE.—Budget Estimate as in H.C. No. 84 of 1925.

Treasury, November 30, 1925.

The OCEAN ACCIDENT and GUARANTEE CORPORATION, Limited.

ASSETS £28,501,591
CLAIMS PAID £237,361,771

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

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

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, December 2, 1925.

ISSUE DEPARTMENT.		BANKING DEPARTMENT.	
	£		£

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

Assets.	Nov. 6, 1925.	Oct. 30, 1925.	Oct. 23, 1925.	Oct. 16, 1925.	Oct. 9, 1925.	Nov. 3, 1925.
Total securities	16,19,82	16,16,58	16,17,52	16,12,87	16,17,03	16,51,17
Loans	14,47,38	14,38,33	14,46,24	14,16,86	13,96,78	15,30,41
Cash credits	29,56,45	29,54,90	28,86,87	28,92,17	28,81,08	34,66,99
Overseas bills	4,74,76	5,40,40	5,37,59	4,71,84	5,06,78	6,01,95
Foreign bills	33,65	34,20	23,25	26,35	33,99	34,79
Dead stock	2,76,74	2,77,11	2,77,05	2,76,85	2,76,59	2,65,49
Balance with other banks	12,72	4,27	10,64	42,44	14,34	1,14,77
Cash	22,28,96	24,96,53	25,63,44	24,54,83	27,98,95	20,00,46
LIABILITIES.						
Capital paid up	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50
Reserve	4,77,50	4,77,50	4,77,50	4,77,50	4,77,50	4,77,50
Total deposits	80,17,97	82,58,60	82,67,21	81,09,29	83,93,80	75,58,00
The above includes—						
Deposits in London	1,176	1,110	1,120	1,358	1,214	1,224
Advances in London	1,156	1,161	1,159	1,158	1,108	557
Cash, &c., at other Banks in London	85	31	73	285	98	767

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

Assets.	Oct. 31, 1925.	Oct. 24, 1925.	Oct. 17, 1925.	Oct. 10, 1925.	Nov. 1, 1925.	Position May 31, 1924.
Cash and bullion	1,126,539	1,126,495	1,128,103	1,128,468	1,118,019	221,320
Discounts	311,990	219,294	217,247	206,790	370,666	41,740
Advances	184,848	169,301	164,983	167,657	299,010	70,940
LIABILITIES.						
Notes in circulation	1,354,527	1,245,239	1,211,856	1,217,362	1,355,567	352,770
Govt. deposits	644,100	672,985	705,822	682,146	945,113	87,340
Other deposits	70,046	73,710	68,658	70,974	68,042	11,440

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

Assets.	Dec. 3, 1925.	Nov. 26, 1925.	Nov. 19, 1925.	Dec. 4, 1925.	Position May 28, 1924.
Gold coin and bullion	5,547,806	5,547,784	5,547,626	5,544,777	3,730,263
Of which held abroad	1,864,321	1,864,321	1,864,321	1,864,321	1,864,321
Silver coin and bullion	316,767	315,139	312,863	304,650	332,650
Discounts and advances	7,329,377	6,155,529	6,031,842	6,386,567	2,387,775
Advances to the State	33,500,000	31,950,000	31,000,000	23,000,000	..
LIABILITIES.					
Notes in circulation	49,183,657	48,085,443	47,943,224	40,700,832	5,811,875
Government deposits	40,758	9,125	30,303	14,895	183,700
Private deposits	3,246,043	3,012,653	2,485,000	2,017,863	845,950

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

Assets.	Nov. 26, 1925.	Nov. 19, 1925.	Nov. 12, 1925.	Nov. 5, 1925.	Nov. 27, 1925.	Position May 28, 1924.
Coin (gold & silver and bullion)	395,455	395,413	395,268	394,482	397,471	322,650
Securities	905,586	1,018,413	1,020,971	1,119,875	1,311,775	697,600
LIABILITIES.						
Notes in circulation	7,544,298	7,542,557	7,638,000	7,636,444	7,603,353	834,150
Current accounts	57,422	57,422	301,718	309,704	303,081	112,126

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

Assets.	Nov. 30, 1925.	Nov. 23, 1925.	Nov. 16, 1925.	Nov. 9, 1925.	Dec. 1, 1925.	Position May 31, 1924.
Gold	457,838	460,484	456,087	451,928	505,222	163,095
Silver	23,441	23,498	23,865	23,800	12,042	8,256
Deots and advances	453,148	447,562	456,427	465,269	392,644	153,504
LIABILITIES.						
Notes in circulation	907,639	881,598	899,901	913,729	965,094	138,632
Deposits	36,843	54,203	40,736	32,947	57,022	5,016

BANK OF JAYA.—In florins (000's omitted).

Assets.	Nov. 28, 1925.	Nov. 21, 1925.	Nov. 14, 1925.	Nov. 7, 1925.	Nov. 29, 1925.	Position May 31, 1924.
Gold	185,500	186,500	186,250	186,250	134,037	29,785
Silver	147,530	152,770	163,310	162,710	162,575	77,567
Discounts, advances, and other investments	344,000	342,000	344,000	342,000	276,701	109,499
LIABILITIES.						
Notes in circulation	33,500	37,000	43,500	40,000	113,471	11,260

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

Assets.	Nov. 30, 1925.	Nov. 23, 1925.	Nov. 16, 1925.	Nov. 9, 1925.	Dec. 1, 1925.	Position May 31, 1924.
Gold	455,837	455,862	460,961	460,593	505,502	171,175
Silver	90,846	91,321	90,149	89,126	93,244	18,350
Assets & advances	300,569	282,664	287,794	282,751	281,099	103,000
LIABILITIES.						
Notes in circulation	819,036	771,959	793,765	815,386	837,863	275,925
Deposits	95,038	116,595	116,576	88,400	139,589	33,750

THE REICHSBANK.—In Reichsmarks* (000's omitted).

Assets.	Nov. 23, 1925.	Nov. 16, 1925.	Nov. 9, 1925.	Nov. 2, 1925.	Nov. 15, 1925.	Position May 31, 1924.
Reichsbank shares not yet issued	177,212	177,212	177,212	177,212	210,000	210,000
Gold and bullion	1,207,800	1,206,959	1,206,959	1,206,959	694,826	694,826
Of which deposited abroad	95,605	95,605	95,605	95,605	240,033	240,033
Reserve in foreign currencies	1,379,507	1,442,962	1,474,396	1,474,396	2,154,800	2,154,800
Bills of exchange and cheques	67,610	65,307	64,383	64,383	53,890	53,890
Silver and other coins	37,026	39,940	23,587	23,587	2,015	2,015
Notes of other German banks	11,569	9,833	9,784	9,784	17,080	17,080
Advances	221,360	220,717	220,297	220,297	77,328	77,328
Investments	891,285	845,261	785,367	785,367	1,748,000	1,748,000
Other assets	122,788	122,788	122,788	122,788	90,000	90,000
LIABILITIES.						
Increased capital (shares not yet issued)	177,212	177,212	177,212	177,212	210,000	210,000
Reserve	185,807	185,807	185,807	185,807	900	900
Notes in circulation	2,423,880	2,558,829	2,677,644	2,677,644	1,633,171	1,633,171
Other daily maturing obligations	967,919	836,744	698,002	698,002	749,539	749,539
Other liabilities	507,689	496,087	462,378	462,378	1,705,670	1,705,670

* Equal to one billion paper marks or one Rentenmark.
The gold reserve is calculated in accordance with the new legal prescription one pound of fine gold equals 1,332 Reichsmarks.

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

Assets.	Nov. 23, 1925.	Nov. 16, 1925.	Nov. 9, 1925.	Nov. 2, 1925.	Nov. 15, 1925.	Position May 31, 1924.
Coin and bullion—Gold	147,226	147,226	147,226	147,226	147,226	44,324
Balance abroad and foreign bills	58,246	58,244	64,090	39,580	28,533	..
Norwegian and Foreign Government securities	12,596	12,596	12,596	8,999	8,816	..
Discounts and loans	301,882	303,285	305,962	292,058	76,811	..
LIABILITIES.						
Notes in circulation	346,980	342,322	358,903	367,872	113,484	..
Deposits at notice	100,973	98,168	98,979	118,241	7,186	..

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

Assets.	Nov. 28, 1925.	Nov. 21, 1925.	Nov. 14, 1925.	Nov. 7, 1925.	Nov. 29, 1925.	May 31, 1924.
Gold	230,530	230,626	230,719	230,761	238,996	104,930
Balance abroad and foreign bills	160,525	160,962	164,027	164,843	54,835	112,179
Swedish and foreign Gov. securities	47,266	47,250	47,250	47,250	54,302	39,465
Discounts and loans	224,318	221,928	227,679	242,094	376,867	112,669
LIABILITIES.						
Notes in circulation	503,142	479,369	490,009	503,581	537,085	326,555
Deposits at notice	85,366	100,940	103,955	103,440	132,703	368,660

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

Assets.	Nov. 23, 1925.	Nov. 16, 1925.	Nov. 9, 1925.	Nov. 2, 1925.	Position May 31, 1924.
Gold	43,286	43,286	43,286	43,286	35,091
Balance abroad and foreign bills	1,419,989	1,345,493	1,328,462	552,943	90,379
Finland and Foreign Government securities	405,205	405,137	405,137	496,082	21,225
Discounts and loans	365,660	368,958	364,573	855,184	106,151
LIABILITIES.					
Notes in circulation	1,214,314	1,239,661	1,268,149	1,198,643	123,941
Deposits at notice	716,365	631,925	581,145	553,149	21,225

BANK OF ESTHONIA.—In Est. marks (000's omitted).

Assets.	Nov. 14, 1925.	Nov. 7, 1925.	Oct. 31, 1925.	Oct. 15, 1925.	Nov. 15, 1925.
Reserve of notes (cash)	781,101	737,485	651,199	760,314	970,150
Cash in foreign money, gold, and deposits abroad	793,696	816,485	834,733	853,306	931,028
Foreign bills	24,288	236,355	213,790	245,300	295,768
Discounts	1,734,774	1,733,496	1,763,393	1,758,241	1,531,697
Advances and sundry outstandings	4,371,059	4,289,186	4,283,207	4,063,931	3,710,278
LIABILITIES.					
Capital paid up and reserve funds	462,273	462,273	462,273	462,273	395,381
Bank notes issued	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000
Deposits	4,466,050	4,371,547	4,323,735	4,315,119	3,768,554
Commercial credits	450,293	451,282	401,451	432,572	254,668

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

Assets.	Nov. 25, 1925.	Nov. 18, 1925.	Nov. 11, 1925.	Nov. 4, 1925.	Nov. 28, 1925.
Gold bullion and coins	21,554	23,552	23,551	23,604	12,993
Silver coin	1,902	2,004	2,047	2,047	2,047
Foreign currency	30,460	30,460	30,460	30,460	30,460
Treas. notes & small change	9,035	10,858	9,525	48,286	22,466
Short term bills	63,449	64,102	64,175	43,289	3,065
Loans against securities	50,492	50,351	50,101	44,789	5,812
Other assets	10,951	10,920	11,049	7,627	1,359
LIABILITIES.					
Notes in circulation	29,183	28,526	28,679	26,000	4,085
Capital paid up	11,659	11,659	11,659	10,260	8,000
Reserve	1,522	1,522	1,522	962	..
Special reserve	1,000	1,000	1,000	..	..
Deposits	6,340	5,822	6,716	4,700	61
Current accounts	44,369	45,689	45,319	45,512	16,933
Government accounts	721.6	74,552	74,123	78,528	16,697
Other liabilities	23,735	23,537	22,787	13,815	3,757

BANK OF POLAND.—In zloty (000's omitted).

Assets.	Nov. 20, 1925.	Nov. 13, 1925.	Oct. 31, 1925.	Oct. 20, 1925.
Gold	132,548	132,470	132,470	132,118
Foreign currencies	60,161	66,806	60,966	60,936
Silver and bullion	17,035	14,722	6,367	6,367
Loans discounted	280,187	278,941	289,851	18,467
Bills against securities	70,180	66,710	68,576	281,205
Short-term deposits	17,968	17,898	17,873	18,389
Liability of the Treasury	50,000	50,000	50,000	50,000
LIABILITIES.				
Share capital	100,000	100,000	100,000	100,000
Reserve funds	1,197	1,197	1,197	1,197
Notes in circulation	349,072	352,043	352,434	370,536
Current accounts	108,744	109,149	100,571	104,999
Liability in foreign exchange	75,150	66,708	52,529	53,660

BANK OF CZECHO-SLO

States of Exchange.	Par Level.	Dec. 4, 1924.	Nov. 12, 1925.	Nov. 19, 1925.	Dec. 3, 1925.
London—					
60 days		4.65	4.80625	4.7987	4.80
Cable		4.6875	4.8475	4.8450	4.85
Cheques		4.6850	4.84375	4.8425	4.8450
Paris		19.30	5.0	4.0750	3.7925
Brussels		19.30	5.01	4.5350	4.5250
Switzerland		19.30	19.39	19.275	19.27
Italy		19.30	4.3350	4.0625	4.0275
Berlin		23.81	0014	23.81	23.805
Vienna		14.07	13.88	14.25	14.125
Madrid		19.30	40.51	40.23	40.20
Amsterdam		40.195	17.72	24.66	24.94
Copenhagen			14.99	20.14	20.32
Oslo			26.97	26.74	26.75
Stockholm			13.3	13.3	13.350
Athens			1.8150	1.33	1.3350
Montreal			99.96	3% pm.	3% pm.
Yokohama			49.85	38.50	41.95
Hong Kong			55.87	58.50	58.15
Shanghai			55.80	78.15	75.95
Calcutta			35.15	36.68	36.70
Buenos Aires			103.65	114.40	106.15
Rio de Janeiro			32.42	11.60	15.00
Valparaiso			20.60	11.375	12.375

OVERSEAS BANK RATES.

Changed.	%	Changed.	%
Amsterdam	Oct. 3, 1925 .. 3 1/2	Oslo	Sept. 14, 1925 .. 5
Athens	Aug. 18, 1925 .. 10	Paris	July 9, 1925 .. 6
Belgrade	Feb. 26, 1925 .. 9	Prague	Mar. 25, 1925 .. 7
Berlin	Dec. 1, 1925 .. 6	Riga	Feb. 16, 1924 .. 8
Brussels	Sept. 4, 1920 .. 7	Rome	June 18, 1925 .. 7
Bucharest	Oct. 21, 1925 .. 7	Sofia	Oct. 8, 1925 .. 7 1/2
Budapest	Dec. 3, 1925 .. 6	Stockholm	Oct. 22, 1925 .. 3 1/2
Calcutta	Sept. 8, 1925 .. 5 1/2	Swiss Bank	April 15, 1925 .. 7 1/2
Copenhagen	Mar. 6, 1925 .. 9	Tokio	Sept. 2, 1925 .. 9
Danish	Oct. 29, 1925 .. 7 1/2	Vienna	(See note below)
Helsingfors	Sept. 12, 1923 .. 9	Warsaw	
Lisbon	Feb. 26, 1925 .. 3 1/2		
New York Fed-	Mar. 23, 1923 .. 5	Irish	Dec. 3, 1925 .. 6
Madrid			

The Bank Rate of the South African Reserve Bank is 5 1/2% for first-class commercial bills (90 days), and 6% for agricultural bills (of not more than six months).

Warsaw (Poland).—From August 12, 1925, discount rate, gold francs, 12%; loans on collateral security, gold francs, 14%.

We are informed that the head office of the De Javasche Bank at Batavia as from October 20th, has increased its discount rate for bills from 3 1/2 per cent. to 4 1/2 per cent.

GOLD MOVEMENTS.

The following table shows arrivals and withdrawals of gold during this week:—

ARRIVALS.	£	WITHDRAWALS.	£
Nov. 28	nil	Nov. 28	17,000
" 30	nil	" 30	22,000
Dec. 1	nil	Dec. 1	179,000
" 2	nil	" 2	652,000
" 3	nil	" 3	15,000
" 4	nil	" 4	19,000
" 4 Amount set aside on		" 4	nil
" Nov. 6th for account of		" 4	nil
" Federal Reserve Bank		" 4	nil
" sovs. 500,000		" 4	nil
Total	500,000	Total	927,000
Net withdrawals, £427,000.			

CENTRAL AMERICAN EXCHANGE RATES.

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

Country.	Par Value	Usance.	1925.	Rate.
Ecuador	Guano to £	10.00	Sight London	Nov. 28 21.50
Venezuela	Bolivares to £	25.25	"	Nov. 25 25.10
Colombia (Bogota)	Pesos to £20	100	"	Dec. 1 98.50
Nicaragua	Corobas to £	4.8665	"	Nov. 28 4.80
San Salvador	Colonos to £	97.15	"	Nov. 28 9.75
Guatemala	Pesos to £	90.23	"	Nov. 28 292
Costa Rica	Colonos to £	10.45	"	May 28 18.92
Bolivia	pence to Boliviano	19.20	"	Nov. 21 17 1/2

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates:—

Union of South Africa.		Union of South Africa.	
From close of mail December 1, 1925.		From December 1, 1925.	
London on South Africa.		South Africa on London.	
Buying.	Selling.	Buying.	Selling.
T.T.	1 1/2 % dis.	1 1/2 % pm.	par
Demand	1 1/2 % dis.	1 1/2 % dis.	1 1/2 % dis.
30 days	2 % " "	1 1/2 % " "	1 1/2 % " "
60 days	2 1/2 % " "	1 1/2 % " "	1 1/2 % " "
90 days	2 1/2 % " "	1 1/2 % " "	1 1/2 % " "
120 days	3 % " "	1 1/2 % " "	1 1/2 % " "

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

London on Australia and New Zealand.				Australia and New Zealand on London.			
Buying.		Selling.		Buying.		Selling.	
Aus- tra- lia.	New Zeal'nd	Aus- tra- lia.	New Zeal'nd	Aus- tra- lia.	New Zeal'nd	Aus- tra- lia.	New Zeal'nd
T.T.	..	100	100	99	..	100	100
Demand	99	99	100	99	99	99	99
30 days	98	98	..	98	98	98	98
60 days	98	97	..	98	98	98	98
90 days	97	97	..	97	97	..	99

MOSCOW QUOTATIONS FOR CHERVONETS.

According to advices received in London, the following are the Moscow quotations for chervonets:—

£1,000 sterling equals 940 1/2 chervonets,
\$1,000 " " 194 "

BULLION.

IMPORTS AND EXPORTS OF GOLD.

Week ended December 2, 1925.

Imported into Great Britain and Northern Ireland.	Exported from Great Britain and Northern Ireland.
From—	To—
Belgian Congo	Sweden
British South Africa	Germany
Other countries	Netherlands
	France
	Switzerland
	Spain
	Egypt
	Java
	British India
	Straits Settlements
	Canada
	Other Countries
Total declared value of imports	Total declared value of exports
92,650	691,600

Messrs Samuel Montagu and Co. write on December 2nd as follows:—

GOLD.

There was again very little gold available in the open market this week, and withdrawals were made from the Bank of England to meet requirements. The following movements of gold to and from the Bank of England have been announced since our last letter:—

	Received.	Withdrawn.
Nov. 26	£ nil	£ 106,000
" 27	nil	27,000
" 28	nil	nil
" 30	nil	39,000
Dec. 1	nil	179,000
" 2	nil	709,000

The destinations of the £89,000 sovereigns withdrawn were announced as follow:—£22,000 to Singapore, £23,000 to Straits Settlements, £19,000 to Holland, £15,000 to India, to £10,311,000.

ARCOS LTD.

Sole Purchasing and Selling Agency in Great Britain for the Government of the U.S.S.R.

Turnover from June, 1920, to September 30, 1925, £65,797,891

Exports from Russia to Great Britain include timber, flax, furs, ores, metals, crude drugs, petroleum products, etc., to a total value of £21,565,018.

The more important items of import to Russia are agricultural machinery, locomotives, tools, motors, scientific apparatus, drugs, clothes, boots, etc., to a total value of £44,232,873.

49, Moorgate, London, E.C.2

Telegrams: "Arcosarcos, Arcs, London." Cables: Arcosarcos. Telephone: London Wall 6626. Codes: A.B.C., 8th & 9th editions. Marconi, Bantley & Zetser.

and £10,000 to the Argentine. During the week under review £1,060,000 has been withdrawn from the Bank, increasing the net efflux since the resumption of an effective gold standard

SILVER.

The market has remained rather inactive during the week, and this condition has been reflected by the narrow movements in the quotations. Silver has been offered on China account, and in the absence of support prices sagged gradually until the 28th ultimo. Buyers were more in evidence on the next working day, November 30th, and quotations were fixed 1/4d higher at 32 1/2d and 32d, for cash and forward deliveries respectively. The demand did not continue, however, and prices again lapsed, being quoted to-day at 32d and 31 1/2d. Very little demand has been made by the Indian bazaars, but America has contributed some sales to this market. United Kingdom imports and exports of silver during the week ending the 25th ult. were as follows:—

Imports.	Exports.
£	£
Poland (including Dant-	Germany
zig)	France
U.S.A.	Austria
Mexico	Egypt
Peru	Tanganyika Territory ..
British West Africa	Other countries
Other countries	
Total	431,072
	85,389

INDIAN CURRENCY RETURNS.

(In Lacs of Rupees.)

	Nov. 7.	Nov. 15.	Nov. 22.
Notes in circulation	19,188	19,145	19,067
Silver coin and bullion in India ..	8,945	8,902	8,824
Silver coin and bullion out of India ..	2,232	2,232	2,232
Gold coin and bullion in India	5,711	5,711	5,711
Gold coin and bullion out of India ..	2,300	2,300	2,300
Securities (Indian Government) ..			
Securities (British Government) ..			

No silver coinage was reported during the week ending 22nd ult. The stock in Shanghai on the 28th ult. consisted of about 53,800,000 ounces in sycee, 65,000,000 dollars, and 2,770 silver bars, as compared with about 54,500,000 ounces in sycee, 65,000,000 dollars, and 4,510 silver bars on the 21st ult. Statistics for the month of November last are appended:—

	Bar Silver, per Oz Std.		Bar Gold.
	Cash	Two Months' Delivery.	per Ounce,
	Delivery.	Delivery.	Fine.
	d	d	s d
Highest price	32 $\frac{1}{2}$	32 $\frac{1}{2}$	84 11 $\frac{1}{2}$
Lowest "	31 $\frac{1}{2}$	31 $\frac{1}{2}$	84 11
Average "	32.155	31.965	84 11.4

GOLD AND SILVER PRICES.

1925.	Gold Per Ounce.	Silver—Per Ounce.	Date.	Silver.
	Cash.	Forward.		Cash.
Nov. 28	84 11 1/2	32 1/2	Dec. 12, 1919	78 1/2
" 30	84 11 1/2	32 1/2	10, 1920 ..	38 1/2
Dec. 1	84 11 1/2	32 1/2	9, 1921 ..	34 1/2
" 2	84 11 1/2	32 1/2	8, 1922 ..	31 1/2
" 3	84 11 1/2	32 1/2	7, 1923 ..	33 1/2
" 4	84 11 1/2	32 1/2	5, 1924 ..	32 1/2

NOTICES.

Mr Thomas Woodsend, who has been a director of the Anglo-South American Bank, Limited, since July, 1910, has resigned from the board of that bank owing to advancing years. Señor Don Agustin Edwards has been elected to the seat on the board of the bank rendered vacant by the retirement of Mr Woodsend. Señor Edwards was Chilean Minister at the Court of St. James for many years prior to his return to Chile in November, 1924.

The Midland Bank Limited announces the opening of a new branch at 579 Wilbraham road, Chorlton-cum-Hardy, Manchester, under the management of Mr Arthur Evans. It is also announced that the business of the bank's Liverpool foreign branch has been transferred from 8 Dale street to 36 Castle street and 4 Brunswick street.

Barclays Bank Limited announce that they have opened a new sub-branch at 45 Church street, Shildon, under the management of Mr G. L. Bainbridge, also manager of Bishop Auckland branch.

Lieut.-Colonel E. H. W. Bolitho, D.S.O., a local director of Barclays Bank Limited at Penzance, has been elected to a seat on the board of the bank.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per annum, except where marked % or stated in Cash.			Dividend for Whole Years	
	* Interim div.	+ Final div.			
	Interim or Final.	Date of Pay-ment.	Method of Payment.	Lat'at Year.	Pre-vious.
Railways.					
Rohilkund and Kumaon	5%+ (& b	onus of	3%) Less tax at 2/3	13	..
Bengal and North-Western	6%+ (& b	onus of	2%) Less tax at 2/2	10	..
Burma	2 1/2%+ (& b	onus of	3%) ..	10	8 1/2
Banks.					
Bank of London & South America	10 (& b	onus of	10/p.a.) Quarterly	11	10
Bank of New South Wales	3%	Dec. 31	Quarterly	..	..
Equitable Trust Co. of New York	3%	Dec. 31	Quarterly	..	..
Guaranty Trust Co. of New York	4/ p.a.	Dec. 21	Tax free	8	8
Imperial of Persia	3/ p.a.	(& b	onus of 2/ p.s.) Tax free	12 1/2	12 1/2
Ionian	..	..	..	..	..
Queensland	..	..	..	..	..
Insurance.					
Gresham Life	5*	Jan. 1	Tax free	..	..
Law Union and Rock	4/ p.s.	Nov. 30	Less tax	..	..
Mining.					
Frontino and Bolivia	14%+	Jan. 1	Less tax	..	..
Gold Mines Invest.	1/ p.s.+	..	Less tax at 3/7-86	20	..
Wankie Colliery	5%+	..	Less tax	..	..
Tea and Rubber.					
Brahmapootra Tea	15%*	Dec. 18	Less tax	..	..
British India Tea	5%*	Dec. 21	Less tax	..	..
Budha Beta Tea	20%*	..	Tax free	..	..
Bukit Mertajam Rubber	15%*	Jan. 6	Less tax	10	..
Bukit Pulai Rubber	10%*	..	Tax free	..	..
Buxa Doars Tea	15%*	Jan. 30	Less tax at 4/	..	..
Caledonian Tea and Rubber	25%*	Dec. 15	Less tax at 4/	..	..
Cicely Rubber	5%*	..	Less tax	..	..
Craighead Tea	5%*	Dec. 15	Less tax	..	..
Darjeeling Company	10%*	..	..	..	..
Darjeeling Consolidated Tea	15%*	..	Tax free	..	..
Dixie Tea	7 1/2%*	Dec. 18	Less tax	..	..
Federated (Selangor) Rubber	7 1/2%*	Jan. 11	Less tax	..	..
Galphele Tea and Rubber	15%*	..	..	10	nib
Gan Kee Rubber	5%*	..	..	..	..
Hornsey Tea	7 1/2%*	Dec. 31	Less tax	..	..
Jetinga Valley Tea	20%*	Dec. 10	Less tax at 3/7-43	..	..
Jetina Estates	15%*	..	..	12 1/2	..
Kelantan Rubber	15%+	..	..	25	7 1/2
Killinghall Rubber Developm't	10%*	..	Less tax	..	..
Kinta Kellars Rubber	5%*	Jan. 2	..	..	..
Kombok (F.M.S.) Rubber	5%*	Dec. 15	Less tax	..	..
Kuala Reman Rubber	2%*	Dec. 12	Less tax at 4/	15	nib
Lawas Rubber	10%+	..	..	5	..
Narborough (F.M.S.) Rubber	10%*	..	Less tax	15	..
New Haycock Rubber	10%*	..	Less tax	..	..
Panama Tea	15%*	Dec. 21	Less tax at 4/	..	12 1/2
Perak Rubber	10%*	Dec. 29	Less tax	..	..
Rubber Estates of Krian	10%*	Dec. 23	Less tax	..	..
Unit-d Sumatra Rubber	5%*	Dec. 9	Less tax	20	..
Upper Assam Tea	15%+	..	..	..	..
Waterfall rubber	..	..	..	..	..
Other Companies.					
A. and R. Thwaites	9*	(& b	onus 2/ p.s.) ..	..	..
Ang o-American Oil	1/6 p.s.	..	..	15	12 1/2
Benakin's Watford Brewery	12 1/2%+	..	..	..	..
Bernard Hughes	9%+	(& b	onus of 6 p.s.) Less tax	14	12
Birkenhead Brewery	7%*	..	Less tax	..	..
Birmingham Aluminium	5%*	..	Less tax	..	..
Bleachers' Association	2%*	..	Tax free	5	3 1/2
Bolsaver Colliery	32%*	Dec. 14	Less tax at 4/	15	..
Bristol Industries	10%*	..	Less tax	..	..
British Oxygen	10%*	Jan. 1	Less tax	..	..
British Pure Yeast	3%*	Dec. 31	..	..	..
Brit. Steamship Invest. Trust, Df.	24%+	..	Tax free	5	nib
British Tobacco	4%+	..	Tax free	7	nib
Buenos Ayres Southern Dock	4%+	..	Less tax	12 1/2	12 1/2
Bullers	5%*	..	Less tax	22	22
Cape Electric Tramways	14%+	..	..	14	13
Carter's Knottingley Brewery	31%*	..	..	..	..
Castner-Kellner Alkali	9%+	..	Less tax	4	..
Charles Heesley	2 1/2%*	Dec. 10	Less tax	6	3
Cheltenham Original Brewery	7 1/2%*	..	Tax free	..	..
Cooper and Co.'s Stores	3%+	..	Less tax	8	6
Cork Manufacturing	5%*	Dec. 1	Less tax	..	..
Danish Gas	5/ p.s.	..	Quarterly	..	..
Dinnington Main Coal	7 1/2%*	..	..	..	..
Eastcote	3%+	(& b	onus of 2% Less tax	..	..
Farnham United Breweries	5%*	..	Less tax	..	..
Ferodo	5/ p.s.	..	..	..	..
G1 be Telegraph and Trust	5%*	..	..	..	..
Goldborough Mort.	18%*	Dec. 15	Less tax	12 1/2	20
Gr nd Junction Canal	5%+ (& b	onus of	5%) Tax free	20	12 1/2
Halford Cycle	10%*	..	..	..	..
Hotel Belgravia	5%+	(& b	onus of 1/ p.s.) Less tax	10	..
Ingall, Parsons, Olive	..	..	Tax free	3 1/2	7
James Nimmo	3%+	..	Less tax	6	..
J. N. Richardson, Sons, & Owden	5%*	Dec. 31	Less tax	10	10
Kelly's Directories	6%+	..	..	32 1/2	30
London Scot.-Amer. Trust, Def	15	..	Tax free	..	..
Mann, Crossman, and Paulin	1/2 p.s.	Dec. 31	Tax free	..	..
Marston, Thompson, & Evershed	10%*	..	Less tax	7 1/2	7
Meadow Dairy	4%+	..	Tax free	17 1/2	15
Mint, Birmingham	5%*	Dec. 10	Less tax at 4/	..	..
New Zealand Land and Mortgage	8*	Dec. 22	..	13 1/2	13 1/2
Northampton Brewery	1/9 p.s.	..	Tax free	24	5
Operators' Trust	11%+	..	..	17 1/2	17 1/2
Plasmon	10%*	Jan. 25	..	12 1/2	..
P. Phipps and Co.	7 1/2%*	..	Less tax	90	..
Richard Thomas	12%+	Jan. 5	Tax free	..	7
Ridgways	2/ p.s.	..	..	25	16 1/2
Royal Dutch	7%+ & b	onus 2%)	..	12	12
Samuel Barlow and Co.	7%+	..	Less tax	12	12
Scottish Invest Trust	7 1/2%*	..	..	7	7
South American Stores, Ord.	2/ p.s.	..	..	..	..
Do Def.	24%*	..	Tax free	..	..
Tadca-ter Tower Brewery	4%*	Dec. 15	Less tax	2/ p.s.	25
Thrs Edin. Invest. Trust, Def.	1.6 p.s.	..	Less tax	..	..
Thomas Brown	1/ p.s.	..	..	..	..
Thomas Salt	2%*	..	..	..	..
Tredegar Iron	7%+ & b	onus of 4%)	..	14	18
Trust Union	10/ p.s.	..	Less tax	20	5
Turner and Newall	..	..	Tax free	8	20
United Tobacco (South), Ord.	..	..	..	..	..
and Def.	..	..	..	..	..
Venezuela Telegraf	..	..	..	..	..
West Canadian Collieries	..	..	..	..	..
William Murray	..	..	..	..	..
Wolverhampton & Dudley Brewries	..	..	..	..	..

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended Nov. 27, 1925.	Miles Open.	Week ended Nov. 29, 1925.			Aggregate 48 Weeks, 1925.		
		Passen- gers, &c.	Goods, &c.	Total for Week.	Passen- gers, &c.	Goods, &c.	Total Receipts.
Great Western.....	3,765	192,000	344,000	536,000	1,276,000	1,553,000	2,829,000
Do for 1924.....	3,754	209,000	357,000	566,000	1,285,000	1,628,000	2,913,000
London & N. Eastern (c).....	6,714	343,000	739,000	1,082,000	2,111,700	2,184,700	4,296,400
Do same period 1924.....	6,714	362,000	753,000	1,115,000	2,143,400	2,285,300	4,428,700
London, Mid., & Scottish.....	5,950	468,000	914,000	1,382,000	3,033,600	4,063,800	7,097,400
Do for 1924.....	5,950	509,000	936,000	1,445,000	3,072,300	4,187,300	7,259,600
Southern.....	2,163	263,000	124,000	387,000	1,617,600	5,628,000	7,246,000
Do for 1924.....	2,142	262,000	122,000	384,000	1,613,400	5,612,000	7,225,400
Metropolitan (c).....	58	31,215	4,066	35,281	1,637,489	187,153	1,824,642
Do for 1924.....	58	30,512	4,169	34,681	1,884,284	188,548	2,072,832
Underground E.R. (c).....	..	..	..	..	233,674	..	233,674
Do for 1924.....	..	..	..	..	33,674	..	33,674
London & Sub. Group (c).....	..	..	..	..	36,429	..	36,429
Do for 1924.....	..	..	..	..	3,590	..	3,590
Belmont & Co. Down (b).....	80	2,647	943	3,590	187,147	61,390	248,537
Great Northern.....	562	11,400	18,800	30,200	810,250	838,800	1,649,050
Great Southern.....	2,181	27,271	46,291	73,562	1,820,780	2,107,855	3,928,635

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.		Total Gross Receipts.	
				1925.	+ or -	1925.	+ or -
INDIAN.							
Assam Bengal	30 weeks	Oct. 24	1,072	Ra. 3,96,000	Ra. 70,818	Rs. 96,94,295	Rs. 12,40,792
Barul La. Ry.	31 weeks	Oct. 31	1,118	84,300	63,900	9,50,200	44,200
Bengal & N. Western	5 weeks	Nov. 7	2,062	70,183	2,10,935	32,55,740	6,13,446
Bombay, Bar., & C.I.	34 weeks	Nov. 28	3,033	245,400	1,15,000	7,62,510	8,99,000
Burma.	30 weeks	Oct. 31	1,136	87,945	58,952	6,40,300	3,76,203
Delhi, Umballa & Kalke	8 weeks	Nov. 21	2,339	89,000	4,80,579	9,84,601	1,86,681
Madras & S. Mahr ..	33 weeks	Nov. 7	3,029	14,88,000	2,33,935	10,71,78,540	1,86,681
Misam's Guarantee.(s)	31 weeks	Nov. 7	993	33,049	22,807	10,71,78,540	1,86,681
Rohilk'd & Kumaon	5 weeks	Oct. 31	259	53,829	27,569	2,04,543	83,782
Do Lucknow-Bredley	5 weeks	Nov. 7	387	61,298	19,950	2,42,228	48,836
South Indian	33 weeks	Nov. 7	1,876	9,61,503	1,11,451	5,19,76,538	20,82,523
(a) Total receipts of all lines.							

OIL OUTPUTS.

BRITISH CONTROLLED OILFIELDS, LIMITED.—By cable for the week ending November 25, 1925:—Production, 44,269 barrels; shipments, 4,503 tons.

LOBITOS OILFIELDS, LIMITED.—The production for November is cabled as 19,707 tons.

OROPUCHE (TRINIDAD) OILFIELDS, LIMITED.—The estimated gross production of crude oil for the month of November was approximately 1,898 tons, and the oil delivered to the United British Refineries, Limited, amounted to about 1,328 tons.

STEAUA ROMANA (BRITISH), LIMITED.—The production for November was 30,240 tons. Production curtailed owing to lack of transport facilities.

TRINIDAD LEASEHOLDS, LIMITED.—Oil produced during November, 33,950 tons. Oil purchased during November from other companies, 10,500 tons.

UNITED BRITISH OILFIELDS OF TRINIDAD, LIMITED.—The combined production for the week ending Wednesday, November 25, 1925, amounted to 1,103 tons.

VENEZUELAN OIL CONCESSIONS, LIMITED.—Production for the week ended November 28, 1925, was as follows:—La Rosa, 16,178 m. tons (previous week ended November 21st, 12,585 m. tons). Maracaibo District, 3,225 m. tons (previous week ended November 21st, 3,109 m. tons).

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

Field work has practically come to a standstill owing to severe frosts, but sowings or winter cereals were completed under favourable circumstances. The international positions has been mainly under the influence of adverse crop news, and prices have advanced sharply both in Argentina and the United States. Latest sales include White Pacific, expected to load January 1st-16th at 6s 6d, and since resold at 6s 6d, Australian January 1st 6s 9d, ditto December 15th-31st, 6s 3d, No. 1 Northern Manitoba January 6s 7½d, ditto October-November 6s, and Baril 6½ lbs expected to load 13th inst. 6s. Maize also firmer, and sellers reserved, with sales of No. 6 yellow African loading at 36s 3d, and Plate January at 37s, all per 480 lbs c.i.f. terms. Wheat dearer. No. 1 Northern Manitoba, ex ship, to arrive quoted 67s 6d, No. 2 ditto 66s 6d, No. 3 65s 3d, No. 2 mixed Durum 62s, Barusso 62½ lbs, ex ship, 66s per 406 lbs. English quoted 12s 2d-12s 8d per 112 lbs free on rail. Flour firmer and sellers reserved. London standard grade quoted 50s, patents 52s-53s, town whites 50s per sack delivered in the Home Counties, with 6d to 1s per sack less for deliveries in the London districts. Of imported, Manitoba patents range from 50s-52s, Minneapolis 50s 6d-52s, Australian 46s 6d per 280 lbs ex store. Maize firmer. Plate, ex ship, to arrive quoted 38s 9d, landed ditto 40s 6d, white flat African, ex ship, 35s 6d per 480 lbs. Yellow African maize meal, ex ship, to arrive £9 2s 6d, white ditto £8 7s 6d per ton. Barley firm. Californian, ex store, 37s-50s, Chilian Chevalier 56s-66s, brewing 50s-53s, according to quality, Australian Chevalier 59s-60s, ex store, Polish and Danish, ex ship, 45s-61s per 448 lbs. American malting, ex ship, 28s 6d, landed 30s, No. 3 Canadian Western, ex ship, 32s, Russian, ex ship, 29s 3d, landed 30s 3d per 400 lbs. English quoted 9s 3d-21s 3d, the latter for finest malting quality per 112 lbs. Oats firm to dearer. Plate, ex ship, quoted 25s-25s 6d as to position, landed 27s, No. 2 Canadian Western, ex ship, to arrive 30s 6d, landed 31s 6d, No. 2 Canadian feed, ex ship, 25s 3d, landed 26s 9d, No. 2 white clipped American 38 lbs, ex ship, to arrive 24s 9d, landed 26s 3d, all per 320 lbs. Danzig, ex ship, 28s 9d per 336 lbs. English quoted 8s 10d-9s 8d per 112 lbs free on rail. Millers' offals firm. Broad bran quoted 8s 6d-8s 9d, middlings 8s 3d-8s 6d, fine ditto 10s 3d, bags included, ex mill, powdered oat husks 6s 3d, feed oatmeal 8s 3d, ground oats 11s 9d per cwt free on rail. Oatmeal firm, with a hardening tendency. London-made flaked 18s, rolled oats 17s, medium also fine cut 17s, coarse also medium pinhead 17s, ex mill, ordinary Scottish oatmeal 17s 6d. American ditto 16s-16s 6d per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest years 1925-26, 1924-25, 1923-24, 1922-23.

	1925-1926.	1924-1925.	1923-1924.	1922-1923.
Estimated sales of home-grown wheat—				
1 week to Nov. 28	464,968	244,298	329,296	657,580
13 weeks to Nov. 28	4,867,870	3,188,129	5,140,888	5,995,986
Average price of English wheat per				
100 lbs.	11 5	12 6	11 8	9 11½

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1922 to 1924:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1925.						
Nov. 21	424,477	525,855	62,307	11 3	11 5	9 2
Nov. 28	464,968	539,509	75,786	11 5	11 3	9 1
1924.						
Nov. 21	387,369	488,825	74,894	10 9	13 6	10 0
Nov. 28	657,579	515,779	74,370	9 11	10 3	9 7
1923.						
Nov. 21	329,296	653,913	69,549	9 8	10 5	8 9
Nov. 28	244,298	519,265	84,578	12 6	15 6	9 10

AMERICAN WHEAT MARKETS.

A slight set-back occurred at the beginning of the week in the American markets, but prices soon rallied under the influence of stronger export inquiry and bullish Argentine and Australian advices, particularly as regards deterioration of crops owing to widespread rust in the northern States of Argentina. Rumours to the effect that Russian exports of wheat had been prohibited until March next caused prices to rise still further. Recent quotations:—

	Dec. 5, 1924.	Jan. 2, 1925.	Nov. 19, 1925.	Nov. 26, 1925.	Dec. 3, 1925.
Winnipeg (No. 1 Manitoba)—Cents per 60 lbs.	153½	183	(a) 141½ (b) 159½	(c) 184½ (d) 182	(e) 192½ (f) 178½
Chicago (No. 2 Winter)—Cents per 60 lbs.	156	177	(a) 141½ (b) 159½	(c) 184½ (d) 182	(e) 192½ (f) 178½

(b) December delivery. (c) November delivery.

COAL.

Our Cardiff correspondent writes:—There has been no material change in the state of business. Prices of small, also of Cardiff large, steam coals have been well maintained, while anthracite-qualities have displayed a further hardening tendency. The chief weak spot has been in Monmouthshire coal. The Egyptian State Railways, however, have just placed a contract for 200,000 tons at a c.i.f. price of 28s 9d per metric ton, delivered at Alexandria, and it is understood that the coals shipped under this contract will be largely, if not entirely, Monmouthshire qualities. The supply of tonnage has eased off during the past few days, but chartering has been fairly active, and the dock position is likely to improve over the week-end. The joint audit for the three months ending October shows that the coalowners made a district.

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Edited by

Mrs. RUSSELL BARRINGTON

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39 Paternoster Row, London, E.C.

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Dividend Interest.	Amount Available for Distribution.	Appropriation.			Corresponding Period Last Year.	
					Dividend.		Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.
					Prefce.	Ordinary.			
					Amount.	Amount.	Rate.		
Banks.									
Bank of London and S. America	Sept. 30	412,393	388,307	800,700	..	389,400	11	411,300	415,708
Breweries.									
Alton and Co.	Sept. 30	29,904	35,807	65,711	10,000	15,000	15	8,000	32,711
Carter's, Knottingley	Sept. 30	15,947	15,709	31,656	3,000	7,875	12½	4,000	16,781
Cheltenham Original	Sept. 30	11,974	55,266	67,240	14,992	24,919	14	12,500	14,829
Northampton Brewery	Sept. 30	29,398	46,763	76,161	8,250	21,875	17½	15,000	31,036
P. Phipps and Co.	Sept. 30	53,647	112,350	165,997	8,750	91,313	13½	10,000	55,934
Thomas Salt and Co.	Aug. 31	131,218	57,426	188,644	8,188	7,663	7	12,698	160,098
Warwicks and Richardsons	Sept. 30	21,411	90,760	112,171	15,000	42,000	14	30,000	25,171
Wolverhampton and Dudley	Sept. 30	41,775	141,830	183,605	5,250	61,500	20½	54,000	62,855
Financial, Land, &c.									
British North Borneo Co.	Dec. 31	173,479	17,057	190,536	..	..	..	190,536	69,900
Hotels, Restaurants, &c.									
Aerated Bread	Oct. 3	30,276	147,067	177,343	25,322	77,285	10	28,000	46,736
Piccadilly Hotel	July 31	36,671	39,889	76,560	..	150,000	250½	Dr 145,000	39,872
Iron, Coal, and Steel.									
Blaenavon Co.	Sept. 30	22,253	Dr 135,228	Dr 112,975	..	..	..	Dr 112,975	23,525
John I. Thornycroft and Co.	July 31	49,384	18,422	67,806	18,560	..	..	49,246	16,132
Richard Thomas and Co.	Sept. 30	200,956	308,641	509,597	202,585	69,277	2½	7,195	230,540
Motor and Cycle.									
Halford Cycle	Oct. 31	4,558	48,910	53,468	..	24,046	15½	23,211	6,211
S. Smith and Sons (Motor Accessories)	Aug. 1	23,494	55,652	79,146	..	..	..	79,146	23,494
Unic Motors	July 31	..	1,090	1,090	..	..	..	1,090	38,617
Rubber, &c.									
Biting	Mar. 31	..	505	..	..	..	..	505	..
Gan Kee	June 30	3,407	7,682	11,089	a 3,450	3,300	10	2,000	2,339
Kelantan	June 30	6,533	17,830	24,363	..	12,500	12½	6,000	5,863
Killinghall	June 30	5,261	14,447	19,708	..	13,125	25	3,000	3,583
New Hayoe Rubber	June 30	..	19,277	19,277	..	9,750	5	6,877	2,650
Shipping.									
Peninsular and Oriental Steam Navigation	Sept. 30	101,034	853,969	955,003	152,000	359,252	10½	301,608	142,143
Shops and Stores.									
Lawrence's Stores	Jan. 31	Dr 7,470	Dr 2,798	Dr 10,268	..	..	..	Dr 10,268	Dr 3,736
Tea.									
Mini Mini (Nyassaland)	June 30	936	Dr 1,478	Dr 542	..	..	..	Dr 542	..
Textiles.									
J. and P. Coats	June 30	398,581	3,655,700	4,054,281	330,000	2,581,250	17½	1,143,031	3,107,213
Tramways.									
Cape Electric	June 30	14,125	52,337	66,462	..	34,386	7½	22,500	9,576
Trust.									
Daily Mail Trust	Sept. 30	1,481	158,232	159,716	..	..	..	110,000	49,716
London Scottish-American	Oct. 31	57,804	72,472	130,276	17,766	39,479	10	998	72,033
Scottish Investment	Nov. 1	9,722	47,633	57,355	21,319	15,800	20	14,710	5,526
Third Edinburgh Investment	Nov. 5	92,523	38,807	131,330	10,659	14,213	12	50,000	56,458
Other Companies.									
Bernard Hughes	Oct. 31	4,703	7,481	12,184	1,658	4,836	12½	..	5,690
Blackpool Tower	Oct. 31	12,890	63,376	76,266	1,895	30,350	12½	27,500	16,521
British Goodrich Rubber	Sept. 30	..	3,488	3,488	6,191	..	..	Dr 2,703	..
Cassel Cyanide	Sept. 30	14,296	56,908	71,204	..	52,875	15	..	18,329
Hagemann's Creameries	June 30	4,147	5,777	9,924	6,000	..	..	..	3,924
Ingall, Parsons, Olive and Co.	Sept. 30	5,480	13,620	19,100	4,514	6,719	15	2,500	5,367
Tate and Lyle	Sept. 30	69,934	543,139	613,073	71,500	438,840	13½	50,000	52,733
Turner and Newall	Sept. 30	101,287	186,646	287,933	39,362	129,444	10	100,000	19,127

† Tax free. a Including arrears. t A bonus dividend taken from reserve.

profit of over £100,000 in October, and certifies that the wages payable by the coalowners during the month of September will be 7.22 per cent. below the 1915 standard wages. The Government, therefore, will have to subsidise wages to the extent of 49.44 per cent. on the standard wages, compared with 40.58 per cent. in November.

The following are the current approximate quotations:—Best Admiralties, 23s to 23s 6d; seconds, 21s to 22s 6d; best drys, 22s 6d to 24s; black veins, 19s to 20s; Western Valleys, 19s to 19s 6d; Eastern Valleys, 19s to 19s 6d; best bunker smalls, 12s 6d to 13s; ordinary cargo smalls 10s 6d to 11s; coking smalls, 12s 6d to 13s; anthracite, best large, 38s to 42s; red vein, large, 28s to 32s; machine-made cobbles, 56s 6d to 57s 6d; French nuts, 57s 6d to 58s 6d; stove nuts, 57s to 58s; rubbly culm, 11s 6d to 12s; coke (special qualities), 35s to 40s; pitwood, ex ship, 31s to 31s 6d; patent fuel, 19s 6d to 22s 6d.

Our Glasgow correspondent writes:—The export branch of the Scottish coal trade is still concerned mainly with the fulfilment of orders held up as a result of the recent spell of inclement weather. On this account the collieries find a ready market for available supplies, and, having as a rule fairly satisfactory order-books, are assured of a steady offtake until at least the turn of the year. Prompt business, however, has fallen off somewhat during the past few days, and those collieries with surplus stocks have for some varieties lowered prices slightly to induce orders. The more

pressing demands for the larger sizes of nuts appear now to have been satisfied, and in all districts the tendency of values has been rather easier. Doubles in the Lothians have moved down to 16s. 3d., being now in more plentiful supply, owing to the stoppage at the shale oil works. First-class steam in Fife, and both prime and secondary in the Lothians are all also a shade lower; but for best Lanarkshire splint a fairly strong demand on Italian account has again been encountered, and the price is firmer at 18s 3d. First navigations in this area have advanced to 17s 3d. Deliveries for home purposes show a seasonal expansion.

Our Sheffield correspondent writes:—The demand for coke is greater than for a long time past, and boiler fuel is in request. A considerable tonnage of house coal has been delivered this week. The demand for steam coal, both on home and export account, is very depressed. South Yorkshire steams are quoted from 16s 6d, and Blyths from 17s 6d.

IRON AND STEEL.

We have extracted the following from the weekly report of the London Iron and Steel Exchange:—As is frequently the case in December business in the iron and steel trades has slackened somewhat, but the tone of the weekly meeting of the Exchange was cheerful. The demand for Continental material has declined over the week.

Reports are also current that the Belgian steel strike will be settled shortly, and buyers are disposed to wait until it can be seen what effect the return to the market of works which have been idle for several months will have upon prices. In the pig-iron department the demand has been well maintained, and prices are firm. Quiet conditions rule in the market for semi-finished material, as most of the consumers seem to have covered their requirements. A moderate business, however, is passing in finished steel, but at unsatisfactory prices.

Our Middlesbro' correspondent's report, dated December 3rd, is as follows:—Pig-iron: The demand for iron is still active, but with the minimum price of No. 3 Cleveland G.M.B. fixed at 66s 6d per ton for home consumption, and 67s for export (amounts mutually agreed upon amongst the makers), it is feared demand will be restricted. These fixed prices do not affect the hematite trade, but makers are heavily sold, and are firmly adhering to the quotation of 75s per ton for East Coast mixed numbers. Manufactured iron and steel: The recent big rail orders secured by a local firm have given a further fillip to the steel trade. All the works are more actively employed, but prices remain very depressed, the following being approximate current quotations:—Steel ship plates, £7 5s; steel ship angles, £7; iron bars, £11 5s; steel rails, £8. Iron ore: With freights continuing to rise, best Rubio is now quoted 21s per ton, c.i.f. Tees.

Our Sheffield correspondent writes:—The steel trade is better. The smaller firms are busier than at any time this year, and many are now working on a remunerative basis. The demand for special qualities of steel required in engineering and for alloy steels keeps good, but conditions are quiet at the heavy works, and the depression in wrought iron and wire rods continues. The electrical branches are exceptionally busy. The crucible and tool steel departments appear to have lost the ground which they gained about a month ago. The output of what is known as compound iron and steel, chiefly used for making large machine knives, has been well maintained. Pig-iron is selling a little more freely, and prices are steady, but Continental competition is causing some shading of the prices of British steel bars, plates, and sections. The railway steel shops are quieter, and do not expect to receive much more work until after the end of the year. There is an improved demand for engineers' small tools and files. Many kinds of tools, however, are quiet.

Our Glasgow correspondent writes:—The amount of shipyard work placed during November—viz., 40,000 tons—is better than was anticipated a few weeks ago, and as steel plates are now down to £7 5s per ton—the lowest figure since the war—it is hoped that owners will seriously consider the question of new or replace tonnage. The inquiry for pig-iron is improving, prices being firmer. Steel works have reduced boiler plates by 10s per ton, the current price delivered Clyde being £11 per ton. Good business has been secured by railway wagon builders and engineers. Steel sheets are in steady demand and works are all busy. Makers of galvanised corrugated sheets are sold well into the New Year, and are experiencing difficulty in satisfying the wants of buyers who require early delivery.

The position in the South Wales tinplate trade remains fairly satisfactory, with prices steady at over 20s per basis box, and exports well up to the recent figures. More mills have recently been restarted.

OTHER METALS.

The market for tin opened with a firmer tone, while influenced by higher Eastern cables and a steady demand. Later, however, sellers were more prominent, and the advance was mostly lost, while dealings were attended by some irregularity, especially with regard to forward positions. Standard cash sold £288 10s. £290 and £281 5s, three months £282 10s, £283 10s, and £281 15s. Sales in the East were reported at £290 5s, £289, and £290. COPPER in fairly good request, but with liberal selling offers prices marked a steady decline, though somewhat irregular at times. Standard cash sold £60 8s 9d to £59 15s, three months £61 8s 9d to £60 7s 6d. LEAD: Liberal offerings resulted in a generally weak market, though fair absorption took place at the lower levels established, and a firmer tone prevailed later. Good soft foreign pig, December, sold £35 16s 3d to £34 15s-£35 5s; January £35 12s 6d to £34 15s, £35; February, £35 6s 3d to £34 8s 9d, £34 12s 6d; March, £35 5s to £34 12s 6d. Spelter: Values marked an irregular course, with dealings on a fair scale. December sold £39 3s 9d to £38 6s 3d, and £38 13s 9d; January, £39 1s 3d to £38,

£38 7s 6d; February, £38, £37 2s 6d, and £37 17s 6d; March, £37 12s 6d, £37, and £37 12s 6d. ANTIMONY steady. English specials spot quoted £90, China crude December-January, £60; ditto regulus, £82 per ton c.i.f. terms. ALUMINIUM: Home trade nominally £120, export £125 ton. WOLFRAM firm. Forward quoted 21s to 21s 3d per unit c.i.f. QUICKSILVER firm. Spot quoted £15 per bottle.

THE COTTON TRADE.

LIVERPOOL, December 4, 1925.

American cotton has continued in fair demand, but quotations for middling are 32 points lower. Egyptian has been very quiet, and quotations for fully good fair saket are 65 points lower. The demand for Brazilian and Peruvian continues quiet, and quotations for these are about 30 points lower in sympathy with American. The estimated spot sales from the 27th ultimo to 3rd instant (inclusive) are 39,000 bales, including 1,500 for export. Of these 26,100 are American, 2,500 Brazilian, 4,600 Peruvian, 700 Egyptian, 4,300 African, 300 East Indian, with 500 sundries. The imports for the week are 137,523 bales. These include 93,096 American, 2,792 Brazilian, 8,042 Peruvian, 21,685 Egyptian, 7,156 African, and 4,752 East Indian. Middling American is quoted at 10.47d, Egyptian fully good fair saket at 19.20d, fully good fair upper at 15.75d, fair Brazilian 10.92d, good fair mod. rough Peruvian 16.00d, smooth 12.67d, fully good fair Tinnivelly 9.60d, good fair East African 13.10d, and middling West African 10.17d. During the week prices have declined, mainly on the poor off-take and hedge selling. Operators are not at present taking any definite view pending the issue of the bureau report due on the 5th instant.

MANCHESTER, December 3, 1925.

Although in some quarters of the market during the past week inquiry has been on broader lines than recently, the general experience of spinners and manufacturers has not been at all encouraging, and it has been exceedingly difficult for producers to secure contracts of importance. A feature of interest has been the increased demand in cloth for India, freer buying having taken place in dhooties and other light fabrics. Rather more operations have also been reported in grey shirtings. News from

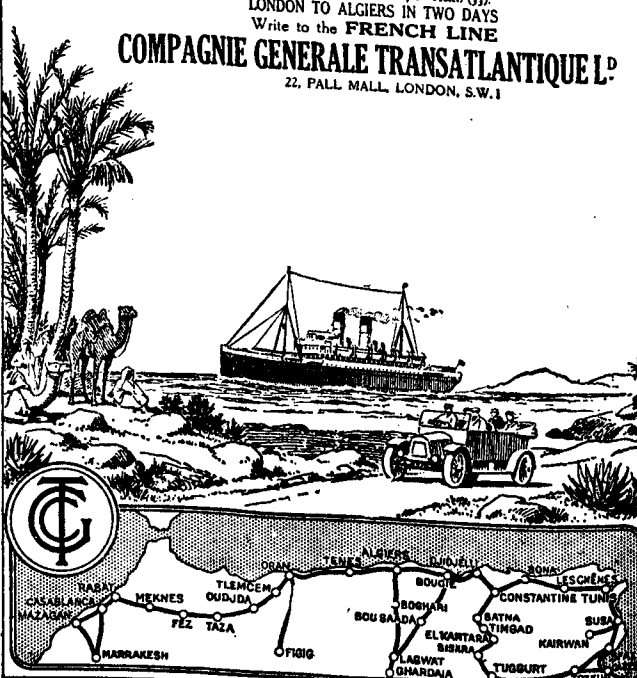
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China at the moment is not of a character to stimulate trade, but some necessary purchasing has taken place, chiefly in white goods and fancies. A few more tentative offers have been about for Egypt. Finishing cloths continue in steady request for the Continent and the United States. Rather more activity has shown itself in home-trade circles. American yarns for home consumption have been irregular in price when tested, and business has been of limited dimensions.

(I.) Comparative Statement of the Cotton Trade.

	Price, Dec. 5, 1925.	Previous Weeks in 1925.				
		Price, Nov. 26.	Price, Nov. 19.	Price, Nov. 12.	Price, Nov. 5.	Price, Oct. 29.
Raw Cotton—Mid. American.....per lb	10.47	10.79	10.74	10.70	10.44	10.68
—Sakellaridis Fully Good Fair						
—Egyptian.....per lb	19.20	19.85	20.50	20.85	21.90	22.85
Yarns—32's twist.....per lb	17 1/2	17 1/2	18	18	17 1/2	18
—40's twist.....per lb	18	18 1/2	18 1/2	18 1/2	18 1/2	19
—60's twist (Egyptian).....per lb	32 1/2	33 1/2	33 1/2	33 1/2	34	34
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	28 3	28 9	29 0	29 3	29 3	29 3
36-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	33 0	33 6	33 6	33 9	33 6	33 9
38-in. ditto, 38 yds, 18 by 16, 10 lbs	16 0	16 4	16 6	16 6	16 6	16 7 1/2
39-in. ditto, 37 1/2 yds, 16 by 15, 8 1/2 lbs	14 3	14 6	14 7 1/2	14 7 1/2	14 6	14 7 1/2

(II.) Compared with Previous Years.

	Price, Dec. 5, 1925.	Corresponding dates in				
		1924.	1923.	1922.	1921.	1920.
Raw Cotton—Mid. American.....per lb	10.47	13.08	19.64	14.22	11.13	12.54
—Sakellaridis Fully Good Fair						
—Egyptian.....per lb	19.20	26.50	23.65	17.50	19.75	28.00
Yarns—32's twist.....per lb	17 1/2	23 1/2	27 1/2	20 1/2	18 1/2	29
—40's twist.....per lb	18	24 1/2	27 1/2	20	17 1/2	27 1/2
—60's twist (Egyptian).....per lb	32 1/2	39	37	28	32	44
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	28 3	36 9	39 0	30 0	31 6	51 0
36-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	33 0	41 6	42 6	32 0	31 6	48 0
38-in. ditto, 38 yds, 18 by 16, 10 lbs	16 0	19 3	22 6	18 0	18 9	27
39-in. ditto, 37 1/2 yds, 16 by 15, 8 1/2 lbs	14 3	18 0	20 9	16 6	18 3	22 0

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—A readjustment of values is going on in the wool markets of the world. Spinners bought fairly heavily a few weeks ago, and the majority are now in a position to wait for things to settle down. They contend that London will have to come down to the overseas parity, and they expect this result to be achieved, if not at the current series of auctions, then early in the New Year when supplies become available in larger quantities. Present-day conditions, therefore, are all against anything in the nature of speculative buying, and there is hardly enough business passing in tops and by-products to test values. Topmakers are meeting the market to some extent with a further all-round reduction in quotations. Good warp 64's are quoted at about 52d, and can be bought in some cases at less. This compares with 55-56d quoted at the beginning of November. In crossbreds, 46's carded are at about 24d, showing a decline of 1 1/2d during the last four weeks, while 40's prepared at 23 1/2d are about 1d down in the same period. Business can be done in semi- and fully-manufactured goods at a price, but the advance of a few weeks ago, caused by the scarcity of spot lots, checked demand in every department of the industry.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

On the whole some fair catalogues have been put before the trade during the past week, though on one or two days the selection has been somewhat miscellaneous. The offerings have comprised some good new clip wools, chiefly from Queensland, New South Wales, and West Australia. For the best wools prices do not show much change compared with the first week, and this can be said of practically all descriptions of wool. On the other hand, a big proportion of the wools show a slightly easier tendency. There is no comparison between the values ruling in Coleman street and those cabled to the same firms who are buying in Australia, but the wool in London is available almost immediately it is knocked down—in the moment a very important consideration. The Continental section continues to give a reasonable amount of support, and the home trade is also an active buyer, America taking small quantities of some miscellaneous wools. There is a marked scarcity of good South African combing wools, and these are fetching exceedingly high values, far more than other wools of similar style and quality.

Cables from overseas indicate an easier market, and prices are lower than public messages indicate. Adelaide last week was very reasonable, and one Bradford firm representing a leading Sydney firm of buying brokers is seeking buying orders on a basis of

4s 3d for warp 64's tops. No such price exists in London, and even from the Cape there are reports of distinctly easier markets. Unless the Continent reasserts itself, and becomes the dominant factor, we see nothing to prevent merino wool going back to a basis of 4s for good 64's tops, at which price it will be worth buying. We regard that figure as being one at which the textile industry of Europe and America should obtain substantial orders for piece goods and hosiery fabrics.

Carbonising charges have been reduced in the West Riding, following on the lower combing charges which came into force last week.

THE JUTE TRADE.

DUNDEE, December 3.

Business continues to rule on slow lines. The price of the raw material has remained remarkably steady in the absence of buyers, and for a week the value of Daisee assortment has been stationary at £60 for December-January shipment. The quietness in the cloth end of the trade has the effect of restricting business in other branches. Strong advices from Calcutta, where prices have been raised 15s to 20s per ton, have had no stimulating effect in Dundee. Imports into Calcutta from up-country markets are now extremely small, and balers are finding the greatest difficulty in obtaining material suitable for baling purposes. It would appear that any little jute still to come in will be held for high prices. Buyers of yarns have only been taking small quantities, but spinners will not accept less than 5s for common 8 lb cops and 5s 1d for medium spools. Many orders being placed for cloth are extremely small, 10 1/2 ounce 40 inch hessians are quoted 5 1/2d and 8 ounce 4 1/2d per yard. Little business has taken place in Calcutta gunnies. Sellers now require 44s for 10 ounce 40 inch for January-March shipment, and 43s 6d for April-June, with 8 ounce at 36s 6d in both positions.

HIDE, LEATHER, AND ALLIED TRADES.

The domestic hide market remains firm, but tanners are making little or no money on sole leather. At the auctions in Bermondsey, on Thursday, best ox hides sold from 6 1/2d to 9 1/2d, and seconds from 6 1/2d to 8 1/2d per lb, showing practically no alteration on last prices. Best cows made from 6 1/2d to 6 1/2d, and best calfskins from 7d to 11 1/2d. Wools sold from 7s 6d to 13s, and hogs from 3s 3d to 13s 6d each. The frigorific market is slightly better, as business has been done with the Continent and the United States. Argentine ox have sold at 8 1/2d to 8 1/2d, and Montevideo at 9 1/2d. The Chicago market is cabled as steady, with best heavy packers still selling at 16 cents. Business in sole leather is quiet, in view of coming stocktakings. The only important feature is the continued demand for light bends for the women's Cossack boot, supplies of which are short. Offal strong, rough leather is selling better, and parcels of shoulders have been dispatched to the United States in fair quantities. Upper leathers are quieter, but the market is being scoured for coloured glacé kid, and light willow calf for the high boot. Patent for the same purpose sells slowly. There is a good deal of unemployment in the heavy boot centres, but makers of the Cossack boot have in many cases sufficient orders to carry well over Christmas.

CHEMICALS AND FERTILISERS.

The chemical market is again firmer. Arsenic has a better tone, with Cornish white powdered at £15 5s f.o.r. mines. Ammonium chloride steady, but easier at £25 5s in casks. White lead acetate dearer, but quiet at £44 7s 6d. Carbonate of potash, 90-92 per cent., steady at £24 5s. Caustic potash dearer on spot at £30 for

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88-92 per cent.; forward cheaper. Potassium prussiate firm at 7½d for yellow. Red lead cheaper and quiet at 42s 12s 6d, c.i.f. London; white lead also lower at 41s 2s, with business small. Sodium sulphide, broken, 12s 10s; dull and cheaper. Sodium hyposulphite, commercial, easier at 9s in casks, ex wharf. Cream of tartar again reduced, 99-100 per cent. costing 13s 16s to 13s 17s 6d per cwt, less 2½ per cent. Anhydrous ammonia slightly easier at 1s 3d to 1s 3½d, with business slow. Carbolic acid, crystals, dull, but dearer at 48d, f.o.b. Barium chloride higher at 9s 10s, in casks. Citric acid rather flat at 1s 3½d, less 5 per cent. Fertiliser materials quieter, with nitrate of soda about 12s 5s. Sulphate of ammonia again dearer at 12s 13s; export, 12s 7s 6d. Basic slag well called for at 12s 15s for 30 per cent. Superphosphate in little request at 12s 18s for 30 per cent. Kainit, 14 per cent., fairly active at 12s 15s.

VEGETABLE OILS AND OILSEEDS.

Markets generally have been quiet. Linseed oil is easier, the recent scarcity having been met by supplies of Dutch oil at competitive prices. Spot oil is no longer at a premium over forward, and has dropped to 136 per ton naked ex Hull mill for prompt, with December-April at only a slight discount. Cotton oils have continued a poor market, though a better demand appears to be developing. Crude Egyptian is easier at 135s, and ordinary refined at 138 prompt. Soy oil is a shade firmer, and palm kernel oil is not quite so firm. In the oilseed section demand for linseed has been intermittent, and with some pressure to sell old Plate crop values gave way to 17s 15s for shipment, while new crop was done at 17s 5s for January-February loading. Cotton seed, after a period of easiness on pressure by re-sellers, is firmer. For Egyptian (black) on passage as low as 9s 11s 3d, and for December loading 9s 15s, were accepted, but 10s is now required for "afloat," a small premium being asked for later positions.

OVERSEAS PRODUCE.

FOOD, BEVERAGES, &c.

SUGAR.—The market for actual sugar ruled fairly steady, with moderate inquiries for British makes at recent level of prices, but forward positions of foreign engaged quiet support, and tendency in buyers' favour. Messrs Tate and Lyle's cubes quoted 32s 3d to 33s 3d; crushed, 30s 3d; nibs, ordinary, also No. 1, 33s; granulated, 31s 14d; fine, also coarse grain, 29s 4½d; No. 1, 29s 14d; No. 2, also London and T.L., 28s 10s; month forward, 28s 9d; January, 29s; February-March, 29s 3d; mineral water white, spot, 29s 3d; icing, in drums, 35s; bags, 35s 9d; pulverised, 31s 9d; caster, finest, 33s 14d; ditto A, 32s 7½d; ditto B, 31s; yellow crystals, 25s 10½d. English grown granulated, Cantley, 27s 9d, ex wharf, London; Ely, 27s 9d; and Anglo-Scottish, 28s 3d, ex works. American granulated, spot, quoted 27s 7½d; Dutch "J" ditto, 27s 7½d; December, 14s 7½d; January-March, 15s; April-August, 15s 6d, f.o.b., Rotterdam. Czech granulated, December, 14s 6d; January-March, 14s 10½d; April-August, 15s 6d, f.o.b., Hamburg. Cuban, basis 96 per cent. December-January, quoted 11s 9d, c.f. and i., U.K. White terminal opened easier, but steadier since, and a fair business effected. December sold, 13s 9½d to 13s 9d and 14s 3½d; January, 13s 11½d to 14s 6d; March, 14s 6d to 15s; May, 14s 10½d to 15s 3d; August, 15s 4½d to 15s 3d and 15s 6½d; and September, 15s 6½d per cwt.

COFFEE.—Spot market ruled firm with a good demand for all the finer liquoring grades. Kenya, bold common to good, sold, 11s to 12s 7½d; peaberry, 10s to 13s 6d; Uganda, fair greenish, 11s; Kilimanjaro, common to good bold, 11s to 12s; Costa Rica, fine ordinary, 13s; Columbian, fine blue, 17s 6d; peaberry, 13s to 16s per cwt.

COCOA.—The market for spot parcels remains without new feature, the general tone being steady, but business was on a limited scale. For shipment, Accra, F.F. quality, December-February, also January-March, sold, 37s to 37s 6d; Lagos, December-February, 35s, f.o.b. terms; Trinidad, December-February, sellers, 60s; Bahia, ditto, 44s 6d; Guayaquil, Epoca, 69s 6d; Caraquez, 66s 6d per cwt, c. and f. Cocoa butter, C.F.R., spot, sellers, 1s 4d per lb.

TEA.—Indian auctions this week totalled 57,657 packages, which encountered an active market, with brisk bidding for all descriptions. Common and plain liquoring descriptions moved in sellers' favour, while all good liquoring and better medium qualities realised full rates. Pekoe, sold, 1s 5d to 1s 10½d; broken orange pekoe, low medium to fine, 1s 6d to 2s 2d; finest to choice, 2s 11d to 3s 3d. Ceylon offerings of 12,874 packages experienced a rather quieter demand, and prices showed some irregularity, with quality in many instances below recent standard. All grades up to 1s 8d per lb proved a steady market, but above this price, especially amongst finest sorts, the inquiry was more restricted and quotations were frequently 1d to 2d per lb under those ruling last week. Pekoe, sold, 1s 5½d to 2s 3d; broken orange pekoe, 1s 10d to 2s 6d per lb, in bond. Business in China descriptions was also on a reduced scale, though Kintucks experienced a fair inquiry, with sales of new season's up to 3s 3d for 1st quality, while old Keemuns sold at 1s 2d to 1s 4d. Common grades in slow request, with Monings quoted 7½d to 8½d per lb, in bond. 4,400 packages of Java and Sumatra met a good demand at

full to dearer prices. Pekoe, sold, 1s 3½d to 1s 5½d; broken pekoe, 9½d to 1s 6d; orange pekoe, 1s 4½d to 1s 7½d; broken orange pekoe, 1s 2½d to 1s 10d; pekoe souchong, 1s 3½d to 1s 4½d per lb, in bond.

RICE.—Market remained quiet, but Eastern shippers required fully steady prices. Rangoon, two stars, spot, quoted 16s; November-December, also January-February, 15s 6d, c.i.f., London. Broken slow. Burma bran, afloat, quoted 15s 17s 6d; January-February, 16s 5s per ton, ex ship, London or Liverpool. Japanese peas firm. November-December, sellers, 33s 6d; January-February, 35s 6d. Beans: Rangoon, hand-picked, December, 12s 10½d, f.a.q.; ditto, 11s 4½d. Madagascar butter beans, spot, 33s to 34s, as to quality; November-December, 28s 9d; December-January, 28s 3d per cwt, c.i.f.

SPICE.—Pepper again firmer, and sellers reserved. Bl ck Singapore, f.a.q., January-March, sold 1s 2½d to 1s 3½d; Lampong, ditto, October-December, 1s 3d; January-March, 1s 3½d to 1s 4½d; white Muntok, spot, quoted 1s 5d; October-December, 1s 6d; January-March, sold 1s 6½d to 1s 7½d. Tellicherry, spot, quoted 1s 2½d; Aleppy, ditto, 1s 2½d per lb. Tellicherry, January-March, 140s; Aleppy, 135s per cwt, c.f. and i., London. Pimento, spot, 7½d per lb; December-January, steamer, 65s per cwt, c.f. and i. Cloves steady. Zanzibar, spot, quoted 11½d to 11½d; January-March, buyers, 10½d per lb. Tapioca dearer. Singapore flake, to Havre, December-January, 18s; Sago flour steady. Sarawak, to U.K., January-March, quoted 14s 6d. Desiccated coconut, spot, halves, 40s 6d; November-December, also December-January, 30s. Ginger steady. Japan, spot, quoted 87s 6d; West African, 59s; for shipment, 57s cwt, c.i.f.

FRUIT (Dried).—Currants moved off quietly at about late rates. Amalia, quoted 32s to 33s; Gulph, 35s to 38s; Pyrgos, 30s to 31s; Patras, 34s to 36s; Vostizza, 42s to 45s. Sultanas barely steady. Smyrna, new crop, 65s to 90s; Australian, 66s to 75s; Cretan, 70s to 85s. Figs in fair demand. Layers, new crop, boxes, 80s to 105s; Locoums, 100s to 110s. Dates in fair request, and market steady. Hallowee, spot, 26s 6d; Siar, 14s 6d; Khadrowie, 18s 6d. Raisins quiet, and tendency easier. Valencia, quarter boxes, 44s; half boxes, 28s; seedless, 32s. Evaporated fruits steady, with apricots in small supply. Californian apricots, standard new extra choice, 125s; fancy, 135s; Australian, 120s to 130s. Plums, Oregon, size 30/40, quoted 72s; 40/50, 52s. Californian, 40/50, 57s 6d; 60/70, 47s 6d; 80/90, 42s. Bosnian new crop, 60/70, 45s. Pears, Californian, extra choice, 90s; fancy, 105s. Lake County, extra choice, 105s; fancy, 117s 6d. Apple rings, Californian, extra choice, 55s to 70s; Canadian, 63s 6d per cwt.

CANNED FISH.—Trade quiet, but prices firm on limited offerings. Sardines realise full rates. Portuguese ½s quoted 4s 9d to 5s per dozen tins. Salmon firm, but trade restricted, while forward offers are sparingly made. Red, tall, 1 lb, 63s to 64s; ½ lb, pink, 38s to 39s; tall pink, 25s to 26s. Lobsters firm and supplies scarce. Halves quoted 160s to 165s; and ½s, 95s to 100s.

CANNED FRUITS.—There is no material change in the general situation, trade being quiet owing to large arrivals and deliveries against contracts. Californian Bartlett pears, standard, 13s 3d to 13s 6d; seconds, 12s to 12s 6d; Oregon, choice, 15s; standard, 13s 3d; seconds, 12s to 12s 3d; Canadian, standard, 11s 6d. Californian peaches, choice, 11s; standard, 9s 6d; seconds, 8s 9d. Californian apricots, standard, 9s 3d; seconds, 8s 9d. Logberries, with fair inquiries. Italian tomatoes in steady request at full rates.

CANNED MEATS.—Danish lunch tongues are in good demand, despite the season of the year, and stocks are being readily absorbed. Corned beef, South American, 6 lb tins, quoted 34s; and New Zealand, 34s. Lu ch tongues, Danish sixes, quoted 116s; and New Zealand, 116s. New Zealand ox, 6 lb, 12s per dozen tins.

CONDENSED MILK.—The market for machine-skimmed is much firmer, and higher prices are anticipated owing to the raw material being eagerly sought after in Holland by German buyers. Machine-skimmed quoted 16s 3d to 16s 6d; full-cream Danish, 26s 6d; Dutch, 24s per case.

HONEY.—There is a good demand for New Zealand, and prices are maintained. California is coming into the country freely, and values the turn easier.

RUBBER.

Irregular, but firmer, and a good business transpired. Plantation standard sheet, spot, sold, 4s 6½d to 4s 6d, 4s 7d, and 4s 6½d; December, 4s 6½d, 4s 6d, and 4s 5½d; January, 4s 6d to 4s 4d; January-March, 4s 5½d to 4s 3½d; April-June, 4s 2½d and 4s 0½d; July-September, 3s 11d to 3s 1½d; January-December, 4s 0½d to 4s 0½d; per lb. To New York, ribbed smoked sheet, July-December (1926), at 3s 7½d to 3s 7½d.

THE BANK OF TAIWAN, LIMITED.

(Registered in Japan, 1899.)

Capital Subscribed : : : Y50,000,000
Capital Paid Up : : : Y52,800,000
Reserve : : : Y14,180,000

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

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

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

GENERAL.

HEMP.—Manila quiet. J grade, January-March, quoted, 44s; K, ditto, 43s; L, ditto, 43s; and M, 43s. New Zealand High Point, fair, November-January, 44s 10s; fair, ditto, 43s 10s. African sisal, No. 1 Tanganyika, January-March, 45s 10s; Kenya, ditto, 45s per ton.

TALLOW.—Messrs Colchesters and Woolner write on December 2nd as follows:—The tallow market was quiet during the week, and prices were unchanged to-day. Inferior kinds continue to sell more readily than fine or medium sorts. The stock in London on November 30th, as returned by the wharves, amounted to 18,167 packages, showing a decrease during the month of 4,061 packages. At auction to-day 1,249 casks tallow were offered, and 493 were sold. Quotations are:—Australian mutton: Fine, 48s 6d; good to fair, 47s 6d to 44s; dull to dark, 41s to 39s 6d; hard, 48s. Australian beef: Fine, 44s 6d; good to fair, 43s 6d to 41s 6d; dull to dark, 40s to 39s 3d; sweet, 46s. Present shipment from Australasia: Good mixed, 43s 6d. Present shipment from South America, 43s 9d. The market letter is unchanged. Town tallow, 39s 6d per cwt. Rough fat, per 8 lbs, 3d; melted stuff, 30s per cwt. Quotations are:—Town, 39s 6d, net cash, naked, ex works. Country: Frail casks, 39s 6d; home melted, shipping casks, net, f.o.b., good coloured, 43s; fair to dull, 40s to 39s. Bone fat: white, none; pale, none; benzine, 36s; melted stuff, 35s 6d, f.o.b.

SHELLAC quiet. Fair, T.N. spot, 23s to 24s; December, 21s 6d; March, 20s cwt.

COPRA slow. F.M.S. Straits, to Rotterdam, October-December, sellers, 30s 3s 9d; December-January, sold, 30s; January-March, quoted 29s 18s 9d. Dutch E.I., October-December, sellers, 30s; January-March, 29s 13s 9d. Ceylon, November-December, 31s 5s; South Sea, F.M.S., ditto, 29s 5s. Palm kernels, to Liverpool, December-February, 21s 11s 3d; January-March, 21s 10s ton.

MISCELLANEOUS.—Cocoanuts quoted 25s per 100. Coir yarn, Ceylon, 24s 10s to 40s; Cochiti, 30s to 54s. Ceylon bristle, 16s to 22s 10s; cinnamon leaf oil, 44d; citronella, Ceylon, 1s 9d; Java, 3s 6d.

METROPOLITAN CATTLE.—Dec. 3.

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

Beasts—Devons.....	7 4 to 7 10	Beasts—Heavy Bulls ..		
Shortborths.....	7 2 to 7 6	Canadian		
Scottish	7 2 to 7 6	Sheep—Downs (clipped) 10 to 10 8		
Irish		Ewes	5 8 to 6 4	
Fat Cows		Crossbred		
		Scottish		
		Lamb—Downs	10 4 to 11 4	

LONDON POTATO MARKETS.—Dec. 3.

Lincoln—King Edwards	7 0 to 8 0	Per Cwt.	Per Cwt.
British Queens	5 0 to 5 6		
Red Kings	5 6 to 6 6		
		Majestic	5 0 to 5 6
		Blackland—King Edwards	5 6 to 6 6
		ditto Whites	4 6 to 5 0

COMMERCIAL TIMES—WEEKLY PRICE CURRENT.

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

LONDON, FRIDAY.			DYE STUFFS, &c.			METALS—B. Copper			SUGAR—per cwt, duty, 11s 8d		
COCOA—Duty, British grown,			Galls, China, per cwt	60	62	Best selected	63	65	per cent. polarisation		
9s 4d, foreign, 14s cwt	72	0 76 0	Turner, Bengal	nom		Sheets (strong)	92	0 0	B.W.I. muscovado		
Trinidad	56	0 66 0	Madras, finger	32	34 0	Standard	59/15/0	59/17/6	Crystallised		
Grenada	90	0 110 0	Gambier, block	50	52 6	Lead Eng. Pig per ton	35/10/0	0/0/0	Java, white		
Ceylon, plantation	90	0 110 0	Cuteh, ord. to fair	55	0 0	Soft Foreign	35/5/0	34/13/9	spot		
Guayaquil	70	0 80 0	DYEWOODS—			Spelter G.O.B.	38/13/0	37/12/6	Refined—London—		
Bahia, finest	53	0 55 0	Brasil	18	0 0	Tin—English ingots	286/10/0	287/10/0	Yellow Crystals		
COFFEE—British grown,			Fustio, Jamaica	8	10 0	Do do bars	287/10/0	288/10/0	Cuba		
8s 4d, foreign, 14s cwt	72	0 76 0	Cuba	15	0 0	Standard cash	287/10/0	287/15/0	Crushed		
E. India, fine ord. g.d. mid	115	0 140 0	Lima Wood	20	0 0	OILS—Fish, per ton—	38	0 0 0	Granulated		
Do good to fine	150	0 158 0	Logwood, Campeachy	9	10 0	Seal, pale	38	0 0 0	Crystals, No. 3		
Do good to fine	120	0 145 0	Honduras	10	10 0	Linseed, p. ton net, naked	36	10 0 0	Castor		
Costa Rica, ord. to mid	165	0 199 0	Jamaica	7	15 0	Rape, refined	51	10 0 0	Pieces		
Good to fine	165	0 199 0	Red Sanders	12	0 0	Crude	48	10 0 0	SPICES—Pepper, lb—		
Central American, g.d. ord.	115	0 138 0	Sapang Ceylon	15	0 0	Cotton-seed, crude	36	0 37 0	Muntok, fair white		
to mid	140	0 145 0	FLAX—spot—c.i.f.	72	0 0 0	Edible, refined	44	0 0 0	Black Singapore		
Mid to fine	140	0 145 0	Riga ZK	70	0 0 0	Coconut, crude	48	0 0 0	White Siam		
Colombian, ordinary	115	0 117 0	Pernau HD	70	0 0 0	Refined	60	0 52 0	Pimento		
Do g.d. ord. to low mid	120	0 130 0	Slanets U/A Medium	87	0 85 0	Palm	40	5 40 10	Chinamon—1st sort		
Do mid to fine	135	0 172 0	FRUIT—			Lard, American	70	0 78 0	Do 2nd		
CHEMICALS—			Oranges, Denia & Val. 300	10	0 38 0	Petroleum Oil, per 8 lbs.	1/0	0/0	Do 3rd		
Acid, citric	per lb	1 4 0 0	Do	360	10 0 25 0	Water-White	1/1	0/0	Cassia, lignea		
Nitric	0	24 0 0	Do Cape	0	0 0 0	Oil Cakes, Linseed, Eng.	112/5/0	112/12/6	Cloves—Zanzibar		
Oxalic, net	0	6 0 6 1/2	Lemons, Naples	0	0 0 0	per ton	112/5/0	112/12/6	Penang		
Tartaric, English	1	0 0 0	Do	0	0 0 0	Oil Seeds—Linseed—	3	0 0 0	Madagascars		
Foreign	0	11 1 0	Do Sicilian	0	0 0 0	Do	18	2 6	Ginger—per cwt—		
Cream of Tartar—			Do	0	0 0 0	On Plata, p. ton Nov-Dec.	21	5 0	Cochin, small rough		
99%-100%	per cwt	82 0 0 0	Do	0	0 0 0	Bombay, p. ton Nov-Dec.	21	5 0	Do wormy		
Alum lump	per ton	11/10/0 11/10/0	Do	0	0 0 0	Calcutta, p. ton Nov-Dec.	20	5 0	Japan		
Do ground	37	0 39 0	Do	0	0 0 0	Alcalut, p. ton Nov-Dec.	20	5 0	Jamaica, ord. to good		
Ammoniac, carb.	22	0 29 0	Do	0	0 0 0	Grapes, Malaga	0	0 0 0	Alcalut, ord. to good		
Muriate, White	114	0 15 0	Do	0	0 0 0	Almeria	0	0 0 0	Mace		
Sulphate	114	0 15 0	Do	0	0 0 0	Val. Ons.	6	0 8 6	Nutmegs, 66s		
Argemone, lump	per cwt	65 0 70 0	Do	0	0 0 0	Egyptian Ons.	6	0 0 0	110s and 80s		
Powder	65	0 70 0	Do	0	0 0 0	Apples: American—	9	6 13 0	Chillies—per cwt		
Ashes, pot	per cwt	65 0 70 0	Do	0	0 0 0	Jonathan	9	6 13 0	TALLOW—per cwt.		
Pearl do	per cwt	65 0 70 0	Do	0	0 0 0	Newtown, Oregon boxes	13	6 15 0	Good mutton		
Bleaching powder, per ton	9/0/0	9/0/0	HIDES—Wet salted—	0	54 0 6 1/2	Do	44	6 0 0	Beef		
Borax, gran.	24	10 0 0	Australian	0	54 0 6 1/2	Do factory	176	3 180 0	TAPIOCA—per lb—		
Do crystals	25	0 0 0	West Indian	0	4 0 0 7 1/2	Do	176	3 180 0	E. I. Flake, fair, spot		
Do powder	26	0 0 0	Cape	0	0 0 0	Do	176	3 180 0	Medium Pearl		
Calomel	per lb	0 2 4 4	Calcutta	0	52 0 7 1/2	Do	176	3 180 0	duty 3d, British		
Iodine, dry	per cwt	13/0/0 13/5/0	Oporto	0	4 0 7 1/2	Do	176	3 180 0	foreign, 3d per lb—		
Nitrate of Soda	per cwt	13/0/0 13/5/0	Do	0	4 0 7 1/2	Do	176	3 180 0	Indian and Ceylon—		
Potash—Chlorate, net	0	8 0 8	Do	0	4 0 7 1/2	Do	176	3 180 0	Pekoe		
Prussiate	0	8 0 8	Do	0	4 0 7 1/2	Do	176	3 180 0	Broken Pekoe		
Do Foreign	0	7 0 8	Do	0	4 0 7 1/2	Do	176	3 180 0	Orange Pekoe		
Sulphate	per ton	11 0 12 0	Do	0	4 0 7 1/2	Do	176	3 180 0	Broken Orange		
Sal-Acetos	per lb	4 6 52 6	Do	0	4 0 7 1/2	Do	176	3 180 0	Pekoe Souchong		
Sal-Ammoniac	per cwt	29/0/0 10/10/0	Do	0	4 0 7 1/2	Do	176	3 180 0	TIMBER—ex-yrd—		
Soda Bicarb.	per ton	5/0/0 5/5/0	Do	0	4 0 7 1/2	Do	176	3 180 0	Swedish u/s 3 x 8, Pt. Std.		
Crystals	per ton	5/17/6 16/10/0	Do	0	4 0 7 1/2	Do	176	3 180 0	Do		
Alkali	per ton	14/2/6 16/10/0	Do	0	4 0 7 1/2	Do	176	3 180 0	Do		
Cause	per ton	0/0/0 0/49 0	Do	0	4 0 7 1/2	Do	176	3 180 0	Do		
Foreign white	per ton	247 0 49 0	Do	0	4 0 7 1/2	Do	176	3 180 0	Do		
Foreign white	per ton	247 0 49 0	Do	0	4 0 7 1/2	Do	176	3 180 0	Do		
Sulphate Quinine—	3	3 0 0	Do	0	4 0 7 1/2	Do	176	3 180 0	Do		
English Brands	2	2 3 0	Do	0	4 0 7 1/2	Do	176	3 180 0	Do		
Foreign do	2	2 3 0	Do	0	4 0 7 1/2	Do	176	3 180 0	Do		
Sulphate Copper	per ton	34/10/0 25/10/0	Do	0	4 0 7 1/2	Do	176	3 180 0	Do		
Zinc, out	per ton	9/0/0 9/10/0	Do	0	4 0 7 1/2	Do	176	3 180 0	Do		
Sulphate Flour	per ton	8/0/0 8/10/0	Do	0	4 0 7 1/2	Do	176	3 180 0	Do		
Do Roll	per lb	4 6 4 9	Do	0	4 0 7 1/2	Do	176	3 180 0	Do		
Vermilion, Chinese, per lb	4	6 4 9	Do	0	4 0 7 1/2	Do	176	3 180 0	Do		
English	per lb	4 6 4 9	Do	0	4 0 7 1/2	Do	176	3 180 0	Do		
Oil Peppermint, H.G.H.	100	0 105 0	Do	0	4 0 7 1/2	Do	176	3 180 0	Do		
COPRA—per ton, c.i.f.—	£	s d	Do	0	4 0 7 1/2	Do	176	3 180 0	Do		
Malabar, Oct-Dec.	nom		Do	0	4 0 7 1/2	Do	176	3 180 0	Do		
Ceylon	31	7 6	Do	0	4 0 7 1/2	Do	176	3 180 0	Do		
FMS Singapore	29	10 0	Do	0	4 0 7 1/2	Do	176	3 180 0	Do		
FM Straits	29	10 0	Do	0	4 0 7 1/2	Do	176	3 180 0	Do		
COCHINEAL—per lb	2/9	3/6	Do	0	4 0 7 1/2	Do	176	3 180 0	Do		
DRUGS—			Do	0	4 0 7 1/2	Do	176	3 180 0	Do		
Aloes, fine E.I.	per cwt	30 0 150 0	Do	0	4 0 7 1/2	Do	176	3 180 0	Do		
Cape, good to fine	41	0 42 6	Do	0	4 0 7 1/2	Do	176	3 180 0	Do		
Balsam Para	per lb	7 0 0 0	Do	0	4 0 7 1/2	Do	176	3 180 0	Do		
Cajuput	per lb	2 0 2 3	Do	0	4 0 7 1/2	Do	176	3 180 0	Do		
Campor—	2	8 2 9	Do	0	4 0 7 1/2	Do	176	3 180 0	Do		
Japan, refined	6	0 8 3 0	Do	0	4 0 7 1/2	Do	176	3 180 0	Do		
Cardamoms, Ceylon	4	0 0 0 0	Do	0	4 0 7 1/2	Do	176	3 180 0	Do		
Cantharides, China, per lb	4	0 0 0 0	Do	0	4 0 7 1/2	Do	176	3 180 0	Do		
Castor oil	per cwt	85 0 95 0	Do	0	4 0 7 1/2	Do	176	3 180 0	Do		
Gum Benjamin Sun	5/0/0	10/0/0	Do	0	4 0 7 1/2	Do	176	3 180 0	Do		
Olibanum, drops, fair to good	60	0 105 0	Do	0	4 0 7 1/2	Do	176	3 180 0	Do		
Ipecacuanha	12	0 0 0 0	Do	0	4 0 7 1/2	Do	176	3 180 0	Do		
Japan, refined	2	0 0 0 0	Do	0	4 0 7 1/2	Do	176	3 180 0	Do		
Musk pod, China	75	0 77 6	Do	0	4 0 7 1/2	Do	176	3 180 0	Do		
Oil, Cassia	per lb	9 10 0 0	Do	0	4 0 7 1/2	Do	176	3 180 0	Do		
Aniseed	3	4 5 5	Do	0	4 0 7 1/2	Do	176	3 180 0	Do		
Peppermint, Wayne County	70	0 75 0	Do	0	4 0 7 1/2	Do	176	3 180 0	Do		
Peppermint, Wayne County	70	0 75 0	Do	0	4 0 7 1/2	Do	176	3 180 0	Do		

The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor:

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

Vol. CI.

SATURDAY, DECEMBER 12, 1925.

No. 4,294.

BANCO NACIONAL ULTRAMARINO.

(National Overseas Bank.)

STATE BANK OF THE PORTUGUESE COLONIES.

Head Office: LISBON.

Established 1864.

Capital (paid up):
Esc. 30,000,000

Reserve Funds:
Esc. 25,000,000



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5 " " Brazil.
5 " " India and China.

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Capital, Authorised Lire 500,000,000
Reserve " 300,000,000
Deposits " 6,429,000,000

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London Office - 30a, THREADNEEDLE STREET, E.C.2.
Manager: E. CONSOLO.

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Every description of Banking business transacted.

NATIONAL DISCOUNT COMPANY, LIMITED.

Subscribed Capital.....£2,153,325
Paid-up Capital.....1,000,000
Reserve Fund.....800,000
Notice is hereby given that the RATES OF INTEREST allowed for money on DEPOSIT are RAISED as follows:—
To THREE PER CENT. per annum at call.
To THREE-AND-A-QUARTER PER CENT. at seven and fourteen days' notice.
PHILIP HAROLD WADE, Manager.
35 Cornhill, London, E.C.
3rd December, 1925.

ALEXANDER'S DISCOUNT COMPANY, LIMITED.

24 Lombard street, E.C.3.
Capital Authorised.....£1,250,000
Capital Subscribed.....1,100,000
Paid-up600,000
Reserve Fund.....450,000
Notice is hereby given that the RATES OF INTEREST allowed for money on DEPOSIT are from this day RAISED as follows:—At call, to THREE PER CENT.; at seven and fourteen days' or longer notice, to THREE-AND-ONE-QUARTER PER CENT. Money received for fixed periods at special rates.
The Company discounts approved bank and mercantile acceptances and grants loans on negotiable securities.
F. NEWCOMB, Manager.
3rd December, 1925.

THE UNION DISCOUNT COMPANY OF LONDON, LIMITED.

39 Cornhill, E.C.3.
Capital paid-up ... £1,125,000 } £2,600,000
Reserve Fund ... £1,475,000 }
Notice is hereby given that the RATES OF INTEREST allowed for money on DEPOSIT are this day RAISED as follows:—At call, from TWO PER CENT. to THREE PER CENT.; at seven and fourteen days' notice, from TWO-AND-ONE-QUARTER PER CENT. to THREE-AND-ONE-QUARTER PER CENT. The Company deals in British Government Treasury Bills, London Bankers' Acceptances, and Prime Trade Bills. Money received on deposit for fixed periods or at call. Enquiries invited.
ROBERT CALLANDER WYSE, Manager.
3rd December, 1925.

BARCLAYS BANK LIMITED.

Head Office: 54 Lombard street, E.C.3.
Notice is hereby given that the RATE OF INTEREST allowed at the Head Office and London Branches of this Bank on DEPOSITS repayable at SEVEN DAYS' notice is this day RAISED to THREE PER CENT. per annum.
J. CAULCUTT, General Manager.
E. FISHER, Managers.
F. W. GRIGGS,
H. T. MITCHELL,
3rd December, 1925.

BRITISH LINEN BANK.

(London Office.)
Notice is hereby given that the RATE OF INTEREST allowed on DEPOSIT ACCOUNTS at this Office will be THREE PER CENT. until further notice.
JAMES FORREST, Manager.
WILLIAM FINDLAY BLACK, Deputy Manager.
Threadneedle street, London, E.C.
3rd December, 1925.

THE CLYDESDALE BANK, LIMITED.

(London Office.)
Notice is hereby given that the RATE OF INTEREST allowed on DEPOSITS at this Office will be THREE PER CENT. per annum until further notice.
G. R. WILSON, Manager.
30 Lombard street, E.C.3.
3rd December, 1925.

BANK OF LIVERPOOL AND MARTINS, LIMITED.

Notice is hereby given that the RATE OF INTEREST on DEPOSITS with the London Office and the London Branches of this Bank, subject to seven days' notice, will be THREE PER CENT. per annum from this date until further notice.
G. BROMLEY MARTIN, Managing Director.
No. 68 Lombard street, E.C.3.
3rd December, 1925.

LLOYDS BANK LIMITED.

The Joint General Managers announce that the RATE OF INTEREST allowed by the Bank upon DEPOSITS at its Metropolitan Branches is RAISED to THREE PER CENT. for money at seven days' notice.
Head Office, E.C.3.
3rd December, 1925.

MIDLAND BANK LIMITED.

NOTICE IS HEREBY GIVEN that the RATE OF INTEREST allowed on DEPOSITS at seven days' call at the Head Office and London Branches will be THREE PER CENT. until further notice.
R. RICHARDS, Joint General Managers.
J. G. BUCHANAN,
E. T. PARKES,
H. A. ASTBURY,
A. T. JACKSON,
R. W. TAYLOR,
5 Threadneedle street, London, E.C.2.
3rd December, 1925.

WESTMINSTER BANK LIMITED.

Notice is hereby given that the RATE OF INTEREST allowed on DEPOSITS at the Head Office and Metropolitan Branches will be RAISED to the following rates, viz.:—On DEPOSITS subject to seven days' notice THREE PER CENT. and on DEPOSITS at call TWO-AND-A-HALF PER CENT., until further notice.
JOHN RAE, Chief General Manager.
No. 41 Lothbury, E.C.2.
3rd December, 1925.

NATIONAL PROVINCIAL BANK LTD.

Notice is hereby given that the RATE OF INTEREST allowed by this Bank at its Head Office, Bishopsgate, and London Branches, is this day RAISED to THREE PER CENT. for money placed on DEPOSIT at seven days' notice.
A. E. LEWIS, Chief General Manager.
A. MCCLELLAND,
E. CORNWALL,
G. H. WHITEHURST, Joint General Managers.
H. S. ELTONTON,
F. WALLER,
15 Bishopsgate, London, E.C.2.
3rd December, 1925.

WILLIAMS DEACON'S BANK, LIMITED.

Notice is hereby given that the RATE OF INTEREST allowed by this Bank on DEPOSITS at seven days' notice at this Office and Metropolitan Branches will be THREE PER CENT. per annum from this date until further notice.
JOHN J. MEAGHER, Manager.
20 Birch Lane, E.C.3.
3rd December, 1925.

BANK OF SCOTLAND.

(London Office.)
Notice is hereby given that the RATE OF INTEREST allowed on DEPOSIT ACCOUNTS will be THREE PER CENT. until further notice by advertisement.
JOHN WHITEHEAD JOHNSTON, Manager.
No. 30 Bishopsgate, E.C.2.
3rd December, 1925.

THE COMMERCIAL BANK OF SCOTLAND, LIMITED.

(London Office.)
Notice is hereby given that the RATE OF INTEREST allowed on DEPOSITS at the London Office of this Bank will be THREE PER CENT. until further notice by advertisement.
A. W. RUSSELL, Manager.
Nos. 60 and 62 Lombard street, London, E.C.3.
3rd December, 1925.

THE NATIONAL BANK OF SCOTLAND, LIMITED.

(Incorporated by Royal Charter and Act of Parliament. Affiliated with Lloyds Bank Ltd.)
London Office: Nicholas Lane, Lombard St.
Notice is hereby given that the RATE OF INTEREST allowed on DEPOSITS at this Office will be THREE PER CENT. per annum for money at seven days' notice.
T. C. RIDDELL, Manager.
3rd December, 1925.

ROYAL BANK OF SCOTLAND.

(London Office.)
Notice is hereby given that the RATE OF INTEREST allowed on DEPOSIT ACCOUNTS at this Office will be THREE PER CENT. until further notice.
WILLIAM WHYTE, Manager.
No. 3 Bishopsgate, E.C.2.
3rd December, 1925.

THE UNION BANK OF SCOTLAND, LIMITED.

Notice is hereby given that the RATE OF INTEREST allowed on DEPOSITS with the Union Bank of Scotland, Limited, at this Office will be THREE PER CENT. per annum from this day until further notice.
JOHN ALEXANDER, Manager.
London Office: 62 Cornhill, E.C.
3rd December, 1925.

CITY OF CALGARY

FOUR-AND-A-HALF PER CENT. AND FIVE PER CENT. DEBENTURE LOANS.

The City of Calgary announces that the COUPONS maturing 1st January, 1926, on the above-mentioned Debentures, may be PRESENTED on and after the 14th December, 1925, between the hours of 10 and 2 o'clock (Saturdays excepted) at the Bank of Montreal, 47, Threadneedle street, E.C.2. Three clear days required for examination. Lists may be obtained on application at the Bank.

CITY OF PORT ARTHUR

FOUR-AND-A-HALF PER CENT. AND FIVE PER CENT. DEBENTURES.

The City of Port Arthur announces that the INTEREST COUPONS of the above-mentioned debentures maturing 1st January, 1926, may be PRESENTED on and after the 14th December, 1925, between the hours of 10 and 2 o'clock (Saturdays excepted) at the Bank of Montreal, 47 Threadneedle street, E.C.2. Three clear days required for examination. Lists may be obtained on application at the Bank.

CITY OF REGINA

FOUR-AND-A-HALF PER CENT. DEBENTURES.

The City of Regina announces that the INTEREST COUPONS of the above-mentioned debentures maturing 1st January, 1926, may be PRESENTED on and after the 14th December, 1925, between the hours of 10 and 2 o'clock (Saturdays excepted) at the Bank of Montreal, 47 Threadneedle street, E.C.2. Three clear days required for examination. Lists may be obtained on application at the Bank.

CITY OF SASKATOON

FIVE PER CENT. DEBENTURES.

The City of Saskatoon announces that the COUPONS maturing 1st January, 1926, on the above-mentioned debentures, may be PRESENTED on and after the 14th December, 1925, between the hours of 10 and 2 o'clock (Saturdays excepted) at the Bank of Montreal, 47 Threadneedle street, E.C.2. Three clear days required for examination. Lists may be obtained on application at the Bank.

UNIVERSITY OF LONDON.

The Senate invite applications for the University Chair of Political Science, tenable at the London School of Economics. Salary £1,000 a year. Applications (12 copies) must be received not later than first post on 22nd January, 1926, by the Academic Registrar, University of London, South Kensington, London, S.W.7, from whom further particulars may be obtained.

UNIVERSITY OF LONDON.

The Senate invite applications for the Sir Ernest Cassel Chair of Accountancy and Business Methods, tenable at the London School of Economics. Salary £1,000 a year. Applications (12 copies) must be received not later than first post on 21st January, 1926, by the Academic Registrar, University of London, South Kensington, London, S.W.7, from whom further particulars may be obtained.

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THE MONEY MARKET.

THE extreme abundance of money produced by the payment, partly out of freshly created credit, of the War Loan interest, has shown some sign of wearing off, and the discount market has been inclined to look forward to a keen demand at the turn of the year. It was also influenced by a relapse in the early part of the week in the chief exchanges, especially Amsterdam and Batavia, and

by continued exports of gold. Discount rates accordingly hardened materially, and $4\frac{1}{4}$ per cent. became the lowest rate for fine three months' bills.

	Dec. 11, 1925.	Dec. 4, 1925.	Nov. 27, 1925.	Nov. 20, 1925.	Previous Rate and Date Changed.
Bank Rate	5%	5%	4%	4%	4 (Dec. 3, '25)
Banks' Deposit Rate	3	3	2	2	2 (Dec. 3, '25)
Discount Call	3	3	2	2	2 (Dec. 3, '25)
Houses' Notice	$3\frac{1}{4}$	$3\frac{1}{4}$	$2\frac{1}{4}$	$2\frac{1}{4}$	$2\frac{1}{4}$ (Dec. 3, '25)
Market rate (3 months' bills) ..	$4\frac{1}{8}$	$4\frac{1}{8}$	$3\frac{1}{8}$	$3\frac{1}{8}$	..

The Bank return showed a decrease of £652,000 in the stock of coin and bullion, £680,000 having been reported as withdrawn for export on balance. The note circulation expanded by £36,000, so that the Reserve was £688,000 lower, though its proportion to liabilities had risen .7 per cent. to 16.6 per cent. Government and Other securities declined by £8,070,000 and £614,000, and the Public deposits were £255,000 higher. Other deposits were thus over £9½ millions lower. Currency notes outstanding were increased by £1,182,600 to £290,601,100, which includes £1,318,400 for notes called in but not yet cancelled. The fiduciary issue is £233,032,700, or £15,112,700 below the maximum for 1925.

The monthly statement of average weekly balances of the London clearing banks for November, which is printed in detail on a later page, shows a decline of £9 millions in deposits, and an increase of £10½ millions in acceptances. The table below compares the aggregate figures of the nine English banks for the past few months:—

	June, 1924.	Dec., 1924.	June, 1925.	Sept., 1925.	Oct., 1925.	Nov., 1925.
Capital and reserves	119.2	119.4	119.6	120.7	120.8	120.9
Acceptances	85.3	109.9	90.2	85.7	92.6	103.1
Deposits (incl. undiv. profits, &c.) ..	1,651.9	1,656.1	1,624.5	1,613.7	1,627.6	1,618.8
Total liabilities	1,856.4	1,885.4	1,834.3	1,820.1	1,841.0	1,842.8
Coin, notes, balance at bank, and cheques in course of collection ..	249.1	259.7	253.9	237.2	238.2	238.8
Money at call	108.1	112.8	113.0	111.5	111.9	111.3
Investments	349.3	328.8	294.6	281.5	285.9	287.2
Discounts	245.0	234.4	205.5	240.2	214.7	235.2
Loans and advances	791.7	811.2	850.5	834.5	837.8	837.1
Cover for accept., premises, &c.	113.2	138.5	118.8	115.2	122.5	135.2
Total assets	1,856.4	1,885.4	1,834.3	1,820.1	1,841.0	1,842.8

The decline in deposits has been balanced by a similar reduction in bills discounted. A slight decline in loans and advances is more than offset by an increase in investments.

NEW YORK MARKETS.

Our New York correspondent cables:—Markets have regained equilibrium, but speculative activity has been reduced, despite satisfactory Presidential messages and a flood of extra dividends, the latter factors having evidently been discounted. Bullish activity is also restrained by apprehensions that the money market will be subject to disturbance until after the end of the year, when a relaxation in rates is expected. Steel Corporation unfilled orders rose by 472,000 tons in November, and the mills are now operating at 87 per cent. of capacity. Cotton is weakish, as the ginning report supports the latest Government crop estimate of 15,603,000 bales. The Federal Reserve System's ratio is 69.4 with note circulation, discounts and open market purchases of bills moderately higher and reserves materially lower. The New York ratio is 2.4 per cent. lower on similar changes.

THE STOCK MARKETS.

The Stock Exchange still remains under the influence of the rubber boom. Business in rubber shares remains exceedingly active, but in the last few days there has been a good deal of profit-taking in advance of next week's settlement, the last of the present year. Gift-edged stocks have been dull, and have mostly declined, although vague talk of a higher Bank rate on Thursday proved groundless. Home rails improved on the national arbitration award, but later lost some of the rise. Argentine rails have been irregular. Oil shares fail to attract public attention, but tea shares have been noticeably

harder. Movements have been irregular in the industrial section, and mines have been quiet. The issue of £5 millions in 7 per cent. bonds at 94½ by the Potash Syndicate of Germany was rapidly over-subscribed on Tuesday, applications amounting, it is understood, to over £70 millions.

THE COMMODITY MARKETS.

The approach of Christmas and the stocktaking period has further affected certain markets, but conditions generally show slight basic variations. Coal prices are well maintained, on the whole; the same applies to pig-iron, while steel prices are inclined to harden as a result of recent orders. The Liverpool cotton market has been quiet this week, but inquiry for yarn and cloth tends to broaden. Wool values have declined further, but trade stocks are not large, and a return to stability would probably evoke considerable activity. The wheat market has been weaker in sympathy with American conditions. Sugar has been less steady, with ample supplies available; coffee steady, and tea in good demand. Rubber remains irregular, with dealings on a fair scale. Tin prices are lower on balance, offerings of copper have been on a liberal scale, and lead has declined on selling pressure.

FOREIGN EXCHANGES.

It has been a quiet week in the foreign exchange market. The New York rate continued strong over the week-end on the impetus given by the rise in the Bank rate here last week. From 4.85½ on the 4th it rose to 4.85½ on Saturday, and on Monday stood at 4.85½. On Tuesday, however, there was some nervousness as to a possible change in the New York Bank rate, and the quotation fell to 4.84 31-32 that day and to 4.84 27-32 on Wednesday, but when no change occurred on Thursday, a recovery to 4.85½ took place, and yesterday's opening rate was steady at that figure. Forward rates are unchanged at ½ cent per month above spot. Paris, on the other hand, has definitely lost the improvement consequent upon the passing of M. Loucheur's first proposals by the French Parliament. From 125.80 on the 4th it improved to 125.50 on Saturday, but was back at 126 on Monday. As the heavy nature of the taxation involved by his later plan (for the permanent rehabilitation of French Government finances) was realised, public confidence diminished, and the rate rose to 128.30 on Tuesday, and 128.65 on Wednesday. After a recovery to 128.40 on Thursday it opened yesterday morning at 128.50. The situation is full of uncertainty, and M. Loucheur's resignation would not be altogether unexpected. In fact, with the removal of the immediate danger of default, a return to the former unwillingness on the part of the Chamber to take definite action appears probable. Brussels remains steady between 107 and 107.05. Forward rates on Paris are narrower at 15 centimes for one month, and 80 centimes for three months, and in Brussels at 40 centimes per month above spot. Italy has risen slightly from 120½ to 120¾, and Madrid, after its recovery to 33.95 last week, rose again to 34.06½. Amsterdam has followed the dollar, moving from 12.07 on the 4th to 12.07½ on Monday, and after falling by Wednesday to 12.06½, had recovered by yesterday morning to 12.07½. Stockholm also fell from 18.14½ to 18.11½ by Tuesday, but opened yesterday at 18.12½; Switzerland, however, has shown little variation from 25.15. Berlin is slightly higher on balance at 20.39, but Vienna has fallen from 34.42½ to 34.41, while Warsaw was again slightly weaker at 42. Copenhagen has depreciated from 19.38 to 19.45, while Oslo, after rising from 23.80 to 23.95, recovered again to 23.81. Helsingfors is steady around 192½. Athens rose from 362 to 376, but Bucharest has fallen from 1,070 to 1,055. In the East, the rupee is unchanged at 15 6½d, but the yen has improved from 15 9½d to 15 9½d. The silver market is very dull, with but little variation in prices. The India market is quiet and such business as there is takes place in China and America. Hong Kong has depreciated from 2s 4½d to 2s 4½d, and Shanghai from 3s 1½d to 3s 1½d. In South America, Rio has improved from 6½d to 7½d, and Monte Video from 49½d to 50½d. While Buenos Aires is steady at 46½d, Valparaiso has fallen from 39.30 to 38.80 pesos.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended December 5th:—

EXPENDITURE.	£	RECEIPTS.	£
Supply Services	7,350	From Revenue	13,544
Interest, &c., on Debt	46,214	Increase in Debt	40,237
Sinking Fund	390	Decrease in Exchequer Balances ..	175
Sundries	100		
	53,954		53,954

The Revenue for the week amounted to £13,543,600, as compared with £10,995,700 in the corresponding week last year. Customs were lower at £2,060,000, against £2,509,000, but Excise was higher at £1,846,000, against £1,686,000. Property and Income-tax brought in £3,688,000, as compared with £1,952,000, and Super Tax at £490,000 was £40,000 higher. Ordinary and Special Receipts were higher at £311,200 and £1,232,300, against £3,900 and £737,400 respectively. The week's operations increased the National Debt by £40,237,200, and caused the following changes:—

	£		£
3½ % Conversion Loan	7,525	Treasury Bills	1,727
Bank of England Advances	15,500	Sundries	96
Public Department Advances	18,385		
National Savings Certificates	50		
	42,060		1,823

The floating debt was increased by £32,785,000 to £801,606,000.

FINANCIAL YEAR, 1925-1926 (April 1st to Dec. 5th).

	£		£
Total Expenditure	561,000,589	Raised by Revenue ..	459,898,583
		Decrease in Balances ..	3,531,344
		Amount borrowed ..	97,570,662
Total	561,000,589	Total	561,000,589

ESTIMATES for FINANCIAL YEAR 1925-1926.

	£		£
Expenditure	799,400,000	Revenue	801,060,000
Surplus			£1,660,000.

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—Royal Bank of Australia, State of Bahia South-Western Railway, British North Borneo (Chartered) Company, P. and O. Steam Navigation Company, British Insulated and Helsby Cables, Nelson Brothers, Tate and Lyle, Steaua Romana (British), John I. Thornycroft and Co., Gan Kee Rubber Estate, New Modderfontein Gold Mining, Bwana M'Kubwa Copper Mining, Aerated Bread Company, and Peter Walker (Warrington), and Robert Cain. At the meeting of Tate and Lyle the chairman pointed out that, but for the fall in the price of raw sugar of £10 per ton, and the writing off of a large amount from stocks, the profit would have been one of the largest in recent years. At the meeting of the Royal Bank of Australia the chairman reviewed conditions in Australia and the outlook for the current season.

ECONOMIST INTELLIGENCE BRANCH.

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

IRELAND.

A FEW short weeks ago we were talking once more of "deadlock" and "crisis" in Ireland, and it seemed that the affairs of that distressful country were going yet again to present a problem too tough to be solved by statesmen. But, just as the cloud grew black and menacing, it was suddenly dispersed by exactly those qualities that have on one side or another been so lacking in the handling of Irish affairs—goodwill and give and take. It has often been said that Irishmen could only combine in one thing—namely, hatred of England. On this occasion Irishmen of North and South have combined and co-operated with the British Government in a

negotiated settlement not merely of the critical boundary question, but also of a number of outstanding financial matters which might have embittered future relations. This mere fact, as the Premiers both of Northern Ireland and of the Free State have claimed, is pregnant with hope. For his part, Mr Baldwin, in introducing in the House of Commons on Monday the Bill to enforce the settlement, proclaimed that this new agreement stands to the Irish Treaty of 1921 in the same relation as Locarno stands to the Treaty of Versailles. In both cases it is, perhaps, the spirit that counts most. The greatest importance of both lies not in the actual achievement, but in the fact that both have set the feet of nations on the straight and narrow road that leads to real peace.

The debate in the House of Commons on the Irish Agreement Bill reached a high level, and one or two attempts to import the old bitterness into the discussion merely served, by their very failure, to emphasise the complete change in the atmosphere surrounding the Irish question. It also provided information as to the financial side of the settlement. The chief heads of the settlement which the Bill embraces are (1) suspension of the Boundary Commission's powers and maintenance of the *status quo*. (2) Settlement of the outstanding financial questions between Britain and the Free State, especially those covered by Article 5 of the Irish Treaty. (3) Financial adjustments between Britain and Northern Ireland. The financial side of the agreement is of minor importance compared with the elimination of the boundary dispute, but the figures are substantial in themselves. On paper, it appears, Britain had a claim of about £155 millions on the Free State under Article 5 of the Treaty, in respect of Ireland's share of the National Debt of the United Kingdom, while the Free State had a much smaller undetermined claim against the British Treasury. At the same time, the British Government had paid, and was still liable to pay to individuals, considerable sums in respect of damage done in the Free State since 1919. Without going into elaborate detail it may be said that the effect of the agreement is as follows:—The Free State liability under Article 5 and the counter-claim against Great Britain are wiped out, but Ireland is to pay £150,000 now, and an annuity of £250,000 a year for 60 years, and she shoulders the liability for post-1919 damage compensation, and promises to increase by 10 per cent. the compensation awarded to individuals by Irish Courts under the Act of 1923. There is no room for doubt that in this settlement a very generous recognition is accorded of the Free State's present economic and financial difficulties, and of her "capacity to pay." Recently Mr De Valera and other opponents of the Free State Government have been mentioning sums as large as £19 millions as the annual "tribute" which would have to be paid to the British Treasury, if Article 5 of the Treaty were rigidly enforced. To suppose that any British Government would dream of claiming payment on that scale from any country, least of all a Dominion, whose total revenue is under £30 millions, is, of course, ridiculous. But mention of the figure gives some measure of the reasonableness with which the Treasury have dealt with their side of the problem. To Northern Ireland Parliament is asked to make a grant-in-aid of £1,200,000, as a final payment towards the upkeep of the special constabulary, whose maintenance on a large scale was necessitated by the boundary dispute. Now that this dispute is out of the way, Sir James Craig has indicated that the force can be disbanded in the near future. We do not believe that there will be any more disposition in this country than there was in the House of Commons on Monday to boggle at the financial readjustments which form part and parcel of a bargain which brings Ireland nearer to peace than she has been for many a decade. The new agreement has no more settled the Irish question than Locarno has settled the European question. But a glance back at the past twelve years of Irish history will show that some elation is justified in what has taken place. In 1914, on the eve of the great war, the Home Rule Bill had passed through Parliament. Ulster opposition, fomented and encouraged by Conservative politicians in this country, was on the eve of blazing into armed rebellion. An emergency Conference called by

the King broke down. Civil war was imminent. Then, under the shock of the great war, came a gleam of Irish hope. The bitter strife was sunk in common support of the British cause. But soon this streak of sunlight faded. Discontent and finally rebellion raised their heads in Southern Ireland. Leniency and severity were tried in succession by the British Government without success. The Nationalist party was extinguished, Sinn Féin took up the reins. Strife and bloodshed continued even after the great war ended, the legislative efforts of 1920 proving abortive. Not until 1921 did there arise out of the chaos of bloodshed and bitterness a constructive statesmanship which, in the persons of Mr Griffiths and Mr Collins, proved big enough to grasp the hand of reconciliation tardily and after ugly episodes held out by Mr Lloyd George and his Coalition Government. A treaty was signed giving the Irish Free State a dominion status, and leaving Northern Ireland separate, and a part of Britain. By the irony of fate neither of these Irish statesmen were spared long to guide the new Dominion through its critical days of infancy. But into their shoes stepped Mr Cosgrave, under whose leadership the Free State Government established law and order against immense difficulties, and at great cost in life and in money. Even then the outlook was precarious. The flaw in the Treaty of 1921 was that it left the old dispute as to the boundary between Ulster and the South unsolved. Its solution, under Article 12 of the Treaty, was left to a Boundary Commission, whose report, when published, Britain bound herself to carry into law. Ulster would have no truck with the Commission, and refused to appoint a representative; Britain appointed one on her behalf. The Commission sat, investigated, laboured. When the report reached the draft stage the Free State representative resigned. Once more deadlock seemed complete. But just as the storm clouds grew most menacing, the sunshine of this new agreement came as an almost miraculous relief.

To-day, for the first time since the Act of Union, we have Ireland, North and South, and Britain in harmony and agreement. We do not in any way belittle the troubles that still lie ahead of Mr Cosgrave, nor the forbidding obstacles still to be removed before the great goal of Irish unity can be reached. Indeed, on paper, the new agreement may be interpreted as stereotyping partition and making it permanent. Moreover, as Mr Churchill said in the House of Commons, "bitter feelings endure, and intolerance born of centuries will not be dismissed in the course of a generation." But in spite of all this, we see no reason for eschewing a reasoned and tempered optimism. In Europe we have passed in twelve years from the tragedy of 1914, through four years of hatred and war, to Versailles, and thence through the disheartening failure of a score of conferences to the new spirit and achievement of Locarno. By comparison Ireland's journey through the stations of the cross has been more dramatic. If we are justified in the European hopes which we base on Locarno, are we not more justified in re-echoing Mr Churchill's hope for Ireland: "There very probably are members here in this Chamber now who will live in a new Parliament to see the harvest gathered in, and who will find at the side of Britain a free and united Ireland, proud of her undoubted share in founding the British Empire, and actively contributing to its strength and progress."

SYRIA AND MOSUL.

LATTERLY, both France and Great Britain have been made to feel the burden of the mandates which they have undertaken severally in the Middle East. This week there are indications that the French in Syria are just surmounting the crisis of the rebellion there, while the controversy between Turkey and Iraq over their boundaries in the Mosul district, in which Great Britain is concerned, entered its critical stage last Tuesday, when this question was taken up at Geneva by the Council of the League of Nations.

In Syria, M. de Jouvenel, the new French Civil High Commissioner, who has replaced General Sarrail, deserves our sympathy and respect for the broad view which he

has taken of his task, and for the statesmanship which he has so far shown in grappling with it. Realising the essential unity of the problem with which the two Allied Mandatory Powers are faced in the ex-Arab provinces of the Ottoman Empire, he did not go to Beirut until he had visited London, Cairo, and Jerusalem; and since arriving in Syria he has lost no time in opening a door for reconciliation. It must be noted that his work has been made as difficult as could be by the policy of previous French High Commissioners at Beirut, instructed or indulged by previous Governments in Paris. Hitherto, the record of France as mandatory for Syria has not been good. Her policy has been "divide and rule." She began by dividing the country into three or four States roughly corresponding to the religious divisions of the Syrian people. The former autonomous Ottoman vilayet of the Lebanon was enlarged—by the addition of Beirut and other ports, as well as considerable inland districts towards the east and south-east—into the State of Greater Lebanon; but while this was calculated to win the Lebanese Catholics or Uniates (together constituting a majority of the local population) to the French cause, and to drive in a wedge between them and their Druse and Muslim fellow-countrymen, there was a serious curtailment of the self-government which the smaller Lebanon had enjoyed under the previous dispensation, when Turkish suzerainty was nominal, while the constitution was guaranteed by the Great Powers of Europe. Thus, even for the Lebanese Christians, the establishment of the French mandate was a mixed blessing, while for the Muslims and the Druses it was decidedly less desirable than the Ottoman régime. Under that régime the Druses of the Jabal Hauran, in the extreme south-east of Syria, towards the desert, had maintained, by their own military prowess, a *de facto* autonomy as complete as that which had been secured to the Lebanon by international treaties, and it was here that the present trouble began—owing, it seems, to the shortcomings of a French officer who was deputed to control the Hauran, and to the roughness of General Sarrail when the Druses complained. Throughout the ensuing rebellion the Druses, not the Muslims, have taken the lead, and their attacks have been directed towards the new territories, containing a considerable Druse and Muslim population, which the French have incorporated in the Lebanon. Unable to protect these territories with their own regular troops, the French authorities, before M. de Jouvenel's arrival, had taken the disastrous step of serving out arms to the local Christians, thus virtually abandoning control of the situation and allowing it to drift, at best, towards unrestrained brigandage, and, at worst, into a religious war.

M. de Jouvenel has begun by meeting the Elective Council of the Greater Lebanon (on December 3rd), and empowering it to act virtually as a constituent assembly—with the intention of awaiting its recommendations before formulating any detailed programme of his own. The Lebanon, apparently, is now to receive back at least as full an autonomy as it enjoyed before the war; and while France will still control its foreign relations, the French officials who are to assist in its internal administration are to have only advisory and not executive powers. In other words, the Lebanon is to obtain a status not unlike that which Iraq has enjoyed under the British mandate, since the bureaucratic government on the Anglo-Indian model, introduced during the war, was replaced by the present treaty between the Governments of London and Baghdad. Having rapidly opened this prospect to the Lebanon, which has not revolted, M. de Jouvenel has intimated that terms no less favourable will be accorded to the Syrian patriots (as distinct from brigands) now in revolt, if and when they stop fighting, and consent to parley. This is good policy, but further steps will be needed to crown it when the rebellion is over, and other genuinely autonomous Syrian States have been allowed to constitute themselves. The several Syrian States should then be left free to form a federation; and France should agree to support an application by Federated Syria to become a member of the League of Nations, not later than a similar application on the part of Iraq is supported by Great Britain.

Meanwhile, the date of this latter event, for which provision is made in the Anglo-Iraq Treaty, has become involved in the Mosul boundary controversy, in consequence of the recommendations made by the special Commission which examined the question on the spot on behalf of the League of Nations. It is not yet known which, if any, of the Commission's three recommendations the Council of the League will eventually adopt. The question has not reached this stage, for the Turkish Government is still disputing the right of the Council to give any binding decision at all, and this is the critical issue of the present session at Geneva. The point turns on the legal interpretation of a passage in Article Three of the Lausanne Treaty, to which both Turkey and Great Britain are admittedly bound by their signatures. The passage runs: "A défaut d'accord entre les deux gouvernements dans le délai prévu, le litige sera porté devant le Conseil de la Société des Nations"; and when the Turks contested the Council's jurisdiction under this clause, the Council's first step was to ask for an advisory opinion from the Permanent International Court. As is well known, the Court has advised that the Council does possess power, under the treaty, to give a decision which will be binding on the parties to the dispute, and which will determine the frontier between Turkey and Iraq; and, further, that such decision must be taken by a unanimous vote, the votes of the two parties not being counted. Fortified with this legal opinion, the Council are now in conference with the representatives of Great Britain, who never contested the Council's authority, and those of Turkey, who are still continuing to do so.

Evidently Munir Bey has received strict instructions from his principals, and anyone who knows him personally will sympathise with his situation. His courteously conducted but strenuous opposition to the ruling of the International Court has naturally proved of no avail. At last Tuesday's meeting the only concession which he could obtain from the chairman, Signor Scialoja, was that the vote on the question whether the Council should adopt the opinion of the Court should not be taken by a mere majority, as regarding a point of procedure, but should have to be unanimous. The requirement of unanimity was conceded, only immediately to be fulfilled by a unanimous vote in favour of adopting the Court's opinion. Thus the Council has declared itself—Munir Bey still protesting—to be competent to give a binding arbitral decision in the last resort; but this does not exclude attempts on the Council's part to settle the matter by conciliation, and their past tradition makes it likely that they will explore every possible avenue in this field before resorting to extreme measures. Meanwhile, the Turkish delegate has suspended his participation in the proceedings, and the Council have been considering General Laidoner's report on the alleged deportations and other ill-treatment of Christians, to the north of the provisional "Brussels Line" of demarcation, by the Turks. The General's report appears to bear out these allegations very fully, and to be most damaging to the Turks—a fact which is likely to influence the Council in Great Britain's favour.

THE FRENCH CRISIS.

A FORTNIGHT ago we ventured to suggest that the tangle of French finance could not be unravelled without a general reconstruction plan covering both currency and finance. Our view has not been weakened by the events of the last two weeks. M. Briand's Ministry, formed a fortnight ago, was welcomed with acclamation, and a sigh of relief, by Frenchmen of all shades of opinion, but few expect that it can last very long, or that it will attract enough support to enable it to act as a National Ministry, and to put forward a permanent instead of a merely stop-gap programme. The weakness of the Briand Ministry is its Finance Minister. M. Loucheur is a politician of great ability; he was one of the first to understand the truth about reparations, and as a critic has been of great service in guiding French opinion on many vital issues. But it cannot be said that he commands confidence. His

views on financial policy have changed too rapidly and too recently for conservative-minded business men. He was accepted on the understanding that, in forming his plans, he would have the benefit of a Committee of non-political experts. This device has, however, gone by the board, for M. Loucheur has since stated that the experts will be consulted individually and privately by him. This means they cannot share his responsibility; nor will their views be known. Last week M. Loucheur's proposals for meeting the immediate needs of the Treasury were passed by the narrow margin of six votes, and the bills would not have passed at all without the personal appeal of the Prime Minister.

This week M. Loucheur has formulated complete proposals for 1926, which are dealt with by our Paris correspondent in a later column. It is so important for Europe that France should join the ranks of the countries with stable finances that we desire to refrain from any but constructive criticism, in order that the proposals may have the best possible chance. But we are bound to point out that neither the bills already issued, nor those still to come, deal with more than part of the problem. In particular, unless and until France faces the problem of stabilising the franc, she cannot expect confidence to be restored either at home or abroad—and until confidence returns the floating debt problem will remain almost insoluble.

The interconnection of the Budget, the floating debt, the currency, and the position of the Bank of France is now generally recognised; it is universally said that Frenchmen are prepared for the sacrifices needed to allay the crisis, provided they are satisfied that it really is the end; that the balance of opinion is firmly against inflation, and is at last ready to accept the principle of stabilisation at or about the present level of the franc. But opinion is only now reaching the point of agreement on these general ideas; there is far from being unanimity as to how to carry them out, and there seems to be no political combination in sight which can command the force and the ability needed for so large a task. Nor is it clear that political forces are sufficiently stable to ensure that the right policy will be adhered to even if it is initiated. In these circumstances, people are again discussing the possibility of a body outside politics which would command the necessary confidence and ensure continuity. If the plan could be found, a formal resolution of all parties in the Senate not to agree to depart from the programme might meet the case, particularly if supported by the Council of Regents of the Bank of France. But to secure such backing the plan must first secure the general agreement of the business world, and of experts, and must be beyond all doubt one which will meet France's final liabilities.

In the meantime, the process of clarifying the situation is going on. M. Loucheur has thrown a bombshell by indicating that in 1926 he needs 8½ milliards more from the taxpayer than was envisaged in 1925. But even that is not enough. Before the final post-war Budget is produced, something must be added for war debts and the final expenditure on the devastated areas. The British instinct is that these heavy additional needs should be covered by direct taxes. But it may lead us astray to argue too closely from the analogy of British conditions. There is much to be said for the view that France must meet her present deficit mainly by indirect taxes. It is argued that her peasants (like those of most other countries in the world) will not pay income-taxes. Her rentier class cannot do more than at present. Moreover, there is some force in the current idea that indirect taxes have the advantage of promptly rising with prices. If the franc is stabilised, there may still be a rise of prices to come. If so, it will benefit the Exchequer automatically. Direct taxes would also rise, but, of course, more slowly. This view is gaining ground in Radical circles, as against the view of the Socialists, who hanker after a capital tax, and are against taxing the consumer. This attitude is thoroughly sound in economic theory; but the indirect taxes may prove necessary on grounds of practicability. It will be seen from our Paris letter that M. Loucheur proposes to rely for the most part on direct

taxes, but it is already suggested that he may have to revise his plan on this point. The question shows the difficulty of agreeing on essential details—even when all are satisfied that the taxes must be raised.

Similarly, on the question of currency and the proposal to fill the Treasury by an increased issue of paper money, the Socialists have taken up a strong anti-inflationist line for reasons with which we have strong sympathy. Inflation may be needed, as in Austria and Hungary, after the exchanges are stabilised and plans made for meeting Budget deficits—in order to balance internal and external prices, and to meet internal demands for currency. But to inflate before the Budget is balanced is to make it practically certain that the fall will continue indefinitely. Nevertheless, the argument for the recent emergency measures was unanswerable. It was the only alternative to the Treasury refusing to meet its obligations.

At the same time, opinion is undoubtedly ripe for stabilisation. Of the political parties, the Right and the Left are against inflation—the former, because the bourgeoisie risk losing their savings, which are in francs—the latter because the representatives of labour realise that the workers will lose if prices and the cost of living constantly rise, and, in any case, such a possibility involves long-continued internal friction. In the centre, inflationist influences from industrial and some financial quarters have apparently played a greater part, the view of some metallurgists, for example, having been that an export premium resulting from inflation was necessary if France was to establish her position in the world's trade. Recent events have, however, reduced these influences to very small dimensions. On the other hand, it is only recently that certain circles have abandoned the hope of gradual appreciation of the franc. The opinion strongly held at the Bank of France has hitherto been an obstacle to a definite plan of devaluing the franc. This difficulty could probably now be overcome. But, again, it is one thing to agree on the principle of stabilisation. It is quite another to agree on the means and the rate.

France has the economic strength for financial reconstruction; she has the will to do it, and the agreement on essential principles. All that is needed is to find a way and securing agreement on concrete proposals, and of solving what has become a political rather than a financial riddle.

BRITISH TRADE UNIONS AND RUSSIA.

(BY A LABOUR CORRESPONDENT.)

THE discussions which have been proceeding at the meeting of the Council of the International Federation of Trade Unions, to which considerable attention has been given in the British Press, cannot be appreciated without a picture of the background of controversy which preceded the present discussions. The war suspended the activities of both the political (or second) International, and the Industrial International, known as the International Federation of Trade Unions (I.F.T.U.). But when the war was over the threads of the two movements could not be gathered up. There was a strong desire to re-establish both internationals, but the Soviet Resolution of eight years ago created a new situation. Communism, on the direct initiative of the Soviet Government, commenced to organise internationally. The Third (or Communist) International was inaugurated, and this brought into existence the Red International of Labour Unions (R.I.L.U.). Early efforts were made to bring about an understanding between the two political Internationals through the International Working Union of Socialist parties, known as the "Vienna Union." These efforts failed, and the old Second International was reorganised in 1923 as the Labour and Socialist International, representing all the Labour and Socialist parties in Europe, and on a definitely non-Communist basis.

The International Federation of Trade Unions, known usually as the Amsterdam International, was reconstituted after the war. From the first the Red International

of Labour Unions carried on a bitter warfare against Amsterdam. The boast of the former was that "the International of Moscow will destroy the Yellow Amsterdam International"—"that pestilent yellow lair," as it has been called. The Amsterdam International was driven to declare (1921) that "it shall not be permissible for the trade union organisations to be affiliated to two Trade Union Internationals at the same time," and that "every organisation which affiliates to the political Trade Union International of Moscow places itself automatically outside the International Federation of Trade Unions." There is no doubt about the attitude of the R.I.L.U. of Moscow towards the I.F.T.U. of Amsterdam. Indeed, the Rules of the Red International specifically assert that one of its objects is "the waging of a definite war with the International Labour Office of the League of Nations", and with the I.F.T.U. of Amsterdam." The I.F.T.U., on the other hand, has definitely refused to accept the leadership of the political Communist International, the dictation of the proletariat, and the Communist idea of a world revolution, and has declined to negotiate with the R.I.L.U. At the same time, it was willing to consider the affiliation of the Russian Trade Unions if the rules and general policy of the I.F.T.U. were accepted, and in November, 1923, the Amsterdam Bureau was authorised "to participate in negotiations with the National Russian Trade Union Executive to the exclusion of the Red International of Labour Unions on the sole basis of the rules and general policy of the I.F.T.U., in order to attempt to establish international working class unity."

The reply of the All-Russian Council of Trade Unions took the form of a proposal for unconditional negotiations, and a joint Congress, with the object of securing unity. In November, 1924, a delegation from the British Trades Union Congress General Council visited Russia, and whilst in Moscow the delegates were asked by the Russian Trade Unionists to discuss informally suggestions for attaining international unity. The British delegation agreed to recommend that the British General Council and the Presidium of the Russian Trade Union movement should be empowered to act jointly for the purpose of promoting unity, and that the General Council should request the Amsterdam International to agree to a free and unconditional immediate conference with representatives of the Russian movement. The General Council accepted these suggestions, but the Council of the International Federation of Trade Unions, which met at Amsterdam in February, by thirteen to six votes defeated the British resolution proposing an "unconditional conference for informal discussion purposes." A resolution was adopted agreeing to a conference "as soon as possible after the All-Russian Council of Trade Unions intimates its desire to be admitted to the I.F.T.U." The British General Council met Russian representatives in London in April to discuss the situation. It was ultimately agreed to promote co-operation between the British and Russian Trade Union movements, and to set up a joint advisory council representative of the two movements.

Since this time there has been no change in the situation. The British Trades Union Congress in September endorsed the action taken by its General Council. As a preliminary to the formal meeting of the Council of the I.F.T.U. this month, members of the I.F.T.U. Council met the General Council of the Trades Union Congress in London. The view was held on the Continent that the British movement was supporting the policy of a conference between the I.F.T.U. and R.I.L.U., with the object of forming a new International. It became clear, however, that the suggestion was an "unconditional and informal" conference, not with the Red International, but with the All-Russian Council of Trade Unions.

At the I.F.T.U. Council meeting at Amsterdam on December 5th, a British resolution was moved declaring that the I.F.T.U. was prepared to meet representatives of the All-Russian Council "to discuss the possibilities of affiliation of the Russian Trade Union Movement"—a proposal which, it will be noted, was not concerned with the R.I.L.U., but only with the possibility of securing the adhesion of the Russian Trade Unions to the Amster-

* The I.F.T.U. has supported, and still supports, the I.L.O.

dam International. The resolution which was carried, however, declared that "the General Council of the I.F.T.U., having taken note of the correspondence which has been exchanged with the Russians since the meeting in February last, and having taken note of the discussions which have taken place at the present meeting, reaffirms its decision of February, 1925, and considers any new decision unnecessary." This motion was carried by fourteen votes to seven, the latter comprising the British and Scandinavian representatives and the representatives of the miners', transport workers', and clerical workers' internationals. This rebuff to the movement for trade union unity leaves the situation as regards the relations between Amsterdam and Moscow precisely where they were.

The Anglo-Russian Advisory Committee (set up in April) met in Berlin on December 8th to review the position. Two days' discussion, however, yielded no agreed conclusions, and the results of the third day's meeting are not to hand at the moment. The fact that so far no proposals have been published indicates that the British policy of mediation between the I.F.T.U. and the Russian Trade Unions has not as yet been successful in producing a formula to which the latter will adhere, and which might be acceptable to the Amsterdam International. But this is not the only problem confronting the British Trade Union leaders. In April last, at the London Conference, the British General Council undertook, should the I.F.T.U. refuse to convene a conference with Russian representatives for the purpose of considering the position arising from the decision of the I.F.T.U. Council in February, "to convene a conference and endeavour to promote international unity by using its mediatory influence as between the Russia Trade Union movement and the Amsterdam Bureau." It has been made clear, however, that the British Trades Union Congress will not summon a conference to be attended only by the Russians and the various minority movements in Continental Trade Unionism. The difficulty appears to be that the members of the I.F.T.U. would probably refuse to attend a conference which was not convened by Amsterdam, in which case the proposal for a conference would fall to the ground. For the time being the efforts to reconcile Amsterdam and Moscow have failed as completely as the efforts made by the Vienna Union to reconcile the Socialist and Communist Internationals. The long drawn-out struggle between the I.F.T.U. and the R.I.L.U., notwithstanding the British attempt to secure a termination of hostilities, remains with us, though it will only come into public view on the occasion of public conferences.

It has been suggested that the British attitude has been inspired by the Communist element, and there is no doubt that this has had its influence in shaping British policy. At the same time, there are two factors which have operation on the minds of those in are in no sense tinged with Communist sympathies. The first is the desire to achieve working-class unity in the industrial field. This may not seem a potent motive to those unfamiliar with the active part which the British Labour Movement has always played in the international sphere, but it is strong enough to prompt even moderate Trade Union leaders to support a policy of finding means for the association in the industrial field of Communist Trade Unions with the other Trade Union Movements. The second factor is the belief that Russian Trade Unionism is seeking to escape from the tutelage of the Russian Communist Party, and to secure industrial independence. It is held that such a movement would be greatly strengthened if the Russian Central Council of Trade Unions were associated with the great national Trade Union Centres in an International Federation. These two factors imply no sympathy with Communist doctrines, for the British Trades Union Congress has persistently refused to recognise the National Minority Movement, which is the British organisation of Trade Union bodies under the influence of Communism. The efforts, therefore, which the British Trade Union Movement is making to end the deadlock between Amsterdam and the Russian Central Council of Trade Unions, are not to be taken as meaning that the British have capitulated to Communism.

VICKERS' RECONSTRUCTION.

THE drastic writing down of the capital of one of the largest concerns in the country, accompanied by a reorganisation of the management, is a very important event. The problem of converting a great armament firm to peace purposes is, in any case, a difficult undertaking. In the present instance it has been complicated by the expansion of capital, in which Vickers—in company with large numbers of the leading British firms—indulged during and after the war. The Vickers reconstruction is one which may well have to be followed by a number of firms in the iron and steel trade. The suggestions of the special committee appointed by the directors to investigate the financial position of the company and its management were published on Thursday, the board recommending their adoption. The committee consisted of Mr F. Dudley Docker, the Rt. Hon. Reginald McKenna, and Sir William Plender. After a detailed investigation on their behalf into the finances of the concern and its associates by a chartered accountant, Mr Webster Jenkinson, these gentlemen recommend drastic financial and administrative reconstruction. Their report is of sufficient interest and importance to warrant quotation of the most salient paragraphs:—

We find that the earning capacity of the company and its allied undertakings has greatly decreased in recent years, and it appears to us unlikely that the position will improve sufficiently in the future to enable dividends to be paid on the present ordinary share capital of the company. We also find that the estimated value of many of the company's assets is greatly below the figure at which they are included in your company's accounts, and, indeed, in many instances no value can be attached thereto. The company is also under heavy contingent liabilities for which no specific provision has been made, and which may be expected to result in actual liabilities upon the company.

The sum needed to write down the assets of the company to the figure which we consider can reasonably be regarded as their approximate present value, and to provide for contingent and other capital liabilities of the company, is £12,442,366. Our calculations have been based mainly on earning capacity under conditions that take into consideration some amelioration of the present depressed state of affairs. The amount we suggest should be written off will be provided as follows:—

(a) By reducing the nominal value of the ordinary share capital to 6s 8d per share, thus reducing the issued ordinary share capital from £12,315,483 to £4,105,161, or a total reduction in the nominal value of.....	8,210,322
(b) By appropriating out of the sum standing to the credit of reserve fund an amount of	3,600,000
(c) By appropriating out of the balance standing to the credit of profit and loss account a sum of	632,044
	12,442,366

This sum would be utilised:—

In writing down the land, buildings, machinery, tools, &c., by	4,254,994
In writing down the book value of the company's interest in subsidiary companies by	5,488,316
In writing down the book value of the marketable securities, stocks, book debts, and bills in hand by	427,150
In creating a reserve to meet contingent and other liabilities expected to accrue, not provided for, of.....	2,271,906
	12,442,366

In our judgment, the main causes for the loss of such a considerable portion of your company's capital are:—

- (a) General depression in trade.
- (b) Depreciation in foreign exchanges.
- (c) Reduced earning capacity in the company's own works, attributable to:—
 - (i.) The world reduction in armament expenditure.
 - (ii.) The home production of armaments by foreign countries which have put down their own plants.
 - (iii.) The decline in shipbuilding.
 - (iv.) Foreign competition in world markets.
 - (v.) Financial stringency and political unrest in Europe which has restricted the giving of credit and retarded schemes of development.

A cause of great importance but of a different kind arises out of the history of the company. Before the war the company was primarily engaged upon steel production and armaments, and its success bore testimony to the competence and energy of the management. It was rightly expected that peace would bring greatly changed conditions, and, in order to meet the anticipated demand for peace products, very important par-

ticipations were taken in various industrial enterprises. It would appear, however, that the management had not the special experience required to direct and control so large and varied a body of industrial undertakings, particularly during a period of protracted and severe depression.

Further, your company made investments which have not only proved unremunerative, but are now the subject of considerable liability. We are therefore of opinion that in order to meet the present-day character and organisation of the company a far-reaching change in the method of control is desirable.

We recommend that some of the present directors should retire in order that vacancies may be provided for the appointment of new members.

We recommend that, in addition to a reconstituted board of directors, there should be three management boards, viz.:

- (a) Industrial board.
- (b) Armaments and shipbuilding board.
- (c) Finance board.

In accordance with the request of the board the undersigned have agreed to continue to act in a consultative capacity until the three management boards whose formation is recommended are duly functioning, and some new directors are appointed.

We recommend that the policy of the company in future should be to concentrate on using to the best advantage its present facilities, which are great, and, under good management, should be profitable; to dispense with all officials who have not justified their engagements; to cut down all salaries which are not fully merited; to eliminate waste in works management and production; to shut down plant and wind up all subsidiary or affiliated enterprises which do not, or are not likely to, contribute to the earnings of the company, but act, or may act, as a dead weight on the undertaking.

The directors of the company endorse these proposals, and have called an extraordinary general meeting for December 17th, at which the necessary resolutions will be submitted. They point out that while the proposed reduction of capital is purposely drastic, it is in effect only a book entry. "The intrinsic value of the assets is not thereby altered, and each ordinary shareholder will continue to hold exactly the same *pro rata* interest in the company." Preference shareholders, who frequently in cases of reconstruction are asked to surrender something, also retain their rights intact. The balance-sheet, when the scheme has been carried out, will show the following changes in comparison with that dated December 31, 1924:—

(000's omitted.)			
LIABILITIES.		ASSETS.	
Ord. shares of 8s 8d, £	£ 4,105	Land, buildings, plant, &c.	£ 4,255
fully-paid	— 8,210	Subsidiary companies	— 4,255
5% cum. pref. shrs., £1	6,864	Marketable securities,	— 5,488
5% cum. pref. shrs., all paid	750	stocks, debtors, and	
Preferred 5% stock ..	750	cash and bills	7,346
5 and 5½% deb. stock ..	3,284		— 427
Creditors	2,272		
Contingent reserve ..	— 3,600		
Reserves	59		
Insurance fund	172		
Profit and loss	22,245		— 10,170
	— 10,170		

According to *Burdett*, the company holds a controlling interest in Electric and Ordnance Accessories Company, Limited; Wolseley Motors, Limited; Metropolitan Carriage, Wagon, and Finance Company, Limited; W. T. Glover and Co., Limited; V.L. Oil Processes, Limited; an indirect controlling interest in Metropolitan Vickers Electric Company, Limited; practically all the shares of Canadian Vickers, Limited; nearly half the ordinary shares of Wm. Beardmore and Co., Limited; and (jointly with Petters, Limited) all the shares of Vickers-Petters, Limited. It may be noticed that the scheme does not impinge upon the liquidity of the balance-sheet, liquid assets being reduced by only £427,200. The last balance-sheet showed British Government securities at £2,413,200, other securities at £208,500, cash and bills at £724,900, stocks at £1,511,500, and debtors at £2,915,600. It is also recommended that, if the law will allow, not less than £818,300 of the total amount by which the capital is to be reduced should be carried to a special capital reserve account. The company has, of course, been very severely handicapped since the war by the possession of an enormously expanded war-time equipment, costly to maintain and producing but little or a hopelessly inadequate financial return. This was recognised by the Government allowance in the E.P.D. negotiations of £3,200,000 for depreciation on fixed assets. This sum is now considered inadequate, and a further £1,055,000 is to be

written off. As regards the company's efforts to find lucrative employment for its resources, there is little to add to the explanation of failure put forward by the committee. The proposals for reconstruction will doubtless be supported by shareholders. The Stock Exchange has already expressed its approval by marking up the prices of both ordinary and preference shares. We venture to think that this optimism is a little premature until it is known more definitely what will be the changes in the management.

THE OUTLOOK FOR EGYPTIAN SECURITIES.

(BY A CAIRO CORRESPONDENT.)

EGYPTIAN securities are enjoying something of a boom at the moment, as the appended table shows. For comparison the quotations of Consols and 5 per cent. War Loan have been added. British credit has remained steady at about 5 per cent., or has fallen slightly over the past fifteen months, but Egyptian, if measured by the price of the two leading stocks, would appear to have appreciated by about 9 per cent., and this in spite of the mistrust aroused in the market by the action of the (late) Government in withholding the payment of the coupons of the Tribute bonds, and latterly in appealing against the decision of the Lower Court of the Mixed Tribunals. The principal industrial and commercial securities have participated in the rise, which in some cases has been sensational:—

PRICES OF REPRESENTATIVE EGYPTIAN SECURITIES.

Security.	Price.		Rise.
	Aug. 1, 1924.	Nov. 19, 1925.	
Egyptian Unified 4 %	75	81½	6½
Egyptian Privileged 3½ %	64½	71½	7
Egyptian Tribute 3½ %	50½	66	15½
Agricultural Bank	7½	8½	1
National Bank	25½	33½	8
Egyptian Delta Light Rlys., Pref. ..	4½	5	½
Egyptian Markets	25/6	27/6	2/6
Egyptian Salt and Soda	18/6	19/	1/6
Egyptian Delta Land	10/	15/	5/
New Egyptian Company	27/	39/3	12/3
British Consols	56½	55½	1½*
British War Loan 5 %	101½	100½xd	2½

* Fall.

Is this boom likely to continue, and will prices remain at their present levels, or even rise? The answer can be obtained only by probing the causes of the rise, which, it will be seen, have little to do with national credit, at least in the world market, but much with our old friends, supply and demand.

During the 1924-5 cotton season Egypt marketed a very big cotton crop, of just over 7½ million cantars of 99 lbs, at an average price of £7.94, and a total value of £57.8 millions. To this must be added £3.6 millions for seed exported, £800,000 for cotton cake, nearly a quarter of a million for oil, and another quarter for waste, a grand total of £62.5 millions (allowing for stock in Alexandria). To this sum must be added a further £5.5 for cigarettes, onions, eggs, &c., exported and for re-exports, giving an export total of £68 millions. During the same period imports came to £56½ millions, leaving a balance of £11½ in Egypt's favour.

The invisible balance of trade can only be estimated. In 1914 it was considered that payments abroad on account of dividends amounted to some £8½ millions, but this sum has been diminished considerably since then, owing to the heavy profits, estimated at £100 millions, made during the war, and invested in foreign securities. The payment of coupons probably does not now require more than £2½ millions, and of the balance of trade some £8 millions have remained unspent. It has been in hoarder, but even in this case it should not be overlooked that the hoarded bank-note represents an equivalent sum invested by the National Bank as cover for the issue, &c. do also profits held in the form of deposits.

To the above sum must be added a further considerable amount on account of the profits recently made by speculators, who are always well to the fore in Egypt.

through their purchases of such securities as Egyptian Tribute Bonds, Suez Canal debentures, Heliopolis Oasis and similar shares, the dividends on which, the courts have decided, fall to be paid in gold francs in place of French or other paper francs. This gain has been reasonably estimated at £2 to 3 millions. In all, then, Egypt has had some £10 millions available for foreign investment during the twelve months ending with August last.

Some of this total has gone to repay mortgages, but in this case it has been re-invested by the mortgage companies, since it does not appear in the trade balance. The same applies to payments made to contractors on account of the new buildings that are springing up all over the country, and some has been invested in foreign securities by financial houses.

The local investor, however, will have nothing to do with such paper. He mistrusts most European securities, and little wonder, seeing the losses he has sustained in the past few years over French, Italian, Turkish, and other once favoured stock; and he shuns British stock like the fiend, on account of income-tax complications. He is thus driven back on his own markets, and on the securities that pass current there, which are almost exclusively Egyptian. It is this demand, operating in a comparatively narrow market on stocks mostly strongly held, that has produced the present high prices.

A continuation of the rise must depend on the prospects of a continuation of the causes that have led up to it, an abundance of investable cash, which again will depend mainly on the sale of the present cotton crop. The latest official estimate is for a total outturn of 7½ million cantars, a record crop, divided about half and half between the high-grade Sakellarides and the other cheaper qualities. The increase in amount is, however, more than counterbalanced by a serious fall in price, and it is doubtful whether the present crop will fetch more than an average of £6.6 per cantar. Further, local opinion inclines to the belief that the last official estimate will prove to have been too optimistic. Certainly the crop is coming forward at a much slower rate than last year's, though some of the difference may be due to withholding up-country in hopes of a better market later on. It will, in the writer's opinion, be unsafe to reckon on an outturn exceeding 7½ million cantars. At £6.6 average this would give a total of £49.5 millions, or allowing for commissions and handling profits, say, £51 millions. Add a further £10 millions for other cotton products and other exports, and a grand total of £61 millions is reached. If imports remained at £56 millions, there would remain a balance of £5 millions, little more than sufficient to pay the outgoings on account of dividends. It is certain from this analysis that we shall not see so great an abundance of cash for investment, though there may be some £2 millions. A reduced but not negligible demand is not unlikely. On the other hand, there is always the possibility that some holders may be forced to realise, though there is no actual evidence of this as yet. Indications, therefore, point to a maintenance of prices at or about their present level, but not to any marked enhancement in the near future. As to the more distant view, it is impossible to think that yield will not have its say in the long run. If one can get £5 on British War Loan, £7 16s on Czecho-Slovakian Sterling Loan, £6 7s on Austrian Loan, with the guarantees of the Powers, and £7 1s 6d on German Reparations Loan, it is hardly likely that the investor will continue to be satisfied with £4 17s 6d on Egyptian Unified.

PROCEEDINGS OF THE COAL COMMISSION.

A summary of the main points of the previous evidence will be found in our issues of October 31; November 7, 14, 21, and 28; and December 5, 1925.

THE Coal Commission has held further public sittings at Westminster Hall this week. On Friday, December 4th, Mr C. P. Markham (whose earlier evidence was alluded to on page 938 of the *Economist* for December 5th) described the system of profit-sharing established at Staveley, where 1,100 miners had been encouraged to purchase shares, at par, of the mine in which they were employed. Mr Markham declared that by co-ordinating the working

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of certain of his pits in the South Yorkshire area he had been able to effect important economies in costs.

On Tuesday, December 8th, Mr W. Tetley Stephenson gave evidence regarding the employment of wagons in transporting coal supplies. The average wagon capacity in Great Britain was, he stated, in the neighbourhood of nine tons, but the railways had for some years endeavoured to introduce a larger type and to induce private owners to do the same. The London and North-Eastern Railway had eventually concentrated on the 20-ton wagon, which offered certain definite advantages. Although its capacity was 100 per cent. greater than that of the 10-ton wagon, its tare weight was only from 33 to 50 per cent., and its length from 16 to 30 per cent. greater. It had a smaller resistance per ton, and its capital cost was only 50 per cent. higher than that of the 10-ton wagon. At present, however, its use was confined almost entirely to the North-Eastern area, though the Great Western Railway had tried to introduce it in South Wales. The system of private ownership of wagons was general in the coal trade, except in Durham, Northumberland, and Scotland. Some 600,000 privately-owned wagons were in existence, and as each had to be returned to some particular place after use, a large amount of unnecessary "empty" running was inevitable.

Mr W. Frowen submitted evidence on behalf of the Deputies' Federation of Great Britain, laying emphasis on the necessity for developing more cordial personal relations between capital and labour in the mining industry. The Institute of Mining Engineers submitted evidence, through Dr J. S. Haldane, Mr E. O. Forster Brown, and Mr E. Hann, denying that the industry was carried on with insufficient technical skill in comparison with other industries, or insufficient care for the welfare of the workers. In spite of its relatively high accident rate, the industry had been, in fact, for about 40 years, one of the relatively safe occupations. Although the Institute believed that a policy of nationalisation would be disastrous, they agreed that certain mines were inefficient from the engineering point of view, and would probably fail to provide a sufficient return on the capital expended in bringing them up to date. So far as the grouping of collieries was technically desirable, much had been done voluntarily, or was likely to be done in the near future, and any attempt to accelerate the process by pressure from outside would be dangerous. The Institute's evidence was continued on Wednesday, when Mr Brown referred to the possibilities of facilitating voluntary grouping by using the provisions of the Trade Facilities Act for financing approved schemes.

On Thursday the Miners' Federation of Great Britain submitted evidence supplementary to that given a fortnight ago. They urged that the system of private ownership and operation of the mines had broken down since the war, that the industry had suffered as a result of failure to carry out the recommendations of the Majority Report of the Sankey Commission, and that reductions

in costs since the abandonment of Government control in 1921 had been effected almost entirely at the expense of the miners. The federation alleged that as the exigencies of private ownership demanded the earliest possible return on invested capital, the maximum output was demanded immediately a shaft was sunk, and an unscientific and progressively costly system of operation resulted. The economies obtainable from the postponement of large-scale production until the main roadways had been driven to the extreme boundaries of the "taking" were thus sacrificed. The federation had received complaints from every coalfield regarding such matters as the shortage of rails, timber, tubs and trams, inadequate mechanical facilities, &c. The 3,150 separate collieries of the country were worked by about half that number of private concerns, the industry being, consequently, overloaded with boards of directors, many of whom had no special qualification for colliery business, and whose activities were largely interwoven with other interests. As a result of the lack of co-operation between separate collieries, economic working was constantly retarded by boundary questions and the pooling of knowledge, profits, and capital resources essential to the welfare of the industry could not be effected. As a result, collieries with up-to-date plant and methods were operating side by side with less efficient units, and average profits and wages were proportionately depressed. So far as any effective unification of the supply of wagons had been attempted, it had been by way of developing privately-owned wagon companies of which particular collieries had control—a method which had failed to obviate overlapping and frequent stoppage owing to lack of wagons to clear pit-head stocks of coal. The tendency towards the grouping of coal and other industrial concerns under joint proprietorship was unfavourably regarded by the miners, since, in their opinion, it enabled losses in the coal industry to be set against profits in other directions, and encouraged the sacrifice of colliery interests to those of other trades. In support of this statement the evidence of the National Federation of Iron and Steel Manufacturers was quoted, to the effect that while the latter paid in 1913 1s 5d above the pit-head price for their coal, in March, 1925, they were paying from 3s 9d to 2s 3d less than the pit-head price. The profits of gas and electric supply companies, again, reflected conditions of prosperity which, in the miners' opinion, were due to the unreasonably low figures at which they obtained their coal supplies.

After discussion, it was agreed that the federation should submit to the chairman of the Commission certain evidence regarding individual collieries against which charges of inefficiency were made, and that the chairman should intimate the procedure for investigating these charges. The Commission then adjourned.

Notes of the Week.

The Safeguarding Bill.—We described last week the tortuous and haphazard ways by which an industry's claim for protection passes from the application stage to the point of legislative proposal. This week, protective duties on cutlery, gas mantles, and gloves have been brought within sight of the Statute Book. But even in this penultimate stage of progress there have been two surprises. In the first place, the duty on wrapping paper has been dropped. We wonder why. It was recommended by a Committee on grounds just as illogical and unconvincing, but no more illogical or unconvincing, as those which sufficed to carry the claims of the other three industries to victory. That the Parliamentary time-table did not permit wrapping paper to have its turn is an explanation that no one will take seriously. Can it be that a Cabinet which is notoriously susceptible to Press influence regarded this duty as leading them on to the fringes of a field of action which would offend the great and powerful consumers of paper? The second surprise was the abandonment of the intention, expressed in the House of Commons last week, to incorporate the tariff proposals in a Finance (No. 2) Bill. Such a Bill, as in duty bound, would have had to be introduced by the Chancellor of the Exchequer. To introduce such a Bill in person was perhaps too great a strain for a delicate con-

science, and for the Finance Bill was substituted a Safeguarding of Industries (Customs Duties) Bill, which was introduced by the President of the Board of Trade, and passed its second reading on Wednesday. The jibes levelled at Mr Churchill's anomalous position were perhaps responsible for causing him at last to take part in a tariff debate, although not as the official parent of the Bill; and if we cannot congratulate him on his speech of defence, which was as weak a discourse as one could hope to hear on the subject of "when is a tariff not a tariff," we at least prefer his courage in speaking to Mr Baldwin's continued silence, which carries to its limit a cynical disregard both for the House of Commons and for the electorate. Wednesday's debate, apart from Lord Hugh Cecil's sound economic discourse from the Government benches, was not more satisfying than those of last week. Indeed, Sir Philip Cunliffe-Lister, on whom the burden of the debate on the Government side has fallen, has never attempted a thorough defence of the duties on economic grounds, nor of the general procedure, which has been riddled through and through by a host of critics, led by Mr Runciman and Mr Philip Snowden. So, haphazard, without attempt at logic or science, without consideration of vital interests involved, the work of building the British tariff wall goes on. In eight months we have had high protection imposed on motor-cars, clocks, watches, cinematograph films, hops, lace, cutlery, mantles, gloves. What crop will the next eight months bring forth? At the meeting of the P. and O. Company, on Wednesday, Lord Inchcape expressed the fear that, "unless the progress of the Safeguarding of Industries Act were checked, we should soon become a Protectionist country." Echoing a recent speech by Sir Hugh Bell, he continued:—"If an industry cannot carry on without aid from the taxpayer, it is better to let the industry go. Subsidy by the Government can be only a temporary palliative." Having pointed out the obstacles to expansion of trade with the Empire raised by the tariff policy of the Dominions themselves, Lord Inchcape emphasised our inability to escape from dependence on foreign markets. "To bolster up industries by import duties," he said, "would put up prices, and the duties would, in fact, be paid by the consumers among our own people." Every successive restraint on trade imposed by the Government renders one degree more difficult the expansion of our export trade, on which the cure of unemployment and the return of prosperity to these islands mainly depends.

Overseas Trade in November.—The Board of Trade returns of overseas trade in November, which were published yesterday, are not encouraging at first sight, for British exports are £6 millions lower than in October and £7 millions less than in November, 1924:—

MONTH OF NOVEMBER.				
	1924.	1925.	Increase (+) or Decrease (—) in November, 1925.	
	£	£	£	%
Imports	118,721,072	114,692,884	4,028,188	3.4
British exports	68,150,916	60,977,357	7,173,459	10.5
Re-exports	12,326,985	13,538,265	1,211,280	9.8
Total exports	80,477,801	74,515,622	5,962,179	7.4
Excess of imports over total exports	38,243,271	40,177,262	1,933,991	5.1

FIRST ELEVEN MONTHS.				
	1924.	1925.	Increase (+) or Decrease (—) in 1925.	
	£	£	£	%
Imports	1,148,244,130	1,188,683,445	40,439,315	3.5
British exports	726,056,715	707,317,749	18,738,966	2.6
Re-exports	128,096,798	139,766,500	11,669,702	9.1
Total exports	854,153,513	847,084,249	7,069,264	0.8
Excess of imports over total exports	294,090,617	341,599,196	47,508,579	16.2

Coal still contributes to the November export decline to the extent of £1,191,400, but British-manufactured exports are nearly £4 millions lower than in last November. Re-exports at £13.5 millions last month are more than £1 million better than a year ago, thanks largely to on the published figures for the full year 1925 will be in the neighbourhood of £370 millions or £375 millions—a

figure that would compare with £344 millions in 1924. Those who are puzzled and disappointed by the apparent conflict between the poor export figures in these returns and the reports of industrial improvement which have been coming through for the last month or two should remember two things—first, that last month included five Sundays in a month of 30 days; secondly, that there is a time lag between a revival in orders from abroad and the reflection of that revival in the trade returns. It was not until September was well under way that any improvement in unemployment was reported. The increase in orders which began about then, and has since progressed, should begin to take visible effect in the published export figures of the early months of 1926.

The Coal Subvention—Supplementary Estimate.—The Government has tabled a Supplementary Estimate of £9,000,000 in respect of the Coal Subvention, which, with the £10,000,000 voted last August, is expected to cover the cost for the present financial year. An accompanying memorandum explains the method by which the Government's contribution is assessed. The coal-owners in each of the 13 districts are responsible for the amounts which would have been payable, month by month, had their proposals of July last been carried into effect, and the Government for the difference between these figures and the amounts actually paid out, except that the owners' potential profits are limited to 1s 3d per ton. The owners' liability in any given month is based on the trading results in each district for three preceding months, with an interval of one month (e.g., the results of April, May, and June governed the rates of wages payable in August, &c.). The Government's subvention is thus affected by (1) trading results in a preceding period, which determine the gap to be filled on each manshift worked, and (2) the activity of the industry during the month in question, which determines the number of manshifts actually worked. Neither factor can be accurately estimated in advance. The maximum estimate of the Government's liability for the whole period of the subvention, put in the earlier memorandum at £24,000,000, was based on conditions in June. Fears of a stoppage provided a temporary stimulus to trade in July, but August witnessed a collapse, followed by a slight recovery in September, which has since made headway. The gap to be filled by subvention having thus been calculated on past periods of steadily worsening trade, and paid in periods of steadily improving trade, has increased month by month (except in November, which included fewer working days than October). In December a sharp rise is expected, owing to the dropping from the average of the comparatively favourable results of July. Altogether the cost to December 31st next is expected to total approximately £11,900,000, made up as follows:—

ESTIMATED COST OF COAL SUBVENTION, AUGUST-DECEMBER, 1925. (Thousand £.)						
Area.	August.	Sept.	Oct.	Nov.	Dec.	
Scotland	301	336	413	428	485	
Northumberland	116	123	173	179	221	
Durham	277	312	416	418	511	
South Wales	350	411	680	684	864	
Eastern Division	297	315	528	502	625	
Lancs., N. Staffs, &c..	181	203	305	297	335	
Other areas	91	100	135	142	159	
Total for Great Britain	1,613	1,800	2,650	2,650	3,200	

In the New Year the August results will drop out of the average, and the subsequent trade improvement should favourably affect the figures. Estimates must necessarily be conjectural, but the cost of the subvention may not exceed £2,600,000 in January, or, if the present improvement is maintained, £4,500,000 in February and March together. The total of £19,000,000 for the financial year would thus be covered by the two Supplementary Estimates so far introduced. The Government's earlier memorandum, it may be recalled, contemplated the issue of the Coal Commission's report, and, consequently, the termination of the subvention "in good time before May of next year." The debate on the subvention in the House of Commons this week was distinguished by a general recognition of the grave implications of the present situation and the necessity for subjugating partisan to national interests. Mr Churchill very rightly laid stress

on the danger of over-estimating the importance of such recovery as has so far taken place. He pointed out that whilst Great Britain was already re-establishing her position in certain overseas markets, she was doing so only "by the futile and contradictory method of selling at a loss." The Coal Commission's report, however admirable, could not be expected in itself to overcome this difficulty, but it would certainly make clear the really economic price basis of the industry. The proceedings of the Commission during the present week are referred to in a leading article.

Irish Settlement: A Dublin View.—With regard to the Irish settlement discussed in a leading article, our Dublin correspondent writes:—"The mutual cancellation was the obvious destiny of claim and counter-claim. But the elimination of the contingent liability will have some appreciable effect on Irish credit. It has occasioned some relief amongst the business community in Dublin, who wonder what might have happened if the discussions, negotiations, and arbitration under Article V. had been handled by the Free State authorities like those under Article XII. It is a distinct gain that this is no longer possible." Our correspondent, however, regrets the repeal of the provision of the Treaty retaining the Council of Ireland. "With it," he writes, "goes the last constitutional nexus designed to operate for the re-union of Ireland. It is true that it was in abeyance, as its operation had been postponed until 1927 by the Consequential Provisions Act of 1922. But it was a symbol, and it stood for a policy, and its disappearance will be regretted by those who cherished aspirations for the re-union of Ireland. It would be idle to suggest that this Agreement is popular, as, apart from the settlement of the claim and counter-claim under Article V., it represents disappointments and concessions all round by the Free State. It is certain to be ratified by the Oireachtas. And the general public is anxious for peace at almost any cost. But it is generally realised that Partition is now on a permanent footing, and that there is quite as much likelihood of the two communities developing away from each other as of growing towards each other."

The Railway Wage Settlement.—The decision of the National Wages Board may be summed up as a compromise with a slight concession to the companies. The Board has decided, though not unanimously, against the main claims of both sides and leaves the wages of the present employees unaltered. The concession to the companies takes the form of a proposal that, as from February next, the wages of new entrants to certain grades, usually the lower paid, shall be lower than those prevailing for men in the same grade already in the service. In order to explain the effect of the award in some detail it is necessary to review briefly the history of the wages movements since 1914. From 1914 to the beginning of 1920 flat-rate increases were granted to all grades of traffic workers, which at the latter date totalled to 38s a week. Early in 1920 rates of wages were standardised. Two sets of rates were agreed upon. One set, the "A" rates, represented the pre-war rates, plus 38s, the total being subject to variation under the cost of living sliding scale. The other set, the "B" rates, were roughly double the pre-war rates, and represented the amounts below which there was to be no reduction, however great the fall in the cost of living. These "B" rates gave the same percentage increase over pre-war rates to all the workers, and, therefore, a greater money increase to the higher-paid than to the lower-paid grades. Consequently, the balance between the "A" and the "B" rates available for reduction under the sliding scale was comparatively small for the better paid men. These were, therefore, the first to reach the "B" rates as wages fell from 1921 onwards. At the present time 45 per cent. of the higher-paid workers are in receipt of the "B" rates. The remaining 55 per cent. are receiving a bonus ranging from 1s to 8s a week. Under the existing arrangements this bonus will not be entirely eliminated unless the cost of living index number falls to about 35 per cent. above the pre-war level, but, as from February, no bonus will be paid to new entrants in any grade. The following are

examples of the "A" and "B" rates for a few grades in which a bonus is still payable:—

Porters: Grade 2—	"A" Rate.	"B" Rate.
London.....	48s ..	42s
Other districts.....	46s ..	40s
Goods porters—		
London.....	51s ..	47s
Industrial.....	50s ..	44s
Rural.....	47s ..	40s
Permanent way men—		
London.....	52s and 53s ..	48s and 50s
Industrial.....	50s ..	44s
Rural.....	48s ..	40s

The principal grades who are now in receipt of the "B" rates include guards, ticket collectors, engine drivers and firemen. The Wages Board has not suggested any steps towards the removal of the anomaly of the small difference in wages for certain grades between industrial and rural areas, to which attention was drawn in the companies' claim, while the claims of the shopmen are left for future consideration. In commenting on the "B" rates the Board expresses the opinion that they do not find that these are an irreducible minimum. This may be regarded as the first crack in the structure of the 1920 agreement, and the unions may be expected to exert all their strength to prevent its extension. The negotiations of the past four years have been mainly concerned with the "A" rates, but the point has now been reached at which attention must be diverted to the more permanent rates of wages. A general minimum level which is at least 100 per cent. higher than the level of 1914, is, at first sight, a subject for severe criticism, but it must not be overlooked that at the outbreak of the war the railwaymen were in a favourable position in regard to an improvement in their standard of wages, which was admittedly low. Negotiations were suspended, as a result of the national emergency, and some consideration is, therefore, due to the men in their opposition to a reduction. If a concession of 2s a week had been made 10 years ago the "B" rates would represent something like 80 per cent. increase. On the other hand, unless there is a substantial improvement in trade in certain of the unsheltered industries, a sacrifice on the part of the railwaymen which would render possible a reduction in railway charges may become an urgent necessity. The Board have found it necessary to comment on the fact that the railway companies are required to contribute in the form of local rates, towards the maintenance of roadways, and thus to subsidise a rival industry.

The Cost of Wembley.—The guarantors of the Wembley Exhibition have already been called upon to pay 15s in the pound, and Mr A. M. Samuel, Parliamentary Secretary to the Overseas Trade Department, told the House of Commons on Thursday that this was only an interim call. On the same day the House of Commons passed a supplementary vote of £1,100,000, which disposes finally of the Government's liability in the matter. Mr Samuel gave some interesting figures. Total receipts in the two years were £2,814,000. The running costs of the Exhibition were £1,657,000, leaving a running profit of £1,157,000. "But it had to be remembered that, unlike an ordinary business concern, they had to pay off the whole capital cost in two years. The whole of the profit, therefore, went towards paying off the capital outlay of £2,739,000, leaving a loss of £1,581,905. That loss would not be so great as it was but for two handicaps. During 156 days that the Exhibition was open 90 were rainy days, and this had led to an enormous amount of damage. In addition, there were labour troubles which added to the expense and delay." The House passed the estimate complacently. It is inevitable that waste, extravagance, and even scandals should occur in connection with a venture of this size and nature, and in the interests of the self-sacrificing guarantors an inquiry may be desirable, and the proposal of such an investigation was welcomed by Mr Thomas. The country, as a whole, may feel difficulty in assessing the value of Wembley, but it will certainly not agree to apply the mere test of pounds, shillings, and pence.

Shipping Freight Index Number.—Our Index Number of Shipping Freights calculated on open market quotations for whole cargoes registered during November a rise of 2.75 per cent., the resulting figure for the month being 118.93, as compared with 131.18 a year ago, and 129.38 in November, 1923. Since the upward turning point recorded between June and July of this year the average level of "tramp" freights, as reflected in our Index Number, has now risen by approximately 11½ per cent., i.e., by about the normal seasonal increase to be expected on the analogy of recent years.

The movement of the various groups in the index are summarised as under:—

Date.	European Waters.	North America.	South America.	India.	Far East and Pacific.	Australia.	Total.
Basis (Average, 1898-1913).....	100	100	100	100	100	100	100
Average, 1913.....	110.03	113.09	123.37	106.29	117.38	127.89	116.34
February, 1920.....	814.31	529.89	757.52	744.81	587.02	712.16	690.95
December ".....	268.90	277.17	244.10	256.79	286.72	347.18	280.14
December, 1921.....	160.06	164.07	163.72	144.43	141.25	165.47	156.67
December, 1922.....	137.09	135.15	129.19	122.61	136.08	159.34	136.57
December, 1923.....	134.04	132.72	120.09	124.35	125.07	144.21	130.08
December, 1924.....	117.44	129.18	119.45	119.76	129.29	161.13	129.38
July, 1925.....	119.02	111.96	113.42	106.15	94.43	117.51	110.41
August ".....	107.22	113.46	110.79	112.24	99.14	126.41	111.54
September ".....	103.22	117.25	109.09	113.38	101.83	140.65	114.24
October ".....	109.56	121.03	110.52	106.49	104.46	142.43	115.75
November ".....	115.30	119.13	110.70	109.85	109.07	149.55	118.93

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

	Index No.	Ino. or Dec. Points.		Index No.	Ino. or Dec. Points.
Home trade.....	97.39	+ 3.34	S. America—outwards	106.62	- 15.95
Bay—outwards.....	124.04	- 1.83	" homewards.....	114.78	+ 16.31
" homewards.....	132.26	+ 16.13	India—outwards.....	109.48	+ 4.21
Mediterranean—outwards	135.76	+ 12.96	" homewards.....	110.23	+ 2.51
" homewards.....	106.08	+ 0.50	Far East, &c.....	109.07	+ 4.61
North America.....	119.13	- 1.90	Australia.....	149.55	+ 7.12

Outward coal freights, particularly to destinations in the Mediterranean, showed improvement so far as traffic in European waters is concerned. For South American discharge, on the other hand, outward rates fell as an offset to better prospects for the return trip. Quotations for shipment of grain tended upwards until the latter part of the month, when shippers evidenced a general inclination to suspend operations until more accurate estimates of Southern Hemisphere yield became available. General business in ore, timber, and miscellaneous cargoes was slow. The relation of the index to the average for 1913 may be seen from the following table:—

Month.	(1913 = 100.)	1922.	1923.	1924.	1925.
January.....	131.60	114.05	117.11	114.49	114.49
February.....	135.76	112.73	123.78	115.96	115.96
March.....	135.53	115.23	122.09	106.63	106.63
April.....	129.46	115.45	117.22	104.24	104.24
May.....	125.12	114.55	114.27	98.23	98.23
June.....	117.45	106.82	108.63	91.74	91.74
July.....	114.62	103.39	103.75	94.90	94.90
August.....	113.16	100.16	104.43	95.87	95.87
September.....	110.37	103.04	110.50	98.19	98.19
October.....	114.42	107.86	115.55	99.49	99.49
November.....	119.43	111.21	112.76	100.23	100.23
December.....	117.39	111.81	111.21	..	..
Mean for year.....	122.02	109.69	113.44	..	..

For the first time since last April the level of our Index Number now exceeds that of 1913, but it is to be observed that were it not for the disproportionately high figure recorded in the case of Australia, the average would still fall considerably short of the mean for the last pre-war year. It is fortunate for the industry that the great bulk of vessels operated are not wholly dependent on the cargoes represented in our Index Number for their revenue.

American Cotton Crop.—Our Manchester correspondent writes:—The Department of Agriculture of the United States Government has this week published what is known as the preliminary final estimate of the cotton crop for the season 1925-26. The indicated yield is given as

15,603,000 bales, exclusive of linters, against a crop for last season of 13,628,000 bales, 10,140,000 bales for 1923-24, and 9,762,000 bales for 1922-23. The average yield per acre is returned at 162.3 lbs, against 156.8 lbs last year. So far this season, up to November 30th, the amount ginned is 13,858,000 bales, as compared with 12,236,000 bales at the same time last year. In a supplementary report the Agricultural Bureau of the Government states that the extent to which final ginning returns will be above or below the crop estimate of 15,603,000 bales depends on the weather. The current estimate is based on average weather conditions for the remainder of the picking season. The weather in the last half of November was unusually favourable for picking in most States. It is now possible with some degree of accuracy to forecast the probable supplies of American cotton for the next 12 months. With a crop of 15,600,000 bales, linters at 1,000,000 bales, and a carry over from last season of 3,400,000 bales, the total supplies should be in the region of 20,000,000 bales. There is some difference of opinion as to the probable consumption, but the requirements of users throughout the world may be put down at 15,300,000 bales, including linters. Whatever happens henceforward, the world is assured of plentiful supplies of raw cotton for some time to come. It may be pointed out that, now rates in Liverpool are round about 10d a lb, the price is on parity with values for other commodities. Yarn and cloth in Lancashire is being sold at cost or below, and in the circumstances it is reasonable to anticipate a bigger volume of trade in the near future.

The Trade of Finland.—In the columns of *Kauppalehti*, the principal commercial newspaper of Helsingfors, the leaders of Finnish industry are at present discussing ways and means for promoting closer commercial relations with Great Britain. We are Finland's best customers, but, on our part, in the opinion of our Finnish friends, the value of the Finnish market as an outlet for our manufactures is not adequately appreciated. There are wide divergencies of view as to how it should be brought about. It was originally suggested in *Kauppalehti* that a British Chamber of Commerce should be established at Helsingfors with the object of fostering British trade in Finland. To this proposal the objection is made that there is not a sufficient number of representatives of British industry in Finland to support a Chamber of Commerce. As a workable alternative, it has been proposed that British and Finnish men of business should meet from time to time at Helsingfors to confer upon the commercial relations of the two countries. To any considerable expansion in the volume of British trade with Finland it is felt, however, by many Finnish importers that the proximity of Germany to Finland, and the relatively lower cost of German goods, present a serious obstacle. With reference to the trial shipments of Finnish timber to U.S.A. last summer, it is stated that the prices obtained by the selling organisation, the Finnish Lumber Manufacturers' American Export Association, were equal to those obtaining in the European market, and in every case exceeded the minimum price fixed by the Finnish and Swedish timber exporters. Statistics of Finnish exports for the first ten months of the present year show that exports of timber and wooden goods were estimated at 2,595.2 million marks, against 2,300.3 millions for the same period in 1924. The corresponding figures are for wood pulp respectively 620.7 and 584.3 million marks, for cardboard 88.3 and 50.8 millions, for paper 572.1 millions and 467.5 millions, and for matches 29.8 millions and 35.1 millions. The total value represented by these groups for the present year thus amounts to 3,906.1 millions, against 3,438.0 last year, an increase of 468.1 million marks. Exports of chemical wood pulp amounted at the end of October to 219,793 tons, an increase of 9,840 tons over the figure for the first ten months of 1924; the increase in exports of chemical wood pulp has been purchased at the expense of mechanical wood pulp. The growth of Finnish exports during 1925 is reflected in shipping statistics, which exhibit an increase in the tonnage engaged in Finnish foreign trade of 15 per cent. for January-October; Finland's share in the tonnage employed in the export of timber and paper was 9.5 per cent. A

preliminary report issued by the Board of Agriculture shows that the crops, with the single exception of hay, have been above the average, and better than in 1924. The favourable effects of the good harvest are already being felt by the industries that supply the home market.

The Position in Haiti.—The benefit attaching to some sort of unselfish and strict foreign supervision of a young country's financial affairs is proved by the condition of the Black Republic of Haiti. The result of the past fiscal year's economic situation is remarkable. A substantial improvement appears to have taken place not only in the aggregate value of the country's trade, which shows a favourable comparison with that of previous years, but in the financial condition, which has become very sound. Before the arrival upon the island of a United States Senatorial Commission (which landed November-December, 1921) and the subsequent appointment of an American High Commissioner and Financial Advisor-General-Receiver, the finances of the State were in a condition of chaos. The expansion of commerce shows this remarkable acceleration, notwithstanding the limited population of the island and the characteristics of the inhabitants and the restricted trading facilities which they enjoy. Moreover, the advance made indicates a genuine development of the economic life of the country, and is not merely a spasmodic effort at effect. The improvement, likewise, seems to have been disseminated fairly evenly throughout the various provinces of the Republic, for all sections and ports appear to have been busy. The total of exports and imports increased from \$811,312,405 for 1921-22 to \$1,437,744,675 for 1922-23, and to \$1,444,362,250 for 1923-24. For the first eight months of the current year imports equalled \$670,981,425, and exports \$683,343,255, making a total foreign trade of \$1,354,324,680 for this part of the financial period, thus establishing an increase of exports over imports as against a reverse condition in the previous year. Generally speaking, the commerce of the country, largely, if not entirely agricultural, is flourishing, and such public funds as there are to spare are being devoted to constructive purposes, while waste has been reduced to a minimum. While the principal foreign trade of the island is carried on with the United States, owing to the geographical factor and to the American financial control, commerce with Great Britain is not altogether unimportant. The United Kingdom sells to Haiti an average of £1,200,000 worth of goods in the course of the year, and purchases produce to the extent of about £700,000 to £800,000. At the end of the current financial year the total indebtedness of Haiti will amount to about \$1,150,000,000, of which the foreign debt represents \$675,200,000, and the internal debt \$474,800,000. The national railroad debt, including arrears of interest and fiduciary currency, account for the balance. The Receiver-General of the Island points to the relative burden of the public debt, which, as measured by interest and amortisation charges, cannot be considered oppressive, although the people, as a whole, are poor. As the revenue of the Republic has expanded, the percentage of income devoted to public debt has correspondingly declined, and at present the debt service absorbs no more than 24.87 per cent. of the total revenue.

The United States and European Timber.—It was stated in *The Economist* on October 31st last that negotiations were in progress with a view to placing, on a small scale as an experiment, Finnish timber on the United States market, and especially in the New York area, a district reported to consume some 3,000,000 standards of wood annually, or about three times the total annual timber export of Finland, the largest European producer of wood. It now transpires that a very large Central European concern, equipped with the most modern wood-working machinery, and possessing prime quality whitewood, &c., is cultivating the American consuming markets, being represented by a company in New York City. Undoubtedly the greater use of Central

* The gold gourde (\$G), 100 centavos, has a nominal value of 3s 11½d.

European timber on the American markets will help in restoring trade in the first-mentioned area, and will assist also in the increased exploitation of forest and other resources. The fact remains, however, that the United Kingdom, which spends some £50 millions annually on its timber requirements, and Continental timber consuming countries, such as Holland, Denmark, France, Belgium, Italy, and Spain, regard the timber production of Europe as theirs by right of purchase, and look with jealous eyes at newcomers into the buying market. On the other hand, European timber shippers have found this year that production has exceeded demand, and they therefore welcome fresh avenues of consumption, particularly from a country so well supplied with ready cash as the U.S.A. We shall have to wait and see whether this new trade between Central Europe and the U.S.A. will have the effect of increasing production as a set-off to the new customers' demands, or whether States buyers will absorb the present excess of supply which has so upset the European f.o.b. market for timber this year. It would seem, now that Europe is getting on its feet again, that the timber-consuming countries of Europe will be increasing their consumption of timber for general building work, and therefore that a newcomer of any large buying extent will have the effect of stiffening prices generally for European timber.

Sugar Prices and Prospects.—At the opening of the present season sugar prices in the terminal market at Mincing Lane fell heavily, and even went below pre-war low records. The value for prompt delivery, indeed, touched about 12s 6d per cwt, this being based on the "white sugar contract," which was introduced after the war as the speculative medium. The equivalent of this basis as compared with the pre-war terminal contract, which was based on 88 per cent. raw beet sugar, f.o.b. Hamburg, represents a margin of about 4s per cwt over the latter basis, so that allowance has to be made for this in comparisons with pre-war records in London terminal sugar, or so-called "futures." The lowest pre-war level was rather under 9s per cwt. Consumption in the past season was stimulated to some extent by low prices, but not so much as had been generally anticipated; and a fairly heavy surplus of cane sugar, chiefly Cuban, was carried into the current season. The Cuban Government crop forecast was placed at 4,800,000 tons. This is a very large crop, but would be 325,000 tons less than that of the previous year, when a record crop of 5,125,970 tons was produced. The revised estimates of the European beet crops give a total of 7,532,000 tons, an increase of 455,000 tons on the previous year. There is reason for believing that the coming Java crop will show a setback as compared with the previous season, owing to drought. Nevertheless, abundant supplies can be reckoned upon, as the total world's crops may be put at roughly 23½ million tons; this will tend to keep prices at a low level, even allowing for a further expansion in consumption. It may be mentioned that Russia has doubled her crop this season to about 1 million tons, and may be able to dispense with further imports. Last season her heavy purchases helped Continental countries, especially Czechoslovakia, Poland, and Germany, to dispose of their surplus sugar. Obviously, competition from these countries on this business may be expected to develop more freely as time goes on. Prices this week reacted to some extent after a went towards paying course of last month, leaving a loss of £

great as it was by **Amalgamated Cotton Mills Trust.**—We gave in the *Economist* that the Exhibitors, 1925, some account of the dispute raging had led to groups comprising the Turkish Petroleum there were 125 per cent. beneficiary interest held in delay. Many by Mr C. S. Gulbenkian. Information we It is ce received throws more light upon this almost scandalous affair. Mr Gulbenkian is apparently willing to dispose of his shares, not for immediate cash, but for a consideration dependent on the company's future prosperity. The heads of an agreement for the transfer of Mr Gulbenkian's shares on that basis were actually agreed in March, 1925, but this agreement has never been completed by the other shareholders, nor has Mr Gulbenkian's pro-

posal of arbitration been accepted. We may sympathise with Mr Gulbenkian without passing judgment on his claims. It is quite clear, first, that the British Government is so interfering with the Turkish Petroleum Company that politics is put before business. Secondly, that the Standard Oil and other interests comprising the American group are "sitting on the fence"; that is, postponing any decision to take up their promised shares (and, incidentally, to settle Mr Gulbenkian's claim) until the League of Nations has settled the Mosul question, if it can. Thirdly, that the oil groups concerned—Anglo-Persian, Royal Dutch-Shell, French Consortium, and Standard Oil—propose to make such arrangements as will make it impossible for a private shareholder to retain a minority interest with any hope of remuneration. Originally Mr Gulbenkian, with Sir H. Babington Smith and Sir Ernest Cassel, was chiefly responsible for the formation of the Turkish Petroleum Company, and was induced to give up the bulk of his shareholding at cost when the Government reconstituted the company in 1914. His unhappy experience should be a lesson to commercial oil magnates that governments will insist on mixing up politics with business.

Baldwins Report.—The accounts of Baldwins, Limited, for the year ended June 30th last show an unsatisfactory state of affairs, trading profit having dropped from £493,500 to £214,100. After allowing for debenture interest, sinking funds, &c., there is a net loss of £44,000, as against a net profit a year ago of £193,400. The substantial balance of £526,600 was, however, brought forward from the previous account, which gives an available balance of £482,700. Out of this a half-year's dividend on the 5½ per cent. preference shares and the 5 per cent. "B" preference shares is paid, and £200,000 applied in reduction of investments in subsidiary companies, leaving the much-reduced balance of £237,200 to be carried forward. Results for the past seven years are compared below:—

	1918-19.	1919-20.	1920-21.	1921-22.	1922-23.	1923-24.	1924-25.
Trading profit	£554,997	£683,405	£410,758	£306,132	£484,760	£493,500	£214,078
Net profit	£471,139	£567,023	£325,167	£86,993	£200,902	£193,412	£74,956
Brought forward	£256,159	£285,799	£291,325	£303,479	£309,178	£424,140	£526,618
Reserve	£726,270	£852,822	£616,492	£390,472	£510,080	£617,552	£482,663
Preference dividend ..	£75,000	£75,000	£25,000	£25,000	£25,000	£25,000	£200,000
Ordinary dividend	£13,750	£45,667	£80,476	£81,294	£85,940	£90,935	£45,467
Carried forward	£285,799	£201,325	£303,479	£309,178	£424,140	£526,617	£237,196

The balance-sheet shows that, in addition to the £200,000 from profit and loss, a further £350,000 has been transferred from general reserve to write down investments in subsidiaries, reducing their book value from £4,418,800 to £3,868,800. The final dividends on the preference shares which were passed in August "in view of the depression in trade during the financial year, and the necessity of conserving the cash resources of the company and the uncertain outlook," are now to be paid, the directors being of opinion that this should be done "on consideration of the position as shown by the balance-sheet." An analysis of the latter will be found in a later column. This shows that the bank overdraft has been reduced by £322,500 to £249,300, the holding of National War Bonds having fallen from £675,000 to £210,000. Cash and bills figure at £40,200, while debtors have been reduced by £42,100 to £931,100, and loans to subsidiary companies by £285,900 to £153,100.

Amalgamated Cotton Mills Trust.—A year ago the directors of the Amalgamated Cotton Mills Trust stated that towards the end of the period covered by the 1923-4 accounts there was "a substantial improvement in trading conditions. More machinery has been started up, longer hours are being worked, and if the price of raw material remains around the present figure, your board is of the opinion that the prospects for the current year's trading are much more hopeful than they have been since 1920. Apparently, however, the hopes of good things to come have not been realised, and, indeed, judging by the figures presented in the accounts for the year ended October 31st, conditions, so far from improving, actually

became less favourable. The result is that the revenue received in respect of dividends, interest, and other receipts declined from £210,288 to £88,269, so that with the sum of £15,292 brought in, the available balance works out at £103,561, compared with £227,008 in 1923-4, when £16,720 was brought forward. The concern is a holding company, and in commenting upon the previous accounts we drew attention to the vague information presented as to the result of operations by the various subsidiaries. We are pleased to note that the directors have realised that shareholders are entitled to have fuller particulars as to the actual outcome of operations by the companies controlled. In the current report there is given a summary of the combined results of the subsidiary companies, in which the company is practically the sole ordinary shareholder. This change of policy is welcome, but even now the balance-sheet leaves much to be desired. As we have pointed out before, investments in cotton mill companies, figuring for £7,954,571, "are taken at cost, and no provision has been made in respect of losses incurred by these companies since the shares were acquired." It is obvious, therefore, that the value placed upon this item may not be in accordance with actual facts, and we hope that now the directors have apparently decided to grant shareholders a little more information they will also throw some light upon this matter. The report states that "the results of the trading of the subsidiary companies for the six months ended February 28th last were such as to warrant the declaration of the dividends on the preference and 'B' preference shares of the company for the half-year ended April 30th last. As already noted to the shareholders, the directors have decided to conserve for the present the financial resources of the companies, and to postpone the consideration of the payment of the dividends on both classes of preference shares, due October 31st last, until the accounts of the subsidiary companies are available for the six months ending February 28th next." It is also reported that, taken as a whole, the plants of the various companies are now working at nearer to full capacity than they have done for some years past. "Your directors are hopeful that, with the much-increased supply of cotton, which appears to be assured, the improved conditions existing at present will be maintained." Let us hope that the optimism now expressed will prove to be better founded than was the case last year. The balance-sheet is fully analysed in another column. The ordinary £1 shares are quoted at £3½, and the yield is nil.

Orient Line.—A further increase in profits is recorded in the report of the Orient Steam Navigation Company for the year ended June 30th last. After providing an unstated amount for depreciation and contingencies, there was a profit on the year's working of £320,800, as against £296,600 for the previous year. The following table summarises results for the past five years and for 1913-14:—

	June 30.	1913-14.	1920-21.	1921-22.	1922-23.	1923-24.	1924-25.
Profit	£227,454	£164,656	£282,578	£280,093	£296,607	£320,806	£320,806
Brought forward	£56,717	£118,678	£50,167	£72,909	£72,821	£64,929	£64,929
Deb. int. and fees	£284,171	£283,334	£332,745	£353,002	£369,428	£385,735	£385,735
Reserve	£23,383	£18,014	£15,123	£10,468	£9,785	£8,827	£8,827
Repairs and renewals ..	£75,000	£70,440	£100,000	£125,000	£150,000	£200,000	£200,000
Repairs	£25,000	£25,000	£25,000	£25,000	£25,000	£25,000	£25,000
Prof. div.	£10,176	£14,603	£14,603	£14,603	£14,603	£14,603	£14,603
Def. div.	£63,701	£130,110	£130,110	£130,110	£130,110	£130,110	£130,110
Carried forward	£86,911	£50,167	£72,909	£72,821	£64,929	£32,195	£32,195

* Includes £50,000 transferred from Underwriting Account.

The dividend on the deferred shares is maintained at 12½ per cent., free of income-tax, after transferring £200,000 to general reserve, against £150,000 a year ago. The balance-sheet shows the bulk of the assets in one item, which includes the fleet and investments. This has increased by £758,300 to £4,592,800, the report mentioning that two new steamers took their place in the Mail Line during the year, while two were sold. The service under the mail contract with the Government of the Commonwealth of Australia, it is stated, has been regularly

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maintained throughout the year, but in recent months was seriously interrupted by the unofficial seamen's strike. Sundry debtors have declined by £141,200, and creditors, which include contingency accounts, have increased by £320,800. An analysis of the balance-sheet will be found in a later column. The deferred shares give a return, at the present price, of 6½ per cent. free of tax.

Ind, Coope, and Co.—The excellent results announced by those brewery companies which have issued their annual reports during the past few weeks may have led shareholders in Ind, Coope to anticipate an even higher rate of earnings than was reached twelve months ago. If so, their hopes are doomed to disappointment, since profits, as disclosed in the report for the year to September 30th last, have declined. There will, however, be but little fault found with the net result, as the dividend is maintained at 15 per cent., and the bonus of 10 per cent. is repeated. The position, as compared with that ruling in previous years, can be seen at a glance from the following table:—

Year Ended Sept. 30th.	Gross Profits.	Interest on Debenture Stocks and Mortgage.	Depreciation.	Ordinary Dividend.	To Reserve, &c.	Carried Forward.
1914..	£110,821	£58,332	£28,516	£..	£..	£14,290
1915..	146,238	54,300	34,375	..	40,000	680
1916..	152,906	53,625	36,084	14,026	50,000	2,484
1917..	204,717	58,186	34,186	29,991	50,000	23,277
1918..	392,575	55,686	39,373	20,671	185,000	57,281
1919..	474,202	55,722	45,863	49,594	285,000	103,872
1920..	415,249	53,814	45,863	91,341	85,000	139,613
1921..	375,657	53,504	49,783	168,000	10,000	106,345
1922..	349,982	55,986	48,879	137,000	60,000	104,482
1923..	347,880	60,482	48,534	90,375	50,000	109,226
1924..	378,302	61,792	45,416	116,250	50,000	153,490
1925..	334,777	63,810	46,589	136,308	..	161,779

Gross profits declined from £378,302 to £334,777. Interest required a little more at £63,810, while depreciation absorbed £46,589, against £45,416. The ordinary distribution of 25 per cent. requires approximately £20,000 more than in the previous period, owing to an increase in the issued ordinary capital from £600,000 to £698,946. No appropriation is made to reserve, which, on the last occasion, received £50,000, but the directors have adopted the wise policy of writing £75,000 off goodwill, in which item we suggested, last year, that some reduction might be made. Properties have gone up from £1,720,784 to £1,849,415, but elsewhere changes are unimportant. The balance-sheet is fully analysed in another column. The yield on the £1 shares, which are quoted at £3½, is £7 14s per cent.

First Garden City Finance.—In some ways the report of First Garden City, Limited, may be thought disappointing, since the profit shows an increase of only £426,127 the £12,027 announced a year ago. Perhaps the result is better than these figures indicate, since ground rents, which are the stand-by of an estate company, are £1,073 higher, and there are other increases which have, however, been over-balanced by an increased payment of nearly £3,000 owing to revised assessments on the gas, water, and electricity undertakings owned by the company. On the other side a special profit of £1,796 was obtained from the sale of property. Unfortunately rates on the higher

assessments must be paid every year, and the profit from the sale of property may not recur. Building continues steadily, the bare spaces in the centre of the town plan are being taken for larger houses, and the Urban Council has begun to build 186 cottages on 17½ acres of ground. Electricity, water, and gas show increases of 12 per cent., 7 per cent., and 2½ per cent. respectively; the supply of electricity to Biggleswade should begin next month. Some shareholders have objected to the capital expenditure involved in the extension, but we understand that the directors were faced with the alternative of making the extension or of seeing their own undertaking reduced by the Electricity Commissioners to a mere distributing sub-station. In order to pay for this and other expansions the directors announce an issue of £200,000 in 6 per cent. first mortgage debentures secured on the three undertakings. No offer will be made to the public, since friends of the garden city movement have agreed to subscribe the whole sum. Shareholders may have expected a start in the payment of arrears of dividend, amounting to £133,200, but the directors only propose to transfer the year's surplus of £2,718 to a special fund, and promise a scheme next year.

Eastern Tin Dredging.—Our mining correspondent writes:—In several respects the two concerns whose annual reports have been issued this week, occupy a similar position. Each has acquired additional ground, and each has arranged finances for the necessary equipment. In the case of the Malayan company, a separate area totalling over 1,000 acres has been secured, and is to be equipped with two large bucket dredges. The funds required are being provided partly by a further loan of £150,000 under the Trade Facilities Act, and partly by an issue of 10,000 shares at £5 3s 9d. Some small additions have also been made to the company's existing area. Last year's results were adversely affected by the sinking (in March, 1924) of one of the dredges; still, thanks to the enhanced price received for the tin recovered, the profit—£51,400—fell but little short of the 1923-24 total. The dividends totalled 5s per share, as against 4s in respect of the preceding year, from which an increased balance was carried forward. The refloated No. 5 dredge, also the big new No. 6 dredge, are being finished, and should be ready to start as soon as electrical power is available. This, apparently, will be a matter of the not very distant future. With two more dredges coming into operation shortly, and an additional couple later on, the possibilities of the future are obviously very considerable. The results of the Southern Perak Company fully justify the forecast of the general managers. A somewhat increased yardage was treated for a yield averaging .68 kati per cubic yard, in place of .55 kati, while the price averaged £149 7s, as compared with £134. Hence the profit expanded practically 100 per cent. to £51,000. Five dividends totalling 6s per share were paid, as against 4s, still leaving £20,600 to be carried forward, in place of the £8,000 brought in. In this case a second dredge is to be erected upon the property, which has been increased to 911 acres, the loan arranged amounts to £75,000. The share market was upset by the poor November profit, and the announcement that the dredge has entered an area of old workings, which will take three or four months to exhaust. This should not disturb genuine holders.

Van Ryn Gold.—In last year's experience of this old-established Witwatersrand producer, the disappearance of the gold premium was partly counteracted by increase in the tonnage of ore crushed, supplemented by a slight reduction in costs and improvement in the percentage of extraction. Still, at £116,500 the working profit showed a decline of some £10,000. Rents, &c., brought in more than before; on the other hand, the company was under the necessity of setting aside £16,300 to meet the requirements of the Miners' Phthisis Amendment Act of 1924. Thus the maintenance of the dividend at the 1923-24 enhanced rate of 3s 6d per share entailed a slight draft upon the carry forward. A feature of last year's operations was an increase to the record percentage of 35 in the ore derived from reclamation work; the directors intimate, "it is likely that the supply of tonnage from this source

will be maintained for some time to come." The disappearance of the gold premium has resulted in the exclusion from the reserves of certain blocks of ore; but a further reduction in working costs would render these again available. The fresh investigations in the upper levels of the old mine do not appear to have borne out the optimistic anticipations at one time entertained in Stock Exchange circles, but the managing director states that at the present time this section is supplying a considerable quantity of ore to the mill. The ground acquired from the Modder West gives promise of providing a large tonnage.

Consolidated African Selection.—This trust holds a controlling interest in two concerns owning diamond concessions in West Africa. One of them—the African Selection Trust—for last year paid a dividend of 15 per cent., which absorbed little more than a third of the profit earned. Although only plants of a preliminary nature were in operation, the production substantially increased. Two permanent units are now in operation, and a further two are on order—this increase, the directors observe, being fully justified by the diamond reserves. These—fully and partially developed—are now estimated at 6,000,000 carats, and fully half the area remains to be explored. The other company—the Anglo-African Exploration—confined its activities to investigations of fresh areas; no acquisitions resulted. The dividend received by the Consolidated Company on its holding of African Selection Trust shares rather more than covered debenture interest and other expenses. Current quotation of 24s for the 5s shares seems to discount the future somewhat heavily.

Transvaal Output in November.—The output of gold from the mines of the Transvaal amounted to 787,633 ounces of fine gold during the month of November, which compares with 812,832 ounces produced in October, and 802,313 ounces in the month of November last year. The following table shows the monthly output for the past seven years:—

	1919.	1920.	1921.	1922.	1923.	1924.	1925.
January..	Fine Ozs. 676,069	Fine Ozs. 670,503	Fine Ozs. 651,593	Fine Ozs. 639,728	Fine Ozs. 764,469	Fine Ozs. 796,768	Fine Ozs. 823,692
February..	636,728	625,330	651,593	639,728	764,469	796,768	823,692
March....	712,379	707,036	651,593	639,728	764,469	796,768	823,692
April.....	694,944	686,979	651,593	639,728	764,469	796,768	823,692
May.....	724,995	699,041	651,593	639,728	764,469	796,768	823,692
June.....	702,379	715,957	651,593	639,728	764,469	796,768	823,692
July.....	725,491	736,099	651,593	639,728	764,469	796,768	823,692
August.....	698,558	620,173	651,593	639,728	764,469	796,768	823,692
September..	723,723	682,472	651,593	639,728	764,469	796,768	823,692
October....	677,970	633,737	651,593	639,728	764,469	796,768	823,692
November..	787,633	812,832	802,313	787,633	787,633	787,633	787,633
Total 11 months	7,679,900	7,521,410	7,432,669	7,229,398	8,354,211	8,772,351	8,808,247
December	650,791	632,215	681,847	790,712	778,849	825,273	..
Total....	8,330,691	8,153,625	8,114,516	7,020,110	9,133,060	9,597,624	..

The following table shows the number of natives employed at the end of the last few months by members of the Witwatersrand Native Labour Association and Contractors:—

	Apr., 1925.	May, 1925.	June, 1925.	July, 1925.	Aug., 1925.	Sept., 1925.	Oct., 1925.	Nov., 1925.
Gold mines....	176,188	172,988	169,810	169,433	168,900	169,355	169,206	167,566
Coal mines....	15,823	16,180	16,474	16,582	16,420	16,874	18,004	16,719
Diamond.....	3,071	3,172	3,166	3,166	3,068	3,224	3,159	3,164
Total.....	195,082	192,334	189,443	189,181	188,388	189,463	189,169	187,448

The number of natives employed shows a further decline during this month.

Wankie—A Correction.—In last week's "Note" the yield on these shares was by an error given as 15 per cent., the par value being taken at £1 instead of 10s. The correct figure is, of course, about 7½ per cent.

With great regret we record the death, at the age of 80, of Mr George Dick, of Rutherglen, formerly for many years a regular correspondent of the *Economist* on subjects connected with the iron and steel industry.

Oversea Correspondence.

UNITED STATES.—MONETARY POLICY—BUSINESS OUTLOOK—SHARE PRICE READJUSTMENT—PROJECTED BELGIAN LOAN.

(FROM OUR CORRESPONDENT.)

NEW YORK, December 11.

GREAT interest continues to prevail in Federal Reserve policy, even though the matter is, perhaps, becoming less of a factor in market calculations. Uncertainty still exists as to whether the Federal Reserve Bank of New York will follow the lead of certain of the other regional banks, and advance its rate to 4 per cent. Those who expect the rate to go up look for an increase in the Bank of England rate, and maintain that this will remove one obstacle to an advance here. They also point out that discounts have started to rise at the New York bank, and that this contingency is likely to influence the directors. It is a fact that the statement published last Saturday showed that discounts at the local institution increased \$45,000,000 on the week, and stood at \$192,000,000. Reserves fell off \$41,000,000, and with circulation increased by \$6,000,000, the reserve ratio dropped 3.2 per cent. to 79.6 per cent. This certainly is a decided change in condition, and one of a character that would tend to bring a higher discount rate. Some observers even go so far as to say that after a rise in the New York rate certain of the other regional banks will go in for 4½ per cent. rates. However, it may turn out that the expansion at the New York bank is temporary. The Thanksgiving holiday always brings an increased demand for currency, which normally would be reflected in lowered reserves and increased discounts. This Thanksgiving demand, furthermore, coincides with the ordinary end-of-the-month requirements. Under the circumstances it would not be surprising if the next Federal Reserve statements revealed a compensatory contraction. Most observers agree that the seasonal demands for credit have reached and passed their peak. The crest of the crop moving needs has been surmounted. Large amounts of currency will be required for the year-end holiday trade, but merchants' preparations for this trade probably are pretty well completed. The common expectation is that early in January, when the stocks of merchandise have been liquidated and the extra currency has been returned to the banks, money will be easier.

Much depends, both with regard to credit conditions and Federal Reserve policy, on the course of industrial developments. If the normal seasonal influences are to prevail, midwinter should see an easing up in the credit and money position. If, however, the cyclical increase in industrial and business activity should hold strong and overpower seasonal influences, the hardening in money might continue, and market activity might revive to an extent to precipitate further intervention by the Federal Reserve authorities. Just now it is not clear whether our situation is working up to the beginnings of an inflation in business, or whether a midwinter recession in industrial activity will be followed by a culminating burst of activity in the spring. There are some shrewd judges who expect inflation, and point to the continued pronounced strength in the iron market as an indication of how things are going. Most observers incline, however, to the other view; that is, that things will be quieter in the winter, but that business will be good in the spring. Beyond that point most prophets are cautious. Assurances of good business next spring are found in the present high level of employment and purchasing power, and in the continued efficiency in industry. Misgivings as to how strongly business will hold up through next year are based on the belief that the building shortage has about been made up, and apprehensions lest the automobile manufacturers again over-produce. In this connection it may be noted that 406,000 passenger cars and nearly 46,000 trucks were produced during October, the output of cars setting a new, high record for any month. This big production was due partly to the smaller output of the two preceding months, when the new models were being brought out, and partly to the success of the new models themselves. At the present writing the automobile business is showing a seasonal

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slackening, but several manufacturers are increasing their capacity, more new models are in prospect, and competition in the New Year threatens to be intensive.

As for the share market, the tone now is steadier. A reaction has occurred comparable in extent to that of last March, which, it will be remembered, followed an advance in Federal Reserve discount rates. The average for industrial stocks has declined about 15 points from the recent peak, and now has recovered moderately. The extreme force of the liquidation in motor shares seems to have spent itself, after wiping out about half of the year's gains. A fair rally in these descriptions took place on the basis of short covering, after which a moderate renewal of weakness was followed by a diminution in activity and a damping down of the range of fluctuation. The market as a whole also has grown less active, and shows signs of recovering its equilibrium. There has even been some resumption of bullish activity, with rails and oils particularly favoured. Oils have been helped by diminishing production, the playing out of a new pool at Garber, firmer prices, expectations of year-end mark-ups in prices, and by realisations that oil company profits are generous. The rails, meanwhile, have the support of excellent earning statements, that show that the companies have obtained an even stronger control of expenses, and by a belief that important merger developments are impending. The Interstate Commerce Commission has now heard the case for and against the Van Sweringen greater nickel-plate system, and there have been rumours that some agreement may be reached between the proponents of the plant and the opposition. A certain amount of encouragement also has been obtained from statements that action will be taken in the forthcoming session of Congress to free the Interstate Commerce Commission from the provision of the Transportation Act that requires the Commission to prepare a completely comprehensive plan of consolidations, to which each individual proposal will conform. It should be understood, however, that this section applies to outright consolidations. The Commission already has demonstrated its willingness to permit leasing arrange-

ments, such as that which now holds the New York Central system together, and such as the Van Sweringen brothers wish to create in the case of their nickel-plate system.

It is apparent that the negotiations for a Belgian stabilisation loan are going more slowly than the Belgians had hoped. It is possible that some further delay will occur. The difficulty lies in the necessity for demonstrating conclusively that the Belgian Budget has been balanced. On the occasion of the last Belgian loan it was stated that no further borrowing would be done until the Budget had been balanced. In addition, our bankers realise that our investors have been educated up to insisting upon balanced Budgets, particularly for stabilising loans. In fact, it has been pointed out in our Press that a stabilisation loan to Belgium would be a mistaken piece of assistance were it not certain that the substance of the loan would not be consumed on account of any shortcomings in the budgetary position. Under these circumstances, the cabled reports of criticism of "interference by foreign bankers in domestic affairs of Belgium" are hard to understand. Belgium comes here for a loan, and our bankers state the conditions under which they will be able to float it. This hardly is interference with Belgium's internal affairs. If the loan is delayed until the Belgian Chamber has actually ratified the proposed reductions in expenditure, the present programme of stabilising Belgian exchange need not be jeopardised. Seasonal factors will probably begin to work in Belgium's favour soon, while that country probably has, or can obtain, short-term credits sufficient to protect the position.

FRANCE.—THE FINANCIAL SITUATION—M. LOUCHEUR'S PROPOSALS—TAXES AND DEBT REDEMPTION.

(FROM OUR CORRESPONDENT.)

PARIS, December 8.

THANKS largely to the revelation, which was confirmed by last Thursday's Bank of France statement, that the Treasury was again absolutely empty, in spite of the additional 1,500 million francs of authorised advances made to it by the Bank a few days before, M. Loucheur has succeeded in forcing through both Chambers his proposals imposing "about 3,000 millions" of immediately-payable extra taxation for the financial year, which will end on December 31st, and stipulating for the immediate payment of outstanding taxes. The new Finance Minister's proposals, which became known on Wednesday night, may be said to have almost taken the breath away from the assembled deputies, particularly when it was found that they included further inflation to the extent of 7,500 million francs of additional notes. By sitting continuously for something like 20 hours, however, until after 11 on the following morning, the Government secured approval for the Bill. Both M. Loucheur and his chief, M. Briand, made it clear that the only alternative to the immediate passage of the Bill was national bankruptcy. Even then it was only by a majority of six votes that the additional inflation asked for was accorded. Rather more than half of the Socialists voted for the motion, and the remainder abstained. The Bill, as a whole, was carried by 28 votes, and on this vote the Socialists adopted similar tactics.

Like public opinion in general, the Upper House, as was expected, showed unmistakable distaste for the hasty and undigested proposals put before it. The new taxes, it was obvious, will weigh excessively on the middle-classes, and particularly on industry and commerce. Already glaring inequalities, under instantly mobilised electoral pressure, have been accentuated by the new Bill. A striking instance of this was the fact that the all-powerful agricultural interests in the Chamber succeeded in getting the already very

favourably-taxed agricultural classes exempted from the proposed uniform 20 per cent. increase in the general income-tax. This led to incomes derived from salaries being also exempted from the additional burden. The Senate inclined strongly towards several important modifications in the Bill. Eventually, however, in view of the urgency of the matter, these were dropped, and the Finance Commission, on the ground that the proposals, "imperfect and fragmentary as they are, have at least the incontestable merit of saving the financial future of the country," recommended that the Bill, as sent up from the Chamber, be passed without the change of a comma.

This much may be said of both Houses: that in face of the menacing realities of the situation the worship of Socialist doctrines was instantly dropped, and all party political combinations, by which the Cartellists have so long intrigued for the purpose of securing control of the national finances, collapsed like a house of cards. M. Loucheur's remarkably bold tactics visibly overcame all obstacles, and to this extent he has secured a distinct triumph. This, however, he owed almost entirely to the desperate nature of the situation with which he was faced, which rendered a desperate remedy imperative. He has still to deal with the real problem before the country, and by wisely-balanced measures, not only guarantee the gradual automatic extinction of the floating debt, but also, while imposing heavy additional new taxation, ensure that the badly-shaken confidence of the French investor shall be restored. It is to be feared, judging from what is now known of the Finance Minister's proposals for the Budget of 1926, that his policy may have an exactly contrary effect.

France, in many ways, is now dangerously near the abyss into which Germany fell shortly after the war. The immediate effect of the recent increased inflation and the imposition of increased taxation must be an all-round increase in commodity prices, which must be followed by increased wages and almost inevitably by further inflation. What renders the outlook all the more sombre is that, with the best of intentions in the world, the effect of the only possible measures that can bring about a real improvement in the general situation will be only gradually felt. The effects, on the other hand, of the increased taxation, which strikes directly at the return derived from every form of investment, will be felt immediately, and must very seriously check all industrial and commercial enterprise; while investors in practically all kinds of securities, who foresee that the greater part of their return will be absorbed by taxation, will find themselves strongly tempted to resort to hoarding their money, in the vain hope of keeping their savings intact. That this is already occurring, and to an appreciable extent, is confirmed by M. Loucheur himself, who points out that between January 1, 1924, and December 1st last 11,500 million francs of new banknotes were put into circulation, of which about 8,500 millions were used to pay off National Defence bonds and about 3,000 millions to meet extra-budgetary expenditure. In the ordinary way these 11,500 millions should have returned to the Treasury in the form of Defence bonds or Treasury deposits, or should have been paid into current accounts at the bank, but none of them have been so used. Increased prices and the fall in the franc, no doubt, account for a proportion of this sum having remained in current circulation, but there is no doubt that another proportion of the notes are being simply hoarded by their holders, who lack sufficient confidence to reinvest them.

M. Loucheur's complete proposals for the restoration of the national finances were laid before the Cabinet on Monday, and proved to consist of seven distinct projects, namely:—

1. A Bill to furnish the necessary additional money from taxation to balance the Budget for 1926, and to provide the Treasury with sufficient funds to meet current requirements.
2. A Bill authorising the creation of an amortisation fund, independent of all Budgetary fluctuations or control, for the purpose of gradually paying off the funded, floating, and inter-allied debts.
3. A Bill to enable much tighter fiscal control to be exercised in the collection of revenue and for the vigorous repression of fraud and the evasion of capital.

4. A Bill authorising preferential treatment as regards taxation to be applied to registered securities as compared with bearer bonds (which is practically allied with the previously-mentioned measure).

5. A Bill of a permissive character to enable holders of Rentes to convert their stock into another form of security.

6. A Bill to authorise increased railway fares and goods tariffs, for the purpose of wiping out the present deficit (which amounts for the present year to 700,000,000f.).

7. A Bill to simplify the application of the income-tax and to extend its application to a greater number of persons, "without, however, abolishing the present abatements."

The text of the first two of these measures were made public yesterday, and were referred to the Finance Commission of the Chamber for consideration.

In the preamble to the Bill M. Loucheur insists that there must be no more loans, even if further appeals of this kind were possible, which the Finance Minister admits they are not. He estimates that M. Caillaux's Budget proposals for 1926 left a deficit of 3,400 millions, to which must be added further expenditure, for which provision must be made, as follows:—Expenditure in Morocco and Syria, 500 millions; deficit on the railways (guaranteed by the Government), 700 millions; increased pay for the public servants, 200 millions; required for purchases of tobacco abroad, 65,000,000f.; increased cost of the floating debt service and in interest charges on the advances made by the Bank of France, 1,335 millions; to meet the needs of the Treasury (paying off of bonds placed abroad; repayment of at least a proportion of 6,189 millions of 6 per cent. 1923 Treasury bonds, which will fall due next May), about 1,500 millions. In round figures, M. Loucheur estimates that between 8,000 and 8,500 millions of additional new taxation will yet be required to ensure for 1926 a really balanced Budget and provide the Treasury with money to meet all probable emergencies. (The new taxation just applied is, of course, merely for immediate purposes, and M. Loucheur's calculations are based on the taxation as it stood in the Budget Bill for 1925 prior to the recent emergency increases.)

The sum of 5,500 millions required to balance the Budget M. Loucheur proposes to obtain to the extent of 3,000 millions by substantial increases in the taxes and duties on real estate and securities (which he proposes to raise from 12 per cent. to 20 per cent.), foreign securities (from 18 per cent. to 28 per cent.), and on industrial, commercial and agricultural profits and incomes from fees and salaries. A further 1,000 millions he expects to get from increased stamp duties on securities, business transfers, insurance policies and stock exchange operations, and by an increase in the tax on turnover. Increased duties on motor spirit, alcohol and motor cars are to furnish a further 400 millions; tobacco, cigars, and cigarettes, 500 millions; postages (the inland letter rate to be raised from 30c to 50c), 600 millions. The 2,250 millions required for the Treasury itself he calculates to receive from a 10 per cent. tax on the first sale of new buildings and business undertakings, and from a new, special and progressive tax on successions.

The Finance Minister's second project deals with the creation of a Special Fund for the redemption of the public debt, which is the Caisse d'Amortissement projected by M. Caillaux. This is to be a perfectly independent autonomous body, which will be managed by representatives of the producing, working and consuming classes. The new organisation will be furnished with resources quite independent of the Treasury, and will have its own independent account at the Bank of France. Its resources will be drawn in part from the yield from the new tax on successions, and on the first sale of buildings and commercial undertakings, and it will also receive the yield from all economies in debt charges which will result from its own operation, with the proviso that the yield from this latter source shall not exceed 5,000 millions a year up till 1936, or 4,000 millions afterwards. The money necessary to enable the fund to begin operations is to be furnished by means of a lottery. The *raison d'être* of the fund is to extinguish the public debt, which it is calculated it will be able to accomplish by 1956, when it will cease to exist. A provision is inserted in the Bill to enable the fund to be brought to an end before the date mentioned "in the event of the amount of the debt being reduced sufficiently no longer to be too heavy a charge on the Budget."

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GERMANY.—POLITICS—BRITISH IMPORT DUTIES—FINANCES—CURRENCY AND CREDIT—INDUSTRY—BOURSE.

(FROM OUR CORRESPONDENT.)

BERLIN, December 9.

THE Luther Cabinet, as was expected, resigned immediately after the completion of the Locarno agreements. A new Cabinet with the same Chancellor is at present being negotiated for, on the basis of the "Great Coalition"—from People's Party to Social Democrats. The Social Democratic Party has not yet decided in principle for or against this proposal; should it decide for, it will probably impose its conditions, which may be rejected by Dr Luther or by the middle parties. The provincial Socialist groups appear to be less inclined than the Berlin leaders to support a Coalition Cabinet. Should the negotiations fail, a temporary Cabinet consisting partly of experts may be formed.

Meantime the Cabinet is proceeding with its plans. It announces new price-reduction measures. The compulsory syndicates, also the guilds, will be brought under administrative influence or under the Cartels Law of November, 1923. The sale of bread by fixed weight will be required. Most of the States and the inter-municipal organisations have agreed to reduce the interest rates on money lent by them temporarily to Business out of balances on hand. A Cabinet Bill abolishing "business supervision" for insolvent persons, and substituting compulsory compositions will be submitted. "Business supervision" (*Geschäftsaufsicht*) was originally a war expedient. Insolvent concerns could be kept going under supervision as long as there was hope of their regaining solvency. This system, continued after the war, led to many abuses, and the terms of "supervision" often stretched to undesirable lengths. Under the compulsory compositions Bill, when creditors representing at least three-fourths of the debt favour a composition proposal, the remaining creditors may be forced to accept it.

The new English import duties continue to attract unfriendly attention. Trade journals demand retaliatory duties against British products, which, it is pointed out, may be imposed, as are the British duties, without mentioning any particular country, and therefore without formally violating the Anglo-German Commercial Treaty. Little doubt is felt that most, if not all, of manufactured imports will sooner or later have duties imposed upon them by Great Britain, and that foodstuffs will follow. Continental experience shows that not only does the protection of certain manufactured articles lead to protection of others, but that also protection of manufactures as a whole leads to protection of agriculture as a whole. The farmers demand that the prices which they receive as producers shall be raised in order to compensate them for the higher prices which they must pay as consumers of manufactured goods, and of instruments of production. It was this argument which led to the restoration this year of the German pre-war food import duties. The anti-Protectionist Economical Council, the anti-Protectionist German-Democrats and other groups, declared that inasmuch as the duties upon manufactured goods were to be retained, and in many cases increased, it was impossible to reject the farmers' demand.

The prospects of export trade are favourable, if recent developments continue:—

AVERAGE MONTHLY EXPORTS (in Millions of Marks).

1913	914.3
1923	506.6
1924	547.2
1925—1st Quarter	680.0
2nd "	697.4
3rd "	751.4
October	851.4

Trade by branches, in order of importance as yielders of active balances in the first three quarters of 1925, was:—

(Million of Marks.)	Exports.	Imports.
Machinery	529	72
Chemicals	515	88
Iron and steel wares	277	10
Petty iron and steel wares	247	5
Electro-technical wares	232	14
Pottery and glass	221	20
Heavy iron and steel	287	102
Leather	210	93
Textiles	1,008	907

The Finance Ministry's return on the realised Budget for the fiscal year April, 1924, to March, 1925, shows:—

I. General Administration Budget—	Millions of Marks
Ordinary—	
Revenue	7,559.5
Whereof—	
Direct Taxes	5,764.6
Indirect	1,550.3
Expenditure	6,800.9
Whereof—	
Subventions to States and Municipalities	2,767.2
Surplus	758.7
Extraordinary—	
Revenue	838.2
Expenditure	704.9
Surplus	133.3
Total Surplus on General Administration Budget	892.0
Operation Fund of Treasury	281.9
II. Execution of Peace Treaty Budget—	
Ordinary—	
Revenue	1,001.6
Whereof—	
From General Administration Budget	998.7
Expenditure	1,001.6
Extraordinary—	
Revenue	782.8
Whereof—	
From General Administration Budget	188.7
Yield of Foreign Loan	473.3
Interest on Railway Bonds	100.3
Expenditure	782.8

The sums of 473.3 million marks and 100.3 million marks are booked as a formality, having been directly credited to the Agent for reparations. They therefore appear also in the 782.8 million marks expenditure. The (independent) Federal Posts' report for the first business year, ending March 31, 1925, shows a surplus of 68.8 million marks. Receipts totalled 1,654 million marks, expenditure 1,585.2 million marks, whereof 1,128 million marks operating expenses, 108 million marks writings-off, 83 million marks added to legal reserve, 40 million marks added to operating fund, and 50 million marks compensation paid to Bavaria and Württemberg.

The short-term money market continues liquid; the supply of day money exceeds the demand, and the interest rate sometimes falls to 7 per cent. The Reichsbank President has refused to reduce the discount rate, and has promised instead to relax the discount-rationing system. The total of allowable discounts was originally limited to the sum outstanding in April, 1924, but in September, 1924, the ratio was increased by 10 per cent. Dr Schacht declared that the quantity of credit demanded must be determined by relaxing the rationing system before the question whether the Bank rate is too high can be answered. At present the bank's 4 per cent. is the lowest rate in Germany. The Reichsbank's position, Dr Schacht added, has been strengthened since the summer, when there was a heavy drain upon the exchange reserve. The last weekly return, for November 30th, shows the legal-cover exchange reserve at 402½ million marks, as against 284½ million marks on September 23rd. The Reichsbank's holding of discounts at the end of November was 1,650, and rediscounts 584 million marks, as against 2,064 and 493 million marks respectively at the end of December, 1924, so that there can be no question of credit inflation. Dr Schacht criticised, it seems with ground, the granting of State credit to industry. At present most industrial concerns which get into difficulties take it for granted that they should get State help. Dr Schacht protested against nationalistic Protectionism, and even expressed the view that Europe's recovery requires the abolition of all Customs frontiers.

The industrial situation is less satisfactory. The Prussian Ministry of Trade's monthly report is very unfavourable. Unemployed on November 15th totalled 471,333, against 363,919 on November 1st. In the Rhineland are

over 100,000 unemployed; in Berlin 37,000. The cotton-spinning branch, which was long well employed, reports a sudden decline in business. The leather industry has been injured by numerous recent bankruptcies. Conditions in the machinery branch are worse. Employed in the Ruhr coal industry in October averaged 401,815, which is 162,000 fewer than at the beginning of 1923. Potash sales fell further off in November, but the total sales for the first eleven months of 1925 exceeds by 400,000 tons sales in the same months of 1924. The negotiations for the Western Steel Trust are almost at a standstill. New difficulties have arisen, and it is possible that the fusion may be abandoned or replaced by a loose "Interessengemeinschaft." The Pig-Iron Syndicate is to grant a price-rebate of 6 marks per ton upon pig purchased by native manufacturers for conversion into export goods. The annual report of the Phoenix Company, showing gross profits of 23,000,000 marks, was unexpectedly favourable, and it induced a more optimistic sentiment in the steel industry, and considerably influenced the Bourse. The official wages report for October shows in 12 industries (including transport) an average weekly wage for skilled employees of 45.04 marks, unskilled 33.24 marks. The Bourse tendency has been again weakish, with a slight drop in average quotations; but early this week sentiment improved. Shipping stocks, and stocks of other companies which stand to benefit from the return of property seized by the United States, rose, against the general tendency. Quotations of the shares (Kuxen) in the western potash and coal concerns are particularly low, sometimes one-third or less than the best quotations of 1924. Since early September, when there was a brief recovery, engineering stocks on the Berlin Bourse have fallen some 38 per cent., real estate stocks 33 per cent., metal 32 per cent., brewery 13½ per cent. Bank stocks have declined only imperceptibly.

BELGIUM.—BUDGET FOR 1926—MONETARY STABILISATION—NATIONAL BANK—FINANCIAL PROSPECTS.

(FROM A BELGIAN CORRESPONDENT.)

Ghent, December 1.

THE estimates of the ordinary Budget for 1926 amount to 5,322 million francs, an increase of 402 millions over last year's figure. This increase is chiefly due to the heavier charge of the public debt service (which exceeds by 438 millions that of the previous year), and, in a lesser degree, to the cost of the old age and premature death insurance law (32 millions), and the subsidies for the construction of cheap houses (22 millions). Out of 15 departmental estimates, eleven show reductions, or are stationary, this notwithstanding the rise of cost of living; the index number for retail prices on November 15th last was 534, against 520 a year ago. The increase in the public debt service is due to the heavier charge on the foreign debt, resulting from the lower external value of the franc (for the 1925 Budget, sterling is reckoned at 90f, as against 106f for 1926), from the consolidation of the Belgian war and post-war debt to the United States, and from the interest upon the foreign loans raised to enable the State to repay its debt to the National Bank, and so stabilise the franc exchange. The ordinary and extraordinary budgets together amount to 6,759 millions, a reduction of 285 millions upon last year's figure.

The total debt on September 30th last was 45,780 millions, against 40,680 millions the year before, which latter figure, however, did not include the war debts to the United States, estimated at about 6,000 millions present value. It is significant that out of a total amount of 5,322 millions of expenditure for the ordinary budget, 2,734 millions are accounted for by the service of the public debt, so that out of every roof paid in taxes, 50f go to the debt service. A somewhat delayed reduction of 150 millions upon the credits made upon the advice, it is said, of the foreign financiers who are to grant the necessary loans for the stabilisation of the franc exchange.

In order to make the equilibrium of the budget possible, it is imperative that the franc exchange should be

stabilised, the more so because foreign debt, which represented last year only 20 per cent. of the total debt, now amounts to 30 per cent., which percentage will increase to about 40 per cent. after the State has paid off its debt to the National Bank by means of foreign loans.

Stabilisation of the currency can only be made possible, provided the value of the franc is dissociated from the influence of the credit of the State. The first condition of the above is, of course, that the State should on no account have recourse to further loans from the National Bank. This objective the Minister of Finance proposes to attain by balancing the Budget. No further loans will be made to cover expenditure; expenses will be strictly limited to existing revenue and receipts from new taxes. The existence of a large floating debt is a further danger which might draw the State into forced loans from the National Bank, as a sudden crisis of confidence or other causes might render impossible the renewal of the Treasury bonds when they fall due. Therefore, the Minister intends to make an internal loan for the consolidation of the Treasury bonds, when confidence has returned in the stability of the franc, and conditions are favourable.

Prompt steps will further be taken to repay the existing debt of the State to the Bank as far as possible, in order to stabilise the value of the franc. At the present moment the liabilities at sight or short notice of the Bank represented by bank-notes and deposits amount to 8,000 millions, which are covered up to 5,680 millions, say nearly three-quarters, by the debt of the State to the Bank. This situation, of course, tends to make the value of the Belgian currency subject to any political influence which affects the credit of the State. The heavy debt of the State to the Bank which was incurred for the withdrawal at the rate of 1.25f of the mark circulation introduced by the Germans during the war, is the chief cause of the present inconvertibility and depreciation of the Belgian franc. This debt will be reduced shortly to 1,710 millions through the payment by the State to the Bank of 3,000 millions, value of the proposed monetary loan of 150 million dollars, and 969 millions resulting from the re-valuation at its present franc value of the Bank's metallic reserve (which up till now had been reckoned in pre-war francs), which increase will be abandoned to the State and come into deduction of its debt to the Bank. The floating debt, which constituted 55 per cent. of the total debt on September 30, 1924, and which had been reduced to 35 per cent. on September 30, 1925, will be further reduced by the above arrangement to a proportion of 27 per cent. of the total debt. The repayment of the State debt to the Bank by means of the product of foreign loans will enable the Bank to introduce a gold exchange standard, the franc notes being convertible into currencies based on a gold standard at a rate to be determined.

The prerogative of the Bank's privilege to issue bank-notes (which ends on December 31, 1928) until December 31, 1952, will be accompanied by several important modifications in the present regulations. It is intended to increase the share capital from 50 millions to 200 millions. Fifty millions will be procured by the re-valuation of the real estate of the Bank. A further 50 millions will be given by the incorporation into the capital of part of the reserve of the Bank. The balance of 50 millions will be obtained by the issue of 50,000 shares of 1,000f face value. These shares will be issued at 1,500f each, the profit of this emission being paid into the reserve, and will be offered by preference to institutions of public utility (such as the National Savings Bank, the Society of Credit to Municipalities, &c.). They will be registered shares, and will only be transferable with the agreement of the board of directors of the Bank. The division of profits will be altered in some particulars. The fixed remuneration of shareholders, which was 4 per cent., will be increased to 6 per cent. Of the remainder, 10 per cent. will be allocated to the reserve, as formerly. A further 10 per cent. will be divided between the board of directors, the censors, and the staff.

It is hoped that the above measures will enable the franc to be stabilised at last, and it is noted with relief in Belgian business circles that since October the fluctuations of the Belgian franc have been very slight, notwithstanding the violent depreciation of the French franc,

of which the Belgian currency formerly used to share the ups and downs. A further encouraging feature is the improvement in the balance of trade. Whereas for 1913 exports were 74 per cent. of imports, the ratio between exports and imports has risen to 81 per cent. for the eight months of 1925. In connection with the present policy of exchange support, the National Bank has to-day further increased its discount rate from 6½ to 7 per cent., and its interest upon loans from 7 to 7½ per cent.

AUSTRIA.—POLITICAL DIFFICULTIES—ECONOMIC SITUATION—GOLD BALANCE-SHEETS—FOREIGN CREDITS—STOCKS AND EXCHANGE.

(FROM OUR CORRESPONDENT.)

VIENNA, December 1.

THE political situation in Austria has become hopelessly intricate. Through its weak attitude in the conflict with the State officials the Government has lost authority. Instead of risking the strike threatened by the officials, which was bound to end with a decisive failure for them, the Government gave in to this threat, and agreed to pay the officials this year one and next year three bonuses, each amounting to one-quarter of a month's salary; it is quite impossible to say from what sources this extra expenditure will be met. The negotiations with the rebellious officials, especially the impudent way in which the latter treated the Prime Minister, were a shocking scandal, and their effect was that as soon as the State officials were calmed, the post, telegraph, and telephone officials who form a separate group of public employees approached the Government claiming an increase of their salaries, failing the granting of which they threatened to come out on strike on December 3rd. Again the Government gave in, and guaranteed them a share in the profit derived from the postal and telegraph services. As these services have never brought in any profit this concession is, of course, nothing else but a disguised form of a bonus.

In Parliament also the situation was very confused until to-day, when an unexpected turn took place. Under the pressure of the Social Democrat opposition, the Government brought in an Amendment Bill to the National Insurance Act, which is unacceptable to the majority parties; it provides for an increase of the annual contributions to be paid by the employees from 103 to 107 million shillings, whilst the employers' contributions are to be raised from 96 to 122 million shillings. Although the Social Democrats were given to understand that such an enormous increase would, under the prevailing economic depression, mean an unbearable burden on the shoulders of the employers, and would simply lead to a reduction of their staffs and workmen, and thus increase unemployment, the Social Democrats insisted on the necessity of passing this Bill, and checked all other Parliamentary work by "obstruction," so that it has not been possible so far to pass the Budget. This put the Government into a very difficult position, as it had pledged itself to the League of Nations' Committee to submit the Budget at this Committee's December sitting, which now seemed to be impossible. At the last moment the Majority parties had the lucky idea of inducing the Government to bring in a Bill for the suppression of the Tenants' Protection Act, and a partial re-assessment of rents. The unexpected broaching of this difficult problem, which they so fiercely contest, has brought the Social Democrats to their senses. They stopped the obstruction at once, and agreed to postpone the debate on the National Insurance Act, and to pass the Budget this week, so that the Government will be able to submit it to the League of Nations. One must, of course, be prepared for a serious conflict between the parties over the Tenants' Protection and Rents problem, but, at any rate, there remains a hope that it will be possible finally to come to a compromise.

In some industries, such as the brewing, electric, and rubber industries and some branches of textiles, a certain improvement can be noted. All the others, however, suffer from stagnation and growing foreign competition; export to the neighbouring Succession States is hindered by high custom duties, which, moreover, are very often altered at very short notice, so that it is very difficult to

effect contracts for future delivery. In addition to this, export to Poland now suffers from the fluctuations of the Polish currency and from the great difficulty of collecting outstanding money in that country. Unemployment is again growing: the number of unemployed in receipt of the dole amounts to about 140,000, against 119,000 in October and 90,000 in November, 1924. The attempt to induce unemployed to emigrate has so far had no practical result.

The problem of the re-capitalisation of companies, which is of the greatest importance for the return to normal business conditions, has been seriously delayed through the narrow-mindedness of the Tax Authorities. The first companies which submitted their new gold balance-sheets to the income-tax boards had to endure such a vexatious investigation, and were threatened with such heavy fines, that the other companies were discouraged to issue their new gold balance-sheets. In order to remove these difficulties negotiations will take place with the Treasury next month, and it is hoped that it will be possible to convince the Finance Minister of the necessity of a broader view on the side of the Tax Authorities.

The negotiations with the American firm, Messrs Morgan, Livermore and Co., for a loan of 15 to 20 million dollars for several Austrian provinces, have definitely failed because it was not possible to come to an agreement regarding the issue price and the security. The province of Lower Austria, however, succeeded in getting a loan of \$2,000,000 from Messrs. Lissman; the loan will be raised by the issue of 7½ per cent. gold bonds, which will be redeemed within 25 years by operation of a sinking fund. Short-term foreign credits are plentifully offered, but are not encouraged by the National Bank, which strives to limit them in order to increase its own discount business.

The danger always hovering over the market that the Supporting Committee could liquidate and throw on the market all or part of the securities taken up during the slump has been definitely averted by converting this committee into a trust company, which will hold these securities, the present value of which amounts to about 14 million schillings, during a minimum period of three years. Although it was hoped that the relief caused by this measure would give the market a new impulse, its effect was insignificant. The public has lost all confidence in the market, and prefers investing its money in deposits with banks or saving banks, where it bears 6 to 8 per cent. per annum without any risk. Only for some gilt-edged securities and gold mortgage bonds some demand could be noted.

Business on the foreign exchange market was pretty lively during last month owing to the great fluctuations of the French franc and the zloty, which led to considerable transactions. A representative of the Russian National Bank is negotiating with the Austrian National Bank with a view to having dealings in Russian currency (Tcherwonetz) officially approved on the Vienna market, a measure which will be heartily welcomed by all merchants trading with Russia.

UNION OF SOUTH AFRICA.—RETURN ON RAND INVESTMENT—A 5 OR 6 PER CENT. YIELD ON CAPITAL—INDIVIDUAL VARIATIONS—THE PLATINUM SLUMP.

(FROM OUR CORRESPONDENT.)

JOHANNESBURG, November 4.

THE Gold Producers' Committee of the Transvaal Chamber of Mines has submitted to the Economic and Wage Commission, of which Professor Chapman, of Manchester University, is a member, a statement dealing with the actual return on capital invested in the Rand gold-mining industry viewed as a whole. It is a preconception in the minds of the majority of the South African public, and an obsession of politicians, that the industry is a most highly profitable one. But the dividends paid by the Modders, Government Areas, Crown Mines, and others tend to obscure the very indifferent results of some of the medium and lower-grade properties. This has been accentuated by the disappearance of the gold premium. In 1914

the mines outside the Far East Rand section made a profit of £9,150,000 (or 8s 3d per ton), and paid 80 per cent. of the dividends. To-day their yearly rate of profit is £3,500,000 (or 4s per ton), while they contribute only a quarter of the dividends. In September nine low-profit mines made a combined profit of less than £10,000, and not even a super-optimist would contemplate any dividend payment from any one of them.

But what is "poison" to the shareholder is "meat" to the Rand community, among which they spent £468,750, or one-fifth the entire expenditure of the producing mines. To the community they are as valuable as the "big four," which spent approximately the same amount, but, for the benefit of shareholders (and the Government as participant in the Government Areas lease), earned £481,000. To illustrate the parlous condition of some of the low-grade mines, three mines occupying four and a half miles of reef between the Goch and Germiston in the September quarter crushed 550,500 tons, and made the poor profit of £29,250, an average of 1s a ton, and only one is likely to pay a dividend.

It may be recalled that Professor Lehfeldt, of the Chair of Economics of the University of the Witwatersrand, made a calculation some time ago that 6.2 per cent. was the yield on the capital sunk in the Rand industry over a long period of years. But this was criticised before the Commission, on the ground that it was to some extent based on market valuation of shares, and not on a comparison between actual capital invested and dividends paid. The present calculation takes the capital expended in opening and equipping the mines as assessed by the Inland Revenue for purposes of amortisation of wasting capital for income-tax purposes. This was about £70½ millions in 1913, £80½ millions in 1919, and representing its maximum amount, and is now just under £80 millions. In addition there is the question of vendor shares. In 1913, in evidence given to the Economic Commission, on the basis of British Income-tax practice, it was stated that in respect of thirteen typical companies the vendor consideration was rather less than the working capital expenditure. Under the Government Areas and New States leases, the Government receives 55 to 57 per cent. of their profits as vendor. At what price should vendor shares be valued? While it would appear reasonable to assume the vendor consideration as being equal to the total spent on opening up and equipment, "in order to prevent any possible suggestion that the amounts paid to vendors have been over-estimated, the price paid for the ground has been taken at only half of the capital in development and equipment.

This addition makes the total capital in the years previously stated rather under £120 millions to-day. Six per cent. on the capital called for about £6,500,000 in the earlier periods and for nearly £7,250,000 to-day. Dividends have varied, more than, perhaps, one would have thought, from a minimum of £5½ millions in 1918, when there was no currency premium in relief of excessive costs, to a maximum of £9½ millions in 1924 (estimated to fall to £8½ millions this year). In the years 1917, 1918, 1919, and 1922 the dividends fell below the amount called for on the basis of 6 per cent. by a margin ranging from half to nearly two millions. These were the only four occasions over a fifteen-year period, and there was very generally a surplus of one and a half to one and three-quarter millions. In 1924 it was £2,367,000, this year it is put at slightly over a million.

But on no occasion has it been sufficient to meet the amortisation charge calculated over 25 years, estimated between £2,430,000 and £2,900,000, the latter applying to the last three years. Last year, the best since 1913, the deficiency was only half a million, in 1919 it was over four, and in 1918 it approached five millions. This year it is expected to be about one and three-quarter millions. In fifteen years dividends paid have been insufficient to provide 6 per cent. on the capital and amortisation by a margin of £31½ millions.

If one deducts the amount of £2,877,690 required to

amortise the annual capital from the dividends of £9,557,657 paid in 1924 and £8,274,796 as estimated for 1925, the net amounts work out at 5.6 per cent. and 4.5 per cent. on the total capital of £120 millions respectively. This mean of a trifle over 5 per cent. is obviously a poor net return for a mining investment.

The individual aspect is not without interest, probably it is of most importance to the investor who usually confines attention to a few shares. Two companies have paid over ten millions to shareholders, the Crown Mines, which commenced crushing in 1897, £14½ millions, New Modderfontein (1892) £12½ millions. The former is in relation to an admitted amortisable capital of just over six millions, the latter in relation to one of less than two and three-quarter millions. Strange as it will seem to those with knowledge of only highly disappointing recent results, the third largest dividend aggregate is the £7½ millions of the East Rand Proprietary Mines, which is only half a million more than its admitted capital. On the other hand, Modder B. (whose dividends have been falling off latterly) has paid almost as great a sum, £7,332,500 *vis-à-vis* a capital of the modest dimensions of £1,597,000. Its dividends have thus been four and a half times the capital.

The record of dividends in relation to capital is shown by the Meyer and Charlton, whose capital is the smallest in the list at £450,000, whereas it has paid £3,685,300 in dividends, or eight times as much. Ferreira Deep has paid over £6,589,000 in dividends or over seven and a half times its amortisable capital. Modder Deep has already paid six times its capital, and having still several years of prosperous life, will eventually surpass the two other mines. On the contrary, its associated mine of the Union Corporation, Geduld, the pioneer deep level of the Far Eastern Rand, has not, even if the June dividend be added, yet paid in dividends a sum equal to its capital. Both Randfontein and West Rand Consolidated have given a miserable return. Even a cursory examination of the schedule reveals how greatly the results have varied; it is fortunate, indeed, that the Rand has the far Eastern tract now to rely upon.

South Africans generally, and the Rand public in particular, have suffered very heavily in the recent decline in the price of platinum shares, and many have lost, and more than lost, the gains they made on the rise last year and early this year. Lydenburg Platins, the pioneer company of the district, were 65s in May, they were quoted a day or so ago at 15s. The company sold the bulk of their property to Lydenburg Platinum Areas (of London registration), which were underwritten at 16s., i.e., 20s, with a bonus allotment of 20 per cent. These shares are now no better than 9s 6d. Transvaal Platinum, the pioneer platinum company whose area is in the Waterberg, quite distinct from the newer discoveries in the Lydenburg and Potgietersrust localities, a year ago were over 70s. They have since been down to 35s, and are now no better than 41s. Platinum Proprietaries, which reached a "peak" of 67s 6d little more than six months ago, and of which the Central Mining bought 10,000 shares, coupled with options on large parcels, at 50s, have been dealt in lately, in a sporadic sort of way, at about a guinea. Some of the smaller syndicates and companies are not even quoted. The shares dealt in principally in London, like Transvaal Consolidated Lands and Transvaal Estates and Development, though experiencing fluctuations, have suffered far less severely, the former standing at 78s and the latter at 22s 6d. We want more frequent progress reports to keep the interest alive; quarterly announcements by gold mining companies may be well enough, but this is too long an interval in connection with a nascent industry like platinum mining. Particulars of the impending flotation of Onverwacht, if, indeed, it has been definitely decided to place the property on a company basis, are being eagerly awaited. Keen observers on the Johannesburg Stock Exchange think it will require to be highly favourable to the company to justify the present price of nearly 80s for "T.C.L.s."

The municipal elections in Johannesburg have resulted in the substitution of a majority of the Ratepayers' party for the Labour Party, which should make for greater stability.

Letters to the Editor.

THE ROAD FUND.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Can you explain to me this outcry at the suggestion that the Chancellor of the Exchequer should treat the money derived from motor licences as part of the ordinary revenue? I can understand the illustrated papers, with their motor advertisements, speaking on behalf of the motor owners; I can even pardon their insolent reference to "our money," but I cannot understand how Liberal and Labour organs can echo the parrot cry of "Raiding the Road Fund."

If the licence fee paid by a motor-owner is a tax like the fee one pays for a dog or a gun, the Chancellor of the Exchequer has just the same right of dealing with the revenue from it as he has with the yield of the beer duty. No one suggests that the proceeds of the beer duty should be spent in improving public-houses, or even in providing the counter-attractions desired by Mr Sherwell. Is there any kind of expenditure which gives a better indication of ability to pay taxation than the ownership of a motor vehicle?

While the taxation of private motor-cars approaches equity, though the horse-power formula is obsolete and luxury cars ought to pay a higher rate, the scale applied to commercial motor vehicles runs contrary to all principles of taxation, since it makes the poor man and the small vehicle pay at a higher rate than the wealthy firm and the big vehicle. The following table speaks for itself.

15 one-ton vans pay	£ 240
5 three-ton vans pay	125
3 five-ton vans pay	90

Now that the Railways Act of 1921 has made the travelling and trading public the senior partner of the railway companies by saying that 80 per cent. of any extra profits or savings shall be used to lower fares and rates, the community loses twice over when traffic is diverted from rails to roads.—Yours, &c., J. E. ALLEN.

1 Mitre court buildings, Temple, E.C. 4.

Books and Publications.

THE INDUSTRIAL REVOLUTION.*

MR and Mrs Hammond have given in their new book a vivid sketch of the English industrial revolution regarded as an episode in world history. They have written, the preface explains, for the general reader and not for the specialist, but both these should enjoy the book. "Specialist or not, the reader can scarcely fail to appreciate the literary skill with which the drama is staged or to note that, impartial as is the presentation of events, there is yet a personal note which heightens the attractiveness of the style.

The character of the industrial revolution is brought out by contrast with the developments which preceded it. Commerce, before the discovery of the Atlantic routes, was confined to luxuries. Self-supporting peasant communities lived lives of limited outlook under the spell of custom. With the discovery of the Atlantic routes commerce changed in scope and character, and came to be concerned with the daily wants of the peoples. This commercial revolution was a necessary prelude to the later industrial revolution. There was a movement from a feudal to an acquisitive society. Individual liberty succeeded mutual obligation. The attraction of adventure became stronger than the spell of custom. A new development was the organisation of credit. A combination of circumstances hastened the transformation of England from a peasant into an industrial country, and, with the age of mechanical invention, came the industrial revolution, but "the most significant thing about that revolution was that it gave to capital a much wider control of the life of men and of States."

"The most important force in making the English an industrial people was the destruction of the village." In the eighteenth century "neither Church nor Guild survived to offer any obstacle to the view that headlong wealth was the sovereign good for society and for the individual,

* "The Rise of Modern Industry." By J. L. and Barbara Hammond. (London) Methuen and Co., Limited. 1925. 10s 6d net.

for cities, and for men." And the moral atmosphere of the slave trade—the influence of which is strongly dwelt upon—prevailed in the early days of the factory system. "The age had turned aside from making a society in order to make a system of production."

The evils and problems that flowed from prizing wealth as an end in itself are shown, and then the final chapter deals with the beginnings of a new society, but beyond the middle of the nineteenth century the story does not go. The book is a piece of history well told. As such it is necessarily incomplete. The end is not yet, and though to continue the tale into more recent years would be a task of difficulty, it is one which the authors might well be induced to essay.

BOOKS RECEIVED.

Das Erdöl—Seine Physik, Chemie, Geologie, Technologie und sein Wirtschaftsbetrieb. Vol. VI. Von C. Engler and H. V. Höfer. 60m. 1925. (Leipzig) S. Hirzel.

Lloyd's List Law Reports. Digest No. 2. Edited by Charles W. Muir and R. Unwin Davis. (London) Lloyd's, Royal Exchange.

Currency. An Indictment. By A. S. Baxendale. (London) Cecil Palmer, 6s net.

Daily Mail Year-Book, 1926. (London) Associated Newspapers. 1s net.

International Labour Review, November, 1925. (London) George Allen and Unwin, 2s 6d net.

This includes articles on the following subjects:—The Co-operative Movement and Co-operative Law; A Systematic Scheme for an Employment Policy; Co-operative Work in the French Printing Industry.

The Alliance Year-Book and Temperance Reformers' Handbook for 1926. Edited by G. B. Wilson. (London) United Kingdom Alliance. 2s.

The Psychology of Handwriting. By Robert Saudek. (London) George Allen and Unwin, Limited. 12s 6d net.

The Economic Journal, December, 1925. Edited by F. Y. Edgeworth and J. M. Keynes. (London) Macmillan and Co., Limited. 6s net.

Kelly's London Post Office Directory, 1926. (London) Kelly's Directories, Limited. 55s.

OFFICIAL PUBLICATIONS RECEIVED.

The following may be obtained from H.M. Stationery Office, Adastral House, Kingsway, W.C. 2:—

Land Settlement in England and Wales, 1919-1924. 2s 6d net.

Statement showing the Number of Persons in receipt of Poor-Law Relief in England and Wales in the quarter ending September, 1925, with some particulars as to the number of "Unemployed" persons in receipt of such relief. 3d net.

Companies. Thirty-Fourth General Annual Report by the Board of Trade, 1925. 1s net.

Report on the Finances, Administration, and Condition of the Sudan in 1924. Cmd. 2544. 1s 3d net.

League of Nations. International Labour Conference—Draft Conventions and Recommendations adopted by the Conference at its Seventh Session, May 19th-June 10, 1925. Cmd. 2536. 9d net.

Papers relative to the liquidation of the Government interests in the British Dyestuffs Corporation, Limited. Cmd. 2545. 4d net. 1925.

Ninth Annual Report of the National Savings Committee, 1925. 2d net.

Department of Overseas Trade:—

Report on the Economic and Industrial Conditions in France. By J. R. Cahill. July, 1925. 8s net.

Report on the Conditions and Prospects of British Trade in India, 1924-5. By Thomas M. Ainscough. 5s 6d net.

BARCLAYS BANK LIMITED.

Head Office: 54 Lombard Street, London

AUTHORISED CAPITAL . . . £20,000,000
ISSUED CAPITAL . . . £15,592,372
RESERVE FUND . . . £8,250,000
DEPOSITS, etc. (30th June, 1925) . . . £298,947,270

FOREIGN EXCHANGE TRANSACTIONS ARRANGED.

CHIEF FOREIGN BRANCH:
168 Fenchurch Street, London, E.C. 3.

STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET, December 16. ACCOUNT, December 17.

The whole of the Stock Exchange markets remains under the influence of the rubber boom, which has been tearing along in its reckless fashion at a rate almost as swift as it has hitherto attained in any previous week since last May. The settlement of rubber shares, to be dealt with next week, is of enormous proportions, and its financing demands such amounts of money as rendered it necessary for stocks and shares in other parts of the House to be sold in order to provide the necessary capital. The new issues which follow one another with such rapidity are absorbing a good deal of floating cash, though to-day's methods of allotment are very different from those that prevailed in the pre-war times, when a company would sometimes take three or four weeks before it returned to disappointed applicants the money sent in the first place for subscription to the shares. To-day, it seldom takes more, and frequently less, than a week, to get through this part of the business.

The 5 per cent. Bank rate is disappointing some of the people closely connected with money stocks, in that it has not checked the outflow of gold. On this account, Stock Exchange authorities begin to talk vaguely of the possibility of a further advance, and, although this did not materialise on Thursday, the purely investment securities became dull. Most of the British Government stocks have declined a little, though curiously enough, certain Home Railway debenture and prior-charge stocks are in such short supply that they are more readily sold than bought at good prices.

The issue of the German Potash Loan achieved a striking success, the subscription lists closing rapidly after they opened. The main object of interest in Foreigners at the moment is the Peruvian Corporation group, where prices have fluctuated according to the views taken as to what next week's meeting may disclose in the way of dealing with dividend arrears on the preference. The European loans are steady. Chinese have given way in most cases. South Americans have come upon quiet times, and French bonds are singularly featureless.

The Home Railway market cheered up on the news published in connection with the national arbitration award, and the various rumours that arose thereafter in connection with this. Fears of dearer money stepped in, and the market became flat again. Argentine rails continue to be affected by the uncertainty regarding the outbreak of rust, though the visitation is not thought likely to affect the bigger companies to any material extent. United of Havana turned harder after its sharp fall: it is said that the Americans are again on the look-out for cheap stock.

The rubber boom is the outstanding feature of the Stock Exchange. How to cope with the rush of business is a matter that makes the utmost demands upon the energies of those connected with it. The pace has been tremendously hot, and the area of interest appears to widen with every day. Monday, however, was the most strenuous. Towards the week-end hesitation occurred; activity subsided to some extent, and a note of uncertainty supervened. There was a good deal of profit taking in advance of next week's settlement—the last Stock Exchange account in the present year.

The tea market is quiescent, but shows signs of reviving strength. The oil market has lost a good many of its jobbers, who have migrated into the adjacent and more popular rubber section, on account of the indifference with which oil shares are now regarded by the public. Artificial silk shares have been weak, with the exception of Courtaulds, where dividend expectations sufficed to hold the price fairly steady. The reorganisation of Vickers came as no surprise to many people, who had been expecting that some such step would have to be undertaken within the next few months. The shares hardened on the news, although the iron and steel market is dull on the whole. Shipping shares are also easier. The Cunard's new debenture issue came as a surprise. There have been a few falls amongst insurance shares; fluctuations in the

banking department are irregular as they are insignificant. The brewery market has gone back, and tobacco shares, after a show of animation, were disposed to droop for want of interest. Crosse and Blackwells have been flat, on the forthcoming new issue. A general rise occurred in London electricity supply shares to the accompaniment of favourable rumours connected with the County of London company. A number of prices in the motor share market eased off. Wireless and cable stocks have been uninteresting.

Kaffirs present no outstanding feature. The platinum improvement was maintained, but gold producers' shares lack lustre in spite of impending dividend announcements. Rhodians and Diamonds are equally quiet to dull. Tin-mining descriptions have gone back in many cases; the Middle East group is providing, however, some excellent dividend announcements. West Africans remain dormant, and base metal shares of all kinds are inclined to droop. The mining markets wind up the year in a manner characteristically quiet.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded.....	£ .. 211,995,499	£	£	£
ISSUES OF THE WEEK—				

NATIONAL SAVINGS CERTIFICATES.

NET RECEIPTS INTO THE EXCHEQUER WEEK TO DEC. 5, 1925.

April 1, 1925, to Dec. 5, 1925 ..	£2,200,000	£ .. 50,000	£ .. 50,000	
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To the Public—				
City of Launceston (Tasmania), £150,000 5% Debts, red. at par July 1, 1946, iss. at 98%..	150,000	147,000	7,500	139,500
Potash Syndicate of Germany, £5,000,000 7% Bonds, at 94% ..	5,000,000	4,725,000	250,000	4,475,000
Nura Art. Silk Co., 300,000 Ord. Shares of £1, at par ..	300,000	300,000	37,500	262,500
Ditto, 120,000 Def. Shares of 4s, at par ..	24,000	24,000	12,000	12,000
Central Perak Rubber, 400,000 Shares of £1, at 25s ..	400,000	420,000	100,000	320,000
Kuala Krau Rubber Co., 400,000 Shares of 2s each, at par ..	40,000	40,000	20,000	20,000
Sungei Tiram Rubber Estate, 2,850,000 Shares, 2s, at par ..	285,000	285,000	71,250	213,750
Peureula (Sumatra) Rubber Estates, 500,000 Shares, 2s, at par ..	50,000	50,000	12,500	37,500
Townhead Mill Co., 120,000 Shrs., £1, at par ..	120,000	120,000	30,000	90,000
Green Western Slate Quarries, £29,500 8% (free of income tax) Participating Conv. Ist Mt. Debts, at par ..	29,500	29,500	2,950	26,550
West African Development Trust, 80,000 Shrs., 5s, at par ..	20,000	20,000	10,000	10,000
Total offered to the public ..	£ .. 6,160,500	£ .. 553,700	£ .. 5,606,800	

To Shareholders only—				
Serre (Achoille), 30,000 Ord. £1, at £1 5s ..	30,000	37,500	3,750	33,750
Do 45,000 6% Cum. Ptg. Pref., £1, at par ..	45,000	45,000	5,625	39,375
Covenanter Chain, 100,000 Ord. Shares, £1, at 25s ..	100,000	100,000	100,000	..
Investment Trust Corporation, 40,000 Shares, £5, at £8 10s ..	800,000	340,000	20,000	320,000
Second Investors' Mortgage Security, 12,500 Shares, £10, at £12 15s ..	125,000	159,375	46,875	112,500
Johore Para Rubber, 10,000 Shares, £1, at 25s ..	10,000	12,500	12,500	..
East Asiatic Rubber Estates, 2,000,000 Shares, 2s, at 3s ..	200,000	300,000	300,000	..
Lenggang Rubber, 15,000 Shares, £1, at £2 ..	15,000	30,000	7,500	22,500
Ruban Rubber Estates, 30,000 Shares, £1, at 25s ..	30,000	37,500	22,500	15,000
National Omnibus and Transport, 42,916 Ord. Shares, at par ..	42,916	42,916	42,916	..
Total to shareholders only ..	£ .. 1,104,791	£ .. 561,666	£ .. 543,125	

Total offered for subscription to date in—	Total offered for subscription for whole year—
1925..... 219,310,790	1924..... 209,326,100
1926..... 194,618,824	1925..... 271,393,173
1927..... 269,927,445	1926..... 575,676,650
1928..... 571,887,650	1927..... 388,978,203
1929..... 370,141,418	1928..... 367,549,656
1930..... 362,833,397	1929..... 1,036,069,261

City of Launceston (Tasmania).—This is an issue of £150,000 5 per cent. debentures, 1946, at £98 per cent. Principal is repayable at par on July 1, 1946, and interest is guaranteed by the Tasmanian Government. The total debt of the Council on February 28th last was £599,400, the annual contribution to sinking fund is about £7,000, and accumulated sinking fund at June 30, 1924, was £123,137. The unimproved value of lands is £6,800,000, and the annual value £240,000. The revenue for the year ended June 30, 1924, was £208,697, and expenditure, including interest and sinking fund, amounted to £195,534. The yield on the debentures at fund, amounted to £5 2s per cent., which does not sound attractive.

The Potash Syndicate of Germany.—This is an offer for sale at £94½ per cent. of £5,000,000 7 per cent. bonds (Series A). The bonds form part of an authorised total of £15,000,000, and

are being issued simultaneously as to £1,000,000 in Holland, £300,000 in Sweden, and £1,700,000 in Switzerland. They are redeemable at £102½ on or before November 1, 1950, by the half-yearly operation of an accumulative sinking fund, commencing in August next. The Syndicate reserves the right of redemption at £105 per cent. on and after November 1, 1935, and before November 1, 1940, and at £102½ on and after November 1, 1940. The bonds are a direct obligation of the Syndicate (which includes every owner of a potash mine or factory in Germany), in which is vested for a period extending beyond the maturity of the bonds, the sole right in Germany to deal in and export potash and potash compounds. It is stated that the average proceeds from the sales of the Syndicate (on which the bonds are a first charge) for the past three years amount to over four times the service of Series A. The Syndicate was formed in 1919 to control the German potash industry. In 1913 the value of Germany's sales of potash was £5,640,000, in 1923 £2,860,000, in 1924 £2,820,000, and for the current year the figure is estimated at £3,600,000. The sum required for the annual service of the bonds is approximately £700,000. The proceeds of the issue will be used to develop the industry, and will enable the members of the Syndicate to pay off their funded debts, which amount to about £2,350,000. The capital of the Syndicate is 1,500,000 gold marks, with a liability on its members of 30 times the original nominal capital subscribed by them. The bonds are well secured, and should constitute an attractive holding.

Great Western Slate Quarries, Limited.—Authorised share capital £40,000 in £1 shares, of which £10,007 has been issued. This is an issue at par of £29,500 8 per cent. participating convertible first mortgage debentures of £10 each. The debentures are a first charge upon the freehold and leasehold properties, and a floating charge upon the remaining assets. Holders are entitled to participate up to 20 per cent. in surplus profits, and have the option of conversion into ordinary shares at par until August 31, 1928, on one month's notice. Any debentures not converted are to be redeemed on September 1, 1940, at a premium of £1 5s per debenture. The company was incorporated in June last to acquire freehold and leasehold properties known as the Great Western Slate Quarries, Somerset, covering 52,722 acres. Of this, some 52 acres are held under lease, expiring in March, 1975. The quarries have been valued at £55,000. The purchase price is £21,755, payable as to £10,000 in cash, and the balance in cash or debentures. The prospectus states that "the company also grants to the vendors (a) the right to subscribe at par until August 16, 1925, for 5,000 ordinary shares of £1 each, and (b) the further right until November 30, 1928, to subscribe at par for any ordinary shares not called for by the debenture holders under their rights of conversion." It is not stated, however, whether the first-mentioned option has been exercised. No particulars are given of past production, costs, or profits, and the issue is described as a pure speculation.

Cunard Steamship Company, Limited.—Capital, £6,950,209, of which £1,000,000 has been issued. There is also outstanding £260,000 of 6 per cent. first mortgage debenture stock and £4,000,000 of 7 per cent. mortgage debenture stock. This is an issue of £1,000,000 of 5 per cent. mortgage debenture stock, 1941-46, the proceeds of which will be utilised for the redemption of the 7 per cent. stock. The price of issue is £98 per cent., and the stock is redeemable at par on February 1, 1946, the company reserving the right of redemption at par any time prior to or after February 1, 1941, on six months' notice. The prospectus states that "the repayment of the 7 per cent. stock, the present issue, will be specifically secured by first mortgage debentures on the vessels, and by transfers of the ship mortgages at present forming the specific security for the 7 per cent. stock. It will also constitute a floating charge on the whole of the assets. Upon the final redemption in 1927 of the 2½ per cent. 'Government' stock, the issue will become a first mortgage charge on the specifically mortgaged assets. It is provided in the trust deed that the amount of outstanding debenture stock shall be limited to a sum not exceeding 40 per cent. of the value of the vessels and ship mortgages and 60 per cent. of the value of any further vessels and ship mortgages which may become part of the security. The company was established in 1840, and, according to the last balance-sheet tangible assets totalled £24,772,947, while net assets were £16,000,000. Profits, before allowing for taxation and interest, have risen from £734,384 in 1915 to £1,621,045 in 1924. Debenture interest, including that on the present issue, but without allowing for that on the 7 per cent. stock, now being redeemed, requires £220,706 per annum. The issue is well secured, and can be recommended to investors.

Textile Trades Corporation.—Capital, £1,112,500. This is an issue of £1,000,000 7 per cent. 20-year trust certificates to bearer. The loan will be secured (a) by a deposit of a bond of indebtedness of the Textile Trade Corporation for £1,000,000 sterling, (b) by the unconditional guarantees of 11 subsidiary companies, and (c) specific first closed mortgages on the fixed

assets valued at £3,345,000, subject to the Dawes Public Liens and existing mortgages amounting to £11,000. The latter are now to be paid off. Redemption will be effected by means of half-yearly drawings at £102½, commencing in October, 1926. The corporation reserves the right of redemption, on three months' notice from April 1, 1933, to October 1, 1935, at £105 per cent.; on April 1 or October 1, 1936, at £104½ per cent.; and on April 1 or October 1, 1937, at £104 per cent., and so on, with annual reductions of one quarter per cent. until April 1, 1944, and thereafter at £102½ per cent. The net assets as at December 31st last amounted to £4,250,000, and net profits in 1924 totalled £222,600. It is stated that "it would be misleading to give figures of profits made during the inflation period in Germany, but it may be stated that the 11 companies have been consistently prosperous over a long period of years. The distribution last year was 6 per cent." It is also reported that the Textile Trades Corporation has undertaken that in every half-year the proceeds of exports to an amount sufficient to cover six months' interest and sinking fund shall accumulate in a special account with the British Overseas Bank, a speculative issue not without attraction.

Western Viscose Silk Mills, Limited.—Capital £400,000 divided into 300,000 10 per cent. preference £1 and 1,000,000 deferred 2s shares. This is an issue of the whole of the capital. The company has been formed to manufacture artificial silk yarns by the Viscose Process. It has entered into a contract for the purchase of the Great Western Cotton Mills, Bristol, subject to a mortgage of £960, at a price of £100,000, payable as to £30,000 in cash, £58,334 in preference shares, and £11,666 in deferred shares. The mills have been valued at £102,945. The total cost of the initial unit of plant and machinery, and of the general equipment of the factory for the production of 27,500 lbs per week, is £148,119. The total underwriting commission is 4 per cent. The company is under responsible management, and has secured the services and assistance of two experienced chemists.

Bursledon Brick Company, Limited.—Particulars of the company are advertised in compliance with Stock Exchange regulations. The authorised and issued capital is £72,000, divided into 22,194 5 per cent. cum. preference £1 and 100,000 ordinary 10s. shares. The company was originally incorporated with a capital of £50,000, and acquired a brick manufacturing business, the consideration for which was the allotment of £30,817 in shares and the discharge of certain liabilities, which have now been cleared off. In 1921 the company capitalised £12,000, and in 1925 £20,000 of its reserve funds. The works and some 72 acres of clay land are situated at Lower Swanwick. Application is being sought for permission to deal in the issued capital. Investors should note that no particulars are given in the advertisement regarding past results.

Kirkless Artificial Silk Manufacturing Company, Limited.—Capital £100,000, in 80,000 10 per cent. preferred ordinary £1 and 200,000 deferred ordinary 2s shares. This is an issue at par of 67,500 preferred ordinary and 135,000 deferred ordinary shares. The company has been formed to manufacture artificial silk by means of the viscose process, and has entered into a contract for the purchase of freehold land, buildings, machinery, &c., at Gloucester (where artificial silk has been produced for three years), and at Bury, for a total sum of £40,000, payable £30,000 in cash and £10,000 in shares. The company has acquired the services as general manager of a gentleman formerly employed by Messrs. Courtaulds, Limited. The properties being acquired are valued, as a going concern, at £42,922. The underwriting commission is 3½ per cent.

Wuara Art Silk Company, Limited.—Capital £420,000 divided into 300,000 ordinary shares of £1 each and 600,000 deferred shares of 4s each. This is an issue of all the ordinary and 120,000 deferred shares at par. The company, as its title implies, has been formed to carry on the business of manufacturers of artificial silk and staple fibre, and has acquired, for that purpose, patents, processes, &c., from a German concern, whose Breslau factory it is intended to reproduce here. The sole purchase consideration is the allotment of 480,000 deferred shares.

West African Development Trust, Limited.—Authorised share capital £25,000, in shares of 5s each. This is an issue of 80,000 shares at par. The company has been formed to acquire certain assets from the West African Selection Trust, Limited, to secure properties and concessions in West Africa, &c. The Trust holds a large interest in Kayiakour, Limited, which owns mining and agricultural rights over approximately 11 square miles in the Gold Coast Colony. The assets have been acquired for £5,000, payable in shares. It is stated that the capital will be used chiefly in preliminary testing of and reporting on different properties, &c., so that the future largely depends on how these tests turn out. The shares can only be regarded, therefore, as a speculation.

Townhead Mill Company, Limited.—Share capital £120,000 in £1 shares, all of which are now offered for subscription at par. The company has been formed to acquire a cotton-spinning business in Rochdale, which was established in 1850, and in 1899 was formed into a private limited company. The undertaking is being taken over as a "going concern." The assets comprise land, buildings, machinery, plant, &c., which, lumped under one heading, figure for £95,000, and stock-in-trade and stores which amount to £22,000, making a total of £117,000. It is not stated how these figures are arrived at, or whether they have been independently valued. The purchase price is £117,000, payable in cash. The prospectus is not a clear document, and no particulars of past profits are given.

Kuala Krau Rubber Company, Limited.—Share capital £75,000 in 2s shares, of which £14,600 has been issued. This is an issue of 400,000 shares at par. The company was incorporated in 1917 as a private undertaking, and was converted into a public company in November last. It owns an estate of 2,997 acres in Pahang, F.M.S., of which 473 acres are planted with rubber. It is stated that until the beginning of 1924 the company was short of funds, and upkeep suffered accordingly, but further financial arrangements were then made, and a cleaning-up programme was instituted. The proceeds of the present issue are to discharge the loan of £19,500 (borrowed for the purpose of paying off the debenture stock), and to provide capital for extensions to the planted area. The issue has been underwritten for a commission of 3½ per cent. The company is under excellent management, and should do well when additional acreage is producing.

Merah Rubber Estates, Limited.—Share capital £85,000 in 2s. shares, all of which have been issued. Particulars are advertised in compliance with Stock Exchange regulations. The company has been incorporated to acquire rubber estates in Kedah, Malay Peninsula, of 1,448 acres, most of which is planted. The purchase price is £70,000, payable in cash.

Central Perak Rubber Company, Limited.—Capital £500,000 in £1 shares, of which 400,000 are now offered for subscription at 21s per share. The company has been formed to acquire and develop rubber estates in Malay of 9,771 acres, of which 3,134 acres are planted with rubber. The purchase price is £332,311 in cash, plus an option until December 31, 1928, to subscribe for 50,000 shares at 21s per share. The directorate is an experienced one.

Sungei Tiram Rubber Estate, Limited (Malaya).—Capital £300,000, in shares of 2s each. This is an issue of 2,850,000 shares at par. The company has been formed to acquire an estate of 2,804 acres in Johore. The planted area is about 2,775 acres, of which 550 acres are classified as "good," 1,465 as "fair," and 650 as "poor." The prospectus also frankly admits that "the property is similar to other estates in South Johore, in that the growth of the trees is impaired." The purchase price is approximately £223,000 in cash, and a further sum of £11,500, together with the right to subscribe at par for 150,000 2s shares on or before December 31, 1929. The underwriting commission is 4 per cent. The property is obviously only second-class, and the future is problematical.

Peureula (Sumatra) Rubber Estates, Limited.—Authorised share capital £60,000, in shares of 2s each. This is an issue of 500,000 shares at par. The company has been formed to acquire, work, and develop certain rubber plantations in Sumatra. The total area is 5,500 acres, of which 370 acres are planted. The purchase price is £29,000, but it is not stated how this is payable. In view of the small planted acreage, the company will not, of course, be able to share to any extent in the present prosperity of the industry. A considerable amount of development work must be undertaken before the company commands a good output commensurate with the large acreage acquired.

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

ACTIVE SECURITIES.

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

British and Colonial Government Securities.					American Government Securities.				
	Price	Week	Latest	Rise or		Price	Week	Latest	Rise or
	12/12/25	12/12/25	12/12/25	Fall		12/12/25	12/12/25	12/12/25	Fall
War 5%, 1925-28	97½	97½	97½	..	U.S. 4%, 1931-41	104	104	104	..
War 4½%, 1925-46	95	95	95	..	India 3½% Stock	67½	66½	66½	..
Loans 5%, 1925-47	100½	100½	100½	..	Do 7½% 1926-31	105	105	105	..
Funding Loan 4½%, 1925-43	100½	100½	100½	..	Do 4½% 1933	102½	102½	102½	..
Victory Bonds 4½%	85	85	85	..	N.S.W. 4½% 1922-36	88	88	88	..
Conversion Loan 3½%	75	75	75	..	N. Zealand 5% 1940	100	100	100	..
Consols 2½%	54½	54½	54½	..	Nigeria 6% 1940-70	112	112	112	..
Irish Land Stock 2½%	67½	67½	67½	..	U. of S.A. 6% 1920-40	103	103	103	..
Local Loans 3%	63½	63½	63½	..	Victoria 5½% 1924-34	100	100	100	..
					W. Aust. 6% 1920-40	101	101	101	..

British Railways.					Colonial and Foreign Railways.				
	Price	Week	Latest	Rise or		Price	Week	Latest	Rise or
	12/12/25	12/12/25	12/12/25	Fall		12/12/25	12/12/25	12/12/25	Fall
Great Western, Ord.	87½	85½	85½	..	Southern, Ord. "A"	388	394	394	..
London & North-Eastern	202	198	198	..	Do "B"	72	72	72	..
5% Pref. Ord.	55½	54½	54½	..	Do Pref. Ord.	72	72	72	..
Do Def. Ord.	202	198	198	..	Do Def. Ord.	42	42	42	..
London, Mid. and	75	73½	73½	..	Underground Electric	2½	2½	2½	..
Scottish, Ord.	70½	69½	69½	..	Do "A" (1/)	158	158	158	..
Metropolitan	47½	47½	47½	..	Do Inc. Bds. (£100)	97½	97½	97½	..
Metropolitan District	47½	47½	47½	..					
Colonial and Foreign Railways.					American Railroads.				
Antiochian Cons.	90	88	88	..	Grand Trunk Pacific,	48	48	48	..
B.A. and Pacific	84	82	82	..	4% Debts.	35	35	35	..
B.A. & Gt. Southern	89½	87½	87½	..	Leopoldina	35	35	35	..
Buenos Ayres West.	79	77	77	..	Mexican Railway	74	74	74	..
Canadian Pacific	151½	150	150	..	Do 1st Pref.	24	23	23	..
Central Argentine	73	71½	71½	..	San Paulo	168	168	168	..
Cordoba Cen. Ord. Stk.	25½	25½	25½	..	United Havana	101	101	101	..
Chesapeake & Ohio	121½	121	121	..					
Erie	39	39	39	..	Southern	120	120	120	..
Do 4% 1st Pref.	44	45	45	..	Do Non-cum Pref.	95	95	95	..
Anglo-American "A"	24½	24½	24½	..					
Marconi Wireless	1½	1½	1½	..	Marconi Canada	½	½	½	..
					Marconi Marine	½	½	½	..
Foreign Government Securities.					Telegraphs.				
Argentina 5%, 1886-7	101	101	101	..	Marconi Canada	½	½	½	..
Austrian 6% Guar. 98	98	98	98	..	Marconi Marine	½	½	½	..
Belgian 3%	75	75	75	..					
Brazil 5% Fund. 1914	78	78	78	..					
Chilian 4½%, 1895	85	85	85	..					
Do 7½%	105	105	105	..					
Chinese 5%, 1912	82	82	82	..					
Egyptian 4%	14½	13½	13½	..					
French 5%	123	112	112	..					
Do 4%	123	112	112	..					
German 3% Loan	102½	102½	102½	..					
Do 7%, 1924	102½	102½	102½	..					
Barclays B. (£1, Lpd.)	24½	24½	24½	..					
Chartered Bk of India	20½	21½	21½	..					
Lloyds (£5 with £1	32	32½	32½	..					
paid	32	32½	32½	..					
Midland (£12, with	8½	8½	8½	..					
£24 paid)	8½	8½	8½	..					
Nat. Bank of Egypt	34½	34½	34½	..					
(£10)	34½	34½	34½	..					
Ashanti Gold (4/)	11	11	11	..					
Brakpan (£1)	11	11	11	..					
Broken Hill Prop. (£1)	11	11	11	..					
Burma Corp. (Rs. 10)	11	11	11	..					
Cam & Motor (£1)	11	11	11	..					
Central Mining (£8)	11	11	11	..					
Chartered (15/)	11	11	11	..					
City Deep (£1)	11	11	11	..					
Cons. Gold Fields (£1)	11	11	11	..					
Crown Mines (10/)	11	11	11	..					
De Beers Def. (£2½)	11	11	11	..					
East Rand Prop. (£1)	11	11	11	..					
Geduld (£1)	11	11	11	..					
Gov. Gold Areas	11	11	11	..					
Johannesburg Cons.	11	11	11	..					
Malayan Tin (£1)	11	11	11	..					
Modderfontein (10/)	11	11	11	..					
Aerated Bread (£1)	11	11	11	..					
Amal. Cottons (£1)	11	11	11	..					
Anglo Persian Oil (£1)	11	11	11	..					
Armstrong (Sir W.G.)	11	11	11	..					
and Co. (£1)	11	11	11	..					
Ass. Plant. Cement (£1)	11	11	11	..					
Barker, John (£1)	11	11	11	..					
B.P. Small (1/)	11	11	11	..					
Bleachers (£1)	11	11	11	..					
Bradford Dyers (1/)	11	11	11	..					
British Traction (£100)	11	11	11	..					
British-American	11	11	11	..					
Tobacco (£1)	11	11	11	..					
British Controlled	11	11	11	..					
Oil (£5)	11	11	11	..					
Bryant and May (£1)	11	11	11	..					
Burmah Oil (£1)	11	11	11	..					
Coats (J. and J.) (£1)	11	11	11	..					
Coates (£1)	11	11	11	..					
Courtaulds (£1)	11	11	11	..					
Cunard (£1)	11	11	11	..					
Cunard Long (£1)	11	11	11	..					
Dunlop Rubber (£8/)	11	11	11	..					
Fine Cotton Spinners	11	11	11	..					
(£1)	11	11	11	..					
Forestral Land (£1)	11	11	11	..					
Furness, Withy (£1)	11	11	11	..					
Highlands and Low-	11	11	11	..					
lands Rubber (£1)	11	11	11	..					

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per annum, except where marked % or stated in Cash.		Method of Payment.	Dividend for Whole Years		
	Interim or Final.	Date of Payment.		Lat'est Year.	Pre-vious.	
Railways.						
Assam Railways and Trading ..	8	Dec. 22	..	..	%	
New York Central	12½	Feb. 1	..	..	%	
Macraes and Southern Mahratta	34	..	..	9	..	
Banks.						
Italo-Belgian	..	..	..	10	8	
Insurance.						
Eagle Star and British Dominion	5%+	..	Less tax	20	20	
South British	1/1p.s.†	..	..	2/1p.s.	1/11p.s.	
Mining.						
Cam and Motor Gold	12½	..	Less tax	..	..	
Consol. Diamond of S.W. Africa	12½	..	..	..	..	
Frontino and Bolivia	14½	..	Less tax	5	10	
Idris Hydraulic Tin	1/ p.s.	Dec. 31	Less tax	..	..	
Kamunting Tin	1/6 p.s.	Ja. 30	Tax free	..	..	
Kinta Tin	1/ p.s.	(&bonus	1/ p.s.)	..	..	
Leueppoor Tin	7½	..	Less tax	..	..	
Lonely Reef	5%+	Jan. 29	..	..	..	
Messina (Transvaal) Developmt	6 p.s.†	..	..	20	nil	
Mining Corporation of Canada ..	12½ p.s.	Jan. 30	Less tax	..	..	
Pari Tin	5%*	Dec. 29	Less tax	..	..	
Sherwood Standard Gold	10%*	..	..	..	..	
South African Coal	2½	..	Less tax	..	..	
South African Consol. Mines	15%*	..	..	..	..	
South Katanga Consolidated ..	1/ p.s.	Jan. 15	Less tax	..	..	
South-West Africa	5%+	..	..	10	10	
Sungel Beel	1/ p.s.	Dec. 29	..	..	..	
Rezende	15%*	..	Less tax	..	..	
Tomboy Gold	1/ p.s.	Jan. 7	Less tax at 4/	..	..	
Tronoh	1/6 p.s.	Jan. 12	Less tax	..	..	
Witwatersrand Deep	10%*	..	Tax free	..	..	
Tea and rubber.						
Assam Frontier Tea	3%*	..	..	..	..	
Badrinath Tea	7½%*	..	..	..	..	
Broomie (Selangor) Rubber ..	12½	Jan. 11	Less tax at 4/	..	..	
Dhendai Tea	15%*	Dec. 2	Less tax	..	..	
Ghoir Allie Tea	25%*	Dec. 2	Less tax	..	..	
Haydella Tea and Rubber	2 p.s.	Dec. 18	Less tax	..	..	
Kuala Lumpur Rubber	15%+	..	..	20	5	
Majuli Tea	10%*	Dec. 23	Less tax	..	..	
Makum Tea	10%*	..	Tax free	..	..	
Manchester N. Borneo Rubber	5%*	..	..	..	..	
Moabound Tea	10%*	Dec. 23	Less tax	..	..	
Nedden Tea	5%*	Dec. 22	Less tax at 4/1½	..	..	
Pashin Tea	10%*	Dec. 21	Less tax	..	..	
Pernias Rubber	12½*	..	Less tax at 4/	..	..	
Pontian (Malay) Rubber	..	..	..	20	..	
Pusing Rubber and Tin	5%*	Jan. 9	Less tax	..	..	
Rajnai Tea	30%*	Dec. 1	Less tax	..	..	
Selama (Malaya) Rubber	12½%*	Dec. 31	Less tax	..	6	
Sembilan	20%+	..	Less tax	27½	6	
Star Tea, Defrd.	1/ p.s.†	..	Less tax	1/3p.s.	1/3p.s.	
Surmah Valley Tea	10%*	..	..	..	..	
Tremelbye (Selangor) Rubber ..	10%*	..	Less tax	..	..	
Other Companies.						
Amalgamated Pr ss	10%*	Jan. 1	..	..	..	
Army and Navy Investment, Def.	..	..	..	13	12	
Ashton Coal	..	..	Tax free	4/ p.s.	..	
Barclay, Perkins	22 p.s.	Jan. 1	Tax free	..	..	
Batey and Co.	10%*	(&bonus	of 5) Less tax	..	..	
Bentley's Yorkshire Breweries ..	10%*	..	..	15	15	
Bluemel Bros.	12½%†	..	..	15	15	
British India Steam Navigation	..	..	Tax free	8	8	
Broughton Copper	5%*	..	Less tax	..	..	
Butterfly Co.	4 p.s.*	Dec. 31	Tax free	..	..	
Canadian Landed Investment ..	2½ (&	bonus	of 1%) Quarterly	5	..	
Cad Clothing and Belting	25%†	(&bonus	of 2/ p.s.) Tax free	50	50	
Carrington	..	..	..	..	..	
Charles Sharpe and Co.	3%*	Dec. 31	..	..	..	
Cleveland Bridge	3½%+	..	Tax free	6	7½	
Cornbrook Brewery	5%+	..	Tax free	10	10	
D. Jones Dickinson	3%†	..	..	6	6	
Eastern Smelting	..	..	Less tax	12½	10	
East Kent Road Car	..	..	..	10	10	
Edison, Swan Electric	..	..	Less tax	5	..	
First Garden City	..	..	Less tax	..	..	
Forestal Land, Timber, &c.	2½%*	Jan. 1	Less tax	..	..	
Frederick Sage	..	..	..	8	8	
Gaiety Cinema (Manchester) ..	6%*	..	..	..	..	
Greenwich Inland Linoleum	..	..	..	7½	7½	
Govt. & General Invest., Def.	..	..	..	15	14	
Hudson's Bay	10%*	Jan. 1	Less tax at 2/7	..	..	
Huronian Belt	..	..	Less tax	2/ p.s.	..	
Idris, "A" Ord.	..	..	..	10	10	
Do "B" Ord.	..	..	..	7	5	
Imperial Tobacconery of Canada ..	1%†	..	..	25	25	
Ind. Coope, and Co.	20%*	..	..	..	..	
Industrial Tea & Rubber Trust ..	..	..	Less tax	..	..	
James Finlay	2/ p.s.*	..	Less tax	..	..	
John and Edwin Wright	5%†	..	Tax free	7½	7½	
Leeds and Wakefield Breweries	5%†	(&bonus	of 2%) Tax free	11	10	
Leeds City Brewery	..	..	..	7½	5	
Lobitos Oilfields	10%*	..	Less tax	..	..	
London Cremation	..	..	..	10	10	
Malta and Mediterranean Gas ..	6	Dec. 16	Tax free	..	..	
Miner's Safe	2½%*	Dec. 31	Less tax	..	..	
Mitchell and Matthews	5%*	Jan. 5	Tax free	..	..	
Valder and Collyer's Brewery ..	£2 p.s.	(&bonus	of £1 p.s.)	..	..	
New Zealand Loan and Mercan-	..	..	..	..	..	
tile Agency	7%*	Dec. 11	Less tax	..	..	
Newca-tle Breweries	5%†	..	Less tax	8	..	
Northern American Trust	8½%†	..	..	17	16	
Oriental Steam Navigation, Def.	..	..	Tax free	12½	12½	
Pinner's Hall	..	..	..	9	8	
Power Gas	..	..	..	4	nil	
Reeves and Sons	6 p.s.*	Jan. 30	Less tax	..	..	
Reynolds's Brewery	10½%*	(&bonus	of 20%) Less tax	40	35	
Samuel Barlow	7½%†	..	..	12½	15	
Sawers, Limited	4%*	Dec. 24	Less tax	..	..	
Scottish American Mortgage ..	5%*	..	Tax free	15	12½	
Seabrooke and Sons	..	..	Tax free	15	15	
Showell's Brewery	..	..	..	5	..	
Star Explorations	..	..	Less tax	..	..	
S.T.D. Motors	3½%*	Dec. 31	..	..	..	
Stratton's Derby Brewery	6%†	(&bonus	of 5%)	15	10	
Tadcaster Tower Brewery	7%†	(&bonus	of 2%)	12	12	
Trust and Loan of Canada	5%*	..	Tax free	..	..	
United Automobile Services	3%*	..	Less tax	10	10	
United Indigo and Chemical	..	..	..	..	..	
United Velvet Cutters	13 p.s.	Dec. 31	Less tax at 4/	..	..	
Victoria Falls & Transvaal Power	3%*	Jan. 15	Less tax	..	..	
Warwick and Richardson's	7%†	(&bonus	of 4%)	14	18	
Waterloo and Sons, Def.	10%†	(&bonus	of 6 p.s.) Tax free	..	..	
Woolcock Brewery	..	..	Tax free	10	10	
West Surrey Central Dairy	..	..	..	21	21	

COMPANY MEETINGS, &c.

THE ROYAL BANK OF AUSTRALIA, LIMITED.

BUSINESS WELL MAINTAINED.

STRONG FINANCIAL POSITION.

DIVIDEND OF 10 PER CENT.

The half-yearly meeting of the Royal Bank of Australia, Limited, was held at Melbourne on October 29th.

Mr Randal J. Alcock, J.P. (chairman of directors), presided.

The balance-sheet and statement of accounts for the half-year ending September 30 was taken as read. It showed that the net profit amounted to £48,170, out of which £37,500 was absorbed in paying a 10 per cent. dividend, and £10,000 was transferred to the reserve fund. The balance of £670 was added to the amount carried forward from the previous half-year, making it £32,567.

THE CHAIRMAN'S SPEECH.

In moving the adoption of the report and balance-sheet, the Chairman gave a general review of the proceedings of the bank. He said: In addressing you on this occasion I wish briefly to refer to the report and balance-sheet, which you have had in your hands for some time. The business of the bank has been well maintained during the half-year, and I am sure that you will be pleased as usual to find that your directors' policy of keeping strong cash and other available assets always in hand has been continued—the present position being equal to almost 42 per cent. against total liabilities to the public.

As was to be expected, profits are less than usual, due mainly to the very narrow margin at present existing between current buying and selling exchange quotations—profits on the exchange side of all banks' business, in our opinion, are now being cut too fine, and sooner or later will call for adjustment, and we look for an improvement in this direction. Your directors recommend payment of the usual dividend at the rate of 10 per cent. per annum, and an additional £10,000 to the reserve fund, making it £630,000, and to carry forward the sum of £32,567—a position, I am sure, you will consider very satisfactory.

WOOL TRADE.

When I last addressed you there was a lack of confidence in the wool trade, prices had slumped, and it had been considered advisable to suspend sales. Fortunately, when the auctions were resumed in July, under careful regulation of the offerings, good competition was met with, and the demand has steadily widened since, thus dissipating the fear that much lower prices than ruled in April would have to be taken for this season's clip. Full catalogues have recently been offered and sold in all centres. Prices are most satisfactory, and there is every reason to believe that confidence has now been restored, and that the trade is anxious and willing to buy our wool. All sections are operating, but the strong buying on French account is the outstanding feature of the market. At July 1st there remained on hand unsold in Australia approximately 500,000 bales of the 1924 clip. That has since been practically all sold, and, in addition, over 200,000 bales of the new clip have been disposed of. There should be no financial difficulty in lifting the wool as bought, and so far ample tonnage has been available to take the wool to its overseas destination. Unfortunately, a large quantity of wool, which under normal conditions would have been carried in British ships, has, owing to the strike, been shipped in foreign vessels.

THE 1925-26 CLIP.

It is too early to say definitely what the outturn of the 1925-26 clip will be. Last year the sheep cut an exceptionally high average weight of wool per head. Reports received to date show that this season's average cut will not be so heavy, but as it is estimated that from 7,000,000 to 8,000,000 more sheep will be shorn, there should not be much difference in the total quantity of the two clips. On the whole, the wool this year is finer in quality than last, particularly soft handling, and consequently well suited to Continental requirements. But for the uncertainty of the shipping position, the outlook for the remainder of the season is most promising.

Although in the wide area over which the pastoral industry extends there are considerable districts where the supplies of feed and water are satisfactory, the outlook as a whole is causing some anxiety. Generally, the rainfall has been light, giving insufficient moisture to the subsoil to draw upon when the hot weather sets in. It is not yet too late for a good downpour, if followed by mild temperatures, to assure the outlook for summer, and in this respect it is important that the stock are in excellent condition.

DAIRY INDUSTRY.

At our last meeting I dealt fully with the dairy industry, and am pleased to say that a total of 58,794 tons of butter was exported from the Commonwealth for the year ending June 30th. During June and July of this year Great Britain and Europe were very droughty, and high values ruled for all imported butters. This had the effect of raising values here, and available stocks in Australia were cleared at satisfactory prices. Since July 7th high values have ruled right up to the present moment.

The shipping strike now existing caused an absolute cessation of shipments from New Zealand, where, up to last week, over 5,000 tons of butter were waiting to be exported to Great Britain. This fact has contributed largely to the high values which have been ruling in Australia for the last six weeks. The Commonwealth has been fortunate enough to date to clear her surplus with the limited freight available. To-day, easier conditions prevail, owing to the fact that the strike in New Zealand has collapsed, and the surplus butter is being cleared. One steamer alone which left Auckland the other week lifted 3,400 tons. This may have a bad effect in the London market later, on the realisations of Australian and New Zealand consignments, owing to heavy shipments from both countries landing in Great Britain at practically one period.

SMALLER EXPORTABLE SURPLUS.

The dairying areas throughout Australia are at the moment very dry, and for the next few months the exportable surplus will not approximate anything like last year's quantities by possibly 3,000 to 4,000 tons up to the end of the year. Some compensation to the dairy farmer on these lower quantities is that much higher values than last year are prevailing, both for Australian markets and export buying. The prices ruling during this month constitute a record for any previous seasons other than the war period when purchased by the British Government. Prices of cheese are in sympathy with the butter market. Victoria and New South Wales are absorbing all their production locally. Queensland has a fair surplus, and may be termed the cheese-importing State of the Commonwealth.

OTHER PRIMARY PRODUCTS.

Continuing the list of our primary products, metals are meeting with a good demand and a high market. Mount Morgan is not working, as a result of conditions well known to you, and Australia's export of copper is, on account of local demand, negligible. Lead, spelter, and tin prices are high. While indications are favourable, metal prices are, as you know, subject to violent fluctuations, and we can but hope that current quotations will continue. Meat is a difficult subject; here in Victoria we are chiefly concerned, as far as export goes, with prices and prospects of mutton and lamb. There appears to be a good and settled demand. Rain is wanted, but the position has been gravely affected by the shipping outlook, which has hampered operations. Taken as a whole, primary productions are thus seen to be in a satisfactory state, but, as regards imports and local and inter-State trade, conditions generally during the half-year have continued difficult.

THE SEAMEN'S STRIKE.

My speech would not be complete without a reference to what is called the British seamen's strike. It is not a strike in the ordinary sense of the word. As in the past, the wages of firemen and seamen were raised during a current voyage by a competent British authority; so, later on, they were lowered during a current voyage by the same authority representing all parties. Ostensibly on that account not only did a minority resort to strike tactics in British ports, but in places so far removed from Britain and one another as South Africa, Australia, and New Zealand similar cessation of work on the part of seamen, firemen, and stewards took place. Action of this kind which disturbs imports and exports is very far-reaching in its effects. At the moment, importers are feeling its immediate result more than exporters, as goods which in most cases have been paid for are not getting into their hands. As regards export, the net actual result to date is that the British owner who has been manning his ships with British seamen is suffering with his ships in Australian ports idle. This state of affairs, however, cannot continue, as meat, butter, and cheese re-

quiring refrigerated tonnage must shortly be shipped or lose their market. With British-manned ships cut out when the weight of wool and wheat seasons are on us, it is questionable what percentages can be lifted, and at what rate of freight. It is not possible to believe that these happenings are in the nature of an ordinary strike or the effects of constitutional unionism, but however that may be, everybody must know that paralysis of imports and exports, whether complete or partial, means bad times all round. If new doctrines be permitted to prevail new conditions must also arise, and it is extremely doubtful whether these new conditions would make for the prosperity or happiness of the individual, whatever may be his political creed, or of the community at large.

FEDERAL FINANCE AND SEASON'S PROSPECTS.

The outstanding feature of importance in the financial world has been the Federal conversion loan of £67,000,000, and it must be very gratifying to the Treasurer (Dr Earle Page) that it has so far met with such a large measure of success, over £55,000,000 out of the total being already subscribed. As regards the season in Victoria, the agricultural and dairying areas are suffering for want of rain, which is badly needed, but the position at this moment has not got beyond the anxious stage, and a timely precipitation may yet retrieve the situation.

Mr A. B. Cassidy, who seconded the motion, said that he noticed a difference in the expenditure in respect of salaries, rents, income-tax, &c. What particular items were responsible for the increase?

Mr Alcock said that the expansion consisted mainly of the increases which the bank was bound to make to the staff in accordance with the log. Of course, heavy taxes had to be paid, and this year the amount had been more than in previous years.

The motion was agreed to.

THE LONDON BRANCH.

Mr C. W. Gray said that he had just returned from a visit to England, and he wished to commend the directors for having inaugurated a branch in London. There was every reason to be proud of the institution and of the staff. He had noticed that the status of the bank had so increased that it would have to enlarge its premises. The directors were to be congratulated upon their foresight in establishing the London office. They were also to be praised for the balance-sheet and report.

VOTE OF THANKS TO THE CHAIRMAN AND DIRECTORS.

Having expressed pleasure at Mr Alcock's lucid explanation, Mr Gray moved that a very hearty vote of thanks should be passed to the chairman and directors for their services to the shareholders throughout the year.

The motion was unanimously agreed to.

In reply, the Chairman said that the directors appreciated all that Mr Gray had said regarding the London office. They knew that the staff there was capable, and that the position of the bank was the good. It was pleasing to hear an expression of confidence in the directors, who were all large shareholders in the bank, and who looked after the affairs of the bank as closely as those of their own businesses.

The General Manager (Mr Alexander A. Laing) said that he also greatly appreciated the fact that the directors had the confidence of the shareholders.

TATE AND LYLE, LIMITED.

DIFFICULT TRADING CONDITIONS.

The twenty-third annual ordinary general meeting of the shareholders of Tate and Lyle, Limited, was held, on the 10th instant, at the Cannon street Hotel, Cannon street, London, E.C., Sir Ernest W. Tate, Bart. (the president), in the chair.

Mr A. W. Young (joint secretary) having read the notice convening the meeting and the report of the auditors,

The President said: Gentlemen,—I presume it will be your pleasure that the annual report and balance-sheet, which has been in your hands for some days, shall be taken as read.

When I had the pleasure of addressing you last year I described to you the severe market conditions which had been experienced by the sugar trade all over the world.

SEVERE FALL IN PRICES.

Contrary to general expectation, this year has also been an exceedingly difficult year for all concerned. Over-extension of the world's sugar area some three years ago, when the price was abnormally lucrative, provided a potential supply far exceeding the world's immediate demands. This season's crops aggregating 23,500,000 tons—being 3,500,000 increase on last season—was chiefly due to Europe and Cuba, and the downward trend of the world's market, to which I made reference last year, has continued during the period covered by this present report.

Estimates of the world's crops were constantly increased as the

year progressed, and the estimate of the Cuba crop was amended no fewer than seven times, the final outturn being 500,000 tons more than the first estimate. The unexpected volume of production resulted in a continuous and severe fall in value, the price of raw sugar in the United Kingdom during our financial year falling nearly £10 per ton.

We have accordingly had to write off a large sum of money from our stocks and have brought them down to market value on September 30, 1925; but for this, our profit would have been one of the most satisfactory of recent years, as trading results for the year have been exceptionally good.

GOVERNMENT ATTITUDE TO SUGAR INDUSTRY.

I desire to make a digression at this point and refer to home-grown sugar. It will no doubt be within your knowledge that, since our last report was issued, we have identified ourselves with the home-grown sugar beet industry of this country. We have formed a subsidiary company under the title of "The United Sugar Company, of which we hold 50 per cent. of the shares, and the factory built at Bury St. Edmunds has now commenced work. We are negotiating for another factory at Selby, in Yorkshire, which we hope to have fully completed in time to deal with the crop next autumn.

We have been compelled to enter into this business because the Government insisted upon granting a subsidy on refined sugar—that is, the completely manufactured article—instead of on the basis of the raw article, which would have equally served the purpose of assisting agriculture while not injuring the existing refining trade. The Ministry of Agriculture brushed aside all our arguments as to the injustice of subsidising a new industry with doubtful prospects against an old-established British industry which by its position have proved its efficiency against the most formidable foreign competition.

I want to make it very clear that we still hold the unshaken belief that the sugar beet industry cannot survive in this country without a large subsidy or protection.

We would not have entered this business had it not been for the exceptionally high subsidy granted during the first few years and the unfair competition it sets up to our own industry.

RESERVES AND INVESTMENTS.

From the balance-sheet before you you will see that out of our profits for the year we have placed a further sum of £50,000 to reserve, making our total reserve funds over £1,150,000. Some newspapers, in dealing with our accounts, have remarked that we have put to reserve this year £50,000, against £100,000 last year. It is the opinion of the board that, having built up a total reserve of £1,100,000 since the amalgamation, a further sum of £50,000 is an ample addition.

Notice has also been taken of the large increase of our indebtedness to the banks. This is explained by our increased holdings of stocks, our decreased indebtedness to creditors, and our increases to property.

Our policy of maintaining the plant and machinery at our three refineries in the most efficient and up-to-date conditions has been strictly adhered to, and, although it does not appear in the accounts, a sum of over £300,000 has been expended for renewals and repairs.

Our "investments at market value," amounting to £2,103,877 18s 4d, consist entirely of gilt-edged securities, principally conversion loan; and "investments in associated companies" is paid-up capital in United Sugar Co., Limited.

DIVIDEND RECOMMENDATIONS.

I now propose: "That the directors' report and statement of accounts be adopted, and that the following dividends upon the company's issued capital be declared payable, namely:—

"(1) To the holders of preference shares: Interim dividend to March 31, 1925, at 6½ per cent. per annum paid June 15, 1925, subject to tax. Final dividend to September 30, 1925, at 6½ per cent. per annum, subject to tax.

"(2) To the ordinary shareholders: Final dividend of 9½ per cent., subject to deduction of income-tax, making, with the interim dividend of 4 per cent. paid on June 15, 1925, a total dividend of 13½ per cent. for the year, subject to deduction of income-tax."

Sir Leonard Lyle (the chairman) seconded the resolution, which was carried unanimously.

Mr J. J. Runge proposed the re-election of the retiring directors, namely, Sir Ernest W. Tate, Bt., Sir Leonard Lyle, Mr J. W. Macdonald, Mr Charles Lyle, and Mr G. Vernon Tate.

The motion was seconded by Mr J. B. Crispin, and unanimously approved.

On the proposition of Mr W. Boyd, seconded by Mr Warren, Messrs Edmund D. White and Sons were reappointed auditors.

A hearty vote of thanks to the president and the directors concluded the proceedings.

PENINSULAR AND ORIENTAL STEAM NAVIGATION COMPANY, LIMITED.

LORD INCHCAPE'S REVIEW OF CONDITIONS IN SHIPPING INDUSTRY.

HIGH RUNNING COSTS AND CARGO SHORTAGE.

LABOUR TROUBLES.

PROFIT SHARING SCHEME FOR EMPLOYEES.

The eighty-fifth ordinary general meeting of the Peninsular and Oriental Steam Navigation Company was held, on the 9th instant, at the offices, 122 Leadenhall street, London.

The Right Hon. Viscount Inchcape, G.C.S.I., G.C.M.G., K.C.I.E., the chairman, presided.

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

The Chairman said: Ladies and Gentlemen,—I propose, with your approval, that we take the directors' report and accounts as read. They have been in your hands for about a fortnight, and I think it is the usual procedure to take them as read. If that is your wish we will do so. ("Agreed.")

The past year has been the worst which shipping has ever experienced.

THE YEAR'S RESULTS.

The results of most voyages had, owing to high running costs, heavy dock and labour charges, shortage of cargo, and low rates of freights, been disastrous, while the troubles in China and the unauthorised strike of seamen and firemen in Australia and South Africa had inflicted on the P. and O., as on many other ship-owners, gigantic losses.

THE ACCOUNTS.

Passing to the accounts, his lordship said that the insurance account, with an increase for the year of £60,197 19s 10d, stood at £3,278,279 9s 7d, after payment of claims to September 30th. The provident good service fund had been increased by £40,000 to £350,000, a sum in excess of their actuarial liability for pensions. He was sure they, the stockholders, would agree that the pension fund should be treated as a first charge on the company's revenue.

THE FLEET.

The fleet now numbered 57 vessels, totalling 588,461 tons, of an average age of seven years.

They had been obliged to spend an enormous amount on replacing ships sunk by enemy action and vessels which had become obsolete, builders' prices having been far above the pre-war level; but they had to put the fleet in a condition to fulfil their mail contracts, to maintain their passenger and cargo services, and to hold the trades they had served for so many years.

Their post-war building programme had been accomplished, but under most discouraging conditions; but, despite the need to replace older ships, they had called a halt as they could not face present prices.

All the new vessels except the "Rajputana" were now in commission. The "Mooltan," "Maloja," "Moldavia," "Mongolia," "Ranpur," "Ranchi," "Rawalpindi," "Chitral," "Comorin," and "Cathay" had completed one or more voyages, and were proving favourites with the travelling public.

From passengers in the "Rawalpindi" at the conclusion of her maiden voyage he had, received a Radio message—"Passengers 'Rawalpindi' desire to express to you and the directors their appreciation of fine ship and untiring efforts of Captain Redhead and ship's company to ensure comfort." Another telegram from Bombay said that the "Ranchi's" maiden passage to the East had been most successful.

The "Caledonia," "Soudan," "Sardinia," "Sicilia," and "Nore" had been sold to be broken up, at prices in excess of their book value.

The new vessels were all oil burners and their machinery, sea-going qualities and speed were proving satisfactory. With lower working costs and a revival of trade they should be profitable, but meantime he was afraid many of their voyages would result in debit balances.

THE DIVIDEND.

He had indicated a year ago that unless things improved they might be obliged to reduce the dividend, and, greatly to his regret, this had proved to be the case. In paying the interim dividend of 6 per cent. they had fully expected to give a final dividend at the same rate, but despite the efforts of their economy committee and the loyal help of their staff, the year's results, coupled with the losses of the first three months of the new financial year, had compelled the reduction of the final dividend to 4 per cent., making 10 per cent. for the year. This they had been enabled to do only

through their investments and their reserves, built up in better times. He could, he continued, hold out but little hope of a higher dividend for the current financial year.

He felt perfectly certain they would agree with the board that, in view of the state of trade and the gloomy prospects for shipping, it was prudent to conserve the company's resources rather than to distribute up to the hilt.

Continuing, he said that their stock exchange securities were not over-valued; their investments in allied companies, while they had as a whole appreciated in value, stood at the purchase price; they had not been written up. To write up investments was, he considered, a mistake, as the day might come when they would have to be written down. The P. and O. Company was sound, and he thought, despite passing adversities, it would remain so.

After deducting depreciation at 5 per cent., their steamers stood in the books at less than their original cost. Taking from their book value some as yet unappropriated balances of about £1,000,000, their reserve and contingency funds £2,607,950, and, say, £2,000,000 from the insurance fund (leaving it at £1,278,000, more than sufficient to cover claims and to re-insure current risks), they had £5,607,950 in hand against the book value of the fleet as a provision for the uncertain future. But, he said, he had no need to point out that vessels valued at even nominal figures were, if unprofitable, no good to their owners. That, he said, was a condition which they had to combat to-day.

SAFEGUARDING OF INDUSTRIES ACT CONDEMNED.

Without wishing to be dogmatic, he feared, unless the progress of the Safeguarding of Industries Act were checked, we should soon become a protectionist country. He agreed with Sir Hugh Bell: if an industry could not carry on without aid from the taxpayer it was better to let the industry go. Subsidy by the Government could be only a temporary palliative.

These small islands, unlike America, were not economically independent, and it was preferable to leave industry to work out its own salvation, the Government taking a share of the profits by means of taxes, with no responsibility for losses.

DOMINION TARIFFS.

It was, he continued, a common cry that we ought to develop trade with the Dominions, but India, an agricultural country with huge potentialities, seemed disposed to shut out our manufacturers by a wall of tariffs or subsidies, the latest proposal being an import duty on British coal.

Again, Australia whose population had increased from 3,773,000 to 5,435,000 in the twenty years ending 1921, showed in the same period a decrease in her percentage of primary workers from 32 to 25, while the percentage of industrial workers had risen from 26 to 31.

It was a safe assumption that in the new census period the process had continued, and the figures went to show that an increasing proportion of immigrants into Australia were being attracted to town industries rather than to country occupations, while such industries were being more and more protected against imports.

It appeared to be the aim of both India and the Dominions to manufacture all they required and to import nothing. For this reason Great Britain could not rely on Empire trade, for the Dominions, as they developed their industries, would, he feared, offer smaller markets for British manufactures.

We could not escape our dependence on foreign markets. To bolster up industries by import duties would put up prices, and the duties would, in fact, be paid by the consumers among our own people. Our population could not consume all the products of our factories; if they could, where, he asked, would they get the money to pay for them? Not from the land or from our climate, and, as to coal, our only exportable mineral, our competitors at present costs were able to undersell us.

The land policy, of which we had lately heard so much, seemed only to resemble the idea started a few years ago to plough up the hillsides, the moors, and the forests of Scotland.

THE GOLD STANDARD.

The nation, he continued, did not want the printing press turned on to meet its obligations, and he was convinced it had been right

to restore the gold standard. Although the freeing of gold had threatened a drain on our stocks, the raising of the Bank rate had steadied the position. A revival of foreign borrowing in our market should help our export trade, for what we lent abroad would, for the most part, be taken, not in bullion or transferred credits, but in goods, manufactures, or, possibly, coal.

With the gold standard restored, London should continue to be the world's financial centre.

Whether or not they agreed with him in the views he had expressed, the board was one in its determination to reduce the expenditure and improve the revenue of the P. and O. Company consistently with the maintenance of efficiency and public goodwill.

SURPLUS SHIPPING.

He associated himself with the remarks which recently fell from Sir Frederick Lewis on the subject of surplus shipping. Millions of tons were laid up, and few ships in commission were earning sufficient to cover working expenses.

For the Government under the Trades Facilities Act to advance money to build more ships would aggravate the disastrous condition of the industry, in which millions of the people's savings were invested. All interested in shipping must applaud the Prime Minister's refusal of the proposal. As he, if he might venture to say so, very wisely said, "Such a grant would prove not more than a temporary relief, and it is generally believed that there is already a large amount of surplus cargo tonnage in the world."

To substitute, at the expense of the taxpayer, as had been suggested, new ships for old, while it might be an excellent idea for some shipowners, was not likely to commend itself to the Chancellor of the Exchequer.

TRADE ADVERSITIES AND THE REMEDIES.

Heavy production costs were placing this country at a great disadvantage in the world's markets; and while present conditions continued there would be but little hope of regaining trade outlets which we had lost or of finding new ones. The excess over imports of our visible exports, and the shrinkage of our invisible exports, were a grave menace to the country's solvency. Adverse trade balances would, if continued, damage our national credit, and, by raising prices, reduce the value of wages. The Peace Pact so ably negotiated by Sir Austen Chamberlain would in time assuredly help the position; but meanwhile, increased output, economy in production costs, and reduced taxation seemed to him to be the only remedies.

TAXATION AND TRADE DISPUTES.

Although the Chancellor was making every effort to reduce public expenditure, large sums which would ordinarily remain with industry as reproductive capital were being taken from the taxpayer, often for unproductive purposes. There was a general cry for economy; but, as Mr Churchill had said, when it came to touching the pockets of the individual voters the members of the threatened constituency were up in arms. The Government had stuck to their guns in the case of Rosyth and Pembroke Docks, and a considerable saving would consequently result.

The abolition of submarines, if it could be brought about by international agreement, would effect a material saving in the country's expenditure. Since the war we had spent 47 millions in building submarines. He would remind them, too, that out of a total loss by the P. and O. and associated lines of 504,316 tons of shipping in the war, 400,000 tons were destroyed by enemy submarines.

Continuing, he said there was no end to the extravagance of some of the municipal authorities, while Labour leaders, with one or two exceptions, were pursuing courses which tended to paralyse trade and throw their fellow-countrymen on to the demoralising dole.

In the recent attempt to band the trade unions together—an attempt which, thanks to the good sense of a number of the union chiefs, had not, so far, materialised—there was a latent threat to hold the public to ransom at any cost in order to obtain a decision against employers. One leader had said the slogan of his disciples must be—

"Not a cent off the pay,
Not a minute more a day."

Some of the union leaders, he said, appreciated the economic situation as to wages, working hours, and output; others did not. The latter refused to recognise that industry could not indefinitely be carried on at a loss, and that without a margin sufficient to cover working expenses industries must close down, unemployment be increased, and further burdens thrown on the national and municipal exchequers.

One extremist had publicly said, "To hell with the Empire." They could afford to regard such an outburst as a characteristic expression of Communist mentality, but when Communists further proceeded to advocate sedition it was satisfactory to learn that they had been punished for the offence against the law.

Revolution in these islands was, he said, inconceivable. For here the law was administered equally for the rich as for the poor, and the overwhelming majority of the population realised that under a Communist régime all private property and savings would be confiscated, liberty destroyed, and grinding poverty become universal. The freedom of the people would be preserved, providing legislation was framed so as to ensure individual liberty; and the Government would have the country behind them in any legal action to get rid of a conspiracy engineered by a handful of anarchists with their headquarters in Moscow.

THE TRADE DISPUTES ACT.

He believed that not 10 per cent. of the seamen and firemen who recently refused duty and broke their agreement in Australia, New Zealand, and South Africa had their hearts in the strike, into which they were intimidated by avowed Communists. It was significant that only vessels under the British flag were involved, while foreign vessels were left alone. The extremists had been defeated at the polls by the Prime Minister, Mr Bruce, a statesman of courage and determination, and they might reasonably now expect a more settled state of affairs. Here, the leader of a miniature opposition union had sought to force seamen into a strike by what is known as peaceful picketing, in which there was little in the nature of peace but a vast amount of terrorism and sometimes brutal assault. It seemed to him to be essential for the law to be altered so that people might be free to go about their legitimate occupations in peace.

SOCIALISM AND COMMUNISM.

Mr Ramsay MacDonald in recent speeches had said he was against revolution in this democratic country; so was he, the speaker. Mr MacDonald had said that the present system of industry worked by private capital had broken down, that it had produced unemployment and an unjust distribution of the amenities of life. Here, Lord Inchcape remarked, he joined issue. Eighty or 90 per cent. of the capital employed in industry was held, not by wealthy men, but by small, thrifty investors. If all commercial and industrial undertakings were to be worked by Government officials, individual initiative would be strangled and the country would rapidly become bankrupt. He was, he said, convinced that Mr MacDonald would never embark on any such device. Mr MacDonald had stated that 95 per cent. of people in this country did not understand what was meant by Socialism. Lord Inchcape said he was one of the 95 per cent. They had, however, got from Mr MacDonald an assurance that Socialism did not mean Communism, and that "to establish Communism would take generations of starvation, industrial ruin, and national chaos." To quote the late Lord Fisher, the nation might, as a practical people, "sleep quietly in their beds." They would still be able to say "God save the King."

The people of these islands would never succumb to seditious doctrine; and so long as their sons and daughters, especially those from Scotland—were ready to go to the Dominions to test their fortunes, he, and he was sure they, his hearers, need have no fear for the solidarity of the British Empire.

STATISTICS.

Regarding the work done by their combined services during the year under review, there had, he continued, been 434 ships in commission; cargo carried, 14,894,344 tons; the distance traversed, 16,454,430 sea miles; the port entries had numbered 28,556. The number of passengers carried had been 2,006,806; the number of animals, 294,918. The expenditure on wages and victualling of crews had been £4,878,590.

PROFIT-SHARING FOR EMPLOYEES.

He had, he continued, for some time sought to discover a scheme by which employees might, without risk, participate in the company's profits, and had hit on a plan which he thought was both simple and practical. The board had therefore announced that employees of the P. and O. and British India Companies might make deposits which would bear interest at 5 per cent. per annum, with, in any year when the deferred dividend was 5 per cent. or over, an additional 2 per cent., or when the dividend was 10 per cent. or over an additional 2½ per cent. The directors felt that this would be an added incentive to employees, who had so much in their hands, to care for the company's interests, and, while ensuring them a reasonable return on their deposits, would enable them to share with the stockholders the fruits of anything they, the employees, might do to improve the company's returns. The scheme would be open to all the employees of the allied companies.

THANKS TO THE OFFICERS AND STAFF.

He would like, before concluding his remarks, to pay a tribute to the continued devotion of the staff of the P. and O. and Allied Companies, ashore and afloat, at home and abroad, with whom their relations were of the most friendly character. In the now nearly ninety years of the P. and O. Company's existence there had always prevailed a spirit of kinship, a sense of loyalty, a

pride in the company; sentiments which he was glad to believe were to-day stronger than ever. Interviewing, recently, members of the "Chitral's" crew, who had resisted the efforts in Australia to induce them to join the strikers, he had asked one man how long he had been in the company. The man replied that he had served for thirty years, and would remain until he was turned out. He had replied, "We never turn out good men." Speaking of this reminded him that the newspapers had, to his surprise, recently announced that he was seventy-three. Perhaps they would think it about time for him to go. He would, he said, relinquish his burden as soon as he felt unable to bear it, or before then if it was their, the stockholders, pleasure.

APPRECIATION AND CRITICISM.

The board desired to give the best service possible, but they could not rule the ocean flat; the largest ships must occasionally roll, which sometimes begat a growl. He saw every complaint that reached the company. Some were justified; some were not. All were dealt with courteously and fairly, but letters of appreciation far outnumbered the other kind. One man recently complained that he felt no exhilaration after a whisky and soda on board the steamers; they were representing the matter to the distillers, some of whose proclamations announced that they were "still going strong." He appealed to those who wrote to the company to do so in type or legible handwriting, and to append readable signatures; much time was sometimes occupied in deciphering such communications.

A VISIT TO INDIA.

Continuing, his lordship said he and Lady Inchcape were going in January to Bombay by the "Ranpura" to spend a fortnight in India. They were looking forward to seeing Calcutta and Bombay again, where they had passed many happy years. It was not a bad thing for the chairman of the P. and O. Company to travel in the ships; he saw how things were done, got a useful education, and kept in friendly touch with the staff, and it was uncommonly pleasant to spend a few weeks in a P. and O. steamer. But, as Lord Grey of Fallodon had said, the head of a great business never had a real rest, for his work followed him wherever he went like a perennial stream. So far as he, the speaker, was concerned, there was no sweeter water.

THE BRITISH INDIA COMPANY.

Continuing, his lordship said that all through the Ghandi and Swaraj troubles the business of the British India Company—95 per cent. of which was done with Indian merchants—had not in the slightest degree been affected, their relations with their Indian clients having remained as cordial as they had always been since the company's inauguration 70 years ago. This was demonstrated by a letter he had recently received signed by the company's principal Indian clients expressing regret at the contemplated departure from India of Sir William Currie, the head of the firm of Mackinnon, Mackenzie, and Co., the British India Company's managing agents. He had assured his correspondents that happy relations with the firm's Indian clients would be maintained whoever might be its head, for all the partners were brought up from boyhood, as he, the speaker, had been, in its traditions. His own inspirations had come from the precepts, the advice, and the example of one who was for 20 years his chief, his counsellor, and his friend, the late Sir William Mackinnon.

A TRIBUTE TO LORD READING.

Looking back, his lordship continued, over more than 50 years of intimate association with India, during which 10 Viceroys had held office, he felt that none of them had a more trying term of office than had fallen to the lot of Lord Reading, who went to India when the country was seething with opposition to the British Raj, and who had, with indomitable courage, won over the politicians and brought about calm and good feeling throughout the land. He had vindicated the rights of the great Indian Civil Service, which, for more than a century, had borne a proud and unblemished record; and he would, moreover, leave India financially sound, with its credit untarnished. Lord Reading's name would go down to history as one of the wisest Viceroys the country had ever had; and he would leave it more welded to the Crown than it had been for many a day. They would, he was sure, join with him in wishing Mr Wood, Lord Reading's designated successor in the most responsible office under the British Crown outside this country, every success and all good fortune.

I now beg to propose: "That the report and statement of accounts, now read, which have been circulated among the proprietors, be adopted."

Sir Walter R. Lawrence, Bart, G.C.I.E., G.C.V.O., C.B., seconded the motion, and it was carried unanimously.

THE DIVIDEND.

The Chairman next moved: "That a dividend for the half-year ended September 30 last of 2½ per cent. on the preferred stock, less income-tax, and a dividend of 4 per cent. on the deferred stock, free of income-tax, as recommended in the report, be now declared,

SECURITY FIRST ROYAL INSURANCE COMPANY, LIMITED

HEAD OFFICES: LIVERPOOL AND LONDON

and that payment for the same be made on and after the 11th instant."

This resolution was seconded by Mr H. N. Gladstone, and unanimously approved.

On the motion of the Chairman, seconded by Sir Montagu Cornish Turner, Sir Walter R. Lawrence was unanimously re-elected a director, as was also the Hon. Alexander Shaw, on the proposition of the Chairman, seconded by Mr. A. M. Monteath.

VOTE OF THANKS.

Colonel A. G. Hipwell, C.B., proposed: "That the cordial thanks of the proprietors are due to the chairman, directors, and staff for their continued successful management of the company's business." In doing so, he said that they were indebted to all concerned for bringing the company through a period of stress and strain, and achieving the best results possible in the circumstances.

Mr A. Pitt said that, as one of the oldest stockholders, he had great pleasure in seconding the motion. It was always an intellectual treat to come to these meetings and listen to the chairman's address. With their present chairman, aided by his efficient board of directors and backed up by their loyal staff, they could all rest peacefully out of their beds as well as in them.

The vote was unanimously accorded, and the Chairman, in acknowledging it, said that it was a great relief to him to be received in the way he had been by the meeting, notwithstanding the reduction in the dividend by 2 per cent., and he was very grateful for the way in which his speech had been accepted.

The proceedings then terminated.

STEUA ROMANA (BRITISH), LIMITED. INCREASED TRADING PROFIT.

The fifth ordinary general meeting of Steua Romana (British), Limited, was held, on the 9th instant, at Winchester House, London, Sir Charles Greenway, Bart. (chairman), presiding.

The Chairman said that the Steua Romana Company, of Bucharest, were carrying out an active drilling programme on the areas of proved State lands allotted to them by the Roumanian Government, and were drilling seven wells at Moreni (two of which, he anticipated, would come into production before the end of the year), and one at Ochiuri. Five further wells were being put down on these lands immediately, and 20 during 1926. On the very large continuous area at Ceptura belonging to the Steua Romana Company they had brought into production on August 31, 1925, an exploration well which yielded about 190 tons a day. Three more wells were well advanced on this field; two further wells would be commenced towards the end of December, and five during 1926.

The Steua Romana Company's production for the year to June 30, 1925, was 290,387 tons (exclusive of 11,600 tons, royalties) as compared with 237,546 tons (and 6,000 tons, royalties) for the previous year. Production in September last was 31,750 tons, a record figure since the war, and in October 37,200. November production was 30,240, the reduction being due to temporary curtailment of production owing to lack of transport facilities.

The company's tank vessels were fully employed during the whole of the year, and the company's depots in Bulgaria, Turkey, Greece, Hungary, and Italy were working satisfactorily.

The Chairman said that he understood that a provisional agreement had been concluded between the British and Roumanian Governments under which the latter assumes responsibility for compensating the companies for the oil properties destroyed by the Allies in 1916.

Turning to the accounts of Steua Romana (British), Limited, the Chairman said that the dividend paid by the Steua Romana Company for the year to December 31, 1924, was 100 lei per share. The British company's shareholding in the Roumanian company had been increased at a cost which very substantially reduced the average cost of the shares held. Trading profits for the year had been increased by over £3,000, and the increasing improvements in this direction. The value of the dividends received upon the company's holding of Steua Romana shares had slightly reduced. Gross managerial charges for the year had been

The report and accounts were adopted.

BRITISH NORTH BORNEO (CHARTERED) COMPANY.

MEETING ADJOURNED—MR MALCOLM'S STATEMENT.

The eighty-fifth half-yearly meeting of shareholders of the British North Borneo (Chartered) Company was held, on the 8th instant, at River Plate House, Finsbury circus, London. The Right Hon. Sir West Ridgeway, G.C.B., G.C.M.G., K.C.S.I. (president and joint managing director), was in the chair.

The acting-secretary (Mr Cecil F. Collins) having read the notice convening the meeting,

The Chairman said: Ladies and gentlemen,—The duty of dealing with the finances of the year under report and of the current year is a duty which I will try to perform, avoiding, as far as possible, any controversial matter which can best be debated in the discussion which will follow, but before I do so allow me, on behalf of the court—on this matter a very united court—to express our sorrow at the sad loss which we have sustained by the death of our governor, Major-General Sir William Rycroft. We were fortunate in securing the services of so distinguished a soldier and so able an administrator as he proved himself to be in different parts of the world, and his appointment was a success.

Sir Wm. Rycroft went to Borneo full of zeal and energy. He was sadly disappointed when he found that an era was ushered in of very stern economy, which precluded his obtaining the money necessary for the many schemes generated in his admirable brain, but that did not embitter him. He was disappointed, but he threw himself with characteristic energy into his work. He travelled all over the country, making the acquaintance of men and things, and projecting schemes of development, which he hoped in more favourable times might be adopted. He loved Borneo and Borneo loved him. The service learned to give him their trust and confidence, and I would point out that unless our officers in Borneo have complete trust and confidence in their governor and also in the court the rot of inefficiency will soon set in; your administration and revenues will suffer, and your too small dividends will dwindle away.

As regards the finances of the year under review, there has been a satisfactory increase in your revenue, and, as regards the current year, that satisfactory increase has been maintained. However, this subject will be thoroughly threshed out in the course of debate, and I need not trouble you with the details. I am sure you are waiting to get at the kernel of the matter, and you will soon have that opportunity.

SIR WEST RIDGEWAY'S ATTITUDE

Let me explain to you, however, that I have little or no personal interest in this question. I resigned the office of president of this company a year ago, and I only remained to discharge the duties at the unanimous request of my colleagues until my successor was selected—a very distinguished man, one of the most able administrators in the East, a man in the prime of life, as young almost as the youngest of my colleagues, and with every qualification for the post. He could not give us his reply at once, and, in the meantime, this unfortunate difference of opinion broke out, and we none of us thought it was fair that he should commit himself until he knew the result of this meeting, and until he knew whether he was to preside over a united or a divided court, and, above all, whether the policy of the future was to be one of development or one of stagnation. That, then, is my position. I have very little personal interest in the matter. It is merely a question whether I should remain in office for a few weeks or a few days. Therefore, I hope that you will understand the position which I have taken up, and will understand that everything I say is absolutely in the interests of the company.

In ordinary circumstances I ought to move the adoption of the report, but I cannot do so to-day. You know my reasons. You have read the dissent which we have circulated with the report. It contains the reasons why I and my colleagues differ from the four—let me call them "The Big Four" for the sake of brevity. The situation has exercised me much. My first instinctive desire was to retire and to get free from this worry, but, after consideration and consultation with my friends, I came to the conclusion that it would not be desirable for me to do so in the interests of the company, and that it would be better for me to wait and abide by the result of this meeting. If you reject the amendment which it is the intention to propose, I shall take it as an indication that you wish to dispense with my services. In these circumstances I shall call upon the promoters of this policy, Mr Malcolm and his friends, to propose and second the adoption of the report.

MR. MALCOLM'S STATEMENT.

Mr Dougal O. Malcolm said that in the circumstances which

had been explained by the president it fell to him to endeavour to explain to the meeting the report and accounts which were before them. In doing so he asked for a very special indulgence, because it was incumbent upon him to criticise adversely the management of their president, Sir West Ridgeway.

Turning to the credit side of the balance-sheet, they would see that they had capitalised, charged to capital, only £5,900, being a proportion of salaries of the Public Works Department, Survey Department, and Forestry Department—the recurrent expenditure of those departments—for the reason given in the body of the report. That was as against £25,600 in the previous year. That made a very important difference, and it was one of the matters which were the subject of acute controversy between his friends and himself on the one side, and the gentlemen who formed the minority on the other. The other items in the balance-sheet were not materially different. The result of it all was a profit for the year of £17,000 odd, and that they regarded as wholly insufficient to justify them in recommending a dividend to the shareholders in respect of the year 1924, especially in view of other features in the financial situation. That was a principal feature of the regrettable difference between themselves and the minority. He was not empowered to speak for them, but, as he understood it, they would like to pay a dividend absorbing about £50,000. The difference between that and the majority's figure of £17,000 was arrived at, he understood, in the following manner. The minority would not make so large a provision for depreciation. That represented £6,000. They would not make the provision for railway renewals—another £6,000—and they would capitalise about £20,000. That added up to £32,000, and by adding the £17,000 profit, they would get £49,000.

CAPITALISATION OF REVENUE EXPENDITURE.

Passing to the question of capitalisation of revenue expenditure, to some extent it was true that the company was still in the development stage, and that was the ground on which it could be said that capitalisation was justified, although prima facie it was revenue expenditure. The whole matter must be a question for the judgment and business sense of the directors, having regard to what they knew of the general state of the company's finances. The company's issued capital was £1,852,000, and the debenture debt was £1,650,000, making a total of some £3,500,000. The illiquid assets stood at some £1,818,000, railway and rolling stock at £735,000, telegraphs at £43,000, and other assets brought the total up to within £96,000 of the share and debenture capital.

The more or less liquid assets amounted to £922,000, after proper provision had been made for depreciation and bad debts. Advances to rubber companies in guarantee of dividends during the unproductive period of six years, repayable after that period without interest out of the profits of those companies, amounted to £62,660, and formed part of the £922,000. They were advised that they might fairly hope, especially having regard to the improved position of rubber, that those advances would be repaid, though they could not exactly say when, for there was no precise date fixed for repayment. It was obvious that they were perfectly accurately described in the balance-sheet. That was why he called those more or less liquid assets.

From that they deducted debenture indebtedness, creditors in London and Borneo and Hongkong and Shanghai Banking Corporation, amounting in all to £761,000, which fell short of the more or less liquid assets by £160,000. It would be remembered that the illiquid assets fell short of the share and debenture capital by £96,000. Therefore, another £100,000 of expenditure on capital account would make the illiquid assets equal to the whole of the share and debenture capital, and, as a matter of fact, they were advised that they would have to incur at least £60,000 net capital expenditure over the next two years. Obviously, that could only come from the balance of £160,000, reducing it to £100,000.

If simultaneously they did during the next two years do what he understood the minority would like them to do, distribute sums in dividends amounting to £50,000, two years of that and the £100,000 would be gone. That was where they were, except that at the rate of profit properly calculated for the past year of £17,000, and putting it up a little and reckoning on £20,000 a year, they would get £40,000, and no more. Could any argument be more conclusive against a lighthearted policy of going on capitalising great chunks of revenue expenditure on the one hand and distributing cash dividends with the other? He concluded by moving a resolution for the adjournment of the meeting and the appointment of a committee of three, one to be appointed by the majority of the board, one by the minority, and the third by those two in consultation, or, failing agreement, by the Secretary of State for the Colonies.

This resolution was seconded by Mr Bromley Martin.

After a long discussion the resolution for the adjournment of the meeting was carried.

GAN KEE RUBBER ESTATE, LIMITED.

GOOD RESULTS—NO FORWARD SALES.

The 15th annual general meeting of the Gan Kee Rubber Estate, Limited, was held, on the 9th instant, at the offices, 7 Martin's lane, Cannon street, London, Mr W. Arthur Addinsell, chairman of the company, presiding.

Mr C. H. Smallwood, on behalf of the secretaries, Messrs Bright and Galbraith, Limited, having read the notice convening the meeting and the report of the auditors,

The Chairman said: Gentlemen, I move: "That the directors' report and statement of accounts for the year ended June 30, 1925, as submitted to this meeting, be, and they are hereby, received and adopted, and that a dividend at the rate of 7 per cent. per annum be paid in respect of the arrears on the preference shares, together with a further dividend of 3 per cent. for the year—making a total of 34½ per cent.—and that a dividend of 10 per cent. be paid on the ordinary shares."

The net profit for the year, after providing for depreciation on buildings and machinery, shows an increase of £6,958 over the preceding year.

The factors which brought about this satisfactory result were an increase of over 30,000 pounds in the crop, as compared with last year, and an increase of more than 8d a pound in the average net selling price.

The substantial improvement in the company's financial position has enabled your directors to recommend the payment of the arrears of interest due on the preference shares and a dividend of 10 per cent. on the ordinary shares.

The proposed transfer of a further £2,000 to reserve, together with the carry forward to next year of £2,338, will leave an amount which will be ample for the company's requirements.

NEW PLANTING.

The balance of this company's original concession of 958 acres was fully planted up in the year 1921. The board has always been anxious to increase the planted area, and an opportunity recently occurred to purchase a block of 100 acres of jungle land, which adjoins the property. Felling and clearing have already commenced, and the manager has been instructed to plant this up as soon as possible. The land is described by the visiting agent as "undulating," and in his opinion should grow good rubber.

You will be pleased to hear that, since the report was issued, the standard production figure has been substantially increased, and the quantity of rubber the estate will be allowed to ship during the current year is now estimated at 302,138 lbs.—an increase over the previous estimate of more than 53,000 lbs.

Up to the present no difficulties have been encountered in securing the necessary labour on this estate, but whether the manager will be able to obtain this increased quantity of rubber depends upon the labour position and climatic conditions.

No portion of the crop has been sold under forward contract, and the sale of the current season's output is therefore showing a handsome profit on cost.

100 PER CENT. PRODUCTION.

An outstanding feature of the rubber market is the recent announcement by the Colonial Office that for the quarter beginning next February rubber plantations in Ceylon and Malaya will be allowed to export 100 per cent. of their standard production. The rate of export for the present quarter is 85 per cent., and in the ordinary way 95 per cent. would have been allowed from February, as under the provisions of the Stevenson scheme the maximum extra release for any quarterly period is 10 per cent. only.

This position, in my opinion, is all for the good of the industry, and, provided that the necessary labour can be obtained, will have a twofold advantage. The increased output will help to supply the increasing demand, and at the same time be helpful to the producing companies, enabling them to reduce their working costs per pound.

Your property is being maintained in good order, and during the current financial year will give an excellent account of itself, and in view of the strong statistical position of rubber, I consider shareholders can safely anticipate satisfactory results for some time to come.

Before concluding, I wish to tender our thanks to the agents in the East—Messrs Cumberbatch and Co., Limited, to our manager, Mr Parsons, and the estate staff, also to Mr James Murray, our visiting agent, for the efficient manner in which they have carried out their duties.

Mr Edward F. Slade seconded the motion, which was adopted.

The retiring director and the auditors were re-elected, and the proceedings concluded with a vote of thanks to the chairman and directors and to the staff in the East and in London.

AERATED BREAD COMPANY, LIMITED.

CONTINUED EXPANSION.

STRONG FINANCIAL POSITION.

The seventy-second ordinary general meeting of the Aerated Bread Company, Limited, was held, on the 7th instant, at the Cannon street Hotel, London, Sir Charles Cottier (the chairman), presiding.

The Chairman, in moving the adoption of the report and accounts, said: The company's trading maintains its steady record of progress, the year under review showing an increase over the previous year, and becoming in its turn a record year.

The previous year was the first year of the British Empire Exhibition at Wembley, when the influx into London was much above the normal, so that the further increase this year, with this advantage much reduced, may be considered highly satisfactory.

LOW PROFIT MARGINS.

In recent years profit margins have become smaller, and the earnings of the company must be, and are, maintained by securing increased turnover. The company serves many millions of customers in the course of a year—many more than the population of Great Britain—and the average profit upon each transaction is only a fraction of a penny. This indicates the careful and close organisation and management necessary to maintain profits; but, as the accounts before you to-day demonstrate, that position is being maintained, and I am able to say that for several years there were never fewer complaints nor more commendations from customers than at present.

The company, with its subsidiary companies, Buszards, Limited, and Bertram and Co., Limited, was entrusted with a large share of the catering contract at this year's Exhibition at Wembley. Catering of this kind is difficult as daily attendances are affected by conditions and circumstances which cannot be foreseen, in spite of which preparations have to be made on the basis of a high percentage of demand. The board felt that, notwithstanding these factors, the general body of shareholders would favour the association of this thoroughly British company with the Exhibition and the important Empire development movement it represented. The arrangements made by the company and its subsidiaries were carefully planned and carried out, and that they were completely successful is evidenced by the thousands of favourable comments received from visitors. The total attendance was disappointing. As the Exhibition did not close until October 31st it was not possible to bring the results into the company's accounts for this financial year, but the board anticipate that a moderate profit has nevertheless been made.

YEAR'S OPERATIONS.

Before passing on to the board's proposals for dealing with this available profit, I wish to say a few words generally upon the company's operations during the year. The board have continued to extend the company's business, and further premises, freehold or long leaseholds, have been secured. The board have continued their policy of improving and modernising the older branches of the company. During the last few years almost half of the company's old depôts have been brought up to date. This was a large undertaking, and it has been responsible for a considerable but very necessary expenditure, and, as I have previously stated, the outlay has been justified by increased business and improved tone and standing of the company. The new A.B.C. depôt is, we consider, a model of what a popular teashop should be.

PROFIT AND APPROPRIATIONS.

I have given you a rather lengthy account of the company's operations during the year, and I now come to the appropriation of the available profit, amounting to £177,342. The directors propose to allocate this as follows:—Final dividend at 1s 3d per share, less tax, £48,875; interim dividend paid in June last at 9d per share, less tax, £28,408 (this makes for the year a dividend of 2s, which it should be remembered is equal to 20 per cent. on the capital as it was before 1920 when it was doubled by the capitalisation of accumulated balances and handed out in the form of bonus shares); preference dividend to June last, £25,322; provision for income-tax, £11,000; reserve for depreciation of property, £15,000; addition to staff pensions fund, £1,500; grant to staff sports club, £500; this disposes of £130,606, leaving to carry forward to next year £46,736, which is £16,460 more than was brought forward from last year.

I hope these recommendations meet with your approval as it is the board's earnest desire that the strong financial position of the company should be fully maintained. The amount reserved for income-tax is less than last year, but it covers the whole of the company's liability under this heading up to the close of the financial year. The board again recommend that the substantial sum of £15,000 be added to property depreciation reserve account.

Mr. Frederick Hutter (a managing director) seconded the motion, which was carried.

NEW MODDERFONTEIN GOLD MINING COM. ANY. LIMITED.

(INCORPORATED IN THE TRANSVAAL.)

PREVIOUS YEARS RECORDS ECLIPSED.

The twenty-eighth ordinary general meeting of the New Modderfontein Gold Mining Company, Limited, was held in Johannesburg, on November 5th, Mr. A. W. Rogers presiding.

The Chairman, in moving the adoption of the report and accounts, said:—I am sure you will have been gratified to observe that the very satisfactory results achieved during the year ended June 30th not merely equalled but eclipsed the records established in previous years.

I will first refer briefly to the accounts. The net profit for the year reached the record figure of £1,997,970 8s 11d, which, with the balance of £133,813 4s 2d brought forward at the beginning of the year, and £898 19s 1d in respect of forfeited dividends, gave a total of £2,312,682 12s 2d to be dealt with. The allocation of this amount is detailed in the directors' report before you, the principal items being two dividends of 50 per cent. and 60 per cent. respectively, absorbing £1,540,000, a net expenditure of £112,162 3s 8d on shafts and equipment, chiefly in connection with No. 2 circular shaft, and no less than £287,763 14s 3d in respect of Government and provincial taxation, apart from £17,310 paid as an annuity on account of undermining rights leased from the Government. I may remark here that the recent repeal of the dividend tax and its replacement by an increase in the rate of normal tax from 1s 6d to 3s in the £ has, in effect, imposed additional taxation on your company. The balance unappropriated at the end of the year was £363,236 4s 3d, represented by cash and cash assets, after allowing for liabilities.

You will have observed the references made in the directors' report and in the balance-sheet to a contingent liability of £192,654, this being your company's proportion of the estimated outstanding liabilities of the Miners' Phthisis Compensation Fund as at July 31, 1924. A portion of the present quarterly levies on the scheduled mines is utilised to reduce this fund's liabilities, but the Consolidating and Amending Phthisis Act passed during the last session of Parliament has further increased the mining industry's already heavy burden in connection with phthisis compensation, and we have now been notified that this company's share of the outstanding liability at July 31, 1925, was £263,568.

As regards mining operations during the period under review, the ore milled was increased to an average of 123,000 tons per month, and a record working profit of £1,938,962 was earned for the year. As you are aware, gold has returned to its standard value, with the result that the average net price realised for your company's gold during the year was only 86s 7d per fine ounce, as compared with 92s 7d during the previous twelve months. In these circumstances it is highly satisfactory to note that the total working revenue averaged 43s 4d per ton milled, only 2d less than the figure for the preceding year, when, as I have just stated, the gold price was considerably higher.

HIGHER YIELD PER TON.

The foregoing working revenue is a reflection of the higher yield of 9.936 dwts per ton, as compared with 9.394 dwts for the previous year. As stated in the consulting engineer's report, this increase was not due to any over-mining of the richer portions of the ore reserve, but to a general all-round advance in mining methods. The introduction of jackhammer machines for stoping has facilitated cleaner mining, while the closer sorting of waste rock, both on the surface and underground, has had a marked beneficial effect on the grade of ore sent to the mill. A further factor was the increased work done on the reclamation of pillars in the upper portions of the mine and in connection with the general cleaning-up of stopes prior to sand-filling, which added an appreciable quantity of high grade ore to the tonnage milled.

The average working costs were unaltered at 17s 1d per ton milled, a satisfactory performance in view of the fact that the year's costs included considerable expenditure on the further equipment of the mine with jackhammer machines and improved plant for the treatment of drill steel, and that the development footage accomplished was increased to 41,412 feet, as compared with 29,044 feet for the previous year.

SHAFT SINKING.

Shaft sinking was a prominent feature of the year's development programme. No. 2 Circular Shaft was sunk a further 1,707 feet, and at the end of the year had attained its final depth of 2,862 feet. The completion of this shaft in a period of eighteen months, without any serious accident to life or plant, is an achievement of which our manager and all concerned are to be heartily congratulated. The equipment of the shaft is now in hand. The old No. 1 Vertical Shaft, from which the South Reef was opened up, has been reconditioned and was sunk 395 feet during the year. The Sub-incline Shaft from the bottom of No. 1 Circular Shaft was advanced 630 feet, and its hoisting equipment completed; this will enable development below the 16th level in the surrounding

portion of your company's property to be accelerated during the current year.

As mentioned by the chairman at our last annual meeting, the development of the high-grade eastern section of your property has been practically completed. The past year's exploratory work was accordingly confined in the main to the centre and west of the mine, the results obtained being quite up to our expectations.

Out of the distance of 20,805 feet sampled as the result of development on the main reef leader, 76 per cent. proved payable with an average value equivalent to 566 inch-dwts. The payability and average value were practically the same as for the previous year, but the distance over which payable values were proved was increased from 10,215 feet to 15,925 feet. In addition, a considerable amount of prospecting work has been done on the upper leaders in the north-western area of the mine. These leaders lie above the main reef leader proper, and, from exposures in numerous cross-cuts, it has been found that there are about six well-defined bands of reef in this section of your property, although only the two next above the leader have been proved to carry payable values. As the result of development on these latter reefs during the year, 2,630 feet were sampled, of which distance 60 per cent. exposed payable reef of an average value of 298 inch-dwts. You will, however, observe from the consulting engineer's report that it is not yet possible to gauge the extent of these upper leaders, although their development will be pushed ahead vigorously during the current year.

The payable ore developed during the year totalled 2,038,100 tons, of an average value of 8.7 dwts per ton. This does not include any of the ore opened up on the upper leaders, as further development is required before any accurate estimate of the tonnage and value of this ore can be obtained.

ORE RESERVES.

The ore in reserve as at June 30, 1925, was estimated at 9,090,100 tons, of an average value of 8.5 dwts per ton over a stoping width of 61.5 inches. As compared with the position 12 months earlier, there is a small increase of 25,700 tons in quantity, but the average value is unaltered.

I am glad to report that the results for the first quarter of the current financial year show no falling off from the high level achieved during the year ended June 30th last. The ore milled has averaged 128,300 tons per month, and the working profit



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Reserve Fund	: : : : £4,000,000
Issued Capital	: : : : £8,734,660
Paid-up Capital	: : : : £4,367,330

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£164,215 per month. Fortunately, this mine is not suffering from the shortage of native labour, which is adversely affecting so many mines, and the development footage accomplished has been increased to an average of 4,000 feet per month. The old No. 1 vertical shaft has been sunk to its final depth, the horizon of the eighth level. Work will now be started on the cross-cuts to the south reef, through which the old workings will be reopened, and further development initiated on the dip of the reef. Some definite information as to the prospects of this ore-body may thus be made available by the end of June, 1926. Work at No. 2 circular shaft is now concentrated on the hoisting equipment and the excavations for the main pumping station at the eighteenth level. When the former is completed, it will be possible to accelerate development in the south-western corner of your property.

Development results during the first quarter of the current financial year were very satisfactory.

The report and accounts were unanimously adopted.

BWANA M'KUBWA COPPER MINING COMPANY, LIMITED. APPROACH OF PRODUCTION STAGE—SPLENDID PROSPECTS.

The ordinary general meeting of the Bwana M'Kubwa Copper Mining Company, Limited, was held, on the 8th inst., at the Cannon Street Hotel, London, Mr Edmund Davis (chairman and managing director) presiding.

The Chairman, in moving the adoption of the report and accounts, said: As far as the production of additional tonnage is concerned, we have equipped the property with a treatment plant which should be able to deal with a minimum of 1,250 tons of ore per day. Part of the equipment we have put in should be sufficient to handle up to 2,000 tons, and the whole of the layout when the plant is extended will allow of the treatment of 3,000 tons per day. All this has necessitated additional expenditure not originally contemplated.

DATE OF STARTING THE PLANT.

The starting of the plant should take place on March 1st, a date about two months later than we originally estimated. The delay has been principally caused by our patriotism in placing orders in this country with manufacturers who have not kept to their dates of delivery.

At our last meeting reference was made to the N'Kana Mine, which then had a little over 950,000 tons of 3.48 per cent. copper ore proved. I said that we preferred to give attention to the prospecting of the large area covered by the special grant, which has a very considerable speculative value. The result of this policy has been the discovery of what quite probably are extensions of the N'Kana deposit. One discovery is about half a mile north-west of N'Kana and the other about half a mile farther on. On the first we have driven for about 300 feet on the 100 feet level on what appears to be an important high-grade ore body, about 30 feet wide, carrying from 7 per cent. to 9 per cent. copper. Adjoining this ore body we have an additional 15 feet in width assaying from 2 per cent. to 3 per cent. copper. About 150 feet along the strike in the direction of the No. 2 extension we are sinking a shaft to connect up with the present drive, this being already in ore, making the already proved length about 450 feet.

On the second extension drives and crosscuts totalling 550 feet have been made in high-grade ore. One hundred and fifty feet beyond the present face we have sunk a shaft, and a crosscut from this shaft is now in high-grade ore, and according to a cablegram dated the 4th inst. is 18 feet wide, assaying 9.2 per cent., but further work is necessary to prove full width.

VALUE OF N'KANA EXTENSIONS.

Should these two extensions prove to connect and form a continuous ore body we should have in the N'Kana the richest Rhodesian copper deposit so far found south of the Congo State.

You will better realise the possibility of such a proposition when it is pointed out to you that should these extensions be a portion of the N'Kana the total mineralised zone would be proved by the work now being carried on for about 3½ miles.

In view of this very satisfactory development and of a promising discovery in the southern portion of the area over which we have an exclusive prospecting right until December 31, 1929, we considered it advisable to raise additional funds so that the N'Kana and its extensions might be developed as rapidly as possible. For this purpose we have authorised an expenditure of £5,000 per month. The additional capital required not only for the N'Kana developments, but also for the general purposes of the company, comes to about £300,000. To provide this we have placed £300,000 of 7 per cent. notes, repayable at par on or before December 31, 1928, we retaining the right to make previous repayments at small premiums. We should be in a position to redeem part of these notes in February next, but this will depend upon developments, as, should any new important discoveries be made, we may con-

sider it expedient and in the interests of the company to defer such repayment. The really important thing is to take steps to increase our production of copper at as rapid a rate as possible, as the larger the output the more satisfactory would be the profits and the larger would be the distributions to the shareholders.

For you to realise how profitable our enterprise should be, I need only point out that in 1924 ten of the well-known American copper-producing companies made very large profits out of treating 44,428,508 tons of ore assaying from 0.825 to 1.98 per cent. copper, the average being 1.181 per cent. copper, the dividends paid being \$32,751,528.

I invite you to compare these figures with those relating to our Bwana M'Kubwa mine alone, where we have present an average copper value of close upon 4 per cent. Everything points to the satisfactory development of our N'Kana mine and its extensions. This will probably warrant this group of mines being connected by rail with the Bwana M'Kubwa, and thereafter the Bwana plant will probably have to be duplicated, or even triplicated, for the purpose of treating the ore both from the Bwana mine and from the N'Kana. Then the grade of ore being put through the plant should be increased to about 5 per cent. copper, which would naturally mean a very large increase in the profit per ton.

Mr A. Chester Beatty seconded the motion, which was carried unanimously.

STATE OF BAHIA SOUTH-WESTERN RAILWAY COMPANY, LIMITED. SATISFACTORY RESULTS.

The sixteenth annual general meeting of the State of Bahia South-Western Railway Company, Limited, was held, on the 8th instant, at 8 Arthur street, London, E.C.

Sir F. M. Crisp (the chairman), in the course of moving the report and accounts, said: The results for the year under review may, I think, be considered satisfactory. Gross earnings again showed a small increase of £644, in consequence of the improvement in the exchange value of the milreis, although, in currency, the earnings were slightly lower as a result of the reduction in tariffs due to a higher exchange and a somewhat smaller cocoa crop. At the same time, working expenses have, unfortunately, been heavier by some £3,874, owing, principally, to the increased cost of labour; thus net revenue at £23,415, against £26,645, showed a small reduction.

THE COCOA CROP.

With regard to the cocoa crop, the total number of bags exported from Ilheos was 595,123, while that handled by the company was 502,221. This was not so large as that of the previous year, when the crop was an exceptionally heavy one, and constituted a record. The return under review, however, was above the average, and may therefore be considered a good one. Goods traffic, apart from cocoa, which showed a reduction of about 3,500 tons, was satisfactory, the tonnage of general merchandise carried showing a small increase as compared with previous years. Passenger traffic was again good, the number of passengers carried being 6,793 more than in 1923-24, and constitutes a record. The exchange value of the milreis fluctuated considerably; the average rate, however, was slightly higher at 5.7d per milreis, against 5.41d per milreis in 1923-24.

THE CURRENT YEAR.

Since the close of the year under review the milreis has appreciated in value considerably; the rate has fluctuated between about 5½d and 7½d, and at the present time is about 7d. The work of

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improving the port of Ilheos is being continued by the local company. In the current year the cocoa crop is expected to be a normal one. The number of bags transported by the company during the first six months shows an increase of 92,000 bags over the corresponding period of last year, while gross earnings for the same period are £9,692 higher.

The report was unanimously adopted.

NELSON BROTHERS, LIMITED.

INCREASED PROFITS—A UNIQUE POSITION.

The forty-second ordinary general meeting of this company was held, on the 8th instant, at the Cannon street Hotel, London.

Mr Harold Nelson (chairman and managing director), in moving the adoption of the report and accounts, said that the total investments of the company now stood at £1,302,022, being an increase of £66,258. The net profit for the twelve months was £96,407, being £2,814 better than the last account, which was for a period of thirteen months, so that the increase was more substantial than at first sight appeared. The directors proposed a final dividend of 5 per cent. and a bonus of 5 per cent., both free of income-tax, making 15 per cent., free of tax, for the year (which was equal to a gross dividend of 19 per cent.), and a transfer of £25,000 to revenue reserve account, carrying forward the slightly increased sum of £46,579.

He desired to call special attention to the fact that as a financial, as well as an investment, company they were in a somewhat unique position. If it had been decided to continue their business as an investment company only, the directors' task would have been much simpler, but the shareholders could not, under those circumstances, have expected bonuses. Ten per cent., free of tax, would have been a very good return, considering the fact that they had not a large bulk of cheap money in the form of debentures, which was common to most investment companies, but four-fifths of their capital was in ordinary shares. The profits they had been able to distribute in bonuses must not, therefore, be considered as dependent on their standard investment revenue, but the major part of those profits had to be earned by their financial operations, based on their endeavours to forecast the future position in various markets, and undertaken without undue risk. However tempting the outlook might be, the directors tried to avoid being carried too far in any particular current, as their experience was that the unexpected happened, no matter how strong the statistical position might appear to be in respect of any commodity or industrial group. They were strengthening their revenue reserve with a further £25,000 this year, and, in conclusion, he thought he might say that the policy of the board would be to pass on to the shareholders, in the form of bonuses, any surplus profits they might make, after providing for contingencies, but at the present time, at any rate, they did not think it would be in their interest to make a distribution in any other form.

The report and accounts were unanimously adopted.

JOHN I. THORNYCROFT AND CO., LIMITED. IMPROVED OUTLOOK.

The twenty-fourth annual general meeting of this company was held, on the 9th instant, at Winchester House, London.

Sir John E. Thornycroft, K.B.E., M.I.N.A. (managing director), said that the accounts for the past year indicated that the position was somewhat more satisfactory than that of the previous year. After deduction of all charges and providing for ample depreciation, the profit amounted to £37,861. After payment of the dividends proposed on the preference and participating preferred ordinary shares, there remained £49,245 to be carried forward. The shipbuilding and marine engineering side of the business had again been adversely affected by the depressed conditions in the industry generally. A year ago he mentioned that it had only been possible to secure orders without a proper margin of profit, and that delay in delivery had occurred through labour disputes. While there had been better labour conditions in their own trade, the uncertainty had, necessarily, militated against a revival of the shipbuilding industry. The work at Southampton at the present time consisted of the destroyer "Amazon," which they were building for the Admiralty, and the boilers for one of the new cruisers. The "Amazon" was well advanced, and would be ready for trial early next year. In addition, they had under construction a river vessel for the King of Egypt. The repairs department had been fairly well occupied, and the directors had every reason to believe that the work done had given satisfaction to the shipowners. During the year the company had delivered two coastal motor torpedo boats to the Swedish Navy and had completed various other craft, including a shallow draft river steamer for service in China.

The motor vehicle side of the business had been good, and sales had increased by over 50 per cent., a progressive increase on last

year, when the sales were 40 per cent. better than those of the previous year. At the last meeting he mentioned that the company had just put on the market a 30-cwt vehicle known as the A1 type, which complied with the War Office specification for subsidy. He could now say that, after a year's experience at home and in most parts of the world, the design had proved most satisfactory, and there was a general demand for it. Last year he concluded his remarks by saying that the outlook was more promising, and, while they had not been able to recommend the payment of an ordinary dividend, he thought he was justified in what he then said. The general opinion seemed to be that there were some signs of a revival in trade, and, provided the threatened trouble in connection with the coal industry was avoided, he thought there was every prospect of their position continuing to improve.

The report and accounts were unanimously adopted.

PETER WALKER (WARRINGTON) AND ROBERT CAIN AND SONS, LIMITED.

REPAYMENT OF DEBENTURES FORESHADOWED.

The fourth annual general meeting of this company was held, on the 11th instant, in London, Sir Charles A. Nall-Cain, Bart. (deputy-chairman and managing director), presiding.

The Chairman, after expressing regret at the absence of Sir Harwood Banner, through illness, said that the output of the Warrington brewery had again shown an increase, and the directors looked for a further improvement as fresh outlets for the company's product were secured. The business of Wm. Tong and Sons, Bolton, continued satisfactory. Shortly before the close of the financial year they acquired through the Peter Walker Co. the business of the Worsley Brewery, Limited, of Pendlebury, and they had no doubt that this would prove an additional source of profit.

Dealing with the accounts, the Chairman said that the combined profits amounted to £903,664, which compared with £835,730 last year. The directors claimed that the policy they were following of building up a reserve in keeping with the magnitude of the business was a sound one. The allocation of this year's profits was the transfer of £80,000 to reserve, the usual grant of £3,000 to the staff benefit fund, the payment of a final dividend of 5 per cent., making 9 per cent. for the third successive year, and the carrying forward of £45,710. The shareholders would expect to hear something regarding the debenture holders' scheme which was abandoned in the early part of the year. In April last a scheme was submitted under which the terms of the debentures would have been altered. It was put forward through the medium of the trustees for the debenture holders at the request of persons and Trust companies largely interested in the debentures. The requisite support was not forthcoming, and the scheme was abandoned. The rights both of the company and the debenture holders remained, therefore, in accordance with the terms of the debenture trust deed.

There had never been any secret of the intentions of the board to bring about a complete amalgamation of the companies involved in the Walker Cain combine. When they had one party with two millions of cheap money and the other with a like amount of dear money, and with credit in the state it was to-day, it must be obvious that the dear money had to go. He told the shareholders frankly that no other scheme hitherto considered contemplated the Walker Cain debentures repayable at anything above par, which was 7½ per cent. above the issue price, and it should be evident that the plain course for the company to adopt was to pay off the debentures, as no concern could be expected to wear unnecessarily heavy chains longer than could be avoided.

Mr James Davenport expressed the hope that the directors would press forward their amalgamation scheme.

The report and accounts were unanimously adopted.

BRITISH INSULATED AND HELSBY CABLES, LIMITED. ISSUE OF BONUS SHARES.

COMPANY'S NAME TO BE SHORTENED.

An extraordinary general meeting of British Insulated and Helsby Cables, Limited, was held at Liverpool, on the 4th instant, Mr James Taylor, chairman, presiding.

A resolution capitalising a portion of the reserved fund of the company and authorising the issue to each ordinary shareholder of one new fully-paid ordinary share for every three shares held by him was unanimously passed.

SHARE FRACTIONS.

The Chairman explained to the meeting that in cases where a strict computation would result in members becoming entitled to fractions of shares the shares representing the aggregate of such

fractions would be allotted to a trustee, and sold in the market for the benefit of the persons respectively entitled thereto.

Allotment letters will be sent out as soon as possible, and notice will be given to allottees as soon as the new certificates are ready to be exchanged therefor.

CHANGE OF NAME.

A further extraordinary meeting followed, at which a resolution was unanimously adopted for the abbreviation of the company's name to that of "British Insulated Cables, Limited." This will be submitted for confirmation to another meeting to be held on the 21st instant.

GOVERNMENT RETURNS, &c.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1925-26. (See Note)	Total Receipts into the Exchequer from Apr. 1, 1925, to Dec. 5, 1925.	Total Receipts into the Exchequer from Apr. 1, 1924, to Dec. 6, 1924.	RECEIPTS. Week Ended Dec. 5, 1925.	Week Ended Dec. 6, 1924.
REVENUE.					
Customs	102,040,000	70,210,000	69,305,000	2,060,000	2,509,000
Excise	137,220,000	90,610,000	91,251,000	1,846,000	1,636,000
Motor Vehicle Duties	17,500,000	5,998,000	5,105,000	140,000	140,000
Stamps	66,500,000	39,860,000	41,250,000	1,010,000	700,000
Land Tax, House Duty & Mineral Rights Duty	24,000,000	14,690,000	13,240,000	270,000	300,000
Property & Income Tax	1,000,000	190,000	690,000	10,000	10,000
Super-Tax	262,000,000	118,413,000	127,897,000	3,688,000	1,952,000
Excess Profits Duties, &c.	63,300,000	30,786,000	28,540,000	490,000	450,000
Corporation Profits Tax	4,000,000	7,630,000	11,720,000	160,000	490,000
Post Office	9,000,000	38,000,000	37,500,000	1,000,000	1,000,000
Crown Lands	800,000	740,000	760,000	..	..
Interest on Sundry Loans	12,600,000	10,337,413	9,894,036	1,476,159	1,027,376
Miscellaneous	14,000,000	8,205,149	8,248,546	311,156	3,876
Ordinary Receipts	30,000,000	24,435,021	21,206,336	1,332,333	737,415
Special Receipts	801,060,000	466,455,683	472,938,532	10,995,667	..
Total Inc. Balance					
By Treasury Bills	1,705,342,000	1,656,692,000	49,598,000	55,385,000	..
By 3% Conversion Loan	23,650,000	19,150,000	600,000	600,000	..
By National Savings Certificates	..	..	..	..	..
By Exchequer and National War Bonds	..	..	..	..	..
By Treasury Bonds, 1925	..	..	..	..	..
By 4% Treasury Bonds, 1931-33	..	..	..	..	..
By Other Debt created under the War Loan Act, 1914 to 1919	..	..	..	..	..
By Ways and Means Advances					
Anglo-Persian Oil Company—Dividends on Shares Acquired	460,781,000	572,919,000	42,750,000	36,550,000	..
Repayments—					
In respect of Cunard Loan	130,000	130,000	..	130,000	..
In respect of Issues under Land Settlement (Facilities) Act, 1919 and 1921	137,925	592,439	11,224	15,398	..
In respect of Issues under Section 59 (4) of the Finance Act, 1920	9,901,981	1,622,025	..	..	..
Interest received under Section 59 (5) of the Finance Act, 1920	299,785	..	43,007	..	..
Total	2,734,528,519	2,755,579,476	114,070,878	104,398,565	..

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1925-26. (Including Supplementary Grants)	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1925, to Dec. 5, 1925.	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1924, to Dec. 6, 1924.	ISSUES. Week Ended Dec. 5, 1925.	Week Ended Dec. 6, 1924.
EXPENDITURE.					
National Debt Services—					
Interest, &c.	205,000,000	247,515,534	248,891,232	46,213,599	45,627,607
Sinking Fund	50,000,000	26,089,586	18,522,287	390,547	115,547
Road Fund	16,300,000	5,251,044	4,364,044	..	..
Payments to Local Taxation Accounts, &c.	13,339,000	7,578,390	7,587,891	..	..
Payments to Northern Ireland Exchequer	4,000,000	2,967,626	3,052,739	75,000	75,000
Land Settlement	700,000	292,088	377,549	3,411	..
Other Consolidated Fund Services	2,000,000	1,579,612	1,656,635	21,108	..
Supply Services	416,000,000	269,726,608	251,775,706	7,260,000	6,681,308
Expenditure	810,015,000	561,000,589	536,228,079	53,953,655	54,499,463

	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1925, to Dec. 5, 1925.	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1924, to Dec. 6, 1924.	ISSUES. Week Ended Dec. 5, 1925.	Week Ended Dec. 6, 1924.
OTHER ISSUES.				
Temporary Advances—				
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904	73,782	73,782	..	..
Under the Unemployment Insurance Act, 1921	1,745,000	690,000	30,000	40,000
Issues to meet Capital Expenditure—				
Under the Telegraph (Money) Act, 1922 and 1924	7,900,000	5,950,000	..	..
Under the Housing Act, 1914	6,000	6,000	..	..
Under the West Indian Islands (Telegraph) Act, 1924	20,071	324,541	..	..
Unemployment Insurance Act, 1921	1,390,000	5,920,000	130,000	130,000
Repayment of amounts borrowed	1,390,000	5,920,000	130,000	130,000
Redemption of Debt—				
Treasury Bills	1,635,980,000	1,616,520,000	51,325,000	51,275,000
Principal of National Savings Certificates	20,350,000	21,350,000	550,000	550,000
Principal of Exchequer Bonds paid off	306,667	..	..	..
Principal of National War Bonds paid off	8,344,789	6,586,653	..	..
Principal of Treasury Bonds paid off	23,645,866	..	..	..
Other Debt under the War Loan Act, 1914 to 1919	..	50	..	..
Ways and Means Advances Repaid	470,740,000	558,879,500	8,265,000	..
Anglo-Persian Oil Company—Issued to the National Debt Commissioners	..	23,109	..	..
Balance in Exchequer—				
Bank of England	2,731,502,763	2,752,551,714	114,943,665	104,494,462
Bank of Ireland	2,016,668	2,068,912	15,307	56,037
Other	1,009,088	958,850	188,094	151,994
Total	3,025,756	3,027,762	172,767	95,897

Norm.—Budget Estimate as in H.C. No. 84 of 1925.
Treasury, December 7, 1925.

NATIONAL DEBT—(Million £).

	Aug. 1, 1914.	Dec. 31, 1919.	Mar. 31, 1921.	Mar. 31, 1922.	Mar. 31, 1923.	Mar. 31, 1924.	Dec. 31, 1924.	Mar. 31, 1925.	Dec. 5, 1925.
Funded Debt	588	315	315	315	318	314	314	314	314
Term Annuities	30	20	18	16	14	14	13	13	13
3% Conversion Loan	..	..	266	684	666	666	709	764	764
4% Conversion Loan	..	..	..	..	..	..	..	..	..
3% War Stock	..	63	63	63	63	63	63	63	63
4% War Stock	..	13	13	13	13	13	13	13	13
National War Bonds	..	2,047	1,995	1,953	2,095	2,017	2,052	2,052	2,052
4% Funding Loan	..	1,509	1,413	1,201	953	813	778	778	778
4% and 5% War Bonds	..	409	406	401	399	396	395	395	395
Exchequer Bonds	..	360	347	335	325	314	314	314	314
National Savings Certs.	..	20	323	453	411	457	496	499	479
Other Debt*	..	267	342	354	366	364	369	370	370
American Loan (Anglo-French)	..	1,306	1,132	1,087	1,157	1,128	1,132	1,124	1,124
Treasury Bills	..	15	1,107	1,121	878	616	626	576	645
Temporary Advances	..	1	243	154	147	186	220	167	156
Other Capital Liabilities									
..	654	8,033	7,574	7,655	7,742	7,641	7,626	7,646	7,734
Total Liabilities	711	8,079	7,623	7,721	7,812	7,707	7,794	7,718	7,813

	Dec. 6, '24.	Mar. 31, '25.	Dec. 5, '25.	Week ended Dec. 5, '25.
POSITION OF THE FLOATING DEBT.				
Ways and Means Advances	..	..	..	..
Outstanding—	..	..	..	..
Advances by Bank of England	19,250,000	..	15,500,000	..
Advances by Public Debt Dept.	180,945,000	186,585,000	141,126,000	18,985,000
Treasury Bills Outstanding	628,510,000	576,610,000	644,980,000	1,700,000
Total Floating Debt	828,705,000	742,135,000	801,606,000	32,785,000

* Includes £46,000, the proceeds of which were not carried to the Exchequer within the period of the account.

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

	Notes and Certificates Outstanding.	Investments Reserve Account.	Redemption Account.	Balance at Bank of England.
Date.				
Mar. 23, 1922	300,351	14,255	..	..
June 27, 1922	295,374	13,338	5,000	28,500
Sept. 27, 1922	289,127	12,648	7,000	28,500
Dec. 27, 1922	301,537	12,872	7,000	28,500
Mar. 28, 1923	285,616	12,518	7,000	28,500
June 27, 1923	286,503	12,518	7,000	28,500
Sept. 27, 1923	282,784	12,401	7,000	28,500
Dec. 27, 1923	299,070	12,572	7,000	28,500
Mar. 28, 1924	281,538	11,908	7,000	28,500
June 27, 1924	280,316	12,472	7,000	28,500
Sept. 27, 1924	285,592	12,227	7,000	28,500
Dec. 27, 1924	296,361	12,812	7,000	28,500
Mar. 25, 1925	284,258	11,882	7,000	28,500
June 24, 1925	292,278	12,265	7,000	28,500
Sept. 30, 1925	293,004	12,555	7,000	28,500
Dec. 2, 1925	289,418	12,094	7,000	28,500
Dec. 9, 1925	290,601	11,983	7,000	28,500

Since July 31, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum ordinary issue for 1920 fixed at £300,000,000, for 1921 at £317,555,000, for 1922 at £309,988,000, for 1923 at £270,123,000, for 1924 at £294,190,000, and for 1925 at £294,146,000.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.

Tenders for £40,000,000 in Treasury Bonds and Treasury Bills were opened on Dec. 11, 1925, and the total amount applied for was £45,560,000. For bills at three months dated Monday, £98 16s 11d, and above in full; Tuesday to Saturday bills at £98 16s 7d, above in full—in bills at 3 months, £40,000,000; in bonds, nil.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.	4% Treasury Bonds. Average Price.
Oct. 9, 1925.	40,000,000	66,420,000	5 6 5 7 9	94 9 1 48
Oct. 16,	35,000,000	41,885,000	5 12 7 86	..
Oct. 23,	40,000,000	48,395,000	5 14 9 79	94 8 0
Oct. 30,	40,000,000	49,160,000	5 16 1 72	94 8 0
Nov. 6,	40,000,000	44,865,000	5 18 1 44	..
Nov. 13,	40,000,000	44,865,000	5 17 3 73	..
Nov. 20,	40,000,000	43,065,000	5 18 5 17	94 8 0
Nov. 27,	40,000,000	47,435,000	5 19 0 91	..
Dec. 4,	40,000,000	56,295,000	4 10 6 05	..
Dec. 11,	40,000,000	45,560,000	4 14 3 75	..

Tenders will be received on Dec. 18, 1925, for Treasury Bills and Treasury Bonds to be issued to the maximum amount of £40,000,000. The amount of Treasury Bonds issued will not exceed £4,000,000.

ESTABLISHED OVER ONE HUNDRED YEARS.

SCOTTISH UNION & NATIONAL INSURANCE COMPANY.

ASSETS £13,000,000.

FIRE. LIFE. ACCIDENT. MARINE

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

The Bankers' Gazette.

BANK OF ENGLAND.

Week ended Wednesday, December 9, 1925.

	£	Government debt	£
Notes issued	162,926,235	Other securities	11,015,100
		Gold coin & bullion	8,734,900
			143,176,235

162,926,235	162,926,235
-------------	-------------

	£	Government securities	£
Proprietors' capital	14,553,000	Other securities	54,367,526
Reserve	3,323,100	Notes	71,081,114
Public deposits	8,780,798	Gold and silver coin	1,831,635
Other deposits	120,225,541		
Seven-day & other bills	4,756		

146,887,195	146,887,195
-------------	-------------

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

	Amount, Dec. 9, 1925.	Inc. or Dec. on Last Week.	Inc. or Dec. on Last Year.
Reserve	3,323,100	+ 70,158	+ 31,025
Public deposits	8,780,798	+ 255,349	+ 1,258,633
Other deposits	120,225,541	+ 9,998,208	+ 5,471,412
Government securities	54,367,526	+ 8,070,268	+ 2,674,837
Other securities	71,081,114	+ 613,624	+ 1,687,052
Reserve	21,438,585	+ 687,952	+ 2,370,286
Note circulation	145,007,870	+ 35,865	+ 18,374,140
Coin and bullion	145,007,870	+ 682,087	+ 16,503,844
% of reserve to liabilities	16%	+ 8%	+ 2%

Date.	Coin and Bullion.	Circulation (excluding Bank Post Bills).	Deposits.	Securities in Banking Department.	Gold in or out of Bank.	Reserve and % of Reserve to Liabilities.	Bank Rate.
1925.	\$						%
Oct. 28	150,282,799	142,978,765	113,720,853	104,337,514	2,466,000	27,054,034	433
Nov. 4	149,046,866	141,442,830	120,015,469	110,387,065	1,328,000	27,354,062	22
11	148,058,069	141,519,165	123,367,940	113,824,869	998,000	26,688,904	21
18	147,680,015	141,209,560	121,779,619	113,309,362	378,000	26,227,465	21
25	146,734,282	141,953,558	125,714,669	118,945,508	957,000	24,530,682	19
Dec. 2	145,659,957	143,383,450	138,449,198	134,332,533	1,050,000	22,126,507	16
9		143,833,316	129,009,339	125,448,640	680,000	21,438,555	16

MONTHLY STATEMENT OF LONDON CLEARING BANKS.
(000's omitted.)

Average Weekly Balances, NOVEMBER, 1925.	Bank of Liverpool and Martins, Limited.	Barclays Bank, Limited.	Compt. and Co.	Glyn, Mills and Co.	Lloyds Bank, Limited.	Midland Bank, Limited.	National Bank, Limited.	National Provincial Bank, Limited.	West- minster Bank, Limited.	Willm's Deacons Bank, Limited.	Total.
ASSETS.											
Coin, bank and currency notes, and balances with the Bank of England ..	6,033	33,005	1,389	2,978	35,691	50,079	3,921	27,107	27,243	3,850	191,296
Balances with and cheques in course of collection on other banks in the United Kingdom ..	1,985	8,684	629	1,299	8,436	12,813	155	7,639	8,695	1,290	51,625
Items in transit ..	3,845	22,426	2,010	4,020	17,890	17,086	4,088	16,402	24,469	3,139	115,375
Money at call and short notice ..	3,925	39,162	1,612	1,351	56,766	48,964	2,738	34,922	45,936	2,549	237,925
Investments ..	9,997	58,285	4,294	8,809	53,708	34,604	15,926	39,951	46,983	4,612	277,169
Advances to customers and other accounts Liabilities of customers for acceptances, endorsements, &c. ..	33,939	146,902	8,088	10,135	175,198	193,749	16,281	130,737	119,462	18,861	853,352
Bank premises account ..	5,481	15,099	6	1,809	20,212	35,228	100	10,017	12,793	2,512	103,257
Investments in affiliated banks ..	1,542	5,145	346	695	5,890	6,671	761	4,540	4,255	920	30,765
Ratio of cash to current, deposit, and other accounts ..	66,747	336,164	18,374	31,096	380,372	405,432	43,970	274,069	292,828	37,733	1,886,785
LIABILITIES.											
Capital paid up ..	2,349	15,592	800	1,060	14,372	12,643	1,500	9,479	9,052	1,875	68,722
Reserve fund ..	1,700	8,250	800	530	10,000	12,643	1,250	9,479	9,052	1,250	54,954
Current, deposit, and other accounts ..	57,217	297,223	16,768	27,523	335,788	344,918	37,780	245,093	261,917	32,097	1,656,324
Acceptances, endorsements, &c. ..	5,481	15,099	6	1,809	20,212	35,228	100	10,017	12,793	2,512	103,257
Notes in circulation ..	..	..	..	..	..	..	..	..	..	..	..
Reduction of bank premises account ..	..	..	..	..	..	..	..	..	..	..	..
	66,747	336,164	18,374	31,096	380,372	405,432	43,970	274,069	292,828	37,733	1,886,785

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

ASSETS.	Dec. 10, 1925.	Dec. 3, 1925.	Nov. 26, 1925.	Dec. 11, 1925.	Position May 30, 1924.
Gold coin and bullion ..	5,547,812	5,547,806	5,547,784	5,544,900	3,730,625
Of which held abroad ..	1,864,321	1,864,321	1,864,321	1,864,321	1,362,500
Silver coin and bullion ..	1,864,321	1,864,321	1,864,321	1,864,321	1,362,500
Discounts and advances ..	6,338,635	7,329,377	7,554,529	7,554,529	2,327,775
Advances to the State ..	33,700,000	33,500,000	31,950,000	22,700,000	..
LIABILITIES.					
Notes ..	49,536,001	49,183,657	48,085,443	40,567,931	5,811,875
Government deposits ..	30,937	40,758	9,125	26,886	183,700
Private deposits ..	3,320,452	3,246,043	3,012,653	1,846,686	845,950

BANK OF JAVIA.—In florins (000's omitted).

ASSETS.	Dec. 5, 1925.	Nov. 28, 1925.	Nov. 21, 1925.	Nov. 14, 1925.	Dec. 6, 1925.	Position May 30, 1924.
Gold ..	196,000	185,500	186,500	186,250	133,637	22,971
Silver ..	196,000	185,500	186,500	186,250	133,637	22,971
Discounts, advances, and other investments ..	145,870	147,531	152,770	163,310	157,844	77,567
LIABILITIES.						
Notes in circulation ..	352,500	344,000	342,000	344,000	281,401	109,499
Deposits and bills payable ..	3,500	34,000	37,000	43,500	114,906	11,250

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

ASSETS.	Dec. 7, 1925.	Nov. 30, 1925.	Nov. 23, 1925.	Nov. 16, 1925.	Dec. 6, 1925.	Position May 30, 1924.
Gold ..	455,863	455,837	455,862	460,961	505,502	171,175
Silver ..	90,378	90,846	91,321	90,149	93,244	18,350
Assets & advance ..	287,171	300,569	282,664	287,794	281,099	103,000
LIABILITIES.						
Notes in circulation ..	795,351	819,036	771,959	793,765	837,863	275,925
Deposits ..	103,877	96,038	116,595	116,576	139,589	33,750

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

ASSETS.	Nov. 30, 1925.	Oct. 31, 1925.	Sept. 30, 1925.	Aug. 31, 1925.	Nov. 29, 1924.	Position May 30, 1924.
Coin and bullion ..	209,310	209,341	209,389	209,419	209,506	76,644
Loans & discounts ..	271,380	254,395	236,652	252,129	495,566	88,470
Debtors abroad ..	106,461	134,363	124,321	148,362	25,476	24,102
Securities ..	7,255	7,010	7,007	7,064	8,727	11,988
LIABILITIES.						
Circulation ..	433,532	453,559	430,332	442,140	479,124	157,266
Deposits ..	77,516	60,666	6,672	75,342	71,701	6,696

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

ASSETS.	Nov. 30, 1925.	Nov. 3, 1925.	Nov. 16, 1925.	Nov. 30, 1924.	Position May 30, 1924.
Coin and bullion—Gold ..	147,226	147,226	147,226	147,227	44,224
Balance abroad and foreign bills ..	58,222	59,246	58,424	38,776	88,533
Norwegian and Foreign Gov. ernment securities ..	13,528	12,596	12,596	8,999	8,816
Discounts and loans ..	301,784	301,882	303,285	394,883	76,911
LIABILITIES.					
Notes in circulation ..	351,221	346,980	349,232	376,343	113,484
Deposits at notice ..	95,241	100,973	98,162	111,786	7,188

BANK OF ESTHONIA.—In Est. marks (000's omitted).

ASSETS.	Nov. 23, 1925.	Nov. 14, 1925.	Nov. 7, 1925.	Oct. 31, 1924.	Nov. 15, 1924.
Reserve of notes (cash) ..	170,177	181,101	173,485	161,199	970,158
Cash in foreign money, gold, and deposits abroad ..	842,192	799,696	816,485	834,733	831,028
Foreign bills ..	222,950	244,488	236,355	213,790	295,768
Discounts ..	1,723,944	1,734,774	1,733,496	1,763,393	1,531,697
Advances and sundry out- standings ..	4,441,267	4,371,059	4,289,186	4,263,207	3,710,278
LIABILITIES.					
Capital paid up and reserve funds ..	462,273	462,273	462,273	462,273	396,381
Bank notes issued ..	2,500,000	2,500,000	2,500,000	2,500,000	2,250,000
Deposits ..	4,384,931	4,466,050	4,371,547	4,323,735	3,768,454
Commercial credits ..	509,165	460,293	451,282	401,461	544,688

THE REICHSBANK.—In Reichsmarks* (000's omitted).

ASSETS.	Nov. 30, 1925.	Nov. 23, 1925.	Nov. 14, 1925.	Dec. 15, 1924.
Reichsbank shares not yet issued ..	177,212	177,212	177,112	177,112
Gold and bullion ..	1,207,262	1,207,262	1,206,959	1,206,959
Of which deposited abroad ..	96,605	96,605	96,605	96,605
Reserve in foreign currencies ..	402,420	392,496	375,259	332,661
Bills of exchange and cheques ..	1,649,738	1,379,507	1,442,962	2,079,028
Notes in circulation ..	65,515	67,637	65,307	48,205
Advances to other German banks ..	13,499	37,026	23,940	25,405
Investments ..	23,810	11,569	8,833	17,234
Other assets ..	221,631	221,360	224,717	78,656
LIABILITIES.				
Reduced capital ..	122,788	122,788	122,788	90,000
Increase of capital (shares not yet issued) ..	177,212	177,212	177,212	210,000
Reserve ..	185,807	185,807	185,807	900
Notes in circulation ..	2,770,882	2,421,850	2,558,829	1,723,226
Other daily maturing obligations ..	586,943	567,919	532,747	1,131,670
Other liabilities ..	495,833	507,689	496,057	1,555,169

* Equal to one billion paper marks or one Rentenmark.
The gold reserve is calculated in accordance with the new legal prescription
of one pound of fine gold equals 1,392 Reichsmarks.

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

ASSETS.	Dec. 5, 1925.	Nov. 28, 1925.	Nov. 21, 1925.	Nov. 14, 1925.	Dec. 6, 1925.	May 31, 1924.
Gold ..	230,412	230,530	230,626	230,719	238,638	104,918
Balance abroad and foreign bills ..	160,599	160,525	160,962	164,027	54,359	112,172
Swedish and for- eign securities ..	47,266	47,266	47,250	47,250	54,286	33,465
Gov. securities ..	300,232	300,232	300,232	300,232	474,223	112,886
Discounts & loans ..	497,361	503,148	479,369	490,009	496,535	226,555
Notes in circulation ..	172,440	85,366	100,940	104,155	266,408	369,680

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

ASSETS.	Dec. 2, 1925.	Nov. 25, 1925.	Nov. 18, 1925.	Dec. 3, 1925.	Nov. 22, 1924.
Gold bullion and coins ..	23,554	23,554	23,554	23,554	12,993
Silver coin ..	1,787	1,902	2,004	2,004	2,776
Foreign currency ..	29,174	30,460	30,521	47,764	22,466
Treasury notes & small change ..	9,392	9,035	10,858	12,056	3,085
Short term bills ..	63,649	63,449	64,103	43,465	6,639
Loans against securities ..	50,938	50,492	50,351	45,451	2,912
Other assets ..	10,221	10,951	10,920	7,057	1,359
LIABILITIES.					
Notes in circulation ..	28,808	29,183	28,526	27,300	4,085
Capital paid up ..	11,659	11,659	11,659	10,260	8,000
Reserve ..	1,522	1,522	1,522	962	..
Special reserve ..	1,000	1,000	1,000	..	..
Deposits ..	6,788	6,340	6,822	4,764	61
Current accounts ..	43,948	44,269	46,689	45,936	16,933
Government deposits ..	72,730	72,136	74,552	78,495	16,697
Other liabilities ..	22,179	23,735	23,537	11,686	3,757

BANK OF DANZIG.—In Danzig gulden (000's omitted).

ASSETS.	Nov. 30, 1925.	Nov. 14, 1925.	Oct. 31, 1925.	Oct. 15, 1925.	Sept. 30, 1925.	Nov. 29, 1924.
Coin and bullion ..	2,727	2,871	2,652	2,767	2,776	2,548
Of which gold coin ..	5	4	4	4	4	5
Balance subsidiary coin ..	2,722	2,867	2,648	2,763	2,772	2,543
Balances, E.R. of Eng., inc. notes ..	15,553	14,928	16,346	15,104	17,704	14,815
Bills of exchange ..	16,785	16,952	16,952	16,952	17,206	16,977
Loans ..	1,068	752	1,316	682	1,316	3,791
Foreign exchange ..	18,126	18,547	18,598	21,217	25,187	9,875
Other balances on demand ..	1,785	1,839	1,790	3,641	1,990	18
LIABILITIES.						
Capital paid up ..	7,500	7,500	7,500	7,500	7,500	7,500
Notes in circulation ..	32,716	30,981	34,043	32,367	25,966	28,339
Deposits on demand ..	5,462	5,850	5,864	6,657	9,343	11,694
Deposits at notice ..	..	..	..	..	..	..

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

ASSETS.	Nov. 30, 1925.	Nov. 23, 1925.	Nov. 14, 1925.	Nov. 29, 1924.	Position, May 30, 1924.
Gold ..	43,286	43,286	43,286	43,285	35,091
Balance abroad and foreign bills ..	1,418,521	1,419,989	1,345,493	617,187	90,379
Finnish and Foreign Govern- ment securities ..	405,205	405,205	405,137	496,082	21,826
Discounts and loans ..	363,755	365,660	368,958	777,587	105,151
LIABILITIES.					
Notes in circulation ..	1,253,093	1,214,314	1,219,661	1,277,705	123,941
Deposits at notice ..	688,221	716,366	631,925	537,290	21,225

BANK OF LITHUANIA.—In Lt. (000's omitted).

ASSETS.	Nov. 30, 1925.	Nov. 15, 1925.	Oct. 31, 1925.	Oct. 15, 1925.	Sept. 30, 1925
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MOSCOW QUOTATIONS FOR CHERVONETZ.

According to advices received in London, the following are the Moscow quotations for chervonetz:—

\$1,000 sterling equals 941½ chervontzi,
\$1,000 " " 194

CURRENT RATES IN NEW YORK.

The Irving Bank—Columbia Trust Company cable the following money and exchange rates in New York:—

	Dec. 11, 1924.	Nov. 5, 1924.	Nov. 12, 1924.	Nov. 19, 1924.	Dec. 3, 1924.	Dec. 10, 1924.
Call money	3½	4½	4½	4½	5	5
Time money (90 days' mixed coll)	3½	4½	4½	4½	4½	4½
Bank acceptances:—						
Members—eligible, 90 days	3	3½	3½	3½	3½	3½
Non-mem.—eligible, 90 days	3½	3½	3½	3½	3½	3½
Ineligible, 90 days	3½	4½	4½	4½	4½	4½
Commercial accept., 90 days	3½	4½	4½	4½	4½	4½

Rates of Exchange.	Par Level.	Dec. 11, 1924.	Nov. 19, 1924.	Dec. 3, 1924.	Dec. 10, 1924.
London—					
60 days		4.8666	4.8675	4.8675	4.8675
Cable			4.8680	4.8680	4.8680
Cheques			4.8685	4.8685	4.8685
Paris—cheques			19.30	19.30	19.30
Switzerland			19.30	19.30	19.30
Italy			19.30	19.30	19.30
Berlin			23.81	23.81	23.81
Vienna			14.07	14.07	14.07
Madrid			19.30	19.30	19.30
Amsterdam			40.195	40.195	40.195
Copenhagen			17.62	17.62	17.62
Oslo			15.13	15.13	15.13
Stockholm			26.96	26.96	26.96
Athens			13.95	13.95	13.95
Montreal			100	99.43	99.43
Yokohama			49.85	38.44	38.44
Hong Kong			56.185	58.375	58.375
Shanghai			56.50	76	75.95
Calcutta			35.29	36.68	36.70
Buenos Aires			103.65	113.50	106.40
Rio de Janeiro			32.42	11.60	14.49
Valparaiso			30.60	11.375	12.375

CENTRAL AMERICAN EXCHANGE RATES

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

Country.	Par Value	Usance.	1925.	Rate.
Ecuador	10.00	Sight London	Dec. 5	20.85
Venezuela	25.25	"	Dec. 9	25.07
Colombia (Bogota)	100	"	Dec. 7	98.63
Nicaragua	4.8665	"	Dec. 5	4.90
San Salvador	9.73	"	Dec. 5	9.75
Guatemala	90.23	"	Dec. 5	29.2
Costa Rica	10.45	"	May 23	18.92
Bolivia	19.20	"	Dec. 5	17.8

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates:—

	Union of South Africa.	Union of S. Africa.
From close of mail		
December 1, 1925.		
London on South Africa.		
Buying.		
Selling.		
T.T.	100	100
30 days	100.871	100.871
60 days	100.871	100.871
90 days	100.871	100.871
120 days	100.871	100.871

OVERSEAS DOMESTIC RATES.

The arrivals and withdrawals of gold during the past week, as announced by the Bank of England, have been as follows:—

	New Zealand.				on London.			
	Buying.		Selling.		Buying.		Selling.	
	Aus- tralia.	New Zeal'nd	Aus- tralia.	New Zeal'nd	Aus- tralia.	New Zeal'nd	Aus- tralia.	New Zeal'nd
T.T.	..	..	1001	1001	991	99	1001	1001
Demand	991	99	991	100	991	99	991	991
30 days	991	991	..	..	991	991	991	991
60 days	991	991	..	..	991	991	991	991
90 days	991	991	..	..	991	991	991	991

MISCELLANEOUS.

ANGLO-EQUADORIAN OILFIELDS, LIMITED.—The total production of crude for year ended June 30, 1925, was 12,230 tons. During the year the energies of the management were mainly directed towards completing equipment. Work was greatly delayed by the abnormal rains which commenced in January and continued until the end of April. Considerable damage was done to the railway, buildings, &c., but the work of repair was vigorously taken in hand, and had largely been completed by June 30th. The balance-sheet shows total assets £824,063, against £821,309. Cash has been reduced from £95,874 to £11,799. Investment in British Government securities at cost stood in previous balance-sheet at £152,534, but the latest balance-sheet shows British Government and other securities at cost £53,058. Property account stands at £97,775, against £93,411. Equipment account is at £242,359, against £189,402. Development account is at £296,265, against £225,370. The issued capital remains at £750,000. Share premium account also remains at £40,954.

BRISTOL INDUSTRIES, LIMITED.—The accounts for the year ended October 31, 1925, show a trading profit of £20,692, being an increase over the preceding year of £5,898. After placing £1,000 to reserve and £1,000 to the credit of goodwill account, deducting depreciation and interim dividend already paid on the preference shares, adding transfer fees and the balance from last year, there remains to the credit of profit and loss account the sum of £14,547. It is proposed to pay dividends as follows, viz.:—4 per cent., less tax, on the cumulative preference shares, making 8 per cent. for the year, and 5 per cent., less tax, on the ordinary shares, against 3½ per cent. These payments will absorb £9,481, and will allow the sum of £5,066 to be carried forward, subject only to directors' fees for the past year. The directors report that all questions outstanding relative to corporation profits tax and income-tax have now been settled, and all amounts due to the Inland Revenue have been paid. The corporation profits tax paid out of the sum carried forward last year was £3,056.

BRITISH INDIA STEAM NAVIGATION COMPANY, LIMITED.—The balance-sheet and profit and loss account for the year which ended September 30, 1925, show balance available for distribution, after providing for depreciation, of £139,216, which the directors recommend should be distributed as follows:—Dividend of 5 per cent. on preference stock, £35,000; dividend of 8 per cent. (free of income-tax) on ordinary shares, £76,576; leaving a balance to be carried forward of £27,640. Trade has continued dull all over the company's sphere of operations. The balance-sheet will be found fully analysed in another column. The total assets are shown in one item at £14,215,660.

CARRERAS, LIMITED.—The profit and loss account reveals a profit for the year ended October 31, 1925, of £777,683, against £480,583 for preceding year. The sum of £111,764 was brought in, making £889,447 available. The dividend is 50 per cent., free of income-tax, which absorbs £240,000 on a capital of £480,000. The dividend in preceding year was 50 per cent., free of income-tax, but it absorbed only £120,000 as the ordinary capital at that time was only £240,000. The sum of £60,000 is put to reserve, making total reserve £300,000. To income-tax schedule "D" including reserve, £70,000. To staff superannuation fund £12,473. To carry forward £482,443, subject to the amount which it is proposed to capitalise and to provide for accrued dividend on preference shares. Balance-sheet shows total assets £2,070,703, against £1,484,544. Cash has risen from £149,299 to £224,788. Stocks are at £872,470, against £584,208. Goodwill, trade marks, and patents are at £203,800, against £203,787.

EDISON SWAN ELECTRIC COMPANY, LIMITED.—The profit for the year has risen from £74,914 to £88,344 for year ended June 30, 1925. Preference dividend absorbed £7,500. The ordinary dividend is again 10 per cent., absorbing £19,143. The sum of £50,000, as last year, goes to reserve. The carry forward is increased from £17,575 to £29,276. Total assets are £1,124,151. Cash has risen from £55,826 to £75,436.

FREDERICK SAGE AND CO., LIMITED.—After making provision for depreciation, the net profit for year ended September 30, 1925, is £39,181, against £37,241. Adding to this the sum of £23,460 brought forward from last year, a total of £62,641 is available, against £56,438. The ordinary dividend is again 8 per cent. The carry forward, subject to directors' fees, is £31,273, against £25,070. Total assets are £567,709, against £567,709. Investments at or under market values are in the balance-sheet at £60,384, against £41,002. Including £40,000 5 per cent. War Stock, £10,000 3 per cent. Exchequer bonds, 1930, £6,724 16s 2d. Metropolitan Water Board "B" 3 per cent. stock, £2,828 11s 11d New South Wales 3 per cent. stock, £2,715 10s 4d London County Consolidated 3 per cent. stock, £2,935, against £3,284.

GOVERNMENT AND GENERAL INVESTMENT COMPANY, LIMITED.—The amount to the credit of profit and loss account is £26,326. Deducting interest paid on debenture stock, together with all expenses of administration, there remains a balance of £19,044, which, in accordance with the scheme of arrangement, is applicable as follows:—A dividend of 4 per cent. on the preferred stock, of which £2 per cent. has been paid, £3,942; a dividend of 15 per cent. on the deferred stock, of which £5 per cent. has been paid, £8,042; participating certificates service fund, £2,520; undivided profits account, £3,640. The deferred stock dividend is 18 per cent. for year, against 14 per cent. for previous year. The amount to be added to undivided profits account is £3,639.

making that account £17,345. The directors further propose that the sum of £7,530 be taken from "undivided profits account" and capitalised and converted into shares of £2 each, which will then be divided rateably among the holders of the deferred stock.

GREENWICH INLAID LINOLEUM.—The net profit has fallen from £70,399 to £44,392 for year ended September 30, 1925. The sum of £10,000 is put to reserve, making total reserve £130,000. In previous year £23,690 was put to reserve. The sum of £2,500, against £5,000, goes to benevolent funds. The ordinary dividend is again 7½ per cent. The carry forward is £13,088, against £18,158 brought in. Balance-sheet shows total assets £933,648, against £917,346. Investments have risen from £65,093 to £99,914, but cash has fallen from £65,744 to £13,510. Stocks have risen from £395,676 to £430,683.

HARRODS (BUENOS AIRES), LIMITED.—The gross profit for year ended August 31, 1925, is £457,844, against £451,157. Income from investments and balance of interest account amounted to £15,641, against £9,661. Transfer fees produced £903, against £634. Gross dividends receivable from South American Stores amounted to £176,765, against £137,643. Expenses totalled £405,087, against £394,595. The dividend is the same as last year, i.e., 8 per cent. on the preference shares. The balance-sheet is fully analysed in another column.

IDRIS AND CO., LIMITED.—After charging all depreciations, the profit for year ended October 31, 1925, is £18,286, as against £14,616. The "A" ordinary shares again receive 10 per cent. and the "B" ordinary shares receive 10 per cent., against 5 per cent. in preceding year. The carry forward is increased from £3,091 to £3,977. Total assets are £332,497. Balances at bank have risen from £7,188 to £12,856. Government investments at cost or under stand in balance-sheet £43,849, against £48,849.

JOHN MACKINTOSH AND SONS, LIMITED.—The net profit has declined from £111,795 to £60,127 for year ended September 30, 1925. No dividend is paid on the deferred ordinary shares, against 20 per cent. in preceding year. The carry forward has been reduced from £107,065 to £80,691. The directors report a considerable improvement in the company's trade during the latter part of the year under review, which improvement is being maintained. Turning to the balance-sheet, we find total assets £939,548, against £1,005,991. Cash at bankers has been reduced from £129,584 to £13,797. Cash on deposit with the Halifax Equitable Benefit Building Society has been reduced from £112,814 to £66,833. Investments at cost are higher in balance-sheet at £92,213, against £18,059. A new item appears in balance-sheet—i.e., investment in and advance to subsidiary company and trade investments at cost, £66,690.

PINNER'S HALL (AUSTIN FRIARS).—The surplus for year ended September 30, 1925, is £16,204, against £14,104. A transfer of £3,000 is made to reserve as last year, making total reserve £21,000. The sum of £1,500 is written off leasehold building account. The ordinary dividend is increased from 8 per cent. to 9 per cent. The carry forward is £7,544. Since the issue of the last report the Inland Revenue authorities have served upon the company a further notice of assessment to income-tax under Schedule D, and the total claims now amount to £19,510. The company is still waiting for its appeals to be heard.

ROYER COMPANY, LIMITED.—The report for year ended August 31, 1925, shows a loss on the year's working of £127,543, against a profit in preceding year of £15,395. The deficiency was reduced to £88,461 by deducting £39,082 brought in from preceding year. The directors have withdrawn £100,000 from general reserve fund, reducing it to £50,000. The sum of £11,539 is carried forward. The report points out that the loss which occurred is mainly due to special circumstances and expenses incidental to the production of new models. Total assets are at £1,456,854. Stocks have increased from £284,064 to £522,636. Debtors are at £63,344, against cash £160,326 in preceding balance-sheet, as stand at £83,110, against £76,050. The issued capital is £1,050,000, all in ordinary shares.

SHOWELL'S BREWERY.—The balance of the revenue account at October 31, 1925, after adding the amount (£7,502) brought forward from the previous year, and after deducting the interest on the 4½ per cent. debentures (£19,345) is £38,825. From this amount tax has been paid on the preference stock of the company, leaving an amount of £31,925 available, which is utilised as follows:—(less income-tax) amounting, with tax, to £6,900; dividend of 15 per cent. on the ordinary shares (less income-tax), amounting, with tax, to £12,000; to carry to reserve account £5,000; to carry forward to next year £8,025. Total assets amount to £1,113,729, stand at £1,347,738, of which £103,188 are in British Government securities at cost.

SOUTH AMERICAN STORES (GATH AND CHAVES).—Profit on trading for year ended July 31, 1925, amounted to £411,833, against £358,420 in preceding year. The ordinary shareholders receive 9 per cent., against 7 per cent. in preceding year, and the deferred dividend is 8½ per cent., against 10½ per cent. The preference dividend is 8½ per cent., against 7 per cent. The sum of £20,000 is put to general reserve, against no allocation in previous year. The Chilean Stores (Gath and Chaves), the company's subsidiary, showed a profit of £10,604, against a loss in preceding year of £33,495. This result was achieved despite the difficult internal conditions in Chile and the political troubles. Balance-sheet shows total assets £5,065,250, against £4,956,541. Cash is lower at £163,496, against £218,620, but investments in British Government securities are higher at £347,284, against £100,076. Stocks have been reduced from £1,677,256 to £1,524,233.

MINING OUTPUT STATISTICS FOR NOVEMBER, 1925.

	Tons Crushed.		Gold Recovered.		Value.	Profit.
	Mill.	Cyants Works.	Mill.	Cyants Works.		
Gold.	Tons.	Tons.	Ozs.	Ozs.	£	£
Abbotiakoona	8,800	..	..	..	15,869	..
Ashanti	8,131	..	..	..	32,506	12,517
Associated Gold	5,258	..	..	..	7,363	..
Balaghat	3,400	7,550	2,446	391	2,837	..
Blackwater	3,071	..	..	..	5,396	855
Boulder Perseverance	5,518	..	..	..	16,942	2,643
Cam and Motor	20,000	..	..	..	8,841	..
Champion Reef	8,525	25,564	4,554	895	5,449	..
El Oro	36,160	..	..	..	£139,856	£5,112
Frontino and Bolivia	2,480	..	..	..	12,019	..
Gabait Tributary	500	225	696	68	2,818	..
Globe and Phoenix	6,037	..	..	..	5,058	6,696
Gold Coast Explorers	7,788	..	..	..	13,674	2,864
Golden Horse Shoe	10,162	..	..	..	20,324	..
Great Boulder Proprietary	10,252	..	..	..	260	..
Kayalank Block	12,365	..	..	..	22,412	735
Lake View and Star	20,615	..	..	..	19,011	264
Luipard's Viel	820	..	..	..	1,935	..
Marmajito	15,300	..	..	..	£154,990	£38,670
Mexico of El Oro	..	..	..	..	22,580	..
Minning Corp. of Canada	19,406	8,890	32,049	1,517	10,407	..
Myers	14,000	..	..	..	7,610	..
Oreogum	..	..	..	..	£109,200	..
Oriental Consolidated	..	(Clean up)	..	..	13,589	..
Oroya Links	3,296	..	..	..	5,196	..
Nundyroog	10,750	20,340	4,192	1,004	13,723	6,324
Restende	3,000	864	..	..	3,174	..
Saltwa	1,630	..	..	..	529	..
Sable	53,200	..	..	..	29,128	4,672
Shamva	2,300	..	..	..	5,550	..
Sherwood Star	13,178	..	..	..	13,355	..
Sons of Gwalia	8,400	..	..	..	16,907	..
St John del Rey	..	..	..	..	30,300	..
Taqash and Abosso	8,750	..	..	..	15,351	..
Tomboy	17,700	..	..	..	£59,000	..

* Loss.

	Output.	Other Notes in Return.	
		Tons.	
Tin.			
Aramayo	302	Silver, 144,000 ozs.	
Berenguela	26	Black tin concentrates.	
Bischi	39		
East Pool	87	Black tin; 120 tons arsenic.	
Ex-Land Nigeria	45	Tin concentrates.	
Flanli	13	Tin concentrates.	
Geevor	38	Black tin; realised £6,500.	
Gopeng Cons.	473	Est. value, £7,700; est. cost, £2,230.	
Jantar	30		
Joe	19		
Junction	12		
Kaduna Prospectors	8		
Kaduna Syndicate	33		
Kramat Fual	312	Est. value, £5,040; est. cost, £1,202.	
Lower Bischi	74		
Mongu	60		
Monguna	8		
Naraguta Extended	20		
Nigerian Consolidated	8		
Northern Nigeria	119		
North Ropp	8	Shipped 5 tons; approx. value, £3,330.	
Pahang Consolidated	220	Black tin; alloyed, 10 tons.	
Parl	234	Est. value, £565; est. cost, £232.	
Pengkalen	24	Est. value, £3,966; est. cost, £1,139.	
Rahman Hydraulic	12		
Rambutan	418	Est. value, £1,900; est. cost, £1,525.	
Rayfield	40		
Renong	39		
Ropp	103		
Sungel Besi	42	Est. value, £6,773; est. cost, £4,084.	
Tavoy	50	Value, £10,000.	
Tekka	30	Est. value, £4,750; est. cost, £1,135.	
Tekka-Talping	559	Est. value, £9,333; est. cost, £3,083.	
Tronoh	39	Est. value, £6,743; est. cost, £4,216.	
Coal.			
Dundee	36,388		
Vereniging Estates	165,825		
Wankie	42,846	Coal sales; 13,461 tons coke sales.	
Copper.			
Messina (Transvaal)	1,323	Concentrates containing 529 tons of copper.	
New Guinea	435	Smelter and 464 tons copper ingots.	
Tanganyika Concessions ..	7,461	(Matte), est. contain 89 tons copper, 195 ozs gold.	
Miscellaneous.			
Kesley Silver	..	124,091 ozs.	

BROKEN HILL SOUTH, LIMITED.—For the four weeks ended November 28, 1925, 24,470 tons of crude ore and 14,780 tons of de-leaded siliceous residues were treated and produced 4,478 tons of lead concentrates, assaying 67 per cent. lead and 25 ozs silver per ton; also 7,547 tons of zinc concentrates, assaying 45 per cent. zinc.

BURMA CORPORATION, LIMITED.—During the month of November 28, 204 tons of ore were mined, including 1,952 tons of high-grade ore. 22,800 tons of ore were milled in the treatment plant, producing 8,228 tons of lead concentrates. 9,654 tons of lead-bearing material, including 1,504 tons of high-grade ore, were smelted in the blast furnaces, producing 3,855 tons hard lead for treatment in the refinery. Of refinery products were 4,000 tons refined from the treatment of copper matte, silver production, 72,792 ozs were recovered from the treatment of copper matte. Experimental fine plant produced 2,070 tons zinc concentrates, assaying 45 per cent. zinc, 9.3 per cent. lead, and 44½ per cent. zinc. In addition to the above, 800 tons silver, 9.3 per cent. lead, and 44½ per cent. zinc. In addition to the above, 800 tons silver, 9.3 per cent. lead, and 44½ per cent. zinc. In addition to the above, 800 tons silver, 9.3 per cent. lead, and 44½ per cent. zinc.

NORTH BROKEN HILL, LIMITED.—For the month of November production was as follows:—36,600 tons of crude ore were treated, producing 6,470 tons lead concentrates, averaging 64.3 per cent. lead, 307 ozs silver per ton, and 7.4 per cent. zinc; also 5,730 tons zinc concentrates, averaging 47.7 per cent. zinc, 6.8 per cent. lead, and 7.7 ozs silver per ton.

RUDEKIAN AND GENERAL AMBROSIO CORPORATION, LIMITED.—For the month of November output from various mines amounted to 2,537 tons, and their sales to the gross value of £81,005.

SAN FRANCISCO MINES OF MEXICO, LIMITED.—For November—Ore treated, 12,510 tons; lead concentrates produced, 1,556 tons; zinc concentrates produced, 2,605 tons. Estimated net smelter return on lead concentrates, \$112,374 (U.S. currency); and on zinc concentrates, \$86,350; total, \$200,724. Operating expenses, \$79,328. Estimated operating profit, \$121,396. Capital expenditure, \$53,516. Other Note.—The above return includes \$5,328 being excess of realisations of products over valuations in respect of previous months.

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended Dec. 4, 1925.	Miles Open.	Week ended Dec. 6, 1925.			Aggregate 49 Weeks, 1925.		
(c) Week ended Dec. 5, 1925.		Passen- gers, &c.	Goods, &c.	Total for Week.	Passen- gers, &c.	Goods, &c.	Total Receipts.
		£	£	£	£	£	£
Great Western.....	3,765	195,000	338,000	533,000	129,500	158,700	288,200
Do for 1924	3,754	205,000	339,000	544,000	130,500	160,200	290,700
Lon. & N.-Eastern (c) ..	6,714	351,000	687,000	1,038,000	1,038,000	1,038,000	2,076,000
Do same period 1924 ..	6,714	354,000	681,000	1,035,000	1,035,000	1,035,000	2,070,000
Lon. Mid. & Scotch (a) ..	6,950	474,000	900,000	1,374,000	1,374,000	1,374,000	2,748,000
Do for 1924	6,950	499,000	882,000	1,381,000	1,381,000	1,381,000	2,762,000
Southern	2,163	251,000	116,000	367,000	367,000	367,000	734,000
Do 1924	2,142	254,000	112,000	366,000	366,000	366,000	732,000
Metropolitan (c)	58	31,456	3,324	34,780	168,949	190,487	359,436
Do for 1924	58	30,677	3,443	34,120	151,971	171,791	323,762
Underground E.R. (c) ..	..	..	..	293,734	..	..	12,356,896
Do for 1924	..	..	..	227,678	..	..	11,661,061
Lon. & Sub. Group (c) ..	..	..	..	33,095	..	..	1,837,474
Do for 1924	..	..	..	36,894	..	..	1,936,432
Belfast & Co. Down (b) ..	80	2,261	1,018	3,279	189,408	57,408	246,816
Great Northern	562	12,300	19,350	31,650	822,550	858,150	1,680,700
Great Southern	2,181	31,733	48,103	79,836	1,852,513	2,155,958	4,008,471

OVERSEAS RAILWAY RECEIPTS.

Name.	Period.	Ending.	Present Mileage.	Gross Receipts for Week.		Total Gross Receipts.	
				1925.	+ or -	1925.	+ or -
INDIAN.							
				Rs.	Rs.	Rs.	Rs.
Assam Bengal	31 weeks	Oct. 31	1,072	4,400,000	+ 1,03,788	1,01,34,295	+ 1,34,580
Bari Lt. Ry.	33 weeks	Nov. 14	118	34,300	+ 33,700	10,22,700	+ 1,11,300
Bombay & N. Western ..	6 weeks	Dec. 14	4,068	6,46,820	+ 6,903	39,02,560	+ 6,20,348
Bombay, Bar., & C.I.	35 weeks	Dec. 14	3,033	24,83,000	+ 4,000	7,47,34,000	+ 9,03,000
Burma.	31 weeks	Nov. 7	1,549	8,10,624	+ 1,70,467	24,56,974	+ 31,95,859
Delhi, Umballa & Kalkee	3 weeks	28	833	89,300	+ 60,970	7,29,600	+ 4,37,173
Madras & S. Maharashtra	3 weeks	14	3,029	14,60,000	+ 92,387	49,47,696	+ 10,86,998
Nizam's Guaranteed Ry.	33 weeks	14	993	3,36,000	+ 22,029	1,05,14,500	+ 1,64,280
Bohliwala & Kunkum	6 weeks	7	259	55,828	+ 27,282	2,60,371	+ 1,11,084
Do Lucknow-Bredley	6 weeks	7	287	69,326	+ 19,530	3,11,553	+ 68,356
South Indian	33 weeks	7	1,876	9,61,503	+ 1,11,451	3,19,76,538	+ 20,89,559

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Pay- ment of Deben- ture Interest.	Amount Avail- able for Distri- bution.	Appropriation.						Corresponding PeriodLastYear	
					Dividend.			Carried to Reserve, Deprecia- tion, &c.	Balance Forward.	Net Profit.	Divi- dend.	
					Prefce.	Ordinary.						
						Amount.	Amount.					Rate.
		£	£	£	£	£	%	£	£	£	%	
Banks.												
Commercial Bank of Scotland ..	Oct. 31	72,587	334,897	407,484	..	197,336	16 A	135,000	75,148	335,117	16 A	
National Bank of Scotland	Oct. 31	66,142	s 252,005	318,147	..	138,926	16 B	115,000	64,221	291,583	16 B	
Breweries.												
Bell and Co.	Oct. 31	10,445	31,361	41,806	5,527	13,927	12½	9,000	13,352	32,687	12½	
Benskin's Watford	Sept. 30	34,062	110,393	144,455	19,500	45,600	15	40,000	39,355	81,772	15	
Bentley's Yorkshire	Sept. 30	30,840	67,598	98,438	14,210	35,250	15	17,000	31,978	69,765	15	
Farnham United	Sept. 30	16,052	18,911	34,963	10,779	6,300	8	1,703	16,181	11,251	6	
Ind, Coops, and Co.	Sept. 30	153,489	230,919	384,408	..	137,629	25	85,000	161,779	220,514	25	
Leeds and Wakefield	Sept. 30	14,488	38,448	52,936	11,166	9,622	11½	16,000	16,148	35,943	10½	
Showell's	Oct. 3	7,502	31,323	38,825	13,800	12,000	15	5,000	8,025	34,929	15	
St Louis	Sept. 30	1,807	1,687	3,494	..	..	..	..	3,494	Dr 14,909	..	
Wenlock	Oct. 31	51,083	84,198	135,281	7,500	25,000	10½	50,000	52,781	72,104	10½	
Yate's Castle	Sept. 30	14,624	30,490	45,114	22,500	..	..	7,500	15,114	28,878	nil	
Financial, Land, &c.												
Bovril Australian Estates	Dec. 31	53,181	10,374	63,555	13,688	..	..	..	49,867	15,641	..	
Government and General Invest. ..	Nov. 30	..	19,044	19,044	3,942	8,942	15	2,520	3,640	16,082	14	
Iron, Coal, and Steel.												
Arncliffe Coal	Sept. 30	21,985	9,959	31,944	1,181	13,000	20½	..	24,764	14,171	20½	
Baldwins	June 30	526,618	Dr 418,864	107,754	45,467	..	..	Dr 174,909	237,196	216,757	..	
Cleveland Bridge and Engineering ..	Sept. 30	8,829	23,279	32,108	1,940	17,537	6½	5,000	7,631	34,210	7½	
Richard Hill and Co.	Sept. 30	2,902	Dr 18,619	Dr 10,717	..	..	..	..	Dr 10,717	2,232	..	
Shott's Iron	Sept. 30	46,838	Dr 32,774	14,064	6,230	..	..	Dr 16,000	23,834	24,023	..	
Motor and Cycle.												
Rover Co.	Aug. 31	39,082	Dr 127,543	Dr 88,461	..	..	..	Dr 102,000	11,539	15,395	..	
Rubber.												
Langkapoera (Sumatra)	June 30	Dr 9,472	9,758	286	156	..	..	..	130	..	..	
Kuala Lumpur	June 30	13,517	47,244	60,761	..	42,000	20½	15,500	3,261	19,556	5½	
Waterfall (Selangor)	Sept. 30	16,285	83,427	99,712	..	66,573	20	..	33,139	14,981	nil	
Shipping.												
British India Steam	Sept. 30	27,033	112,183	139,216	35,000	76,576	8½	..	27,640	113,105	8½	
Orient Steam Navigation	June 30	64,929	311,979	376,908	7,302	137,410	12½	200,000	32,196	286,821	12½	
Shops and Stores.												
Harrods (Buenos Aires)	Aug. 31	..	205,897	205,897	188,000	..	..	17,897	..	167,467	..	
South American Stores (Gath & Chaves) ..	July 31	11,104	204,348	215,452	34,000	135,000	9 Ord.	20,000	13,327	142,541	7 Ord.	
Textiles.												
Samuel Barlow and Co.	Oct. 31	3,148	8,998	12,146	1,800	9,375	12½	..	971	18,324	15	
W. and R. Cook	Oct. 31	3,286	4,394	7,680	..	3,996	7½	..	3,714	4,924	7½	
Wm. Fison and Co.	Oct. 31	1,889	Dr 16,943	Dr 15,054	3,300	..	..	Dr 20,000	1,646	2,953	6	
Tramways.												
East Kent Road Car	Sept. 30	7,507	25,875	33,382	..	24,718	10	1,000	7,664	22,074	10	
Trusts.												
Army and Navy Investment	Nov. 30	13,702	49,485	63,187	14,244	20,582	13	14,000	14,361	47,157	12	
Northern American	Nov. 2	88,749	114,537	203,286	23,688	67,115	17	38,096	74,387	92,394	16	
Other Companies.												
Amalgamated Cotton Mills Trust ..	Oct. 31	15,292	23,547	38,839	..	..	..	..	38,839	149,697	..	
Bristol Industries	Oct. 31	3,686	10,860	14,546	3,938	3,542	5	2,000	5,066	..	..	
Carreras	Oct. 31	111,764	773,152	884,916	20,000	240,000	50½	142,473	482,443	379,845	50½	
D. Jones, Dickinson, and Co.	Oct. 3	3,748	8,356	12,104	2,400	4,800	6	1,247	3,657	9,697	6	
Edison-Swan Electric	June 30	17,575	88,344	105,919	7,500	19,143	10	50,000	29,276	74,914	10	
Frederick Sage and Co.	Sept. 30	23,460	39,181	62,641	9,769	21,599	8	..	31,273	37,241	8	
Greenwich Inlaid Linoleum	Sept. 30	18,158	44,392	62,550	8,750	28,212	7½	12,500	13,088	79,399	7½	
Idris and Co.	Oct. 31	3,091	15,886	18,977	7,300	7,700	10 A	..	3,977	12,216	10 A	
John Mackintosh and Sons	Sept. 30	107,065	60,126	167,191	30,000	40,000	10 PO	Dr 16,500	80,691	111,795	10 PO	
London Cremation Co.	Oct. 31	282	4,335	4,617	265	940	10	3,300	112	3,328	10	
Newfoundland Fish Products	Sp. 30, '24	Dr 13,908	Dr 5,460	Dr 19,368	..	..	..	..	..	..	..	
Pinner's Hall (Austin Friars)	Sept. 30	6,508	16,204	22,712	..	10,669	9	..	Dr 19,368	..	..	
Sorbo Rubber-Sponge Products	Sept. 30	3,510	5,904	9,414	2,712	..	..	4,500	7,543	14,194	8	
Thomas De La Rue and Co.	May 30	..	22,984	22,984	..	..	..	3,000	3,702	..	..	
Waterlow and Sons	Sept. 30	43,387	213,536	256,923	56,700	103,500	15½	50,000	20,109	46,723	12½	
† Tax free. d Paid on doubled capital. s A centenary bonus to staff of £36,392 is not included in this year's figures.												

† Tax free. d Paid on doubled capital. s A centenary bonus to staff of £36,392 is not included in this amount.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.

Field work has been difficult this week owing to the wet state of the ground, and farmers have turned their attention more to threshing. Imported wheat prices were weaker, but a fairly good business again transpired in floating and forward cargoes. Larger offerings of Australian and Pacific kinds have helped to retard the upward movement. Steamers of No. 1 Northern Manitoba, December shipment, sold 64s 6d to 64s 9d, No. 3 ditto, loading, 62s 9d, white Pacific, January, 63s, Australian, and December, 63s 9d, early January 63s 6d. Maize cargoes also in better demand, and a firmer tone ensued. Steamers of Plate afloat sold 27s 10½d to 39s 3d, December-January 39s to

39s 6d, January 39s 1½d, No. 2 white flat African, December 15th-January, 36s 6d per 480 lbs. American malting barley, January, 29s 9d net, and South Russian ditto 30s 6d to Bristol Channel per ex ship, to arrive, quoted 66s 6d, No. 1 Northern Manitoba, No. 2 mixed Durum 61s 6d, Barusso, 62½ lbs, ex ship, 65s 6d per 496 lbs. English quoted 12s 2d-12s 6d per 112 lbs, free on rail. Flour quiet. London standard grade quoted 52s, patents 54s-55s, to 1s per sack less for deliveries in the Home counties, with 6d imported Manitoba patents range from 49s 6d-52s, Minneapolis Plate descriptions. Plate, ex ship to arrive, quoted 38s 9d, ditto to be landed 40s 6d, white flat African, ex ship, 39s 6d, landed 39s 6d, yellow African maize meal, ex ship, 39s 6d, landed 39s 6d, ex store, 37s-50s, Chilian Chevalier 56s-65s, brewing 50s-53s, ac-ex ship, 45s-60s per 448 lbs. American malting, ex ship, 30s, No. 3 landed 30s 3d per 400 lbs. English quoted 9s 3d-20s, the latter ex ship, quoted 25s-25s 6d as to position, landed 27s, No. 2 Canadian Western, ex ship to arrive, 29s 9d, No. 2 Canadian feed,

ex ship, 25s 6d, landed 26s 9d, No. 2 white clipped American 38 lbs, ex ship to arrive, 25s 6d, landed 26s 6d, all per 320 lbs. Danzig, ex ship, 28s 9d per 336 lbs. English quoted 8s 10d-9s 8d per 112 lbs, free on rail. Millers' offals maintained. Broad bran quoted 8s 9d-9s, middlings 8s 3d-8s 6d, fine ditto 10s 3d-10s 6d, bags included, ex mill, powdered oat husks 6s 3d, feed oatmeal 8s 9d, ground oats 12s 3d per cwt free on rail. Oatmeal steady. London made flaked 18s, rolled oats 17s, medium, also fine cut, 17s, coarse, also medium pinhead, 17s ex mill, ordinary Scottish oatmeal 17s 6d, American ditto 16s per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest years 1925-26, 1924-25, 1923-24, 1922-23.

	1925-26.	1924-25.	1923-24.	1922-23.
Estimated sales of home-grown wheat—				
1 week to Dec. 5	Cwts. 549,795	Cwts. 246,306	Cwts. 379,938	Cwts. 608,610
14 weeks to Dec. 5	5,417,665	3,434,435	5,526,504	6,604,596
Average price of English wheat per cwt.	s d 11 10	s d 12 5	s d 9 10	s d 9 10

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1921 to 1924:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1925.						
Nov. 28	Cwts. 464,968	Cwts. 539,509	Cwts. 75,788	s d 11 5	s d 11 3	s d 9 1
Dec. 5	549,795	457,465	77,065	11 10	10 9	9 3
1921	492,304	406,321	66,793	10 10	13 2	10 2
1922	608,610	467,671	70,434	9 10	9 10	9 7
1923	379,938	688,675	82,566	9 10	10 7	9 2
1924	246,306	497,569	87,493	12 5	14 11	9 9

AMERICAN WHEAT MARKETS.

The markets opened strongly this week on a large volume of mill buying, reports of adverse weather in Argentina, and strong Liverpool cables. President Coolidge's speech to the Chicago Farm Bureau Federation was also regarded as a "bull point" in the Chicago market. Later on, however, heavy selling pressure developed, and, after a slight check on Wednesday, forced down prices from 8 to 10 cents below the highest point reached.

The visible supply in Canada is given as 29,222,000 bushels, a decline of 6,704,000 as compared with the previous week, and 1,371,000 bushels as compared with this time last year.

Recent quotations:—

	Dec. 12, 1924.	Jan. 2, 1925.	Nov. 26, 1925.	Dec. 3, 1925.	Dec. 10, 1925.
Winnipeg (No. 1 Manitoba)—Cents per 60 lbs.	170½	183	(c) 154½	(b) 163½	(c) 154½
Chicago (No. 2 Winter)—Cents per 60 lbs.	164½	177	(b) 162	(b) 172½	(b) 172½

(b) December delivery. (c) November delivery.

COAL.

Our Cardiff correspondent writes:—The pressure of shipment arrangements over the next fortnight has hardened the tone of the market for practically all qualities of coal. The strongest feature has been small coal, and for some qualities the spot prices have ranged up to 13s 6d and even 14s. Large coals generally have been firmly maintained. In the aggregate, contracts placed during the past few weeks total nearly 2 million tons, for which the average f.o.b. price is from 4s to 5s per ton less than that at which contracts were arranged for 1925 supplies. The British price successfully tendered for an Egyptian railway contract was 1s 1d per ton less than that of a German firm for Westphalian coal. The following are the current approximate quotations:—Best Admiralties, 22s to 23s 6d; seconds, 21s 6d to 22s 6d; best drys, 22s 6d to 24s; black veins, 19s to 20s; Western Valleys, 19s to 19s 6d; Eastern Valleys, 19s to 19s 6d; best bunker smalls, 13s to 13s 6d; ordinary cargo smalls, 11s to 12s; coking smalls, 13s to 13s 6d; anthracite, best large, 38s to 42s 6d; red vein, large, 28s to 32s; machine-made cobbles, 57s to 58s; French nuts, 57s 6d to 58s 6d; stove nuts, 57s to 58s; rubbly culm, 11s 9d to 12s 3d; coke (special qualities), 35s to 40s; patent fuel, 19s 6d to 22s 6d; pitwood, ex ship, 31s to 31s 6d.

Our Glasgow correspondent writes:—New business in the export branch of the Scottish coal trade is somewhat slow and not very easily negotiated, but for the moment the collieries find a fairly ready outlet on contract work, which is still partly in arrears. Round coal in Lanarkshire shows the greatest advance, prime splint having gone up to 18s 9d, and secondary to about 2s less, as a result principally of an increased demand on Italian account; but single and pearl nuts are relatively the firmest spots in all districts. Shipping orders are absorbing the bulk of the output, while the gas and electricity works are fairly large consumers. For doubles and trebles the demand is not now so strong as in recent weeks. Fife and Lothian steam varieties move steadily. Dysart main in the former field being still very scarce. Shipments from Scottish ports last week, for the first time this year, exceeded those in the corresponding week in 1913.

INTERNATIONAL

IMPORTS AND EXPORTS FINANCED
INDIVIDUAL ATTENTION

ACCEPTANCE

ARBITRAGE AND FOREIGN EXCHANGE
ADVICE AND INFORMATION

BANK, INC.

BONDS AND SECURITIES
BILLION AND CURRENCY

PAUL M. WARBURG
Chairman

F. ABBOT GOODHUE
President

52 Cedar Street, New York

Our Sheffield correspondent writes:—There has lately been some revival in exports of steam coal and coke, and a scarcity of wagons has arisen, but the home trade in steam coal remains poor. Boiler slacks are in fair demand. South Yorkshire steams are quoted at 15s 6d to 16s at pits, and Blyths at 17s to 17s 6d.

IRON AND STEEL.

The following is extracted from the weekly report of the London Iron and Steel Exchange:—Although there is a fair volume of business passing, there is less activity in the market than a week or two ago. This falling-off is a seasonal movement usually noticeable before Christmas, and at the weekly meeting of the Exchange anticipations were expressed of a revival in business at the end of the year. The most disturbing factor at the moment is the confused position on the Continent due to the depreciation in the exchange value of the franc, and the prospect of fresh works coming into the market when the Belgian strike is settled. Conditions, so far as the British works are concerned, have altered little, but the pig-iron producers on the North-East Coast have improved their position by recent sales to an extent that has encouraged them to again establish minimum prices. In the semi-finished steel department there are still considerable quantities coming to hand from the Continent, but recent buying has been only moderate. A fair amount of activity is noticeable in the finished-steel department, principally in the heavy trades, but it is unlikely that the home demand will improve until after the Christmas holidays.

Our Middlesbrough correspondent's report, dated December 10th, is as follows:—Pig-iron: Although there has been a falling off of actual business, probably due to the recent rise in prices and the approach of the holidays, there is no weakening in the position. Makers adhere to the agreed minimum of 66s 6d per ton for No. 3 Cleveland G.M.B. for home consumption. Hematite supplies are still short, and consumers are complaining of delayed deliveries. This week makers have advanced the price 6d per ton, and at the revised quotation for mixed numbers of 75s 6d per ton there have been fair Continental sales. Manufactured iron and steel: There is quite an active flow of orders to the steelworks. Steel prices are inclined to harden as a result of dearer fuel, but nominal rates are unchanged as follows:—Steel ship plates, £7 5s; steel ship angles, £7; iron bars, £11 5s; steel rails, £8. Iron ore: There is a better inquiry for foreign ore, but buyers are not prepared to pay advanced prices, 21s per ton is a sellers' quotation for best Bilbao Rubio, c.i.f. Tees.

OVERSEAS TRADE RETURNS.

IMPORTS (Value C.I.F.).

	Month Ended November 30.		Eleven Months Ended November 30.	
	1924.	1925.	1924.	1925.
I.—Food, Drink, and Tobacco—				
A. Grain and flour	14,098,418	8,808,995	108,831,938	100,079,433
B. Feeding stuffs for animals	1,197,945	736,287	7,701,740	8,104,756
C. Meat	8,072,952	9,050,266	97,290,760	110,559,748
D. Animals, living, for food	2,337,492	2,126,112	20,695,597	15,148,803
E. Other food and drink, non-dutiable	14,948,653	15,954,652	150,444,379	159,185,156
F. " " dutiable	13,469,441	11,892,742	116,654,348	105,352,116
G. Tobacco	2,548,952	2,583,535	14,953,262	14,448,928
Total, Class I.	56,673,853	51,142,599	516,481,774	513,688,949
II.—Raw Materials and Articles Mainly Unmanufactured—				
A. Coal	2,000	2,324	14,081	18,761
B. Other non-metallic mining and quarry products and the like	458,732	474,948	5,304,541	5,243,336
C. Iron ore and scrap	466,347	389,270	8,028,478	4,685,817
D. Non-ferrous metalliferous ores and scrap	1,365,657	1,335,445	14,109,992	15,162,149
E. Wood and timber	4,707,212	4,376,672	47,270,716	45,094,120
F. Raw cotton and cotton waste	14,354,116	14,311,316	102,517,195	108,889,393
G. Wool, raw and waste, and woollen rags	4,873,962	4,255,269	66,798,885	68,553,324
H. Silk, raw, knubs and noils	116,657	121,531	1,633,754	1,533,259
I. Other textile materials	1,610,400	2,173,503	12,236,404	14,726,916
J. Oil seeds, nuts, oils, fats, resins, and gums	3,575,201	3,950,592	46,642,237	50,574,925
K. Hides and skins, undressed	1,305,844	1,860,060	19,540,887	19,882,642
L. Paper-making materials	1,078,342	999,289	10,406,450	9,847,915
M. Rubber	831,705	3,578,110	8,548,019	25,574,161
N. Miscellaneous raw materials and articles mainly unmanufactured	1,124,247	999,669	10,260,431	10,459,831
Total, Class II.	36,187,422	39,147,805	353,112,063	376,245,609
III.—Articles Wholly or Mainly Manufactured—				
A. Coke and manufactured fuel	539	691	5,286	4,461
B. Earthenware, glass, abrasives, &c.	827,330	979,419	7,889,404	9,108,783
C. Iron and steel and manufactures thereof	1,805,666	1,834,252	20,392,760	21,861,409
D. Non-ferrous metals and manufactures thereof	2,441,481	3,053,191	29,557,617	34,573,823
E. Cutlery, hardware, implements, and instruments	703,750	660,179	6,857,316	8,512,558
F. Electrical goods and apparatus	385,648	495,648	2,289,108	3,859,137
G. Machinery	800,142	891,910	9,488,636	10,720,452
H. Manufactures of wood and timber	462,017	381,013	4,833,371	5,508,951
I. Cotton yarns and manufactures	793,524	735,819	8,446,922	9,089,080
J. Woollen and worsted yarns and manufactures	1,114,107	1,529,838	13,504,242	13,654,616
K. Silk and silk manufactures	1,931,706	1,150,593	23,110,794	21,463,552
L. Manufactures of other textile materials	1,477,101	1,086,918	15,285,387	16,886,779
M. Apparel	1,585,864	1,461,322	17,584,449	19,749,424
N. Chemicals, drugs, dyes, & colours	1,258,503	1,254,316	13,188,088	14,801,499
O. Oils, fats, and resins, manufactured	3,281,854	2,232,222	36,555,816	33,819,992
P. Leather and manufactures thereof	1,301,126	1,373,533	12,761,555	13,601,873
Q. Paper and cardboard	1,363,160	1,335,086	13,179,466	15,576,755
R. Vehicles (including locomotives, ships, and aircraft)	652,797	654,637	8,350,290	11,627,955
S. Rubber manufactures	441,169	482,776	4,344,979	5,801,460
T. Miscellaneous articles, mainly or wholly manufactured	2,577,716	2,554,947	24,140,502	26,429,922
Total, Class III.	25,226,357	24,082,767	272,718,816	292,933,068
IV.—Animals, not for food	227,589	146,913	2,283,189	2,096,631
V.—Parcel post, non-dutiable articles	405,851	172,730	3,648,288	3,713,183
Total	118,721,072	114,692,884	1,148,241,301	1,188,683,445

Our Sheffield correspondent writes:—A condition of quietude has developed in most branches of local industry this week, and no revival of activity is anticipated until the New Year. Competition continues to be keen. The improved position of pig-iron is largely due to exports to the United States, taken at extremely low prices; but the home consumption of foundry and hematite pig is a little larger than three months ago. A number of local steel firms have placed substantial forward contracts for materials, and confidence in a New Year revival is fairly widespread. Special alloy steels are selling moderately. The market for heavy steel scrap is no better, and 6s 6d continues to be the recognised figure for basic quality. Railway work is quiet, and there is little or no inquiry for shipbuilding castings and forgings. Local builders of railway carriages are on full time, and have several months of work on hand. Rather more orders are coming into the cutlery trade, but the silver and electro-plate branches are moribund.

Our Glasgow correspondent writes:—Practically no change has taken place in the position of the iron and steel trade. Business coming forward is of the most scrappy description, and unless a definite improvement takes place soon, it is probable most of the works will extend the New Year holidays to enable orders to accumulate. The situation as regards pig-iron is no worse, but there is no indication of any desire to re-light further furnaces. Prices remain unchanged. Further tonnage of galvanized corrugated sheets has been placed locally for February-March delivery, and it is with difficulty that small lots can be procured within a reasonable time. Prices for export remain about £16 10s per ton for 24 G. Among contracts secured recently is one for 2,000 tons of steel transmission towers for New Zealand, which has been contracted for by a local structural firm.

In the tinplate market business this week has been quieter, with prices per basis box a shade lower at from 19s 9d to 20s 3d. The tinplate application for a revision of the sliding scale basis of wage regulation is to be considered early in the New Year.

EXPORTS OF PRODUCE AND MANUFACTURES OF THE UNITED KINGDOM. (Value F.O.B.)

	Month Ended November 30.		Eleven Months Ended November 30.	
	1924.	1925.	1924.	1925.
I.—Food, Drink, and Tobacco—				
A. Grain and flour	691,122	465,642	6,741,757	8,448,868
B. Feeding stuffs for animals	265,226	183,963	2,775,868	2,829,730
C. Meat	184,000	199,215	1,467,624	1,546,540
D. Animals living, for food	20,518	17,949	245,837	155,170
E. Other food and drink	4,717,691	3,519,450	34,341,831	31,107,167
F. Tobacco	505,491	691,422	6,102,510	6,383,945
Total, Class I.	6,384,048	5,077,641	51,675,427	50,471,420
II.—Raw Materials and Articles Mainly Unmanufactured—				
A. Coal	5,178,129	3,986,720	66,507,781	46,201,851
B. Other non-metallic mining and quarry products and the like	165,289	145,357	1,951,693	1,782,409
C. Iron ore and scrap	32,029	48,676	397,389	414,874
D. Non-ferrous metalliferous ores and scrap	119,151	82,167	1,146,018	1,211,487
E. Wood and timber	50,120	48,058	590,883	701,061
F. Raw cotton and cotton waste	217,494	145,594	1,699,544	1,631,755
G. Wool, raw and waste, and woollen rags	1,263,375	838,342	10,809,758	10,408,088
H. Silk, raw, knubs and noils	11,054	3,275	108,536	63,387
I. Other textile materials	21,133	22,719	359,031	520,545
J. Oil seeds, nuts, oils, fats, resins, and gums	705,887	663,036	6,388,454	6,305,366
K. Hides and skins, undressed	187,957	188,426	2,179,210	2,647,571
L. Paper-making materials	162,197	138,188	1,685,851	1,722,277
M. Rubber	14,538	27,027	108,006	258,359
N. Miscellaneous raw materials and articles mainly unmanufactured	289,201	270,658	3,293,587	3,130,707
Total, Class II.	8,417,614	6,608,743	97,225,141	76,993,737
III.—Articles Wholly or Mainly Manufactured—				
A. Coke and manufactured fuel	387,797	396,751	5,768,532	3,397,409
B. Earthenware, glass, abrasives, &c.	1,165,098	1,103,894	11,868,978	11,978,877
C. Iron and steel and manufactures thereof	6,103,188	5,436,584	68,940,747	62,216,342
D. Non-ferrous metals and manufactures thereof	1,239,611	1,533,477	14,345,128	15,949,995
E. Cutlery, hardware, implements, and instruments	786,658	735,292	7,799,233	8,363,285
F. Electrical goods and apparatus	920,850	868,865	9,187,291	10,685,704
G. Machinery	4,475,934	3,940,718	40,851,599	44,642,172
H. Manufactures of wood and timber	243,387	217,471	2,106,715	2,078,016
I. Cotton yarns and manufactures	15,511,521	14,019,211	181,336,767	183,412,780
J. Woollen and worsted yarns and manufactures	5,616,754	3,974,778	61,912,906	54,466,907
K. Silk and silk manufactures	179,056	147,474	2,032,331	1,706,597
L. Manufactures of other textile materials	2,566,883	2,187,550	25,049,064	25,886,619
M. Apparel	2,517,700	2,206,298	27,899,043	26,843,236
N. Chemicals, drugs, dyes, & colours	2,171,003	1,777,322	23,444,594	21,811,737
O. Oils, fats, and resins, manufactured	705,719	823,494	8,156,401	9,308,160
P. Leather and manufactures thereof	757,754	580,497	6,478,965	6,520,146
Q. Paper and cardboard	849,681	826,261	8,476,469	8,979,882
R. Vehicles (including locomotives, ships, and aircraft)	2,339,878	3,605,839	24,041,571	28,737,632
S. Rubber manufactures	518,119	619,359	5,585,384	7,002,199
T. Miscellaneous articles, mainly or wholly manufactured	3,167,570	3,072,316	30,070,254	31,522,247
Total, Class III.	52,024,154	48,073,071	565,361,831	564,479,862
IV.—Animals, not for food	173,162	215,524	2,014,081	2,022,288
V.—Parcel Post	1,151,838	1,002,378	9,790,235	13,350,442
Total	68,150,816	60,977,357	726,056,715	707,317,749

OTHER METALS.

TIN values marked a good deal of irregularity, while weaker on balance, owing to fluctuating Eastern advices, with sales on a moderate scale. Standard cash sold £288 10s to £283 10s, three months £282 15s to £278 15s. Sales in the East were reported at £289 15s, £287 15s, and £288 5s to £287 10s.

COPPER was accorded active support, but with offerings on a liberal scale movements were somewhat irregular at times. Standard cash changed hands at £59 10s to £59 5s, three months £60 15s to £60 7s 6d.

LEAD values declined steadily during the greater part of the week on selling pressure, but offerings were well absorbed. Good soft foreign pig December sold £35 to £34 2s 6d, January £35 5s to £34 5s 6d, February £34 12s 6d to £34 3s 9d, March £34 12s 6d to £33 17s 6d and £34.

SPelter opened firmer, but subsequently eased on increased selling orders, while business proceeded on active lines. December February £38 2s 6d to £37 6s 3d, March £38 15s to £37 15s, £37 7s 6d to £36 15s.

ANTIMONY firm, but quiet. English specials quoted £90, China crude December-January sellers £61, and regulus ditto £81 per ton, c.i.f. terms.

ALUMINIUM: Home trade nominally £120, export £125 ton. WOLFRAm firm. Forward quoted 21s to 21s 3d per unit. QUICKSILVER dearer. Spot quoted £15 to £15 10s per bottle.

THE COTTON TRADE.

LIVERPOOL, December 10, 1925.

The final estimate of the U.S.A. Bureau Report was issued on Tuesday last, and an increase of 305,000 bales gave the estimated crop as 15,603,000, with 13,858,000 bales ginned. The market can now settle down, and conduct business without so much anxiety. Demand will be carefully watched, and the scarcity of good-grade cotton is sure to affect prices later on. Business has been very quiet all week, with the trade steady buyers. The estimated spot sales from the 4th to 10th instant (inclusive) are 42,000 bales,

including 1,100 for export. Of these 21,600 are American, 7,100 Brazilian, 6,000 Peruvian, 1,700 Egyptian, 4,850 African, 500 East Indian, and 250 sundries. The imports for the week are 94,343 bales; of these 81,020 are American, 838 Brazilian, 2,493 Peruvian, 7,745 Egyptian, 1,317 African, and 930 East Indian. Middling American is quoted at 10.13, Egyptian F.G.F. Sakel 8.20, G.G.F. Upper 15.25, fair Brazilian 10.58, G.F. mod.-rough Peruvian 16.00, smooth 12.33, F.G.F. Tinnivelly 9.25, G.F. East African 12.85, and West African middling 9.83.

MANCHESTER, December 10, 1925.

A rather healthier feeling continues to prevail. Inquiry has tended to broaden, and in certain sections trade has been on a more encouraging scale. The improvement in the cloth demand for India has been well maintained, a substantial turnover having taken place in light fabrics and fancies, with rather more activity in sized goods. Auction sales have been resumed in Shanghai as a test of the situation. Some fair contracts have been arranged in white goods for the Straits Settlements. Slightly more inquiry has been about for Egypt and the Near East, without much being done. Home trade fabrics are moving off steadily. American yarn quotations have again been irregular, with an increased business in the finer counts. Some useful lines have been secured in export yarns for India.

(I.) Comparative Statement of the Cotton Trade.

	Price, Dec. 10, 1925.	Previous Weeks in 1925.					
		Price, Dec. 3.	Price, Nov. 26.	Price, Nov. 19.	Price, Nov. 12.	Price, Nov. 5.	
Raw Cotton—Mid. American	10.13	10.47	10.79	10.74	10.70	10.44	
—Sakellaridis Fully Good Fair	18.20	19.20	19.85	20.50	20.85	21.90	
Yarns—2's twist	16 1/2	17 1/2	17 1/2	18	18	17 1/2	
—40's twist	17 1/2	18	18 1/2	18 1/2	18 1/2	18 1/2	
—50's twist (Egyptian)	32	32 1/2	33 1/2	33 1/2	33 1/2	34	
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	27 9	28 3	28 9	29 0	29 5	29 3	
36-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	32 6	33 0	33 6	33 6	33 9	33 6	
38-in. ditto, 38 yds, 16 by 16, 10 lbs.	15 9	16 0	16 4	16 6	16 6	16 6	
38-in. ditto, 37 1/2 yds, 16 by 15, 8 1/2 lbs.	14 1/2	14 3	14 6	14 7 1/2	14 7 1/2	14 6	

(II.) Compared with Previous Years.

	Price, Dec. 10, 1925.	Corresponding dates in					
		1924.	1923.	1922.	1921.	1920.	
Raw Cotton—Mid. American	10.13	13.02	20.83	14.60	11.04	12.17	
—Sakellaridis Fully Good Fair	18.20	28.70	24.40	17.65	20.75	28.00	
Yarns—2's twist	16 1/2	23 1/2	28 1/2	20 1/2	18	28	
—40's twist	17 1/2	24 1/2	28 1/2	20	17 1/2	26 1/2	
—50's twist (Egyptian)	32	41 1/2	38	28	32	42	
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	27 9	36 6	40 0	30 0	31 0	49 0	
36-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	32 6	41 3	43 6	32 0	31 0	46 0	
38-in. ditto, 38 yds, 16 by 16, 10 lbs.	15 9	19 0	23 0	18 0	18 0	27 0	
38-in. ditto, 37 1/2 yds, 16 by 15, 8 1/2 lbs.	14 1/2	17 6	21 3	16 6	16 0	22 0	

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—The outstanding feature of the week has been the further decline in wool values. Reports from the primary markets indicate a fairly good general demand at the lower level now ruling, and it is thought that the bottom is well within sight. Prices in London this week have steadily declined, and most descriptions of wool are now back to the October level; in other words, the premium on spot wool has practically disappeared, though Coleman street is still above the parity of the overseas markets. This decline in the raw material values is generally regarded as a good augury for the future of trade, and both spinners and manufacturers are keeping in close touch with quotations. So far as merinos are concerned, the opinion is freely expressed that users would have some inducement to operate on the basis of 4s for 64's tops, and already a little has been done around that figure. On that basis growers would still obtain a very remunerative price for their wool, and it ought to be possible to handle the products at a small profit. Compared with the pre-war price of about 2s 8d for good 64's tops, 4s to-day is certainly quite high enough. In the meantime, however, users are adopting a very cautious attitude. Crossbreds, especially B.A. wools, are attractive at current quotations, and it would not take much to induce users to buy freely, especially as stocks in the hands of the trade are by no means large. All indications point to resumed activity as soon as wool prices become stabilised.

COLONIAL WOOL.
(FROM A CORRESPONDENT.)

The London sales this week have been continued under favourable conditions, but there is less competition and a distinctly easier tendency in values. Very fine qualities are firm, and still show a slight advance compared with the previous series, but anything below 70's is on the easy side. Continental buyers are competing steadily for superfine wools, including a few lots from the Cape of this type, West Victorian offerings, and

is firm in sympathy with wheat, and on Continental buying of old Plate crop for early shipment. Further business in new crop for January-February loading has been done at £17 12s 6d and £17 15s, and new Calcutta to London has been done at £19 10s, April-May. Latvian linseed at Hull has changed hands at £17, and North Russian is offering at £17 10s spot. Black Egyptian cottonseed is lower at £9 15s for afloat, a slight premium being asked for shipment.

OVERSEAS PRODUCE.

FOOD, BEVERAGES, &c.

SUGAR.—The market for actual sugar developed a weaker tone owing to ample supplies available and a generally slow trade demand. British makes being reduced by 6d to 9d per cwt, both spot and forward, at which a better trade resulted. Messrs Tate and Lyle's cubes quoted 31s 6d to 32s 6d; crushed, 29s 6d; coffee crystals, 32s 3d; nibs, 32s 3d; granulated, stoved, 30s 4d; fine, also coarse grain 28s 10d; No. 1, 28s 7d; No. 2, also London and T.L., 28s 4d; month forward, 28s 3d; January delivery, 28s 3d; February-March, 28s 6d; mineral water sugar, spot, 28s 9d; icing, 1 cwt cases and drums, 34s 6d; ditto bags, 35s; pulverised, 31s 3d; caster, finest, 32s 7d; ditto A, 32s 1d; B, 30s 6d; yellow crystals, 25s 4d. English-grown granulated, Cantley, 27s 9d, ex wharf, London; Ely, 27s 6d ex works; Anglo-Scottish, 28s, ex Kidderminster; and 27s 9d, ex Colwick. Mr Guma estimates the next Cuban crop at 5,373,714 tons, against the last crop of 5,125,070 tons. Foreign kinds dull, and tendency of prices in buyers' favour. American granulated, spot, quoted 27s; December shipment, 14s 9d, c.i.f., London. Mauritius crystals, spot, 25s 9d to 26s 3d; Dutch "J" ditto, 27s; January-March, 14s 9d; April-August, 15s, f.o.b., Amsterdam. Czech granulated, December, 14s 3d; January-March, 14s 9d; April-August, 15s, f.o.b., Hamburg. White Java, May-June, London, 15s, c.i.f. and i. Of raw refining sorts, Cuban, basis 96 per cent. December-January, 11s, c.f. and i., U.K. White terminal market fairly active, but irregular and easier on larger estimate of the Cuban crop. December sol, 13s 6d to 13s 8d and 13s 7d; March, 13s 10d to 14s 3d; May, 14s 3d to 14s 6d; August, 14s 9d to 15s 1d and 15s per cwt.

COFFEE.—Market remained fully steady on the spot for all the better home trade qualities, but common kinds moved off rather quietly. Kenya, common to good bold, sold, 107s 6d to 131s 6d; peaberry, 106s to 141s 6d; Kilimanjaro, fine colour, 131s 6d to 137s 6d; peaberry, 116s to 132s; Arusha, good to fine colour, 123s to 133s; Tanganyika, fair bold, 119s; Nyassaland, fine colour, 126s to 131s 6d; peaberry, 136s; Costa Rica, fair greenish, 148s 6d to 149s 6d; old crop, fair bold, 138s 6d per cwt.

COCOA.—Spot parcels in limited request, but previous rates were generally maintained. Accra, for shipment, December-February, also January-March, sold, 36s 6d; Lagos, December-February, sellers, 34s, f.o.b. terms; Trinidad, December-February, 58s; Bahia, ditto, 44s; Guayaquil, Epoca, 68; Caraquez, 65s per cwt, c. and f. terms. Cocoa butter, C.F.R., spot, is 33d; prime English, is 33d per lb.

TEA.—Indian auctions this week comprised 53,827 packages, which encountered a good demand, and all descriptions up to 1s 9d per lb realised firm rates, while commonest kinds were occasionally the turn dearest. Fine to finest sorts, however, displayed some irregularity, due to indifferent quality. Pekoe, sold, is 53d to 1s 11d; broken orange pekoe, is 74d to 2s 8d; finest to choice, 3s 0d to 3s 7d. Ceylon offerings totalled 15,200 packages. Demand proved fairly active, and where quality was maintained previous rates were upheld. Pekoe, sold, is 6d to 2s 2d; broken orange pekoe, is 9d to 2s 5d per lb, in bond. China descriptions experienced a moderate sale, though prices were generally steady. Keemun sold up to 2s 9d per lb for finest quality, with old seasons ditto ruling from 1s 3d to 1s 4d, while in limited supply. Finest Souchongs realised up to 3s 3d, while common Monins rule at 7d to 8d per lb. 5,500 packages of Java and Sumatra met a strong demand at 3d to 3d per lb advance. Pekoe, sold, is 43d to 1s 8d; broken pekoe, 93d to 2s 2d; orange pekoe, is 6d to 1s 8d; broken orange pekoe, is 43d to 1s 10d; pekoe souchong, is 4d to 1s 6d per lb, in bond.

RICE in quiet request, but held for fully steady prices. Rangoon, two stars, spot, 16s; forward to March, 15s 6d, c.i.f., London. Broken quiet. Spanish, spot, 24s 6d; oil dressed, 25s; December shipment, 22s 6d to 23s; Italian, spot, 22s to 22s 6d per cwt, as to quality. Rice bran: Burma, for shipment, January-March, £6 7s 6d, ex ship, London or Liverpool, per ton. Japanese peas steady. November-January, also January-February and February-March, 33s 6d. Rangon beans, hand-picked, for shipment, December, 12s 6d, f.a.q.; December-January, 10s 9d. Madagascari butter beans steady. Spot, 34s to 35s, as to quality; October-December, 35s; November-January, sellers, 34s 9d, per cwt, c.i.f. terms.

SPICE.—Pepper quiet and easier. Black Singapore, spot, is 5d, f.a.q.; January-March, sold, is 5d and 1s 3d. Lampong, spot, is 4d, f.a.q.; January-March, is 5d to 1s 4d; white Muntok, L.S., spot, is 8d; January-March, is 8d and 1s 7d. Tellicherry, spot, is 6d; Aleppy, ditto, is 5d per lb. Tellicherry, January-March, 155s; Aleppy, ditto, 150s per cwt. Pimento, spot, 8d per lb; ditto, December-January, 72s 6d per cwt, c.i.f., London. Cloves quiet. Zanzibar, January-March, quoted 11d per lb. Tapioca quietly steady. Fair Singapore flake, to Havre, quoted 20s 6d. Sago flour quiet. Sarawak, to U.K., January-March, sellers, 15s 3d. Desiccated cocoanut quiet. Spot, halves, 40s 6d; November-December, also December-January, 39s. Ginger steady. Japan, spot, 87s 6d; West African, spot, 59s; shipment, 57s cwt, c.i.f.

FRUIT (Dried).—Currants quiet, but generally firm. Amalia, quoted 32s to 33s; Gulph, 35s to 40s; Pyrgos, 30s to 31s; Patras, 34s to 36s; Vostizza, 42s to 52s. Sultanias barely steady. Smyrna, new crop, 65s to 90s; Australian, 68s; Cretan, 66s. Figs continue in fair request. Layers, new crop, boxes, 80s to 92s 6d; Locomus, 90s to 150s; genuine, 45s to 48s. Dates

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steady. Hallowee, spot, 26s 6d; Siar, 14s 6d; Khadrowie, 18s 6d. Raisins quiet. Valencia, quarter boxes, 28s to 50s; half boxes, 28s to 30s; seedless, 31s to 36s. Evaporated fruits steady, and fine apricots very scarce. Californian apricots, standard new extra choice, 125s; fancy, 135s; Australian, 120s to 130s. Plums in steady demand. Oregon, size 30/40, quoted 72s; 40/50, 52s. Californian, 40/50, 57s 6d; 60/70, 47s 6d; 80/90, 42s. Bosnian new crop, 60/70, 45s. Pears, Californian, extra choice, 90s; fancy, 105s. Lake County, extra-choice, 105s; fancy, 117s 6d. Apple rings, Californian, extra choice, 55s to 70s; Canadian, 63s 6d per cwt.

CANNED GOODS.

CANNED FISH.—Market without new feature, with a quiet trade in force. Sardines firm. Portuguese 1/2s quoted 4s 9d to 5s per dozen tins. Salmon slow, but late rates were fully maintained. Red, tall, 1 lb, 63s to 64s; 1/2 lb, pink, 38s to 39s; tall pink, 25s to 26s. Lobsters firm and supplies scarce. Halves quoted 160s to 165s, and 1/2s, 95s to 100s.

CANNED FRUIT move off quietly, with ample supplies available. Californian Bartlett pears, standard, 13s 3d to 13s 6d; seconds, 12s to 12s 6d; Oregon, choice, 15s; standard, 13s 3d; seconds, choice, 11s; standard, 9s 6d; seconds, 8s 9d. Californian peaches, standard, 9s 3d; seconds, 8s. Loganberries, fancy, 11s to 12s; shipment, with offers reservedly made. Italian tomatoes in good request at full rates.

CANNED MEATS.—Without material alteration, and trade quiet apart from Danish lunch tongues, which sell steadily. Corned beef, South American, 6 lb tins, quoted 34s; and New Zealand, 34s land ox, 6 lb, 125s per dozen tins.

CONDENSED MILK.—The market for machine-skimmed remains very firm owing to sustained inquiries from Germany on Dutch markets. Machine-skimmed quoted 16s 3d to 16s 6d; full-cream Danish, 26s 6d; Dutch, 24s per case.

HONEY.—New Zealand moves off readily, being supported by Continental demand, but other descriptions remain quiet.

RUBBER.

Irregular, with dealings on a fair scale. Plantation standard sheet, spot, sold, 4s 7d to 4s 7d, and 4s 6d; December, 4s 7d to 4s 7d; January, 4s 6d to 4s 4d; January-March, 4s 5d to 4s 3d; December, 3s 9d; July-September, 3s 11d to 3s 10d; July-September, 3s 11d; January-December, 4s 1d to 3s 11d; ditto (1927), 3s 9d, 3s 9d, c.i.f. terms.

GENERAL.

HEMP.—Manila dull and easier. J grade, January-March, sellers, £43; K, ditto, £37; L, £37 10s; M, ditto, £33 10s. New Zealand H.P.F., November-January, £40 10s; fair, ditto, £36 10s. Sisal

quiet. No. 1 Tanganyika, November-January, sellers, £45 10s; No. 1 Kenya, ditto, £45 per ton.
SHELLAC dull. Fair, T.N. spot, quoted 295s to 230s; December, 205s; March, 195s cwt.
GAMBIE dull. October-November shipment, sellers, 41s per cwt. c.i.f.

COPRA quietly steady. F.M.S. Straits, to Rotterdam, October-December, sellers, £30 10s; December-January, £30 7s 6d; December-February, £30 7s 6d; January-March, sold, £30 3s 9d. Dutch E.I., October-December, sellers, £30 5s; January-March, £29 17s 6d. Ceylon, December-January, £31 10s. Palm kernels dull, and January-March, to Liverpool, sellers, £21 10s per ton.
MISCELLANEOUS.—Cocoanuts quoted 25s per 100. Coir yarn, Ceylon, £24 10s to £40; Cochin, £30 to £54. Ceylon bristle, £16 to £22 10s; cinnamon leaf oil, 44d; citronella, Ceylon, 1s 10d; Java, 3s 5d.

TALLOW.—Messrs Colchesters and Woolner write on December 9th as follows:—The tallow market was easier during the week, and prices were unchanged to-day for inferior kinds, but good sorts declined 6d. Prices are falling in Australia, while freight from South America is difficult to obtain. At auction to-day 1,406 casks tallow were offered, and 302 were sold. Quotations are:—Australian mutton: Fine, 48s 6d; good to fair, 47s 6d to 44s; dull to dark, 41s to 39s 6d; hard, 48s. Australian beef: Fine, 44s 6d; good to fair

43s to 41s; dull to dark, 40s to 39s 6d; sweet, 45s 6d. Present shipment from Australasia: Good mixed, 43s 6d. Present shipment from South America, 43s. The market letter is unchanged. Town tallow, 39s 6d per cwt. Rough fat, per 8 lbs, 3d; melted stuff, 30s per cwt. Quotations are:—Town, 39s 6d, net cash, naked, ex works. Country: Frail casks, 39s 6d; home melted, shipping casks, net, f.o.b., good coloured, 43s; fair to dull, 40s to 39s. Bone fat: white, none; pale, none; benzine, 36s; melted stuff, 35s 6d, f.o.b.

METROPOLITAN CATTLE.—Dec. 10.

British Beasts, per stone of 8 lbs to sink the offal. Sheep, per stone.			
	s	d	s
Beasts—Devons.....	7	4	7
Shortfords.....	6	8	7
Herefords.....	7	2	7
Scottish.....	7	2	7
Irish.....	7	2	7
Fat Cows.....	7	2	7
Beasts—Heavy Bulls ..	..	..	..
Canadian.....	..	..	..
Sheep—Downs (clipped)	10	0	10
Ewes.....	5	8	6
Crossbred.....	..	..	..
Scott's.....	..	..	..
Lamb—Downs.....	10	4	11

LONDON POTATO MARKETS.—Dec. 10.

Per Cwt.			
	s	d	s
Lincoln—King Edwards	7	0	8
British Queens.....	5	0	5
Red Kings.....	5	6	6
Majestic.....	5	0	5
Blackland—King Edwards	5	6	6
ditto Whites.....	4	6	5

COMMERCIAL TIMES—WEEKLY PRICE CURRENT.

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

LONDON, FRIDAY.				
COCOA—Duty, British grown, 9s 4d, foreign, 14s cwt	s	d	d	
Trinidad.....	68	0	72	
Grenada.....	54	0	66	
Ceylon, plantation.....	85	0	107	
Guayaquil.....	70	0	80	
Bahia, finest.....	53	0	55	
COFFEE—British grown, 9s 4d, foreign, 14s cwt	s	d	d	
E. India, fine ord. g.d. mid. 115	0	140	0	
Do good to fine.....	150	0	158	
Costa Rica, ord. to mid. 120	0	145	0	
Good to fine.....	165	0	199	
Central American, g.d. ord.	115	0	138	
to mid.....	140	0	145	
Colombian, ordinary.....	115	0	117	
Do g.d. ord. to low mid. 120	0	130	0	
Do mid to fine.....	135	0	177	
CHEMICALS—	s	d	d	
Acid, citric.....	per lb	1	47	
Nitric.....	0	24	0	
Oxalic, net.....	0	6	64	
Tartaric, English.....	1	04	0	
Foreign.....	0	11	1	
Creosote of Tartar.....	99%—100%.....	82	0	
Alum lump.....	per ton	11/10	11/10	
Do ground.....	11/10	12/10	12/10	
Ammonia, carb.....	ton	37	0	
Muriate, White.....	ton	22	0	
Sulphate.....	£14	0	15	
Arsenic, lump.....	per ton	65	0	
Powder.....	per cwt	17	0	
Ashes, pot.....	per cwt	65	0	
Pearl do.....	nom	nom	nom	
Bleaching powder, per ton	9/10	9/10	9/10	
Borax, gran.....	cwt	24	0	
Do crystals.....	25	0	0	
Do powder.....	26	0	0	
Calomel.....	per lb	4	2	
Iodine, dry.....	per oz	1	1	
Nitrate of Soda.....	per ton	13/10	13/10	
Potash—Chlorate, net.....	0	44	0	
Prussiate.....	0	8	9	
Do Foreign.....	0	74	0	
Sulphate.....	per ton	11	0	
Sal-Acetates.....	per lb	1	10	
Sal-Ammoniac.....	per cwt	47	6	
Soda Bicarb.....	per ton	5/0	5/0	
Crystals.....	5/17	6/15	0	
Alkali.....	14/6	16/10	0	
Canstic.....	14/6	16/10	0	
Sugar of lead, white.....	ton	0/0	0/0	
Foreign white.....	247	0	49	
Sulphate Quinine.....	2	3	0	
English Brands.....	2	3	0	
Foreign do.....	2	2	3	
Sulphate Copper per ton	24/10	25/10	0	
Zinc, cut.....	9/10	9/10	0	
Sulphur Flour.....	8/0	8/10	0	
Do Roll.....	8/0	8/10	0	
Vermillion, Chinese, per lb	4	8	9	
English.....	4	6	5	
Oil Peppermint, E.G.H.....	100	0	105	
COPRA—per ton, c.i.f.....	£	s	d	
Malabar, Nov-Dec.....	nom	nom	nom	
F.M.S. Singapore.....	31	7	6	
F.M. Straits.....	30	10	0	
COCHINEAL.....	per lb	2/9	3/6	
DRUGS—	s	d	d	
Aloes, fine E.L.....	per cwt	10	150	
Cape, good to fine.....	41	0	42	
Balaam Peru.....	per lb	6	7	
Capivi.....	2	0	3	
Camphor.....	2	84	2	
Japan, refined.....	8	0	8	
Cardamom, Ceylon.....	6	0	8	
Cantharides, China, per lb	4	0	0	
Castor oil.....	cwt	85	0	
Gum Benjamin Sum.....	cwt	5/0	10/0	
Olibanum, drops, fair to good.....	80	0	105	
Ipocostanha.....	12	0	12	
Jalap.....	2	0	0	
Musk pod, China.....	73	0	75	
Oil Cassia.....	per lb	9	10	
Aniseed.....	3	3	4	
Peppermint, Wayne County.....	70	0	75	
Rhubarb, China, fr to fn	3	0	3	
DYE STUFFS, &c.—	s	d	d	
Galls, China.....	per cwt	60	62	
Turneric, Bengal.....	nom	nom	nom	
Madras, finger.....	32	6	34	
Gambier, block.....	60	0	52	
Cutch, ord. to fair.....	65	0	0	
DYEWOODS—	s	d	d	
Brazil.....	per ton	18	0	
Fustic, Jamaica.....	15	0	0	
Cuba.....	20	0	0	
Lima Wood.....	9	0	0	
Logwood, Campeachy.....	10	10	0	
Honduras.....	7	15	0	
Jamaica.....	12	0	0	
Red Sanders.....	15	0	0	
Sapang Ceylon.....	15	0	0	
FLAX—spot—c.i.f.....	£	s	d	
Riga ZK.....	72	0	0	
Pernau HD.....	70	0	0	
Slanets U/A Medium.....	84	0	0	
FRUIT—	s	d	d	
Oranges, Denia & Val 300	10	0	65	
Do.....	350	10	0	
Do Cape.....	0	0	0	
Lemons, Naples.....	0	0	0	
Do.....	0	0	0	
Do Sicilian.....	8	0	20	
Do.....	0	0	0	
Do Malaga.....	0	0	0	
Grapes, Lisbon.....	0	0	0	
Almeria.....	8	0	27	
Val. Ona.....	6	6	9	
Egyptian Ona.....	0	0	0	
Apples: American.....	0	0	0	
Jonathan.....	0	0	0	
Newtown, Oregon boxes	13	6	16	
HIDES—Wet salted—	s	d	d	
Australian.....	per lb	0	54	
West Indian.....	0	4	0	
Cape.....	0	6	8	
Lisbon.....	0	54	0	
Oporto.....	0	4	0	
Dry & Drysalted Cape.....	0	8	12	
Madagascar.....	0	74	0	
Central American.....	0	4	12	
Buffaloes, Singapore.....	0	5	0	
Penang.....	0	5	14	
Market Hides, London:	s	d	d	
Best hvy. ox & heifer.....	0	88	0	
Do light do.....	0	64	0	
2nd ox, heavy.....	0	74	0	
Do light.....	0	64	0	
Best cow.....	0	54	0	
2nd do.....	0	54	0	
Best calf.....	0	94	0	
2nd do.....	0	84	0	
INDIA RUBBER—lb—	s	d	d	
Para, fine hard spot.....	4	54	0	
Plantation sheet.....	4	6	0	
INDIGO—per lb—	s	d	d	
Bengal, good red violet to fine.....	6	6	7	
Mid. ord. vio. to good.....	6	0	6	
Low to good ord.....	3	0	4	
Madras, dry leaf, good.....	1	0	3	
Kurpah, g.d. mid. to g.d.....	4	0	5	
Do low to mid.....	3	0	4	
HEMP—per ton—	£	s	d	
Native first marks, Dec-Jan. 59/0	75	0	0	
Manila, Jan-Mar. "y".....	43	0	0	
Grade.....	40	10	0	
N.Z., high point, fair, Jan-Mar.....	40	10	0	
JUTE—	s	d	d	
Native first marks, Dec-Jan. 59/0	75	0	0	
Manila, Jan-Mar. "y".....	43	0	0	
Grade.....	40	10	0	
N.Z., high point, fair, Jan-Mar.....	40	10	0	
METALS—B. Copper.....	£	s	d	
Best selected.....	63	15	65	
Sheets (strong).....	90	0	0	
Standard.....	59/50	59/76	0	
Lead Eng. Pig per ton	34/10	34/13	0	
Soft Foreign.....	37/13	37/10	0	
Spelter G.O. 100.....	282/15	0	283/15	
Thin English ingots.....	283/15	0	284/15	
Do do bars.....	283/15	0	284/15	
Standard cash.....	283/10	0	283/15	
OILS—Fish, per ton—	£	s	d	
Seal, pale.....	38	0	0	
Linsseed, p. ton net, naked.....	37	0	0	
Rape, refined.....	51	10	0	
Crude.....	45	0	37	
Cotton-seed, crude.....	44	0	0	
Edible, refined.....	48	0	0	
Coconut, crude.....	50	52	0	
Refined.....	40	5	40	
Palm.....	70	0	78	
Lard, American.....	1/0	0/0	0/0	
Petroleum—Oil, per 8 lbs.....	1/1	0/0	0/0	
Water White.....	1/1	0/0	0/0	
Oil Cakes, Linsseed, Eng.....	212/50	212/10	0	
per ton.....	£	s	d	
Oil Seeds—Linsseed—	13	2	6	
La Plata, p. ton Nov-Dec.....	21	10	0	
Bombay, p. ton Nov-Dec.....	21	10	0	
Castilla, p. ton Nov-Dec.....	21	10	0	
PORTLAND CEMENT—Best English	58/0	58/6	0	
Best delivered, London 58/0	58/0	58/6	0	
Rapid hardening "Ferrocrete," 10/	per ton extra.....	£	s	d
"Lightning" brand Aluminous Cement	108/	113/6	per ton.	
PROVISIONS—	s	d	d	
Butter per cwt.....	nom.	nom.	nom.	
Irish creamery.....	nom.	nom.	nom.	
Do factory.....	158	3	178	
Australian.....	140	0	154	
Argentine.....	200	0	208	
Dutch.....	145	0	176	
New Zealand.....	190	0	196	
Danish.....	130	3	140	
Bacon, smgd.—Irish.....	120	0	126	
Danish.....	120	0	126	
Canadian.....	120	0	122	
American.....	120	0	122	
Hams—Irish.....	120	3	134	
Canadian.....	120	3	145	
American.....	94	0	100	
Lard—Irish bladders.....	66	1	76	
American boxes.....	7	0	8	
Pork—per 8 lbs.....	3	4	8	
Beef—Frozen.....	6	4	7	
Booth.....	106	0	114	
Cheese.....	nom.	nom.	nom.	
New Zealand.....	175	0	145	
Eng. Cheddars.....	125	0	145	
Cheshire.....	70	0	118	
Dutch.....	51	32	62	
Eggs, per 120—English.....	30	0	31	
Irish.....	50	0	31	
FLLOUR—280 lbs—	0	0	0	
London standard ex ml 50	0	0	0	
RICE—per cwt, c.i.f.—	£	s	d	
Bangkok, No. 2.....	15	6	0	
Brown la.....	13	3	0	
ROBIN—per ton—	30/0	34/10	0	
American.....	29/10	0/0	0	
French.....	25	0	27	
SAGO—Pearl, per cwt.....	25	0	27	
SHELLAC—per cwt—	£	s	d	
Second, first marks.....	300	0	325	
Second, fair to fine.....	270	0	290	
T.N. Orange.....	210	0	230	
Garnet, Lac. AC.....	215	0	220	
Button—Pure.....	250	0	0	
Blocky (TN).....	205	0	0	
SILK—per lb—	18	0	0	
China—Blue Elephant.....	23	0	25	
Canton.....	1	0	12	
Tussah.....	0	0	0	
Japan.....	28	0	30	
Italian—Raw, fr. Milan.....	28	0	29	
SHELLS—M.-P., per cwt—	25/0	9/5	0	
Manilla, bold.....	8/10	1/5	0	
Macassar.....	6/0	13/5	0	
Sydney.....	7/0	12/10	0	
W. Austral'ian.....	2/0	8/5	0	
Bombay.....	2/0	8/5	0	
SUGAR—per cwt, duty, 14s 6d	s	d	d	
per cwt, plantation.....	nom	nom	nom	
B.W.I. muscovado.....	22	0	26	
Crystallised.....	22	0	26	
Java, white.....	spot	26	3	
REFINED—London—	s	d	d	
Yellow Crystals.....	25	44	0	
Cubes.....	31	6	32	
Crushed.....	29	6	0	
Granulated.....	28	48	10	
Crystals, No. 3.....	28	3	0	
Castor.....	30	6	32	
Pieces.....	23	3	26	
SPICES—Pepper, lb—	s	d	d	
Muntok, fair White.....	1	52	0	
Black Singapore.....	1	1	0	
White Siam.....	0	54	0	
Pimento.....	2	0	0	
Cinnamon—1st sort.....	1	11	0	
Do 3rd.....	1	9	0	
Cassia, lignea.....	55	0	0	
Cloves—Zanzibar.....	0	11	0	
Penang.....	2	2	4	
Madagascar.....	1	3	1	
Ginger—per cwt—	105	0	0	
Cochin, small rough.....	0	0	0	
Do wormy.....	0	0	0	
Japan.....	80	0	120	
Jamaica, ord. to good.....	4	3	4	
Nutmeg, 95's.....	2	8	0	
110's and 80's.....	2	4	2	
Chillies—per cwt.....	45	9	97	
TALLOW—per cwt.	s	d	d	
Good mutton.....	47	0	0	
Beef.....	43	0	0	
TAPIOCA—per lb—	s	d	d	
E. I. Flake, fair, spot.....	0	2	0	
Medium Pearl.....	16	6	28	
Seed.....	15	6	27	
TEA—Duty 3d, British,	s	d	d	
foreign, 4d per lb—	nom.	nom.	nom.	
Indian and Ceylon—	s	d	d	
Pekoe.....	1	53	2	
Broken.....	1	52	6	
Orange Pekoe.....	1	74	3	
Broken Orange.....	1	4	1	
Pekoe Souchong.....	1	4	1	
TIMBER—ex. yd—	s	d	d	
Swedish u/s 3 x 8, Pt. Std.....	19	0	0	
Do 2 1/2 x 7.....	19	0	0	
Do 2 x 6.....	19	0	0	
Can'tn Spruce, Dis.....	17	10	0	
Pitchpine.....	per load	9	0	
Rio Deals.....	per std.	32	0	
Teak.....	per load	20	0	
Honduras Mahg loca, c.f.....	0	11	6	
African.....	0	6	6	
American Oak Boards.....	0	6	0	
Do Ash.....	0	6	0	
Do Ash.....	0	6	6	
TOBACCO—	s	d	d	
Duty 8/2—10/4 per lb. Empire	1	0	1	
growths, 6/4 per lb.	1	0	1	
Virginia leaf.....	1	0	1	
Common to fine.....	2	0	2	
Stripes.....	2	0	2	
Kentucky leaf.....	1	0	1	
Common to fine.....	1	0	1	
Stripes.....	1	3	1	
China.....	0	9	2	
Borneo and Sumatra.....	1	0	7	
Nyasaland.....	0	6	8	
Seedleaf.....	1	6	8	
Havana.....	0	10	1	
Greek.....	0	6	1	
East India.....	2	0	0	
Cigars, duty 15/7 per lb.....	2	0	0	
Cigarettes, duty 12s 7d per lb.....	2	0	0	
TURPENTINE, p. cwt 67	6	8	8	
WOOL—per lb—	s	d	d	
English, Southdown, washed.....	25	0	0	
Lincoln hog.....	17	0	0	
Queensland, sod, per cwt.....	52	0	0	
N.S.W. greasy, super.....	50	66	0	
N.Z., grey, E.W. bred, 50 lbs.....	194	0	0	
Crossbred 4-44.....	15	0	0	

foreign demand for gold, but the market was not at all hungry for bills; three months' bills, after being shied at earlier in the week at $4\frac{1}{8}$ per cent., were not much wanted at $4\frac{1}{8}$ per cent.

	Dec. 18, 1925.	Dec. 11, 1925.	Dec. 4, 1925.	Nov. 27, 1925.	Previous Rate and Date Changed.
Bank Rate	5%	5%	5%	4%	(Dec. 3, '25)
Banks' Deposit Rate	3	3	3	2	(Dec. 3, '25)
Discount/Call	3	3	3	2	(Dec. 3, '25)
Houses/Notice	$3\frac{1}{2}$	$3\frac{1}{2}$	$3\frac{1}{2}$	$2\frac{1}{2}$	(Dec. 3, '25)
Market rate (3 months' bills)	$4\frac{1}{8}$	$4\frac{1}{8}$	$4\frac{1}{8}$	$3\frac{1}{8}$	4

The Bank return showed a decrease of £206,000 in the stock of coin and bullion, £205,000 on balance having been reported as withdrawn for export, and the note circulation expanded by £834,000, so that the Reserve was thus £1,040,000 lower, with its proportion to liabilities .8 lower at 15.8 per cent. Government securities declined by six millions, presumably owing to repayments of Ways and Means advances, while discounting for the market was reflected in an increase of seven millions in Other securities. Public deposits rose, and Other deposits fell by just under two millions. Currency notes outstanding were increased by £4,855,300 to £295,456,400, which includes £1,317,700 for notes called in but not yet cancelled. The fiduciary issue is £237,888,700, or £10,256,700 below the maximum for the year.

NEW YORK MARKETS.

Our New York correspondent cables:—Markets are irregular, with pronounced strength in railroad stocks and firmness in oils, profits having been taken in various industrials. Rails are supported by excellent earnings, conservative political sentiment, and possibilities of consolidation. Business prospects continue good. The index number of the Bureau of Labour has increased by 0.6 per cent., with industrial groups firm. The Federal Reserve statements reveal movements normal after the tax date, discounts having fallen off sharply at New York, while there is a large increase in purchases of Government securities, owing to the Treasury overdraft. The circulation is rising on holiday needs, and with reserves lower the ratio for the reserve system is 68.7. No change in the discount rate is expected pending a clarification of the situation after the turn of the year.

THE STOCK MARKETS.

The approach of Christmas has had its customary effect of checking business in the stock markets, and selling has predominated. The account, which opened on Thursday, runs for three weeks. The Consol market has moved irregularly, but became a little firmer when no change was made in the Bank Rate on Thursday. Yesterday a better tone developed, and gilt-edged stocks and home rails improved appreciably. Argentine rails were better on the latest crop estimates. A sharp setback in the price of raw rubber caused a substantial reaction in share prices, but a recovery in the commodity towards the end of the week checked the selling movement. Thursday's settlement in rubber shares was the heaviest on record. Tea shares have been in demand, but there have been no prominent features in industrials. Oils have fluctuated, but dealing has been mainly professional. The dividend declarations, which were much as anticipated, have not helped prices of South African mines.

New issues of capital continue to be well received. The Cunard Steamship Company's 5 per cent. debenture issue of £4 millions and the Dunlop Rubber Company's 6 per cent. debentures for £2 millions were oversubscribed, applications for the latter having amounted, it is stated, to over £20 millions. The underwriters of the Apex (British) Artificial Silk issue of £300,000 in 8 per cent. preference shares were left with 47.6 per cent.

THE COMMODITY MARKETS.

The influence of the approaching holiday has been more marked this week. Iron and steel orders are chiefly for prompt delivery, though the New Year is being awaited with a certain quiet confidence. Coal prices are generally firm. A number of contracts for 1926 are reported, at prices considerably less than those of a year ago. In the textile trades raw cotton has been dull all the week, and buyers of yarn and cloth have consequently been reluctant to give out orders of any importance. The December wool sales have closed on a lower level of values, but manufacturers have more confidence in the possibility of profitable working next year. The jute trade is quiet. Wheat prices have again shown signs of reaction after their recent rise. In the produce markets, the sugar market is steady, coffee in steady demand, and tea active, especially as regards plain and medium sorts. Rubber is unsettled, and easier on balance. Among metals, tin has declined sharply, but copper is firmer, despite large offerings, while lead has improved after an irregular opening.

FOREIGN EXCHANGES.

The feature of the Foreign Exchange markets during the week has been the marked depreciation and the wide daily fluctuations of the Paris exchange, the record low level of 136 being touched at one time on Tuesday. Apart from the obvious politico-economic causes, this weakness may be attributed to the general lack of confidence in M. Loucheur's ability to cope with the present financial emergency; and this appears to be borne out by the fact that his resignation had no ill effect, and, if anything, rather the reverse, on the rate. The comparative steadiness of the past three days may be taken as the measure of the confidence aroused in France by the appointment of M. Doumer, but the position is still serious, and may at any time become critical if the flight from the franc continues in any serious degree. The general uncertainty is reflected by the fact that forward francs are at the lowest discount levels touched for a very long time, viz., 10-15 for one month, 40-45 for two months, and 70-75 for three months. Opening at 131.75 on the 11th, which was then a record, Paris fell away still further on 12th to 133.25 at the close. On Monday 135.5 was touched, but the rate closed at 134. As stated, M. Loucheur's resignation had no bad effect, francs opening at 134 on Wednesday, improving sharply to 130.5 during the day and closing at 132. On Thursday Paris was dull at 133.4, and was better yesterday at 131. Brussels was very firm throughout at 106.95-107; and the lira maintained last week's steadiness, and was even slightly better at 120.75, at which level it stood yesterday. The dollar rate in the early part of the week was rather unexpectedly unfavourable to sterling, this being due to the unexpected hardness of money rates in New York when easier money had been looked for. Later the firmness in our money rates redressed the balance, and the immediate future strength of the sterling exchange seems now to be likely to be assured, as cheaper money rates in the States cannot probably be much longer delayed. Dollars opened at 4.847-85 on the 11th, fell off on Monday, and remained weak until Wednesday at a little below these levels. Then, however, the rate reacted to 4.851-2, and remains at this quotation. Forward rates are now at 1/4 premium all round. For the first time for a long period Canada has moved to a discount as compared with New York. Of the Continental exchanges, Amsterdam chiefly calls for comment, having maintained its strength against sterling in spite of the hardness of money rates over here. It may be that this firmness is not unconnected with the recent expansion in the rubber market, which has no doubt led to the transfer of considerable funds through Amsterdam to the Dutch plantations in the Far East. At 12.071-2 the tendency is still against this country. Madrid, after opening at 34.05, is rather weaker at 34.20, continuing a weakish tendency which set in a little while ago, on the change over from the dictatorship to a semi-constitutional régime. Stockholm moved with the dollar as usual; but Warsaw showed renewed weakness throughout the period under review, and stood yesterday at 45 sellers (nominal), 50 having been reached at one time. The drachma suffered from a sudden depreciation on

rumours of the resignation of the Governor of the Bank of Greece, but recovered again on the publication of an official denial. The South American exchanges showed no great variations other than those which are to be accounted for by the usual laws of supply and demand and ordinary trading transactions. The milreis was very firm throughout, and rather better on balance at 7 1/8, against the opening rate of 7; Buenos Aires a little weaker at 46 15-32, against 46 1/2 at the beginning of the week, and Valparaiso steady at 39.30. In the far East the yen continued to improve steadily throughout the week to 15 9/16 on the 16th, in spite of the cancellation of the proposed Japanese loan in the United States; but it is understood that various shipments of gold have been made lately from Japan to America, and this would account for the phenomenon. The decline to 15 9/16 yesterday follows the news of the Japanese occupation of Mukden. The rupee is rather weaker at 15 6 3/4 to-day. Under the pressure of steady selling by China, silver prices gave way, spot and forward declining to 31 1/2 on the 12th. On Wednesday there was a further decline to 31 1/4 for both spot and two months' delivery, the lowest for spot since early in June, and for forward since the 13th of that month. On Thursday there was a slight recovery to 31 1/2, on Indian buying, but the market closed quiet and rather uncertain. Shanghai at 3s 1d is rather weaker on balance, as is Hong Kong at 2s 4 1/2, following the fall in silver.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended December 12th:—

(000's omitted.)			
EXPENDITURE.	£	RECEIPTS.	£
Supply Services	7,683	From Revenue	10,103
Interest, &c., on Debt	3,441	Increase in Debt	1,687
Sinking Fund	275		
Sundries	285		
Increase in Exchequer Balances	106		
	11,790		11,790

The Revenue for the week amounted to £10,102,900, as compared with £8,669,000 in the corresponding week last year. Customs and Excise were higher at £2,714,000 and £1,886,000, against £2,258,000 and £1,819,000 respectively. Stamps brought in £1,290,000, as compared with £230,000. Property and Income-tax was slightly lower at £1,278,000, against £1,383,000, while Super-tax at £550,000 was £110,000 higher. Ordinary receipts amounted to £33,100, against £131,700, and Special receipts to £1,600, against £17,300. The week's operations increased the National Debt by £1,687,000, and caused the following changes:—

(000's omitted.)			
	£		£
3 1/2 % Conversion Loan	48	Bank of England Advances	6,000
Public Department Advances	6,801	Sundries	450
National Savings Certificates	50		
Treasury Bills	1,239		
	8,137		6,450

The floating debt was increased by £2,050,000 to £803,656,000.

FINANCIAL YEAR, 1925-1926 (April 1st to Dec. 12th).

£		£	
Total Expenditure ..	572,684,741	Raised by Revenue ..	470,001,475
		Decrease in Balances ..	3,425,603
		Amount borrowed ..	99,257,663
Total	572,684,741	Total	572,684,741

ESTIMATES for FINANCIAL YEAR 1925-1926.

£		£	
Expenditure	799,400,000	Revenue	801,060,000
Surplus	£1,660,000.		

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—Bank of London and South America, National Bank of Scotland, Orient Steam Navigation Company, Dorman, Long and Co., Harrods (Buenos Aires), Vickers, Anglo-Ecuadorian Oilfields, Edison Swan Electric, Carreras, Showells Brewery, and Van Ryn Gold Mines Estate. At the meeting of Dorman, Long and Co., Sir Arthur Dorman said that it was expected to put coal on the market from one of the Kent collieries early next year, the quality being similar to South Wales

coal. At the meeting of Vickers, Limited, the proposed scheme of reconstruction was passed by a large majority.

ECONOMIST INTELLIGENCE BRANCH.

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

THE PLIGHT OF THE IRON AND STEEL INDUSTRY.

THE iron and steel industry will have to get on as best it can for the present without protection. It is true that the rejection by the Government of the appeal of the industry to be "safeguarded" is not yet officially announced; but the chairman of Dorman, Long and Co. let the cat out of the bag in his speech to his shareholders last Wednesday. His comment was that this might mean that the industry would still have some hard times before it, but he was confident that in the end it would win through. The Government may attempt to soften their refusal by various suggestions, or even by some plans for indirect assistance, but their decision on the main issue could hardly have been otherwise than it is. The iron and steel industry could not be protected without offering similar terms to the engineering industry, and ultimately to machine-using industries, and this clearly would lead to a general tariff. Whether the Government are really convinced or not of the undesirability of a general tariff for Great Britain would require a very expert analysis of a very complicated psychology. But the whole Government recognises that it is still bound by Mr Baldwin's pledge not to introduce a general tariff, and a substantial proportion of the Cabinet undoubtedly realises that even if they were not so bound a general tariff would be electorally disastrous. The decision of the Government has, however, no doubt been greatly influenced by other considerations, and, in particular, by the view that has been put before it that the iron and steel industry is not at present adequately organised or as efficient as some of its chief competitors.

Sir Arthur Dorman, in his remarkably courageous and broad-minded review, referred to some of these criticisms:—

Criticism of the iron and steel trade is growing. We are accused of bad management, of inefficiency, and of all-round inability to control our own industry. We are advised to group ourselves or to enter into wholesale amalgamation. While I believe that by amalgamation and grouping we could to some extent reduce the cost of production and increase efficiency, I do not think this is going to prove the final solution of our troubles. The real evils we are suffering from are lack of demand and the disparity between conditions here and conditions on the Continent, and the real remedy for these evils is an understanding with Continental makers which would be to their advantage as well as to ours. Such an understanding would be greatly more far-reaching in its effect than any internal arrangements amongst ourselves which leave us still open to attack in an unprotected market.

The speaker proceeded to point out that the price of iron and steel products is less than 20 per cent. above pre-war prices, and that few British industries would have much to show if they were in such an unsatisfactory condition. He gave reasons, however, for thinking that we were not far from the turning. "Continental makers are feeling the pinch, and will be glad to put an end to cut-throat competition. The slump in shipbuilding cannot go on indefinitely, because ships must wear out or become obsolete. Development has been at a standstill, and cannot rest there much longer if the world's population is to be supported." From this review Sir Arthur Dorman drew the conclusion that so far as his company, at all events, was concerned, when things were normal once more it would be possible to earn a return on their present capital. His argument was calculated to allay the fairly general fear that our leading iron and steel companies may have to follow the example of Vickers, and make a drastic reduction of their capital.

But although Dorman, Long have not paid a dividend on their ordinary shares for four years, they are unquestionably among the stronger of the big British iron and steel companies, and it would not be safe to assume that the reassuring account given by Sir Arthur Dorman is representative of the trade as a whole. In spite of Sir Arthur Dorman's restrained optimism, we are inclined to agree with the critics that, taking the iron and steel industry as a whole, it is in serious need of internal re-organisation.

It is true that an international understanding would be the best way to achieve greater stability, and the desire for some relief of this kind is ardently shared in France and Germany. The Federation of German Industries has recently appointed a committee to consider the prospects of such understandings, and it is notorious that a similar desire was an important consideration in the minds of the French in proposing that the League of Nations should summon an International Economic Conference. In this respect the case of iron and steel is one of the most pressing, for the lack of capital and the restriction of development all over the world (except in America) has naturally restrained the demand for the products of an industry which is primarily concerned with producing "capital goods"; on the other hand, the output capacity of the trade was in all countries greatly inflated by war demands. The world has, therefore, a great excess capacity of production.

But charity begins at home. These same considerations call for some degree of organisation and co-operation between the various firms and various districts in Great Britain. Naturally, the great extensions carried out during the war were not carried out on a balanced programme adapted for peace requirements. But in the years since the war very little has been done to remedy this defect or to consider the technical equipment of the British iron and steel industry as a whole. Indeed, in certain cases the lack of balance has been further increased. Quite recently, for example, the Consett Company has opened a new plate mill in Durham, regardless of the fact that, in consequence of the submarine menace, British plate-rolling capacity was expanded—largely out of public money—to a figure far in excess of anything that the shipbuilding industry can possibly require. The new mill may possibly get the orders, though that is doubtful; but it is certain that in the absence of a common understanding, none of our plate mills can be fully employed, and only the best of them can hope to get even a small margin of profit. The same difficulty applies right through the industry. Many efforts have been made since the war to meet the situation by organising an export sales association, which, by deliberate allocation of orders to the most appropriate works, would reduce costs. Multitudinous proposals have also been made on more or less ambitious lines for the fusion of the larger firms. But they have all come to grief, largely on account of personal difficulties in an industry where the traditions of British individualism are at their strongest. It is only fair to add that the French and Belgian ironmasters have found it equally difficult to create internal solidarity. It is, in the first instance, the lack of unity within each national industry, that has hitherto rendered abortive the many efforts that have been made since 1918 to bring about an international understanding in this industry. It is, therefore, idle to hope great things from international agreement until some degree of unity is reached in British industry itself.

It is true that the iron and steel industry is not commonly supposed to be lacking in organisation, and many readers may recall that the report of the Reconstruction Committee on Trusts, issued at the close of the war, contained a long list of organisations which existed in this industry for every possible purpose, including many price associations. Since that time, moreover, a National Federation of the industry has been organised. The latter, however, is concerned primarily with the politics of the industry—its relations to the Government, &c.—and not with commercial matters or with internal administration. The weakness of the industry from the point of view of organising to meet competition is two-fold. In the first place it has far too many associations whose activities are unrelated to one another, and which experience shows are

liable to fall to pieces in times of acute economic difficulty. In the second place these associations are almost entirely confined to the purpose of fixing prices, with the result that, in so far as their decisions are effective at all, they tend to keep in being the weaker firms and do nothing whatever to promote efficiency in the industry. During a considerable part of the present long drawn-out depression many of the associations, including some of the most important of them have, in fact, been in abeyance.

The fact that the existing organisations do nothing to promote efficiency is responsible for the attention which has been given to the possibility of amalgamation. Sometimes the suggestions have related to the half-dozen or so largest firms in the country; at other times district grouping has been discussed. Looking merely at the map, for example, the four big firms on the Tees seem to form a natural economic unit. The same may be said of the three big concerns in South Wales. Hitherto, however, such fusion of interests as has taken place since the war has been, as in Germany, rather in the direction of vertical combination in which the chief firms have endeavoured to secure for themselves a definite market by associating with big users of steel products. In Germany, however, this tendency has changed, and it may well be that in England also the industry will find that economic pressure may compel a greater or less degree of co-operation right through the iron and steel industry.

We propose in subsequent articles to analyse the reports of the leading firms in the trade and to consider the financial standing of the industry regarded as a whole before examining the factors in the international situation.

THE FIRST YEAR OF THE DAWES PLAN.*

THE first annual report of the Agent-General is a masterly document, clear and all-embracing, and, quite apart from its direct purpose of serving as an account of Mr Parker Gilbert's stewardship, is a most important contribution to an understanding of the current German economic situation and of the forces which are moulding it. Indeed, the greater part is devoted to an examination of German budgetary and economic conditions, the relation of which to the future of Reparations is sufficiently obvious.

It is pleasant to be able to state that the Agent-General is evidently satisfied with the spirit which all those interested in the proper working of the Dawes Plan are showing. "The Plan generally is functioning smoothly, and all those concerned in its execution have worked together loyally and in a spirit of friendly accommodation." Though "it is still too soon to draw conclusions about the ultimate results of the Plan," says the Report, "the fact is.....that it has reduced the problem of Reparations to a rational basis and provided for the determination of its possibilities by the test of actual experience."

The first year's annuity has not raised any problems, largely, of course, because the International Loan provided the bulk of the money, viz., 800 million gold marks out of a total of 1 milliard, and the bulk of the payments "except those for the service of the German External Loan, have been made in reichsmarks within Germany, chiefly for deliveries in kind.....and for the costs of the armies of occupation." Some interesting figures are given illustrating these points. Deliveries in kind amounted to 454.5 million gold marks, coal, coke, and lignite accounting for 52 per cent. of this total; if costs of transport are included, to nearly 70 per cent. But "miscellaneous deliveries" amounted to nearly 18 per cent., and as the Report points out, "their number and extent are recently showing a tendency to grow." The result is that the "Regulations for Deliveries in Kind," drafted by the Wallenberg Committee early in the year, will acquire an increasing importance, the ideal aimed at being to assimilate the procedure as closely as possible to ordinary commercial procedure. An interesting section of the Report deals with the net yield to the creditor Governments of the deliveries. In practice, the net yield is less than the amount for which the creditor Government is debited by the Agent-General,

* "Report of the Agent-General for Reparation Payments." Berlin. November 30, 1925.

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who debits the amount which he has paid to the German producers. The net yield varies, "and whilst there is practically no loss on certain commodities, such as dye-stuffs, the general loss is variously estimated as averaging from 8 to 15 per cent." In the case of private contracts, financed through Reparations account, the creditor Governments also appear to lose money, either through credit being extended to the purchaser (who pays his own Government) or through the fact that the draft, representing the claim on Reparations money, is discounted "below the nominal value of the draft."

It appears also that the military costs of occupation are still absorbing an unduly high proportion of the proceeds. Whilst the Administrative and Control Commissions for the year absorbed only 26 million marks out of the total annuity of 1 milliard, France spent 136½ millions out of her share of 454½ millions on military costs, Great Britain spent 30 millions out of a total of 190 millions, and Belgium 20½ millions out of a total of 115 millions. It may be argued that the net military expenditure of these countries would not in any case have been lower; the fact remains that under the new scheme of "all-in expenditure" the relationship between yield from Reparations and costs of occupation shows that the latter are absorbing between 20 and 30 per cent. of the total, though as the Annuity rises in successive years the proportion will become less unfavourable.

Arrangements have already been made to secure the "orderly execution" of the Plan in the second year of its working. The most urgent problem was that of spreading the payments to be made by Germany more evenly over the Annuity year than the original plan provided. To this end a system of monthly payments has been worked out with the consent of the Allied Ministers. "The German Government and the German Railway Company have most helpfully given their co-operation to the same end, and as a result the payments on account of the second Annuity are now arranged on substantially a monthly basis, in such a way as to permit the financing of a normal programme each month." In addition, "the Agent-General has arranged to present every three months to the Reparation Commission and the Transfer Committee the draft programmes for the ensuing three months, with a view to assuring advance consideration of the various items of expenditure." It is thus hoped to avoid undue pressure, either on the German Government or the foreign exchanges. The fact that all claims on Germany have now to be satisfied out of one single fund of course eases the administration of the Plan greatly. Even the difficulties of the pre-settlement period are rapidly being solved "in harmony with the general spirit of the Expert's Plan," and the "Reparation Commission, in co-operation with the German Government, has since made important progress in the settlement of the outstanding accounts, including those for the Ruhr occupation."

The first year's working of the Plan has, therefore, proceeded surprisingly smoothly. In turning to consider the second Annuity, and its relation to the German Budget,

it is necessary to remember that the German financial year and the Annuity year do not coincide, so that each German Budget year covers only seven-twelfths of the corresponding annuity year. Last year's Budget closed with a surplus on March 31, 1925, of about 890 million gold marks. The German Government in the budgetary period 1925-6 has to provide seven-twelfths of 250 million marks towards the second Annuity, and the same amount out of the yield of the transport tax. Against this it is entitled to the yield from the sale of 500 millions of railway preference shares, which it proposes to take over and has included among the receipts, though it has not been found possible to make arrangements for the sale of these shares to the public. On the basis of the available figures, there appears a deficit on the 1925-6 Budget of 326 million marks; the German Government proposes to utilise 216 millions out of the 1924-5 surplus towards meeting the deficit, but, as the Report points out, the revenue returns for the first half-year have been in excess of estimates by 200 millions, and thus, though the returns for the second half-year may be less favourable, "it seems reasonable.....to expect the final accounts to show the Budget for the current year balanced by a safe margin."

The Report sums up the general tendency of public finance in Germany in language which is gravely reminiscent of that employed by the League of Nations Commissioner in Austria. "Public expenditures generally are showing a dangerous tendency to increase, and this at the very time when the greatest need of the German economy is to have the largest possible share of the national income left in productive channels, instead of being withdrawn into increasing fields of Government expenditure." The Experts' Report itself draws attention to the necessity of clearing up the financial relations between the Reich and the States and Communes, but the problem still remains for solution. Apart from the effects on the Money Market.....the present situation has led to great inequalities in the financial position of the local authorities themselves; the fortunate authorities "have taken advantage of their unexpected affluence in many cases, to carry out public works of an unproductive nature, such as parks, swimming pools, athletic grounds, &c., or to make investments in private undertakings."

The large balances at the disposal of the Empire and the subsidiary Governments, as well as such enterprises as the Railways and the Post Office, have given rise to a problem which we have already had occasion to discuss in our issue of September 26th last. It is clearly desirable that such balances should not be taken out of the money market for longer than is absolutely necessary. Nevertheless, grave difficulties remain. The very size of these balances is one of the causes of the shortage of long-period capital from which German industry is suffering. It is clear, as the Report points out, that short-period funds cannot be used for long-period purposes without danger; still more urgent is the question of the channel through which the funds are to be put at the dis-

posal of the market. The fact is that the tendency, to which we draw attention, to replace *centralised* control over the money market by a kind of federal, devolutionised banking structure has resulted not only in weakening the power of the Reichsbank, but also in making it very difficult, as the Report points out, to find out precisely what the volume of "public deposits" really is. The Reichsbank, it is satisfactory to learn, has "recently obtained, with the co-operation of the Finance Ministry, an increased measure of control over the public funds, which arises in part from the fact that the lower rates now prescribed for their use eliminate some of the incentive to individual lending." But the fundamental solution "must contemplate a closer adaptation of the sources of public revenue with essential expenditures."

No doubt the fact that the pre-stabilisation public debts of Germany have been practically wiped out is one element blinding public authorities to the full facts of the situation. The nominal value of the "revalorised" debt of the Empire is only 1,820 millions of marks. The main burden of indebtedness for the Empire, States, and municipalities is thus external, and is still small, though it has played an important part in the provision of foreign currency for the reserves of the Reichsbank and in financing the unfavourable balance of trade. An important section of the Report discusses German foreign trade during the period covered by it, and attributes the excess of imports partly to the influence of foreign loans, but places stress also on the influence of new tariff legislation in August, 1925, and the resumption of German tariff independence in January of 1925. The Report, however, draws pointed attention to two factors—first, that the problem of German exports is in part a function of European tariff policy generally, and "under the conditions now confronting most European trade it is a question whether those obstacles to trade may not also prove uneconomic, even from the point of view of the countries which erected them"; second, "underlying the whole situation, and frequently with a controlling influence on the course of trade and the movements of prices, will be the general conditions of currency and credit, which depend largely upon the credit policy of the Reichsbank and the policy of the German public authorities in the administration of funds at their disposal."

EDUCATION POLICY AND FINANCE.

THE Board of Education Circular No. 1371 has already given rise to much anxiety and irritation, and has called forth an almost unanimous voice of protest and opposition from all those who are in any way concerned in education. If our system of education is to develop in such a way that it may become worthy of the nation, it is of the first importance that it should not be made, as in recent years, the subject of frequent changes of policy. The hopes of educationists were raised to great heights by the passage of the Fisher Act in 1918, only to be dashed to the ground again by the reaction caused by the ruthless operations of the Geddes axe. The recovery from the Geddes régime has been slow, but it appeared to be sure, for Mr E. F. L. Wood, introducing the Education Estimates for 1923-4, stated that he no longer found it necessary to amputate the estimates, and his successor, Mr Trevelyan, in 1924, announced that the Board had reverted to their previous custom of considering all proposals on their merits. Thus a hopeful atmosphere was created, the machinery was set in motion, and local authorities prepared to consider necessary and overdue developments which had been suspended or abandoned under the Geddes reaction.

Now the engine has been reversed again by Circular 1371, progressive authorities are dismayed and disappointed, and reactionary authorities encouraged in their attitude. This famous circular proposes to reject the prospective estimates of Local Education Authorities for 1926-7, and to substitute therefor a minimum system of block grants, based on the actual grants payable for

1924-5, subject to a deduction of 1 per cent. in the case of the grants for elementary education, and certain other deductions, of which the most notable is the sum of 30s for any child in school under the age of five years. The most serious, although not the most obvious, feature of the circular is that if the percentage grant system is abolished, the foundation on which we have been trying to build an elastic but coherent national system of education, is destroyed. Circular 1371 is highly objectionable, because it announces without previous discussion with those most concerned, and before discussion in Parliament, a complete change in the financial basis on which our educational system is carried on. Even if the policy of this circular can be proved to be right, it has been brought forward in the clumsiest possible way, and has produced a feeling of apprehension in all those actually engaged in educational administration, a feeling which has not been allayed by the debates in the House of Lords on Tuesday and the House of Commons on Thursday.

In the opinion of many a block grant, provided it is adequate, is better than a percentage grant, because it allows greater freedom of action to local authorities, but the statement that the percentage grant system does not allow the Board sufficient control over expenditure, is not one which would be upheld by anyone who has had experience of local administration from 1920 to the present time. To resolve these doubts as to whether the percentage grant system is the best on which to carry on the financial partnership in education between the central and local authorities, a Committee was set up some years ago, with Lord Meston in the chair, to examine and report on the whole question. This Committee has not yet reported, and it is very unfortunate that the question should be pre-judged by the issue of this circular, particularly as it is known that much of the evidence tendered to Lord Meston's Committee is in opposition to the policy which it is now proposed to introduce. In fact, Lord Eustace Percy, in a recent reply to a question in Parliament, stated that the view of the Board of Education (of which Mr H. A. L. Fisher was at the time President) expressed to the Committee was, "The Board, as at present advised, do not favour the abandonment of the present basis of their grant system in favour of any other which has yet been suggested. They look forward to the further development of the system of applying standards of cost as limits to the expenditure which the Board should recognise for grant purposes." In view of the present controversy, it is to be hoped that Parliament will insist on the publication of the evidence given to the Meston Committee, and, if necessary, on a fresh investigation of the whole subject of educational finance.

The Conservative party in October, 1924, issued an election manifesto, in which education was mentioned in the following terms:—"We are in favour," so it appeared on the eve of the General Election, "of the carrying out of agreed schemes as between local education authorities and the Board of Education which shall ensure, among other matters, (1) a progressive reduction in the size of classes; (2) the improvement, and when necessary the replacement, of insanitary schools; (3) the development of central schools and other forms of education above the elementary school age, with an adequate supply in the number of secondary school places, and a corresponding increase in the number of schools and free places applicable to all advanced courses." All educationists would subscribe to this programme, but, if Circular 1371 means anything, none of these urgent developments can be attempted in the near future. If this circular does not mean this, then what does it mean? It should at least be withdrawn, and reissued in a form in which its meaning is unmistakably clear. Unfortunately, there is some evidence that the Board does not intend these developments to proceed, for in a memorandum issued to explain the circular it is stated that, apart from the deductions mentioned above, "it is believed that, in general, authorities should be able to meet their obligations without increasing rates."

Fortunately, the policy of Circular 1371 cannot be put into operation without legislation, and unless the questions raised by the circular are answered more satisfactorily than they were answered in Parliament this week it

is certain that such legislation ought to receive, and will receive, the uncompromising opposition of all who believe that the future well-being of our country depends upon the continuous development of an educational system.

THE WHEAT SITUATION.

THE rise in wheat prices has attracted a good deal of attention during the last few weeks. The movement appears, indeed, to have come as a surprise to most people in the market, if one may judge by the extremely low level to which available stocks in this country had been allowed to fall, and the views expressed by various experts before the Food Council this week. Some idea of the extent of recent price changes may be obtained from the following table of Liverpool quotations:—

WHEAT PRICES, LIVERPOOL, 1923-25.
(Per Quarter.)

	Early November.			Dec. 8, 1925.		
	1923.	1924.	1925.	1923.	1924.	1925.
No. 1 Northern Manitoba—early shipment	43 10	66 6	52 3	64 9		
Rosafé or Baruso—Jan.-Feb.	42 6	63 9	50 9	63 9		
Australian cargoes—Dec.-Jan.	46 3	63 9	52 6	63 9		

Prices in the early days of November were, roughly, midway between the "low" level of November, 1923, and the much higher quotations of November, 1924. By the beginning of December they had begun to invite comparison with those of the latter season, though a certain amount of reaction has since taken place. A year ago markets were dominated by the comparative failure of the Canadian harvest, and No. 1 Manitoba eventually topped 80s at the beginning of last February. This year Canada has obtained the second largest wheat crop in her history, and the yield in most European countries has exceeded even that of 1923. A few weeks ago experts were prophesying a comfortable carry-over at the end of the season. What has since occurred to upset these favourable calculations?

The answer involves a preliminary appreciation of the situation which existed a few weeks ago. The International Institute of Agriculture, in its October *Bulletin*, went into the question from both the supply and demand side. The probable contribution of certain wheat-exporting areas North of the Equator was assessed as follows:—

SITUATION IN CHIEF "EXPORTING" AREAS NORTH OF EQUATOR, August, 1925.
(In Million Quarters.)

	Carry-over from Previous Year.	Harvest Yield, 1925.	Estimate of Home Requirements.	Available for Export, Beginning of Season.	Exports Up to Aug. 1, 1925.	Available for Export, Aug. 1, 1925.
Canada (1)	(2)	(3)	(4)	(5)	(6)	(7)
Canada	21	490	146	345	10	335
U.S. of America	50	874	826	98	10	88
India	19	406	414	11	08	03
Total	90	1770	1386	474	18	456
Other exporting areas—						
Russia, say						69
Balkan and Danubian and North African countries						92
Total, Northern Hemisphere						617

To facilitate comparison with succeeding statistics, we have converted the institute's figures, originally expressed in centals, into quarters of 480 lbs. The wheat "season," it may be observed, begins in the case of Canada in August, of the United States in July, of India in April. The Russian and Danubian figures are tentative, the institute having reduced the original Soviet estimate of 15 million quarters to something between 4 and 9 millions. To complete the picture, some estimate was required of the probable surplus from the growing crops of Argentina and Australia. Influenced by reports of a larger sown area and favourable prospects in Argentina, and "fair" conditions in Australia (though September rainfall was below normal) the institute decided to put the contribution of the two countries at the same figure as last year, viz., 29 million quarters. The total available supplies for the 1925-26 season were thus computed at approximately 98 million quarters.

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As regards the probable demand from importing countries, the institute took occasion to point out that in years of plenty most States desire to replenish depleted stocks, and the falling-off in demand is thus not proportionate to the increase in home production. The relevant data for earlier years was as shown:—

SITUATION IN CHIEF "IMPORTING" AREAS.
(Million Bushels.)

Country.	Production.*				Net Imports.†			Apparent Consumption.†		
	1922.	1923.	1924.	1925.	1922-23.	1923-24.	1924-25.	1922-23.	1923-24.	1924-25.
United Kingdom	83	76	67	65	263	298	283	346	374	350
France	304	344	351	411	57	67	38	361	411	389
Germany	90	133	111	133	47	37	99	137	170	210
Italy	202	281	212	301	145	88	111	347	369	323
Belgium	13	17	16	18	50	50	48	63	67	64
Czechoslovakia	42	45	40	46	12	25	5	54	70	65
Egypt	46	51	43	46	09	10	12	55	61	55
Japan	35	35	32	34	17	36	15	52	71	47
11 other countries	115	131	95	146	124	155	144	239	286	239
Total, 19 countries	930	1113	967	1200	724	766	775	1654	1879	1742

* Calendar years.

† 12 months beginning August 1st.

Allowing for a moderate amount of stock replenishment and increased consumption, the institute finally assessed the import requirements of these 19 countries at about 64½ million quarters, and, allowing for other areas not specified above, the total world demand at 81 million quarters. A comfortable surplus of some 17 million quarters was thus indicated at the end of July, 1926.

When we find an authority such as Sir Herbert Robson declaring before the Food Council, on December 14th, that "unless the world economises in the use of wheat there will be barely sufficient to go round," it is evident that the situation must have deteriorated fairly considerably since the Institute published its October forecast. The experts are unanimous that such deterioration has taken place; as regards its extent and influence they are by no means agreed. Sir James Wilson and Mr G. J. S. Broomhall, for instance, still hold to the possibility of an appreciable surplus. The facts are that Canada has raised her estimate from 49 to 52½ million quarters, but adverse weather immediately after harvest caused a slight deterioration in quality without seriously reducing the quantity available. Reports from the Argentine have been disappointing. A large part of the Northern crop has been attacked by black rust, and though the Centre and South are not seriously affected, a significant reduction in the total yield is inevitable. In Australia, rainfall was deficient in the critical month of October. The extent of the net loss under these headings may be gathered from the estimates of the authorities mentioned:—

ESTIMATED EXPORTABLE SURPLUS FROM COUNTRIES NAMED.
(Million Quarters.)

	October Forecast (International Institute).	December Forecast.		
		Sir James Wilson.	Mr G. J. S. Broomhall.	Sir Herbert T. Robson.
Canada	36½	41	35	37½
Argentina	29	24	21	15
Australia		10	11	8
Total	65½	75	67	60½

The three December estimates differ widely, but if the middle figure, Broomhall's, be compared with that published by the International Institute in October, the

latter's calculations would seem to have been made on conservative lines, and not to have been seriously upset by subsequent events. The official Argentine estimate issued this week, for example, forecasts a crop of the approximate dimensions allowed for by the institute.

The effect of unfavourable Argentine and Australian reports would probably have been less striking had they not coincided with a "hold-up" of Russian exports. The trade had apparently put a favourable construction on Russian estimates of a 10-15 million quarters export surplus, and Russian wheat had been selling freely. So far, however, shipments do not appear to have exceeded 1½ million quarters, and the prospect of further arrivals before next spring is not bright.

The Russian failure came at a most inopportune time. Wheat stocks in Europe had fallen to a dangerously low level, owing partly to the "holding-off" policy of buyers in a falling market, and partly, it is asserted, to concerted action by Canadian producing interests. Stocks of grain and flour at the ports of Great Britain and Ireland at the beginning of October were little more than 40 per cent. of those of October, 1924, and only 27 per cent. of those of October, 1913. One may reasonably assume that a halt would have been called in the rise of prices much earlier than proved to be the case, had merchants and millers on this side been able to draw on normal reserves.

The above survey suggests that consumers may have to reconcile themselves to rather higher prices during the next few months than at one time seemed likely. The indications are, however, that the movement will have only a temporary character. The latest Argentine estimate still forecasts a somewhat larger crop than last year. More important, however, will be the question of North American supplies. The policy followed by selling interests and the early advent of winter have jointly resulted in the holding up of large quantities of wheat, which will come into the market in the spring and early summer. In these circumstances we believe that the prospects of a surplus at the end of this season are still reasonably good.

THE POLISH CRISIS.

(BY A WARSAW CORRESPONDENT.)

THE Polish zloty has suffered another great depreciation. The dollar exchange quotation, which in the first half of November did not exceed 6 zlotys, rose at the beginning of December to 12 zlotys. After wild fluctuations it is now being maintained at the level of 10. What are the reasons of such a depreciation, which, compared with the par of exchange, amounts to 50 per cent.? The immediate cause may be sought in the state of the Polish Bank, which does not possess a sufficient amount of foreign currencies to enable it to checkmate the speculative movements of the market. On November 30th the reserve of foreign currencies held by the Bank Polski amounted to 59.6 million zlotys, as compared with liabilities of over 76 millions. The excess of foreign liabilities over assets amounts to 16 million zlotys, so that the Polish Bank is on a purely gold basis, possessing a reserve of 132.7 millions in gold, of which 51.5 millions are deposited abroad. At the beginning of the year the net reserve of foreign currencies amounted to 750 million zlotys, so that during the eleven months a decrease of 266 millions has taken place. As the reserve of gold has increased during the same period by 16 millions, the net loss of the total reserve may be put at 250 millions. To this 125 millions, which were obtained during the year from an American loan, must be added. The explanation of how the Polish Bank has lost such an important part of its reserve is very simple. From January to October the excess of imports (1,497 million zlotys) over exports (1,054 millions) exceeded 440 millions. As the invisible exports of Poland are relatively small the unfavourable trade balance necessarily entailed a drain of foreign currencies. The excess of imports over exports is the natural result of a high-price level. With rising prices at home,

and with an artificially stabilised dollar exchange, it was advantageous for Poland to buy cheaper foreign goods, while the selling of her own products was rendered difficult. The fall of the zloty in July was the necessary adjustment of the exchange to the depreciation at home.

This brings us to face a new problem. Why is the price level in Poland so high? Accustomed to seek the cause of rising prices in an inflated currency, we are tempted to seek the answer in an over-liberal credit policy of the bank of issue. However, a comparison of the returns of the Bank Polski shows how wrong such an explanation would be.

The circulation, which amounted to 563 millions at the beginning of April, fell to 361 millions on November 30th. There has been during this period an inflation of currency, but the source of this over-issue was not the Polish Bank, but the Treasury. The amount of small coins and Treasury notes exceeds 400 millions. The subsidiary circulation is greater than the total issue of bank notes. This is a manifest proof of the fact that the Government has used its monetary functions too freely. These great issues of small notes and coins have undoubtedly contributed to the rise in prices, creating an inflationary tendency.

It would be wrong, however, to consider this as a sufficient explanation of the adverse trade balance. The imprudent policy of the Government, which covered the budgetary deficits by resorting to the printing press, has only accentuated a tendency the causes of which lie much deeper. If we compare the trade statistics of countries which, under similar conditions as Poland, tried the experiment of stabilisation, we observe everywhere an increased excess of imports over exports. For instance, in Austria this surplus amounted in 1922 to 652 gold kronen, in 1923 to 798, and in 1924 to 1,026 millions. Not until 1925 did the situation begin to improve. The first two years of stabilisation were characterised by a growing deficit of the trade balance. Conditions in Austria are exceptional, but a study of Hungarian and German trade statistics teaches us that after the monetary reforms the tendency of foreign trade was similar. This is shown for Hungary by the figures below (million gold kronen):—

	Imports.	Exports.	Excess of Imports.
1923	423	338	85
1924	703	575	128

During the present year an improvement has taken place in Hungary also. In Germany imports exceeded exports in 1923 by 2.3 millions gold marks, in 1924 by 2,584 millions, and in the first eight months of this year by 3,184 millions. On the basis of the figures quoted above, we may arrive at the general conclusion that in countries where the paper money has been depreciated to such an extent as in Austria, Germany, Hungary, and Poland, a return to a stabilised currency causes a deep perturbation and the trade balance moves in an adverse direction.

This general tendency can easily be explained. The prosperity during the period of inflation is artificial. Industry does not compete on foreign markets successfully because of its technical superiority. Exports are mainly stimulated by the declining exchange, which acts at the same time as a barrier against imports. The stabilisation of the currency deprives the production of the country of these artificial advantages. All the evils of inflation are only now becoming manifest (the destruction of circulating capital in the first instance), and the country is obliged to enter on the very painful path of economic re-adjustment. The adverse trade balance is only one of the symptoms of this process. The growing adversity of the Polish trade balance, which took place after the stabilisation of the mark, and the introduction of the zloty in 1924 was a necessary result of the long years of inflation. It was impossible to avoid it. In Germany, Austria, and Hungary the unfavourable trade balance did not produce those disastrous effects as in Poland, only because those countries were provided with foreign capital, which enabled them to stop the gaps created by the excess of last year investigated the economic conditions of Germany it characterised the situation as an unstable equilibrium. The influx of foreign capital gave to the

German mark a more solid foundation. Without it the mark would have shared the fate of the zloty.

In studying Poland's present economic and financial difficulties it is necessary to keep in mind the fact that the present crisis is not purely monetary. The situation is complicated by a deep commercial crisis. The drain of foreign currencies has forced the Polish Bank to restrict its credits. The withdrawal of deposits from the other banks has destroyed the whole credit machine. Is it not natural that under such conditions even the most solid industrial and commercial undertakings are menaced by ruin?

What are the rules of a sound banking policy which should be applied in such a moment? Is credit restriction or a liberal granting of advances the appropriate remedy? To this I should like to give an answer by quoting a passage written nearly 70 years ago, when the discussion on the wording of Peel's Act enriched political economy by an analysis of the guiding principles of credit policy which even to-day have not lost their value. "In the first place," says Mill in his "Principles" (Book III., chapter XXIV., s. 4), "a large extension of credits by bankers, though most hurtful when credit is already in an inflated state.....is most salutary when the collapse has come, and when credit, instead of being in excess, is in distressing deficiency, and increased advances by bankers, instead of being an addition to the ordinary amount of floating credit, serve to replace a mass of other credit which has been suddenly destroyed." What must happen if in such a moment of panic the bank of issue restricts its credit operations? To this, again, the best answer is given by one of the classical expounders of banking theory. In 1873 Bagehot, in his "Lombard Street," wrote (reprint 1924, page 181), "The notion that the Bank of England can stop discounting in a panic, and so obtain fresh money, is a delusion. It can stop discounting, of course, at pleasure. But if it does it will get in no new money; its bill case will daily be more and more packed with bills, 'returned unpaid.'" The truth of Bagehot's prophecy can be tested in Poland. What has happened is precisely what the author of "Lombard Street" considered as a logical consequence of a restriction of credits by the central bank in a moment of panic.

The difficulty of the present situation lies in the inability of the Polish Bank to adapt a credit policy which alone would put the wheels of economic life in motion. With the present small reserve the bank cannot increase its discounts, because of the danger that the new notes might be thrown on the exchange market, and cause a further decline of the zloty. So the bank is in a dilemma. By refusing credits it renders the solution of the crisis impossible; by extending advances it risks deepening the troubles in the exchange market. It would be wrong to suppose that improvement in the trade balance will enable the bank to overcome its difficulties. Under present conditions the foreign currencies obtained from exports are hoarded, and do not increase the reserve. There is little hope in consequence that Poland will regain her financial health by a normal process of evolution.

The present Government is in this respect more optimistic. "We must put our house in order," says Mr Shrzynski, the new Premier. "Having achieved this task in six months Poland will easily obtain a foreign loan. In the first instance, the decrease of the Budget from 1,800 to 1,400 millions is a necessary step towards gaining the confidence of Europe." I fear that this policy will not give the expected results. Certainly all efforts must be made to reduce expenditure to the level of reduced revenues. But it would be wrong to forget in this laudable endeavour that the Dawes Committee characterised as interdependent the two processes of stabilisation of currency and the balancing of budgets. With a zloty depreciated by 50 per cent., and without guarantee that a further decline may take place, the attempt of reducing and balancing the Budget has only small chances of success.

Poland during the last two years has been struggling for sound foundations for its currency without resorting to foreign aid. Though the attempt has ended with failure the greatness of the national effort should not be forgotten. Mr Grabski's reform may be classed with Mr Hegedüs' financial reform in Hungary in the category of heroic measures. Unfortunately, economic evils cannot be cured

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by heroism alone. Heroism must be based on sound principles. There is only one remedy at the present moment which has a chance of success—an international plan similar to that which was put into operation in Germany, Austria, and Hungary. The sooner those responsible for the fate of Poland and of Europe realise that concerted action alone can save the country from the dangers of a second inflation, the less painful and protracted the return to normal conditions will be.

INDIA'S ECONOMIC IMPROVEMENT.

THE removal of the Indian cotton excise duty is a measure which has long been clamoured for in India, and one which the Indian Government had promised to adopt as soon as ever the Budget position warranted such a step. The recent announcement of the immediate suspension of the duty and its withdrawal in the next Budget (discussed in the *Economist* of December 5th) may, therefore, be taken as an official recognition of an improved financial position. This financial improvement is due to the recovery of more healthy trade conditions, and that recovery in its turn may be attributed in no small measure to a definite clearing in the political situation. It can, indeed, be claimed that from every point of view the outlook in British India is decidedly brighter than for some time past.

This generalisation may be illustrated by reference to two sources of official information which have just become available. One is Lord Reading's address, delivered on Monday at Calcutta to the Indian Associated Chambers of Commerce; the other a "Report on the conditions and prospects of British trade in India in 1924-25," written by Mr T. M. Ainscough, H.M. Senior Trade Commissioner in India and Ceylon, and issued last week by the Department of Overseas Trade. Cabled reports of Lord Reading's address show it to have been in the main a review of the economic achievements of the years of his memorable Viceroyalty. When he took office in 1921 there was just closing, to quote his own words, "a most abnormal and disastrous year in Indian trade." Recovery from the bedrock level of 1921 had to be slowly created, but, looking over the five years' span, Lord Reading is able to say:—"A comparison between the present state of trade and that prevailing in 1921 appears to me to show that India has come through this trial more successfully than many other countries, and I am full of hope for the future. There have been satisfactory monsoons, and the general prospects are far brighter." The balance of trade turned two years ago in India's favour. Judged by values, the year 1924-25 was the best period of trade India has ever had. But India's trade prosperity, as Lord Reading pointed out, in view of her large population and low average of individual buying power, "depends on large quantities of goods circulating at low prices rather than on small movements at high prices." By this test also the trade of last year comes out very favourably. "Taking exports and imports of the same class together," said the Viceroy, "the volume of goods which left and entered India last year was 65 per cent. greater than the export and import totals of 1921." Lord Reading further claimed, and with justification, that the improvement in the general revenue position of the country has been no less striking."

The address to which we refer was non-political. But when we turn to Mr Ainscough's Report we find no less striking a tribute paid to the improvement in the political position. "The generally favourable economic position of India during the past year," he writes, "has been very greatly contributed to by the improvement in the political situation, and the subsidence of agitation.....On the whole, the political horizon appears to be clearer than it has been for some years, and, so far as one can foresee, there is little likelihood of any serious outburst of agitation on such a scale as would adversely affect the recovery in trade." Dwelling on the improvement in the position of the public finances, Mr Ainscough predicts that no fresh public borrowing will be necessary during the present financial year. "It is not anticipated," he says, "that any fresh loans will be issued on either the London or Indian markets during the present financial year, as Government are obtaining their relatively small requirements by means of the sale of Post Office cash certificates, which have become exceedingly popular, and give a return of nearly 6 per cent."

Mr Ainscough's Report is packed with information, statistics, and comment, which should be studied by all who have business connections with India. Principal attention will naturally be given to the chapter on the outlook for India's import trade, which deals especially with Britain's share in that trade of which cotton piece goods form so important a proportion. The share of the United Kingdom in India's imports fell from 57.8 per cent. in 1923-24 to 54.1 per cent. in 1924-25, and is now a full 10 per cent. below the pre-war percentage. On this the report comments as follows:—"This decline in our position in the Indian market is not so much due to foreign competition.....as to reduced shipments in British specialities, such as cotton piece goods, textile machinery, railway plant, boilers, &c., which normally form such a large proportion of the total British shipments; that any material decrease in the offtake, affects the British proportion of the total trade." Indeed, the percentages first quoted do not really give a fair picture. If we eliminate from the calculation all those goods which British manufacturers do not produce, we find that British manufacturers still supply about 75 per cent. of the imports into India of the manufactured goods of classes in which they compete. This figure of 75 per cent. is only a fraction lower than the comparable figure for 1913-14, and shows improvement on that for 1923-24. The real position, therefore, from the point of view of the British exporter is better than is suggested by calculations based upon the aggregate of India's import trade. The report will, of course, be read with special interest in Lancashire, and Lancashire will find that Mr Ainscough (on page 17) suggests that British cotton exporters missed a good opportunity in the Indian market at the end of 1924. Mr Ainscough wrote before the announcement of the suspension of the cotton excise duty, but the text of the report contains a report of the speeches on the duty in the Legislative Assembly last spring.

PROFITS OF THE BRITISH PRESS.

It is sad to have to confess that the Press, whose function it is to turn the searchlight of publicity on matters of public interest, is somewhat diffident in divulging to the public its own commercial activities and progress. It must, however, be remembered that in dealing with newspaper finance we are in a department of commerce which calls for specialised methods. Most of those who have studied the business side of publications realise the elusive value on the one hand the decline, and finally the demise, of journals which were once household institutions, and on the other the rise to fame of papers which at the beginning had a troubled birth. If we eliminate premises, printing machinery, stocks of paper, and debtors, the sole remaining item for consideration on the asset side of a newspaper balance-sheet is goodwill. It is a difficult problem for financiers and newspaper owners to know on what basis to estimate the value of their principal asset.

As will be seen from the following table, the results achieved by our great organs of public opinion during the past year do not, on the whole, compare unfavourably with the results obtained in the previous 12 months:—

Name.	Year Ends.	Brought In.	Net Profit after Payment of Pub. Int.	Preference Dividend.	Ordinary Dividend.	To Reserve, &c.	Carried Forward.
Allied Newspapers	Dec. 31, '24	£	£	£	£	£	£
Amalgamated Press	June 30, '24	341,319	830,202	154,249	407,657	481,074	194,879
Associated Newspapers	June 30, '25	40,285	505,403	38,780	407,657	..	400,285
Daily Mail	Mar. 31, '24	94,493	910,408	25,000	842,000	Dr 38,000	435,391
Daily Mirror	Mar. 31, '25	175,901	91,046	25,000	642,000	210,000	175,901
Daily Sketch	Sept. 30, '24	1,245	104,889	..	..	194,630	1,484
Daily Herald	Sept. 30, '25	1,484	158,232	..	..	110,000	49,716
Sunday Herald	Feb. 28, '24	..	276,049	28,000	215,677	20,000	12,372
Sunday Pictorial	Feb. 28, '25	..	288,894	28,000	217,628	20,000	23,266
Financial News	June 28, '25	..	125,270	..	..	57,190	69,080
Irish Times	Dec. 31, '23	25,096	14,215	7,908	..	..	31,345
Lon. Express	Dec. 31, '24	31,343	11,898	10,538	..	17,058	15,575
Newspaper	Sept. 30, '24	6,196	35,479	16,462	14,000	3,000	9,213
Glasgow Herald	Sept. 30, '25	9,212	37,968	17,011	17,500	2,000	10,699
Su. Pictorial	June 30, '24	Dr 30,268	30,551	..	..	..	383
Su. Pictorial	June 30, '25	383	10,266	8,875	..	..	1,774
The Times	Dec. 31, '23	16,630	190,963	..	89,749	80,858	36,986
The Times	Dec. 31, '24	27,791	196,642	..	113,178	80,530	30,755
The Times	Feb. 28, '24	14,157	259,264	40,000	178,124	40,000	15,296
The Times	Feb. 28, '25	15,296	269,442	40,000	187,500	40,000	17,238
The Times	June 30, '24	9,018	123,153	21,411	96,225	..	30,135
The Times	June 30, '25	30,135	176,271	24,014	80,625	50,000	51,767

* The dividend on the deferred shares absorbed £250,000. A further £250,000 was utilised for the allotment of 250,000 fully-paid deferred £1 shares to holders of deferred shares. b Includes amount brought in from preceding year's accounts.

The Times Publishing Company seems to have done particularly well, the net profit having advanced during the year to June 30th last from £123,153 to £176,271. With the sum of £30,135 brought in, there was an available balance of £206,406, against £132,171 in 1923-24, when only £9,018 was brought forward. The reserve fund, in the earlier year, received no appropriation, but for the last financial period £50,000 was set aside as a reserve against contingencies, making the total of the fund £100,000, against a paid-up capital of £965,000. There may be in existence a substantial hidden reserve in the item of copyright and goodwill, which is taken at cost, at £648,214. It must, however, be admitted that it is almost akin to *lese majesté* to attempt to place a cash value on the goodwill of *The Times*. The preference dividend absorbed £24,014, against £21,411, and the ordinary dividend £80,625, the same as in the preceding 12 months, leaving £51,767 to be carried to the next accounts. Next for consideration comes Associated Newspapers, Limited, which owns, among other investments, a controlling interest in the *Daily Mail*, the *Weekly Dispatch*, the *Evening News*, and the *Overseas Daily Mail*. In turn, Associated Newspapers is controlled by the *Daily Mail* Trust. The former company also had a satisfactory experience, its net profits being £917,046, in contrast with £910,408. Seeing that the dividend on the deferred shares in 1923-24 absorbed £550,000, and that a further £250,000 was utilised for the allotment of 250,000 fully-paid deferred £1 shares to holders of deferred shares, the assumption is that a capitalised bonus was distributed, especially as £38,000 was withdrawn from reserves. The dividend this time requires £642,000, and the reserve receives £210,000, leaving £215,947, against £175,901, to be carried forward. From the accounts of this concern the skilled accountant might be able to follow the profits with a fair amount of ease, but to the busy man who conducts a breakfast-table audit of his investments it is a much more difficult task.

On the other hand, the accounts of the *Sunday Pictorial*, like those of *The Times*, are clear. This journal increased its net profit from £259,264 to £269,442 during the year, and again placed £40,000 to reserve. This brought the fund up to £120,000, but here again goodwill and copyright are taken at cost, namely, £749,991. There is an item of £288,946, representing creditors, credit item which could well be separated. The excellence of the results enabled the raising of the dividend from 23½ per cent. to 25 per cent.

The *Daily Mirror* Newspapers shows its profits including the amount brought in. The figure for 1924-25 recorded, in this case also, a gain over the previous period at £288,894, against £276,049. The reserve fund was increased to £60,000 by a

transfer of £20,000, or the same as in 1923-24. This seems to be a somewhat meagre provision, although it is true that an amount of £867,809 appears in the balance-sheet in respect of creditors and reserve for contingencies. This item might be divided. No separate profit and loss account is submitted with the report. The Amalgamated Press registered a decline in profits from £505,403 to £481,543, and once again makes no allocation to reserve. The *London Express* Newspapers also had a less satisfactory year. In 1923-24 the net profit of £30,551 enabled the debit balance of £30,168 to be cleared off, leaving £383 to be carried forward. For 1924-25, however, profits declined to £10,266, so that, with the sum of £383 brought in, there remained a balance of £10,649, which was sufficient to cover the preference dividend, and to enable £1,774 to be carried forward. The *Daily Mail* Trust report for the year to September 30th last shows an increase in net profits from £104,889 to £158,232. This, added to the sum of £1,484 brought in, leaves a total of £159,716. Out of this it is proposed to write off the balance of the premium on redemption of first debenture stock, amounting to £110,000, and to carry forward the sum of £49,716. Further comment on the position of this holding company will be made at a later date. The *Daily Sketch* and *Sunday Herald* earned a net profit of £126,270, of which £57,190 was reserved, and £69,080 carried forward, the ordinary dividend being passed. Allied Newspapers—proprietors, amongst other properties, of the *Sunday Times*—had a good first year, with net profits of £830,202. The preference dividend was duly met, absorbing £154,249, and £481,074 was put to reserve, £194,879 being carried forward. The first reports of Allied Northern Newspapers—an offshoot of Allied Newspapers—and United Newspapers, have not yet been made public. Turning to the daily financial Press, the secretary of the Financial Times informs us that, "as for some time past over 90 per cent. of the shares of this company have been in private hands, no report and accounts have been sent to the Press, and at the present time over 99 per cent. of the share capital is privately held, and the status of the company has been changed to that of a private one." The report of the Financial News is available, as usual, and shows that net profit for the last financial period declined from £14,215 to £11,828. A larger sum, however, was brought in, and the reserve received £17,058, against nothing for 1923. The preference dividend absorbed £10,538, against £7,968, and although it is not definitely stated the difference is probably accounted for by the fact that it was paid free of tax in respect of 1924, whereas on the preceding occasion it was distributed less tax.

Over the border George Outram and Co., Limited, controlling the influential Scottish paper, the *Glasgow Herald*, brought its net profits up from £190,963 to £196,642, and the dividend was raised from 20 to 25 per cent., absorbing £113,178, against £89,749, while £80,500 compared with £80,858 was reserved. The balance of £30,755 was carried forward, in contrast with £36,986 brought in. A total net profit of £17,011, against £16,462, was made by the *Irish Times*. In this case, also, the dividend was increased, shareholders receiving 25, against 20, per cent. This distribution absorbed £17,500, in contrast with £14,000, and while the reserve allocation was reduced from £3,000 to £2,000, the amount carried forward rose from £9,213 to £10,699.

PROCEEDINGS OF THE COAL COMMISSION.

A summary of the main points of the previous evidence will be found in our issues of October 31st, November 7th, 14th, 21st, 28th, December 5th and 12th, 1925.

The Coal Commission has continued its public sittings at Westminster Hall during the week. On Friday, December 11th, joint evidence was given on behalf of the Chamber of Shipping of the United Kingdom and the Liverpool Steamship Owners' Association, which together represent some 19 million gross tons of shipping, as to the effect of coal prices on the export trade. The evidence stated that every reduction of 5s per ton in coal costs was equivalent

to a reduction of £2,400 in the cost of building a cargo boat of 7,500 tons. Fuel costs averaged about 25 per cent. of the total voyage expenses of "tramp" ships, and as much as 28 per cent. of those of liners. Of running expenses at sea, excluding port disbursements, fuel costs averaged about 50 per cent. Coal exports in 1924 were only 8.4 per cent. in value of total exports, but nearly 82 per cent. in weight. The shipowner was therefore vitally interested in the maintenance of the trade, particularly in view of the growth of competitive supplies such as those of Germany (in German and Baltic ports), South Africa, Australia, Japan (in the Near East), and even Turkey (at Constantinople and the Black Sea ports). Criticism was expressed of the present arrangements for coal shipment at British ports, especially those of South Wales. High charges for the trimming of coal in holds or bunkers, and rigidity in the number of hours during which loading took place were mentioned as typical examples. It was stated, further, that while the average time required to load a steamer of 8,000 tons deadweight in Cardiff, the Tyne, or the Humber was something like 8 to 10 days, a similar vessel could be loaded at certain Continental ports in three days. As regards the competition of oil, the Associations believed that large oil-burning passenger liners were not likely to revert to coal, but that a large number of vessels might be expected to alternate between oil and coal according to the relative cost of each.

On Tuesday, December 15th, the Duke of Northumberland gave evidence on behalf of the Royalty Owners of England and Wales, showing that the annual amount of royalties and wayleaves was about £6 millions gross, of which £200,000 was for wayleaves. The average royalty was about 5d or 6d per ton, although the figure varied between 2d and 2½d and the exceptional amount of 9d per ton. The net income of mineral owners was considerably reduced by the incidence of income-tax, super-tax, mineral rights, and, in Scotland, local rates. The evidence dealt at length with the question of nationalisation which, it was held, would be prejudicial to the development, elasticity and general public policy of the industry.

On Wednesday, Sir R. Lewis Wedgwood, chief general manager of the London and North-Eastern Railway, stated that the railways in Great Britain carried in 1924 225 million tons of coal, coke, and patent fuel—about 84 per cent. of the total output. In 1911 the railways consumed 13,692,000 tons at an average cost of 8s 10½d; in 1913, 14,529,000 tons at an average cost of 11s 4½d; in 1923, 14,301,000 tons at 20s 5½d; and in 1924, 14,670,000 tons at 21s 6½d. Out of the total coal tonnage of 1924 (excluding free-hauled traffic) approximately 69 per cent. was carried in privately owned and 31 per cent. in railway-owned wagons. In 1923 the average railway rate was 18.18 per cent. of the average pit-head price of coal; in 1924, 15.35 per cent.; and in 1925, 17.45 per cent., the rate being identical in 1924 and 1925, while the pit-head price declined from 19s 8d to 17s 7d. With the present volume of traffic, railway rates were too low to bring an adequate return to the principal companies. If all wagons were railway-owned, considerable economies might be effected in sorting and making up trains, exchange operations at junctions, sorting and classification at distributing yards; while further savings would accrue through better use of stock and reduction in empty haulage, the total saving being put at £600,000 to £1,000,000 per annum. Railway electrification was at present confined to suburban lines. Its application to main lines would involve a reduction of coal consumption, but the cost of power and plant erection would need to be greatly reduced before such electrification could be considered a commercial proposition for the companies.

On Thursday, evidence was given by Lord Gainford on behalf of the National Association of Coke and By-Product Plant Owners, representing 80 per cent. of the metallurgical coke and by-product production in Great Britain. Lord Gainford stated that whereas in the early days of the industry plants were erected near collieries, since 1900 the tendency had been towards their working in connection with iron and steel plants. Figures were put forward (representing 87 per cent. of the total production) showing that the total coal carbonised by by-

product plants in 1924 was 18,862,492 tons. Of the 11,093,094 tons of metallurgical coke made in 1924 4,590,834 tons came from ovens owned by colliery companies, 778,444 from ovens owned by iron and steel firms, 4,222,941 from ovens owned by the two industries jointly, and 1,500,875 tons from independent plants. The quantity of coal required to produce one ton of coke and its by-products averaged 30 cwts. The following yields of by-products could be described as a conservative average:—Tar, 3 per cent. of coal carbonised; sulphate of ammonia, 1 per cent.; crude benzol, 2 gallons. At these rates the total capacity of present plant was:—Tar, 630,000 tons; sulphate of ammonia, 210,000 tons; crude benzol, 42 million gallons. The industry had found that high-temperature carbonisation was the only commercially successful method in the present state of technical knowledge. Considerable research work was, however, being conducted by the various works laboratories. The National Association was strongly of the opinion that amalgamation of the coke and by-product industries with the mining industry would be prejudicial to both. The coke industry at present was depressed as a result of conditions in the iron and steel trades, but those concerned would not welcome any suggestion that their books should be examined by an independent accountant, since they contended that the fortunes of their industry were entirely separate from those of the coal industry. After hearing evidence from Miss Eleanor Rathbone, accompanied by Lord Balfour of Burleigh, on behalf of the Family Endowment Society, the Commission adjourned.

Notes of the Week.

The Mosul Decision.—In a later column a correspondent at Geneva discusses the proceedings of the League Council on the Mosul question, and forecasts the decision, which has been promulgated since he wrote, and has caused rejoicing in Iraq, dismay in Turkey, and plentiful misgivings in this country. If there is ground for the belief held in some quarters that Great Britain is being committed for a quarter of a century to a troublesome and costly tutelage, we should share these misgivings to the full. But the preliminary statement made by the Prime Minister in the House of Commons on Thursday suggests that such a conclusion is not necessarily warranted. From this statement several points emerge. (1) The boundary decision depends on the assumption within six months of British responsibility for Iraq "for such further period as may be necessary to qualify Iraq for membership of the League, but not to exceed a maximum of twenty-five years in any case." (2) The Government believes the actual period will be much shorter. (3) "The assumption of this responsibility does not involve an undertaking to spend money, or to keep troops in Iraq, either for maintenance of internal order or for its defence against external aggression, but merely to continue our co-operation and advice in maintaining a stable system of Government." (4) There can be no definite commitment without Parliamentary sanction. The whole question is to be debated in the House of Commons on Monday when both the House and the country will expect a very much fuller and clearer explanation of the exact meaning of the obligation which the Colonial Secretary has, subject to Parliament's approval, promised that Britain will undertake.

The French Crisis.—To keep in the saddle as French Minister of Finance evidently requires horsemanship of no mean order. M. Loucheur only managed to retain his seat for 18 days, and the sixth Finance Minister of the year is now in office in the person of M. Doumer. The appointment of M. Caillaux was a courageous attempt to utilise France's best technician, in spite of the political challenge which it implied. M. de Monzie never functioned. M. Painlevé merely attempted to carry the remnants of M. Caillaux's programme. M. Loucheur was an effort to see what could be done by versatility and political adroitness. M. Doumer, who was Finance Minister in the nineties and again in 1921, is a "sound," unexciting appointment, but one which inspires very little confidence

that the situation will be dealt with in a big way. It almost seems as though France were endeavouring by the method of trial and error to find the obscure but predestined financial Messiah, who will deliver her from her afflictions. Difficulties have already begun to gather round the head of the comparatively harmless M. Doumer almost before the ink is dry on his appointment. A month ago he was proposing, as one of the chief means of balancing the Budget, that the turnover tax should be doubled—a device which has little to be said for it in economic theory, but one which might be a very valuable resource in the present emergency. But he has already agreed to drop so unpopular a remedy on pressure from other members of the Cabinet. This is not a promising beginning; but it is possible that a minister who is open to persuasion, and approaches his task in the light of the growing opinion in favour of a really national effort may have the courage to call together a truly representative body, and make it responsible for formulating a long-term programme which would rally general opinion behind it. M. Loucheur's fall is not a good sign. In his brief term of office he at least went some way towards showing France the size of the problem she has to face, and it seems that France did not like the look of the picture. But when it came to remedies he completely failed to carry any strong body of opinion in the Finance Commission of the Chamber which turned his proposals down inconspicuously. We know once more what France will not do. The world is still waiting to see what she will do.

Safeguarding.—The Safeguarding of Industries (Customs Duties) Bill has passed into law, and three small industries, selected by the most haphazard methods, have received a high measure of protection. We have filled so many columns of the *Economist* with our views on this miserable affair that we do not propose to weary our readers by reviewing the third reading debate in the House of Commons, in the course of which the Free Trade case was well sustained by Mr Runciman and Sir Alfred Mond, while in the most notable speech on the Government side Mr MacNeill, with his argument that trade unionism had knocked the bottom out of the Free Trade case, presented Free Traders with a new and promising target on which to train their guns. The change in procedure, by which a Safeguarding Bill was substituted for a Finance Bill, had the merit of giving the House of Lords an opportunity of debating the proposals. This was taken full advantage of by Lord Oxford, who described the Bill as "a pinch of incense thrown upon the altar at which the Government were debarred from worshipping for the moment," and by Lord Haldane, who saw in the Bill "a pill to cure a hypothetical earthquake." Let us hope that the public ventilation during the last few weeks of the imbecilities of the safeguarding procedure will have done something towards stemming the tide of piecemeal protection. It has evoked, we are glad to see, a protest in the form of a petition to the House of Commons, supported by an imposing list of manufacturers and traders in Lancashire and Yorkshire. In demanding that further applications for protection should be rejected, this document says:—

Your petitioners wish to point out that the effect of duties must be to raise prices, and that this will not only raise the cost of living at a time when it is already too high, but will also add to the cost of articles which it is essential for us to sell abroad in competition with world prices. Further, as has already been the imposition of similar duties will destroy our re-export trade, which gives employment to shipping and transport workers, and our position as the financial centre of the world is also increasingly jeopardised by every successive new restraint on the free course of the exchange of commodities.

Meanwhile, a Safeguarding Committee has refused to recommend the protective duty applied for by the makers of brooms and brushes. We cannot help feeling a little sorry for them, for, weak though their case was, it was little weaker than that of other industries whose appeals have succeeded. The Report of this Committee (Cmd. 2549, price 3d) presents points of interest. The Committee finds that on the questions 2 and 3 as posed by the famous White Paper, the case of the applicants is not made out. But the point that seems to have weighed most with the Committee is that the application included

tooth-brushes, and that national interests demanded that the use of tooth-brushes should not be discouraged. The competition of cheap Japanese tooth-brushes is substantial. "We are unable, however," say the Committee, "to recommend the imposition of a duty even on tooth-brushes, both because witnesses have represented to us that a raising of the price"—so duties do raise prices—"would result in diminished use among the poorest classes of the population, who purchase the cheap Japanese brush; and because no practicable rate of duty (even the 75 per cent. asked for by the applicants) would bridge the gap between this brush and the lowest-priced (but superior) British brush." This passage suggests new subjects for fiscal treatises—Tariffs and Teeth, or Pyorrhœa and Protection.

Mr Feetham's Service to Ireland.—It would be unfair and regrettable if the general relief over the Irish settlement were to be allowed to obscure the signal service rendered by the Boundary Commission, and in particular by Mr Justice Feetham, who with great public spirit came from South Africa to undertake a most arduous and intricate task. Events have so turned out that the world is not to see the report which embodies the fruits of his labour. His acquiescence in the decision to withhold the report was obviously called for by the public interest, but it entailed self-sacrifice, and we trust that full attention will be given to the long statement which, with the approval of the Governments concerned, he has issued to the Press this week. From it some idea will be gained of the thoroughness, impartiality, and sound judgment which he brought to bear upon the thorny problems with which he was faced. Mr Justice Feetham will, we hope, be content to leave judgment on his work to the historian of the future, and meanwhile feel that his labours, so far from being wasted, have contributed in a major degree to a settlement more comprehensive and pregnant with hope for Ireland as a whole than any Boundary decision could have been.

Employment in November.—There was another tangible improvement in employment during November. According to the *Ministry of Labour Gazette*, among the 11.9 million workpeople insured under the Unemployment Insurance Acts of Great Britain and Northern Ireland, the percentage unemployed at November 23, 1925, was 11.0, as compared with 11.4 at October 26, 1925, and 10.8 at the end of November, 1924. The total number of registered unemployed at the end of November was approximately 1,227,000, which shows a decrease of 68,000 on the total number registered at the end of the previous month. Amongst members of trade unions the percentage unemployed was 11.0 at the end of November, 1925, as compared with 11.3 at the end of October, 1925. The following table gives the monthly trade union figures for several years past:—

TRADE UNION UNEMPLOYMENT PERCENTAGES.

	1913.	1919.	1920.	1921.	1922.	1923.	1924.	1925.
End of—	%	%	%	%	%	%	%	%
January ..	2.2	2.4	2.9	6.9	16.8	13.7	8.9	9.0
February ..	2.0	2.8	1.6	8.5	16.3	13.1	8.1	9.4
March	1.9	2.9	1.1	10.0	16.3	12.3	7.8	9.0
April	1.7	2.8	0.9	17.6*	17.0	11.3	7.5	9.4
May	1.9	2.1	1.1	22.2*	16.4	11.3	7.0	10.1
June	1.9	1.7	1.2	23.1*	15.7	11.1	7.2	12.3
July	1.9	2.0	1.4	16.7	14.6	11.1	7.4	11.2
August	2.0	2.2	1.6	16.3	14.4	11.4	7.9	11.4
September ..	2.3	1.6	2.2	14.8	14.6	11.3	8.6	11.3
October	2.2	2.6	5.3*	15.6	14.0	10.9	8.7	11.0
November ..	2.0	2.9	3.7	15.9	14.2	10.5	8.6	11.0
December ..	2.6	3.2	6.0	16.5	14.0	9.7	9.2	..

* Excluding coal miners.

The fall in unemployment in November was chiefly due to a further slight improvement in the coal mining industry. On the whole, employment was good with bricklayers and skilled operatives in the building trades. It was also fairly well maintained in the furnishing and printing trades, in certain branches of metal trades, and with coach builders and mill sawyers. It was, however, still slack in the coal mining industry, and remained bad in the iron mining, iron and steel, shipbuilding, and marine engineering industries.

Cost of Living.—According to the index number of the *Ministry of Labour Gazette*, there was a slight rise in the cost of living during November, the percentage above the level of July, 1914, being 77, as compared with 76 during October last. Monthly movements and comparisons with previous years are given in the following table:—

AVERAGE PERCENTAGE INCREASE over JULY, 1914.—All items. (Food, Rent, Clothing, Fuel, and Light, &c.)

1st Day of	1918.	1919.	1920.	1921.	1922.	1923.	1924.	1925.
Jan.	85.90	120	125	165	92	78	77	80
Feb.	90	120	130	151	88	77	79	79
March ..	90	115	130	141	86	76	78	79
April	90.95	110	132	133	82	74	73	75
May ..	95.100	105	141	128	81	70	71	73
June ..	100	105	150	119	80	69	69	72
July ..	100.105	105.110	152	119	84	69	70	73
Aug.	110	115	155	122	81	71	71	73
Sept.	110	115	161	120	79	73	72	74
Oct.	115.120	120	164	110	78	75	76	76
Nov.	120.125	125	176	103	80	75	80	76
Dec.	120	125	169	99	80	77	81	77

For food alone there was also a slight increase, the figure for November being 74 per cent., as compared with 72 per cent. for the previous month. The rise is mainly due to increases in the prices of eggs, bread and flour.

Iron, Steel, and Coal Output.—According to the figures just issued by the National Federation of Iron and Steel Manufacturers, production of pig-iron in November amounted to 494,100 tons and of steel ingots and castings to 653,800 tons. These figures reveal in each case a slight improvement over October, and show that the improvement which started in September continues. The number of furnaces active increased by five during the month. Exports of iron and steel, which had averaged 300,000 tons per month in the first nine months of the year, and had risen to 368,800 tons in October, fell to 322,200 tons in November, the increase in the exports of pig-iron from 54,000 tons in October to 60,000 tons in November being more than counterbalanced by the decline in the exports of galvanised sheets, tinplates, and rails. Imports at 212,200 tons showed little deviation from the imports of previous months. Imports on the average are being received at over 20 per cent. above the pre-war rate, and although the increase is greatest in semi-finished products, there is also an increase in most of the finished products. Nearly half of the imports continue to come from Belgium, but it is hoped that competition from this quarter will be mitigated now that Belgium has met with a measure of success in stabilising her exchange, but French competition will continue to be severe while the franc continues to depreciate. Competition from Germany no longer takes place on the depreciated mark, but is mainly the result of Germany's advantages in longer hours and lower wages, combined with the scheme of bounties, met by the trade itself, on exports. The output of coal in the four weeks ending November 28th averaged 4,929,400 tons per week, compared with an average of 4,735,800 tons in October. The output for the last week in November of 5,174,700 tons is the highest recorded since April. Exports amounted to 4,337,800 tons, compared with 4,382,500 tons in October and 4,758,800 tons in November, 1924. Of the total, 769,100 tons, went to France, 570,400 tons to Italy, 487,000 tons to Germany, 302,500 tons to Sweden, and 269,300 tons to Denmark.

Cotton Trade Depression.—The depression in the cotton industry, especially in the section devoted to the production of American yarns, is becoming more serious, writes our Manchester correspondent. All kinds of suggestions are being made for the alleviation of the unfortunate state of affairs. On Tuesday of this week the short-time committee of the Master Spinners' Federation held a meeting, which lasted two hours, and it is understood that various proposals were considered. At the close it was officially announced that there was only one thing possible for spinners to do, and that was to give rigid adherence to the short-time scheme, which is to run the mills only 39½ hours per week, instead of the full hours of 48. On comparing the price of raw cotton and yarn quotations six months ago with those of to-day the important loss of

ground experienced by spinners is revealed. At the moment the utmost difficulty is being experienced in clearing week by week the restricted output. Owing to finance, numerous mills cannot afford to make to stock, and are compelled to sell at the best prices possible. The disclosures relating to the failure of the Belgrave group of mills have caused increased nervousness, with fears of other companies being compelled to go into liquidation. The mill share market is being affected, and now and again brokers report considerable selling pressure. Leading authorities are unable to suggest any solution, and the only hope, now that prices are lower than for four years back, is that the volume of trade in the near future will show some expansion.

How Tariffs Defeat Themselves.—A correspondent writes:—An illustration of how tariffs defeat themselves is found in the last report of the Saar Governing Commission presented to the League of Nations. The Saar Territory is a highly industrialised area which formerly exchanged products with Lorraine, which it adjoins, and the rest of Germany. This interchange was not seriously interfered with until France, in January last, extended her tariff wall to the frontier with Germany, as provided for in the Peace treaty, thereby including the Saar in the French customs régime. The result was detrimental to the trade of the Saar and Germany and to Lorraine. The Saar was cut off from its markets, and France did not welcome the competition of Saar goods. Disastrous consequences threatened, and the French and German Governments entered into a treaty to undo the mischief which was signed on July 11th, and afterwards ratified by the Governments of the two countries. The preamble of the agreement says that the Government "recognising the advisability of mitigating and adapting the Customs Union which the Treaty of Versailles has established between France and the Territory of the Saar Basin, in order to allow the industry of the Saar to obtain the necessary supplies of raw material and the plant which it has hitherto received from Germany, and, as a counterpart, to retain certain markets which it has hitherto enjoyed in that country," have agreed to the following provisions:—The provision permits the importation into the respective countries of certain specified articles duty free or at a reduced minimum rate of 50 per cent. The application of the Agreement, however, is subject to an arrangement between the metallurgical industries of France and the Saar Territory under certain conditions to which both Governments can give their approval. As such an arrangement has not been reached customs duties are not being paid in the meantime, as the application of the existing tariffs "would seriously hamper the economic life of the territory." The industries of the Saar and of Lorraine, formerly worked in combination, are now in direct competition. French capitalists, encouraged by the French President of the Governing Commission, acquired a 60 per cent. interest in the majority of the Saar metallurgical works. The investment has not turned out well and several large works remain in German control. The French policy has defeated itself in two respects.

Turkey and Her Debt Obligation.—Sir Adam Block, under date of October 19, 1925, issues the report of the Council of Administration of the Ottoman Public Debt for the year ended March, 1925. On the first page Sir Adam describes the situation as "frankly most unsatisfactory." He proceeds:—"The Council has been deprived of all its revenues, and neither Turkey nor the Detached States, with the exception of Palestine, have paid the annuities which they are called upon to pay by the Treaty from the date of its ratification, August 6, 1924. Nor have any of the States as yet furnished the guarantees required by the Treaty, although the French Government on behalf of Syria and the Lebanon has notified to the Debt Council that it is proposed to give as guarantee the receipts of the Customs." Sir Adam adds, however, that "negotiations are proceeding with Italy regarding the guarantees for the contributive part of the Aegean Islands (Dodecanese), and with Greece and Palestine regarding the guarantees for their shares." He observes that "the other States

have made no proposals, whilst Turkey has made no payment, and has, as stated above, deprived the bondholders of the revenues already ceded by the Decree of Moharrem, without making any proposal to replace them by others." Negotiations have from time to time taken place with Turkey with a view to the resumption of loan services, and Sir Adam reports: "I have delayed the issue of these Reports in the hope that it would be possible to announce the conclusion of some satisfactory temporary arrangement with Turkey. I regret to have to state that little progress has been made." It is pointed out that "now that the repartition of the capital of the debt has been fixed by the commission constituted under Article 49 of the Treaty of Lausanne, fresh steps will be taken to induce Turkey and the Detached States to carry out their obligations, (1) by providing acceptable guarantees, and (2) by the regular payment of their contributive parts." Hope may be a poor consolation, but we refuse to believe that a way will not be found to persuade our friend the Turk that an honourable and timely settlement will not in the long run prove a good business proposition. It may be of only academic interest, but we would remind our readers that the 4 per cent. Turkish Unified Debt during the whole of the year 1913 only fluctuated between 88½ and 81½, and the 4 per cent. of 1902 between 88½ and 84½. British Consols in the same year fluctuated between 75½ and 71.

A New Dynasty in Persia.—The conventional Western view of Oriental politics is that they consist of nothing but the monotonous rise and fall of dynasties—the founder of each new dynasty springing from the loins of the people to replace the degenerate descendant, in the third or fourth generation, of the popular founder of the last dynasty—and so on, *ad infinitum*. On such a view there is nothing new, for the history of Persia or of the Islamic world, in the elevation of Riza Khan Pahlawi to be king of kings, and his heirs after him, by 257 votes to 3 of the Constituent Assembly. It may be noted, however, that election by an elective assembly is a novel method of consecration for an Oriental monarch, and it is more profitable to compare Riza Khan, not with previous founders of Persian dynasties like Nadir Shah or Agha Muhammad Khan Kajar, but with his contemporaries, Mustafa Kemal Pasha, in Turkey, and Amir 'Abdu'l-Karim in the Rif. All three leaders have important features in common. They are Nationalists, standing for national unity and effective national government within, and for the independence of their country in its international relations; and all of them, while setting their faces against the ascendancy of Western Powers, are familiar with, and sympathetic towards, the genius of Western civilisation, and are anxious to bring their own countries into line with Western Society. Riza Shah had his training in the Kajar Dynasty's Cossack brigade, which was organised before the Revolution of 1917 by Russian officers; and thus, albeit at second hand, he mastered something of how near Persia came, between 1907 and 1917, to losing her independence. The self-elimination of the Russians from Persia gave Riza Khan's military ability and experience free play, and he came to the front on February 21, 1921, when, by a *coup d'état*, he overthrew a ministry at Tehran, which was intending to secure ratification of the Anglo-Persian Agreement of August, 1919. The new ministry, which came into power under his *agis*, denounced the Anglo-Persian Agreement, on February 26, 1921, and on the same date, at Moscow, a Russo-Persian treaty was signed, in which the Soviet Government renounced the various liens over Persian independence, however, while friendly to Russia, was not her tool. His he had no quarrel with Great Britain so long as she gave up ambitions with which complete Persian independence would be incompatible. Riza Khan became War Minister and Prime Minister, on October 28, 1923. His two great port of Dr. Millspaugh and the other American experts who are reorganising Persian finances, and his success in

bringing to heel turbulent tribes and disaffected provincial magnates. The restoration of the Central Government's authority was sealed this year by the arrest of the Sheikh of Muhammarrāh—a practically independent potentate, who had had his own treaty relations with the British Empire. In March, 1924, Riza Khan attempted to introduce a Republic, but desisted in face of conservative opposition. His election to the kingship will enable him, under traditional forms, to carry forward the comprehensive reforms out of which a new Persia is taking shape.

Conditions in Hongkong.—The resumption of normal trade in North and Central China, and the proceedings of the Tariff Conference, writes our Hongkong correspondent, appear to have diverted attention from the desperate plight of this British colony. Whatever the outcome of the Conference may be, it is quite evident that the position in South China will be unaffected by any agreement made by the Peking Government in the name of the Republic, and in the meantime British trade in this territory is slowly being strangled. The trade returns for the quarter ending September 30th only partially reflect the effect of the stoppage, but a comparison with the corresponding periods of the two previous years gives some idea of a falling off which is steadily continuing:—

	Quarter Ending September 30th.		
	1923.	1924.	1925.
Imports.....	£ 15,114,449	£ 20,094,135	£ 11,122,880
Exports.....	£ 15,850,342	£ 16,241,848	£ 7,573,826

The situation in Canton is frankly puzzling, and no one can predict what developments are in store. The boycott is still being maintained, and various efforts to end it have so far failed. The arrival of our new Governor, Mr Cecil Clementi, has given a further impetus to the movement towards a settlement, for the Chinese community here has a great regard for Mr Clementi, whose knowledge of the Cantonese people and their language is profound. The obstacle to any immediate resumption of trade appears to be the Canton Strike Committee, which has accumulated funds to the extent of \$15 lacs (about £175,000), and has practically usurped the authority of the Canton Government. The latter is on the horns of a dilemma, for while it is not in a position to suppress the Strike Committee, it is quite well aware that the continuation of the boycott is rapidly sapping its strength. The committee, composed of Communist labour leaders, derives its funds from fees paid by non-British concerns for permission to pass goods through the boycott barrier. Not only does the Committee benefit from this illicit taxation, but hordes of strike pickets also reap a harvest from individual extortions. The Japanese, who were originally included with the British in the embargo decreed by the Canton Government, subsequently bought themselves out on payment of a large indemnity to the strike funds. Whether they have yet recouped themselves is a matter of conjecture, but they are now controlling most of the present trade between Canton and the outside world, and the port of Keelung in Formosa is becoming an important entrepôt for South China. Other non-British nationals are also participating in the trade, and although much "squeeze" has to be paid, the insistent demand for certain commodities enables the levy to be passed on to the ultimate consumer. Manchester piece-goods in limited quantities are finding their way into the interior, but they are first stripped of their "Chop" tickets, and all traces of British origin removed. Such methods of trading are causing great hardship to the consumer, and for this reason are probably not approved by the Russian Soviet officials in Canton. These officials, some 30 or 40 in number, are attached to various departments of the Canton Government, but their relationship with the Strike Committee is by no means clear. They openly boast that their aim is the destruction of Hongkong as a commercial centre, but they can hardly have contemplated the achievement of this end through the instrumentality of a body of men who have enriched themselves at the expense of the proletariat. Commercial opinion here realises that the Home Government is embarrassed by domestic and financial troubles, but the importance of keeping open a valuable field for home manufactures outweighs such con-

siderations. Sir James Jamieson, it is understood, has made strong representations to the Home Government, but as in the case of the appeals from this colony, the only reply vouchsafed is to the effect that no steps can be taken until the Tariff Conference has ended its labours. The provision of a loan of £3,000,000 to assist local trade certainly inspired confidence amongst the Chinese, but it is now realised that only a small proportion of this sum will be required, for with trade rapidly declining, there is no means of employing the money. Thus we are left in a hopeless position, with patience nearing exhaustion, and no relief in sight.

Prosperity in Colombia.—A correspondent writes:—Before the close of the current year it is expected that the small balance of Treasury notes and Treasury bonds still outstanding will have been called in by the Treasury. Inasmuch as the various Colombian bank issues have already been redeemed, while all notes still outstanding will be in by the middle of 1926 (in accordance with the regulations governing the banks of issue, the National Bank and the Banking Commission), the financial condition of Colombia may be regarded as eminently satisfactory. This would appear to be even more strikingly apparent in view of the condition of the Treasury Debt, which, standing at the beginning of the present Administration at 10,400,000 pesos, has now been cancelled entirely. Less than three years ago, that is to say at the period when the Banco de la República was first established, the money in circulation throughout this progressive South American State consisted of approximately 3,000,000 pesos in minted gold; 12,000,000 pesos in silver and nickel, 1,000,000 pesos in paper money, 4,000,000 pesos in Treasury notes, 6,000,000 pesos in Treasury bonds, 1,000,000 pesos in various bank emissions, and 4,500,000 pesos in banking notes. To-day, all these varying types of money have been replaced by national bank bills, exchangeable on presentation for minted gold. Payments are made daily, so that there exists no difference between a bank cheque and an order for payment. At the end of the present year the Treasury will find itself with 12,000,000 pesos in cash; its internal notes, which—at a period not very distant—were discounted at 42 per cent., now stand at a small premium. Much in the same fashion have the modest external debts improved, payments being made with commendable promptitude. Whereas at one time the Consolidated External Debt, of 1896, stood at £2,687,800, it has been reduced by amortisation to little more than £980,000. Within the course of the next five years this portion of the country's foreign indebtedness should be entirely extinguished. At no period in Colombia's history has its economic position been more satisfactory than it is to-day.

The Reaction in Rubber Shares.—Various ingenious theories have been proposed as likely to cause a check to the rubber boom. Some hinted at a probable influx of wild rubber from the Amazonian forests; others made play with the possibility of reclaimed rubber taking the place of the original product; others suggested that rubber trees might prove to be like gold mines—capable of becoming worked out. What happened this week, however, was a fall of twopence per lb in raw rubber. Business in the share market fell away in the dramatic fashion that is common to the aftermath of every Stock Exchange boom. New issues continued to be promptly taken, but it is doubtful whether there will be any violent rush to subscribe for shares in those concerns that have yet to appear, unless the attractions are manifest and clearly defined. The change in conditions was forthwith called a slump by those unacquainted with the meaning of that term. Stock Exchange dealers, glad, no doubt, to fill up the gaps in their books, were not so glad to be called upon to take shares for which they knew of no immediate home. Therefore, some rubber shares, more particularly of the higher-priced varieties, became difficult of negotiation. The florin shares, and those of the £1 denomination, in which a free market prevails—and there are many such—gave way sharply in price. The fervour of the fierce flame of buying has burnt itself out, and directly the fire

died down, a thousand purchasers elected to sell shares upon which they could see, on paper, very handsome profits. It has been a real reaction, but the fall will do as much good as it has aroused regret. So far as the commodity market is concerned, the prospect remains cheerful. Rubber can come down a lot more before this will affect the splendid profits which most of the good companies will show for the current year. Contracts have been made at satisfactory prices for several years ahead. The better-class newcomers are likely to do handsomely for their subscribers. But the speculator's day is, perhaps, over for the time being. The market looks as though it would move softly for a while. What the New Year will bring remains to be seen. The dividend announcements of three months hence are practically certain to disclose remarkable figures. Such considerations bring little consolation, it may be, to the gambler for differences as the "buyer for capital appreciation" dislikes to be called, but they deserve to be weighed by the holder of shares in sound companies.

Tin Fluctuations.—The tin market has fluctuated abnormally this week. At first prices fell to £273 10s for cash and £270 15s for forward delivery of standard tin, on depressing sales and heavy liquidation, as well as "hedging" operations on the part of certain producers. A strong feeling, however, became manifest on Thursday, and prices were run up £6 10s to £7 over the lowest figures touched on the previous day. Cash tin was, indeed, lifted to close on £281 and forward delivery to £277 15s. The market should be all the better for the recent liquidation, although the trade demand is quieter as usual over the end of the year. Technically the position seems stronger, and it looks as though a good deal of tin will eventually have to be repurchased in order to square up contracts on the short side. Home buying has been restricted, and America held back orders on the fall, but latterly bought again moderately, while a better demand from consumers there was reported. Eastern cable advices show that the total Straits shipments for this month are not expected to exceed 6,000 tons, so that, judging by the forecasts of very good American deliveries, the statistical outlook is more promising.

Samuel Allsopp and Sons.—The report of Samuel Allsopp and Sons for the year ended September 30th last shows a further increase in profits. This enabled the ordinary dividend to be kept at 5½ per cent., while the participating preference shareholders once more received 7½ per cent., which is 2½ per cent. more than their fixed rate. The following table shows how the undertaking has fared over a period of years:—

	1914-15.	1919-20.	1920-21.	1921-22.	1922-23.	1923-24.	1924-25.
Trading profit	180,717	346,918	261,126	238,927	263,774	273,748	281,961
Debit interest, &c.	71,201	102,365	101,160	104,355	91,783	104,838	104,013
Red. of Certs. of Rights	45,917	102,365	114,916	92,140	77,780	71,850	73,468
Depreciation & repairs	45,917	102,365	114,916	92,140	77,780	71,850	73,468
Net profit	159,599	129,637	57,856	57,792	90,141	95,442	102,008
Brought forward	13,048	19,324	19,324	19,324	20,714	19,325	19,324
Reserve	16,647	148,961	77,149	77,116	110,856	114,767	121,333
Preference dividend ..	..	51,871	..	..	53,913	20,000	25,000
Ordinary dividend ..	..	59,413	47,107	47,107	53,913	56,564	56,564
Carried forward	16,647	19,661	20,013	19,979	19,954	19,324	19,324

The trading profit went up from £273,748 to £281,961, while the net profit works out at £75,939, in contrast with £73,468 in the previous year. With the sum of £19,324 brought in, there was a distributable balance of £121,333, compared with £114,767. By an allocation of £25,000, in comparison with £20,000 in 1923-24, the reserve fund was increased to £265,000, and after payment of dividends the balance remaining to be carried forward was £19,324, or the same as a year ago. The balance-sheet shows that trade and other investments have gone up from £318,816 to £609,796, while, on the other hand, the holding of cash is £151,959 against £361,771. Apparently, too, the holding of Government securities has undergone some alteration, since this item has contracted from £133,862 to £29,136, and now consists solely of £47,200 of 3½ per cent. Conversion Loan. Goodwill still

stands at £700,000, and it is a pity that the directors have not yet taken advantage of their prosperity to reduce this item. The present price of the ordinary £1 shares is 1½, and on the basis of the 5½ per cent. dividend they yield £5 17s per cent. The return on the participating preference is £8 2s 3d per cent., the price of the stock being 92½.

Camp Bird.—Our mining correspondent writes:—With the annual report of this undertaking are issued particulars of the capital reorganisation unofficially foreshadowed several weeks ago. The profit and loss account to June 30th shows a small debit. Investments, less share reserve account, figure at £808,500—still considerably in excess of their market valuation; the old property, which has been worked out, stands for £825,400; and the preference dividend is in arrears since June, 1920. To meet this position it is proposed to cut down the issued ordinary capital by nine-tenths, and to subdivide the remaining ordinary shares; to issue about a million of the said 2s shares at 3s premium (roughly the current market price), and out of the proceeds to pay £150,000 of the arrears on the preference shares, the balance of £100,000 to be provided in the shape of 7 per cent. income certificates redeemable by equal annual instalments spread over a period of five years. As consideration for giving up the right to a remote contingent participation in profits, the holders of the preference shares are to receive an extra ½ per cent. interest. With the decks cleared in this manner, the Camp Bird company will be able to make distributions to its shareholders out of the dividends it expects to receive from its interests in the Santa Gertrudis Company and the Mexican Corporation—732,000 and 247,300 shares respectively.

Santa Gertrudis.—During the past year a noteworthy change has come over the position on the mining as well as the financial side. The original mine is now completely worked out. On the whole, developments in the properties since acquired have proved satisfactory. Work in the Malinche failed to give the results which at one time seemed likely; on the other hand, a great ore shoot has been disclosed in the Dos Carlos—an area adjoining the Santa Gertrudis. The ore reserves in the several mines are now computed at over 1½ million tons, containing a recoverable quantity of 86,100 ozs gold and 21½ million ozs silver. The profit derived from the remaining Santa Gertrudis ore did not come to much, but the surplus from the other group totalled \$895,250, as against \$207,400. From the operating concern the Santa Gertrudis Company received £45,000 dividend; all but a few thousands of this were absorbed by interest and other expenses in connection with the 8 per cent. notes. As mentioned in our issue of October 31st, the balance of these is to be retired out of a new emission of £200,000, bearing only 7 per cent. interest, but carrying the right of conversion into shares. Consequent upon these arrangements, and upon the expanding profits, the company is due—according to the official forecast—to enter the dividend list early next year.

Mexican Corporation.—From a financial standpoint last year's results fell below those of 1923-24. An increased tonnage of ore was treated; the yield of silver expanded and fetched a higher average price; but the yield of gold declined. The proportion of profit accruing to the corporation totalled \$601,000, as against \$706,600. The great bulk of this has been applied to reserve for amortisation and capital expenditure—permitting the purchase and cancellation of a portion of the 8 per cent. notes. The balance now outstanding amounts to £190,000. Like the associated Santa Gertrudis undertaking, the Corporation is making a fresh issue of £200,000 7 per cent. notes, convertible into shares, out of the proceeds of which the existing bonds will be repaid. The additional disclosures of low-grade cyaniding ores were satisfactory; the most interesting development feature was the discovery of a lode ore reserves show an increase of fully half a million tons, the average value being maintained at 0.17 ozs gold and 5.72 ozs silver. In addition there are 104,700 tons of the

base metal ore above referred to. This year's receipts should be swollen by some revenue from the Teziutlan copper unit, where a flotation plant has commenced operations. Shareholders will doubtless note with satisfaction the good results which have attended the company's incursion into oil, a profit of £45,000 having been made. The investments are stated to be a greater value than the £76,400 at which they are entered in the balance-sheet.

Sulphide Corporation.—Of last year's greatly expanded revenue of £202,000, a large proportion was required for special appropriations, £60,000 being written off disused plant and £32,500 expenditure in connection with the fire at the Central mine, in addition to the £92,900 charged against reserve for contingencies. Still, a balance remained of £56,700, sufficient to provide 7½ per cent. on the preference shares. In respect of 1922-23, both classes of shares received 15 per cent., there were no distributions for 1923-24 owing to the fire. It would look as though the trouble is now virtually at an end. Except for a small tonnage extracted during re-opening operations, no ore was raised from the Central mine during the past financial session. "A substantial and increasing quantity," say the directors, is now being raised from the Southern Section of that property. The Junction mine has yielded better grade ore than before. Like several other Australasian undertakings, the Sulphide Corporation is extending what might be termed the industrial side of its business. Additional plant is being installed to meet the demand for sulphuric acid and superphosphate, of which an increased quantity was produced last year; while the capacity of the cement plant, which only commenced work in April last, is to be doubled. Altogether there is every indication that the shareholders may expect a return to a reasonable degree of prosperity.

THE London School of Economics announces a course of seven lectures on Tuesdays at 5 p.m., beginning January 12, 1926, on Adam Smith, to commemorate the 150 years that have elapsed since the publication of the "Wealth of Nations." The lectures will be delivered by Mr Edwin Cannan, Mr J. Bonar, Mr Morris Ginsberg, Mr T. E. Gregory, Mr H. J. Laski, Mr Hugh Dalton, and Mr F. W. Hirst.

Oversea Correspondence.

LEAGUE OF NATIONS. — COUNCIL MEETING — LOCARNO—DISARMAMENT—MOSUL—ECONOMIC CONFERENCE.

(FROM OUR CORRESPONDENT.)

GENEVA, Tuesday.

THE meeting of the League of Nations Council, which is concluded except for to-morrow's announcement of the Mosul decision, has covered a full and serious programme, for, in addition to the Mosul question, the Council has dealt finally with the Greco-Bulgarian incident, has set under way a vast armaments inquiry in preparation for an ultimate conference, has taken some preliminary measures for a preparatory committee for an economic conference, and has treated the question of the relaxation of control in Austria, and a variety of other matters.

A Locarno interest was once more introduced into the proceedings on the occasion of the deposit with the Secretariat of the original Locarno Agreements. Sir Austen Chamberlain made a formal pronouncement on the subject, and emphasised the increased authority and strength which they brought to the League. M. Briand, who was unable to attend the Council, sent a telegram in which he stated that France saw in the unceasing progress of the authority of the League and in the enlightened vigilant action of the Council the best guarantee against war. Most of the other members of the Council spoke in the same strain, and perhaps it may now be assumed that the

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corporate celebration of Locarno will be allowed to end. It is now time to get on with the business of which Locarno was the starting-point.

The first step will be the admission to the League, probably in March, of Germany, and the promotion of the inquiry into the preliminaries necessary for an armaments conference. But those who imagine an easy armaments sequel to Locarno are certain to be disappointed. If the discussions during the last ten days on this subject have shown anything, it is that the road is going to be long and extremely difficult, for it is a subject which is going to be discussed in an atmosphere of hard reality, and not in a spirit of airy humanitarianism. They are going to take naval, military and air armaments together and not separately—a definite hint to Mr. Coolidge—and it will be difficult to get reasonable equivalents between naval and military forces. The French not only want this consideration to be borne in mind, but also an inquiry into the relative potential strength of States, which seems logical, but a basis upon which it is obviously impossible to make any practical progress. On such a footing it might be held that Germany, even in her present state, is the most powerful military State in Europe; in any event, potential strength is a matter upon which it is almost impossible to find an equivalent for disarmament purposes.

It is also to be recognised that a number of States, certainly including Italy, are not prepared to accept a definitely fixed inferior strength, and there are not a few which, so far from being prepared to reduce, consider that they are not yet strong enough. Amongst these are Spain and some South American States; this is a matter which concerns England, as in general it applies to naval rather than to land armaments. This view will have to be met before any general scheme becomes feasible, and it must not be forgotten that, in addition to this form of national pride, there is not unnaturally a certain reluctance to agree to a relative limitation of armaments by which the strongest remain the strongest and the weakest remain the weakest. However, roughly speaking, that is what limitation means at present, short of complete disarmament, and the present aspects of the problem are rather financial saving and prevention of competition. It seems likely that progress will probably have to be sought more by regional than by general agreement, the factors being so variable in different parts of the world.

However, there is enormous value in keeping the problem alive, for, putting the case at its lowest, the parrot is a useful bird. Meanwhile the essential factor of disarmament—namely, improved political relations, will have an opportunity of producing its natural effect, for reduction of armaments or disarmament will come through no artificial plan. The Council has appointed a well-organised committee with large powers of consultation, whose first meeting is to be held in February, and upon which the United States, Germany, and Russia are to be invited to sit, with a vast programme of study. Amongst the questions submitted are: Whether regional disarmament can be secured on a basis of regional security, or whether any project must be general; whether it is possible to limit the eventual war armaments of a country, or whether limitation must be confined to peace armaments only; to what factors limitation must be applied; what rules should be followed for comparing the armaments of one country with those of another; on what principles should be established the proportions between the armaments attributed to each country, taking account of the number of inhabitants, resources, geographical position, maritime communications,

railway communications, and character of frontiers; and the degree of security which in case of aggression might be provided by the dispositions of the League Covenant or other special engagements, &c. That certainly seems enough to go on with as a preliminary step.

The Greco-Bulgarian affair has been finally liquidated by the adoption of the Report of the Rumbold Commission with one or two very slight modifications. Greece is to pay an indemnity of about £45,000 within two months, and both sides have undertaken to adopt the measures proposed, both for the peaceful settlement of any frontier incident in the future, and for the settlement of any frontier matters which have caused bitterness between the two countries. This Greco-Bulgarian settlement is of significance not only in itself, but in the precedent which it has formed, for Sir Austen Chamberlain and the Council were very careful to give close consideration to this aspect of the matter, which Sir Austen has several times referred to as being part of the building up of the jurisprudence of the League.

As for Mosul, there seems no doubt that to-morrow the Council will give a unanimous decision allotting the vilayet to Iraq, conditionally upon the extension of the British mandate for 25 years, and probably with some recommendations of an economic and commercial kind. The Council has received little help from either side towards an agreed settlement. Great Britain has shown, at any rate, no public sign of any desire to negotiate so long as the matter is before the League, and Turkey has not only employed very unwise tactics from her point of view, but has behaved with such futility before the Council that there has been a remarkable change of attitude amongst those who in the early days had rather natural sympathies for the weaker as against the stronger Power. Her repudiation of her previous undertaking to accept the Council's decision, her silly effort to set up a private French legal opinion against the opinion of the world Court regarding the Council's powers, and the frightful record in the deportation of some thousands of Christians related in the report issued to-day by the League Commission, which went to the area under the Estonian General Laidoner, have lost her all sympathy amongst delegations and amongst the Press from all parts of the world here in Geneva. Their attitude before the Council and their refusal to give any proper collaboration to the Council committee made it difficult for the Council, in view of the report of the Mosul Commission, to come to any other decision than that which is now confidently expected. There have been some fairly authoritative indications that after the decision has been given the British Government will be ready to enter into negotiations with the Turks, but how far this will go it is difficult to say, for it is not to be anticipated that Great Britain will give the minimum satisfaction which Turkey wants, namely, the transfer, at least, of the town of Mosul to Turkish sovereignty. As for the alarms about Turkey resorting to arms, this, rightly or wrongly, is not taken seriously by those who are acquainted with the matter; it is pretty safe to say that if Turkey, contrary to expectation, did resort to war, Great Britain would be wise not to count upon much effective military support from any other Powers. British circles, however, seem to harbour no anxieties on this score.

There is no space to enter into other matters of importance before the Council, except to say that the Council has made arrangements for the formation of a preparatory committee for the general economic conference contemplated by the last Assembly. It is to consist of not more than 35 experts of one kind or another; it is to be organised on a wide basis, and its members are not to be Government representatives. The intention is to secure complete freedom of discussion, and the same principle is to be applied to the ultimate conference itself, which "is intended to organise a general consultation, in the course of which, as at the Financial Conference at Brussels, the various programmes and doctrines may be freely exposed without the freedom of discussion being restricted by any immediate necessity to transform the conclusions of the Conference into international engagements." A sub-committee of the Council has been appointed to ensure liaison between the Council and the Preparatory Committee.

UNITED STATES.—A MARKET RALLY—PRESIDENT'S MESSAGE—NEW REVENUE BILL.

(FROM OUR CORRESPONDENT.)

HAVING recovered their equilibrium, the securities markets staged a very fair rally. Strength in railroad shares has been marked, many of these reaching new high levels for the year. Oils also have behaved well, and in some instances have pushed ahead into new high ground. Even motor shares, which were savagely deflated during the reaction that followed the change in Federal Reserve policy, came back strongly. General Motors, which broke from a high of 149½ to 106, have sold above 121 on the rally. Chrysler, whose top was 253, and which reacted to below 180, sold yesterday for more than 225. The circumstances suggest that short selling during the reaction was larger than had been suspected, and that the magnitude of the preceding speculation for the rise had been exaggerated. If the latter is true, a precedent might be found in the events of last March, when there was much loose talk of tremendous speculative excesses, and when the course of a brief reaction showed that actually the speculative position was moderate.

In some degree, no doubt, the rally of the past week or so has been due to anticipations of the President's Message to Congress. Wall Street, being familiar with Mr Coolidge's character and principles, expected that the Message would be constructive in its bearing on the business situation. Publication of the Message confirmed this expectation. No one was surprised, of course, that Mr Coolidge reiterated his stand for economy in government. He laid down the principle that "the wealth of our country is not public wealth, but private wealth." He declared that "no right exists to levy on a dollar, or to order the expenditure of a dollar, of the money of the people, except for a necessary public purpose duly authorised by the Constitution." In emphasising the continued need for economy, the Message reads, "We still have an enormous debt of over \$20,000,000,000, on which the interest and sinking fund requirements are \$1,320,000,000. Our appropriations for the Pension Office and the Veterans' Bureau are \$600,000,000. The War and Navy Departments call for \$642,000,000. Other requirements, exclusive of the Post Office, which is virtually self-sustaining, brought the appropriations for the current year up to almost \$3,100,000,000. This shows an expenditure of close to \$30 for every inhabitant of our country. For the average family of five it means a tax, directly or indirectly paid, of about \$150 for national purposes alone. The local tax adds much more. These enormous expenditures ought not to be increased, but through every possible effort they ought to be reduced."

The President stands firmly for the early redemption of the war debt. Some \$6,000,000,000 of this debt, he points out, already has been extinguished. However, redemption so far has been hastened by certain extraordinary circumstances which now are ceasing to exist. Thus \$1,000,000,000 of the reduction in the war debt has been due to reduction in the size of the Government's cash balances, and no further progress may be made along this line. Over one and two-thirds billions of dollars of the reduction was made possible by the sale of surplus war materials, and operations of this kind are practically finished. "With these eliminated," the President points out, "the reduction of the debt has been only about \$500,000,000 each year, not an excessive sum on so large a debt." Mr Coolidge emphasises the fact that the sooner the debt is extinguished the less the cost will be to the public.

It might also have been expected that the Executive would support the Revenue Bill that has been prepared by the Ways and Means Committee of the House of Representatives. Such, indeed, is the case. Mr Coolidge comments on the non-partisan character of the assurances of rapid progress through the House, and that the Senate will advance it rapidly enough so that taxes are due. On the latter point there is, however, considerable uncertainty. While speedy passage through the lower branch seems assured, many believe that the Senate will make no little trouble and delay.

Much will depend here on developments with regard to other administration policies and the general attitude that the Senate takes with regard to the Executive.

In any event, the Revenue Bill as prepared seems a good one. Occasion has been taken to bring the tax structure further in line with what may be considered a normal peace-time basis. Provision has been made to improve the administrative machinery for collecting and adjudicating taxes. The present maximum sur-tax of 40 per cent. has been cut to 20 per cent. Two dissenting members of the House Committee, one of whom speaks for the Democratic Party, wish to cut this maximum to no less than 30 and 25 per cent. It is apparent that in any event further progress is to be made toward acceptance of the Mellon programme that occasioned such a bitter fight in connection with the previous Revenue Bill. The Committee estimates that the proposed cuts in sur-taxes will result in a diminution of revenue to the extent of \$98,575,000. Another \$95,000,000 would be cut off on account of increased personal exemptions, reduced normal taxes, and increased credit on account of earned income. The Committee has changed the various sur-tax rates so as to make the taxation on larger incomes increase more uniformly. It believes that the schedule is now well balanced. Among the other important changes in the general scheme of taxation are the elimination of minor "nuisance" taxes, such as those on the sale of cameras, firearms, and pipes; the removal of occupational taxes, as on brokers; and the removal or modification of excise taxes that are difficult to collect or that involve hardship on particular industries. The taxes on sales of works of art and of jewellery are removed, and that on cigars is materially reduced. The tax on the sale of automobiles is reduced from 5 to 3 per cent.

With regard to foreign relations, the President hails the Locarno agreements, which "will provide guarantees of peace that make the present prime reliance upon force in some parts of Europe very much less necessary. The natural corollary to these treaties should be," he adds, "further international contracts for the limitation of armaments." He considers that disarmament on land is of first importance at present, and that this problem is peculiarly European. Following agreements for the reduction of armies, we may more easily consider further reduction and limitation of naval armaments." The President goes to considerable length to explain and emphasise the desirability of our joining in the maintenance of the Permanent Court of International Justice. His careful argument indicates that he considers adherence to the Court as an important part of the Administration's programme, and a part for which the Administration is prepared to fight.

As for ocean shipping, Mr Coolidge declares that a merchant marine is "of the utmost importance for national defence and the service of our commerce." He wants the surplus ships sold and the operation of the Government fleet to be put under a single executive head with the Shipping Board restricted to judicial and regulatory functions. He advocates no ambitious projects, and is silent on the question of a subsidy.

His remarks on railroads are brief, but are interpreted as supporting voluntary rather than compulsory consolidations. Given moderation on the part of the public and business community, Mr Coolidge foresees an almost indefinitely extended period of prosperity.

FRANCE.—M. LOUCHEUR'S RESIGNATION—TOBACCO MONOPOLY—INCOME TAX EVASION—NOVEMBER REVENUE—PRISES.

(FROM OUR CORRESPONDENT.)

PARIS, December 16.

As was expected, in view of the stupor with which the announcement of his financial proposals was universally received exactly a week ago, M. Loucheur, the sixth politician to hold the portfolio of Minister of Finance since last spring, has been forced to resign. The Finance Commission of the Chamber on Monday took up the detailed consideration of M. Loucheur's seven Bills for the restoration of the French finances, and, after four

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hours' discussion, decided to send six of them back to the Minister as unsatisfactory. The list of the seven projects was set forth here last week. The only one of M. Loucheur's projects that was retained for further consideration was that for the repression of fiscal frauds, and even this, it is understood, the Commission proposes radically to modify. Last night, after making yet another effort to retain his portfolio, which did not meet with the approval of his colleagues, M. Loucheur formally resigned, and at the time of writing France is without a Minister of Finance.

Probably no Minister for a century past has been driven from office amid such a general storm of disapproval. Journals of every shade of opinion have been ruthless in their attacks since the earliest mention of M. Loucheur's detailed proposals, and in most of these the Minister's personal unpopularity has been strongly accentuated. The effect of his 18 days' term of office, however, has been appreciably to clarify the whole political and financial situation. The drastic nature of some of his proposals has at last awakened the country to its financial peril and to the grave risk it is running in continuing to allow its politicians to place party before *la patrie*. Even the doctrinaire Socialists—to whose persistence in taking advantage of the present fortuitous political situation for the purpose of forcing certain of their theories to practical application the present chaotic situation is largely due—are now showing signs of alarm at the devastation they have caused.

An indication of this is to be seen in the fact that more than one of their leaders has gone so far as to admit publicly that, in view of the situation, it may be advisable to lease the tobacco monopoly to private industry for a term of years, as the most practicable way of lifting the country to its financial feet. There is good reason to believe, in view of proposals that have actually been made by American and other groups during the past few years, that cash down could be obtained to the extent of from 20,000 to 30,000 million francs, in return for the granting of a farming agreement covering the monopoly for a term of from 20 to 30 years. The feeling is growing that this method, which would furnish sufficient ready money to enable the Government to remove most if not all of the difficulties that now face it, would be the most practical that can be devised. It would enable the Government to buy in at present quotations sufficient Rentes and other public issues to permit, by reducing the present public debt charge, the loss of the 1,900 millions or so of revenue from the tobacco monopoly to be more than compensated for. The other benefits that would accrue from the stabilising effect of the availability of such a large amount of new money, involving no countervailing disadvantages, are too obvious to need mention.

Another outcome of the universal alarm created by M. Loucheur's proposals has been the widespread appeal that has been heard during the past few days for a cessation of party strife and the formation of a Ministry based on the broad lines of the *union sacrée*. It is no secret here, although the British Press has paid little attention to the matter, that the alarm caused by the recent Socialist menace has given enormous impetus to a French Fascist movement, which has now assumed substantial proportions. As a counter-party to this, there is good reason to believe that the question of a Socialist *coup d'état* last week reached a disquietingly acute stage, and that at one moment a plan actually existed for the seizure of power

by the Extreme Left. Certain generals and other leading Nationalists, at any rate, are known to have been kept under constant observation, and it is stated on good authority that a list of "suspects" whose arrests were contemplated was in existence. Much of the alarm that was undoubtedly felt in responsible circles has now, fortunately, been dispelled, but there is a growing feeling that nothing but a return to the basis of the *union sacrée* which prevailed during the war can really suffice to remedy the existing situation. It is generally recognised that the natural and ablest leader of any Government that may be formed on this basis will be M. Briand, who is now, in spite of the failure of his Finance Minister, being more and more looked to as the safest pilot who can be found to bring the ship of State into port.

The bitterest criticism of M. Loucheur has been directed against his proposal to apply, for the purpose of repressing fiscal frauds, the device of the much-discussed *carte de coupons*. This proposal, which was first developed by M. de Lasteyrie, under the Poincaré régime, aims at bringing under the income-tax provisions persons whose incomes are derived from bearer bonds, the vast majority of whom are widely believed to be able, under the present system of cashing interest coupons, entirely to escape taxation on their incomes. No person, it is suggested, shall be able to cash a single coupon except on presentation of a list, countersigned by the Inland Revenue authorities, setting forth the details of the bonds from which the income is derived. Advocates of the *carte* system assert that if the incomes derived from bearer bonds were brought into account the revenue from income-tax alone might be increased to a total of something like 30,000 millions. Examination of the facts, however, leads to the conclusion that the complaints in regard to evasion of income-tax in this country are greatly exaggerated. Official statistics show that given issues of bearer bonds are so widely distributed among investors that the holders of the enormous majority of them could never be held liable for income-tax. M. Louis Dausset, for instance, showed two years ago that the 12,216,712 obligations issued by the Ville de Paris are held by no fewer than 4,000,000 persons. The late M. Alfred Neymarck, in 1912, showed that the 1,376,760 registered shares of the French railway companies were held by 151,986 persons, giving an average of about nine shares per holder. Figures furnished by the Finance Ministry show that the number of small holders of French Rentes, whose holdings do not represent more than 350f of interest per annum, amounts to over two millions. The foregoing will perhaps suggest that the widespread belief that the Frenchman, as a rule, evades payment of income-tax is not so well founded as it appears to be, and that, like another popular theory as to the excessive proportion of indirect taxation levied in this country, it should be received with a good deal of caution.

The revenue returns for November show a total yield from all sources of 2,939,570,700f (or about 27½ millions less than in October), of which 2,857,511,900f was from "normal and permanent sources." The yield from "direct taxation" alone (which in this case means income-tax) was 1,078,870,100f during the month, or only 316,759,300f more than in November, 1924. "Indirect taxation," which comprises registration, succession, and stamp duties, motor-car duties, and a large number of other imposts, as well as "taxes on consumption," yielded 1,731,443,000f in November, or 172,389,000f more than in the corresponding month of 1924. The increased revenue was general, except in the solitary category of *valeurs mobilières*, or securities, the return from which was over 3½ millions less than in November, 1924, thus bringing the average falling off of revenue from this source to over 1,000,000f a month since January 1st. The fruitful tax on turnover yielded nearly 424½ millions during the month, or over 55½ millions more than in November last year. The Government is now once more issuing comparative figures showing the relation between the yield from the various taxes and Budget estimates. These show that the yield from "indirect taxation and monopolies" during November was 112,333,000f less than was expected when the Budget was framed. At the same time, the total yield from the same sources during the first eleven months of the year, which amounted to 19,711½ millions,

or 1,655 millions more than in 1924, is stated to have been 64,296,000f more than the Finance Minister anticipated would be the case, which testifies to fairly accurate budgeting by M. Caillaux and his predecessor, and their respective experts.

The index figure for wholesale prices during November, which has this week been issued by the *Statistique Generale*, is given as 618, as compared with 584 in October and 567 in September. The detailed figures, which are based on 100 as representing prices in 1914, are as follows:—

Nature and Categories of Goods.	Nov.	Oct.	Sept.
General index figure (45)	618	564	567
Foodstuffs (general figure) (20) ..	500	480	482
Vegetable foods (8)	517	490	485
Animal foods (8)	477	466	467
Sugar, coffee, cocoa (4)	515	492	507
Raw materials (general figure) (25) ..	722	675	643
Minerals and metals (7)	674	651	581
Textiles (6)	875	783	761
Various (12)	658	626	609

The rise of 34 points on the month was general, it will be noticed, but was much more marked in raw materials (where there was a rise of 47 points) than in regard to foodstuffs, where the rise was only 20 points. The effect of the falling franc was marked notably by a rise of no fewer than 92 points in cotton, wool, and other textiles, the wholesale prices of which are now returned as equivalent to 8½ times their pre-war figures. Retail prices in Paris, judging from the index figure allotted to them, show little effect of the recent renewed fall of the franc, but this is largely due to the fact that the figure is based on the sale prices of 13 articles of common necessity (bread, meat, bacon, butter, eggs, milk, cheese, potatoes, beans, sugar, table oil, methylated spirit, and petroleum), only one of which is of foreign origin. The index figure for November is returned as 444 (against 100 in 1914), or 11 points higher than in October. The rise is slightly less, as a matter of fact, than that in November, 1924, the figure for which was 396, as compared with 383 in the previous month. Retail prices in Paris are apparently appreciably lower than in any of the six provincial areas, except in the West, the last figure for which was 431.

GERMANY.—CABINET—CREDIT POLICY—FINANCES—INDUSTRY.

(FROM OUR CORRESPONDENT.)

BERLIN, December 16.

THE prospect of forming a "Great Coalition" Cabinet, containing representatives of the People's Party, Bavarian People's Party, Centre, Democrats, and Social-Democrats, has somewhat improved. The proposed Chancellor is the German-Democrat Party's leader Dr Koch, and not Herr Luther. The "Economic Party" has not agreed to join, but it would support the Cabinet from outside. The Socialists last week published the conditions upon which they would enter a Cabinet. They demand a Republican policy, ratification of the Washington Eight Hours Day Unemployment Insurance Bill, a commercial policy aimed at fostering export, creation of a definitive Federal Economical Council, with the originally proposed subordinate local organs, retention of the present direct taxes so long as the Sales and Wages (Income) Tax are not reduced, publication of the taxation lists, withdrawal of the pending Education Law (which to some extent re-introduces confessional instruction), legislative regulation of the property claims of the former rulers, and immediate entry into the League of Nations. These points are rather a statement of policy than a categorical demand, and they will not be insisted upon literally. A Cabinet with Dr Koch as Chancellor, and with Socialist members, would almost certainly take up the whole question of the distribution of tax burdens. The Eight Hours Day would be formally restored, probably, however, with important qualifications which would be declared to be justified by exigencies of international competition.

The Report of the Agent-General for Reparation Payments on the first year of working of the Dawes Plan is commented on favourably. The very considerable organisation which it has been necessary to create has got on

well with the numerous German authorities with which it has had to deal, and both from personal and technical standpoints the system has been a success, so that, apart from the cost, the objections expressed in 1924 to creating yet one more official apparatus for regulating German-Ally relations have not proved justified. The more competent German authorities hold the first year to indicate that the internal burden of the Dawes Plan (though it was partly relieved by the international loan) is not unbearable; but, like the Agent-General, they see in transfer and in the foreign trade balance a great unsolved question. A story that the Agent-General considers the negotiation of a second international loan necessary, and that his aim in visiting the United States is to negotiate such a loan, has been spread here. German authorities know nothing of such an intention, which would be contrary to the Dawes Plan, and would be outside the functions of the Agent-General. Whether the Railways Reparations Bonds are to be internationally realised is not known here; the interest rate of 5 per cent. would make their realisation at par impossible.

The Reichsbank President, Dr Schacht, made a long statement concerning his visit to the United States, the chief note of which is that Germans must show discretion in their foreign borrowing, and that the United States will help only when it sees people helping themselves. Dr Schacht laid emphasis upon the inadvisability of contracting very large foreign loans, apart from the problem of paying interest and amortising. The proceeds would be used either for importing half-manufactured or fully-manufactured goods, thereby harming native industries, or would be converted into native currency and used as working capital, thereby having an inflationist effect. Dr Schacht holds that up to now Germany has not borrowed excessively. He estimates at present total foreign indebtedness at between 3 and 3½ milliard marks, and declares that the latest industrial borrowings did not increase the burden, because they were largely used for conversion into long-term debts of existing short-term debts. Germany, he added, must keep in touch with London, upon the attitude of which America largely bases her European loan policy. The Inter-Municipal Council has brought about an agreement by which municipal funds lent to the giro-centrals and savings banks will bear interest not exceeding 7½ per cent., and that not more than 8½ per cent. shall be charged by these intermediaries to private borrowers. The term of the syndicate formed for liquidating the Stinnes concern has been prolonged for another half-year. Shares in the Disconto Bank of an estimated nominal value of three million marks have been sold to America. Short-term credit continues to be very plentiful, at a rate of 7 to 9 per cent. for day money, 9½ to 11 per cent. for month money. The December mid-month Bourse settlements had practically no influence upon the money market. The Reichsbank's return for December 7th shows a small decline of 36½ million marks in note circulation, a decline of 56 million marks in discounts and of 19 million marks in advances.

The Labour Ministry has issued a memorandum on social insurance, which elucidates the complaint of industry that it cannot stand these burdens. The comparison of the total cost now and before the war (including State subsidies) is:—

	(Millions of Marks.)	1913.	1925.
Invalidity Insurance.....	410.5	680.0	
Clerical and Technical Employees.....	134.0	181.5	
Accident	228.0	191.6	
Mining Guilds	58.0	157.0	
Sickness	590.0	1,133.0	
Totals	1,424.5	2,343.1	

The rise in the cost is in part only apparent, because the number of insured persons has greatly increased; sickness insurance, e.g., embraced 19 million persons in 1925, as against 14.4 millions in 1913. The memorandum with reason rejects the employers' claim that the insurance is a "burden." Even were there no State-organised insurance the expenditure would have to be made in one way or another, and social insurance is merely "compulsory saving for the maintenance of health and working

strength." A further report on the unemployment organisation states that receipts in the year ending June 30, 1925, totalled 246 millions, whereof 205 millions from contributions and 33.9 millions from municipal subsidies for the Labour Exchanges and for unemployed support. Expenditure, totalling 249.8 millions, included as chief items 30.12 millions cost of Labour Exchanges and 178 millions unemployment allowances. Unemployment allowances are to be increased, the new rates per week being 9.75 marks for unmarried men, 13.20 marks for married men with one child, and 17.64 marks for married men with two children. A Finance Ministry report shows that considerable sums of taxes are in arrear. On October 1st the total was 301.7 million marks, the largest debts being for sales tax (90 million marks) and income-tax (68 million marks). Two million persons are returned as being in arrear with their taxes; but in this account individual persons in arrear with different taxes are counted several times over.

The industrial situation is getting worse. The textile branch, which during most of the year did very well, complains of declining sales, and of difficulties in obtaining payment. The artificial silk branch reports a serious reaction. Since the conclusion of the German-Italian Commercial Treaty, Italian artificial silk is being offered here. The formerly heavy demand for textile machinery has fallen off; French machines are stated to be offered in Belgium and other countries at below German prices. The demand for "anti-exchange-dumping duties," to be directed mainly against France, is increasing, but it is pointed out that already the "Minor Tariff" of 1925 imposes high maximum duties, leaving, as was officially declared, a large margin for cutting down by negotiation, and, therefore, providing also a possibility of special protection. The toy industry complains of bad business. Nationally the industry is not as important as is believed, providing only about 2 per cent. of total exports, but normally 80 per cent. of its products go abroad.

Toy exports in the first eight months of this year totalled 24,300 metric tons, of value 60,800,000 marks; exports in all 1924, 48,100 tons, of value 110,570,000 marks; in all 1913 56,600 tons, of value 108,300,000 marks. The negotiations for the Western Steel Trust continue. Further considerable concessions are understood to have been made to the three Rhine-Elbe Union (former Stinnes) companies in the matter of participation quotas, and these and the other companies may be allowed to keep part of their properties outside the trust. The inclusion of the Alpine-Montan A.G.—the chief Austrian iron and steel producer—is being considered. There has been no increase of activity in iron and steel. French imports are now coming into all parts of western Germany. In particular French competition is felt in tubes. A wire syndicate has been formed for a term of five years. For December the Raw Steel Syndicate has retained unchanged its 35 per cent. reduction of output. The shortage of working capital among iron-consuming manufacturers causes great difficulties. The manufacturers buy only small quantities of materials, and these at the last moment, so that they have to insist on short-delivery terms, and even iron producers who have not sufficient work cannot always keep the terms. The ore-mining industries of the Siegerland, Dill, and Lahn districts are seriously depressed. Very few mines are being worked.

ITALY.—THE AMERICAN SETTLEMENT—THE DOLLAR SUBSCRIPTION—TOTAL OF THE PUBLIC DEBT—STABILISATION OF THE LIRA POLICY—LOANS ON THE U.S. MARKET—MONEY SCARCITY.

(FROM OUR CORRESPONDENT.)

TURIN, November 30.

ON the news of the American settlement unanimous praises were bestowed in Italy on Signor Volpi and his colleagues, who carried through the negotiations. As your comments on the transaction were considered in Italy a balanced judgment on the great issue, I need not further dwell on it. Public opinion thinks that a settlement will also be reached between Great Britain and Italy on a basis not much different—more favorable, however, to

Italy in view of the Bonar Law offer, of the noble tradition of the British Treasury on these matters, and of the heavy charge that the service of both American and British debts will lay on the Italian taxpayer. I think, also, that the solid determination of the Italian people to honour faithfully the signature of their Government should make our remaining great creditor ready to settle the matter at a bearable basis.

When the settlement terms were published in Italy a subscription was raised in the Genoa Coal Merchants' Association, all members offering a dollar toward the payment of the American annuity. Signor Mussolini took the hint, and called for a million dollars by December 1st. There was at once an outburst of emulation—cities and villages, all sections and classes, with the King at their head, offered the dollar (25 lire); people of small means united themselves in groups so as to reach \$1. Newspapers are full of names of subscribers. At the moment of writing Turin, which comes easily first in the list, has reached the figure of 15½ million lire, so that the called for 1 million dollars (25 million lire) will surely be reached and surpassed by December 1st.

As a consequence of the American settlement, we can for the first time measure the total of our public debt without adding together items not comparable between themselves. The only uncertain item is the British debt, and I will therefore suppose, for the sake of easy calculation, that its present value is not higher than the American debt—viz., 435 million dollars. I hope that in the end it will be a less sum. I will suppose, also—only for the sake of comparison—that the stabilisation of the lira, which Signor Volpi said at New York is the purpose of the 100 million dollars loan issued in the U.S., will be carried through at about the present rate—i.e., 25 lire to the dollar and 120 lire to the pound sterling. On that basis the total of the debt at October 31, 1925, works out as follows:—

	Italian Lire (Millions)	Pounds Sterling (Millions)
Internal Debt—		
Perpetual and long-term—		
Pre-war debts	12,482	
National loans	35,998	
Venetian 3.50 % bonds	964	
25 years 4.75 % bonds	1,443	
Ex-Austrian 4.36 % bonds	10	
	50,897	424.1
Short-term bonds—		
Treasury 3 and 5 years bonds	2,085	
" 7 years bonds	4,000	
" 9 " "	6,101	
	12,186	101.5
Treasury bills (3, 6, 9, and 12 months)	17,939	149.6
Current accounts—		
Deposit and loans State Bank	1,045	
Social Insurance National Fund	67	
	1,112	9.3
Total internal debt	82,134	684.5
External debt—		
Morgan loan	2,500	
American	10,875	
British (?)	10,875	
Total external debt	24,250	202
Total	106,384	886.5
States notes	2,100	17.5
Bank of issue notes for State account	7,067	58.9

At New York Signor Volpi said that only the 100 million dollars loan will be utilised for continuing the present policy of stabilisation. The first step will probably be that the Bank of Italy, by skilful management of the loan fund, will maintain the rate of foreign exchanges at the selected level. The second step will be the adoption of a sort of gold exchange system. Experience will tell at what precise point stable equilibrium can be reached, without laying on the Bank of Italy's shoulders an impossible task. Eventually, gold reserves could be revalued at the new rate, and, after the Belgian fashion, the increase of valuation could be utilised to wipe out from the State debt-book the figures of notes issued by banks of issue for State account.

It may be said, therefore, that the public debt, internal and external, is about £900 millions sterling, a great sum for Italy, but one which the State Budget, at the present

level of foreign exchanges, internal prices, and national income, can bear. The American settlement, and the issue of the State loan of 100 million dollars in New York, has been received in financial circles as a promise of growing financial relations between the American money market and Italian industry. The promise is already being fulfilled, a loan of 30 millions having been raised in New York by the Public Utilities and Works Institute, while several minor loans have been negotiated on behalf of prominent groups, as the Turin Gas and Sip concerns. Shares of the Snia Company, of the Sip, and other great companies have been issued in London and New York markets. It is hoped in industrial quarters that the flow of foreign capital into Italy will have the effect of lowering the cost and scarcity of capital, which is being increasingly felt. The official rate of discount was raised from 5.50 to 6 per cent. in February, to 7 per cent. at June 18th. The average rate of interest paid by banks on saving deposits from 3.50-4 per cent. in January, 1924, was raised to 4-4.50 in July, 1925; the prolongation rates or interest paid on advances guaranteed by State securities increased from 5.75-6 per cent. during 1924 to 6 per cent. in May, 1925, and to 7 per cent. in September last; on advances on industrial securities from 7 per cent. in the first half of 1924 interest charged increased to 7.50-7.75 in the last month of 1924 to 8 per cent. in March, 1925, to 8.75 per cent. in June, and to 9 per cent. in September. It is increasingly difficult to obtain accommodation at a rate less than 9 per cent. Everybody complains of the scarcity of money.

ROUMANIA.—WAR DEBTS—THE BUDGET AND FOREIGN LOANS.

(FROM OUR CORRESPONDENT.)

BUCHAREST, December 5.

THE announcement from Washington a few days ago that an agreement has been reached for the funding of Roumania's war debt to the United States has been received with the utmost satisfaction by the Bucharest Press. Briefly, the debt is stated to have been fixed at \$44,580,000, with its liquidation spread over a period of 62 years by payment of the following annuities—which, of course, cover interest as well as principal:—

In 1926.....	\$	Per Cent. of the Debt.
" 1927.....	280,000	or 0.44
" 1928.....	300,000	" 0.66
" 1929.....	400,000	" 0.90
" 1930.....	500,000	" 1.10
" 1931.....	600,000	" 1.30
" 1932.....	700,000	" 1.50
" 1933.....	800,000	" 1.80
" 1934.....	1,000,000	" 2.20
" 1935.....	1,200,000	" 2.50
" 1936.....	1,400,000	" 3.00

The payments in 1936, 1937, 1938, and 1939 are calculated at \$1,600,000, \$1,800,000, \$2,000,000, and \$2,000,000 respectively, and from 1940 onwards at approximately \$2,300,000 per annum.

This settlement is regarded as a reasonable one, and within Roumania's capacity to meet. It reflects greatly to the credit of Mr. N. Titulescu, the Roumanian Minister to London, who headed the funding mission, and who had been instructed to keep as low as possible the annuities for the first eight or ten years, in view of the fact that the maximum with external obligations is already loaded to Treasury's commitments for the retirement of the State's debt of some 11,500 million lei to the National Bank. It is also the understanding here that a "provisional" agreement has been reached with Great Britain for the liquidation of the war debt of £26 (or £28) millions, and Mr. Titulescu will now tackle the problem of the French and Italian debts—respectively placed at (in round figures) 1,000 million francs and 120 million lire.

Mr. Vintila Bratianu's Budget project for the year beginning January 1, 1926, is now before the legislatures. The total of the new Budget—inclusive of 1,000 million lei surplus anticipated from 1925, but exclusive of the finances of the State railways, which henceforth will have a separate Budget, is 29,250 million lei, or a comparative increase of 5,500 millions over 1925. The Finance

Minister anticipates that the 1926 Budget will yield 4,654,484,808 lei for public debt charges, which he proposes to use for the following services:—

	Credits Asked for the Year 1926.	Credits Accorded for the Year 1925.
	Lei.	Lei.
The consolidated public debt payable in foreign currencies	80,583,196	72,347,116
Consolidated internal and external debt charges payable in lei.....	831,280,996	811,359,546
Internal Floating Debt	657,034,621	52,215,456
(The amortisation of this begins in 1926.)		
Special charges necessitated by the consolidation of foreign obligations	141,978,594	136,462,838
Exchange adjustment on debts payable in foreign currencies	2,942,934,883	2,601,532,431
Miscellaneous "Rentes"	674,518	462,669
	4,654,484,808	3,674,380,456

In view of his heavy, and still growing, commitments in foreign currencies, the success of Mr. Bratianu's 1926 Budget project seems to depend entirely upon his—or, perhaps better, the country's—ability to hold up the lei. If exchange could be maintained at around 1,000 lei to the £, Mr. Bratianu could be reasonably sure of meeting his foreign obligations out of next year's Budget revenue. If, however, the bottom falls out of the market when he begins to buy the dollars and sterling that are not provided by export taxes, a difficult situation will be created—not only for the Treasury, but for every economic activity within the kingdom.

The success of the Budget, in fact, seems increasingly to rest upon Mr. Bratianu's ability to raise a foreign loan of sufficient size to permit a reasonable degree of currency stabilisation being attained. The Finance Minister's recent public utterances have begun to stress the fact—after almost four years of denial—that the Government are now ready to give serious consideration to foreign borrowing. He does not yet admit that negotiations have actually begun, but the willingness during recent weeks to settle American obligations (commercial as well as governmental) is taken here to foreshadow that the Titulescu Mission is now endeavouring to conclude a loan in the United States—or, at the very least, to consummate the negotiations for railway and municipality credits that were under discussion in Bucharest several weeks ago, and which were postponed pending the funding of the war debt.

It perhaps might be proper here to add a word of praise for Mr. Bratianu's handling of the national finances during a very trying period and in the face of so much opposition both at home and abroad. While his economic statesmanship frequently leaves much to be desired, his courage, tenacity and honesty are national assets of very considerable value.

Letters to the Editor.

TAXABLE CAPACITY AND A SUBSISTENCE MINIMUM.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Referring to the letter by "Minimum," headed "Taxable Capacity and a Subsistence Minimum," in your issue of December 5th, there is nothing novel in the idea that a subsistence minimum is not identical for different countries. As long ago as thirty years it was urged in evidence before the various Commissions that have dealt with the financial relations between Great Britain and Ireland. Anyone who sets out to establish an actual flat minimum per head, irrespective of national conditions, soon finds himself up against insuperable difficulties. He will find that: (1) differences of climate, &c., bring about a wide difference in actual physical necessities, even ties; (2) the monetary cost of providing those necessities, even if identical in widely different places, also varies; (3) it is impossible to keep out some considerations of conventions and customs, the non-observance of which react upon life itself. Where your correspondent appears to be puzzled, probably owing to my careless use of the word "must," is that it seems to have been laid down as a principle, based upon theoretical analysis, that variations in the minimum will necessarily be in the same ratio as differences of average national income per head. This was never a theoretical conclusion at all, but a record of the facts over the area under consideration so far

as they could be ascertained; that is to say, when the ideas of each country about the minimum had been set down, and made to represent as nearly as possible the same notion qualitatively, it was found that the minimum did actually lie in a rough measure along this ratio. If the area under consideration had extended to the Eastern countries, probably this empirical result would have broken down; as it was, the result just happened. (Whether there is any underlying basis of principle why it should be so has not, so far as I am aware, been explored.)

It is perfectly true that within any one complete economic area or unit, or nation, the minimum is almost constant—a variation between London and Muggleston Parva might be conceded—and therefore the minimum does represent "a relatively greater proportion of the smaller income than of the higher," in that area. It is not intended to suggest that the difference in the minimum as between New York and Naples qualifies this doctrine at all. Neither does it mean that if the income per head in New York should in future be increased the minimum must rise with it, and in this case the ratio, empirically established, would no longer appear.—Yours, &c.

J. C. STAMP.

Shortlands, Kent, December 16th, 1925.

LIFE POLICIES PAYABLE IN REICHSMARKS.

TO THE EDITOR OF THE ECONOMIST.

SIR,—The note in your issue of the 28th ultimo with regard to the equity or otherwise of the payment in marks of the old German currency of the sum assured under life assurance policies implies, I think, far more than appears on the surface. If a German life assurance company entered into a contract with a German policyholder in return for certain premiums to pay the sum of so many marks on the happening of a certain event, it must be conceded that when the company has paid the sum assured in marks it has fulfilled its part of the contract, even though the mark then has not the international value that it had whilst the premiums were being paid. Is it seriously contended that if, in place of the German company having made the contract, a British, Swiss, or French company made the contract, it should be open to the policyholder to demand payment in marks or in some other currency, whichever suits him best at the time when the claim is made—for that is what the contention in the note amounts to? It must be remembered that life assurance companies who have issued policies in Germany in marks have also, as a rule, issued policies in other European countries and in other currencies such as Swiss francs, Dutch florins, and, if the company were a British one, when any of these policies became claims during or just subsequent to the war, the rates of exchange were very unfavourable to the company. Would anyone have expected a Swiss policyholder to be satisfied with payment in British pounds calculated at the par rate of exchange of 25.22½ to the pound whilst the market rate of Swiss francs stood at 19? But if the Swiss policyholder must be paid in depreciated francs, and the German policyholder may not be paid in depreciated marks, where is the money to come from? Such operations carried out on any scale must inevitably result in the bankruptcy of the assurance company.

It is sometimes put forward that the case of marks differs from that of other currencies, because the depreciation is so enormous and has passed out of the range of ordinary market operations. This argument, I venture to suggest, is entirely fallacious. It was not the depreciation of the mark from a rate of one thousand to the £ to one billion that mattered, but rather the depreciation from twenty to one thousand. A sum of 20,000 marks was worth £1,000 in pre-war days, but when the exchange had fallen to one thousand it was worth only £20. The later and more spectacular fall only affected the remaining £20 out of the original £1,000.

It seems desirable that this question should be carefully considered at the present time, because many British people have invested in French Government securities in francs. Their investments were made at a time when francs were more than twice as valuable as they are to-day, but one sees occasional suggestions that the French Government should compensate the holders of such securities for the loss arising from exchange. Inasmuch as those who purchased these securities would undoubtedly have accepted any benefit arising from an appreciation in the value of the franc, it is difficult to understand why they should not be expected to put up with the loss arising from depreciation. People who enter into contracts in foreign moneys surely cannot expect the maxim to be "Heads I win, tails you lose" (or at all events "don't win"). There is, perhaps, one difference between this case and that of the life assurance policies. With regard to French francs, the French Government is to some extent responsible for the fall in the value of the franc. In the case of German life policyholders, neither the policyholder nor the assurance company is responsible for the depreciation in the value of the mark, but the German Government, and in a world of justice it would be the German Government that should make good the difference.

Incidentally, with regard to the particular case on which the comments are made, the fact that the company in question ceased to transact new business in Germany in 1901 does not imply that it had during the depreciation period no compulsory investments in marks deposited with the German Government. Such investments were made under legislation prior to 1901, and on the retirement of companies in 1901 the amounts deposited in various State securities such as Prussian Consols were not released, but were retained by the Aufsichtsrat until such time as all liabilities in Germany under the policies already issued had been satisfied.

I must apologise for the length of this letter, and plead that the subject is wide, and that comments in the *Economist* are too important to ignore.—I am, Sir, yours faithfully,
Bickley, Kent, December 7th, 1925. GEO. GREEN.

BOOKS RECEIVED.

- The Rise of Modern Industry.* By J. L. Hammond and B. Hammond. (London) Methuen and Co. 10s 6d net.
- Tate's Modern Cambist.* By William F. Spalding. 27th edition. (London) Effingham Wilson. 30s net.
- A State Trading Adventure.* By Frank H. Collier. (London) Oxford University Press. 12s 6d net.
- Politicians and the Press.* By Lord Beaverbrook. (London) Hutchinson and Co. 1s net.
- The Bankers' Almanac and Year-Book, 1925-26.* (London) Thomas Skinner and Co. 42s net.
- The Polish Handbook, 1925.* Edited by Francis Bauer Czarnomski. (London) Eyre and Spottiswoode, Limited. 10s 6d net.
- Aussere Wirtschaftspolitik Mitteleuropäische Pläne.* Von Dr. Gustav Gratz und Dr. Richard Schüller. (Vienna) Hölder-Pichler Tempsky. A. G. (London) Oxford University Press.
- Der Critische Mandatstaat Palestina im Rahmen der Weltwirtschaft.* Von Dr. Hans-Joachim Seidel. (Berlin) Walter de Gruyter and Co. 6 rm.
- The Disease of Unemployment and the Cure.* By Sir Ernest W. Petter. (London) Hutchinson and Co., Limited. 1s net.
- The Stock Exchange and American Banking.* Address delivered by E. H. H. Simons to the Annual Convention of the Investment Bankers' Association of America. (New York) Committee on Publicity. New York Stock Exchange.

OFFICIAL PUBLICATIONS RECEIVED.

- The following may be obtained from H.M. Stationery Office, Adastral House, Kingsway, W.C. 2 :—
- Colonial Reports :—*
- No. 1,274. *Barbados.* 1924-25. 9d net.
- No. 1,275. *Sierra Leone.* 1924. 1s 3d net.
- No. 1,277. *British Honduras.* 1924. 9d net.
- Safeguarding of Industries. Report of the Committee on Brooms and Brushes.* Cmd. 2549.
- Statistical Abstract for British India, 1914-15 to 1923-24.* 58th Number. Cmd. 2534. 3s net. *Statement exhibiting the Moral and Material Progress and Condition of India During Year 1924-25.* 60th Number. 4s 6d net.
- Agreement Between the United Kingdom and Finland for the Reciprocal Exemption from Income-tax in Certain Cases of Profits Accruing from the Business of Shipping.* November 18, 1925. Cmd. 2552. 1d net.
- Annual Statement of the Trade of the United Kingdom with Foreign Countries and British Possessions, 1924 (compared with the years 1920-1923).* Vol. I., 14s; Vols. II. and III., £1 5s each.
- A standard work of reference for the economist and trader, giving statistics of foreign trade with a wealth of detail unobtainable from the monthly returns. Vol. I. contains abstract tables of trade by countries, commodities and ports, together with particulars of transshipments under bond, and Customs revenue. Vol. II. is concerned with imports and re-exports, dutiable or otherwise, and Vol. III. with British exports. In both the latter volumes quantity, value, and countries of origin and destination are shown for every species of commodity in the import and export list. The whole constitutes a permanent record of useful facts unavailable elsewhere.
- Report to the Council of the League of Nations by General F. Laidoner on the Situation in the Locality of the Provisional Line of the Frontier between Turkey and Iraq fixed at Brussels on October 29, 1924.* Cmd. 2557. 2d net.

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STOCK EXCHANGE NEWS.

TICKET, January 6, 1926. ACCOUNT, January 7, 1926.

SEASONAL interruptions to Stock Exchange business are the fears of dearer money and a reluctance on the public's part to embark upon fresh financial adventures until the New Year shall have entered. Both these conditions are now in force, but in spite of them marked activity is shown by various Stock Exchange sections. The roar of the rubber boom gave place to a milder tone, but a sharp break in prices was soon succeeded by recovery as the raw material regained strength after a reaction.

War Fives have come very close to par several times this week. The Consol market hesitated about the Bank rate, fearing 6 per cent. Retention of the 5 per cent. minimum led to a firming-up of the price, and a further improvement occurred yesterday.

The German Potash issue proved popular, and the scrip, allotments of which were on a small scale, rose to 3½ premium. French bonds went better, and Brazilians received a little support from America. Belgians fell back because of the impression that the long-expected new loan is near its issue. Mexicans firmed up. Montenegro bonds gained several points. Peruvian Corporations lost ground after Thursday's meeting, which disappointed bulls found colourless.

Home railway stocks derived encouragement from evidence, given before the Coal Commission, of important reductions having been made by the companies in this year's coal bills. A feature amongst foreign railways was a burst of strength in Entre Rios. Other Argentines were better on the latest official crop estimates from Buenos Aires, which suggested that the previously reported rust might not be so bad as was at first feared.

Raw rubber has been moving up and down in mercurial manner. Share prices followed suit. The biggest settlement on record was dealt with on Thursday in this week. Prices hardened up after being decidedly flat. The tea group attracted favourable attention, and many rises have occurred. Oil shares, still left largely to professionals, have fluctuated rather aimlessly. The shipping market is dull. Iron and steel shares inclined to improve upon a comforting speech by the chairman at Wednesday's meeting of Dorman Long proprietors. Tobacco shares are good, although the absence of a bonus from the British American declaration was a disappointment. The insurance and banking lists aroused no fresh attention. Courtaulds, with other artificial silk and textile shares, have been dull for want of public interest. Dunlops tricity shares are better, people buying them on the idea that forthcoming reorganisations may serve to strengthen the market. Cable, equipment and wireless issues are placid, and the brewery market felt the effect of sales made in order to finance rubber purchasers.

South Africans received little accession of business from the dividends that have been declared during the week. In most Chartered advanced smartly, giving a taste of their old volatile quality upon dividend hopes. Other Rhodesians acquired small gains. The tin list picked up strength upon a rise in the price of the metal. Various Malayan shares went ex-dividend on Thursday, and recovered part of the deductions. Other mining shares are quiet. Burma Corporations were bought on the anticipation of an increase in the dividend now imminently due for declaration.

Stock Exchange shares, credited with £25 paid, have risen to 139. Nominations, however, are lower at 325, the hand of death having fallen heavily of late upon Stock Exchange ranks. It is less melancholy to record that a number of resignations are about to take effect owing to the remarkable activity of business during the last few years in tea, industrial and rubber shares.

NEW ISSUES.

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

	Nominal Capital.	Cash Subscription.	First Payment.	Further Liability.
Amount previously recorded.....	£ ..	£ 219,310,790 ..	£ ..	£ ..
ISSUES OF THE WEEK—				

NATIONAL SAVINGS CERTIFICATES.

NET RECEIPTS INTO THE EXCHEQUER WEEK TO DEC. 12, 1925.

April 1, 1925, to Dec. 12, 1925.	£2,250,000 ..	50,000 ..	50,000 ..	
To the Public—				
Canard Steam Ship Company, £4,000,000 5% Mort. Deb. Stk. 1941-46, issued at 98% to redeem £4,000,000 7% Mort. Deb. Stock	4,000,000 ..	3,880,000 ..	400,000 ..	3,480,000 ..
British Tanker Co., £4,000,000 5½% First Deb., repayable at par on or before Jan. 1, 1936, issued at 97%	4,000,000 ..	3,880,000 ..	400,000 ..	3,480,000 ..
Dunlop Rubber Co., £2,000,000 6% Deb., red. 1929-1940, issued at 98%	2,000,000 ..	1,980,000 ..	200,000 ..	1,780,000 ..
Textiles Trades Corporation, £1,000,000 7% 1926-1946 Trust Certs., at 93%	1,000,000 ..	930,000 ..	100,000 ..	830,000 ..
Drapery and General Investment Trust, £600,000 7% Cum. Prf., £1, at par	600,000 ..	600,000 ..	75,000 ..	525,000 ..
Do £500,000 6% Deb. Stock, at par	600,000 ..	600,000 ..	60,000 ..	540,000 ..
Apex Artificial Silk, 300,000 8% Cum. Prf. Shares of £1 each, at par	300,000 ..	300,000 ..	37,500 ..	262,500 ..
Western Viscose Silk Mills, 300,000 10% Pref. Shares of £1 each, at par	300,000 ..	300,000 ..	37,500 ..	262,500 ..
Do 1,000,000 Def. Shares of 2s each at par	100,000 ..	100,000 ..	100,000 ..	..
Kirkless Artificial Silk Manufacturing, 135,000 Deferred Ord., 2s, at par	13,500 ..	13,500 ..	13,500 ..	..
Do 67,500 10% Pref. Ord., £1, at par	67,500 ..	67,500 ..	8,437 ..	59,063 ..
Sungei Telor (Malaya) Rubber Estate, 1,750,000 Shares, 2s, at par	175,000 ..	175,000 ..	43,750 ..	131,250 ..
Fortrose Rubber, 180,000 Shares, £1, at 21s	180,000 ..	189,000 ..	45,000 ..	144,000 ..
Trinidad Friendship Petroleum Co., £60,000 10% Prf. Pref., 5s, at par	150,000 ..	150,000 ..	30,000 ..	120,000 ..
Total offered to the public	..	9,285,000 ..	1,150,687 ..	8,134,313 ..
To Shareholders only				
Bangrin Tin Dredging, 124,000 Shares, £1, at £1 5s	124,000 ..	155,000 ..	155,000 ..	..
Layang Rubber, 750,000 Shares, 2s, at 5s	75,000 ..	112,500 ..	112,500 ..	..
London and New York Investment, 60,000 Ord. £1, at 27s	60,000 ..	81,000 ..	40,500 ..	40,500 ..
Second Scottish Western Investment, 20,000 Shares, £10, at £11	200,000 ..	220,000 ..	110,000 ..	110,000 ..
Waterfall (Selangor) Rubber, £200,000 7% Deb. Stock, at par	200,000 ..	200,000 ..	200,000 ..	..
Total to shareholders only	..	768,500 ..	618,000 ..	150,500 ..
Total offered for subscription to date	229,414,290 ..	1924	209,326,100 ..	..
1925	207,054,575 ..	1923	271,393,173 ..	..
1924	269,927,945 ..	1922	573,675,650 ..	..
1923	571,887,650 ..	1921	388,978,203 ..	..
1922	370,141,418 ..	1920	367,549,666 ..	..
1921	362,843,297 ..	1919	1,036,069,963 ..	..

Dunlop Rubber Company, Limited.—Share capital £20,000,000, of which £10,790,048 has been issued. The authorised and issued loan capital is £5,000,000, in 5½ per cent. first mortgage debenture stock, repayable by 1954. In addition there is outstanding £1,483,463 8 per cent. debenture stock, which will be redeemed on January 1st next "out of funds reserved for the purpose." This is an offer for sale of £2,000,000 6 per cent. 15-year second mortgage debentures at £98 per cent., repayable at £102 per cent. by means of a cumulative sinking fund commencing in 1927, to be applied at any time in purchasing the debentures on the market at or under £102 per cent., or in drawings to be made in December of each year, the first in 1929 and the last in 1940. They will be a specific mortgage on land and buildings, fixed machinery and plant, and interests in subsidiary companies and a second floating charge, subject to the 5½ per cent. stock, upon remaining assets. The company reserves the right of redemption at £103 at any time after January 1, 1932. In a letter from the chairman of the company, it is stated that the object of the issue is to provide the major portion of the purchase price of controlling interests in certain companies. The assets of the company as at December 31, 1924, including the present issue, are given at £15,850,931, of which £8,080,375 is represented by investments, at or under cost, and advances to subsidiary companies. It is certified that the net profits (before charging taxation) of the company and its subsidiaries amounted in the ten months to June 30, 1922, to £1,878,253, and in the twelve months to December 31, 1924, to £1,813,842. The combined profits of the companies now being acquired, before allowing for taxation and directors' and managerial remuneration, amounted in 1922-23 to £265,332, in 1923-24 to £268,634, and in 1924-25 to £310,946. The purchase price of the shares being acquired is £2,500,000, payable in cash. A well-secured issue.

Drapery and General Investment Trust, Limited.—Capital £3,600,000. This is an issue at par of £600,000 6 per cent. debenture stock and 600,000 7 per cent. cumulative preference shares of £1 each. The debenture stock will have a first floating charge on assets. During the year ending December 31, 1927, and each succeeding year a cumulative redemption fund calculated to be sufficient to redeem the whole of the outstanding debenture stock on or before December 31, 1961, will be applied in redemption by annual drawings of the debenture stock at the rate of £102 per cent. or in the purchase at a price less than £102 per cent. plus accrued interest thereon, the fund available for drawing being reduced by the nominal value of stock so purchased. The company also reserves power at any time after December 31, 1930, to pay off at £105 per cent. the whole of the debenture stock which may be outstanding on giving six months' notice. Any debenture stock not previously redeemed or paid off either by drawings or otherwise will be paid off at £102 per cent. on December 31, 1961. The company has been formed to acquire shares and securities of companies carrying on the business of drapery and department stores. The company has agreed to purchase interests in several well-known businesses, including Marshalls, Limited, Plummer Roddis, Limited, Pettigrew and Stephens, Limited, and the combined net profits available for dividends and reserve are certified to have risen from £188,474 in 1922-23 to £200,662 in 1924-25, and the net assets being acquired are valued at £1,673,490, without allowing for goodwill. The sum required to meet the interest and redemption of the debenture stock is about £42,000 per annum. The purchase price for the interests to be taken over (except one of the businesses) is £1,851,399. The vendors have subscribed for the whole of the ordinary shares at 23s per share. The directorate is a good one, and the undertaking is an interesting combination of companies which, if efficiently controlled, should prove prosperous.

Foreign, American, and General Investments Trust, Limited.—In order to comply with Stock Exchange regulations, particulars are advertised of an issue of £500,000 of 5 per cent. second debenture stock. The issued capital is £2,000,000. The stock now issued is to be repaid at par on December 1, 1960, and can only be paid off prior thereto in the event of a liquidation. The stock will be secured by a floating charge on the undertaking and all the revenues and property of the company present or after acquired, but not upon its uncalled capital, such charge to be subject to the rights of the holders of the company's 4 per cent. perpetual debenture stock now outstanding or to be hereafter created, ranking *pari passu* therewith up to a total amount not exceeding one-third of the share capital of the company for the time being issued and fully paid up. £250,000 of the stock has been sold at 95, less a commission of ½ per cent. An option has also been given to the purchasers on the remaining £250,000 at 95 plus accrued interest from January 7, 1926, less a commission of ½ per cent. Prospectusless.

Scottish Capital Investment Company, Limited.—Authorised share capital £750,000 in shares of £10 each, all of which have been issued. Particulars of the company are advertised in order to comply with Stock Exchange regulations. Each share, when fully paid, will be converted into £6 of 5 per cent. preference and £4 of ordinary stock as from March 1, 1926. The company has been formed to carry on the usual business of an investment and trust company, and it is provided that no purchase or acquisition of any particular investment, other than Government stocks, public funds, or securities of the United Kingdom shall be made by which at the current market value at the purchase date the holding would exceed 5 per cent. of the issued capital and reserve funds or 10 per cent. of the issued share capital, which ever is greater. The future of all investment trusts depends upon the directorate, which in this case is comprised of capable and experienced men. Prospectusless.

Apex (British) Artificial Silk, Limited.—Capital £400,000 in 300,000 8 per cent. cumulative participating preference and 100,000 ordinary shares of £1 each. This is an issue at par of all the preference shares. In addition to the fixed 8 per cent., the shares can participate in the balance of profits, after providing for directors' remuneration, up to 33½ per cent. The ordinary shares are entitled to the balance distributed in any year. The company has been formed to manufacture cellulose acetate and artificial silk yarns and to enter into an agreement to acquire the world rights of the Apex processes. It is proposed to acquire a freehold factory at Edmonston, London, for £20,000. It is stated that it has been valued at £38,500. The cost of plant is expected to amount to about £75,000. The purchase price is £40,000 in cash and £100,000 in ordinary shares. The articles of association provide that the proceeds arising from the disposal of the various foreign, colonial and other rights shall be placed to a special capital reserve fund until a minimum sum of £150,000 is accumulated. Underwriters were left with over 46 per cent. of the issue.

Trinidad Friendship Petroleum Company, Limited.—Capital £750,000, divided into 600,000 10 per cent. participating preference and 2,400,000 ordinary shares of 5s each, of

which 2,289,910 ordinary shares have been issued. This is an issue of 600,000 10 per cent. participating preference shares of 5s each at par. The preference shares are entitled to a non-cumulative preferential dividend of 10 per cent., and thereafter to 25 per cent. of the balance of any profits which the company may determine to distribute by way of dividend. The company owns four properties in Trinidad, the bulk of which is leasehold, over about 1,591 acres, and on which two wells have been drilled. The company has also acquired properties in Venezuela over 2,145 acres. The present output is insignificant, and the future depends almost entirely upon the success achieved with the drill.

British Tanker Company, Limited.—Authorised and issued share capital £4,000,000 in shares of £1 each. This is an issue of £4,000,000 of 10-year 5½ per cent. first debentures at £97 per cent. The debentures will be a first floating charge over all assets, and it is provided that no prior or equal charges shall be created except mortgages and charges on additional vessels for an amount not exceeding 80 per cent. of the cost thereof. A charter has been entered into with the Anglo-Persian Oil Company for the employment of the company's existing tankers, which charter will provide for the payment of a sum for hire sufficient to cover all charges and to leave a surplus of not less than £1,000,000 per annum. The debentures are repayable at par on January 1, 1936, the company reserving the right to redeem them at £102 per cent. and accrued interest at any time after January 1, 1931. It is also provided that in each year after January 1, 1927, certain fixed sums will be applied to redemption by purchase at or under par or by drawings at par. In the first two years this amount will be £200,000 per annum, rising to £600,000 in 1933-35. The company was incorporated in 1915 to build and operate tank vessels for the conveyance of the production of the Anglo-Persian Oil Company. The book value of the fleet is stated to be £9,077,427, and the net profits, before allowing for taxation, interest on advances, &c., have varied from £1,777,288 for 1920-21 to £674,153 in 1922-23 and £1,290,844 in 1924-25. The net proceeds of the present issue will, it is stated, be used to repay advances made towards the cost of building certain tank vessels. Intending investors must not overlook the fact that the debentures have only a floating charge on assets. Moreover, the future depends almost entirely upon the prosperity of the chartering company, and although the latter is in a strong financial position at the moment, the cautious investor cannot afford to overlook the connection. It is often a matter for passing comment as to why oil-producing undertakings should need separate concerns for the transport of their products.

Sungei Kinta Tin Dredging, Limited.—Capital £200,000 in shares of £1 each, of which 55,000 have been issued as fully paid and 2s 6d per share has been paid on the remaining 145,000. The company has been formed to acquire and develop 610 acres of tin-bearing land in Perak, F.M.S. The total purchase price for properties and options taken over is £102,000, payable as to £47,000 in cash and £55,000 in fully-paid shares. It is stated that "over 540 acres of the land has been thoroughly prospected, and the boring results are very satisfactory." The particulars of the property are decidedly vague, as is so often the case with "advertisements for information only."

Sungei Telor (Malaya) Rubber Estate, Limited.—Share capital £175,000 in shares of 2s each. This is an issue of 1,750,000 shares at par. The company has been formed to acquire and develop an estate in Johore. The approximate area is 1,407 acres and the total planted area is 1,367 acres, most of which should be in bearing. The purchase price is £141,479, and is payable in cash. The total underwriting commission is 5 per cent. The directorate of the concern is an experienced one, but the prospectus would have been improved by fuller details as to condition and growth of the trees and the tapping.

Fortrose Rubber, Limited.—Share capital £180,000, in shares of £1 each, the whole of which are now offered for subscription at 21s per share. The company was incorporated to acquire and develop a rubber estate in North Johore, Malay Peninsula. The total area is 1,797 acres, of which 1,750 acres are planted. The estate is favourably reported upon, and the standard production for 1924-25 was fixed at 143,625 lbs. The purchase price is approximately £156,425, payable, presumably, in cash, though this is not made clear. The prospectus is accompanied by a detailed independent report and valuation of the property, an example which might well be followed by other rubber undertakings.

Parana Plantations, Limited.—Particulars of this company are advertised in order to comply with Stock Exchange regulations. The share capital is £750,000, in shares of £1 each, of which 700,000 have been issued. The company has been formed to acquire the shares of and to finance a company recently formed in Brazil. The Brazilian company has an original capital of 1,000 contos of reis, which will be increased to 15,000 contos, and has been formed to acquire a block of land in Parana, Brazil, together with certain options. It is proposed to develop these properties with a view to their subdivision and resale at a profit. The purchase consideration payable by the Brazilian Company is 18,720 contos of reis. In addition,

one of the vendors is to receive 4,000 contos of reis in shares, subject to their procuring, not later than March 31, 1926, the signature of a contract, satisfactory to the Brazilian company, for the construction of the branch of the Sorocabana Railway. The properties at present consist mainly of undeveloped forest land, and it is not improbable that a considerable amount of capital expenditure will be involved other than that now available before the profit-earning stage is reached. In the circumstances, therefore, the shares can only be regarded as very much of a speculation.

ACTIVE SECURITIES

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

British and Colonial Government Securities.

	Price Last Week.	Latest Price.	Rise or Fall.
War 5½% 1925-28 .. 97½ .. 97½ ..			
Loans 4½% 1925-46 .. 95 .. 94½ ..			
4½% 1925-47 .. 100½ .. 100½ ..			
4½% 1925-42 .. 100½ .. 100½ ..			
Funding Loan 4% .. 86 .. 85½ ..			
Victory Bonds 4% .. 93 .. 92½ ..			
Conversion Loan 3½% .. 74½ .. 75 ..			
Consols 2½% .. 65 .. 65½ ..			
Irish Land Stock 2½% .. 57 .. 56½ ..			
Local Loans 3% .. 63½ .. 63½ ..			

British Railways.

	Price Last Week.	Latest Price.	Rise or Fall.
Great Western, Ord. 85½ .. 86½ .. + 1			
London & North-Eastern 5% Pref. Ord. 54½ .. 55½ .. + 1			
Do Def. Ord. 19½ .. 20½ .. + 1			
London, Mid., and Scottish, Ord. 73½ .. 74½ .. + 1			
Metropolitan 69½ .. 69½ ..			
Metropolitan District 4½% .. 47½ .. 47½ ..			

Colonial and Foreign Railways.

	Price Last Week.	Latest Price.	Rise or Fall.
Asiatic & Pacific .. 88 .. 91 .. + 3			
S.A. and Pacific .. 82 .. 85 .. + 3			
B. & O. Southern .. 87½ .. 90 .. + 2½			
Buenos Ayres West. 77 .. 79½ .. + 2½			
Canadian Pacific .. 150 .. 151½ .. + 1½			
Central Argentine .. 71½ .. 72½ .. + 1			
Cordoba-Cen. Ord. Stk. 23½ .. 24½ .. + 1			

American Railroads.

	Price Last Week.	Latest Price.	Rise or Fall.
Crossapeake & Ohio .. 121 .. 132 .. + 11			
Erie .. 39 .. 40 .. + 1			
Do 4½% 1st Pref. 46 .. 47 .. + 1			

Foreign Government Securities.

	Price Last Week.	Latest Price.	Rise or Fall.
Argentine 5%, 1886-7 .. 101 .. 101 ..			
Austrian 5% Guar. 93 .. 93 ..			
Belgian 3% .. 75 .. 75 ..			
Brazil 5% Fund., 1914 .. 78 .. 79 .. + 1			
Chilian 4½%, 1895 .. 85 .. 85 ..			
Do 7½% .. 105 .. 105 ..			
Chinese 5%, 1912 .. 59 .. 58 .. - 1			
Egyptian 4% .. 82 .. 82 ..			
French 5% .. 132 .. 14 .. + 1			
German 3% .. 112 .. 12 .. + 1			
German 3½% Loan .. 7 .. 7 ..			
Do 7%, 1924 .. 102½ .. 102½ ..			

Telegraphs.

	Price Last Week.	Latest Price.	Rise or Fall.
Anglo-American "A" .. 24½ .. 24½ ..			
Marconi Wireless .. 18 .. 18 ..			

Banks.

	Price Last Week.	Latest Price.	Rise or Fall.
Barclays & C. (Ld.) .. 23½ .. 23½ ..			
Chartered Bk of India .. 21½ .. 20½ .. - 1			
Lloyds (Ld.) with £1 paid .. 37½ .. 37½ ..			
Midland (Ld.) with £1 paid .. 8½ .. 8½ ..			
Nat. Bank of Egypt (Ld.) .. 34½ .. 34½ ..			

Miscellaneous.

	Price Last Week.	Latest Price.	Rise or Fall.
Aerated Bread (Ld.) .. 1½ .. 1½ ..			
Amal. Ovens (Ld.) .. 48 .. 48 ..			
Anglo Persian Oil (Ld.) .. 48 .. 48 ..			
Armstrong (Sir W.G.) .. 37½ .. 37½ ..			
and Co. (Ld.) .. 37½ .. 37½ ..			
Ass. Pind. Cement (Ld.) .. 37½ .. 37½ ..			
Barker, John (Ld.) .. 37½ .. 37½ ..			
B'ham Small Arms (Ld.) .. 37½ .. 37½ ..			
Bleachers (Ld.) .. 37½ .. 37½ ..			
Bradford Dyers (Ld.) .. 37½ .. 37½ ..			
Brazil Traction (£100) .. 82½ .. 82½ ..			
British-American Tobacco (Ld.) .. 51½ .. 51½ ..			
Oil (Ld.) .. 51½ .. 51½ ..			
Oil (Ld.) .. 51½ .. 51½ ..			
Bryant and May (Ld.) .. 24½ .. 24½ ..			
Camman Oil (Ld.) .. 24½ .. 24½ ..			
Coats (J. and F.) (Ld.) .. 37½ .. 37½ ..			
Courtauld (Ld.) .. 68 .. 68 ..			
Conard (Ld.) .. 82 .. 82 ..			
Dorman, Long (Ld.) .. 17½ .. 17½ ..			
Forest Rubber (Ld.) .. 17½ .. 17½ ..			
Finlayson Spinners (Ld.) .. 22½ .. 22½ ..			
Forestral Land (Ld.) .. 17½ .. 17½ ..			
Furness, Withy (Ld.) .. 17½ .. 17½ ..			
Highlands and Lowlands Rubber (Ld.) .. 34½ .. 34½ ..			

Mines.

	Price Last Week.	Latest Price.	Rise or Fall.
Ashanti Gold (Ld.) .. 31 .. 31 ..			
Broken Hill Prop. (Ld.) .. 17½ .. 17½ ..			
Burns & Mop. (Ld.) .. 17½ .. 17½ ..			
Cam & Motor (Ld.) .. 17½ .. 17½ ..			
Central Mining (Ld.) .. 17½ .. 17½ ..			
Chartered (Ld.) .. 17½ .. 17½ ..			
City Deep (Ld.) .. 17½ .. 17½ ..			
Cons. Gold Fields (Ld.) .. 17½ .. 17½ ..			
Crown Mines (Ld.) .. 17½ .. 17½ ..			
De Beers Def. (Ld.) .. 17½ .. 17½ ..			
East Rand Prop. (Ld.) .. 17½ .. 17½ ..			
Gold (Ld.) .. 17½ .. 17½ ..			
Gold Reef (Ld.) .. 17½ .. 17½ ..			
Johannesburg Cons. .. 17½ .. 17½ ..			
Malayan Tin (Ld.) .. 17½ .. 17½ ..			
Modderfontein (Ld.) .. 17½ .. 17½ ..			

COMPANY MEETINGS, &c.

DORMAN, LONG, AND COMPANY, LIMITED.

RESULTS OF A DIFFICULT YEAR.

PROGRESS OF OVERSEAS BRANCHES.

NO QUESTION OF CAPITAL REDUCTION.

SIR ARTHUR DORMAN'S REVIEW OF CONDITIONS.

The 36th ordinary general meeting of the shareholders of Messrs Dorman, Long and Co., Limited, was held at the registered office, Zetland-road, Middlesbrough, on Tuesday, the 15th instant, Sir Arthur Dorman, K.B.E., in the chair.

The Chairman, in moving the adoption of the directors' report and balance-sheet, referred to the items of the balance-sheet, and after mentioning that they had had to write off out of revenue considerable sums on account of the fall in the value of stock—pig-iron alone accounting for over £60,000, he went on to say that during the year has been bad. The market has been irregular, and in the face of foreign competition, and with a lack of sustained demand, our prices have been forced down until to-day they stand at less than 20 per cent. above pre-war level.

It has been a difficult matter to keep any of our mills in regular work, and in the early part of the year we were compelled to close down the Acklam Works rather than keep them running on part time. Advantage was taken of the stoppage to carry out certain alterations in plant, which will tend to cheapen production, particularly in connection with the rolling of sheet bars, which we have lately been buying on the Continent on account of the much lower price.

During the last month or so, we have secured a good tonnage of rail orders, and this, combined with the fact that we now see our way to supply our sheet works with bars from Acklam, has justified us in again putting this plant into operation. This will have a salutary effect on unemployment, and if we do not succeed in making much of a profit, we shall at least save the cost of standing idle. It will enable us also to reduce our stocks of pig-iron, an object which, owing to the unsatisfactory conditions of trade, we have been unable to achieve during the last 12 months.

BRIDGE WORK.

During the year our bridge department, which, when I addressed you last year, was in its infancy, has progressed and gained strength. We have secured contracts for two further bridges, one over the White Nile at Khartoum and another also over the Nile at Dessouk, Northern Egypt. While neither of these is of the importance or magnitude of the Newcastle-on-Tyne bridge, they are, nevertheless, valuable to us because they give us a footing in territory which hitherto we have not explored.

The bridge at Khartoum carries with it a shareholding participation in the Sudan Light and Power Company, Limited, which was formed for the purpose of carrying out on behalf of the Sudan Government the work of equipping and operating for a period of 30 years the tramway, electric light and power and water services of Khartoum and Omdurman, as well as the construction of the bridge.

The revenue which the Sudan Light and Power Company expect to receive from the Sudan Government for operating these services is estimated to be amply sufficient to enable that company to pay their shareholders a satisfactory return on their investment. The Sudan is a new territory with great prospects before it, and we are fortunate in having secured a favourable position thus early in its development.

The bridge at Dessouk was taken in competition with well-known Continental firms, and although our price was some 16 per cent. above the most favourable Continental price, we secured the order because we were able to offer a much earlier delivery than our competitors.

THE SYDNEY BRIDGE.

Work on the Sydney Harbour bridge is proceeding in accordance with programme. In a work of this magnitude a long time must elapse before results become visible, but I may now say that the greater part of the spade work has been accomplished, and that we are shortly about to commence fabrication and erection of the approach spans, which are in themselves a work of no mean importance.

The terms of payment provided for in this contract involve our being heavily out of pocket before we begin to receive any payments of a substantial nature. The plant and buildings required, construction and fabrication have had to be supplied; a quarry

nas had to be developed, and the technical work of preparing the drawings has been costly.

All of this involves the expenditure of large sums, and in this manner some £640,000 of the overdraft shown in the balance-sheet is accounted for. We estimate that this sum will go on increasing for another eighteen months, but after that our progress payments will be on a more substantial basis, and our outstanding balance should steadily be reduced. This heavy outgoing was foreseen when framing our estimate, and due provision was included for interest charges during the time we are out of pocket.

Our bankers have agreed to finance us temporarily on this and similar contracts, but if a bridge and civil engineering department is to be maintained it must sooner or later entail the provision of permanent capital.

Work on the Newcastle bridge has proceeded well during the year and to the satisfaction of the Newcastle and Gateshead Corporations and their engineers. A point of interest in connection with this bridge is that it is designed along similar lines to those of the Sydney bridge, and although it is a very much smaller structure, it will give us a valuable experience in the erection of a bridge of this type.

OVERSEAS BRANCHES.

In the early part of the year Sir Hugh Bell and I went out to Australia to attend the ceremony of laying the foundation stone of the Sydney bridge. We took the opportunity to discuss on the spot many matters of importance with Dr Bradfield and Mr Ennis and with representatives of both the Federal and State Governments. We also visited our Melbourne and Sydney branches, both of which are doing well and contributing materially to the company's revenue.

ARGENTINE.

Our other overseas branches have made satisfactory progress. In the Argentine the British Structural Steel Company, Limited, under Major McCallum, has increased materially the sales of our products in that country, and has also expanded its capacity for local fabrication of steel buildings and similar works in order to cope with the growing needs of that progressive country. Our holding in the company now amounts to nearly 90 per cent. of its issued capital, and has increased during the year by £49,707, being 10s paid per share on our proportion of the £100,000 of new capital created by the company in connection with its expansion.

SOUTH AFRICA.

In South Africa, where we are represented by Messrs Wade and Dorman, Limited, results are also satisfactory. They are increasing their capacity of output and enlarging their stockyards, and during the year they have taken from us an increased tonnage of material. One of their directors, Mr M. C. Wade, proposes to pay a visit to South Africa in the early part of next year.

EGYPT AND SUDAN.

Our interests in Egypt and the Sudan are in the hands of the Associated British Manufacturers (Egypt), Limited, which has been reconstructed during the year, and which is now controlled by Callender's Cable and Construction Company, Limited, the English Electric Company, Limited, Messrs Hughes and Lancaster, Limited, and ourselves. We are satisfied that the step we took in taking part in the reconstruction is going to prove of benefit to us, and the bridge orders we have secured during the year afford ample evidence of the manner in which our interests are being looked after in that territory.

INDIA.

As regards India we do not feel that we are doing ourselves full justice. One of our directors, Colonel Byrne, accompanied by our commercial manager, is accordingly leaving for India with a view to examining local conditions in order to see what steps can be taken to improve our position in that country.

THE KENT ENTERPRISES.

You will naturally be anxious to know how things are progressing in Kent, where our interest is now a very important one. During the year sinking at Betteshanger Colliery has proceeded generally in accordance with programme. Some delay has

occurred in sinking through the water-bearing strata, but this was not unexpected, and, given reasonable conditions, Messrs Pearson and Dorman, Long, Limited, consider that coal should be reached in another twelve months' time.

At Snowdown Colliery the second shaft has now been sunk to the seam, which it is proposed to work at 1,000 yard level. Re-construction of the surface plant and equipment is almost complete, and as stated in the directors' report, Pearson and Dorman, Long, Limited, expect to put coal on the market from this colliery early next year. The seam is a 4 feet 6 inches one, of quality similar to South Wales coal. It is clean, and should be easily workable, and except for unforeseen accidents Pearson and Dorman, Long, Limited, consider that large outputs will soon be attained.

It is too soon yet to discuss the prospects of a return on our investment in Kent, but it is, at all events, satisfactory to know that a stage has now been reached where earnings are in sight which will at least reduce outgoings in other directions.

Very properly, our bankers do not take the same view with regard to the financing of a permanent development of this nature as they do with regard to the temporary financing of our bridge contracts, and your directors have, therefore, decided to sell the 500,000 debentures hitherto unissued, and to devote the proceeds towards repayment of the sums advanced by our bankers on account of expenditure in Kent. Satisfactory arrangements are being made by Pearson and Dorman, Long, Limited, for future expenditure, which will make future calls upon Dorman, Long, and Co., Limited, comparatively speaking, small.

I have now given you a brief summary of our progress during the year, and I think you will agree that, however unsatisfactory may have been the conditions in our iron and steel-making departments, we have neglected no opportunity which has offered itself of improving the position of those other departments which follow after the production of steel.

THE OUTLOOK.

"I BELIEVE WE WILL WIN THE BATTLE UNAIDED."

Turning now to the general position of the iron and steel trade, it is no better to-day than I expected it to be when I addressed you last year. Continental prices have fallen still further, and we have had to follow suit in order to keep going. In spite of the loyal adherence of our unions to the agreements in operation in the iron and steel trade, we have not been able to reduce cost proportionately, and the result is reflected in the reduced profit of this year as compared with last year.

During the year the trade as a whole applied for protection under the Safeguarding of Industries Act. We have not heard the result of the application, but there are rumours that it is not going to meet with success, and it would appear, therefore, that we may have to go on fighting our battle unaided.

We will do it, and I believe we will win through, but the trade may suffer severely before the struggle is over. Short of assistance on the lines we have asked for, the best way the Government can assist us is to devote its attention to those other occupations and industries which to-day keep up the cost of living, and which so largely swell our cost of production. I refer to extravagance of every nature, State, municipal, and private, and to the artificial standard and conditions of life in the non-competitive trades and public services of the country.

Criticism of the iron and steel trade is growing. We are accused of bad management, of inefficiency, and of all-round inability to control our own industry. We are advised to group ourselves or to enter into wholesale amalgamation. While I believe that by amalgamation and grouping we could to some extent reduce the cost of production and increase efficiency, I do not think this is going to prove the final solution of our troubles. The real evils we are suffering from are lack of demand and the disparity between conditions here and conditions on the Continent, and the real remedy for these evils is an understanding with Continental makers which would be to their advantage as well as to ours. Such an understanding would be greatly more far-reaching in its effect than any internal arrangements amongst ourselves which leave us still open to attack in an unprotected market.

QUESTION FOR THE CRITICS.

Before I leave this subject, I would like to ask our critics how many other trades in Great Britain can show prices which are less than 20 per cent. above pre-war prices. This is what the iron and steel trade is doing, and I do not think I am far wrong in saying that a return to a 40 per cent. level would enable most of us to get back once more to a dividend-paying basis. This is a position of affairs of which there is a little reason to be ashamed, when it is remembered that practically every other industry and public service is on a basis of anything between 50 per cent. and 150 per cent. above the pre-war level.

In spite of this somewhat gloomy view of the position, I cannot help thinking that we are not far from the turning. Signs are not wanting that Continental makers are feeling the pinch, and will be glad to put an end to cut-throat competition. The slump in shipbuilding cannot go on indefinitely, because ships must wear out or become obsolete. Development has been at a standstill, and cannot rest there much longer if the world's population is to be supported.

Altogether, I have a feeling that we are nearing the end of the post-war depression, and when the time comes the British iron and steel trade, which has done much to put its house in order, will be as well placed as any other trade in the world to reap the benefit in the turn of the tide.

COAL MINING.

I must confess, however, to a feeling of anxiety about the position in the coal mining industry. You will all remember that in last July the Government agreed to subsidise the industry rather than face the stoppage which then appeared inevitable. We now have it on the authority of the Chancellor of the Exchequer that by May next the subsidy will have amounted to £21,000,000. Clearly this cannot go on.

We also have it from the Chancellor that 90 per cent. of the subsidy has gone towards wages, so that when the subsidy comes to an end, there appears to be no alternative to a stoppage unless the men's leaders agree to alteration in conditions of work which will enable the industry to be carried on on an economic basis. It is earnestly to be hoped that the wisdom of looking at the matter from an economic instead of from a political point of view will appeal to the leaders, and that the country will be spared the upheaval which must inevitably follow upon a prolonged stoppage. The ultimate result of such a stoppage is certain. This country is not going to put up with experiments in the conduct of its industry, and a return to the solid economic foundations on which its prosperity depends is, in my opinion, a foregone conclusion.

I think it is right that I should now refer to a very important step taken by one of the leading iron and steel manufacturers in Great Britain. Acting under the advice of three of the most skilled commercial experts in the kingdom, Messrs Vickers, Limited, have decided on writing down their capital to a very large extent. Their action has met with unqualified approval by those best able to judge. Not unnaturally persons interested in the iron and steel industry are inquiring whether the example thus set may not be followed by others engaged in it.

CAPITAL.

I am thus led to lay before you a statement of our capital account, which will, I hope, serve to allay any anxiety felt by our own shareholders with regard to it.

Let me begin by saying that we have never laid ourselves out for anything but commerce, pure and simple, having never made armaments of any sort. It is true that at a very early stage in the war we began to supply shells and shell steel, and during its continuance we provided a very large tonnage in various forms for the purposes of war.

Thus it happened that, when the demand for war materials of all sorts ended with the war, we were able, without a moment's delay, to return to the trade which we had conducted up to 1914. In this respect we differ greatly from the great armament firm of Messrs Vickers, Limited. But I am able to go further, and to submit to you considerations which will show that there is no ground for asserting that your property is overvalued.

Take the balance-sheet as you please, and you will find that our capital expenditure connected with the materials required in the manufacture of a ton of steel and in the works to produce it stand at a very moderate figure. The total amount under this head in the balance-sheet amounts to-day to £9,684,707, but in this is comprised much more than is needed to produce a ton of steel.

All our constructional works here in the North, in London, in Melbourne, Sydney, and elsewhere are not needed to produce a ton of steel, but they are of immense value in consuming the ton when produced. The sheet and wire works stand in the same relation to us. We have developed the by-product side of our coke ovens at all our works, and, at Clarence, we have a large and profitable establishment for converting the crude by-products of the coke ovens into more advanced articles of commerce.

I am well within the mark when I place the value of all these things which lie outside our steel enterprise at from £1,500,000 to £1,750,000. This leaves a round figure of £8,000,000, and with this we can produce 1,000,000 tons of steel a year. We can provide for this output, and as regards the latter, we have a surplus which has yielded us a very handsome profit. Our output of coal is about 2,000,000 tons per annum, but this does not represent all the coal we use. We look forward to supplying this want as soon as occasion serves.

We can produce all the Cleveland ironstone we can use, and

whenever fuel and railway rates fall to a reasonable figure we believe we shall work our Cleveland mines to a profit.

INVESTMENTS.

With regard to investments, I have already dealt with several of the items. I will only now say that if I take them together I consider them as standing in our balance-sheet at a figure certainly not in excess of their value.

The item of stocks and work in progress is no doubt a very large sum, but it all forms part of the working capital, which, in an undertaking of our size, must necessarily stand at a high figure. Altogether I am satisfied that the value placed upon our assets as a whole is a fair one, and, therefore so far as we are concerned, with a credit balance in our profit and loss account, and with a general reserve sufficient amply to provide for any ordinary depreciation in the value of our property and investments, there appears to me to be no need whatever to think of any writing down in capital value. It is a matter which at no time has been discussed by your directors.

Placed as we are, a writing down would not in any way increase our earning capacity, which I consider to be sufficient to enable us to pay a reasonable dividend on the full amount of our share capital under ordinary conditions. As I have said earlier in my remarks, these conditions seem likely once more to return.

Sir Hugh Bell seconded the resolution, which was carried unanimously.

MANAGING DIRECTOR'S SPEECH.

In reply to the vote of thanks to the chairman, the managing director, and staff, which concluded the proceedings, Mr Arthur Dorman, managing director, said that the past year had certainly been a very trying one for the officials and employees of the company, for orders had been very scarce, and this had made it most difficult to balance satisfactorily the operations at our various works.

Your chairman has remarked that iron and steel makers are accused of inefficiency. We are criticised that we do not make sufficient use of surplus blast-furnace gas. At our works during the past year, although we have only operated at about 60 per cent. capacity, we generated 55 million units of electricity all from our surplus blast-furnace gas.

Our various works have been well maintained during the year, and are now in first-class order, and I feel sure that were trade to pick up but a little, we should soon reap the full benefit of the money we have expended in recent years.

I should like to take this opportunity of expressing my thanks to the officials and staff of the company for the excellent work which they have done during the year, for, personally, my work has been made very much easier by the loyal assistance and co-operation which they have so ungrudgingly given.

BANK OF LONDON AND SOUTH AMERICA, LIMITED.

SUCCESSFUL YEAR—INCREASED DIVIDEND.

The annual general meeting of the Bank of London and South America, Limited, was held, on the 16th instant, in London, Mr J. W. Beaumont Pease presiding.

The Chairman, in the course of his speech, said: "Gentlemen, the report and balance-sheet which I have the pleasure of presenting to the shareholders to-day is the first real complete one for twelve months since the amalgamation of the London and River Plate Bank and the London and Brazilian Bank. I am glad, therefore, that it is as satisfactory as I am sure you will consider it to be. Dealing with the profit and loss account, our gross profit appears to be slightly over £100,000 less than last year. In this connection, however, I may say that our last year's figures included eight extra months' profits of the London and Brazilian Bank branches. The same remark applies to the items on the other side, of charges, &c., standing at the figure of £1,325,462. Next year these discrepancies will cease, and you will have a truly comparative statement. The available balance of profit, after placing substantial sums to our inner reserve, stands at £725,100, and is about £100,000 more than last year.

Well, gentlemen, we have had a good year, and we have reaped the benefit of greater activity of trade in South America, combined with the increased economies and efficiency which we anticipated from the fusion of the two banks.

We propose to distribute our profit by increasing our dividend to 11 per cent. for the year, and I feel sure that our shareholders will approve of our recommendations to share our increased prosperity with our staff by voting them a bonus which will absorb £66,000, leaving to be carried forward the balance of £411,300, which is practically the same figure as that brought in.

ARGENTINA.

Argentine production and export during 1925 did not come up to the 1924 figures either in volume or in value. Nevertheless,

conditions among producers are financially favourable. The export season ends with a surplus of cereals and of wool in hand, but even at current prices the agriculturist is well rewarded, and his prosperity is greater than it has been for many years. This has been reflected in the avidity with which rural property has been bought when large lots have been sub-divided, while the general movement of the railways, as shown by their return traffic returns, also testifies to the satisfactory state of affairs up-country.

Pastoral interests have benefited by a substantial advance in the price of cattle. New freezing works at Rosario and in the southern port area of Buenos Aires indicate the prospect of a period of prosperity for the cattle industry. Wool suffered from the world-wide decline in prices for the staple, some 30,000 bales being estimated as carried over from the last season's clip, and the new season sees no great improvement in price. The clip this year, though expected to be small, is of good quality. In hides and miscellaneous produce values have been well sustained, and cotton exports, though still small, are increasing, and are sufficient to show that this quite new product for Argentina is obtaining a firm footing.

The official returns for the first six months of 1925 showed an increase of \$46,000,000 gold in imports over the corresponding period of 1924. The estimated real value of the total imports is given as \$438,373,857 gold, as against \$412,254,069 gold for the corresponding period of 1924. Competition is keener than ever, especially in textiles, both cotton and woollen; yet there is good reason to think that Manchester and Bradford are steadily improving their position.

The sound position of the banks has been maintained during the past year, both deposits and cash reserves showing an appreciable increase. The proposed special banking legislation introduced as a Government measure has not yet reached the length of congressional discussion, but it may be affirmed that the results of previous years abundantly show that Argentina's banking system may be considered, on the whole, eminently satisfactory and well fitted to the country's needs.

CROP PROSPECTS.

Our latest telegram, despatched from Buenos Aires on December 14th, in regard to crop prospects and climatic conditions, reads as follows:—

"Due principally to violent atmospheric changes in November, brilliant prospects for wheat have not materialised, nevertheless, careful estimates give probable exportable surplus 3,400,000 tons, market firm with advance of 25 per cent. as compared with prices last month. Linseed and oats very promising, exportable surplus estimated will be 1,400,000 and 800,000 tons respectively. Maize in excellent condition, and in view of large area sown yield should be record for the Argentine, providing timely rains forthcoming. Wool clip satisfactory and prices remunerative, but market dull."

URUGUAY.

In Uruguay the weather during the winter and spring has been exceptionally favourable, and both cattle and sheep are reported to be in fine condition. Cattle suitable for frigorifico requirements should be available in adequate numbers early in the approaching season, and a large wool clip is anticipated, of a cleaner fibre than last season.

As the disturbing feature of fluctuating exchange tends to disappear with the approach of the local currency to the gold parity, business in general is acquiring a more solid and less speculative character, and, given a fair market for the country's produce, prospects are encouraging.

A State Pension Law was promulgated in May; the subscriptions imposed on the banks are very onerous, and add materially to working expenses.

A scheme for the establishment of a free port at Colonia, opposite Buenos Aires, has received legislative sanction, and a company with an initial capital of \$2,000,000 has been formed, and has acquired the necessary land. Manufacturers are to be encouraged by the admission free to the port and adjacent zone of raw materials, machinery, &c. Harbour accommodation for ocean steamers is contemplated.

CHILE.

The past year has been rather uneasy for Chile, but happily there are favourable indications that an era of stability, both political and financial, is about to dawn for this progressive country.

The staple industry, nitrate, remains firm and flourishing, and the pessimism expressed in some quarters that natural nitre was to be rapidly ousted by the synthetic article has had little justification. It is true that the manufacture of synthetic nitrate is increasing, but as the great value of nitrate, not only as a fertiliser but as a check on parasitical pests, becomes more widely appreciated, there would seem to be no reason why the world markets

should not be able to absorb the output of both the natural and artificial product.

The total production in Chile during the nitrate year ended May 31st last was 2,410,000 tons, an increase of 190,000 tons over the previous year, while the exports during the same period, 2,566,000 tons, are an improvement of 390,000 tons. Sales for the current nitrate year show no diminution, and to the middle of November 1,400,000 tons had been sold for delivery this season.

Scanty rains during the early months of the winter gave rise to fears of repetition of last year's drought; fortunately such a disaster had been averted by copious later rains, while heavy snowfalls in the Andes have secured a plentiful supply of water for irrigation purposes. Farming prospects are thus favourable, and, although this industry is not so vital to Chile as it is to its neighbour on the other side of the mountains, it is of great importance in supplying the country's own needs. The yield last season permitted also the export of barley and other cereals to the value of 2½ million pounds sterling.

The copper output was somewhat lower in 1924, being valued at £10 millions, against £12 millions in 1923.

The total exports of Chile were valued at £45,110,000 in 1924, and the imports at £27,244,000, the balance in his favour being nearly £18 millions.

A law has been passed to stabilise Chilean currency, which puts their money on a sound gold basis. We may reasonably hope that trade expansion will naturally follow on the security afforded by a stable exchange.

COLOMBIA.

The Republic of Colombia continues to develop rapidly and along sound lines, and we have found it necessary to increase our representation there by an agency near the coast at Barranquilla, which was opened in May last.

PARAGUAY.

Under an efficient Government and with a stabilised exchange there is a marked improvement in the economical and financial conditions of Paraguay. Trade in general has been brisk during the year, and there is every reason to hope that the prevailing prosperity will continue. The natural resources of the country are being steadily developed. Interest on Paraguay's foreign debt is now being remitted regularly to London every month, and arrangements have also been entered into with the Council of Foreign Bondholders under which a sinking fund for £15,176 yearly amortisation has been established.

BRAZIL.

The course of Brazil's finances during the past year has given cause for considerable appreciative reflection. In May last the value of the milreis was quoted at a little under 5d, whereas during October the average rate was in the vicinity of 7½d, thereby showing an advance of 50 per cent. in the sterling value of the currency.

The improvement is due to the fact that the sound policy of retrenchment, reorganisation, and consolidation of the nation's finances, steadily and conscientiously carried out by the present Government for the past three years, is now bearing good fruit.

Despite the oppressive burden which low exchange rates have imposed upon Brazil during the past three years, a very satisfactory feature in the financial administration is that the interest on her foreign and internal loans has been regularly met, and, moreover, no new external loans have been contracted for by the Federal Government.

In recent years the exportation to Great Britain of Brazilian merchandise has shown a steady decrease, the sterling value in 1913 being £8,623,309, compared with only £3,263,213 last year. However, the value of goods purchased by Brazil from Great Britain has consistently increased since the war, and our sales last year almost reached the 1913 figure, actually amounting to £16,347,000. Unfortunately, the present export of British coal to Brazil is only 45 per cent. of what it was in 1913, whereas shipments from the United States of America have increased to nearly three times that of her 1913 sales.

COTTON INDUSTRY.

The actual position of the cotton industry in Brazil is not particularly encouraging, for a serious setback in the price for the raw product has been registered during the past year, currency values having declined about 50 per cent. Naturally, planters are apprehensive, and merchants find themselves in a predicament. However, those who have followed the cotton market will remember the pessimistic reports as to the American crop, and the prospective shortage of supply available for Manchester, the gravity of which subsequent events fortunately discounted; but one effect was to cause exceptionally high local prices for Brazilian cotton, which the low rates in exchange and high Customs tariff rather intensified. The reaction was encouraged by two influential factors—first, the easier position of the Liverpool market, and, second, the

rise in Brazilian exchange, which tended to diminish the currency value of raw cotton.

The undoubted facilities which the country offers for cotton production, and the growing consumption by local factories, in addition to the increasing requirements of British and other mills, all assure a profitable future for the industry as a whole.

In conclusion, I am happy to be able to report that, as in South America generally, so also in the Continent of Europe, our branches in Lisbon, Oporto, Paris, and Antwerp all show further improvement and progress.

The report and accounts were unanimously adopted.

NATIONAL BANK OF SCOTLAND, LIMITED. STRONG POSITION.

The 100th annual general meeting of the proprietors of the National Bank of Scotland, Limited, was held, on the 17th instant, in Edinburgh. The Rt. Hon. Lord Ronaldshay, P.C. (the deputy-governor), presided.

After referring to the loss sustained by the death of the Governor, the Duke of Montrose, the Chairman, moving the adoption of the report and accounts, said:—The profit shows a slight reduction compared with that of a year ago, but your directors consider the result satisfactory, looking to the difficult conditions which have existed; and I trust that in the circumstances it meets with your approval.

After having made a short reference to the present conditions of trade at home and abroad, the deputy-governor said:—Coming to the figures in the report you will see that the year's profit has warranted your directors in again declaring the same dividend of 16 per cent., and that they have been in a position to increase the reserve fund by £50,000, bringing the amount up to £250,000 in excess of the paid-up capital.

Coming to the balance-sheet, you will note that the deposits stand at £31,200,756 and show a slight increase, while the note circulation shows a small decrease.

As in past years, liquid funds show a sound position—cash in hand and short money being over 20 per cent. of the total liabilities to the public. The investments are largely Government securities, readily realisable, and therefore liquid in a large degree, and it is satisfactory to note that the figures at which these securi-



The Anglo-South American Bank Limited.

Head Office:
117 Old Broad Street, London, E.C.2

Authorised Capital	: : : : : £10,000,000
Reserve Fund	: : : : : £4,000,000
Issued Capital	: : : : : £3,734,660
Paid-up Capital	: : : : : £2,367,330

The Bank, in addition to 7 Branches in
SPAIN
has with its
AFFILIATED INSTITUTIONS
THE BRITISH BANK OF SOUTH
AMERICA, Ltd., and
THE COMMERCIAL BANK OF
SPANISH AMERICA, Ltd.

53 offices in the principal countries of
LATIN AMERICA

Auxiliaries Abroad:
ANGLO SOUTH AMERICAN TRUST CO.
(Incorporated under the laws of the State of New York),
NEW YORK.
BANQUE ANGLO-SUD AMERICAINE, SOG. ANON.,
PARIS.
Northern District Office: 81, Market Street, BRADFORD.
Lancashire Branch: 14, Spring Gardens, MANCHESTER.

ties stand in the balance-sheet are considerably below their actual market value at the present time.

The advances—bills discounted, loans, and overdrafts—show an increase of £715,315 during the year, and while these fluctuate from week to week the increase is due to further advances made for financing trade throughout the country.

The question of the welfare of the staff has at all times the sympathetic consideration of your directors, and, in addition to the allocations to pension scheme and widows' fund above mentioned, they have seen their way to continue for another year the staff profit-sharing scheme, which they realise is helpful to the bank's prosperity by engendering an extended interest by the staff in promoting the bank's business. They appreciate, and they record with pleasure, the satisfactory work done by all members of the staff, and they recognise the loyal service given and the careful attention to the bank's interest.

The report and accounts were adopted.

ORIENT STEAM NAVIGATION COMPANY, LIMITED.

QUESTION OF RESERVE CAPITALISATION.

The twenty-sixth ordinary general meeting of the Orient Steam Navigation Company, Limited, was held, on the 15th instant, at 3 and 5 Fenchurch Avenue, London, Sir Kenneth S. Anderson, Bt., K.C.M.G., presiding.

The secretary (Mr T. F. Tallents) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said that, after providing for depreciation and contingencies, the profit on the past year's working was £320,790, as compared with £295,376 last year. The managers recommended that £200,000 be transferred to general reserve account, and that a dividend on the deferred shares at the rate 12½ per cent., free of income-tax, be paid. The company had carried more passengers, both outwards and homewards, and the earnings under these headings were bigger. There were indications that travel for business reasons was on the increase, but they were still a long way from carrying the number of saloon passengers which they carried in 1912-13. Increased inquiry for round-the-world fares promised a reviving interest in pleasure travel, but here again they had much leeway to make up before they approached their pre-war figures. Migration traffic showed no signs of expansion; indeed, it was difficult to say that any advance whatever had been made, despite all the spade work which, during the last five years, had been done in this country for its promotion. Shippers of outward cargo continued to give the company good support, and they had derived some slight benefit from the aggregate increase in berth cargo shipped from the East Coast ports of the United Kingdom during the year. The volume of berth tonnage offering was still, however, on the average, 100 per cent. in excess of the cargo available.

BOARD'S CONSERVATIVE POLICY.

But for the conservative policy pursued by the managers in the past, it would have been difficult, if not impossible, to build up the fine fleet they now possessed, and for that reason, as well as to meet other contingencies, foreseen or unforeseen, they must continue to add to their reserves. Those reserves had already been translated in part into fixed capital employed in the form of steamships or otherwise in the company's business, and this process would continue. That being so, the managers were considering whether it would not be desirable to make the capital account reflect more accurately than it did the amount of money which the shareholders had at risk in the business, and the rate of return which they received upon that money. Whatever adjustment they might recommend in the capital account, they would not contemplate the capitalisation of more than some portion of the reserves, though they were all represented by net assets which stood in the books at a safe value.

ATTEMPT TO PARALYSE BRITISH SHIPPING.

At the end of August a concerted and simultaneous attempt was made to paralyse British shipping in Australia, New Zealand, South Africa, and the United Kingdom. In South Africa it collapsed at a relatively early date, and in the United Kingdom it was from the start a signal failure, although all the usual methods of violence and intimidation which the present state of the law countenanced were fully employed. In Australia and New Zealand, with some few exceptions, it succeeded in achieving an almost complete hold-up of British ships for three whole months. The men who struck, and in many cases whole crews, broke their articles by desertion or refusal of duty. For that reason the strike was fated to failure from the start. It had inflicted enormous losses on the owners, thus diminishing the fund out of which wages were paid, and in so far as these losses were represented by the freight which the ships should have carried, it had *pro tanto*

gone to strengthen the position of our foreign competitors, who were paying about half the wages current on British ships. It had brought discredit on the good faith of British seamen, it had inflicted a blow at trades unionism and the principle of collective bargaining, and it had also entailed much inconvenience, and loss to producers, importers and exporters. But for this deplorable setback it would, he believed, have been possible to look forward hopefully to the results of the current year. Shipping in general was still a very black spot, if not the blackest spot of all, but ship-owners had never asked for subsidies. What they did ask for was Government economy and lower taxation, a halt in the incessant growth of statutory regulations, and abstention on the part of the Government from ratifying and giving effect to international conventions before they had been ratified and given effect to by other maritime nations.

Mr G. F. Hotblack seconded the resolution, which was carried unanimously, and the formal business having been transacted, a vote of thanks to the managers, Messrs Anderson, Green and Co., Limited, terminated the proceedings.

VICKERS, LIMITED.

PROPOSALS FOR REDUCTION OF CAPITAL.

An extraordinary general meeting of the members of Vickers, Limited, was held, on the 17th instant, in Sheffield, for the purpose of considering resolutions providing for the reduction of the capital and for certain alterations of the articles of association. Mr Douglas Vickers, the chairman of the company, presided.

The Chairman explained why the directors approved of the recommendations for the reconstruction of the company made by Mr Dudley Docker, Mr Reginald McKenna, and Sir William Plender, whom for convenience he would thenceforth describe as "their advisers." Having explained the necessity of bringing the resolutions before the shareholders at such short notice, the chairman came to the circumstances which had led to the calling in of their advisers. In 1913 the company had reached the summit of its prosperity. At that time they had works in Sheffield and Barrow, and a group of works at Erith, Crayford and Dartford, which they had acquired 30 years ago by absorbing the Maxim-Nordenflet Guns and Ammunition Company. It would hardly be exaggerating to say that all these works, except Sheffield, had been engaged exclusively on armaments. Even in Sheffield the proportion of civil work to armament work was very small. They had also the Wolseley Works, for even before the war they had foreseen the danger of depending exclusively on armaments, and had selected motor-car manufacture as a peace trade very suitable for association with the Sheffield works.

The following years the war had come. They had been among the first firms to be controlled. They had been obliged to make extensions to their armament plant at once, and at the end of the war they had still been extending. Unfortunately, some of their extensions had taken the form of subsidising other companies to enable them to manufacture material necessary to complete Vickers' products.

With the end of control after the war they had found themselves with the war plant in Sheffield and Barrow increased by more than half, and in the Erith group of works more than doubled, with the Wolseley works much increased and with a very large factory for fuses and cases on their hands in Birmingham. They had applied themselves to finding civil work for those factories, or rather for such parts of them as could be used. They had tried a good many new manufactures, most of which had been successful. Cement machinery, oilwell material, railway springs, files and magnets, and some interesting engineering work on a small scale at Erith.

Before the war Vickers had an electrical department which it had been the board's intention to extend. However, the opportunity had offered itself to secure control of the British Westinghouse Company in association with the Metropolitan Carriage Wagon and Finance Company. These relations had led to a fusion with the latter company in 1919. It was then hoped that the earnings would help to bridge over the period during which it was obvious that armament orders would be only small. Unfortunately for the company, the Washington Conference had reduced programmes to a minimum, and restrictions in facilities for loans in this country had led to orders being placed in France which might otherwise have been executed here.

PRESENT POSITION AT WORKS.

That brought them to the position at July last, when they had asked their advisers to report, a position which had not changed substantially since. Orders for the gun and armour plant in Sheffield were very small, but the old and new departments for civil work were almost without exception making profits. The gun mounting and engineer departments at Barrow were fairly well employed, but the ships under construction, with the exception of a cruiser for the Government and two submarines for Australia,

were fast approaching completion, and inquiries for new work were so scarce that orders could not be obtained if the tender was based on full charges. It was, therefore, not reasonable to expect substantial profits from Barrow.

Weybridge Works were doing well. Erith Works were making reasonable profits out of war material and civil products, and Crayford and Dartford were about paying their way. The electrical interests were doing reasonably well, but, though steady, the dividends were not as large as anticipated.

A general review showed that the earning capacity of the company's assets had been seriously reduced by shortage of armament work and by general bad trade and intense competition, and that the same had to be said, almost without exception, of the assets of subsidiary companies, that there were certain possible liabilities which might fall on the company, and that there was little or no prospect of the advances made to some of the subsidiaries being repaid.

VALUE OF THE ORDINARY SHARES.

Referring to the advisers' report in some detail, the Chairman pointed out that the reserve fund disappeared. He also explained that by the reduction of the ordinary shares from £1 to 6s 8d the intrinsic value of the assets was not altered, and that each shareholder would continue to hold the same *pro rata* interest in the company as now. The real basis of the alteration recommended was the estimate of future earning capacity. The company had about 12 million ordinary shares, and if the amount available after providing for preference charges was £300,000, each share would be entitled to 6d, irrespective of whether it was reduced from £1 to 6s 8d or not. The advantage accruing to the ordinary shareholders from the alteration lay in the sweeping aside of all the liabilities hanging over them, thus making the profits distributable and not kept back to make up capital losses.

One of the advantages of the present scheme was that the board were now in a position to shut down plant and wind up subsidiary and affiliated enterprises which did not, or were not likely to, contribute to the earnings of the company. The Chairman confirmed the last paragraph of the report—namely, that the company held over £2,000,000 of Government securities apart from the further large liquid resources held through subsidiary companies and not disclosed.

In concluding, he repeated that the alterations proposed had the support of the board, which included the three largest shareholders in the company.

He formally moved the resolutions, which were seconded and carried.

CARRERAS, LIMITED.

ANOTHER SUCCESSFUL YEAR.

The twenty-second annual general meeting of Carreras, Limited, was held yesterday at Arcadia Works, City road, London, E.C., Mr Bernhard Baron, chairman and managing director of the company, presiding.

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

The Chairman said: Last year I was not able to be present at our annual meeting, so I could not personally congratulate you on the good result which was then reported. That, however, gives me the opportunity of offering you a double congratulation on this occasion, because we have followed up a good year in 1924—which was our twenty-first anniversary—with a still better year for 1925.

You will notice from the accounts which have been sent to you that we have an available balance of profit of £889,446, which I believe is a very good showing, and everyone of you should be very proud to be shareholders of Carreras, Limited.

The printed report shows you how we propose to deal with the amount at our disposal, and I need not go into any details regarding the figures.

FURTHER EXTENSIONS POSSIBLE.

Our business has grown into a very big concern, but as I have said before—and I wish to emphasise it to-day—the whole world is our field of action, and, that being so, I am confident that we are far from having reached our limits, and for a long time to come we can hope to see still further extensions of our business, both in this country and other parts of the world.

In the meantime, I may tell you that the increase in our business for the two months of the new financial year is eminently satisfactory.

I need not go into details and tell you what a great amount of work the directors are doing, or give you a detailed account of the financial position of the company.

All that I have to say to you is that at my age, with a life-long experience behind me, I am more than satisfied with the work which is being done by the younger generation. My son, Mr Louis Baron, my grandson, Mr Edward Baron, our factory

manager and director, Mr Loudon, our worthy secretary, and every member of the staff are carrying out the work of this business in such a way that I defy anyone to do it better. For this we all ought to be very thankful.

I do not think that you wish to be detained with a long speech, but I would like to say how very much pleasure it gives me to be with you to-day, to congratulate you on the past, and to tell you that, as far as I can judge, there is an even greater future in front of this business.

THE RESOLUTION.

I now move: "That the directors' report and statement of accounts as at October 31, 1925, now submitted to this meeting be and the same are hereby received and adopted; that a dividend at the rate of 50 per cent. per annum, free of income-tax for the half-year, be and the same is hereby declared, making with the interim dividend paid in June last 40 per cent., free of income-tax, for the year; also that a bonus dividend at the rate of 2s per ordinary and 'A' ordinary share, free of income-tax, be and the same is hereby declared. Such dividends to be payable to all ordinary and 'A' ordinary shareholders appearing on the register as on the 5th day of December, 1925, the date on which the share register was closed."

Mr William J. Yapp seconded the motion, which was carried unanimously.

The retiring director, Mr William H. Loudon, and the auditors, Messrs J. H. Champness, Corderoy and Co., were re-elected.

The Chairman announced that the dividend warrants for all classes of shares would be posted that night.

INCREASE OF CAPITAL.

At an extraordinary general meeting which followed the following resolution was unanimously approved:—"That the capital of the company be increased to £900,000 by the creation of 120,000 new 'A' ordinary shares of £1 each ranking *pari passu* in all respects with the existing 240,000 'A' ordinary shares of £1 each of the company, and that the following provisions with regard to such new 'A' ordinary shares shall have effect, that is to say:—(a) The said shares shall not confer upon the holders thereof the right to receive notice of or to attend or vote at general meetings of the company. (b) The said shares shall not qualify any person to be a director of the company, and shall not be reckoned in the qualification of a director. (c) Subject as aforesaid, the said shares shall rank *pari passu* as to dividends, capital, and in all other respects with the 240,000 existing ordinary shares of the company."

A hearty vote of thanks to the chairman for his services to the company and to the directors and staff concluded the proceedings.

HARRODS (BUENOS AIRES), LIMITED.

IMPROVED POSITION.

The twelfth annual general meeting of Harrods (Buenos Aires) Limited, was held, on the 14th instant, at Harrods, Limited, Brompton road, London, Sir Woodman Burbidge, Bart., C.B.E. (chairman and managing director), presiding.

The assistant secretary (Mr C. Hope Gibson) having read the notice convening the meeting and the report of the auditors,

The Chairman, in moving the adoption of the report and accounts, said:—I am sure that you will have been pleased to observe the improvement that is shown for the year, the profit being sufficient to pay the interest upon the funding certificates, and the dividend upon the preference shares, and to provide the full annual amount for the redemption of funding certificates. The profit for the year amounted to £246,066, an increase of £41,000 over that of last year. After providing for depreciation of installations and transferring £1,560 to the reserve for income-tax, the net profits available for distribution amount to £224,624. The total profits of the South American Stores for the year ended July 31, 1925, before deduction of debenture interest and redemption and income-tax, &c., amounted to £426,000, compared with £368,000 last year. These figures show the substantial progress which has been made by that company. Their distributable profit is £204,348, against £142,540. This is a very satisfactory increase of £61,800, of which £10,600 made by their subsidiary, the Chilean Stores, which they have retained in their business. The gross dividends receivable by Harrods (Buenos Aires) from the South American Stores amount to £176,764, being an increase of £39,000 for the year from that source. In conformity with the resolutions passed by you last year, the full annual total of £36,624 has been allocated to the £18,000 and redemption a trifle less than that sum. The redemption partly by way of purchase upon the market and the presence of a notary public. Full instructions have been sent to each holder of the funding certificates so drawn, and if the

drawn certificates are duly lodged, they will be paid off, less income-tax, on Monday, December 21st, together with interest up to the day of drawing.

CHAIRMAN'S VISIT TO ARGENTINA.

Altogether I have been to Argentina six times on the company's business, three times since 1920. My last visit was early this year, when I was accompanied by Mr C. Hope Gibson, the assistant secretary. I closely scrutinised the working of our stores in Buenos Aires, Santiago, and the principal branches. Your directors desired that, including other business, I should review with Mr Foucher, our managing director in South America, the effect of the measures that were introduced during my visit over a year ago, when changes were made and the local management generally strengthened. As usual upon these visits, we submitted the details of our organisation and personnel to a process of analysis and constructive criticism, and I am happy to be able to assure you that all expenses are very carefully controlled, and every effort is being made to advance the interests of the company.

The balance of profit carried down is £246,066, an increase of £41,566. From this sum we must deduct £19,882 for depreciation of installations, an increase of £1,649. Then we transfer £1,560 to reserve for income-tax, leaving a balance of net profit of £224,624 to be carried to the balance-sheet.

Now, with regard to the current year, the returns to date fall short of those of the corresponding three months of last year, the first half of which was very encouraging, but the second half of the year was not so satisfactory. Provided conditions remain stable there should, however, be little difficulty in making up this leeway, and I think that we may count upon a continuance of the steady progress of the company's affairs. I believe that when we meet next December the accounts of the company will show a further improvement in profits. The preference shares should then receive their dividend of 8 per cent. as it is proposed to maintain, for the time being, the December date for the declaration of dividends, and we anticipate that there should be surplus profits to be carried forward or placed to reserve.

The profits earned during last year more than covered the claims of the preference shares and the funding certificates, but before we consider paying any dividend upon the ordinary shares we must strengthen the reserves and the amounts carried forward by the associated companies so as to be able to meet, if necessary, any temporary setback. Much as we should like to be able to hold out the prospect of an ordinary dividend next December, we must again ask you to exercise patience for yet another year, but we feel we shall best serve the interests of the company and of the shareholders by consolidating during the current year the position, which is steadily improving.

Baron F. A. d'Erlanger seconded the resolution, which was carried.

SHOWELLS BREWERY COMPANY, LIMITED.

CAPITAL POSITION SOUND AND STRONG.

The annual meeting of Showells Brewery Company Limited, was held, on the 17th instant, at Winchester House, Old Broad street, London. Mr James Davenport, chairman of the company, presided.

The Chairman, in moving the adoption of the report and accounts, said their freehold and leasehold properties showed an increase, at £795,000, of £25,000, due to acquisition, and to a certain extent to capital outlays on rebuilding of properties, in pursuance of the policy of improvement which they had been following for some time. Then, in regard to investments, they still held £75,000 of 4½ per cent. Treasury bonds, £30,000 Victory bonds, and £5,000 War Loan, which stood in their books at £103,000, while the market value to-day was over £106,000. Trade investments showed an increase, at £31,550, of approximately £1,700. This was due entirely to the purchase of the company's 4½ per cent. debentures which they were able to secure during the year. He was glad to say they now owned nearly £44,000 of their own debentures, and as this holding, together with other valuable securities, was included in the figure of trade investments there was a considerable reserve in the figure.

The reserve account, with the allocation they proposed to-day, would be brought up to the substantial figure of £70,000, sundry creditors and reserves stood at £162,000, and the bulk of this item consisted of internal reserves which they had accumulated during the eleven years or so that he and his colleagues had been responsible for the administration of the company. The capital position might be summed up as sound and strong.

Their turnover for the year had been fully maintained, which was evidence of the uniform excellence of the beers brewed for them by their friends, Messrs Allsopp. The reduction in profits was more than accounted for by the increase of the gravities of

their beers, and the giving to their customers an even better article than they had given them before. This increased gravity had in itself cost the company this year over £14,000. They were continuing the policy of giving good values, and were satisfied that in any general return of prosperity this company would fully participate.

The directors recommended a dividend of 15 per cent. on the ordinary shares, £5,000 to reserve account, raising this to £70,000, and carrying forward to next year £8,025.

Turning to trade problems and politics, Mr Davenport said the deplorable results of prohibition, as shown by increasing crime and drunkenness in the United States, were so well realised in this country now that they need waste no time in further educating their fellow-countrymen against its dangers.

Mr H. W. Walmisley seconded, and the report and accounts were unanimously adopted.

YAN RYN GOLD MINES ESTATE, LIMITED.

RESULTS OF THE NEW CLAIMS.

The 30th ordinary general meeting of the Yan Ryn Gold Mines Estate, Limited, was held, on the 15th instant, at Winchester House, London.

Mr L. B. Burns, who presided, said that the outstanding feature of the operations at the mine during the year under review had been the notable achievement by the management of having practically made good the loss due to the fall in the price of gold during the year by a reduction in working costs, which, with other factors, brought up the gross profit to within £4,900 of that of the previous year. This had been done without encroaching unduly on rich patches, and, above all, without neglecting the maintenance of the ore reserves and development. The gross profit had reached the figure it had notwithstanding the fact that the difference in favour of the year 1923-24 in respect of increased revenue from gold premium was over £20,000. It followed, therefore, that under normal circumstances the directors might have been justified in maintaining the rate of dividend achieved in the first half of the year under review, though he did not think anyone would cavil at the 17½ per cent., free of tax, paid for the whole period.

For the five months of the current year the 37s per ton had been knocked off last year's average of 18.37s; in fact, the average so far was a fraction under the 18s. They all hoped for still further improvement for the remaining period of the current financial year as the result of the electrification of the whole of the treatment plant, which had recently been completed.

Referring to the opening up of the large block of 151 new claims acquired some time ago, comprising the ground originally held by the Modder West Company, and additional claims pegged by the company, all adjoining the Yan Ryn Company's own mining area, the chairman said that the surface prospecting had been accomplished with very encouraging success. The reef had been proved to a vertical depth of 100 ft. by winzes from the surface, which had been connected underground or partially so at the horizon of the first level. For 307 ft. of winze sinking carried out during the year no less than 80 per cent. showed payable values of 5.9 dwts over the satisfactory width of 76 ins. Although the managing director referred to that value as not being high, it was exactly 1 dwt (or 48 per ton) in excess of the average value of their present ore reserves. He was looking forward to being able to give the shareholders at their next meeting more advanced data of what might in time become an entirely new and profitable mine. The directors at their meeting that morning had resolved to declare an interim dividend of 1s per share, free of tax.

The report was unanimously adopted.

EDISON SWAN ELECTRIC COMPANY, LIMITED.

TRADING RESULTS—FOREIGN COMPETITION.

The forty-second ordinary general meeting of the Edison Swan Electric Company, Limited, was held, on the 16th instant, at the Cannon street Hotel, London.

Mr C. F. Spencer (the chairman), dealing with the balance-sheet, said that the company's bankers, the National Provincial Bank, had been a tower of strength to them during the last three years, in which the directors had been reorganising the company. The amount owing to their bankers, after deducting the amount to the credit of deposit account, was £110,000, as compared with £314,150 when the present board took up office in November, 1922. The profit for the past year was £88,344. The directors recommended a dividend of 10 per cent. on the ordinary shares, transferring £50,000 to the reserve account (which would thus be raised to £130,000), and carrying forward £29,275, an increase of £11,700. They had, out of profits, redeemed debentures to the extent of £26,606, and had specially ear-marked this sum to the reduction of patents, goodwill, &c.

As a board, however, they were not unmindful of the goodwill in the name and connections of the company, which, he believed, was the oldest in the trade. It needed no words of his to commend their electric lamps; they were British-made, the quality was excellent, and there were, in fact, no better lamps. As to the company's wireless sets and valves, these were well known to the shareholders. Referring to the trading position during the current year, the Chairman stated that the profits to November, 1925, were quite satisfactory, and that, regard being had to the general trade position of the country, the company was getting a reasonable share of the trade available.

The results achieved indicated that the company was travelling along the road to prosperity, but there was a factor which might re-act unfavourably on its fortunes, in common with those of others engaged in a similar class of business, with little chance at present of their being able to combat it. He referred to unrestricted and relentless foreign competition.

Having emphasised the difficulties of trade with open doors and without retaliatory weapons, the Chairman said that, as industrialists, they could not, however, be otherwise than grateful for the splendid work which had been done by our Government during the last six months. He saw signs of some changes for the better through the partial restoration of confidence as a result of the Treaty of Locarno, and owing to the raising of the ban on foreign issues of capital in this country, but he was apprehensive as to the nullifying effect of relentless foreign competition, which might mar the progress of many industries in this country when the flood-gates of such competition were opened.

The report and accounts were unanimously adopted.

ANGLO-ECUADORIAN OILFIELDS, LIMITED.

SATISFACTORY PROGRESS.

The seventh annual general meeting of the Anglo-Ecuadorian Oilfields, Limited, was held, on the 14th instant, at Winchester House, Old Broad-street, London.

Mr. H. W. Sillem (managing director), in moving the adoption of the report and accounts, said that expenditure on capital account for the past year was again high, but this would not come as a surprise if they recalled the chairman's remarks at the last meeting that the period under review was "a year during which the energies of the management were directed almost entirely towards completing equipment." The receipts from sales of crude oil and refined products were gradually increasing, the total receipts from all sources for the year under review being nearly £60,000, as against £35,000 in the previous year. This the board regarded as satisfactory, and they looked forward hopefully to an increase in the business in refined products for the local market when the enlarged refinery was in operation. It was not proposed to refine for export at present, and their main business must therefore be the production of crude oil for shipment overseas. They shipped their first cargo of 5,000 tons to this country in September last. With regard to future cargoes, satisfactory arrangements had been made for the disposal of their early future probable production by Sir John B. Wimble and the secretary, in the course of a visit to the United States in September. The main efforts of the directors were now being directed to the work of increasing production. It was hoped that the necessary preliminary capital expenditure was finished, and that the way was now clear to push ahead for production. There were now ten drilling rigs at work, and three more had been ordered for shipment early in 1926. Ten wells had been completed with varying production, and only one so far had been abandoned temporarily, and not as a dry hole, but owing to getting into difficulties. The wells were not large producers, but were likely to have long lives, and the oil was of good quality. Drilling continued to be slow on account of the hard formation, but, provided there is no repetition from January onwards of the heavy rains experienced in the early part of this year, progress should be steady. The total production for the year ended June 30, 1925, was 12,230 tons, while the figures for the period from July 1 to November 30, 1925, were 8,549 tons, or an average of 1,709 tons monthly. According to a cablegram just received from the field, provided there was no repetition of the heavy rainy season, wells Nos. 11, 12, 14, and 15 should enter the same oil sand as well as No. 4, and ought to be finished in the early part of next year. He would mention that No. 4 was one of the best wells the company had had, and was flowing in September last at the rate of 313 barrels per day.

The report and accounts were unanimously adopted.

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

GOVERNMENT RETURNS, &c.

NATIONAL DEBT—(Million £).

	Aug. 1, 1914.	Dec. 31, 1919.	Mar. 31, 1921.	Mar. 31, 1922.	Mar. 31, 1923.	Mar. 31, 1924.	Dec. 31, 1924.	Mar. 31, 1925.	Dec. 31, 1925.
Funded Debt	588	315	315	315	318	314	314	314	314
Term Annuities	30	20	18	16	14	14	13	13	13
3½% Conversion Loan	..	..	..	266	684	666	709	764	764
4½% War Stock	..	63	63	63	63	63	210	210	63
4½% War Stock	..	13	13	13	13	13	13	13	13
4½% and 5½% War Stock	2,047	1,995	1,953	2,095	2,166	2,017	2,052	2,052	2,052
National War Bonds	1,509	1,413	1,201	953	820	813	778	771	771
4% Funding Loan	..	409	406	399	396	396	395	395	395
4% Victory Bonds	..	360	347	335	325	314	314	360	350
Treasury Bonds	..	..	..	411	457	496	499	479	479
Exchequer Bonds	20	323	289	185	150	150	69	15	15
National Savings Certs.	..	267	285	342	354	366	364	369	370
Other Debt*	..	1,306	1,132	1,087	1,157	1,128	1,132	1,124	1,124
American Loan (Anglo-French)	..	51	121	878	616	588	626	576	646
Treasury Bills	15	1,107	1,121	147	194	186	220	167	157
Temporary Advances	..	1	243	..	..	..	..	..	..
Other Capital Liabilities	654	8,033	7,574	7,655	7,742	7,641	7,726	7,646	7,736
Total Liabilities	711	8,079	7,623	7,721	7,812	7,707	7,794	7,718	7,815

* Includes debt to American Government.

POSITION OF THE FLOATING DEBT.

	Dec. 13, '24.	Mar. 31, '25.	Dec. 12, '25.	Week ended Dec. 12, '25.
Ways and Means Advances Outstanding—	..	..	..	..
Advances by Bank of England	10,000,000	..	9,500,000	6,000,000
Advances by Public Deptms.	186,695,000	166,585,000	147,926,000	5,800,000
Treasury Bills Outstanding	632,930,000	575,610,000	646,230,000	1,350,000
Total Floating Debt	829,625,000	742,195,000	803,656,000	2,050,000

* Includes £57,000, the proceeds of which were not carried to the Exchequer within the period of the account.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1925-26. (See Note)	Total Receipts into the Exchequer from Dec. 12, 1925.	Total Receipts into the Exchequer from Dec. 13, 1925.	Receipts—Week ended Dec. 12, 1925.	Receipts—Week ended Dec. 13, 1925.
Balances in Exchequer on 1st April—	..	..	..	..	..
Bank of England	..	5,341,778	5,069,613	..	..
Bank of Ireland	..	1,215,322	1,562,001	..	..
REVENUE	..	6,557,100	6,631,614	..	..
Customs	102,040,000	72,924,000	71,463,000	2,714,000	2,258,000
Excise	137,220,000	92,496,000	93,070,000	1,886,000	1,819,000
Motor Vehicle Duties	17,500,000	5,968,000	5,105,000	..	..
Stamps, &c., Duties	66,500,000	40,940,000	42,520,000	1,280,000	1,270,000
Land Tax, House Duty & Mineral Rights Duty	24,000,000	15,980,000	13,470,000	1,250,000	230,000
Property & Income Tax	1,000,000	191,000	691,000	..	..
Super Tax	262,000,000	119,691,000	129,280,000	1,278,000	1,383,000
Excess Profits Duties, &c.	63,300,000	31,330,000	28,580,000	550,000	440,000
Corporation Profits Tax	4,000,000	..	..	..	..
Post Office	9,200,000	7,780,000	11,940,000	150,000	220,000
Crown Lands	67,000,000	38,900,000	38,400,000	900,000	500,000
Interest on Sundry Loans	900,000	740,000	..	..	..
Miscellaneous	14,600,000	10,357,626	9,691,036	20,207	..
Ordinary Receipts	14,000,000	8,238,246	8,380,259	33,097	131,713
Special Receipts	30,000,000	24,436,609	21,223,669	1,588	17,323
Revenue	801,060,000	470,000,476	474,975,954	10,102,892	8,669,036
Total Inc. Balance	..	476,558,575	481,607,568	..	..

OTHER RECEIPTS.

Temporary Advances Repaid—	..	..	..	..
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1924	73,782	73,782	..	..
Under the Unemployment Insurance Act, 1921	..	..	..	..
Money Raised by Creation of Debt—	1,470,000	5,920,000	80,000	..
(a) For Capital Expenditure Issues—	..	..	..	..
Under the Telegraph (Money) Acts, 1922 and 1924	5,950,000	4,500,000	..	..
Under the Housing Act, 1914	6,000	4,000	..	..
Under the West Indian Islands (Telegraph) Act, 1924	20,071	260,719	..	..
(b) Under the Unemployment Insurance Act, 1921	1,715,000	650,000	..	..
(c) For other issues—	..	..	..	..
By Treasury Bills	1,760,000,000	1,713,836,000	54,659,000	57,144,000
By 3½% Conversion Loan	53,667,561	..	48,001	..
By National Savings Certificates	24,250,000	19,800,000	600,000	650,000
By Exchequer and National War Bonds	15	..	..	..
By Treasury Bonds, 1925	10	..	..	..
By 4½% Treasury Bonds, 1923-24	5,055,707	16,876,370	..	472,500
By Other Debt created under the War Loan Act, 1914 to 1919	..	3,700,000	..	..
(d) Ways and Means Advances	469,531,000	579,319,000	8,750,000	6,400,000
Anglo-Persian Oil Company—	..	..	..	..
Dividends on Shares Acquired	..	..	..	..
Repayments—	..	..	..	..
In respect of Cunard Loan	..	23,109	..	..
In respect of Issues under Land Settlement (Facilities) Act, 1919 and 1921	130,000	130,000	..	..
In respect of Issues under Section 59 (4) of the Finance Act, 1920	137,925	592,439	..	..
Interest received under Section 59 (5) of the Finance Act 1920	9,901,981	1,622,022	..	..
Total	2,908,769,412	2,828,616,012	74,233,893	73,355,400

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1925-26 (including Supple- mentary Grants).	Total Issues out of the Exchequer to meet Payments from		Issues.	
		Apr. 1, 1925, to Dec. 12, 1925.	Apr. 1, 1924, to Dec. 13, 1924.	Week Ended Dec. 12, 1925.	Week Ended Dec. 13, 1924.
EXPENDITURE.					
National Debt Services—					
Interest, &c.	305,000,800	250,956,604	251,981,352	3,441,070	3,090,120
Sinking Fund	50,000,000	26,364,686	19,178,571	275,000	656,284
Road Fund	16,900,000	5,251,044	4,364,044	..	..
Payments to Local Taxation Accounts, &c.	13,329,000	7,843,583	8,163,084	265,193	575,193
Payments to Northern Ireland Exchequer ..	4,000,000	2,967,626	3,052,735	..	5,644
Land Settlement	700,000	300,886	383,213	8,798	..
Other Consolidated Fund Services	2,000,000	1,590,710	1,703,097	11,098	46,462
Supply Services	418,086,000	277,409,603	257,105,706	7,682,993	5,330,000
Expenditure	810,015,000	572,684,741	545,931,802	11,684,152	9,703,726
OTHER ISSUES.					
Temporary Advances—					
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904		73,782	73,782	..	..
Under the Unemployment Insurance Act, 1921		1,745,000	720,000	..	30,000
Issues to Meet Capital Expenditure—					
Under the Telegraph (Money) Act 1922 and 1924		8,300,000	6,200,000	400,000	250,000
Under the Housing Act, 1914		6,000	6,000	..	..
Under the West Indian Islands (Telegraph) Act, 1924 ..		20,071	324,541	..	..
Unemployment Insurance Act, 1921—		1,390,000	5,920,000	..	..
Repayment of amounts borrowed ..					
Redemption of Debt		1,689,400,000	1,669,255,000	53,420,000	52,735,000
Treasury Bills		20,900,000	21,850,000	550,000	500,000
Principal of National Savings Cer- tificates					
Principal of Exchequer Bonds paid off		306,667	..	..	..
Principal of National War Bonds paid off		8,344,789	6,586,653	..	..
Principal of Treasury Bonds paid off		23,645,865	..	..	..
Other Debt under the War Loan Act, 1914 to 1919		..	50	..	..
Ways and Means Advances Repaid ..		478,690,000	568,779,500	7,950,000	9,900,000
Anglo Persian Oil Company—Issued to the National Debt Commis- sioners		..	23,109	..	..
Issues to National Debt Com- missioners to Reduce Debt—					
Canard Loan Repayments		130,000	130,000	130,000	130,000
Balance in Exchequer—		2,805,536,955	2,825,800,437	74,134,52	73,248,723
Bank of England		1,994,409	2,006,725	18,259	62,187
Bank of Ireland		1,133,088	1,107,850	124,000	149,000
Total		3,131,497	3,114,575	105,741	86,813

NOTE.—Budget Estimate as in H.C. No. 84 of 1925.

TREASURY BILLS AND BONDS BY PUBLIC TENDER.
Tenders for £40,000,000 in Treasury Bonds and Treasury Bills were opened on Dec. 18, 1925, and the total amount applied for was £41,360,000. For bills at three months dated Monday, £98 16s 3d, and above in full; Tuesday to Thursday bills at £98 15s 11d, above in full—in bills at 3 months, £37,910,000; in bonds, nil.

Date.	Amount Offered.	Amount Applied For.	Treasury Bills at 3 Months. Average Rate.	4% Treasury Bonds. Average Price.
Oct. 16, 1925	35,000,000	41,888,000	3 14 7 1/2	94 8 0
Oct. 23	40,000,000	48,395,000	3 14 9 7/8	94 8 0
Oct. 30	40,000,000	48,160,000	3 16 1 1/2	94 8 0
Nov. 6	40,000,000	47,865,000	3 18 1 1/4	94 8 0
Nov. 13	40,000,000	44,835,000	3 17 3 3/4	94 8 0
Nov. 20	40,000,000	43,065,000	3 18 5 1/2	94 8 0
Nov. 27	40,000,000	47,435,000	3 19 0 1/2	94 8 0
Dec. 4	40,000,000	46,295,000	4 10 6 1/2	94 8 0
Dec. 11	40,000,000	45,560,000	4 14 3 7/8	94 8 0
Dec. 18	40,000,000	41,360,000	4 16 10 1/2	94 8 0

Tenders will be received on Dec. 24, 1925, for Treasury Bills and Treasury Bonds to be issued to the maximum amount of £45,000,000. The amount of Treasury Bonds issued will not exceed £4,000,000.

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

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Redemption Account.					
			Silver Coin.	Gold Coin and Bullion.	Bank of England Notes.	Ratio to Notes.	Govern- ment Secur- ities.	Balance of Bank of England.
1924.								
Mar. 29	300,351	14,255	5,000	28,500	19,450	15%	261,479	177
June 26	295,374	13,338	5,000	28,500	19,450	15%	261,479	177
Sept. 27	299,127	13,648	5,000	27,000	21,150	15%	268,486	185
Dec. 27	301,337	12,872	7,000	27,000	21,150	15%	268,922	179
1925.								
Mar. 26	285,616	12,318	7,000	27,000	22,450	17%	241,294	190
June 27	286,603	12,516	7,000	27,000	22,450	17%	242,446	190
Sept. 27	282,784	12,401	7,000	27,000	22,450	17%	238,596	190
Dec. 26	289,070	12,571	7,000	27,000	22,450	16%	255,038	168
1926.								
Mar. 26	281,538	11,908	7,000	27,000	22,450	17%	236,857	130
June 26	280,316	12,472	7,000	27,000	22,450	17%	246,182	130
Sept. 24	286,692	12,227	7,000	27,000	22,450	17%	241,185	139
Dec. 31	286,361	12,612	7,000	27,000	26,950	18%	248,111	139
1926.								
Mar. 25	284,265	11,882	7,000	27,000	26,950	18%	235,076	115
June 24	292,278	12,255	..	..	53,950	18%	243,474	115
Sept. 24	285,692	11,908	7,000	..	56,260	19%	241,188	115
Dec. 30	280,601	11,983	..	..	56,260	19%	239,211	121
Dec. 9	285,466	12,076	7,000	..	56,260	19%	244,176	107

NEW YORK FEDERAL RESERVE BANK.—In \$'s (000's omitted).				
	Dec. 11, 1925.	Dec. 4, 1925.	Nov. 28, 1925.	Nov. 20, 1925.
Total bills discounted	211,190	187,760	192,880	147,380
Bills bought in open market	35,570	34,840	35,110	26,250
Total U.S. Government securities	82,440	71,080	61,380	63,710
Total earning assets	331,450	293,680	291,370	239,480
Deposits—Member bank—res. acct.	870,770	868,830	850,400	864,570
Ratio of total res. to dep. and Fed. Res. note liabilities combined	76.6%	79.0%	79.6%	82.8%

SOUTH AFRICAN RESERVE BANK.—In £'s (000's omitted).						
	Nov. 21, 1925.	Nov. 14, 1925.	Nov. 7, 1925.	Oct. 31, 1925.	Oct. 24, 1925.	Nov. 22, 1925.
Assets.						
Gold coin and bullion	1,908	1,709	1,658	1,724	1,826	1,826
Gold certificates	1,635	1,635	1,658	1,708	1,826	1,826
Subsidiary coin	50	50	50	50	50	50
Bills discounted	6,848	6,865	7,246	7,079	6,637	4,697
Loans & advances to Govt.	529	529	529	529	529	1,000
Investments	529	529	529	529	529	423
LIABILITIES.						
Capital	1,000	1,000	1,000	1,000	1,000	1,000
Reserve	258	258	258	258	258	153
Notes in circulation	8,289	8,441	8,760	9,126	8,532	10,405
Bankers' deposits	6,026	5,819	5,345	5,106	5,494	5,007
Ratio of cash reserves to liabilities to public	57.8%	58.5%	55.6%	53.6%	60.5%	68.6%

IMPERIAL BANK OF INDIA.—In rupees (000's omitted).						
	Nov. 20, 1925.	Nov. 13, 1925.	Nov. 6, 1925.	Oct. 30, 1925.	Oct. 23, 1925.	Nov. 21, 1925.
Assets.						
Total securities	16,45,76	16,60,00	16,19,82	16,16,58	16,17,52	16,46,66
Loans	14,57,60	14,46,13	14,47,38	14,38,33	14,46,24	14,76,54
Cash	30,85,01	30,43,96	29,56,45	29,54,90	28,86,87	34,36,67
Inland bills	5,37,41	5,04,72	4,74,76	5,40,40	5,37,59	6,66,71
Foreign bills	40,96	44,99	43,76	24,20	23,25	48,51
Dead stock	2,77,14	2,76,95	2,76,74	2,77,11	2,77,05	2,77,05
Liabilities.						
Capital paid up	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50	5,62,50
Reserve	4,77,50	4,77,50	4,77,50	4,77,50	4,77,50	4,77,50
Total deposits	81,90,92	81,64,41	80,17,97	82,58,60	82,67,21	86,47,31
The above includes—						
Deposits in London	1,167	1,116	1,176	1,110	1,120	1,310
Advances in India	1,099	1,107	1,156	1,161	1,159	650
Cash, &c., at other Banks in London	152	69	85	31	73	799

BANK OF JAPAN.—In yen (000's omitted).						
	Nov. 14, 1925.	Nov. 7, 1925.	Oct. 24, 1925.	Oct. 17, 1925.	Oct. 10, 1925.	Position May 31, 1924.
Assets.						
Cash and bullion	1,125,942	1,126,527	1,126,539	1,126,495	1,118,478	221,320
Discounts	192,099	229,230	311,990	219,294	233,788	41,740
Advances	181,966	188,491	184,848	169,301	215,154	70,640
LIABILITIES.						
Notes	1,163,290	1,202,981	1,354,527	1,245,239	1,197,726	362,270
Govt. deposits	709,770	697,884	644,100	672,985	971,389	87,340
Other deposits	68,925	73,142	70,046	73,710	71,264	11,440

BANK OF FRANCE.—In francs (000's omitted).						
	Dec. 17, 1925.	Dec. 10, 1925.	Dec. 3, 1925.	Nov. 26, 1925.	Nov. 19, 1925.	Position May 28, 1924.
Assets.						
Gold coin and bullion	5,547,844	5,547,812	5,547,806	5,547,806	5,547,806	5,547,806
Of which held abroad	1,864,321	1,864,321	1,864,321	1,864,321	1,864,321	1,864,321
Silver coin and bullion	318,893	318,893	318,893	318,893	318,893	318,893
Discounts and advances	6,012,604	6,338,635	7,329,377	7,329,377	7,329,377	7,329,377
Advances to the State	34,000,000	33,700,000	33,500,000	33,500,000	33,500,000	33,500,000
LIABILITIES.						
Notes	49,627,523	49,536,001	49,183,657	49,183,657	49,183,657	49,183,657
Government deposits	30,760	30,760	30,760	30,760	30,760	30,760
Private deposits	3,250,114	3,230,452	3,246,043	3,246,043	3,246,043	3,246,043

NATIONAL BANK OF BELGIUM.—In francs (000's omitted).						
	Dec. 10, 1925.	Dec. 3, 1925.	Nov. 26, 1925.	Nov. 19, 1925.	Dec. 11, 1925.	Position May 28, 1924.
Assets.						
Coin (gold & silver and bullion)	395,191	395,207	395,455	395,413	395,413	395,413
Securities	1,077,110	934,378	905,586	1,018,413	1,394,826	697,600
LIABILITIES.						
Notes in circulation	7,556,598	7,614,841	7,544,298	7,542,522	7,613,109	834,150
Current accounts	57,422	57,422	57,422	57,422	57,422	112,125

NETHERLANDS BANK.—In florins (000's omitted).						
	Dec. 12, 1925.	Dec. 5, 1925.	Nov. 28, 1925.	Nov. 21, 1925.	Dec. 15, 1925.	Position May 31, 1924.
Assets.						
Gold	474,633	454,285	457,838	460,484	504,632	163,092
Silver	33,857	33,857	33,857	33,857	33,857	33,857
Notes and advances	446,963	449,708	453,148	447,562	387,966	153,504
LIABILITIES.						
Notes in circulation	875,275	895,194	907,639	881,598	937,404	316,632
Deposits	49,505	36,045	36,843	54,203	72,436	5,016

BANK OF JAYA.—In florins (000's omitted).						
	Dec. 12, 1925.	Dec. 5, 1925.	Nov. 28, 1925.	Nov. 21, 1925.	Dec. 15, 1925.	Position May 31, 1924.
Assets.						
Gold	210,000	196,000	185,500	188,500	133,280	23,971
Discounts, advances, and other investments	148,710	145,870	147,530	152,770	145,482	77,587
LIABILITIES.						
Notes in circulation	357,500	352,500	344,000	342,000	281,141	103,499
Deposits and bills payable	49,500	35,000	33,500	37,000	101,594	11,250

THE REICHSBANK.—In Reichsmarks* (000's omitted).						
	Dec. 7, 1925.	Nov. 30, 1925.	Nov. 23, 1925.	Dec. 15, 1925.	Dec. 8, 1925.	Position May 31, 1924.
Assets.						
Reichsbank shares not yet issued	177,212	177,212	177,212	177,212	177,212	210,000
Gold and bullion	1,307,269	1,307,269	1,307,269	1,307,269	1,307,269	696,185
Of which deposited abroad	96,605	96,605	96,605	96,605	96,605	230,632
Reserve in foreign currencies	402,423	402,423	402,423	402,423	402,423	232,061
Bills of exchange and cheques	1,531,611	1,649,738	1,739,507	1,739,507	1,739,507	2,079,028
Silver and other coin	65,105	65,105	65,105	65,105	65,105	48,205
Notes of other German banks	20,956	13,499	37,026	25,405	25,405	25,405
Advances	4,764	23,810	11,569	17,234	17,234	17,234
Investments	23,587	221,651	221,651	221,651	221,651	78,656
Other assets	675,944	578,378	891,285	1,837,993	1,837,993	1,837,993
LIABILITIES.						
Reduced capital	122,788	122,788	122,788	122,788	122,788	90,000
Increased capital (shares not yet issued)	177,212	177,212	177,212	177,212	177,212	210,000
Reserve	185,807	185,807	185,807	185,807	185,807	900
Notes in circulation	2,734,509	2,770,882	2,423,860	1,723,226	1,723,226	1,723,226
Notes daily maturing obligations	61,120	586,943	967,919	1,131,670	1,131,670	1,131,670
Other liabilities	520,000	608,633	607,689	1,555,169	1,555,169	1,555,169

* Equal to one billion paper marks or one Rentenmark.
The gold reserve is calculated in accordance with the new legal prescription
of one pound of fine gold equals 1,360 Reichsmarks.

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

	Dec. 7, 1925.	Nov. 30, 1925.	Nov. 23, 1925.	Dec. 8, 1925.	Position May 31, 1924.
Assets.					
Coin and bullion—Gold	147,226	147,226	147,226	147,227	44,224
Balance abroad and foreign bills	58,138	58,222	59,246	40,178	28,533
Norwegian and Foreign Gov. securities	13,528	13,528	12,596	8,999	8,616
Discounts and loans	297,433	301,784	301,882	385,992	76,911
LIABILITIES.					
Notes in circulation	350,347	351,221	346,980	395,876	113,484
Deposits at notice	92,707	96,241	100,973	104,713	7,188

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

	Dec. 12, 1925.	Dec. 5, 1925.	Nov. 28, 1925.	Nov. 21, 1925.	Dec. 13, 1925.	Position May 31, 1924.
Assets.						
Gold	230,299	230,412	230,530	230,626	237,324	104,918
Balance abroad and foreign bills	159,414	160,599	160,525	160,962	61,249	112,179
Swedish and for. Gov. securities	47,266	47,266	47,266	47,250	54,286	32,465
Discounts & loans	380,662	300,232	224,118	221,926	495,941	112,668
LIABILITIES.						
Notes in circulation	471,635	497,361	503,142	479,369	483,494	286,555
Deposits at notice	275,610	172,440	85,366	100,940	298,582	389,660

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

	Dec. 8, 1925.	Nov. 30, 1925.	Nov. 23, 1925.	Dec. 8, 1925.	Position May 31, 1924.
Assets.					
Gold	43,286	43,286	43,286	43,285	35,091
Balance abroad and foreign bills	1,406,083	1,418,521	1,419,989	635,913	90,379
Finland and Foreign Gov. securities	410,454	405,205	405,205	496,082	1,126
Discounts and loans	404,813	363,755	365,650	718,651	105,151
LIABILITIES.					
Notes in circulation	1,265,872	1,253,093	1,214,314	1,240,008	123,941
Deposits at notice	674,667	688,221	716,386	488,879	21,225

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

	Dec. 2, 1925.	Nov. 25, 1925.	Dec. 10, 1925.	Nov. 23, 1925.	Position May 31, 1924.
Assets.					
Gold bullion and coins	23,554	23,554	23,554	23,554	12,993
Silver coin	1,672	1,787	1,787	1,787	1,787
Treas. notes & small change	30,148	29,174	30,460	46,257	22,466
Short term bills	9,876	9,292	9,035	12,449	3,086
Loans against securities	63,843	63,649	63,449	43,401	6,638
Other assets	61,027	50,938	50,492	46,331	9,913
LIABILITIES.					
Notes in circulation	11,381	10,221	10,851	7,391	1,359
Capital paid up	28,395	28,395	28,395	27,300	4,085
Reserve	11,659	11,659	11,659	10,260	8,000
Special reserve	1,522	1,522	1,522	1,522	1,522
Deposits	1,000	1,000	1,000	962	..
Current accounts	6,868	6,788	6,340	4,804	61
Government accounts	45,667	43,928	44,269	43,165	16,933
Government deposits	73,360	72,730	72,136	79,288	16,697
Other liabilities	23,031	22,179	23,735	13,669	3,757

BANK OF POLAND.—In zloty (000's omitted).

	Nov. 30, 1925.	Nov. 20, 1925.	Nov. 10, 1925.	Oct. 31, 1925.
ASSETS.				
Gold	132,695	132,548	132,470	132,340
Foreign currencies	59,567	59,661	66,806	60,966
Silver and bullion	9,685	17,035	14,722	6,367
Bills discounted	280,157	280,187	277,911	289,851
Loans against securities	755.1	70,180	66,710	68,576
Short-term discounts	18,314	17,958	17,898	17,875
Liability of the Treasury	50,000	50,000	50,000	50,000
LIABILITIES.				
Share capital	100,000	100,000	100,000	100,000
Reserve fund	1,197	1,197	1,197	1,197
Notes in circulation	381,800	349,072	382,943	382,434
Current accounts	90,505	108,744	109,149	100,571
Liability in foreign exchange	76,473	75,150	66,208	

SOUTH AFRICAN EXCHANGE RATES.

The South African Banks quote the following rates:—

	Union of South Africa.		Union of South Africa.	
	From close of mail December 18, 1925.		From December 18, 1925.	
	London on South Africa.		South Africa on London.	
	Buying.	Selling.	Buying.	Selling.
T.T. Demand	1 1/2 % dis.	par	par	1 1/2 % prem.
30 days	1 1/2 %	"	"	"
60 days	2 1/2 %	"	"	"
90 days	3 1/2 %	"	"	"
180 days	5 1/2 %	"	"	"

OVERSEAS DOMINIONS RATES.

COMMONWEALTH OF AUSTRALIA AND DOMINION OF NEW ZEALAND.

	London on Australia and New Zealand.				Australia and New Zealand on London.			
	Buying.		Selling.		Buying.		Selling.	
	Aus.	New Zeal.	Aus.	New Zeal.	Aus.	New Zeal.	Aus.	New Zeal.
T.T. Demand	99 1/2	99 1/2	100 1/2	100 1/2	99 1/2	99 1/2	100 1/2	100 1/2
30 days	98 1/2	98 1/2	"	"	98 1/2	98 1/2	99 1/2	99 1/2
60 days	98 1/2	97 1/2	"	"	98 1/2	98 1/2	99 1/2	99 1/2
90 days	97 1/2	97 1/2	"	"	97 1/2	97 1/2	99 1/2	99 1/2

BULLION.

The following statistics of imports and exports of gold for week ended December 16, 1925, are issued by the Statistical Department of H.M. Customs and Excise:—

Imported into Great Britain and Northern Ireland.		Exported from Great Britain and Northern Ireland.	
From—	£	To—	£
Netherlands	3,700	Germany	25,700
British South Africa	790,060	Netherlands	90,144
Other countries	400	France	32,020
		Switzerland	10,252
		Spain	1,695
		Egypt	34,230
		Argentine Republic	20,000
		British India	48,369
		Kenya	1,500
		Straits Settlements	73,940
		Ceylon	10,000
		Other Countries	52
Total declared value of imports	794,160	Total declared value of exports	1,158,902

The arrivals and withdrawals of gold during the past week, as announced by the Bank of England, have been as follows:—

ARRIVALS.		WITHDRAWALS.	
Dec. 12	£	Dec. 12	£
12	nil	12	nil
14	nil	14	bars sold 146,000
15	nil	15	Straits Settlements sovs. 46,000
16	nil	16	India 30,000
17	bars bought 107,000	17	Straits Settlements sovs. 14,000
18	nil	18	bars sold 41,000
Total	107,000	Total	302,000
Net withdrawals, £195,000.			

GOLD STANDARD RESERVE.

Statement showing the form in which the balance of the reserve was held on November 30, 1925:—

In India	£ Nil
In England—	£
Cash at the Bank of England	3,317
British Treasury bills—	
Value as on November 30, 1925	8,979,046
Other British and Dominion Government securities—	
Value as on November 30, 1925	31,017,637
	40,000,000

SIDNEY TURNER, Accountant-General.

India Office, December 11, 1925.

Messrs Samuel Montagu and Co. write on December 16th as follows:—

GOLD.

About £800,000 gold was offered in the open market this week, and the Indian demand being on a small scale, was mostly taken by Holland for account of Java. The receipt of £500,000 on the 11th inst. was announced as sovereigns released on account of the South African Reserve Bank. The destinations of the £115,000 sovereigns withdrawn were given as follows:—£60,000 to Straits Settlements, £30,000 to

Argentina, and £25,000 to India. It is understood that the bulk of the bar gold withdrawals was again destined for Holland on account of that country's colonies. During the week under review £205,000 on balance has been withdrawn from the bank. The net efflux since the resumption of an effective gold standard is now £11,196,000.

SILVER.

During the week under review China has been a consistent seller, and prices have given way under pressure from this quarter. Buyers have not been much in evidence, and spot supplies in this market being more than adequate to meet demand, the prices for the two deliveries again became level at 3 1/4d on the 12th inst., when the quotation for cash fell 1/4d and that for forward 3/4d. At the present prices America has shown a disposition to buy rather than sell, but little support has been received from the Indian bazaars. The prices quoted to-day—3 1/4d for both cash and two months' delivery—are the lowest for cash since June 9th last, and for forward since June 13th last. United Kingdom imports and exports of silver during the week ending the 9th inst. were as follows:—

Imports.		Exports.	
	£		£
U.S.A.	47,958	Hong Kong	116,650
Other countries	29,168	British India	10,000
		Other countries	4,284
Total	77,126	Total	130,934

INDIAN CURRENCY RETURNS.
(In Lacs of Rupees.)

	Nov. 22.	Nov. 30.	Dec. 7.
Notes in circulation	19,067	18,968	19,124
Silver coin and bullion in India	8,824	8,725	8,581
Silver coin and bullion out of India			
Gold coin and bullion in India	2,232	2,232	2,232
Gold coin and bullion out of India			
Securities (Indian Government)	5,711	5,711	5,711
Securities (British Government)	2,300	2,300	2,600

No silver coinage was reported during the week ending the 7th inst. The stock in Shanghai on the 12th inst. consisted of about 51,200,000 ounces in sycee, 65,000,000 dollars and 1,540 silver bars, as compared with about 52,800,000 ounces in sycee, 65,000,000 dollars and 2,350 silver bars on the 5th inst.

The Government of India have announced that £29,482,000 has been remitted to the Secretary of State for India from April 1 to November 30, 1925, by means of purchases of sterling in India. Of this amount £3,000,000 has been remitted on account of the Paper Currency Reserve.

GOLD AND SILVER PRICES.

1925.	Gold Per Ounce.	Silver—Per Ounce.		Date.	Silver.
		Cash.	Forward.		Cash.
Dec. 12	84 11 1/2	31 1/2	31 1/2	Dec. 26, 1919	..
14	84 11 1/2	31 1/2	31 1/2	24, 1920	..
15	84 11	31 1/2	31 1/2	23, 1921	..
16	84 10 1/2	31 1/2	31 1/2	22, 1922	30 1/2
17	84 10	31 1/2	31 1/2	21, 1923	33 1/2
18	84 11 1/2	31 1/2	31 1/2	19, 1924	32 1/2

NOTICES.

We are informed that the "Bankers' Almanac and Year-Book," 1925-26 edition, will be published on December 21, 1925.

Lloyds Bank, Limited, Eastern Department, London, state that bills and documents intended for despatch to India and Egypt before Christmas should reach them not later than Wednesday, December 23rd, since the Eastern mail is leaving earlier next week.

Lloyds Bank, Limited, announce that a branch of this bank management of Mr D. Scott Evans, of the Wimbledon Hill branch.

A branch of the Commercial Bank of Australia, Limited, has been opened at 108 Adelaide street, Brisbane (Queensland).

In consequence of the retirement of Mr Philip H. Wade (director and manager of the National Discount Co., Limited) from the chairmanship of the committee, the London Discount Houses' Committee have elected Mr Robert Callander Wyse (manager of the Union Discount Company of London, E. Tritton, Bart. (Messrs Brightwen and Co.) as vice-chairman. Mr Francis E. Goldsmith (National Discount Company, Limited) and Mr Everard Martin Smith (Messrs Smith St Aubyn and Co.) have been elected members of the committee.

Barclays Bank Operatic Society announce that they have been fortunate in securing the use of the Ambassadors Theatre for December 21st to 24th inclusive, when the performances of "Merrie England," which were cancelled in consequence of the death of the late Queen Alexandra, will take place.

Barclays Bank, Limited, announce that they have opened a new sub-branch at Chigwell, under the management of Mr W. Woodard, also manager of Woodford branch.

A branch of the Bank of Nova Scotia was opened at Manzanillo, Cuba, on the 1st instant.

The Westminster Bank announces the opening of new branches at 55 Lewes road, Brighton, under the management of Mr A. H. Skinner, and at 52 Moorland road, Weston-super-Mare, under the management of Mr C. H. Reynolds.

The Western Australian Bank have opened a sub-branch of their Moora office at Carnamah, which is on the Midland Railway.

A representative's office has been opened at Nos. 1 and 2 Gracechurch street by the Central Union Trust Company of New York, Mr R. E. Ellis having been appointed representative.

MINING OUTPUT STATISTICS FOR NOVEMBER, 1925.

	Tons Crushed.		Gold Recovered.		Value.	Profit.
	Mill.	Cyants Works.	Mill.	Cyants Works.		
Gold.	Tons.	Tons.	Oz.	Oz.	£	£
British Platinum	335 ozs	4 wks	12 1/2	165	..	3,915
Columbian Proprietary	5,477	..	3,052	..	£110,652	£27,710
Lonely Reef	20,492	..	240	..	..	..
Oriental Consolidated	1,128	525	240	28	..	..
Rhoads	..	..	..	..	..	..
Tin.	Tons.	..	..	..	..	..
Batura Monguna	30	..	..	..	..	..
Brisis	5	..	..	..	..	..
Kari	32	..	..	..	..	..
Naraguta	8 1/2	..	..	..	..	..
Naraguta Korok	3	..	..	..	..	..
South Buker	..	..	..	..	..	..
Coal.	56,601	..	..	..	..	..
Chinese Engineering	57,431	..	..	..	..	..
Copper.	233	..	..	..	..	..
Namaqua	220	..	..	..	..	..
Poderosa	..	..	..	..	..	..
Zinc Corporation	4,834	..	..	..	..	..

BROKEN HILL PROPRIETARY, BLOCK 14, COMPANY, LIMITED.—During the fortnight ended Oct. 24th 1,852 tons of this company's ore were treated at the mill of the Broken Hill Proprietary Company, and produced 337 tons of lead concentrates and 260 tons of zinc concentrates.

MOUNT LYELL MINING AND RAILWAY COMPANY, LIMITED.—During the four-weekly period ended Dec. 9th the mill treated 9,001 tons of ore, producing 3,252 tons of concentrates.

TRANSVAAL GOLD OUTPUT STATISTICS.

Name of Mine.	October, 1925.			November, 1925.		
	Ore.	Est. Yield.	Est. Profit.	Ore.	Est. Yield.	Est. Profit.
Aurora W. United (10s shares)	13,000	13,796	1,204	12,700	13,087	1,207
Brakpan	88,000	140,823	59,270	82,000	131,218	52,980
Central West	15,570	15,204	4,010	13,960	16,120	6,500
City Deep	100,500	154,352	41,397	99,000	153,022	43,547
Consolidated Main Reef	54,000	78,878	8,125	57,600	77,502	10,228
Crown Mines (10s shares)	210,000	282,167	81,583	206,000	279,490	83,494
Durban Road Deep	35,000	50,871	1,742	32,000	48,583	2,654
East Rand Proprietary	121,200	131,656	3,540	126,000	138,180	6,252
Ferreira Deep	24,600	36,091	5,013	24,000	34,184	4,820
Geduld Proprietary	82,000	119,760	48,478	80,000	117,251	47,540
Goldenbush Deep	66,600	66,098	2,989	64,950	61,921	2,720
Glyn's Lydenburg	4,900	7,711	52	5,000	7,737	60
Government Areas	170,000	323,515	184,094	157,000	374,218	171,150
Kleinfontein	53,300	52,685	2,732	48,600	51,449	1,257
Langlaagte Estate	84,000	96,593	13,356	80,000	91,895	14,516
Meyer and Charlton	13,600	26,872	12,508	13,100	28,944	13,034
Modderfontein B.	65,000	101,124	47,976	64,000	110,042	48,250
Modderfontein Deep Levels	45,500	102,184	67,584	42,500	96,078	63,634
Modderfontein East	32,000	38,513	3,706	30,000	42,411	496
Modderfontein New (24 sha.)	133,000	278,695	165,581	126,000	270,350	161,315
New State Areas	75,000	129,678	56,373	69,000	126,909	56,403
Nourma Mines	51,800	58,730	972	53,000	57,449	1,265
Primrose, New	22,300	19,109	2,009	21,000	18,275	2,016
Randfontein Estates	204,000	209,257	34,971	180,500	191,686	33,865
Robinson (25 shares)	10,500	20,478	1,304	9,800	20,445	718
Robinson Deep	73,000	84,988	22,552	69,300	86,031	25,100
Rose Deep	59,000	50,578	7,067	54,000	60,646	8,378
Simmer and Jack	68,000	62,368	6,092	68,000	63,322	8,066
Spring Mines	11,000	20,555	9,096	11,000	25,594	9,190
Sub-Nigal	16,500	24,214	3,320	15,700	24,445	3,046
Transvaal Gold Mining Estates	38,000	40,710	6,036	37,000	38,924	6,066
Van Ryn	68,000	111,011	52,630	65,000	104,946	51,002
Village Deep	54,000	68,812	4,033	47,000	64,471	3,175
West Rand Consolidated	39,500	75,972	32,750	37,000	70,546	30,346
West Springs	49,000	55,458	14,331	40,000	49,860	11,075
Witwatersrand Deep	44,500	39,734	1,101	44,000	36,496	1,041
Witwatersrand (Knight's)	32,500	31,410	652	29,000	28,323	251

* Loss. * At normal price. * At 4s 6d per fine oz.

WEEKLY TRAFFIC RETURNS.

RAILWAYS OF GREAT BRITAIN AND IRELAND.

(b) Week ended Dec. 11, 1925.	Miles Open.	Week ended Dec. 13, 1925.			Aggregate 50 Weeks, 1925.		
(c) Week ended Dec. 12, 1925.		Passen- gers, &c.	Goods, &c.	Total for Week.	Passen- gers, &c.	Goods, &c.	Total Re- ceipts.
		£	£	£	£	£	£
Great Western.....	3,765	207,000	344,000	551,000	1,316,500	1,622,000	2,938,500
Do for 1924	3,754	210,000	349,000	559,000	1,326,500	1,697,000	3,023,500
Lon. & N. Eastern (a) ..	6,714	352,000	754,000	1,106,000	2,182,000	3,288,000	5,470,000
Do same period 1924 ..	6,714	357,000	783,000	1,140,000	2,214,500	3,431,700	5,646,200
Lon., Mid., & Scottish ..	6,950	496,000	910,000	1,406,000	3,128,000	4,244,000	7,372,000
Do for 1924	6,950	515,000	924,000	1,439,000	3,172,000	4,367,000	7,539,000
Southern	2,163	259,000	119,000	378,000	1,668,000	8,863,000	22,519,000
Do for 1924	2,142	263,000	113,000	376,000	1,665,000	8,847,000	22,498,000
Metropolitan (c)	58	33,010	3,331	36,341	1,701,958	193,818	1,895,775
Do for 1924	58	32,637	3,444	36,081	1,947,598	195,235	2,142,833
Underground E.R. (c) ..	..	..	..	..	..	..	..
Do for 1924	..	..	..	..	226,826	..	226,826
Lon. & Sub. Group (c) ..	..	..	..	..	35,066	..	35,066
Do for 1924	..	..	..	..	34,053	..	34,053
Bulwer & Co. Down (b) ..	80	2,346	861	3,207	191,754	53,269	245,023
Great Northern	562	10,850	18,150	29,000	833,400	876,300	1,709,700
Great Southern	(b) 2,181	28,796	46,171	74,967	1,881,309	2,202,129	4,083,438

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per annum, except where marked % or stated in Cash.	Interim Date of Payment.	Method of Payment.	Dividend for Whole Year.	Lat'st Pre-vious.
Banks.					
Bank of New Zealand	1/4 p.s.*	..	Less tax	..	..
Bank of Roumania	3/4 p.s.*	..	Less tax	..	..
Centrl. Union Trust of New York	7% (extra)	..	dividend of 5%	..	..
Royal Bank of Australia	10%	..	..	..	..
Ulster Bank	2 1/2%	Dec. 21	Less tax	..	..
Western Australian	17 1/2%	..	..	..	..
Railways.					
Rio Claro (U.S.A.)	5%†	..	Less tax	8	7 1/2
Southern (U.S.A.)	12%	..	..	..	..
Mining.					
American Cyanide	\$1 p.s. + \$1 p.s.	Feb. 9	..	..	..
Apex	5%*	..	..	..	..
Brakpan	25%	..	..	..	..
British Malayan Tin	50%*	Dec. 22	Less tax	..	..
City Deep	15%	..	..	..	..
Consolidated Main Reef	24%	..	..	..	..
Crown Mines	30%*	..	..	..	..
De Beers Consolidated, Def.	25%	..	..	..	..
Geduld Proprietary	18 1/2%	..	..	..	..
Gopeng Consolidated	1/3 p.s.* (bonus of 1 p.s.)	..	Less tax	..	..
Government Gold Mining	32 1/2%	Feb. 3	..	..	..
Johannesburg Consolidated	7 1/2%*	Mar. 3	Tax free	..	..
Langlaagte Estate	24%	Feb. 3	..	..	..
London and Rhodesian	24 1/2%*	..	Less tax	7 1/2	nil
Malayan Tin	50%*	..	..	..	..
Meyer and Charlton	35 1/2%*	..	(bonus of 5%) Less tax	..	..
Modderfontein "B"	35%	..	..	70	100
Modderfontein Deep	70%	..	..	..	..
Natal Navigation Collieries	7 1/2%	..	..	..	..
Nevada Consolidated Copper	25c p.s.	Dec. 31	..	..	..
New Era Consolidated	20%	..	..	..	..
New Modderfontein	55%	..	..	..	..
New Primrose	7 1/2%*	Feb. 3	..	..	..
New State Areas	7 1/2%*	Feb. 4	..	15	..
New United Main Reef	24 1/2%*	Feb. 3	..	..	..
Pengkalen	7 1/2%*	Jan. 25	Less tax	..	..
Rand Mines	50%*	Feb. 10	..	100	120
Rand Selection Corporation	40%	..	..	..	..
Robinson Deep	1 1/2 p.s.	..	..	..	..
Rooiberg Minerals	24 1/2%*	Feb. 9	..	..	..
Rose Deep	5%*	..	..	..	..
Shamva Mines	32 1/2%*	Jan. 7	Less tax	..	..
Simmer and Jack	10%*	..	..	..	..
Southern Peak	7 1/2%*	..	(bonus of 5%) Less tax	..	..
South-West Africa Co.	5%*	..	Less tax at 4/4 1/2	..	..
Spring	16 1/2%	..	..	..	..
Sub Nigel	5%*	..	..	..	..
Tavoy Tin	1/4 p.s.*	..	Tax free	..	..
Transvaal Consolidated Land	10%*	Feb. 3	..	..	..
Utah Copper	\$1.25 p.s.	..	..	..	..
Van Ryn Deep	22 1/2%*	Feb. 3	..	..	..
Van Ryn Gold	5%*	..	Tax free	..	..
Village Deep	24 1/2%*	..	..	..	..
West Spring	7 1/2%*	..	..	..	..
Tea and Rubber.					
Adams Peak Tea Estates	3%*	..	Less tax	..	..
Balmoral (Ceylon) Estates	10%*	..	..	..	..
Beaufort Borneo Rubber	10%*	Jan. 15	Less tax	..	..
Ceylon Timber and Rubber	12 1/2%*	Jan. 9	Less tax	..	..
Dejoo Tea	5%*	Dec. 31	Less tax	..	..
Djabong (Java) Rubber	25%*	Jan. 9	Less tax	..	..
Jorehaut Tea	15%*	Jan. 4	Less tax	..	..
Kolihur and Seconee Tea	7 1/2%*	..	..	..	..
Lungia Tea	4%*	Jan. 5	Less tax	..	..
Majedie (Johore) Rubber	4%*	..	..	12 1/2	nil
Nahalne Tea	6 1/2%*	..	..	..	..
Nirmala Plantations and Lands	24%*	Jan. 15	..	..	..
Pundaloya Tea	10%*	Dec. 23	Less tax at 4/4 1/2	..	..
Seminyih Rubber	15%*	..	..	..	..
Shelford Rubber	15%*	Dec. 24	Less tax	..	..
Sungei Tamu	15%*	Dec. 18	Less tax	..	..
Other Companies.					
Aberthaw and Bristol Channel Cement	12%*	..	..	7 1/2	4
Antigua Sugar	..	..	..	10	10
Australian Pastoral	7 1/2%*	..	Tax free	..	..
Bell Telephone of Canada	2%*	Jan. 15	Quarterly	..	..
Benn Bros.	6 1/2%*	Jan. 1	Less tax	..	..
Birmingham Aluminium	..	..	..	7	7
Birmingham Rowten Houses	..	..	Tax free	5	5
Boca Fure Drug	9%*	Jan. 1	Less tax	..	..
Brandon's Brewery	2 1/2 p.s.†	Jan. 19	..	26 1/2	25
British American Tobacco	10 p.s.†	Jan. 19	..	86 1/2	86 1/2
Do	2/3 p.s.†	..	..	48	48
Brit. Columbia Elect. Pref. Ord.	2/3 p.s.†	..	Tax free	..	..
Do Def. Ord.	4/2 p.s.†	..	Tax free	..	..
Burgon and Ball	..	..	Tax free	..	..
Cadana Cafes	12 1/2%*	..	..	20	20
Cela Hydrophatic	10%* (bonus of 6 p.s.)	..	Tax free	..	..
Do "A" Shares	10%* (bonus of 2 1/2%)	..	Tax free	..	..
Cape Electric Tramways	4%*	Jan. 1	Tax free	..	..
City and General Properties	6 1/2%*	..	(bonus of 4%)	16	16
Consolidated London Properties	5%*	Jan. 1	Less tax	..	..
Criterion Picture House (Dudley)	..	..	..	15	5
D. C. I. Limited	..	..	..	..	..
Dominion Glass	18%*	Jan. 2	Quarterly	..	..
Duff Development	18%*	Jan. 31	Less tax at 4/4 1/2	..	..
D. Watney and Son	..	..	Tax free	15	15
Eastern Extension Telegraph	5/2 p.s.†	Jan. 15	Tax free	..	..
Eastern Telegraph	2 1/2%*	..	Tax free	..	..
Ferguson, Fain	19%*	..	..	13	13
Finlay and Co.	..	..	Less tax	8	7 1/2
General Billposting	..	..	..	15	..
Glasgow Corn Exchange	2%*	..	..	10	10
Hallamshire Coal Supplies	..	..	Less tax	10	10
Hall's Oxford Brewery	7 1/2%*	..	Tax free	15	15
Harrisons & Crossfield, Pref. Ord.	10%	Dec. 31	Less tax at 3/8	..	..
Henekey's	4%*	..	(bonus of 4%)	..	..
Howard and Bullough	1/8 p.s.†	Jan. 1	Quarterly	..	..
Imperial Colonial Finance	15%*	Dec. 30	Less tax	..	..
Imperial Tobacco of Canada	16%*	Dec. 30	..	..	..
Do	16%*	Dec. 18	..	..	..
Jackson's Stores	7 1/2%*	..	..	..	..
Kapp and Peterson	5%*	..	..	..	..
Manxay Companies	18%*	Jan. 2	Quarterly	..	..
Mandla Electric	50c p.s.†	Dec. 31	Quarterly	..	..
Metropolitan Railway Estates	5%*	..	..	..	..
Newcastle Breweries	..	..	..	..	..

New Investment	5	Jan. 1	Less tax	%	%
North-Eastern Dwellings	4 1/2%*	..	..	7	7
Ohlsson's Cape Breweries	2 1/2%*	..	Less tax at 2/	..	..
Pimperial and Pimperial	7%*	..	Less tax	..	..
Redpath, Brown	..	..	Less tax	8	30
Rossleigh, Old Ord.	..	..	..	20	..
Do New Ord.	..	..	..	50	5 1/2
Samuel Allsopp	..	..	..	24	7 1/2
Scottish Trust & Loan of Ceylon	40%*	..	Less tax	..	..
Sir H. W. Trickett	..	..	..	15	..
Sutherland Steamship	1 1/2%*	Dec. 24	..	..	..
Third Scottish-American Trust	5%*	..	Less tax	..	..
Tinsley Park Colliery	..	..	Less tax	15	..
Truswell's Brewery	..	..	Less tax	15	..
United Wire Works	..	..	Less tax	15	..
Uruguay United Estancias	..	..	Tax free	7 1/2	7 1/2
Victoria Palace	..	..	..	10	20
Waterlow and Sons, Def.	10%*	(bonus of 2 1/2%)	Tax free	15	12 1/2
Western Canada Investment	6 1/2%*	..	..	24	2 1/2
Workshop and Bedford Brewery	7 1/2%*	..	Tax free	10	..
Wyman and Sons	..	Jan. 1	Less tax	..	..

ANALYSIS OF BALANCE-SHEETS.

LIABILITIES.			ASSETS.		
Amount.	Compared with Sept. 30, 1924.	Amount.	Compared with Sept. 30, 1924.		
Ord. stock	315,707	..	Breweries	540,033	11,567
Prof. stock	753,710	..	Freehold, leasehold, and copyhold pr. perties	1,211,807	158,591
4 1/2% 1st deb.	1,199,000	..	Investments	609,796	290,580
Interest accrued	13,489	..	Debtors	148,200	4,466
5% deb.	419,903	9,283	Stocks	279,919	15,766
Interest accrued	5,248	..	Cash	151,959	209,812
Deb. sinking fund	81,098	117	British Govtmt. securities	29,136	104,726
Creditors, &c.	533,803	9,399	Deb. dep. & invest.	30,515	65,943
Contingent acct.	36,821	42,791	Goodwill	700,000	..
Reserve account	240,000	20,000			
Ord. shs. div. acct.	15	569			
Prof. shs. div. acct.	81	..			
Profit and loss	102,490	6,566			
Total	3,701,365	68,823	Total	3,701,365	68,823

OIL OUTPUTS.

BRITISH BURMAH PETROLEUM COMPANY, LIMITED.—The production of crude oil by this company and the Rangoon Oil Company, Limited, for the month of November amounted to 55,023 barrels.

CALEX OIL.—The Calex Oil Company reports having received cables from two of its subsidiary companies notifying the following production for November:—Cia de Petroleo Calex, S.A., 2,929 barrels, or 465 tons; Anglo-Texas Oil Company, 8,358 barrels, or 1,104 tons.

MEXICAN EAGLE OIL CO., LIMITED.—The production for the week ended November 28, 1925, was 145,000 barrels.

TAMPICO OIL, LIMITED.—The total production on the company's properties in Mexico during November was 45,264 barrels, in respect of which the Royalty due to Tampico Oil, Limited, amounted to 3,395 barrels.

UNITED BRITISH OILFIELDS OF TRINIDAD, LIMITED.—Production for the week ending Wednesday, December 9, 1925, amounted to 1,136 tons (previous week ended December 2nd, 1,119 tons).

VENEZUELAN OIL CONCESSIONS, LIMITED.—Production for the week ended December 12, 1925, was as follows:—La Rosa, 18,125 metric tons (previous week ended December 5th, 14,444 metric tons); Maracaibo district, 3,730 metric tons (previous week ended December 5th, 3,189 metric tons).

Reports and Notices.

Mr F. H. Reeve has been appointed a director of the British Automatic Company, Limited.

Mr John Moody, the well-known American economist, who was recently in London, has established a European branch of Moody's Investors Service, Limited, at 70 Cornhill, E.C. 3.

The secretary to the British South Africa Company announces that Mr Edmund Davis has been elected to a seat on the board of the Rhodesia Railways Trust, Limited.

BANKS.

BANK OF SCOTLAND.—At an extraordinary meeting on December 22nd, resolutions will be submitted for issuing additional stock to the amount of £262,500, of which £175,000 will be paid up. The total paid-up stock will then be £1,500,000. The issue price is to be £20 for every £150 of stock. Stockholders will be offered £198,750 of the additional stock, being 10 per cent. of the amount already issued, and the balance of £63,750 will be offered to the staff on the same terms. The yield on the basis of the 16 per cent. dividend which has been paid for the past ten years is £5 10s 4d per cent.

BRITISH OVERSEAS BANKS ASSOCIATION.—At a general meeting of the members of the association held on December 16, 1925, the following were elected to form the committee for the ensuing

year:—Mr C. Cambie, Canadian Bank of Commerce; Mr J. S. Campbell, Bank of New South Wales; Mr Leslie Couper, C.M.G., Bank of British West Africa; Mr C. H. Hewett, Barclays Bank (Dominion, Colonial and Overseas); Mr E. M. Janion, English, Scottish and Australian Bank; Mr B. Lowndes, Standard Bank of South Africa; Mr E. C. Macleod, Bank of Nova Scotia; Mr C. Nicoll, National Bank of India; Mr H. P. Roberts, British Bank of South America; Mr S. F. Rogers, Imperial Bank of Persia. Mr Francis Shipton was re-elected an honorary member of the committee. Mr Sydney F. Rogers (Imperial Bank of Persia) was elected chairman of the committee, and Mr Bertram Lowndes (Standard Bank of South Africa) was re-elected honorary secretary and treasurer.

ITALO-BELGIAN BANK.—Balance-sheet figures at June 30, 1925, do not present any appreciable difference from those of the preceding year. The investments of the bank are nearly wholly composed of State bonds destined to facilitate the transactions of the bank's branches in London, as well as in South America. The dividend proposed is 10 per cent., against 8 per cent. for preceding year. The amount of premises, 18,746,228f, represents the value of the bank's premises in Sao Paulo, Montevideo, Buenos Aires, Valparaiso, Rio de Janeiro, and Paris. Cash stands at 165,306,809f, against 170,305,173f. Bills amount to 258,811,266f, against 299,723,579f. Government securities and Treasury bonds, shares, and bonds stand at 12,203,849f, against 9,611,396f. The net profits realised during the last business year amount to 6,120,321f, against 4,532,256f, to which is to be added the amount carried forward from the previous year, 1,635,511f, making 7,755,832f. The profit is disposed as follows:—Dividend, 50f per share, 5,000,000f; directors' remuneration, 543,048f; to reserve, 1,000,000f; to go forward, 1,212,784f. Reserve funds amount to 27,000,000f.

ROYAL BANK OF AUSTRALIA.—The net profit for half-year ended September 30, 1925, amounted to £48,170. The dividend is at rate of 10 per cent. per annum. The sum of £10,000 is put to reserve, making total reserve £630,000. The carry forward is £32,568. Total assets are £6,917,367.

RAILWAYS.

BRAZIL RAILWAY COMPANY.—The report for 1924 contains a wealth of interesting material, amounting to 90 pages. The directors point out that throughout 1924 the value of the milreis remained almost stationary in the neighbourhood of 6d. The same figure was maintained during the first half of 1925. Since August 1st of the present year, when it was about 5 1/2d., the rate of exchange has risen rapidly to 7 3/4d on November 10th. This amelioration must, above all, be attributed to the policy of strict economy and withdrawal of paper money pursued by the Brazilian Government. The gross revenue for 1924 amounted to \$1,159,886. Net income amounted to \$767,940. It is pointed out that this amount is subject to subsequent exchange fluctuations.

SANTA MARTA RAILWAY COMPANY, LIMITED.—The board announces that it has received a cable to the effect that the Supreme Court of Colombia has delivered a judgment whereby the company's concession is limited solely to those sections of the line which were constructed and opened to public service on October 31, 1911, and that the company was from October 19, 1920, under obligation to sell the railway to the nation or its nominees at a price to be fixed by mutual agreement or, that failing, by arbitration. Confirmation of the cable received and a full report of the judgment are awaited.

RUBBER, &c.

LANGKAPERA (SUMATRA) RUBBER ESTATE.—The output of rubber for the year ended June 30, 1925, amounted to 490,629 lbs, against an estimate of 440,000 lbs. The cost of production on the estate was 7.53d per lb, and the "all in" cost, including depreciation, was 10.76d per lb. The average gross selling price (not including the stock unsold, valued at cost price on June 30, 1925) was 15.76d per lb. The output of coffee was 1,067 piculs, of which 705 piculs were sold at a profit of £2,103 19s 1d. If the profit on this catch crop is taken to reduce the cost of rubber the "all in" cost of the latter is reduced to 9.73d per lb. The profit and loss account reveals a profit of £9,758, from which is deducted the debit balance of £9,472 brought forward from previous year, leaving a credit of £286. A dividend of 10 per cent. on the pref. shares absorbs £156, leaving credit of £130 to go forward.

PONTIAN (MALAY) RUBBER.—The yield of rubber for year ended September 30, 1925, was 203,378, an increase of 11,706 lbs. Estate September 30, 1925, was 203,378, an increase of 11,706 lbs. The cost of production were 9.74d per lb, the "all-in" cost being costs of production were 9.74d per lb, at an average price in under 11d, and sales amounted to 197,873, at an average price in Singapore of 15 11.41d per lb. The net profit is £10,272, against £2,405. The ordinary dividend is 20 per cent., against nothing in preceding year. The total assets are £65,013, against £54,120. Cash is at £11,064, against £4,142. The company has £2,949 in Government securities at cost, against no investments in preceding balance-sheet.

WATERFALL (SELANGOR) RUBBER ESTATES.—The crop of rubber harvested during year ended September 30, 1925, under the restriction scheme was 1,014,668 lbs, costing all-in 8.06d per lb, exclusive of the amount written off buildings, plant, and machinery. This crop was sold at an average price of 25.46d per lb. The profit for the year amounts to £83,427, making, with the balance of £16,285 brought forward from last year, a credit balance of £99,712. The interim dividend of 5 per cent., less tax, paid to the shareholders on July 2, 1925, amounted to £16,643, leaving £83,069 to be dealt with. The directors recommend the payment of a final dividend of 15 per cent., less tax (making 20 per cent. for the year), absorbing £49,929, leaving a balance of £33,140 to be carried forward, subject to directors' additional remuneration (£2,500) in accordance with the articles of association. The directors have concluded negotiations for the purchase of a rubber estate at a price which they consider favourable. Total assets £427,978. Cash is at £46,957.

MISCELLANEOUS.

BRITISH COLUMBIA ELECTRIC RAILWAY.—The net profit for year ended June 30, 1925, after payment of interest on debenture stocks is £360,792, against £283,283. The dividend on the preferred ordinary stock is £6 6s 9d per cent., free of income-tax, against £4 16s 2d per cent. free of income-tax. The deferred ordinary dividend is £8 per cent., free of income-tax, against £6 9s 8d per cent. free of income-tax. The sum of £40,000 is put to reserve. The carry forward is £60,890.

MILLOM AND ASKAM HEMATITE IRON COMPANY, LIMITED.—The net profit for year ended September 30, 1925, amounted to £42,845, against £40,655. Preference dividend absorbed £24,500. The sum of £25,000 is carried to reserve, and £12,813 carried forward. The report points out that the current improvement in trade has enabled the company to blow two furnaces and get the Florence Mine back to a larger production. The report further adds that the development of the Florence Mine exceeds expectations. The whole of the works and plant continue to be maintained in an efficient condition, and an increased output, both at blast furnaces and mines, can be obtained when trade conditions justify. The balance-sheet reveals total assets £2,206,971. Stocks have dropped from £132,399 to £66,185. Debtors are at £70,847, against £74,237.

Commercial Reports.

THE CORN TRADE.

Mark Lane, Friday Evening.</

8s 9d, ground oats 12s 3d per cwt, free on rail. Oatmeal unaltered. London-made flaked 18s, rolled oats 17s, medium, also fine cut, 17s, coarse, also medium pinhead, 17s ex-mill, ordinary Scottish oatmeal 17s 6d, American ditto 16s per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest years 1925-26, 1924-25, 1923-24, 1922-23.

	1925-26.	1924-25.	1923-24.	1922-23.
Estimated sales of home-grown wheat—	Cwts.	Cwts.	Cwts.	Cwts.
1 week to Dec. 12.....	588,905	209,134	442,203	577,954
15 weeks to Dec. 12.....	6,006,570	3,643,569	5,968,707	7,182,550
Average price of English wheat per cwt.....	s d 12 3	s d 12 3	s d 9 10	s d 9 7½

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1921 to 1924:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1925.	Cwts.	Cwts.	Cwts.	s d	s d	s d
Dec. 5.....	549,795	457,465	77,065	11 10	10 9	9 3
Dec. 12.....	588,905	423,709	60,961	12 3	10 10	9 3
1921.....	455,349	302,700	77,000	10 8	12 9	10 2
1922.....	577,954	420,911	74,710	9 8	9 6	9 6
1923.....	442,203	545,362	66,999	9 10	10 7	9 2
1924.....	209,134	395,360	77,168	12 3	14 5	9 8

AMERICAN WHEAT MARKETS.

Prices show slight change on balance. At the opening, markets were firm generally in anticipation of a decreased Argentine crop estimate, but the figures proved higher than had been expected. A certain amount of liquidation has taken place, stimulated by disappointing Liverpool cables, but purchases by the mills, and continued cold weather in the north-west have prevented any marked falling away in values. Recent quotations:—

	Dec. 19, 1924.	Jan. 2, 1925.	Dec. 3, 1925.	Dec. 10, 1925.	Dec. 17, 1925.
Winnipeg (No. 1 Manitoba)—Cents per 60 lbs.....	181½	183	(b) 160½	(b) 154½	153
Chicago (No. 2 Winter)—Cents per 60 lbs.....	173½	177	(b) 178½	(b) 172½	173½

(b) December delivery.

COAL.

Our Cardiff correspondent writes:—Business on the Cardiff coal market this week has been largely absorbed by the arrangement of pre-holiday shipments, and with an increasing supply of shipping available the majority of the collieries have been regularly employed. Prices also of most classes of coal have been firm, with the better qualities showing decidedly upward tendencies for prompt positions. The better quality steam smalls have been particularly strong, and the quotations for these have been higher than at any other period since the early months of the year. It is also reported that a fair number of contracts have been arranged for supplies over the whole of next year, but at prices approximating current figures, and, therefore, at from 4s to 5s per ton less than those at which contracts were arranged for supplies over the current year. The Egyptian State Railways have increased their requirements over the first three months of the year from 200,000 to 300,000 tons of Monmouthshire coals, while a large South American contract has also been secured. The following are the current approximate quotations:—Best Admiralties, 22s 6d to 23s 6d; seconds, 22s to 22s 6d; best drys, 22s to 23s 6d; Black Veins, 20s to 20s 6d; Western Valleys, 19s 6d to 20s; Eastern Valleys, 19s 3d to 19s 6d; best bunker smalls, 14s to 14s 6d; ordinary cargo smalls, 12s 6d to 13s; coking smalls, 14s 6d to 15s; anthracite best large, 38s to 42s 6d; Red Vein large, 28s to 32s; machine-made cobbles, 57s to 58s; French nuts, 57s 6d to 58s 6d; stove nuts, 57s to 58s; rubbly culm, 11s 9d to 12s 3d; coke, special qualities, 35s to 40s; patent fuel, 19s 6d to 22s 6d; pitwood, ex ship, 31s 9d to 32s 3d.

Our Glasgow correspondent writes:—The stronger tone recently noted in the export branch has become rather more pronounced during the past week. Not a great deal of new business is being arranged, but outputs for the remainder of the month have been well contracted for, and the collieries are in a position to command firm prices for surplus lots owing to the covering demand by exporters having shipments to complete before the holidays. Round coal moves steadily in all districts, and among washed varieties a strong demand prevails for singles and pearls on both home and export account, although the larger sizes are also firmer.

Our Sheffield correspondent writes:—Business in house coal is active, and best qualities fetch high prices. A revival is being experienced in the coke and export coal market. Prices of blast furnace are higher. Boiler slacks are in fair demand. Best South Yorkshire steams are quoted at 16s upwards, and best Durhams at 17s upwards.

Our Workington correspondent writes:—The coal trade is better, three of the important collieries working full time, but production is in excess of requirements, chiefly due to the competition of Scotland and Lancashire in the Irish market, and that of Yorkshire and Scotland in the local land sale market. There is no change in prices. The shipments to Ireland have, during the past three weeks, averaged between 11,000 and 12,000 tons weekly. Coke is a bigish make from the furnaces on ordinary iron at 18s to 19s, according to carbon content. Trade in tar products is brisker, creosote especially being strong.

IRON AND STEEL.

The following is extracted from the weekly report issued by the London Iron and Steel Exchange:—Markets are characterised by typically December conditions. Orders are principally confined to a few small lots for immediate delivery, arising principally from the warehouse trade. There is sufficient inquiry in the market for delivery in the early months of next year to maintain a note of confidence. In the pig-iron market British producers are firm, although, with the exception of the Cleveland ironmasters, none of them has ventured an attempt to advance quotations. The conditions as regards semi-finished materials are practically unchanged. Considerable quantities are arriving in this country, and Continental producers have still what is practically the control of the British home market through the low prices which they quote.

Our Middlesbrough correspondent's report, dated December 17th, is as follows:—Pig-iron.—There is not a great deal of activity in the Cleveland iron trade, partly due to approaching holidays. The recent rise in prices has, however, somewhat restricted demand. Only small transactions are taking place for home account, the

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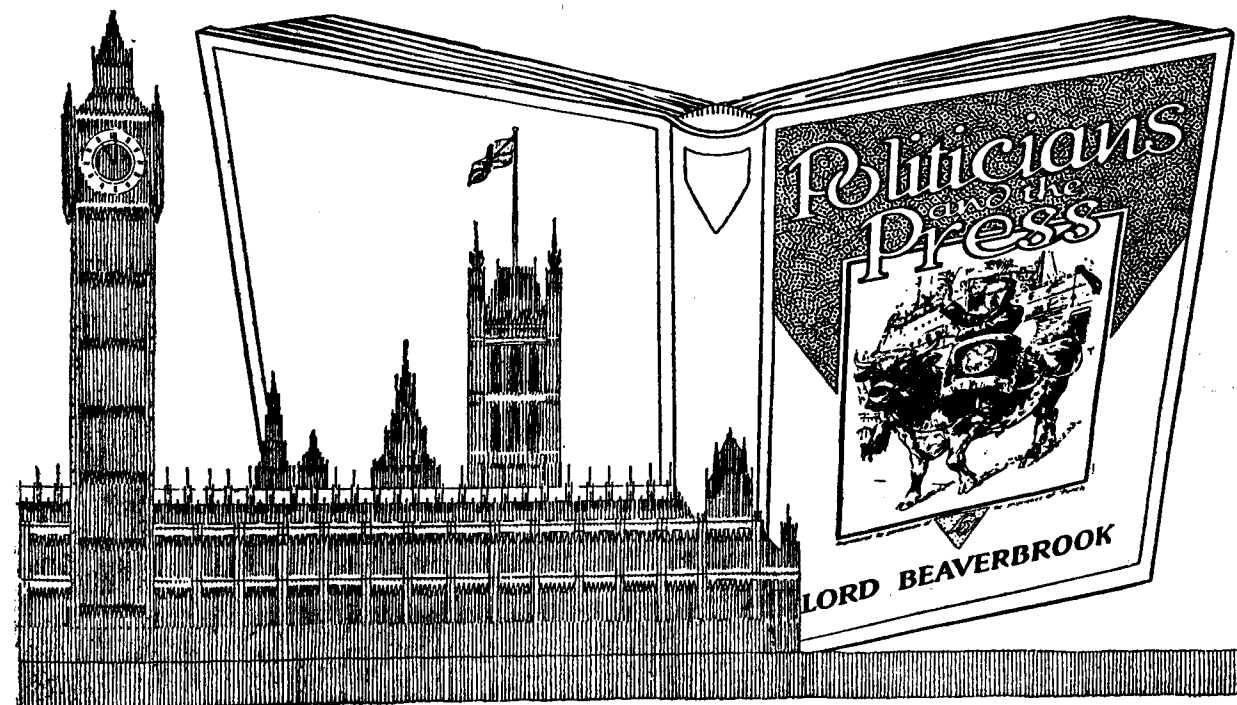
Turnover from June, 1920, to September 30, 1925,
£65,797,891

Exports from Russia to Great Britain include timber, flax, furs, ores, metals, crude drugs, petroleum products, etc., to a total value of £21,565,018.

The more important items of import to Russia are agricultural machinery, locomotives, tools, motors, scientific apparatus, drugs, clothes, boots, etc., to a total value of £44,232,873.

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In his brilliant review of Lord Beaverbrook's new book, "Politicians and the Press," Mr. T. P. O'Connor, M.P., concludes with the trenchant passage quoted above.

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SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Payment of Dividend Interest.	Amount Available for Distribution.	Appropriation.					Corresponding Period Last Year.	
					Dividend.			Carried to Reserve, Depreciation, &c.	Balance Forward.	Net Profit.	Dividend.
					Prefee.	Ordinary.	Rate.				
					Amount.	Amount.	Rate.				
Banks.											
Royal Bank of Australia	Sept. 30*	£ 31,898	£ 48,170	£ 80,068	£ ..	£ 37,500	10	£ 10,000	£ 32,568	£ 62,533	10
Breweries.											
Newcastle	Oct. 31	67,880	58,840	126,720	12,000	32,000	8	25,000	57,720	84,895	15
Officers'	Sept. 30	72,612	35,308	107,920	2,400	9,810	15	..	95,710	27,796	15
Samuel Allsopp and Sons	Sept. 30	19,324	99,782	119,106	56,527	17,364	5½	25,000	20,215	95,369	5½
Financial, Land, &c.											
British Columbia Fruit Lands	April 30	Dr 96,736	Dr 11,939	Dr 108,675	..	..	..	..	Dr 108,675	..	..
Investors' Mortgage Security	Sept. 30	20,161	105,727	125,888	29,662	55,428	14	20,000	20,798	102,801	13
Hotels, Restaurants, &c.											
Cadena Cafés	Sept. 30	3,496	28,379	31,875	5,808	19,647	20	..	6,420	26,518	20
Iron, Coal, and Steel.											
Baldwins	June 30	526,618	Dr 18,864	507,754	45,467	..	..	225,091	237,196	216,757	..
Millom and Askam Hematite Iron	Sept. 30	19,468	42,845	62,313	24,500	..	..	25,000	12,813	40,655	..
Motor and Cycle.											
Rossleigh	Sept. 30	26,944	10,479	37,423	472	12,994	20	..	23,957	32,419	30
Oil.											
Steaua Romano (British)	June 30	37,602	30,717	68,319	..	46,875	3	18,464	2,980	..	..
Rubber, &c.											
Kong Lee (Perak)	Aug. 31	578	3,826	4,404	..	3,250	10	..	1,154	3,655	10
Pontian (Malay)	Sept. 30	19	10,272	10,291	..	9,876	20	..	415	2,406	nil
Shops and Stores.											
Finlay and Co.	Sept. 30	2,177	16,588	18,765	841	7,739	8	7,000	3,185	14,805	7½
Textiles.											
Richards	Sept. 30	718	Dr 3,777	Dr 3,059	4,258	4,688	3½	Dr 13,000	995	6,679	5
Tramways and Omnibus.											
British Columbia Electric	June 30	60,470	360,792	421,262	72,000	109,786	6½	40,000	60,890	283,283	4/16/2½
						138,586	8½	Dr 2,000	258	..	6/9/8½
Other Companies.											
General Billposting	Sept. 30	14,691	12,186	26,877	2,768	8,378	15	1,041	14,691	..	..
R. and J. Dick	Aug. 31	Dr 62,410	24,222	Dr 38,188	4,000	36,000	15	..	Dr 38,188	31,145	..
R. Hood, Haggie, and Son	Oct. 31	52,177	51,066	103,243	5,625	3,468	2½	15,000	48,243	60,346	15
Sir H. W. Trickett	Nov. 30	501	8,850	7,351	..	..	..	..	..	..	..

* Half-yearly.

† Tax free.

‡ Corrected figure.

export business having almost ceased. Meanwhile, the agreed minimum price of 66s 6d per ton is unchanged for home consumers, 6d extra being required for export orders. The Hematite position is altogether different, there being something like a famine, and prompt supplies almost unobtainable. The price has consequently been advanced to 76s per ton for mixed numbers, and this only for forward delivery. Manufactured Iron and Steel.—There has been a slight falling off in the flow of specifications, but the works are fairly well situated, and prices are as follows:—Steel ship plates, £7 5s; steel ship angles, £6 17s 6d; iron bars, £11 5s; steel rails, £8. Iron Ore.—There is no change in the foreign ore trade, and best Bilbao Rubia ore remains steady at 21s per ton c.i.f. Tees.

Our Sheffield correspondent writes:—The quietude usual towards the end of the year pervades all branches of local industry. Confidence in the new year has lessened somewhat. The market for foundry pig-iron is still weak, and in the absence of substantial buying there is a tendency among sellers to ease prices. Hematite is in fairly strong demand at home, and a considerable tonnage is being shipped to the United States. Producers of soft steels continue to suffer from the effects of foreign competition. More than half the open-hearth furnaces are standing. Trade with Canada and South America has been increasing steadily since midsummer. The home consumption of tools of all kinds is large, but overseas demand has fallen off. A feature of the cutlery trade is the heavy importation of goods from Germany, which are being shipped with the object of anticipating the tariff. Exports of Sheffield cutlery are lower. Makers of electro-plate are feeling the most acute depression for many years.

Our Glasgow correspondent writes:—The near approach of the holiday season is shown by a quietening down all round. The feeling is maintained, however, that better things are in store on the opening of the year, and business men are beginning to look forward to an early and definite turn of the tide. A good omen is the continued activity of the structural steel industry. All the firms in the trade are well supplied with work, amongst the latest contracts placed in this districts being one of £10,000 for steel buildings to be erected in Hertfordshire for British National Pictures. Apart from sectional steel the works are in want of orders, plate mills being very badly off, Continental plates having recently come in at 30s per ton below the lowest quotations of home producers. Pig-iron is slow, with only a small export demand. Makers of malleable iron are in a slightly better position, the home demand having somewhat improved. The boom in galvanised

sheets has eased off, but makers have full order books, and are confident as regards the future.

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Our Cardiff correspondent writes:—In the iron and steel market there has been no material alteration. In the tinplate trade prices have been a shade easier, with those for basis boxes ruling down to 19s 7½d per box for prompt shipment. Tinplate bars are unchanged at £6 8s per ton. Supplies received at the dock warehouses last week were heavier by 44,451 boxes than in the previous week, and stocks were consequently increased to 83,710 boxes. There was a fair market for galvanised sheets, for which the price ruled at £16 10s to £16 15s per ton f.o.b. 24 gauge. The outlook for the steel bar industry is slightly improved, and there are rumours of the probable restarting of the Port Talbot works early in the new year.

CUMBERLAND IRON.

Our Workington correspondent writes:—The end of the year finds makers of Cumberland and North Lancashire hematite pig-iron so well sold that they maintain their present output until the end of March next. There was brisk buying between the middle and the end of last month, with the result that practically all the stocks disappeared, and it became necessary to increase the make, the latest furnaces to be restarted being the pair belonging to the North Lonsdale Company at Ulverston. The number now in blast between Workington and Barrow is 13, and the whole of the output is going into consumption. The improvement has come so gradually as to warrant the expectation that it will continue, and that a further expansion of production will be justified some time in the first or second month of next year. There has been no increase in price, the feeling being that in spite of rising fuel costs, the recovery should not be retarded, but Bessemer mixed numbers are very firm at the old quotation of £4 1s 6d c.i.f. Welsh ports, £4 6s 6d at Glasgow, £4 8s 6d at Sheffield, and £4 12s 6d at Birmingham. There is considerable Midland and Scottish buying of low-phosphorus iron at £4 15s per ton, and semi-special qualities are in brisk American demand at 84s to 87s 6d, according to analysis. Ferro-manganese, which one of the Workington furnaces is smelting, is steady at £15 10s, and malleable iron is in sharp request at £6 per ton. The local consumption is heavy, because of the livelier activity at the steelworks at Workington and Barrow. At both centres a considerable tonnage of rails is being rolled, as well as other railway material. Orders on the book represent nearly three weeks' work in four until the end of March. Rails are £8 10s, sleepers £10 10s, and fishplates £12 10s. Native hematite ore is, of course, in better demand, and the Hodbarrow mines have been restarted. Parcels are being sent to the East Coast and to Scotland. Superior sorts are quoted at 18s to 19s, and ordinary kinds at 14s to 15s.

OTHER METALS.

TIN.—Values marked a sharp decline owing to liberal selling orders combined with weaker cable advices from the East, though later the decline was mostly recovered on buyers showing more disposition to operate. A fair business transpired, including cash at £283-£273 15s, £281 5s and £282, three months £278-£272, £277 15s and £277 5s. Sales in the East were reported at £285 10s to £276 15s and £278 5s.

COPPER continued in good support, but with offerings on a large scale values exhibited slight irregularity, though firmer on balance. Standard cash sold £59 6s 3d, £58 18s 9d and £59 15s, three months £60 7s 6d-£60 and £61 2s 6d.

LEAD opened easier, but subsequently improved, with active dealings. Good soft foreign pig December sold £34, £33 16s 3d and £34 15s, January £34 2s 6d-£34 and £34 15s, February £34 2s 6d-£33 15s and £34 10s, March £34-£33 15s and £34 10s.

SPELTER slightly irregular, but firm, and a good turnover resulted. December sold £37 15s-£36 18s 9d and £38 10s, January £37 10s-£38 7s 6d, February £37 2s 6d-£36 15s and £37 16s 6d, March £36 17s 6d-£36 10s and £37 5s per ton.

ANTIMONY firm. English specials quoted £90 to £95. China crude December-January sold £81 c.i.f.

ALUMINIUM.—Home trade nominally £120, export £125 ton.

QUICKSILVER firm. Spot quoted £15 to £15 10s per bottle.

WOLFRAM firmer. Forward quoted 22s to 22s 6d per unit c.i.f. terms.

THE COTTON TRADE.

LIVERPOOL, December 17, 1925.

Business has been very dull all week and the market has declined about 35 points, though demand seems to increase. The estimated spot sales from the 11th to 17th inst. (inclusive) are 23,440 are American, 2,200 Brazilian, 4,100 Peruvian, 800 Egyptian, 3,150 African, 300 East Indian, and 10 sundries. The imports for the week are 97,920 bales, of these 81,718 are American, 2,947 Peruvian, 7,883 Egyptian, 2,527 African, 2,275 East Indian, and 570 sundries. Middling American is quoted at 9-74, Egyptian F.G.F. Sakel 16.75, F.G.F. Upper 14.30, fair Brazil 10.24, G.F. mod-rough Peru 16.00, smooth 11.99, F.G.F. Tinnevely 8.85, G.F. East African 12.55, and middling West African 9.49. Egyptian futures have been very weak, mainly due to selling orders from Alexandria. The only sustaining feature being the reversing of straddles between American and Egyptian growths, the difference to-day between January American and January Egyptian is 620 points.

MANCHESTER, December 17, 1925.

Trading during the past week has been under the influences of a further fall in raw material rates, and buyers of yarn and cloth have been afraid to give out orders of any importance. Bearish sentiment is still very pronounced, and there is every expectation of cheaper prices. The turnover in piece goods has fallen off, and less business has been done for India. It is understood that arrangements are being made to restart auction sales in China in the middle of January, and a few more bids have been met with for greys and whites. Only sorting up lots have been put through for the several minor outlets East and West, and there has not been much life in the home trade. American yarns have been dull of sale, and prices have favoured buyers. Restricted purchases have been reported in Egyptian spinings.

(I.) Comparative Statement of the Cotton Trade.

	Price, Dec. 17, 1925.	Previous Weeks in 1925.				
		Price, Dec. 10.	Price, Dec. 3.	Price, Nov. 26.	Price, Nov. 19.	Price, Nov. 12.
Raw Cotton—Mid. American	d 9-74	d 10-13	d 10-47	d 10-79	d 10-74	d 10-70
— Sakellaridis Fully Good Fair	16-75	18-20	19-20	19-85	20-50	20-85
— Egyptian	16½	16½	17½	17½	18	18
Yarns—32's twist	17	17½	18	18½	18½	18½
— 40's twist	30½	32	32½	33½	33½	33½
— 60's twist (Egyptian)	30½	32	32½	33½	33½	33½
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	27	0 27	0 28	0 28	0 29	0 29
36-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	31	9 32	6 33	0 33	6 33	6 33
38-in. ditto, 38 yds, 18 by 18, 10 lbs	15	6 15	9 16	0 16	4 16	6 16
39-in. ditto, 37½ yds, 16 by 15, 8½ lbs	14	0 14	14 14	3 14	6 14	7 14

(II.) Compared with Previous Years.

	Price, Dec. 17, 1925.	Corresponding dates in				
		1924.	1923.	1922.	1921.	1920.
Raw Cotton—Mid. American	d 9-74	d 13-36	d 10-47	d 15-08	d 11-30	d 11-26
— Sakellaridis Fully Good Fair	16-75	29-10	22-90	17-80	20-75	25-00
— Egyptian	16½	23½	28	21	18½	26
Yarns—32's twist	17	24½	28½	20½	17½	25
— 40's twist	30½	42	37	28	32	40
— 60's twist (Egyptian)	30½	42	37	28	32	40
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	27	0 36	6 39	0 30	0 31	0 47
36-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	31	9 41	3 42	6 32	3 31	0 44
38-in. ditto, 38 yds, 18 by 18, 10 lbs	15	6 19	14 22	6 18	3 18	6 26
39-in. ditto, 37½ yds, 16 by 15, 8½ lbs	14	0 17	6 20	6 16	9 18	0 21

THE WOOL TRADE.

Our Bradford correspondent, writing on Thursday, says:—Steadying influences have been at work during the last few days, and the market to-day appears to be more settled than for some weeks past. There seems to be a general feeling in consuming centres that values to-day are nearing an economic basis, and this is reflected in increased interest on the part of users. Spinners who have held aloof for several weeks are now buying in a quiet way, and the turnover in both merino and crossbred tops this week has been on a larger scale. Most people seem to think that 64's tops are about on a safe trading basis at 4s, and sales have been made at that figure for delivery February-March. Crossbred wool has also got down to what may be termed a workable basis, and, with steady markets, there should be a considerable expansion in machinery consumption during the next few months. Spinners are finding more inquiry for yarns on to-day's quotations, and manufacturers believe that a considerable amount of cloth business, held in abeyance during the period of uncertainty, will come on to the market as soon as buyers are convinced that the bottom has been touched.

COLONIAL WOOL.
(FROM A CORRESPONDENT.)

The final auctions of Colonial wool in London have finished with values all below the opening figures. On the whole, however, they must be regarded as satisfactory, though the weakness of the last six or seven days was certainly disappointing to those who looked for a continuance of firm values. Urgent needs had to be satisfied as quickly as possible when the series opened. The home trade, in particular, wanted certain classes of wool, and even French and German buyers had certain requirements to fill. Afterwards buyers settled down to operations on a distinctly lower basis, and at the close prices were generally 5 to 7½ per cent. below those of the September-October series. This, however, is a small decline compared to that in Australia, New Zealand, and South Africa, while the price of crossbred wool in Buenos Aires is below any other market the world over. During the opening week of the series, merino values were at least 4d clean above those ruling in Australia. They were even more for South African grease combing wools, and at least 3d above New Zealand.

The year is drawing to a finish with wool soundly situated, and prices generally are regarded as being safe. Frankly, the majority would have been still better pleased if wool could have been purchased in the primary markets on the basis of 4s for good 64's tops, and while this has obtained both at Perth and Adelaide sales, the buying basis at Melbourne and Sydney has been around 4s 2d. Even that price is not going to prevent a good trade next year in woollens and worsteds. There is far more confidence to-day, and a stronger disposition to buy wool, tops, yarns, and pieces than there was 12 months ago. This is the direct result of more reasonable raw material prices, and we are satisfied that at to-day's values a sound business can be done.

THE JUTE TRADE.

The value of raw jute has displayed decided weakness since our last report. With little business being done at any of the consuming centres, sellers have made considerable concessions. Daisee assortment in this market has declined from £60 at the end of last week to £56, the ruling value to-day. White jute is still very scarce and values of First Marks and Lightnings have not dropped to anything like the same extent. First Marks actuals could be purchased to-day at £64 10s., and Lightnings at £60. Spinners have adhered firmly to their terms, and cannot afford to make any reduction. Attempts made to break the price of 5s for common 8-lb cops and 5s 1d for medium spools were unsuccessful. Business in cloth has shown no improvement, and only small hand-to-mouth quantities continue to be taken by buyers, whose stocks must be very low. Small quantities for immediate delivery manufacturers are insisting upon 5½d for 10½ oz, 40 in., and 5½d for 8 oz, but with an order of respectable dimensions something less might be entered. Little business is being done in linoleum hessians, the nominal prices of which are 10½d for 76 in., 9½ oz, and 25½d for 150 in., 10½ oz. Calcutta gunnies have declined in sympathy with the price of raw jute, and the latest ruling quotations of resellers here are 42s 9d for 10 oz, 40 in. hessians, January-March, and 42s 6d for April-June, with 8 oz in both positions named at 35s 9d. Buyers have been few.

HIDE, LEATHER, AND ALLIED TRADES.

The home hide market remains fairly steady, auctions held this week being for the coming fortnight's supply. Best ox sold at Thursday's Bermondsey auctions from 6½d to 9½d, and seconds from 6d to 8½d—a few selections showing slight declines of ½d to ¼d. Best cows sold from 6½d to 6½d. Calfskins were again steady, with no important change in prices, best selections making from 7d to 11½d per lb. Wools sold from 6s 6d to 12s, and hogs from 3s to 12s 6d each. Business in imported hides is improving, and prices of American frogskins advancing, best Argentine ox new skins at 9d, and Montevideo at 9½d. The United States

and Russia have been of late in this market, Scandinavia also making fair-sized purchases. Latest cables from Chicago report the market as steady, with best heavy packers selling at 15 cents.

As the end of the year approaches, the demand for sole leather falls off. The demand is still for light bends, of which supplies are short, as the manufacturers of the ladies' Wellington boot are continually taking supplies. The upper leather market shows some improvement, as carriers of kip leather are better placed for orders. Coloured glacé suitable for the high-leg boot, and, in a less degree, light calf, are selling well, and the market is getting clear of stock. The outlook for the boot trade is improving, and orders are coming to hand more freely.

THE TIMBER TRADE.

(FROM OUR OWN CORRESPONDENT.)

In our last report of the timber market (*Economist*, November 28th) it was stated that the spot market for building woods showed more confidence. This improvement has been more than maintained during the past few weeks. The market is now in a better condition than at any other time during the year, thanks to a lower import of building woods, the early closing of navigation, and the steady increase in consumption compared with a year ago. The decline in imports last month was due principally to the falling off of shipments from Finland, Latvia, and Poland; but imports from Russia and Sweden increased. Imports for the 11 months, January to November, compared with the corresponding period of 1924, have decreased by 130,000 loads. Ice has now taken a firm grip at the Northern shipping ports. Stocks are heavy, but consumption is very good, all things considered. At present rates of consumption the stock is smaller comparatively than at the end of 1924. The housebuilding trade is the largest consumer, and is taking heavy supplies of battens and scantlings. The larger sizes, deals, are now in better demand, after having been in but moderate request for the greater part of the year. The spot market has shown decided firmness. This should be maintained during the close season, and the market may go still higher as stocks decrease. Consumers have been fortunate in securing supplies this year at comparatively cheap prices, owing to keen f.o.b. and spot competition.

In Canadian spruce the imports were not so large last month as in November, 1924, but imports for the year is larger. Stocks in the Lancashire area are moderate, and prices are firmer. Besides the uses of Canadian spruce for house construction, the lower qualities are extensively employed in packing-case and box manufacture. Any improvement in our export trade of commodities requiring packing or crating would thus benefit the spruce market. In the mahogany market the position has changed but little.

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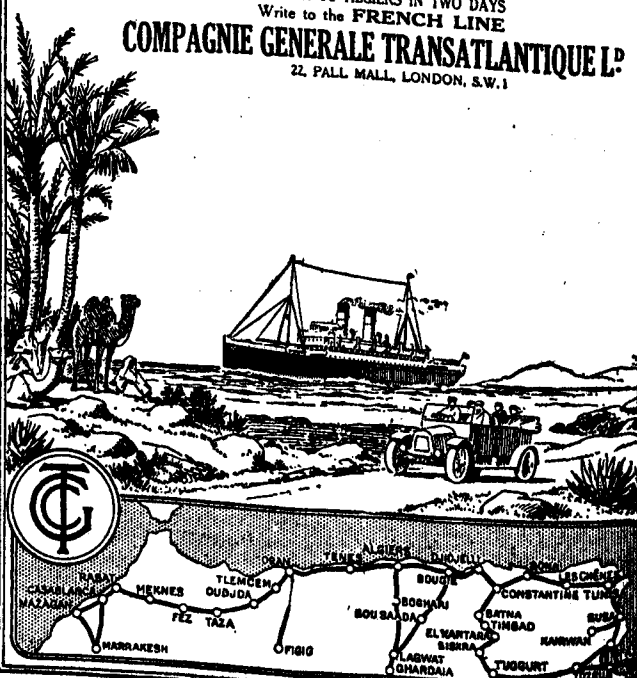
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Good logs, squared, find a responsive market, but not much interest is displayed in inferior wood. In sawn hardwoods imports from the United States continue to increase in volume, and stocks are large, but, owing to difficulties in log transport occasioned by heavy rains, imports in the early future should be lighter, particularly also as States shippers are very firm in their ideas for futures. Shipbuilding woods, such as teak and pitch pine, are firm. In the pitwood trade imports last month were a little larger than those of November, 1924, principally as a result of increased imports from Finland, which serves our Northern collieries with timber, but imports from January to November are over half a million loads less than those of the corresponding period of 1924.

VEGETABLE OILS AND OILSEEDS.

Partly in sympathy with easier wheat, and partly on account of the maintenance of the official estimate of the new linseed crop in Argentina, the market for linseed oil has eased considerably, £35 10s per ton naked ex Hull mill being current value for prompt delivery, later positions being at a substantial discount. Cotton oils have receded again, crude Egyptians offering at £36 and ordinary refined at £38 5s prompt. Palm kernel oil is firmer at £43 10s on a better demand for export. Soya and ground nut and other oils are quiet and unchanged. In the oilseed section business in linseed has been in abeyance pending the second estimate of the Argentine crop, which, confirming the abnormally heavy figure of 1,900,000 tons previously issued, has caused prices to decline. Old crop has been done at as low as £17 10s., December-January, and new at £17 2s 6d to £17 5s, January-February, but demand from crushers is still very small. Further arrivals of linseed from Soviet Russia are reported at Hull. Egyptian cottonseed is lower, and offers at £9 12s 6d on passage and £9 17s 6d December loading.

OVERSEAS PRODUCE.

FOOD, BEVERAGES, &c.

SUGAR.—A steady tone governed the market for actual sugar, with a fair trade passing in British make. Messrs Tate and Lyle's cubes quoted 31s 6d to 32s 6d; crushed, 29s 6d; coffee crystals, 32s 3d; nibs, 32s 3d; granulated, stove, 30s 4½d; fine, also coarse grain, 28s 10½d; No. 1, 28s 7½d; No. 2, also London and T.L., 28s 4½d; month forward, 28s 3d; January delivery, 28s 3d; February-March, 28s 3d; mineral water sugar, spot, 28s 9d; icing, 1 cwt cases and drums, 34s 6d; ditto bags 35s; pulverised, 31s 3d; caster, finest, 32s 7½d; ditto A, 32s 1½d; B, 30s 6d; yellow crystals, 25s 4½d. English-grown granulated, Cantley, quoted 27s 9d, ex London; Ipswich, also Ely, 27s 6d ex works; Anglo-Scottish, 27s 9d, ex Colwich; and 28s, ex Kidderminster. Of foreign remained quiet. Czech granulated, December, sellers, 14s 7½d; April-August, 15s 3d, f.o.b. Hamburg. Dutch granulated, "J" quality, spot, 24s 7½d; December, 14s 9d f.o.b., Rotterdam. American granulated, spot, 27s 6d; White Java, spot, 26s 9d; ditto, January-March, 15s 4½d; July-September, 14s 4½d; October-December, 14s 9d, c. and f., Calcutta; ditto, May-June steamer to London, 15s 3d, c.i.f. Cuban, basis 96 per cent. December-January, 11s 6d, c. and f., U.K. White terminal market flat. March delivery, sold, 14s 5½d; May, 14s 7½d to 14s 8½d; August, 15s 1½d per cwt.

COFFEE.—The market maintains a firm tone, with a steady demand, especially for all home trade qualities. Kenya, bold, common to good, sold, 11s 6d to 13s; peaberry, 11s 5d to 14s 6d; Uganda, fair bold brown and green, 11s to 11½s; Kilimanjaro, bold common to fair, 10s to 11½s; Arusha, fine bold, 12s; peaberry, 12s 6d. Costa Rica, new crop, good bold, 15s 6d; peaberry, 12s to 13s; Guatemala, Maragogipe, good colory, 20s 3s per cwt. Futures firm but quiet.

COCOA.—Spot parcels move off slowly, but late rates were maintained. For shipment, Accra, F.F. grade, December-February, also January-March, sold up to 37s 6d; Lagos, December-February, sellers, 74s, f.o.b. terms; Trinidad, December-February, sellers, 57s; Bahia, ditto, 44s 6d; Guayaquil, Epoca, December-February, 66s; Caraquez, 64s, c. and f. terms, per cwt. Cocoa butter, spot, C.F.R., quoted 1s 3½d; and prime English, 1s 3½d per lb.

TEA.—Indian auctions this week embraced 58,094 packages, which came to an active market. Whilst all descriptions were in request at full rates the strongest feature was the demand for common and plain medium sorts, which mostly showed a slight advance. Pekoe, sold, 1s 5½d to 1s 11d; broken orange pekoe, 1s 6½d to 2s 6½d, with choice 1s 5½d to 1s 11d. Ceylon offerings totalled 16,933 packages. Brisk competition prevailed for all grades up to 1s 8d per lb, but above this price slight irregularity was noticeable at times. Leaf grades suitable for export were in less request, while a falling-off in quality amongst finest invoices accounted for occasional weakness in value. Pekoe, sold, 1s 6½d to 2s 2d; broken orange pekoe, 1s 10d to 2s 3½d per lb. China descriptions were in fair request, and a steady tone prevailed. Keemun sold from 1s 6d to 2s 1d, with old seasons up to 1s 4d; Souchong, 1s 10d up to 3s for finest, while Monings sold from 6d to 9½d per lb. 4,635 packages of Java and Sumatra encountered a good demand at firm rates, except for leaf grades, which disclosed slight weakness. Pekoe, sold, 1s 4d to 1s 5½d; broken pekoe, 7d to 1s 5½d; orange pekoe, 1s 5d to 1s 8d; broken orange pekoe, 1s 4½d to 1s 11d; flowery, ditto, 2s 3½d; pekoe souchong, 1s 4d to 1s 5½d per lb, in bond. In quiet support, but Eastern shippers required steady rates.

RICE. in quiet support, spot, quoted 16s; January-February, 15s 6d, Rangoon, two stars, December shipment, 22s 6d to 23s, c.i.f.; c.i.f., London. Spanish, December shipment, 22s 6d to 23s, c.i.f.; ditto, spot, 24s 6d; oil dressed, 25s; Italian, spot, 22s to 22s 6d per ditto, spot, 24s 6d; oil dressed, 25s; Italian, spot, 22s to 22s 6d per cwt. Burma rice bran, January-March, £6 7s 6d per ton, London cwt. Japanese peas quiet. Spot, 34s; November-December, 33s; January-February, 35s 6d; February-March, 35s 6d. Madagascar

butter beans, spot, 34s to 35s, as to quality; November-January, 34s 6d. Rangoon, hand-picked, December-January, 12s 3d, f.a.q.; ditto, 10s 9½ per cwt.

SPICE.—Pepper irregular, but firmer on balance, with a good demand. Black Singapore, spot, quoted 1s 3½d; ditto f.a.q.; January-March, sold, 1s 4d to 1s 4½, 1s 4½d, 1s 6½d. Lampong, spot, 1s 4d; ditto January-March, sold, 1s 5½d to 1s 6½d; white Muntok, spot, quoted 1s 7½d; January-March, sold, 1s 8½d to 1s 9½d; March-May, 1s 8½d to 1s 10d. Fair Tellicherry, spot, 1s 5½d; Aleppy, ditto, 1s 5½d per lb. Tellicherry, January-March, 150s; Aleppy, ditto, 145s cwt., c.i.f. London. Cloves slow. Zanzibar, January-March, sellers, 11d per lb. Tapioca quiet. Fair flake Singapore, to Havre, February-March, s-l'ers, 18s. Sago flour slow. Sarawak, to U.K., January-March, sellers, 14s 9d. Desiccated coconut quiet. Spot, halves, 40s; November-December, also December-January, 38s 6d c.i.f. Ginger steady. Japan, spot, 87s 6d; West African, ditto, 59s; shipment, 57s cwt.

FRUIT (Dried).—Currants quietly steady. Amalia, quoted 32s to 33s; Gulph, 35s to 40s; Pyrgos, 30s to 31s; Vostizza, 42s to 52s; Patras, 34s to 36s. Sultanias barely steady. Smyrna, new, 52s to 60s; Australian, 68s; Cretan, 65s to 85s; Greek, 68s to 80s. Figs continue in fair request. Good average, 40s to 42s; genuine, 43s to 45s. Dates steady. Hallowee, spot, 20s 6d; Siar, 14s 6d; Khadowie, 18s 6d. Raisins quiet. Valencia, quarter boxes, medium, sold, 30s seedless, 24s. Muscatels easier. Clusters, common to medium, sold, 50s to 60s; good to fine, 71s to 80s. Evaporated fruits firm, with fair inquiries, and new crop plums in small supply. Californian apricots, standard new extra choice, 127s 6d; fancy, 135s; Australian, 120s to 130s. Plums in good demand. Oregon, size 30/40, quoted 72s; 40/50, 52s. Californian, 40/50, 59s; 70/80, 46s; 80/90, 43s 6d. Bosnian, new crop, 60/70, 45s. Pears, Californian, extra choice, 90s; fancy, 105s. Lake County, extra choice, 105s; fancy, 117s 6d. Apple rings, Californian, extra choice, 55s to 70s; Canadian, 63s 6d per cwt.

CANNED GOODS.

CANNED FISH.—Sardines remain firm, with a scarcity of best quality. Portuguese ½'s quoted 4s 9d to 5s per dozen tins. Salmon slow, but rates firm for all descriptions. Red, tall, 1 lb, 63s to 64s; ½ lb, pink, 37s to 39s; tall pink, 25s to 26s. Lobsters firm and supplies short. Halves quoted 160s to 165s, and ½'s, 95s to 100s.

CANNED FRUIT.—Trade quiet, but the tone of the market remained firm. Californian Bartlett pears, standard, 13s 3d to 13s 6d; seconds, 12s to 12s 6d; Oregon, choice, 15s; standard, 13s 3d; seconds, 12s to 12s 3d; Canadian, standard, 11s 6d. Californian peaches, choice, 11s; standard, 9s 6d; seconds, 8s 9d. Californian apricots, standard, 9s 3d; seconds, 8s. Loganberries, fancy, 11s to 12s; choice, 10s 3d per dozen tins. Pines firm for shipment, with offers above parity. Italian tomatoes continue in request at full rates.

CANNED MEATS.—The market is unchanged, but there is a better demand for corned beef in the North of England. Danish lunch tongues steady, and despite the time of the year the demand for 6 lb exceeds the supply. Corned beef, South American, 6 lb tins, quoted 34s; and New Zealand, 34s. Lunch tongues, Danish sixes, quoted 116s; and 1 lb, 18s; New Zealand, 6 lb, 12s per dozen tins.

CONDENSED MILK.—The market for full-cream is unchanged. For machine-skimmed a slight weakness this week is observable, owing to large quantities of milk being shipped to this country, due to fears of navigation on the canals being held up by frost in Holland. Machine-skimmed quoted 16s to 16s 3d; full-cream Danish, 26s 6d; Dutch, 24s per case.

HONEY.—New Zealand still remains firm, but does not seem to be influenced by any other honies imported. The lower grades are in small compass, and there are some fine parcels of whites and water whites being offered.

RUBBER.

Market very unsettled owing to realisations, while easier on balance. Plantation standard sheet, spot, sold, 3s 11d, 3s 9½d, 4s 2½d, and 4s 1½d; December, 3s 10½d, 3s 8½d, and 4s 1½d; January, 3s 9d, 3s 8d, and 3s 11d; January-March, 3s 8½d, 3s 6d, 3s 8½d, 3s 11½d, and 3s 9½d; April-June, 3s 5½d, 3s 4d, 3s 8d, and 3s 6½d; January-December, 3s 5d and 3s 6d per lb.

GENERAL.

HEMP.—Manila dearer. J grade, January-March, quoted £44; K, ditto, £38; L, ditto, £38 15s; and M, £33. New Zealand H.P.F., November-January, £40; fair, ditto, £36. African sisal,

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No. 1 Tanganyika, November-January, £44 10s; ditto, Kenya, £44 per ton, c.i.f.

TALLOW.—Messrs Colchesters and Woolner write on December 16th as follows:—The tallow market was easier during the week, and prices were unchanged to-day for inferior kinds, while good sorts met with no demand. Unless the position improves in the meantime it is not proposed to hold auctions next week. Shipments of tallow from Australasia during November amounted to 3,600 tons, against 3,500 tons during the corresponding month of last year. At auction to-day 1,217 casks tallow were offered, and 158 were sold. Quotations are:—Australian mutton: Fine, 48s 6d; good to fair, 47s to 44s; dull to dark, 41s to 39s 6d; hard, 48s. Australian beef: Fine, 44s 6d; good to fair, 43s to 41s; dull to dark, 40s to 39s 6d; sweet, 45s 6d. Present shipment from Australasia: Good mixed, 43s 6d. Present shipment from South America, 43s. The market letter is unchanged. Town tallow, 39s 6d per cwt. Rough fat, per 8 lbs, 3d; melted stuff, 30s per cwt. Quotations are:—Town, 39s 6d, net cash, naked, ex works. Country: Frail casks, 39s 6d; home melted, shipping casks, net, f.o.b., good coloured, 43s; fair to dull, 40s to 39s. Bone fat: white, none; pale, none; benzine, 36s; melted stuff, 35s 6d, f.o.b.

SHELLAC dull. Fair, T.N. spot, quoted 210s; December, 1925; March, 1926, and May, 187s 6d cwt.

GOPRA quiet and the turn easter. F.M.S. Straits, to Rotterdam, October-December, quoted £30 10s; December-January, £30 8s 9d;

January-March, £30 2s 6d. Dutch E.I., October-December, £30 5s; Ceylon, December-January, £31 12s 6d. F.M.S. South Sea Islands, ditto, £29 12s 6d. Palm kernels, to Liverpool, January-March, sellers, £21 7s per ton.

MISCELLANEOUS.—Cocoanuts quoted 25s per 100. Coir yarn, Ceylon, £24 10s to £40; Cochin, £30 to £54. Ceylon bristle, £16 to £22 10s; cinnamon leaf oil, 4½d; citronella, Ceylon, 1s 10½d; Java, 3s 5d.

OVERSEAS PRODUCE.

METROPOLITAN CATTLE.—Dec. 17.

British Beasts, per stone of 8 lbs to sink the offal. Sheep, per stone.			
	s	d	q
Beasts—Devons.....	7	8	0
Shortfords.....	6	8	7
Herefords.....	7	4	7
Scottish.....	7	4	7
Irish.....	7	4	7
Fat Cows.....	7	4	7
Beasts—Heavy Bulls.....	8	0	0
Canadian.....	9	0	11
Sheep—Downs (clipped).....	5	6	6
Ewes.....	5	6	6
Crossbred.....	5	6	6
Scottish.....	5	6	6
Lamb—Downs.....	5	6	6

LONDON POTATO MARKETS.—Dec. 17.

Per Cwt.			
	s	d	q
Lincoln—King Edwards.....	7	0	0
British Queens.....	6	0	0
Red Kings.....	5	6	6
Majestic.....	6	0	0
Blackland—King Edwards.....	5	6	6
ditto Whites.....	4	6	5

COMMERCIAL TIMES—WEEKLY PRICE CURRENT.

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

LONDON, FRIDAY.

COCOA—Duty, British grown.			
	s	d	q
34 d, foreign, 14s cwt.....	8	2	0
Trinidad, per cwt 68.....	0	72	0
Grenada.....	54	0	66
Ceylon, plantation.....	85	0	107
Guayaquil.....	70	0	80
Bahia, finest.....	53	0	55
COFFEES—British grown.			
	s	d	q
34 d, foreign, 14s cwt.....	115	0	138
Mid to fine.....	140	0	145
Do good to fine.....	150	0	158
Costa Rica, ord. to mid.....	118	0	150
Good to fine.....	165	0	199
Central American, gd. ord.			
	s	d	q
Mid to fine.....	140	0	145
Colombian, ordinary.....	115	0	117
Do gd. ord. to low mid.....	120	0	130
Do mid to fine.....	135	0	177

CHEMICALS.

Acid, citric.....			
	s	d	q
Nitric.....	0	2	6
Oxalic, net.....	0	5	0
Tartaric, English.....	1	0	6
Foreign.....	0	11	1
Cream of Tartar.....			
	s	d	q
99-100%.....	82	0	0
Alum lump.....	11	0	0
Do ground.....	11	0	0
Ammonia, carb.....	37	0	39
Muriatic, White.....	22	0	29
Sulphate.....	14	0	15
Arsenic, lump.....	17	0	18
Powder.....	17	0	18
Ashes, pot.....	65	0	70
Pearl do.....	nom		
Bleaching powder, per ton			
	s	d	q
Borax, gran.....	24	0	10
Do crystals.....	25	0	0
Do powder.....	26	0	0
Calomel.....	4	2	4
Iodine, dry.....	13	0	15
Nitrate of Soda.....	13	0	15
Potash—Chlorate, net.....	0	4	4
Prussiate.....	0	8	9
Do Foreign.....	0	7	8
Sulphate.....	11	0	12
Sal-Acetone.....	11	0	12
Sal-Ammoniac.....	47	6	52
Soda Bicarb.....	49	0	10
Crystals.....	50	0	10
Alkali.....	51	6	15
Caustic.....	14	2	6
Sugar of lead, white.....	0	0	0
Foreign white.....	47	0	49
Sulphate Quinine.....			
	s	d	q
English Brands.....	2	3	0
Foreign do.....	2	3	0
Sulphate Copper per ton			
	s	d	q
Zinc, out.....	9	0	10
Sulphur Flour.....	9	0	10
Do Roil.....	8	0	10
Vermilion, Chinese, per lb.....	4	6	4
English.....	4	6	4
Oil Peppermint, H.G.H.....			
	s	d	q
Malabar, Dec-Jan.....	nom		
Ceylon.....	31	15	0
FMS Singapore.....	30	5	0
FMS Straits.....	29	15	0

DOUGLAS.....

Alum, fine E.L.....			
	s	d	q
Alum, fine E.L.....	2	0	130
Cape, good to fine.....	41	0	42
Balsam Peru.....	6	9	7
Capivi.....	2	0	2
Camphor.....			
	s	d	q
Japan, refined.....	2	8	2
Cardamoms, Ceylon.....	6	0	8
Cardamoms, China, per lb.....	85	0	85
Castor oil.....	85	0	85
Gum Benjamin Sum.....	5	0	10
Oil, Benzoin, drops, fair to good.....	80	0	105
Specacantha.....	12	0	12
Japan.....	2	0	0
Musk pod, China.....	73	0	73
Oil, Cassia.....	9	10	0
Aniseed.....	3	3	4
Peru.....	120	0	126
Country.....	120	0	126
Black, China, Ir to Ir.....	3	0	3

DYE STUFFS, &c.

Turmeric, Bengal.....			
	s	d	q
Turmeric, Bengal.....	60	0	62
Madras, finger.....	32	6	34
Gambier, block.....	47	6	0
Cutch, ord. to fair.....	55	0	0
DYEWOODS.....			
	s	d	q
Brazil.....	18	0	0
Castor, Jamaica.....	8	10	0
Cuba.....	15	0	0
Lima Wood.....	20	0	0
Logwood, Campeachy.....	9	0	0
Honduras.....	10	10	0
Jamaica.....	7	15	0
Red Sanders.....	12	0	0
Sapang Ceylon.....	15	0	0
FLAX—spot—c.i.f.			
	s	d	q
Riga ZK.....	72	0	71
Pernau HD.....	69	0	0
Slanets U/A Medium.....	84	0	83
FRUIT.....			
	s	d	q
Oranges, Denia & Val.....	300	12	45
Do.....	360	11	25
Do Cape.....	0	0	0
Lemons, Naples.....	0	0	0
Do.....	0	0	0
Do Sicilian.....	0	17	6
Do Malaga.....	0	0	0
Grapes, Lisbon.....	0	0	0
Almeria.....	0	25	0
Val. Ona.....	6	6	0
Egyptian Ona.....	0	0	0
Apples: American.....	0	0	0
Jonathan.....	11	0	14
Newtown, Oregon boxes.....	14	6	16

HIDES—Wet salted.....

Australian.....			
	s	d	q
Australian.....	0	5	6
West Indian.....	0	6	8
Cape.....	0	6	8
Lisbon.....	0	5	7
Oporto.....	0	4	7
Dry & Dressed Cape.....	0	8	12
Madagascar.....	0	6	7
Central American.....	0	7	12
Buffaloes, Singapore.....	0	4	12
Penang.....	0	5	11
E.I.....	0	5	11
Marked Hides, London.....			
	s	d	q
Best dry ox & heifer.....	0	8	9
Do light do.....	0	6	7
2nd ox, heavy.....	0	7	8
Do light.....	0	5	6
Best cow.....	0	6	6
2nd do.....	0	5	6
Best calf.....	0	9	11
2nd do.....	0	8	10

INDIA RUBBER—lb.....

Pare, fine hard spot.....			
	s	d	q
Pare, fine hard spot.....	4	3	0
Plantation sheet.....	4	1	0
INDIGO—per lb.....			
	s	d	q
Bengal, good red violet to fine.....	6	6	7
Mid. ord. vio. to good.....	6	0	6
Low to good ord.....	5	0	6
Madras, dry leaf, good.....	3	0	4
Do low to ord.....	1	0	3
Kurpah, gd. mid. to gd.....	4	0	5
Low to mid.....	3	0	4
HEMP—per ton.....			
	s	d	q
Italian P.C.....	75	0	0
Manila, Jan-Mar.....	44	0	0
Grade.....	44	0	0
N.Z., high point, fair.....	40	0	0
Nov-Jan.....	40	0	0

JUTE.....

Native first marks, Dec-Jan.....			
	s	d	q
Native first marks, Dec-Jan.....	55	10	0
LEATHER—per lb.....			
	s	d	q
Sole Bonds 6/8 lb.....	1	4	2
Do do 10/12.....	1	3	2
Do do 12/14.....	1	4	2
Do do 14/16.....	1	5	2
Do do 17 lb and up.....	1	6	2
Bark Tanned Sole.....	2	3	2
Shoulders tm DS Hides.....	0	10	11
Do Eng. or WS do.....	1	0	1
Bellies from DS do.....	0	7	8
Do Eng. or WS do.....	0	8	1
Dressing Hides.....	1	8	2
Bo. Eng. Cal, 20/30 lb.....	3	5	0
Aust. Hides.....	1	0	1

METALS—B. Copper.....

Best selected.....			
	s	d	q
Best selected.....	64	0	55
Sheets (strong).....	90	0	0
Standard.....	60	0	0
Lad Eng. Pig per ton.....	35	0	0
Soft Foreign.....	34	15	0
Spelter G.O.B.....	38	10	0
Tin—English ingots.....	28	10	0
Do do bars.....	28	10	0
Standard cash.....	28	15	0
OILS—Fish, per ton.....	2	8	0
Seal, pale.....	38	0	0
Linseed, p. ton net, naked.....	35	0	0
Refined.....	48	10	0
Crude.....	51	10	0
Cotton-seed, crude.....	35	10	0
Edible, refined.....	43	0	0
Coconut, crude.....	48	0	0
Refined.....	50	0	0
Palm.....	38	10	35
Petroleum—Oil, per 8 lbs.....	1	0	0
Water White.....	1	1	0
Oil Cakes, Linseed, Eng.....	12	10	0
per ton.....	12	10	0
Oil Seeds—Linseed.....	2	8	0
La Plata, p. ton Jan-Feb.....	17	0	0
Bombay, p. ton Dec-Jan.....	nom.		
Calcutta, p. ton c. Jan.....	20	10	0

PORTLAND CEMENT—Best English.....

per ton delivered, London.....			
	s	d	q
per ton delivered, London.....	58	0	63
Rapid hardening "Ferrocrete," 10/.....	10	0	0
"Lightning" brand Aluminous Cement.....	10	1	6
108/1 to 113/6 per ton.....	10	1	6

PROVISIONS.....

Do factory.....		nom.	
Australian.....	140	0	174
Argentine.....	130	0	150
Dutch.....	194	0	196
New Zealand.....	140	0	178
Danish.....	188	0	190
Bacon, smgd.—Irish.....	130	0	140
Danish.....	125	0	134
Canadian.....	120	0	126
American.....	120	0	122
Hams—Irish.....		nom	
Canadian.....	124	0	128
American.....	116	0	142
Lard—Irish bladders.....	94	0	100
American boxes. 56 lbs	76	10	78
Pork—per 8 lbs.....	6	10	9

for immediate delivery. This abnormal attitude of the market appears to be based on the continued exports of gold, a slight reaction in exchanges, and reports that new foreign issues will be on a large scale in the early part of next year, and consequent fears of a further rise in Bank rate.

	Dec. 23, 1925.	Dec. 18, 1925.	Dec. 11, 1925.	Dec. 4, 1925.	Previous Rate and Date Changed.
Bank Rate	5%	5%	5%	5%	¼ (Dec. 3, '25)
Banks' Deposit Rate	3	3	3	3	2 (Dec. 3, '25)
Discount/Call	3	3	3	3	2 (Dec. 3, '25)
Houses (Notice	3½	3½	3½	3½	2½ (Dec. 3, '25)
Market rate (3 months' bills)	4½	4½	4½	4½	..

NEW YORK MARKETS.

Our New York correspondent cables:—Markets are highly irregular in response to the usual mixed year-end influences. The rise in the rate for call money to 6 per cent. is considered to be the entirely natural result of holiday demands for currency and annual settlements. Relaxation is expected early in the New Year. Holiday trade is very large, and industrial news continues favourable. Talk connecting the visit of Mr Norman and Mr Parker Gilbert with the sale of German railroad bonds is believed to be premature. In the best quarters it is held that the visits are for the usual general interchange of ideas with associates here. Washington talk regarding rubber warfare is regretted in financial circles, where the matter is seen in its true perspective.

THE STOCK MARKETS.

A holiday atmosphere has pervaded the stock markets, and business has been on a small scale, but the tone has been fairly steady. Gilt-edged stocks have been firm, but foreign bonds have moved irregularly. Home rails have been inclined to droop in the absence of business, and Argentine rails are slightly lower. An improvement in the price of raw rubber produced a slight rally in the share market, but business is on a small scale. Oils are quiet but fairly steady, and in the industrial section a good many small rises have been recorded. Mines are quiet.

In this column last week it was incorrectly stated that the issue of £4 millions in 5 per cent. debenture stock by the Cunard Steamship Company was oversubscribed. We are informed, however, that it is expected that the underwriters of the issue will have to take up nearly 50 per cent.

THE COMMODITY MARKETS.

Business in many markets is at a minimum in Christmas week, but the general tone remains satisfactory. Coal prices are firm, though not much interest is shown in foreign business. Pig-iron sales are on a satisfactory scale, though foreign business is confined mainly to the hematite branch. Many steel works have received substantial orders, and holidays are being curtailed in the Cleveland district. Demand for Lancashire cotton goods remains quiet, owing to holiday influences and uncertainty as to future prices. An expansion of woollen textile business is expected in the new year. Wheat prices show a further decline. The sugar, coffee and tea markets have all been affected by holiday influences, but prices are well held. Rubber is dearer, owing to covering purchases and the reserved attitude of sellers. Among metals tin is higher on better Eastern demand, copper a generally firm market, and lead easier owing to liberal offerings.

FOREIGN EXCHANGES.

In spite of the shortness of the period under review, owing to approach of the Christmas holidays, the Foreign Exchange market has not been without its sensations. These, as might have been expected, were centred on the franc. A rally began on the afternoon of Friday on the rumours of a dramatic scheme being about to be put forward by the industrialists of the north, by which they were to pledge one-tenth of their production as security for a loan for the purpose of saving the franc. This loan was to be raised largely in America, but it was anticipated that it would also be taken up heavily in France. The suggested mortgaging of the German railway bonds held

by France under the Dawes scheme also exercised a sentimental influence in favour of the franc for a time, but nothing appears to have come of this suggestion. The rate, which had closed on Friday at 127.80, opened at 126.15 on Saturday morning, and rapidly reached 125 during the day, a clear gain of 8 points in the 24 hours. The closing rate was 126.67. A closer analysis of the industrialists' scheme seems to have led to some division of opinion in France, for whilst the stabilisation of the franc was obviously in the interests of the importing textile manufacturers, who put it forward, it was equally obviously to the detriment of the French exporters of manufactured goods and produce of French origin. Also it is doubtful whether the promoters had actually gauged the American attitude towards France since her failure to arrive at a settlement on the question of her war debts. In any event, the rate fell away rapidly, a movement which was accentuated by the heavy French buying of sterling and dollars, when the rate was about 125, it is believed, on the part of the industrialists of the north. Opening at 129.25 on the 21st, it had weakened to 133.25 at the close of the 22nd, and was slightly better at 132½ at the opening on Wednesday. At the moment of writing, mid-day, communications with Paris are interrupted, and it is not known what the rate there is, but the placing of a few large orders from London has brought the rate here, in the absence of supply, to 131½. Few of the other Continental exchanges call for remark. Brussels and Milan are practically unchanged; Oslo and Athens are slightly weaker for no apparent reason. The Batavia rate is still rather against this country, and has now so nearly reached the gold point that further shipments of gold to Amsterdam for their account are reduced to a minimum. The Stockholm rate has improved from 18.12 on the 14th to 18.06 on Wednesday for reasons which at present do not appear to be clear. Warsaw is again weak at 50, sellers nominal. The dollar rate has continued to move fractionally against this country as a result of the maintenance of high money rates in New York, and has declined by ½ from the opening rate of 4.85½ to 4.84½. South American exchanges have remained firm, Rio at 7½, Buenos Aires at 46 19-32-21-32, and Valparaiso at 39-20, indicating in each case the maintenance of a steady flow of exports, mainly seasonal at this time of year. In the Far East the yen has declined further since last week, presumably as the result of the occupation of Mukden, an event which introduces those imponderable political elements which at once react on so sensitive a market as that of foreign exchange. Silver improved on balance after slight fluctuations in either direction, by ½, spot and forward both standing at 31½d. This improvement seems to have been due to buying both on China and Continental account, but the market has been quiet and business inconsiderable. The rupee remained unchanged throughout the week at 1s 6 11-64d. Hong-Kong improved with the rise in silver from 2s 4½d to 2s 4½-5½d. Shanghai, for the same reason, advanced from 3s 1½d on the 18th to 3s 1½d-2d on Wednesday. Singapore was steady throughout at 2s 4½d-½d.

NATIONAL ACCOUNTS.

The following table shows the national income and expenditure during the week ended December 19th:—

EXPENDITURE.		RECEIPTS.	
(000's omitted.)		(000's omitted.)	
Supply Services	9,650	From Revenue	14,555
Interest, &c., on Debt	15,171	Increase in Debt	15,313
Sinking Fund	5,125	Taken from Exchequer Balances	359
Sundries	281		
	30,227		30,227

Revenue produced £14,555,000, against £16,820,000 in the corresponding period. Customs yielded £1,795,000, against £1,491,000, and Excise £8,099,000, against £8,094,000. Estates duties yielded £1,210,000, against £1,850,000. Ordinary receipts amounted to £294,300, against £1,350,000. The week's operations increased the National Debt by £15,313,200, and caused the following changes:—

EXPENDITURE.		RECEIPTS.	
(000's omitted.)		(000's omitted.)	
Public Department Advances	17,200	Bank of England Advances	9,500
Treasury Bills	5,300		
Sundries	5,313		
	27,813		

The floating debt was increased by £9,975,000 to £813,631,000.

FINANCIAL YEAR, 1925-1926 (April 1st to Dec. 19th).

EXPENDITURE.		REVENUE.	
£		£	
Total Expenditure ..	602,911,913	Raised by Revenue ..	484,556,471
		Decrease in Balances ..	3,784,567
		Amount borrowed ..	114,570,875
Total	602,911,913	Total	602,911,913
ESTIMATES for FINANCIAL YEAR 1925-1926.			
Expenditure	799,400,000	Revenue	801,060,000
Surplus	£1,660,000.		

Company Meetings of the Week.—On later pages of this issue will be found the reports of the following companies:—Western Australian Bank, British Columbia Electric Railway, London Nitrate Company, Baldwins, Richard Thomas and Co., W. Abbott and Sons, Samuel Allsopp and Sons, and Rudge Whitworth and Co.

ECONOMIST INTELLIGENCE BRANCH.

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

MONTHLY TRADE SUPPLEMENT.

We publish this week our Monthly Supplement, in which will be found an appreciation of the trade situation at home and abroad, together with statistical information on the foreign trade, price movements, currency, and production of the leading commercial countries of the world. Its contents include a review of production and prospects in the artificial silk industry.

CHRISTMAS AND JOHN SMITH.

See where from far along the Eastern road
The star-led wizards haste with odours sweet.
Oh run, prevent them with thy humble ode,
And lay it lowly at His blessed feet.

So Milton invoked the muse as he began his Christmas ode, loveliest of all poets' offerings at the shrine of Bethlehem. To only a very few is it given to express worthily whether in prose or verse the immortal longings that all our souls are heir to; but most of those who in their own sphere, and at their own level, whether from choice or necessity, have the habit of putting words to paper, feel at one time or another the impulse to get away from the daily round of material topics, and to hitch, just for once, their rumbling wagon to a star. And if at any season this freedom may be allowed to the work-a-day journalist, that season is surely Christmas.

It is an inevitable result of the war, and of the thousand and one material problems which are part of its legacy, that we are more deeply immersed than ever in the study of material things. The difficulties of the trader and the Finance Minister, the economic suffering of men and peoples, the bitterness between capitalist and workman, tend more and more to focus our attention on the production and distribution of wealth, and lead us further from the true saying that man does not live by bread alone. Politics are more than ever concerned with considerations of pure business—how this trade or the other is to be helped over a difficult stile; how the material grievances of one class can be redressed without laying too heavy a burden on the shoulders of another, how the wheels of industry can be kept running with only half the normal driving power behind them. Individually most of us find the struggle for existence more absorbing than before the war. As a nation, we are engaged more earnestly than ever in the same struggle to the exclusion of non-material things.

For this reason, if for no other, it is as well that we should pause occasionally to remember that man does not live by bread alone, that at the root of all our economic problems lie problems of spirit and of character which are more vital than any question of pure business or economics. A degenerate nation, no matter what its resources or how great its accumulated wealth, must decline and

fall. A nation that is too careless to choose men of character for its leaders, and from laziness or of deliberate choice puts its destiny into unworthy hands, is a lost nation. A nation in which class-greed has driven out the sense of duty and fairplay, or in which the craze for pleasure has usurped the place of hard work and public spirit, is clearly beyond the help of the economist, and however admirable may be the advice the economist gives, nothing but a spiritual conversion can save it from disaster. Without a vision the people perisheth.

It is, in a word, on the character of the individual that everything depends. In the history of the world, the importance of any one average man is theoretically negligible, and most of us can say that what we do or think is from the point of view of world-progress too trivial to matter. For more than ten thousand years man has been on the earth; ten thousand years hence he is likely still to be here; and the tiny point of time that covers our life is lost in the long vista of the centuries. But in our heart of hearts we know that our actions and our thoughts do matter enormously; that the individual is everything, and that however the ultimate mystery of life resolves itself, we are by conduct and character sowing not only for ourselves, but for the society in which we live, an eternal destiny. What matters most to a country is not its natural resources, or the brilliance of a few of its sons, but the way John Smith in the suburbs or the provinces, or the back streets of Bermondsey, is looking at life, the ambitions that he is cherishing, the standard he is working by, the values that he is setting on things.

There are times when it is difficult to believe in the moral and intellectual well-being of John Smith, times when one is disposed to give him up, and with him the future of everything. When one reads, for instance, the self-revelations of Lord Beaverbrook,* and watches his personality emerge from the ill-printed pages; when one remembers that according to statistics (which can no doubt be verified by chartered accountants) this peer is the daily counsellor and guide to 900,000 John Smiths, one's first feeling is one of despair.

Egotism, self-advertisement, and love of intrigue, redeemed in some measure by a zest in life which springs, perhaps, from a Colonial tradition, appear to be Lord Beaverbrook's main idiosyncrasies, and he has certainly persuaded himself to his own satisfaction that the power he exercises in the world is enormous. If his belief is correct, and if the mentality and character of Englishmen are being formed by the organs of Lord Beaverbrook, his companion-peer, then we must write off many of the traditions of English life.

But is his lordship quite so powerful, quite so important in the life of John Smith as he imagines? Much as we may deplore John Smith's taste in daily newspapers, we may draw some consolation from the thought that he is usually a superficial, careless reader, and that his opinions are very little influenced, his true self scarcely touched by daily communion with Lords Beaverbrook and Rothermere. We do not take our spiritual tone from the daily papers, and our real characters are not revealed in the mass psychology of a 900,000 circulation. Our faults are many and tolerably well advertised. We are most of us more familiar with the local cinema than with the inside of the parish church; we are many of us too fond of wasting our money with bookmakers; we are often lazy; we are sometimes class-conscious; when we are poor we are apt to be over-bitter against the rich; when we grow richer we occasionally become snobs. But set against all his faults, John Smith's redeeming virtues are great, and have never been shown more clearly than in the last ten years. We have only to think of the men and women of our own acquaintance who have faced all kinds of suspense and dangers, all kinds of sufferings in war and peace, and still kept their courage high and their fighting spirit unbroken. They have fallen from comfort to poverty with a smiling face, and after years of ease or working security have taken up the burden and dangers of life again without a grumble. Without work and without prospect of work, they have kept their homes together, and though no one could blame them for bitterness and hatred towards their

* "Politicians and the Press." By Lord Beaverbrook. (London) Hutchinson and Co. is net.

more fortunate neighbours, they have in the main retained their common-sense and their perspective unspoilt. When Great Britain, at home or abroad, is criticised for its slackness, and its speedy doom is foretold, we may fix our minds on the courage, the endurance, the patient industry of masses of its individual citizens, and, remembering that the qualities of the individual are the qualities of the State, take heart for the future.

POOR LAW REFORM.

(FROM A CORRESPONDENT.)

THE question of Poor Law Reform is now, it appears, to be taken in hand, though legislation is improbable next session. The "time lag" between the formulation of schemes of this kind and their translation into law is an interesting and suggestive study. The Royal Commission on the Poor Laws reported so long ago as 1909, and even then drastic reform appeared to be long overdue. Action has been repeatedly promised. But it is extremely doubtful whether the present system will disappear before 1930, over 20 years after its condemnation by a Royal Commission, which made a most elaborate and detailed examination of its defects.

The so-called New Poor Law of 1834 came into existence in the heyday of individualism and before the growth of the modern local authorities. It is significant that whilst the duties and responsibilities of the latter have from time to time been extended by Parliament, the Boards of Guardians have not obtained new functions. On the other hand, they have witnessed the growth of cognate services such as unemployment insurance administered by the State and the school medical service, school meals, maternity and child welfare centres, &c., controlled by municipalities and county authorities. In 1902 the chief *ad hoc* authority—the School Board—was superseded by county, municipal, and other authorities, and the Boards of Guardians were left in England and Wales as the sole survivors of the *ad hoc* principle.

The Poor Law Commission, which reported in 1909, after three years' consideration of the problem, whilst agreeing that the old Poor Law Authority was out of date because of the development of rival local services, disagreed as to their detailed findings, but agreed as to the need for far-reaching changes.

In 1917 the Ministry of Reconstruction appointed a Committee, under the chairmanship of Sir Donald Maclean. The Report of this Committee, which was unanimous on all essential points, recommended the abolition of the Boards of Guardians, and is the foundation of the proposals of the Ministry of Health recently published as "a basis for consideration and discussion."

During the present year the passage of the Rating and Valuation Bill will undermine the position of the existing Poor Law authorities. This measure is, indeed, regarded as a preliminary to their abolition. It is unnecessary in the present connection to draw attention to the defects of this measure. The main point is that it sweeps away the present assessment authorities, and paves the way for the final transfer of all the powers of the Boards of Guardians to the local authorities.

It is by no means certain from the published memorandum what precisely the Government has in mind as regards many of the questions which arise. The document rightly confines itself to the main problem and leaves open for mutual consideration the ways in which the policy is to be applied in detail. At the same time, in some questions, for example that of unemployment, to which reference is made later in this article, the memorandum is studiously vague.

One of the objects which it is sought to attain is "the co-ordination and improvement of the provision made for the prevention and treatment of ill-health, both institutionally and otherwise, and the inclusion in this provision of all public assistance required as the result of sickness, accident and infirmity." This is to be achieved by the abolition of the Boards of Guardians, and the transfer of their functions, with the exception of the registration ser-

vice (births, deaths and marriages), to the county boroughs and the county councils, with a certain measure of devolution to the smaller authorities in the latter case. The county councils would have a general oversight of all health services and complete responsibility for the consideration of applications for relief and the grant of out-door relief, and for all institutions transferred from the Poor Law Authorities. The County Council could, under the scheme, delegate to a borough council or district council any transferred service identical in kind with a service already administered by such authorities. This proposal concentrates considerable power in the hands of the counties, and it is not unlikely that it will be resisted by the larger boroughs and urban districts. It is at least open to question whether the county councils are as a rule as energetic and progressive bodies as the municipal boroughs and larger urban district councils. In the case of London, the County Council is to be given the same powers over the metropolitan boroughs as the other county councils possess over borough and district councils, and is to carry out the services at present maintained by the Metropolitan Asylums Board. There will, it may be assumed, be some controversy on the new powers to be given to the London County Council.

The financial proposals of the Ministry will be closely scrutinised. It is intended to abolish the present clumsy system of assigned revenue grants (for which there will be general approval) and "to replace the existing grants made out of the assigned revenues for poor relief, health services and unallocated, and the grants in aid of expenditure on health services, by a system of block grants, to be expended in the discretion of the local authority (i.e., the county or county borough council) subject only to the provision of a generally satisfactory health service."

In other words, the existing health services of local authorities and the health services transferred from the Boards of Guardians are to be aided by a block grant, fixed from time to time for a term of years, instead of by the assigned revenue grants, so far as they are allotted to poor relief and public health services or unspecified services, and by the present State grants to health services. This new block grant will be distributed to county and county borough councils on a basis of population qualified by a factor representing ability to pay. Transferred services, other than health services, which are the same in kind as services at present State-aided—e.g., the education of children, will earn State grant if undertaken as part of the present State-aided service.

This new development must, of course, be considered in conjunction with the Board of Education's new policy as outlined in Circular 1371. There can be no objection to the principle of a block grant, which is merely a consolidated grant for a whole service, superseding piecemeal grants. The real issue is as to whether the consolidated grant should be fixed for a term of years or variable from year to year in accordance with variations in the approved expenditure of local authorities. On this question the local authorities will have much to say, for it may be that they will find themselves with added duties and inadequate State assistance. It is not likely, either, that local authorities will passively submit to the Ministry's proposal that transferred expenditure should continue to be subject to Government audit.

One of the greatest difficulties confronting the Ministry of Health and the local authorities is the problem of the able-bodied adult. Primarily, this is the question of the unemployed. One of the objects of the Ministry's proposals is "the co-ordination of all forms of public assistance, and especially an improved correlation between Poor Law relief and unemployment benefit." The somewhat cryptic phrase "improved correlation between Poor Law relief and unemployment benefit" is not explained in the Ministry's memorandum. It is suggested, however, that the Unemployed Workmen's Act, 1905, should be repealed, on the ground that it is now largely obsolete as a result of the institution of employment exchanges and undertaken by local authorities. More significant, though less specific, is the statement amongst the headings of the scheme, which reads: "Relief to able-bodied to be limited and correlated with unemployment insurance." The natural conclusion appears to be that it is intended to scale

down out relief to the level of the unemployed insurance benefit. In practice, local authorities will find it difficult to do this. But the main point is that this proposal leaves untouched the real difficulty, which is that of responsibility for unemployment.

Local authorities have persistently urged that the maintenance of the unemployed should not be a local responsibility. Unemployment is an evil quite outside the control of local authorities, the incidence of unemployment in a particular area cannot be laid at the door of the local authority, and the maintenance of the unemployed is often enough out of all proportion to the authority's ability to pay. Hence, local authorities, in common with economists, regard unemployment as a national problem, and the maintenance of the unemployed as a national service. It is clear that side by side with the abolition of the boards of guardians there should go an extension and development of the system of unemployment insurance.

The publication of the Ministry of Health's Memorandum is only the first step in the reform of the Poor Law, and it will obviously be some time before the discussions with the local authorities result in an agreement which can be embodied in legislation. In the interval, full public discussion is not merely desirable, but necessary, because of the large considerations involved. The three main questions which call for solution are (1) the relations between the counties and local authorities other than county boroughs; (2) the financial relations between the State and local authorities; and (3) the problem of the able-bodied poor, or, in practice, the unemployed. On these points the final scheme will depart from the outlined proposals of the Ministry of Health.

NATIONAL INCOME AND BURDEN OF TAXATION IN GERMANY.

(FROM A CORRESPONDENT.)

IN March, 1924, Dr Luther estimated the national income of Germany at 25 milliard marks. This estimate, which was for a long time quoted both in Germany and outside, has lately given place to estimates varying between 30 and 40 milliards.

Curiously enough, very little attention has been given to an article of Dr R. Kuczynski in the *Finanzpolitische Korrespondenz* of February 13, 1925, in which, utilising a memorandum issued by the German Ministry of Finance, he estimates the national income of Germany at 52.5 milliard marks. This memorandum, bearing the date of January 19, 1925, makes a calculation of the total amount of wages and salaries on the basis of the 10 per cent. wage tax payable with certain deductions for a minimum of subsistence and family members in Germany. The memorandum of the Finance Ministry contains the following passage:—

"In the German Empire there is a total of 21 million persons subject to the wage tax, and 7 million persons liable to make advance payments on their income-tax, making together 28 million persons subject to income-tax. This figure corresponds fairly well with the number of persons who have an income of their own. As the German Empire at present has about 63.5 million inhabitants, the allowance for family members works out at 1.27 per cent. to each individual subject to income-tax. On that part of the wage which exceeds the tax-free minimum, there will fall a tax (deducted at the source) of $10 - 1.27 = 8.73$ per cent. The amount in income-tax deducted from salaries and wages in the month of November, 1924, was 119.75 million marks, and the annual amount on the basis of the November standard of salaries and wages would be 1,437 million marks. As the tax payments deducted at source amount to an average of 8.73 per cent. of the income in question, the income per annum is:—

$$\frac{1,437 \times 100}{8.73} \text{ million} = 16,473 \text{ million marks.}$$

To this should be added the tax-free income of each taxpayer amounting to 50 marks per month, $50 \times 12 \times 21$ million = 12,600 million marks, so that the total income

of those who are subject to the wage tax amounts to 29,070 million marks."

The Ministry of Finance made no calculation of the income of the 7 million taxpayers who are not wage earners.

Dr Kuczynski based his calculations on the December yield of the wage tax—126.32 million marks—and thus arrived at a total of 33 milliards as the income of all persons subject to the wage tax. He remarks in this connection that this figure does not include the income of certain wage-earners such as apprentices, errand boys, a number of agricultural workers, &c., whose total income he estimates at 2,000 million marks. Salaries and wages would thus aggregate 35,000 million marks. He further estimates the average income of the 7 million non-wage earners—industrialists, merchants, artisans, farmers—at a minimum of 2,500 marks per annum as compared with an average of 1,500 for wage earners. The total income of this category would then amount to 17,500 milliards, making the German national income at least 52,500 million marks.

Dr Kuczynski's reasoning appears to be very careful, and so far we have seen no criticism of his estimate. It is of interest to follow the development of the data during 1925. The yield of the wage-tax shows the following figures in million marks:—

January	126.1	June	132.0
February	122.6	July	119.2
March	127.0	August	115.0
April	126.1	September	120.4
May	137.0		

Average January-September, 125.1, corresponding to an annual yield of 1,501.2 million marks.

The summer months show a reduction—partly seasonal, partly in connection with the crises—but the September figure is again higher. There is very little doubt that the annual salary and wage bill in Germany amounts to something between 30 and 35 milliard marks. The income-tax collected from other persons than wage earners amounts to a monthly average of 85.2 million marks as compared with 125.1 millions from wage earners. In such circumstances it seems improbable that the aggregate income of those 7 million income taxpayers could be less than between 15 and 20 milliard marks. We thus arrive at the result that the national income of Germany in 1925 must be about 50 milliard marks, or 800 marks per head of population.

How do these figures compare with the estimates of pre-war national income? Dr Helfferich, in his well-known book, *Deutschlands Volkswohlstand*, estimates the *per capita* income in Germany in 1913 at 642 marks per head. If we take into consideration that German gold prices have risen from 100 in 1913 to about 140 in 1925, those 642 marks correspond to about 900 marks to-day. The present real income in Germany would thus constitute about 89 per cent. of the pre-war income. This result is confirmed by the figures of German production given by Professor Hirsch in an article summarised in the *Economist* of November 7, 1925, according to which agricultural production has almost reached the pre-war level, while in several important branches of industrial production it varies from 86 to 106 per cent. thereof, without taking into account the production of brown coal, which has risen to 166 per cent. It would seem as if a reduction in the *per capita* income by 11 per cent. is mainly accounted for by the disappearance of interest on capital and investments abroad lost during and since the war. The serious lowering of the standard of living among the middle classes is to a large extent counterbalanced by the improved conditions for agriculturists and others who by reason of inflation have succeeded in wiping off their debts.

For the year 1924-25 the Central Government in Germany collected 7,312 million marks in taxes. The exact amount collected by local governments is not available, but was certainly less than 800 million marks. Total taxation receipts were thus not higher than 8,100 million marks. For the current year these receipts will probably be somewhat higher—say 9,000 million marks. This amount represents about 18 per cent. of the national income in Germany. The corresponding figure generally quoted for England is 21 per cent. It would thus seem

as if Germany were taxed somewhat less than England. It is interesting in this connection to note that the closed accounts for 1924-25 gave a surplus of more than 700 million marks (in spite of the fact that a great deal of expenditure was charged to the Budget after the end of the financial year), and that the first six months of the current year give a surplus of several hundred millions. These surplus millions have been, at least temporarily, made available to trade and industry by means of credits advanced through the intermediary of the banks.

DEPORTATION OF AUSTRALIAN STRIKE LEADERS.

(BY A LEGAL CORRESPONDENT.)

THE constitution of the Commonwealth of Australia confers power upon the Commonwealth Parliament "to make laws for the peace, order, and good government of the Commonwealth with respect (among many other matters) to trade and commerce with other countries, and among the States.....immigration or emigration.....and matters incidental to the execution of any power vested by this Constitution in the Parliament or in either House thereof, or in the Government of the Commonwealth, or in any department or office of the Commonwealth." In pursuance of these powers, the Commonwealth Parliament passed, last July, an Act to amend the Immigration Act, 1901-1924, which contained the following section:—

8AA.—(1) If at any time the Governor-General is of opinion that there exists in Australia a serious industrial disturbance prejudicing or threatening the peace, order or good government of the Commonwealth, he may make a Proclamation to that effect, which Proclamation shall be and remain in force for the purposes of this section until it is revoked by the Governor-General.

(2) When any such Proclamation is in force, the Minister, if he is satisfied that any person not born in Australia has been concerned in Australia in acts directed towards hindering or obstructing, to the prejudice of the public, the transport of goods or the conveyance of passengers in relation to trade or commerce with other countries or among the States, or the provision of services by any department or public authority of the Commonwealth, and that the presence of that person in Australia will be injurious to the peace, order or good government of the Commonwealth in relation to matters with respect to which the Parliament has power to make laws, may, by notice in writing, summon the person to appear before a Board, at the time specified in the summons and in the manner prescribed, to show cause why he should not be deported from the Commonwealth.

On November 20th Messrs Walsh and Johannsen, two leaders of the recent seamen's strike, were arrested with a view to their deportation on a recommendation of the Deportation Board. They applied for writs of *habeas corpus* in the State Court, and the proceedings were subsequently removed to the Federal High Court, which last week gave judgment directing them to be released. A brief summary of the judgments has now been cabled to this country, and it is possible to form an estimate of the legal grounds underlying the decision. The British colonist when he goes abroad to an unoccupied region of the world, and makes a settlement there, carries with him the English common law, and its traditional bias in favour of the liberty of the subject. Parliament can undoubtedly take away the fundamental right of personal liberty which is enjoyed by every British subject, and in times of war or other national emergency does not scruple to do so. During the world war many things were done, and lawfully done, under the authority of the Defence of the Realm Act which would have been unthinkable in a less critical and disturbed period. But this liberty can only be taken away by express and unambiguous language. Thus in the case of *Rex v. Halliday* [1917] A.C. 260, where a British naturalised subject of German birth was interned on the ground of "hostile origin or associations," in pursuance of a regulation issued under the Defence of the Realm Act, no one doubted that Parliament could authorise the internment; it was simply a question whether the language of the particular statute was specific enough to produce this result. "Magna Carta and the Habeas Corpus Act," it has been said, "stand upon a peculiar footing, and cannot be repealed by a side wind." The recent *Art O'Brien* case, arising out of the deportation of persons by the British Government from England to the

Irish Free State for detention there by the Free State Government, under a regulation made under the Restoration of Order in Ireland Act, has been a reminder that we have not forgotten the tradition in *favorem libertatis* which prevailed before the war.

The five judgments of the Australian Federal High Court, delivered on December 11th, concur in ordering the release of the two strike-leaders, but every member of the Court found different grounds for his judgment. Whereas in England, under a "unitary" and mainly unwritten Constitution, Parliament is omnipotent, and can legally do anything except (as has been said) "make a man into a woman," the Legislature of a Federal country like the United States or the Commonwealth of Australia can only act within the limits assigned to it by the Constitution. Therefore, except in so far as the Constitution expressly permits the Legislature to override the liberty of the subject, a citizen may find his liberty even more deeply entrenched, at any rate on paper, than it is in England; for any departure outside the terms of the Constitution will be unconstitutional, *ultra vires* and void. Thus the Australian judges in the recent case had to construe the Constitution, as well as to apply the general presumption in favour of liberty referred to above. The Chief Justice, Sir Adrian Knox, took the view that compulsory deportation could not be called emigration, and apparently would apply that ruling to protect any person who had made his home in Australia and become part of the people. Two of his colleagues held that only persons who had made their homes in Australia since the federation in 1900 could be compulsorily emigrated, so that the section of the Immigration Act set out above was invalid as against Walsh, but valid as against Johannsen; but further held that Johannsen was entitled to reasonable information as to the cause of his proposed deportation, and, not having received it, could claim his liberty. Another colleague held that the section was invalid because it was intended to apply to members of the Australian community (as, indeed, seems probable), and being contrary to the Constitution, was *ultra vires* and void. It would be impertinent for an English lawyer, who has only seen a summary of the judgments, to attempt a criticism of the Australian decision. But it implies no lack of sympathy with Mr Bruce in the great difficulties of his situation when we congratulate the Federal Court on maintaining its own high tradition of independence, and on making it clear that the Dominions do not intend to be stamped by industrial crises into sacrificing the safeguards of personal liberty which they have inherited from the Mother Country.

EUROPE'S WHEAT PAYMENTS TO AMERICA.

IN our issue of December 19th we reviewed the course of wheat prices during the last few weeks, and gave our reasons for believing that, despite the rise in quotations which occurred last month, the average level would be markedly lower this season than last. While in the crop year 1924-25 the partial failure of European, Russian, and Canadian crops were reflected in a high range of prices, the more abundant yields of 1925, particularly in Canada and almost every European country, assure a substantial gain to the consumer, despite such factors as a short crop of winter wheat in the United States, and the disappointment of early hopes of excellent crops in Argentina and Australia. This gain will have far-reaching effects on European economy. Its influence has to be considered not merely in relation to the cost and general standard of living, but also as regards its bearing on the international balance of payments between Europe and America. This problem has been analysed by an American economist, who writes as follows:—

Europe is a heavy net importer of bread grains. In the crop year ending July 31, 1925, Broomhall reported wheat shipments to Europe, excluding Russia, as some 630 million bushels. This probably overstates Europe's net imports, for some of these shipments originated on the

Continent itself, and there were some exports of flour to countries outside Europe. Reported net imports of countries for which statistics are available show a total of 586 million bushels, and if all countries were included the total might reach 600 million. For the countries included this represents an increase of some 40 million bushels over the previous record established in 1923-24.

Consider now the cost of these imports. British official figures show an average dollar cost per bushel of \$1.22 in 1923-24, and of \$1.77 in 1924-25, an increase of 55 cents per bushel, or about 45 per cent. Prices of flour imports rose in about the same ratio. Great Britain ordinarily purchases her grain more cheaply, on the whole, than the Continent, and in 1924-25 a large fraction of her imports were purchased early, at prices below the levels characteristic of the year. On the other hand, certain countries on the Continent import wheat and flour of lower grade than Great Britain demands. Nevertheless, we are probably conservative in assuming that European wheat and flour imports cost, per bushel of wheat, at least 55 cents more in 1924-25 than in 1923-24, and that the weighted average price per equivalent bushel was at least \$1.77.

Using these figures, we may roughly calculate that Europe's wheat imports in 1924-25 cost her some 1,060 million dollars, as compared with 680 million dollars in 1923-24, an increase of some 380 million dollars.

Moreover, European rye imports in 1924-25 were around 60 million bushels (Broomhall's figures give 61.9 million as total international shipments, as compared with 68.1 in 1923-24). In 1924-25 these came almost wholly from North America, chiefly from the United States, whereas in 1923-24 well over half came from Russia. The increase in import prices of rye was rather more than in the prices of wheat. The average export price of rye from the United States in 1924-25 (July-June) was \$1.26, as compared with 81 cents in 1923-24. Clearly European rye imports cost at least 25 or 30 million dollars more in 1924-25 than in 1923-24.

In sum, European importing countries had to pay overseas for bread grain alone around 400 million dollars more in 1924-25 than in 1923-24. This was a weighty addition to Europe's adverse balance of payments, and it brought her no offsetting benefit. It bulks large against the huge volume of European loans floated in the United States in the same period.

In view of this experience, it appears exceedingly fortunate for Europe that the effective adoption of the Dawes Plan, in August, 1924, enabled her to obtain important foreign credits in time to assist her in financing these imports; for this was unquestionably one result of her improved credit position, whatever the stated object of the individual loans that were floated. It is interesting to note that the most striking increase in net imports of wheat and flour occurred in the case of Germany, whose official statistics indicate that these were 81 million bushels as compared with 31 million in 1923-24. Even so, Europe generally ate poorer, dearer bread, and less of it, in 1924-25 than in the preceding year. Had it been impracticable to finance the large volume of imports, her food situation would have been much more difficult still.

The outlook for the current crop year is strikingly different. Exclusive of Soviet Russia, Europe's wheat harvests are reported 300 million bushels, and her rye crops nearly 250 million bushels, larger than in 1924. In addition to ensuring abundant supplies of bread grains, this will have a distinctly favourable influence on her trade balance as compared with the previous crop year. It is impossible at this early date to forecast, with any close approach to accuracy, Europe's net imports of wheat and rye in 1925-26, or the average price at which they will be secured. Imports will certainly not be reduced to the full extent of the increase in crops. It may, however, be roughly assumed that Europe's net imports of wheat and flour will be fully 80 million bushels less than in 1924-25, and that they will be secured at an average price some 20 cents lower than in 1924-25.

On these rough assumptions, Europe's wheat imports would cost her some 250 million dollars less than in 1924-25, though somewhat more than in 1923-24, when wheat prices were at an abnormally low level. Europe's

rye imports and import prices seem likely to be more strikingly reduced. A saving of 50 million dollars on rye imports is by no means improbable.

In short, Europe will probably spend overseas, on account of bread grains and their flours, some 300 million dollars less in 1925-26 than in 1924-25. This will be possible even though Europe consumes more bread grains than in any year since the war (except possibly in 1923-24), and replenishes the stocks which were depleted in 1924-25. It would require no pronounced restriction of consumption or restocking to permit a greater reduction of net imports than has been assumed above. Such a decrease in importers' effective requirements might easily lead to greater reduction in prices per bushel than has been suggested. Under the combined influence of these two factors the actual saving as compared with the past crop year might be substantially increased.

NEWSPAPER BALANCE-SHEETS.

In a previous article (see the *Economist* of December 19, 1925, page 1038) we considered the profits of the British Press. We now proceed to examine the financial position of a number of representative newspaper undertakings.

Our first table shows balance-sheet totals, and an analysis of principal liabilities and assets over the past two years:—

Name and Date of Balance-Sheet.	Analysis of Principal Liabilities and Assets.						
	Share Capital and Reserves.	Debentures and Loans.	Creditors.	Properties.	Stocks.	Cash & Investments.	Debtors.
	£	£	£	£	£	£	£
Allied Newspapers (Dec. 28, 1924a).	6,790,741	1,366,274	263,597	7,917,402	178,221	151,266	365,603
Allied Northern Newspapers (June 30, '24).	1,000,000	..	..	..	..	..	984,745
Amal. Press (June 30, '24).	3,521,716	..	495,119	2,116,114	71,22	645,234	584,518
Ass. News (March 31, '24).	3,581,716	..	522,525	2,067,474	81,22	2,004,495	386,442
D. Mail (Sept. 30, '24).	2,969,966	..	623,437	1,491,780	696,526	1,804,449	674,979
Trust (Sept. 30, '25).	201,400	3,999,935	5,990	..	..	1,156,78	1,294,274
Daily Mirror (Feb. 29, '24).	1,090,000	..	1,965,785	567,748	259,424	1,141,090	112,030
Sunday Herald (Dec. 31, '24).	1,110,000	..	8,867,809	530,798	165,571	1,207,980	106,429
Financial Times (Now a private company, Sept. 30, '24).	110,000	1,600,000	366,276	1,265,139	30,931	560,574	235,378
Irish Times (Sept. 30, '24).	251,675	517	16,423	198,232	290	90,277	11,400
London Express (Jn. 30, '24).	273,139	1,000	7,527	198,232	355	82,560	15,398
Outram (George) Herald (Do. 31, '24).	473,614	..	24,11	444,188	5,658	69,706	43,138
Pictorial News (Feb. 28, '25).	506,769	..	27,154	448,027	8,114	69,898	45,329
United News (Jn. 30, '24).	321,841	362,556	138,049	587,338	32,893	30,716	174,180
United News (Jn. 30, '25).	336,341	362,939	179,804	608,089	26,577	36,90	219,475
United News (Jn. 31, '23).	665,289	..	44,906	289,100	10,329	362,226	113,696
United News (Do. 31, '24).	746,147	..	50,763	284,900	9,728	454,164	129,917
Sunday News (Feb. 29, '24).	1,330,000	..	8245,549	749,991	624	749,619	111,287
United News (Feb. 28, '25).	1,370,000	..	8288,946	749,991	598	788,192	158,265
United News (Jn. 30, '24).	1,065,000	..	198,184	774,169	21,396	389,281	210,501
United News (Jn. 30, '25).	1,065,000	..	262,088	793,469	19,417	502,313	218,297
United News (Capital £2,000,000. An offer of sale of 550,000 7½ % Cumulative Preference shares of £1 each was made at the end of June, 1925. Report not yet issued.)	..	..	..	..	..	..	..

a Preliminary and Formation Expenses stand in the balance-sheet at £469,674. b Includes reserves against contingencies. c Loan account £14,274 and premium on redemption of First Debenture Stock. d Loan account.

It is well that the Daily Mail Trust is so named, for in the balance-sheet and report there is nothing that tells us definitely how this popular publication is linked up with the Trust. At the annual meeting, however, which has been recently held, the chairman acquainted the shareholders with many informative details, and those interested in newspaper finance will be amply repaid for examining his speech in detail. Investments total £1,929,431, and are taken at cost. During the year, the report states, the balance of the debenture stock outstanding—£3,999,935—has been repaid at a premium, and the company is now free of debenture liability. This is highly satisfactory, as in some quarters debentures partly secured on that elusive asset, "goodwill," were not received with friendly eyes, especially with ordinary share capital so top-heavy. The directors also state that "the business of E. Hulton and Co., Limited, the whole of whose issued share capital is owned by your company, is being liquidated under

voluntary liquidation. The balance at the credit of your company on this account shows a surplus of £861,776, but the final surplus cannot at present be accurately ascertained. Your directors, however, after full consideration, felt justified in transferring at September 30, 1925, to a 'special reserve account' the sum of £600,000, representing the large part of this surplus realisation, and this transfer appears on the balance-sheet now submitted. It is proposed, subject to the approval of the shareholders, to appropriate from this 'special reserve account,' the sum of £553,987 10s, and apply this amount in reducing the unpaid liability on the ordinary share capital issued by 5s 6d per share, thus making the ordinary shares 7s 6d per share paid up instead of 2s, as at present." This is certainly a movement in the right direction.

No changes in share capital fall to be recorded, the increases shown in the first column of our second table all being accounted for by additions to reserves. Creditors, it will be seen, generally figure for more, while debtors, on the whole, are also higher. Properties show very little change. It is reasonable to assume that in this item certain companies, which have taken the figure of real estate and buildings at cost, have substantial hidden reserves. On the other hand, this item in new companies has probably been revalued. Allied Newspapers accounts for the largest single item of properties, which are given at £7,917,402. Stocks in most cases are lower, but there has been an all-round upward movement in cash and investments. Both the Daily Mirror and the Sunday Pictorial report that during the year they acquired "a substantial portion" of the share capital of the Daily Sketch. The Sunday Pictorial's investment holdings (taken at cost) rose from £641,304 to £674,521, and those of the Daily Mirror from £966,275 to £1,062,565. The Associated Newspapers' investments went up from £491,429 to £1,055,122, but no intimation is conveyed in the report as to the nature of the addition. The investments of the Times also show expansion—from £347,412 to £443,504, and those of the Amalgamated Press from £1,024,005 to £1,302,584. The Financial News is to be congratulated on dividing its investments into two separate groups, and showing them separately in the balance-sheet. "Unquoted securities" at cost stand at £53,689, while there is also £20,500 of 5 per cent. War Loan at cost; namely, £20,069. This policy of showing quoted and unquoted holdings separately is commendable from every point of view, and it is a pity that many other concerns in other industries do not follow the example set by the Financial News. The Irish Times' investments remain the same as in the previous year, but those of George Outram and Co. have advanced from £287,485 to £376,906.

Our final table shows dividends in the past two years, also present prices and yields and the price of shares a year ago:—

Name.	Dividends.		Price, End of Nov., 1924	Price, Dec. 21, 1925.	Present Yield.
	1923-4.	1924-5.			
Allied Newspapers, Ord. (£1) ..	%	%	6 1/2	1 1/2	8 5 8
Do 8% Cum. Pref. (£1) ..	..	8	6 1/2	1 1/2	7 2 6
Allied Northern Newspapers, 8% Deb. Stk.	..	6 1/2	..	10 1	6 8 9
Amalgamated Press, Ord. (£1) ..	15	15	2 1/2	2 1/2	7 2 6
Do 7% Cum. Pref. (£1) ..	7	7	1 1/2	1 1/2	5 12 0
Associated Newspapers, 7% Cum. Ord. £1 ..	7	7	1 1/2	1 1/2	6 13 3
Do Deferred (£1) ..	40	40	6 1/2	6 1/2	6 3 3
Do 5% Cum. Pref. (£1) ..	5	5	1 1/2	1 1/2	6 3 0
Daily Mail Trust, Ord. (£1) ..	..	..	..	..	..
Daily with 7s 6d paid ..	nil	nil	2 1/2	2 1/2	nil
Daily Mirror Ord. (£1) ..	30	30	6 1/2	6 1/2	4 14 0
Newspapers 8% Cum. Pref. (£1) ..	8	8	1 1/2	1 1/2	6 2 0
Daily Sketch and Sunday Herald, 6 1/2% Debts, red. 1924 ..	..	6 1/2	10 1/2	10 1/2	6 5 6
Financial Ord. (£1) ..	nil	nil	..	..	nil
News 16% 2nd Pref. (£1) ..	120	120	..	..	10 2 3
Irish Times, Ord. (£1) ..	20	25	No quotation available	..	..
Outram (George), Ord. (£1) ..	23 1/2	25	4 1/2	4 1/2	4 5 0
Sunday Pictorial 8% cum. Newspapers Pref. (£1) ..	8	8	1 1/2	1 1/2	7 2 9
The Times Publishing Co., United Newspapers, 7 1/2% Cum. Pref. (£1) ..	12 1/2	12 1/2	No quotation available	..	..
	..	..	..	1	7 10 0

† Free of income-tax. ‡ Price March 2, 1925. § Price 8 pt. 30, 1925. ¶ Price Aug. 13, 1925. * Price Oct. 2, 1925. † Interim dividend of 5 per cent. paid June 3, 1925, on account of 1925.

Prices do not show very much alteration compared with those ruling a year ago, although the increased dividend of George Outram and Co. resulted in a substantial advance in the price of the ordinary shares,

while Allied Newspapers ordinary benefited from the satisfactory result of the first year's operations. An indication of the speculative nature of newspaper shares is afforded by a study of the yields obtainable.

PROCEEDINGS OF THE COAL COMMISSION.

A summary of the main points of the previous evidence will be found in our issues of October 31, November 7, 14, 21, 28, December 5, 12, and 19, 1925.

On Friday last, December 18th, the Coal Commission heard evidence from Mr F. W. Cooper, a member of the Committee of the Association of Private Owners of Railway Stock, and Mr C. H. Taynton, the secretary of the association. It was stated that approximately 700,000 of a total of 1,400,000 wagons of all kinds on the railways of Great Britain were in private ownership, their value, on a conservative estimate, being between £55,000,000 and £60,000,000. The greater part were coal wagons. The present system was efficient from the colliery point of view, and "pooling" would give less favourable results than had been suggested in other evidence, experience proving that the absence of suitable traffic in a reverse direction would result in considerable empty running under any system. As regards wagon capacity, colliery proprietors already regretted the displacement of the eight and ten-ton by the twelve-ton wagon, the former being more suitable for many classes of trade. They regarded the twenty-ton wagon as suitable only in a very limited number of cases, its dimensions being unsuited to the facilities of most existing plants, while its wheel base prevented its taking the curves on many railway lines.

Mr R. F. Nelson and Mr M. W. Middleton, on behalf of the Railway Carriage and Wagon Builders' and Financiers' Parliamentary Association, stated that the abolition of private wagon ownership would involve the closing down of 40 or 50 long-established businesses in the wagon-building and financing industry without benefiting the coal producer or consumer.

Mr Ernest Bevin, general secretary of the Transport and General Workers' Union, accompanied by Mr Ben Tillett, described the labour system at the coal exporting centres. In pre-war days, he declared, the "gang" system was frequently employed, under which numbers of men took work from the offices, performing as much as possible themselves, and employing for the remainder what were known as "casual hoppers." This practice led to corruption, the pitting of gang against gang, and the sweating of the hoppers. The "pool" system, since introduced, had been found more advantageous to employers and employed alike. Amalgamation of the railways had, he believed, given good results, particularly at Cardiff, where a notable improvement in dock appliances had been effected. As regards the relation of dockers' earnings to coal prices, the witness stated that the enhanced standard of the former class of workers was directly due to their effort to "speed up" operations by accepting payment by results, cutting out intermediaries, pooling their earnings, rendering their labour mobile, and exercising innumerable forms of ingenuity in carrying out their work. Mr Bevin further declared that most ships were better manned for coal trimming to-day than at any previous time.

After evidence had been given by Mr Robert Shirkie, on behalf of the National Federation of Colliery Enginemen, Boilermakers, and Mechanics, the chairman announced the adjournment of the Commission until January 5, 1926. It is hoped in the New Year to consider proposals for the future organisation of the industry, to be submitted respectively by the Mining Association and the Miners' Federation. Public sittings will be concluded on or about January 8th, and the Commission's report may be ready for presentation before the end of February.

Notes of the Week.

The Mosul Debate.—On Monday the House of Commons debated a Government motion approving the acceptance of the award of the Council of the League of Nations on the Iraq boundary. At question time on the same day the Labour party asked the Government not to press this debate to a division at the tail-end of the session. Mr Baldwin refused, but announced that, as soon as Parliament re-assembled, he proposed to give time for a debate on the new treaty between Great Britain and Iraq, the conclusion of which was involved in the acceptance of the League's award. Mr Clynes thereupon declared that the official Opposition would take no part in the debate, and the Labour party duly left the House. Accordingly, the motion was carried by 239 votes to 4, after a discussion which was not as keen as it ought to have been, in view of the gravity of the issue. Mr Baldwin's speech was mostly devoted to demonstrating that he had merely been continuing the policy of previous Governments, and that his action was likewise consistent with his own previous pronouncements. His attempt to show that our responsibility in Iraq would be shared by other members of the League in case of untoward events, was taken up sharply by Mr Runciman, and, whatever the juridical theory may be, it seems clear that, in practice, the burden of defending the country against an attack by Turkey would fall on our shoulders alone. The most important and satisfactory statement which Mr Baldwin made was that he was inviting the Turkish Ambassador in London next day to discuss "ways and means, consistent with the fulfilment of our obligations towards Iraq, of arriving at some such agreement as will build upon the League's recognition of Iraq's just claim for the retention of her territory the superstructure of a mutually acceptable and binding settlement." In this course a majority in all parties is likely to support him, and on the Turkish side there are indications of a not unconciliatory disposition. At the same time it is difficult to see how reciprocal goodwill, however sincere, can bring about an adjustment between two policies which are diametrically opposed to one another. The Mosul question involves the political future of the Kurdish nationality, half of which lives in the Mosul Vilayet, and half in the adjoining territories on the North, which are included in the domain of the Turkish Republic. The Turks are determined to Turkify their own Kurds. Throughout, the development of Kurdish home rule has been the policy of Great Britain as Mandatory Power, and the League has now positively enjoined this upon her. The Turkish policy towards the Kurds would have failed in any case, but there is no doubt that the Mosul settlement will hasten its failure; and thus the Turks will feel that the adverse award of the League has not only lost them the Mosul Vilayet, but has created serious trouble for them at home. As the Turks' difficulties in dealing with their own Kurds increase (as they are certain to do), their resentment at the Mosul award is therefore likely to grow greater. This is perhaps the most disquieting feature in the situation. Great Britain is now involved in the Kurdish question, which is much bigger and thornier than the Mosul question, and which we should have preferred to leave severely alone.

Steel and Protection.—As foreshadowed by Sir Arthur Dorman, in his speech at the annual meeting of the shareholders of Dorman, Long and Co., the Government has rejected the application of the iron and steel industry for protection under the Safeguarding of Industries Act. In reply to questions in the House of Commons on Monday, the Prime Minister stated that the Civil Research Committee has given the subject prolonged and detailed consideration, and has heard a large number of witnesses, representing employers and employed, and that in the course of the investigations it became clear "that the safeguarding of a basic industry of this magnitude would have repercussions of a far wider character, which might be held to be in conflict with our declaration in regard to a general

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tariff. In all the circumstances of the present time, we have come to the conclusion that the application cannot be granted. The Government will keep these industries under close observation with a view to promoting their well-being should any other measures be deemed desirable." It is now for the industry itself to devote its attention to seeing what it can do to put its own house in order.

The Small Capitalist.—In the diatribes with which left-wing Socialists assail the capitalist system a picture is commonly drawn of the industry and commerce of this country held in the stranglehold of a few great millionaires. There are few, perhaps, who accept this picture as literally true, but there are many who do not realise the extent to which the great businesses of the country are financed by the savings of hosts of small investors, and to such we commend the study of some statistics recently issued by the Liverpool and District Economic League. These show the paid-up capital, the number of shareholders, and the average amount of each holding in the case of 25 prominent concerns. Here is the list:—

Company.	Paid-up Capital, £.	Number of Holders.	Average Amount of Holding, £.
Midland Bank	11,976,890	57,250	209
Lloyds Bank	14,372,956	55,668	258
National Provincial Bank	9,479,416	41,603	227
Westminster Bank	9,051,718	69,882	130
Barclays Bank	15,592,372	51,011	306
Bank of Liverpool and Martins, Limited	2,348,000	11,300	208
British Dominion Insurance Company, Limited	1,092,896	3,500	312
Prudential Insurance Co., Lim.	1,200,000	5,353	224
Royal Insurance Co., Limited	2,239,772	11,100	200
Phoenix Assurance Co., Limited	1,005,000	8,179	123
Cunard S.S. Company, Limited	10,956,189	27,100	404
Peninsular and Oriental Steam Navigation Company	6,632,518	9,997	663
Mersey Docks & Harbour Board	32,644,000	42,240	773
Courtaulds, Limited	20,000,000	43,826	456
Thomas Tilling, Limited	608,848	2,500	243
Vickers, Limited	23,929,290	73,382	326
John Barker and Co.	2,380,000	12,253	194
Harrods, Limited	5,915,000	33,253	178
Selfridge and Co., Limited	3,114,566	18,000	173
J. Lyons and Co., Limited	6,345,838	25,834	245
Liverpool Gas Company	3,163,000	6,254	506
London, Midland and Scottish Railway	406,429,175	308,028	1,319
London & North-Eastern Rly.	364,871,121	252,961	1,442
Southern Railway	148,000,000	90,000	1,644
Great Western Railway	146,894,466	135,108	1,087

The smallness of the average holding in many of these cases is very striking, and the figures illustrate very clearly and usefully the extent to which the finance of British business is built upon the savings of the "small man." However small the holding, the holder is none the less a "capitalist."

Electricity Commissioners' Report.—There are not many industries about which so much statistical information is accessible, as the electric supply industry. A great deal of this is due to the assiduous labours of the Electricity Commissioners, who cannot be too highly commended for their extensive compilations. Their last issue is their fifth annual report, reviewing the industry for the year ending March 31, 1925. Broadly, the report shows that the progress and state of the industry is satisfactory (with

certain reserves on the question of national reorganisation). The number of undertakers is now 568, comprising 338 local authorities, and 230 companies and persons. The sale of units during the year totals 4,997 million, of which 3,167 million are sales by local authorities, and 1,830 million by companies. The increase over the previous year was 15 per cent. The Commissioners have worked this out as an average consumption of 117 units per head of the population. The report does not deal with costs, but it is stated that "there has been a progressive decrease in the average consumption of fuel per unit generated" since 1920. For the year under review the units generated (including railway and tramway and non-statutory undertakings) showed an increase of 11 per cent., with an increase of fuel consumption of only 6 per cent. This economy in fuel points to the success of the Commissioners' policy of reorganisation, and the gradual centralisation of generation in the more economical stations. Since 1920, 75 stations have either been shut down completely, or relegated to occasional or stand-by duty. Also, it will be seen that the tabulated number of bulk supplies taken or arranged altogether total 278. Moreover, for six electricity districts, reorganisation schemes have been approved by Parliament (to which has to be added the London and home counties scheme approved since March 31st). Replacement of obsolete plant also counts in this connection, 480,000 kilowatts of new generating plant being sanctioned during the year, bringing the total so sanctioned during the last five years to 2,244,226 kilowatts. That there is plenty of scope for bulk supply to small stations is shown by the fact that out of 584 generating stations, 255 (or nearly half) generate less than one million units per annum. As regards opening up new areas for electric supply, this is shown by the applications for special orders. The Commissioners started the year with 74 applications, to which were added during the year 88 further applications. The Commissioners remark that "a noteworthy feature of many of the new applications was the large extent of the proposed areas of supply." As regards reorganisation generally, as contemplated by the Act of 1919, the Commissioners are not satisfied with what has been accomplished, and indicate that they require further powers before this can be adequately carried out. Referring to the Weir Committee, whose report on the whole question of the electrical development is before the Cabinet, the Commissioners explain that, pending the Government's decision on the matter generally, they have felt constrained not to proceed with the initiation of new schemes of reorganisation, but have devoted themselves to finishing off the concluding stages of those which were already a great way through.

Trade in Northern Ireland.—Our Belfast correspondent writes:—The linen industry has passed through a trying year. Exports of piece goods have fallen over 20,000,000 square yards as compared with 1924, mainly due to lack of demand from that great market for linens, the United States. The lack of demand for piece goods has naturally been reflected in the yarn spinning section, several mills being entirely closed down. With most of the factories on short time also, and a considerable number of looms stopped, it may be estimated that the industry is only working up to half its normal production. The acreage under flax in Northern Ireland has also fallen this year, being estimated at about 38,000 acres, with a possible production of some 5,000 tons of fibre. It is fortunate for the linen industry that flax production in other countries has not fallen to the same extent as in Ireland, otherwise the problem of raw material, which sooner or later will become a serious matter, might have been acute. The falling off in demand for Irish linens during the past few years has been marked by a similar fall in flax production, not only in Ireland, but in other countries, especially Russia and the Baltic. Fortunately the Baltic provinces are now gradually increasing their production of flax, and better conditions are reported in Soviet Russia. As a source of flax supply, however, conditions in these countries have changed, and flax is more or less a Government monopoly, with the result that the fibre is not so cheap relatively as it was in 1913. For that reason, the experiments to increase the yield of home-grown flax by adopting pedigree seed will be watched

with interest. As regards the flax position, the following table, which shows the Irish supply and the net supply of flax in tons for the United Kingdom (including British production and foreign imports), as collected by the Flax Supply Association, and also the exports of linen piece goods, in linear yards, until 1919, and square yards from and including 1920, as given by the Board of Trade returns is illuminating:—

Year.	Irish Supply. Tons.	Net Supply. Tons.	Exports. Piece Goods. Yards.
1909.....	7,565	91,928	223,934,800
1910.....	9,738	91,161	220,568,000
1911.....	11,635	86,066	193,829,200
1912.....	14,452	111,315	213,085,400
1913.....	13,439	107,258	193,681,300
1914.....	8,792	89,047	178,893,200
1915.....	10,162	88,365	128,776,400
1916.....	15,404	96,365	144,063,500
1917.....	16,271	96,800	103,538,100
1918.....	18,252	44,851	70,204,200
1919.....	14,270	24,901	76,863,600
1920.....	16,652	31,908	93,044,700
1921.....	5,210	17,878	39,962,400
1922.....	5,434	39,049	77,435,600
1923.....	6,921	29,601	89,666,400
1924.....	5,736	48,222	110,793,600

The whole point at issue as regards raw material is that if the exports were doubled, that is, if trade approached the dimensions of pre-war years, would there be flax enough available? If not, then the industry is to be continually cursed with the bugbear of high prices with the consequent crippling in demand. The course of prices of Irish-grown flax during the past year has been from 16s to 19s per stone in January last down to 9s to 14s per stone in December. Yarn prices have also fallen, and now stand roughly at the same level as obtained in December, 1923. At that time renewed buying of linens took place, and it is hoped that at present price levels history will repeat itself and so bring back some measure of prosperity to the Irish linen industry. Belfast shipbuilding output shows a decrease of nearly 50 per cent. in tonnage as compared with last year, the total launches being 57,899 tons. This includes the 22,500 ton motor boat, the "Asturias," the largest yet built, which will undergo preliminary trials soon. The sister ship, the "Alcantara," will be launched by Harland and Wolff in the spring.

Wages of Iron and Steel Workers.—The present low level of wages in the various unsheltered trades has been reached at different dates. In the engineering industry the last reduction occurred in the autumn of 1922; in shipbuilding wages were last reduced at the end of 1923, with an increase for certain classes in 1924; and in coal mining the present level was reached late in 1924. There are now indications that the minimum has been reached in the iron and steel trades. During the past year wages in these trades have shown a steady and appreciable decline, in correspondence with a fall in the selling prices of the manufactured products. In the last few weeks a further reduction has become due in many districts, as a result of the latest price ascertainment, but in a large proportion of the cases it has been agreed that the reduction shall not be enforced. This has occurred in the case of blast furnace workers in Cleveland, Cumberland, Lincolnshire, Nottinghamshire, and Northamptonshire. A similar decision has been made in regard to iron miners in Furness, Leicestershire, Northamptonshire, and Lincolnshire, and to limestone quarrymen in Cumberland, whose wages are also regulated by the price of pig-iron, and in regard to steel workers in South-West Wales. The agreements which embody the conditions under which the sliding scales operate in these cases contain no provision as to the minimum level below which wages are not to fall, and the arrangements made for the suspension of the rules, which have been made as a result of negotiations between the employees and workers, are further evidence of the goodwill which has so long existed in this industry.

Cotton Trade Depression.—Our Manchester correspondent writes:—The serious condition of the American spinning section of the cotton industry was again considered on Tuesday by the Short-Time Committee of the Master Spinners' Federation in Manchester, and it was

decided owing to the deplorable state of the yarn market to recommend a full week's stoppage of the mills between December 24th and January 9th, this stoppage to be exclusive of the ordinary holidays. Although for a long time the factories in this department have worked only 39½ hours per week instead of the usual 48 hours, stocks of yarn have steadily increased during the past month, and the trade position is causing anxiety. It is anticipated that spinners will carry out loyally the recommendation of the Federation. The absence of fresh business is very largely due to the weakness of prices. Although supplies can be obtained at very cheap rates, buyers are afraid of still lower values. Cloth manufacturers are understood to have very small supplies of yarn, and a more active market might result in a rush for deliveries of twist and weft. Sentiment, however, is very bearish, and there is not likely to be any change in the attitude of buyers until after the turn of the year.

Austrian Finance and Official Salaries.—In a letter from our Vienna correspondent in our issue of December 12th he stated that the Austrian Government had agreed to pay the officials this year one and next year three bonuses, each amounting to one-quarter of a month's salary. Our attention has been drawn to the fact that the position was not correctly stated. It appears from the 35th Report of the Commissioner-General of the League of Nations that the Austrian Government has only agreed to give all officials and retired officials one exceptional grant of 28 per cent. of one month's salary. The Report also explains that an additional grant, bringing up the total to 50 per cent. of one month's salary, would only be given, provided that a scheme for a credit operation on a large scale became practicable. This scheme has now been abandoned. In view of the doubts expressed by our correspondent as to the sources from which the money to meet the salary bonuses will be raised, the following passage from the Report on the 20th Session of the Finance Committee of the Council of the League of Nations, held at Geneva from December 3rd to 8th, is worth quoting:—"The Committee has been informed that the Austrian Government has given an undertaking to effect sufficient economies in next year's Budget as to cover the expenses necessitated by the special grant accorded to the federal officials. The Committee takes note of this declaration, which it regards as binding the Austrian Government."

British-American Tobacco.—The British-American Tobacco Company continues to go on from strength to strength, and the profits for the year ended September 30th last constituted a new record in the history of the undertaking. From the following table it will be seen that the dividend has been raised from 26½ per cent. to practically 28 per cent., which is the highest return since 1920, for which year 30 per cent. was declared:—

Sept. 30.	1914.	1919.	1920.	1921.	1922.	1923.	1924.	1925.
Profits, &c.	2,177,022	3,776,508	4,879,177	4,323,481	4,400,784	4,494,972	4,866,266	5,145,838
Prof. div'nd	188,297	225,000	225,000	225,000	225,000	225,000	225,000	225,000
Ord. div'nd	1,532,308	2,155,774	3,745,492	3,842,493	4,010,709	4,014,821	4,258,921	4,487,734
To reserve	1,500,000	nil	nil	nil	Dr 122,000	..	..	..
Balance	Dr 10,436,883	1,394,734	908,685	255,788	1,387,075	254,894	382,345	432,504
Br'ght for'd	1,973,902	5,035,578	727,778	1,634,200	1,889,877	3,276,952	3,531,770	3,914,116
Carr'd for'd	930,319	4,400,312	1,636,463	1,890,188	3,276,952	3,531,770	3,914,116	4,346,576

The net profit amounted to £5,145,238, compared with £4,866,266, and while the preference dividend absorbed the same as in 1923-24, the ordinary dividend this time requires £4,487,734, in contrast with £4,258,921. Once again no appropriation is made to reserve. The balance remaining is £432,504, against £382,345, making, with the sum of £3,914,116 brought in, a total surplus of £4,346,576, which it is proposed to carry forward. The balance-sheet shows that the item "Loans to and current accounts with associated companies" has declined from £6,459,854 to £5,913,374, but against this investments in associated companies have gone up from £16,032,944 to £16,155,231, and in the present accounts there is a new item of £29,426, representing investments in British Government securities. Stocks have fallen from £6,148,602 to £5,725,515. In the previous accounts

sundry debtors figured for £651,963; this time there is a sum of £1,876,550 on account of sundry debtors, short-term deposits (£1,250,000) and debit balances. Cash is practically the same as a year ago, while reserves are a little higher at £2,371,630.

Burma Corporation.—The annual statement of this important Anglo-Indian undertaking embodies more than one element of surprise. Despite the serious interruption to operations occasioned by the fires which broke out just before and after the middle of the company's financial year, an increased tonnage of ore was treated and a record profit earned. Expansion occurred in the quantity of refined lead produced, and a higher average price was realised; increased quantities of antimonial lead, zinc concentrates and copper matte were turned out by the supplementary plants. The value of the rupee is, however, now taken at 1s 6d (approximately the current rate), as against the basis of 1s 4d adopted in respect of 1923-24. At 1s 6d the profits of that year would have figured at £646,400. We summarise the results for the latest period, in contrast with those for 1923-24, and for the half-year to June, 1923, to which a statement was made up in pursuance of the decision to alter the date of the financial year:—

	Half-Year 1923.	Year 1923-24.	Year 1924-25.
Ore mined	118,600 ..	277,200 ..	289,010 ..
Yield refined lead	21,650 ..	47,100 ..	48,514 ..
Yield fine silver	2,266,900 ..	5,114,700 ..	5,049,328 ..
Working profit	412,100 ..	1,073,400 ..	1,413,340 ..
Debiture interest	38,050 ..	71,400 ..	76,470 ..
Depreciation, &c.	71,500 ..	199,000 ..	209,830 ..
Taxes	43,900 ..	128,400 ..	173,620 ..
To reserve	50,000 ..	100,000 ..	.. ..
Net profit	208,600 ..	574,600 ..	953,420 ..
Reserve	397,650 ..	529,100 ..	595,230 ..
Debiture Redemption .....	.. ..	.. ..	957,450 ..

* Including bad debts.

Allocation of the dividends of the past two periods is a virtual impossibility. In the 1925 appropriation account the dividends declared in December, 1924, and in June last are treated as payments in respect of the half-years then ending. At this rate only 5 annas was disbursed in respect of 1923-24. Any way, out of the profits of the past two years dividends totalling 17 annas have been paid, and nearly £1,000,000 has been transferred to debenture redemption account. An interim dividend of 6 annas per share, free of both British and Indian income-tax, is now declared; past distributions have been free of Indian tax only. The existing debenture issue is, of course, to be repaid on January 1, 1926, and from that date—relieved of interest and redemption charges—the whole of the profits should be available for the shareholders. It is in anticipation of this contingency that the shares have been bid up to a price which gives a very modest yield on the current rate of dividends. At 4½ million tons the ore reserves indicate a small shrinkage, the values also being slightly less than before. On the basis of 300,000 tons per annum the material available represents fifteen years' supply. The control of the undertaking is in course of transfer back to London—a very proper proceeding in view of the fact that the great bulk of the shares is held in this country.

The Mexican Railway Report.—Some movement in the right direction is shown in the report of the Mexican Railway for the half-year ended June 30th last. Gross receipts, at \$7,279,963, showed an increase of \$1,272,558 on those for the corresponding half-year of 1924, while working expenses, at \$6,559,591, were \$749,986 higher. Goods traffic contributed \$679,079 and passenger train traffic \$618,660 to the increase in gross receipts, but there was a decline of \$25,181 in sundry receipts. The balance transferred to net revenue account is \$720,372, as compared with \$197,800 in respect of the first half of 1924. At the standard rate of 24d to the peso, this balance is a little over £72,000. But since debenture interest claims £82,606, and nearly £7,000 is absorbed by general interest and differences in exchange, the net result of the half-year's working is a deficit of £17,636. This increases the debit to net revenue to £649,080. The improvement in traffic recorded in the first half of the year does not appear to have continued, for the direc-

tors say:—"The earnings for the four months July to October of the current half-year have resulted in a deficit of \$44,900, compared with a surplus of \$317,900 in the same period of last year. The receipts have only averaged \$34,000 per day, and it has been impossible to reduce the expenses correspondingly. The labour situation still remains very unsatisfactory." This statement damps the hopes raised by the figures of the first half-year. The report expresses welcome for the renewal of diplomatic relations between Great Britain and Mexico, and continues as follows:—"The International Committee of Bankers on Mexico signed a revised agreement on October 23rd last with Senor A. J. Pani, the Mexican Minister of Finance. The new arrangement provides that the payments on account of interest on the Government direct debt shall be resumed on January 1, 1926, the National Railways being returned to private management on the same date. The agreement, as revised, has yet to be approved by the Mexican Congress."

British Controlled Oilfields.—The report of the British Controlled Oilfields for the year ending June, 1925, is a great improvement on the last. For the first time a genuine operating profit is shown. Last year there was an illusory profit of \$90,244, arrived at before providing for depreciation and after including a profit of \$580,878 made on the sale of the company's shares in V.O.C. Holding, Limited. This year there is a real profit of \$1,262,235 derived from the sale of oil after providing \$617,323 for depreciation. Gross operating revenue was \$3,539,134 and operating and administrative expenditure \$1,766,577. The new six-inch pipe-line was only in operation since January of this year, but since that date a supplemental sale of oil contract with the Caribbean Petroleum Company (Royal Dutch-Shell group) came into force which resulted in a higher average selling price. For the calendar year the value of oil sold and in hand was over \$5,000,000, as against \$1,343,685 for the previous calendar year. The retiring board of directors are to be congratulated on these satisfactory trading results. The balance-sheet, however, through no fault of theirs, is still unsatisfactory. The issued capital is \$22,499,850 in 7 per cent. convertible preferred stock and \$22,500,150 in common stock. It will be recalled that last year there was a suspense account of some \$20,000,000 representing the loss on the Ecuador and Costa Rica concessions. It was then suggested that the directors might write off this loss by writing up the concession in Venezuela. Happily the retiring board of directors have resisted that temptation. The suspense account now stands at \$22,721,920 after adding an amount of \$1,792,500, by which the item "cost of concessions" (\$12,678,766) has been reduced. Faced with a capital loss greater than the amount of common stock outstanding, the retiring directors consider that the shareholders should submit to a drastic writing down of capital and suggest that the common stock should be converted into an equal number of shares of no par value. This scheme does not affect the rights of preferred stockholders, who would retain their conversion rights; nor does it upset the equity of the common stockholders. Some scheme of this sort must clearly be carried through. The retiring directors frankly confess in their report that "included under 'cost of concessions' there has been carried forward as assets from year to year the cost of certain concessions, options, and other interests which had been purchased by this company before the present board took office. A number of these assets..... have proved to be of no value. One the present board were able to sell for a small sum." It is to be hoped that the new board of directors under the chairmanship of Lord Buckmaster will face realities as frankly as does the old and disillusioned board. As soon as the capital is written down the company would be in the position to pay dividends if the present production is maintained. The output of the El Mene field, in the Western portion of the company's Buchivacoa concession, is given as follows:—1923, 120,100 barrels; 1924, 1,180,031 barrels; 1925 (eleven months), 2,459,998 barrels. This is a remarkable rise, and it is doubtful whether the present production can be long maintained without bringing in new fields. The future depends, as always in an oil field, on the exploratory drilling. In the eastern portion of the

Buchivacoa concession the Standard Oil Company of New Jersey is drilling on a royalty lease. The central portion is under option to a syndicate which has formed the Venezuela Central Oilfields, Limited, to carry out the drilling obligations. On its properties in the Orinoco delta the company has done no further boring. In Trinidad, in the Oropouche lagoon field, indifferent results have been obtained. The immediate future depends, therefore, on the results of the drilling campaign which the new board must undertake in the El Mene district. It seems a pity that the management which has hitherto been successful in the field should be changed at this critical stage, and it does not make for efficiency that the voting trustees should have the power to compel a whole board to retire and nominate a new one for election.

The Rand December Dividends.—Our mining correspondent writes: That the distributions of the Witwatersrand gold mining companies generally for the second half of the current year would compare unfavourably with those of the corresponding period of 1924 was a foregone conclusion. In the event they have in certain cases proved less than had been looked for; several companies, indeed, announce no dividend at all. Such is the outcome of the disappearance of the gold premium, which brought in no appreciable revenue after the end of 1924. The difference made will, perhaps, be more clearly appreciated if it is mentioned that the proceeds of the gold produced this year will fall some £2,000,000 short of the 1924 total. Nor has it been possible to offset this by any substantial reduction in working expenditure. Economy has been secured by the extended introduction of mechanical appliances of greatly increased efficiency, and some stores have cost rather less than before. On the other hand, so far from being disposed to accept lower wages, the white miners have pressed for and obtained an enhancement. On balance a saving has been effected, but it is small. The full details of the October output to hand by mail show a cost ratio of 19s 2d, as against 19s 4d for the corresponding month of 1924. Moreover, as recently mentioned in our columns, many of the mines have been seriously handicapped by shortage of native labour, due in part to the Union Government's policy of restricting recruiting and in part to the ample harvest reaped by the "boys." We append our usual tabulation:—

Company.	Dec., 1924.	Total, 1924.	June, 1925.	Dec., 1925.	Total, 1925.
Aurora West	%	%	%	%	%
Brakpan	25	45	22½	25	47½
City Deep	25	50	15	15	30
Consolidated Main Reef	6½	12½	2½	2½	5
Crown Mines	40	80	30	30	60
Durban Deep	..	5	..	..	..
East Rand Proprietary	3½	3½	..	..	..
Geldenhuis Deep	5	10	..	..	..
Geduld Proprietary	17½	33½	16½	18½	35
Government G.M. Areas	32½	65	32½	32½	65
Langlaagte Estate	5	12½	2½	2½	5
Meyer and Charlton	50	100	35	35	70
Modderfontein "B"	50	110	40	35	75
Modderfontein Deep	75	145	65	70	135
New Kleinfontein	2½	2½	..	..	..
New Modderfontein	50	100	60	55	115
New Primrose	7½	7½	..	2½	2½
New State Areas	..	..	7½	7½	15
New Unified	2½	2½	..	2½	2½
Nourse Mines	2½	6½	..	..	..
Randfontein	5	5	5	..	5
Robinson Deep "A"	5/6	17/1	1/6	1/6	3/
Do "B"	5	5	7½	7½	15
Rose Deep	11½	22½	7½	5	12½
Simmer and Jack	20	20	..	10	10
Springs Mines	17½	32½	15	16½	31½
Sub Nigel	3½	8½	3½	5	8½
Van Ryn Gold	10*	20*	7½*	5*	12½*
Van Ryn Deep	32½	62½	27½	22½	50
Village Deep	3½	8½	2½	2½	5
Witwatersrand Deep	7½	15	7½	10	17½
Witwatersrand Gold	5	17½	5	..	5
Johannesburg Consold.	..	15*	15*	7½*	..
Rand Selection	50	50	50	40	40
Rand Mines	60	120	50	50	100

* Tax free. † Including arrears. ‡ See text.
This table does not include declarations made at dates other than June and December.

It will be seen that examples of decline are numerous, and in some cases substantial. There are, however, a few examples of increase, most notable being the Brakpan, Geduld, New Modder and Witwatersrand Deep. The Government Areas maintains its rate, and is expected to do better when the new plant comes into operation early next year. The New State Areas repeats its initial distribution of 7½ per cent.; the West Springs enters the list with that rate. Some months ago an unofficial cable stated that the Randfontein would be under the necessity of cutting its dividend to 2½ per cent.; actually the company will pay nothing at all for the current half-year. The "Johnnies" company makes a departure in the shape of an interim declaration. The reduction in the rate of the Rand Selection is understood to arise from the retention of funds for the purpose of subscribing for the new issue of West Springs shares.

Chosen Syndicate.—This is one of the brace of mining enterprises in Korea in which British capital is interested, the concession having been taken over from the French concern which originally acquired it. The syndicate is still in the early stages, but there appear to be considerable possibilities. After the milling of development rock had been in progress for some time with a portion of the old plant, 50 stamps were started up in June. The new treatment and power plant is expected to be ready before long. So far, attention has been chiefly directed to the Great Nurupi mine, where the ore reserves are estimated at somewhat under 200,000 tons, value about ½ oz gold to the ton. In all, 158 "prospects" have been located, upon one of which the existence of three large veins is reported, the values running 8 to 9 dwts per ton. At present the capital is in two classes of shares—the "B" having rather onerous rights. A scheme is on foot for the extinction of these by an allotment of ordinary shares, and for the issue of the additional 66,000 ordinary shares which will incidentally come into being. Thus the slender resources of the syndicate stand to receive a welcome supplement.

Sub Nigel.—Fluctuations have lately taken place in the price of this company's shares on the possible acquisition of an adjoining area. In their annual report the directors merely announce that the question of submitting a tender for the ground in question is under consideration. A generally satisfactory position is disclosed. Owing to the shrinkage in the gold premium, the working profit declined from £104,800 to £97,600; albeit an economy in costs was effected. The real reason for the reduction in the dividend rate consisted, however, in the largely increased expenditure on capital account—£38,600, as against only £5,400. With this, the outlay in connection with the No. 1 shaft has been completed; henceforth the company will get the benefit of the new facilities. Development during the year continued, to show improvement both as regards value and the proportion of payable ore met with. Notwithstanding the performance of a lessened amount of underground work, the reserve tonnage has expanded by 139,000 tons to 509,000 tons, while the average value of 12.2 dwts is a trifle up. Even now, however, the tonnage available represents little more than two years' extraction; hence, especially in view of the prospects of increased output, there appears need for the expanded development programme which the directors have in contemplation. The improved conditions are reflected in the dividend of 5 per cent. declared for the December half-year.

Oversea Correspondence.

UNITED STATES.—RAILROAD SHARES—INDUSTRIAL OUTLOOK—MR HOOVER'S INDISCRETION.

(FROM OUR CORRESPONDENT.)

NEW YORK, December 15.

WITH the general market still irregular as the year draws to a close, well-defined strength has developed in the railroad shares. This occurrence supports the contentions of those who have claimed that the bull market was only interrupted by the November reaction, and that it would be resumed under the leadership of the oils and rails. So far the oils have done little better than hold their ground, but the rails have advanced persistently and consistently. Their strength must be admitted to have a logical basis. The railroads are in excellent condition, having transported a record-breaking traffic during the season of maximum traffic movement without experiencing anything like a car shortage. Current earnings are excellent. During the first ten months of the year the Class I. roads produced net operating income which was equivalent to 4.83 per cent. on their property valuations. During October the earnings amounted to over \$137,000,000, or 5½ per cent. on property value. For the entire calendar year net income will run well over one billion dollars; it is expected in competent quarters to run as high as \$1,120,000,000. This record will exceed that for the best previous year in history, 1916, when net amounted to \$1,040,000,000. The year's earnings will approximate, in fact, the 5½ per cent. on the Interstate Commerce Commission's valuations, which was laid down by the Commission as the "fair" return prescribed by the Transportation Act of 1920.

Meanwhile, while considerations of this kind have been holding financial attention, an important decision bearing on the question of railroad valuation has been rendered by the United States District Court for the Southern District of California. The Court decreed that the orders of the Interstate Commerce Commission fixing the valuation of the Los Angeles and Salt Lake Railroad Company be annulled, and that the Commission be enjoined from enforcing these orders in any wise. As this was the first instance in which a final valuation of the Interstate Commerce Commission has been passed on by the courts, and as the valuations of the Commission are the basis for the application of the rate structure and the "fair" return, the importance of the decision is readily apparent. The railroads have claimed all along that the Commission's valuations are too low. The case is about to be taken on appeal to the Supreme Court, and both parties to the argument are making efforts to hasten the procedure. It is hoped that the Supreme Court may take the case up early next spring. The event has been interpreted as a very considerable victory for the roads, and has contributed to the interest in the railroad shares.

Another bullish influence was embodied in the President's remarks on the railroad situation in his message to Congress. These remarks were interpreted as favouring voluntary consolidation of the carriers. From time to time words have come from Washington that suggested that forced consolidation was favoured in official circles. While there has been a disposition to believe that these intimations have reflected a desire to apply pressure to the roads to consolidate voluntarily, and while they usually have been attributed to certain individuals who have a liking for wielding the "big stick," they have, nevertheless, been disturbing, not least because of their impractical nature. The financial community has certainly been relieved to find in the President's message an intimation that he is not in sympathy with tactics of this kind. Meanwhile, the new Congress is opening with less than the usual signs of designs on the part of radically-inclined Congressmen to bait the railroads. And as the rise in rail stocks has been relatively moderate this year, the whole picture lends itself to the purposes of those who believe that these shares should and can be made to sell higher.

As the time for year-end inventory shut-downs approaches, industrial news continues good. The steel industry is operating at approximately 85 per cent. of capacity, and the United States Steel Corporation is doing slightly better. Notwithstanding the high rate of output, the unfilled orders of the Steel Corporation increased by 472,000 tons during November. This increase, the third consecutive monthly gain, brings the total up to 4,581,000 tons, which compares with 3,512,000 tons on July 31. Iron and steel prices remain firm, and the industry seems assured on a satisfactory first quarter in 1926. Fourth quarter earnings of the current year will compare favourably with those in the third quarter, but will still reflect the lower prices that prevailed before the present improvement had gathered force. Among the other major industries there has been some slowing up in automobile production, as is inevitable at this season of the year. Many of the automobile manufacturers are, however, enlarging their capacity, and the trade as a whole is anticipating a most excellent year in 1926. It is quite possible that the motor industry will run into another period of over-production; but its present condition undeniably is good. One encouraging aspect of the industrial situation is the maintenance of the improvement in the textile districts. Cotton consumption during November amounted to 543,000 bales, which just about equals the consumption in October—a month having more working days. The November takings compare, furthermore, with 492,000 bales in November, 1924, and with 531,000 bales in November, 1923. As for the crop, the trade is now satisfied that it will equal quite 15,500,000 bales. The possibility of the yield reaching 16,000,000 bales is recognised.

As much surprise and regret has been occasioned in local circles over some of the things that have been said on this side with regard to rubber and certain other commodities as in your own. Angry statements from certain of our rubber manufacturers are only what would have been expected. What has surprised our financiers is the intemperate character of certain of the outgivings of some of our official spokesmen. A letter written to Senator Capper, of Kansas, by Secretary Hoover, was released for publication by the Department of Commerce to-day. In this letter the Secretary takes up with the Senator the question of "the present activities of combinations and monopolies to fix the prices of our important raw-material imports that have been created or fostered by foreign governments." Mr Hoover maintains that "we are now subject to the full result of monopoly action, and we have no machinery of adequate defence." After recapitulating the history of the Stevenson plan and its operation, he declares that the situation is "wholly an artificial creation," and says that "We are therefore not in the midst of a genuine rubber famine, but purely an artificial one created by restriction on production for the purpose of advancing prices."

This is, one may take it, a question on which opinions differ; and the Secretary is certainly entitled to his opinion on the subject. What seems distinctly overstrained and unfortunate is Mr Hoover's remarks about the "trade war being made upon us." Again he refers the Senator to a recent address, "in which I appealed to the other nations to abandon those wars upon us and other consuming nations."

Just why Mr Hoover should characterise the interplay of well-recognised economic and business forces as a "war" being made against this country is a question for which different answers are furnished. One is that the Secretary of Commerce has a strong streak of suspicion and pugnacity in his disposition. Another is that the thing may be explained on the basis of political aspirations. It is pretty generally recognised that Mr Hoover is ambitious, and that his eye is fixed on the Presidential nomination in 1928. The Secretary has small gifts for politics, but has been attempting to make himself more acceptable to the politicians, a thing that he failed utterly to do when he first came to Washington. At any rate, his recent declarations against foreign "enemies" have been interpreted in certain circles as an attempt to gain popular favour, and to prepare the way for 1928. One thing is certain, and that is that the

banking community regrets his recent inflammatory talk, just as it regrets his interference with the proposals to float loans in this market for the coffee growers and the potash producers.

FRANCE.—THE NEW FINANCE MINISTER—INCOME AND TURNOVER TAX—INDUSTRIALISTS' LOAN PROPOSAL.

(FROM OUR CORRESPONDENT.)

PARIS, December 22.

THE problem of financial resurrection remains as obscure as ever. The appointment of M. Paul Doumer as Finance Minister marks an appreciable step in the direction of political sanity, but there is still a question to-day whether the successor of MM. Caillaux and Loucheur will secure any greater success than they over the doctrinaire politicians who, since the General Elections in May, 1923, have enjoyed a real if more or less occult dictatorship over the Chamber. M. Doumer, who is the son of a humble Paris *conciërge*, is a typical French professional politician, who was Finance Minister in the two Léon Bourgeois Cabinets which held office for five months in 1895 and 1896, and he has also been Governor-General of French Indo-China. This septuagenarian politician enjoys general respect among his fellow countrymen, who regard him as one of the wise Elder Brethren of France. He is credited with being an apostle of an extension of indirect taxation, and an opponent of predatory Socialism; and in this respect his advent to office is undoubtedly keenly approved by the vast majority of French citizens, the real feeling of whom, whatever superficial appearances may indicate, is undoubtedly in favour of the maintenance of the *status quo* so far as private property is concerned.

M. Doumer's exact projects are as yet unknown. They were to have been laid before the Cabinet yesterday, but it was announced at this morning's Ministerial Council that they will not be ready for disclosure until after the next sitting. Semi-official announcements, however, indicate that the new Minister of Finances will propose nothing of a spectacular character, and that his plans will prove to be largely consistent with the serious facts of the situation. So far as can be gathered, M. Doumer, as might be expected, is a convinced believer in the sound theory that France can only work out her salvation by economy, hard work, and careful handling of the present delicate situation. Heroic and empiric remedies of the capital tax order he is certain to reject. The new Minister proposes—contrary to M. Caillaux—to withdraw from the revenue side of his Budget the 1,250,000,000 which France expects to receive during the coming year from the operation of the Dawes Plan for German Reparation payments, on the ground that this money should be devoted directly to purposes for which Reparation payments are intended. He told the Finance Commission of the Chamber a few days ago that he estimates that the deficit in the 1926 Budget to be met from new taxation will amount to 4,500 million francs. Of this he expects to receive 3,000 millions from the increased taxation rushed through the Chambers by his predecessor, M. Loucheur, on December 4th. The balance of 1,500 millions he counts to obtain by increasing the price of tobacco, by increasing the tax on turnover in respect of domestic sales (except in the case of articles of the first necessity), and by extending the same tax to exports. Unofficially, it is believed that the Minister will propose that the tax on turnover (so far as France is concerned, and with the notable exception already set forth) shall be doubled. The extension of this tax to French exports (on which it will amount to 1 or 2 per cent.) will naturally reduce the advantage which this country has latterly enjoyed in foreign markets, owing to the depreciation of the franc, but it is believed that its incidence will be so low that no serious prejudice to French trade will result. These additional resources, M. Doumer believes, will enable him not only to balance his Budget, but to be able to resume regular liquidation of the debt due to the Bank of France and also to set definitely on its feet some form of debt redemption machinery on the lines of the Caisse d'Amortissement proposed by M. Caillaux and adopted by M. Loucheur.

M. Doumer's programme, as already suggested, is not of an heroic character, but will undoubtedly commend itself to impartial observers by its sober and rational aspects. To it are to be coupled, it is understood, proposals for much closer supervision over income-tax and tax on turnover collections. The Minister is apparently convinced that it is hopeless, in view of the special mentality of his fellow countrymen, to attempt further raids on the income-tax paying public, and that taxes on real commodities are superior in value to taxation of persons. In this he is confirmed by experience in this country, as shown by the relative yield from income-tax and from the tax on turnover. The total yield from income-tax in 1924 was 2,253,400,000, which was paid by a total of 1,144,875 persons out of a total population of nearly 40,000,000 (but which showed that only 200,000 persons in France declared incomes of over 30,000—say £300—a year). The yield from the turnover tax, on the other hand, amounted to 4,130,197,000, which, although paid by the whole population, was collected from only 1,750,000 persons. The superiority of the indirect form of taxation is emphasised by the fact that no fewer than 17,706 income-tax payers sent in claims for reductions of their assessments, while the complaints of over-assessment received from the much larger number of traders liable to pay the tax on turnover numbered only about 1,000.

The sensation of the week has been the visit of three leading industrialists to the Elysée, for the purpose of laying before the President of the Republic, on behalf of various manufacturing associations in the Roubaix district, a proposal for the organisation of a kind of voluntary Dawes plan for the restoration of the franc and the amortisation of the floating debt. The proposal of the three delegates, to put it as briefly as possible, is that a loan of, say, 10,000 million francs should be secured in America or elsewhere, on the security of 10 per cent. of the business turnover of the manufacturers of the North of France, and that the yield from it should be utilised to furnish the Government with the money necessary to set the national finances on a sound basis. The effect of the offer of the men of the North can only be described as electrical, and its announcement last Friday resulted in a swift recovery of the franc, within 48 hours, from the neighbourhood of 135 to the pound to around 126. Calm consideration of the proposal, however, brought an equally swift reaction, and this evening the franc is back again to within measurable distance of 133. The initial enthusiasm of the northern industrialists, who insisted that, "by throwing the credit of French industry into the scale," they would be able "within a few days to bring back the franc, if we like, to a normal level," has already been chilled by scepticism as to whether it would be possible, in present circumstances, to secure a loan of 10,000 million francs, or anything like that sum, from the United States.

The check to the ill-considered proposal was all the more serious in that it followed immediately after glowing reports had been sent forth from still undisclosed quarters to the effect that the Reparations Commission were about to mobilise 3,000 million gold marks of the 11,000 million marks of German railway bonds created under the Dawes Plan, and that France would consequently be able to count in the near future on receiving some 10,000 million francs from this source, in the form of almost immediate cash. The effect of the douche of cold water thrown on the northern manufacturers' proposal during the week end, during which the word "bluff" was unkindly used in various directions, was naturally not diminished when it was officially announced last night that, in view of the fact that the German Reparation railway bonds carry interest of only 5 per cent., their mobilisation, even at a heavy discount, is not at present possible.

The foreign trade returns for November disclose total exports valued at 4,193,243,000, or a falling off of 18½ millions, as compared with October, which registered an increase of 600 millions as compared with the previous month; while imports for November, which amounted to 4,574,119,000, were about 8,000,000 more than in October, and over 1,500 millions more than in June last. The increased imports have been almost entirely in raw

materials, while the drop in exports has been chiefly in manufactured goods, the latter having declined 260 millions on the month, after a similar downward movement in October. The month's exchanges resulted in a balance of imports over exports amounting to 381 millions, following a similarly unfavourable balance of 101½ millions in October. The figures for the 11 months of the current year, however, show a surplus of exports totalling 2,250,161,000, as compared with a balance of 1,373,889,000 during the corresponding 11 months of 1924. The detailed figures for the 11 months are as follows:—

	First Eleven Months of		Differences in 1925.
	1924.	1925.	
Imports—	Francs.	Francs.	Francs.
Foodstuffs	8,126,487,000	8,167,392,000	+ 40,905,000
Raw materials	23,341,264,000	25,524,141,000	+ 2,182,880,000
Manufactured goods ..	4,522,948,000	4,843,245,000	+ 320,297,000
Totals	35,990,699,000	38,534,781,000	+ 2,544,082,000
Exports—			
Foodstuffs	3,583,263,000	3,202,544,000	— 380,719,000
Raw materials	9,376,968,000	11,202,938,000	+ 1,825,970,000
Manufactured goods ..	22,639,091,000	24,441,033,000	+ 1,801,942,000
Postal parcels	1,765,266,000	1,938,427,000	+ 173,161,000
Totals	37,364,588,000	40,784,942,000	+ 3,420,354,000

The tonnage returns for the 11 months disclose that imports of raw materials have dropped over 7½ million tons, or 17 per cent., as compared with the corresponding period of 1924, while exports of raw materials and of manufactured goods have increased over 500,000 tons each. While exports of food stuffs decreased 230,000 tons, imports of the same class of merchandise dropped 550,000 tons.

GERMANY.—FINANCES—CURRENCY—EMPLOYMENT—INDUSTRY—BOURSE.

(FROM OUR CORRESPONDENT.)

BERLIN, December 21.

THE year 1925 is ending in not very favourable conditions. As against the tranquillising effect of the Locarno agreements, the increase of foreign confidence in Germany, as shown by recent loans, and the improvement in foreign trade in the last two reported months, stands the fact of ever greater industrial inactivity. In December the last factor was very marked. As far as can be judged, it is due mainly to a decline in buying by the home market, but partly to customary seasonal influences. So far, nothing indicates that the increase in export trade, which, after a period of stagnation, has been proceeding for two years, has come to a final standstill. In view of the fact that the increase in exports in 1925 was partly due to the conclusion of commercial treaties, the signature last week of a protocol between the German and French representatives embodying the result of their negotiations is a good omen. The protocol, it is announced, sets out a basis for the last stage of the negotiations which will begin on January 12. Germany gets a promise that from a certain date she will be put on equality with her most-favoured competitors. The difficulty up till now revolved around the German demand for automatic application to her goods of the French minimal tariff. The Cabinet crisis will not be solved until after Christmas; but it is hoped that a new Cabinet will be formed by January 12th, when the Reichstag reassembles.

The Budget for 1926-27 has been sanctioned by the Reichsrat. The Treasury account for November, including the October but not the November pledged sources, shows receipts of 561,156,858 marks, outlay 609,272,784 marks. Receipts from all sources for the first eight months of the financial year were 4,945,636,638 marks, of which 4,784,154,593 marks was from taxation (net), and outlay 5,067,460,871 marks. The gross taxation receipts were 4,795,568,003 marks, out of 6,343,750,000 marks estimated for the whole financial year. Receipts from direct taxes were 3,520.7 millions out of 4,729 millions estimated for the whole financial year; from indirect taxes 1,274 millions out of 1,514.7 millions, whereof 1,201.6 and 1,425.2 millions respectively were Repara-

tions pledged taxes. Customs yielded 373.6 millions in the eight months, against 356 millions estimated for the year; the brandy monopoly only 85.9 millions out of an estimated 150 millions. The net surplus in the financial year 1924-25 is shown by a new memorandum of the Finance Ministry at 496.4 millions, of which 150 millions goes for immediate loan valorisation (to needy bondholders) in the financial year 1925, 66.4 millions for reducing the deficit in 1925, and 220 millions for balancing the 1926 Budget. The same memorandum summarises the 1925-26 Budget as revised (including supplementary Budget):—

	Millions of Marks.
Revenue.....	7,686
Whereof—	
Direct taxes	4,911
Indirect taxes	1,859
Administration receipts.....	174
Profit on coinage.....	233
Surpluses from 1924	216
Railway companies pref. shares	291
Expenditure.....	7,795
Whereof—	
Subventions to States and municipalities....	2,496
Home war burdens.....	427
Reparations payments	291
Cost of coinage	8
Other expenditure	4,571
Deficit	110

The Budget for 1926 shows receipts of 7,412 millions, whereof 2,337 millions is subventions to states and municipalities; and expenditure of 7,118 millions, whereof 2,337 millions is subventions to States and municipalities. The extraordinary Budget for 1926 contains 7 millions revenue from various sources and 301 millions expenditure; and both budgets together balance at 7,419 millions. In 1927, the memorandum notes, the crediting of surpluses from former years will cease. The Reparations liabilities will increase, but the home war burdens will decline. Assuming that general expenditure remains unchanged, about 462 millions more will have to be raised in 1927 than in 1926. The Finance Ministry expresses doubt whether it will be possible to reduce general expenditure. The Federal Debt on October 31st is returned at 2,495 million marks, whereof 1,320.3 millions were bank debts and 932.7 millions the Reparations loan.

Money has continued plentiful, and no difficulty in connection with the year-end settlements is expected. Day money has of late been quoted at 7 to 8½ per cent.; month money 10 to 10½ per cent. The Reichsbank's return for December 15th shows a new decline in note circulation by 167.9 million marks to 2,566.3 million marks; a decline in discounts by 28.5 million marks to 1,565 million marks; and an increase in deposits by 133.9 million marks to 765 million marks. Rediscounts totalled 585.2 million marks. The Rentenbanks' return for November 30th shows since October 30th a decline of circulation from 1,816.4 to 1,611 million marks. Since the coming into force of the Rentenbank Liquidation Law 469,053,376 rentenmark notes have been withdrawn from circulation. The shortage of money in business continues. Bills are increasingly used as a means of payment of petty debts.

The rate at which unemployment has been increasing becomes more rapid with every half-monthly term. Between November 15th and December 1st the publicly supported unemployed increased by nearly 200,000, as against an increase of about 100,000 in the preceding half month, 65,000 half a month earlier, and 32,000 still half a month earlier. Unemployment now exceeds the highest figure of last winter. The movement has been:—

January 1	535,529
February 1	592,479
July 1 (lowest)	195,005
November 1	363,784
December 1	669,130

Since the date of the last return the situation has become worse. Percentages of fully and partly unemployed in the trades unions on December 1st were respectively: Metal, 8.58 and 25.53; textiles, 3.84 and 20.8; boots and shoes, 3.90 and 56.61; pottery, 5.59 and 17.14; building (fully unemployed only), 27.84; miscellaneous factory occupations, 11.17 and 12.21. Inactivity in the boot and shoe industry has of late become extreme. The trade Press has little to

report except discharges of workmen and reduction of output. In the chemicals branch tolerably good conditions are reported. No improvement has taken place in iron and steel. According to the latest reports, the steel trust negotiations have made some progress, the three Rhine-Elbe (formerly Stinnes) companies having been granted an increase in their participation quotas. A capital for the trust of 600 million marks is now mentioned. The Raw Steel Syndicate has refixed the price reductions which it grants to manufacturers on material bought by them for conversion into export wares. The normal prices charged on material used for manufacture of home-sold goods and the reduced prices are (in marks per metric ton):—Ingots, 104.25 and 90; blooms, 111.75 and 92; billets, 119.25 and 95; sheet bars, 124.25 and 98; structural forms, 131.25 and 100; bars, 134.30 and 104; wire rods, 140 and 115; thick sheets (over 5 mill.), 149.25 and 118. The Association of Iron and Steel Manufacturers has passed a resolution insisting upon "immediate State help and taxation reduction....." State measures are also necessary against English coal dumping." State export credits are demanded; also, as long as the franc depreciation continues, lower emergency railway rates for coal and iron. "If the Government neglects to take the necessary counter-measures, dumping imports will further increase, the home market will be ruined, productive activity will decline still more, and more workmen will be discharged." The Federation of Industries has also issued a programme, demanding a 20 per cent. reduction of federal, State, and municipal expenditure, lower taxes, lower freight rates for export wares, and authorisation of the Government to impose supplementary import duties on "wares priced on a dumping basis," although in general "the aim of Germany's trade policy should be the lowering of international customs walls, especially in Europe." In general, the sentiment of the industrial and commercial associations is gloomy; and, as usual, there is exaggeration; a Rhenish-Westphalian association proclaims that "the death of industry has begun." The recent great increase in bankruptcies is cited in some of these proclamations; but the Reichsbank President points out that half of the newly bankrupt concerns were "typical inflation enterprises," and that if these are left out of account bankruptcies do not exceed the normal pre-war number.

The Bourse last week was, on the whole, undecided, but the average quotation slightly fell. Shipping stocks had a set-back after their big rise, but later in the week somewhat recovered. Stocks to-day were again weak and inactive. Paper mark loans are quoted considerably above their lowest point of the year. An official report upon the conversion of company balance-sheets to a gold mark basis, up to September 30th, covers 3,347 companies which existed before the war and 6,445 war and post-war foundations. The pre-war companies absorbed 300 other companies in the last ten years. Taking this into account, the new capital of the 3,347 companies is 93.4 per cent. of the pre-war figure, the absolute figures being 13,719.2 million marks and 12,812.4 million marks.

NORWAY.—MUNICIPAL ELECTIONS—WOOD PULP AND PAPER—BUDGET—UNEMPLOYMENT AND COST OF LIVING—MARKETS—ARBITRATION TREATY.

(FROM OUR CORRESPONDENT.)

OSLO, December 11. DURING the last few weeks the municipal elections all over the country have been completed. Full details are not yet to hand, but, on the whole, it would seem that no very great changes have taken place. In the capital, though the position was not much altered, the election gave a sufficiently powerful check to the Communist party, which for the last three years has sometimes been able to domineer the council. This the Communist party will be unable to do for the next three years at least.

Owing, no doubt, to a great extent to the scarcity of water in Sweden, there are plenty of enquiries, and a good volume of orders in the market for wood-pulp, cellulose pulp, and paper, as well as for wood pulp boards. With regard to wrapping papers, the sale has been extraordinarily large, owing to the threat of a duty in England. It would be a blow for several paper mills in this country

were that duty really to be levied, because they are equipped for this type of production, and did not think that Free-trade Britain (especially after Mr Baldwin's late electoral utterances) would register itself among Protectionist nations.

Our Prime Minister, in a speech at his native town of Bergen, has surveyed the present Budget, and although he makes every reservation seeing that only four months of the financial year are under review, his statements are very reassuring. On every main item he is able to state that the revenue yields have been fully up to calculation. Meanwhile, however, unemployment is increasing. On November 15th the number of unemployed was not far from 23,000, and to-day probably is at least 25,000. Nearly half the unemployed belong to Oslo. The cost of living, according to the report of the Statistical Central Bureau, as at November 15th, had gone down a further few points, from 228 to 223. There is every probability of a further decrease, especially after the turn of the year.

There is little change in the position of the Bank of Norway. With a total right of issue of 422½ million kroner, the circulation keeps around 350 millions, leaving a reserve of 72 million kroner. Also the other items in the bank return show little variation during the last few weeks. The stock markets are very quiet indeed, and without conspicuous features.

Another step towards assuring peace between Sweden and Norway was taken the other day. On November 25th the Norwegian Foreign Minister and the Swedish Minister in Oslo signed an agreement, according to which no dispute whatever between the two countries shall give rise to hostile acts, but all disputes are to be settled by arbitration. Though hardly anybody in the two countries could imagine the eventuality of a war between them, the agreement is nevertheless hailed with satisfaction as the outward expression of that belief.

CANADA.—FARMERS' PROSPERITY—GENERAL CONDITIONS—ONTARIO'S NEW LOAN—THE ASBESTOS MERGER—THE OTTAWA MINT AND ONTARIO GOLD—PULP AND PAPER—G.T.P. DEBENTURES.

(FROM OUR CORRESPONDENT.)

OTTAWA, November 30.

WINTER, which made its appearance on the prairies more than a month ago, has now descended in good earnest upon Eastern Canada, and hard frost, coupled with a heavy snowfall, has terminated outdoor farm work for the year except, possibly, in the Niagara Peninsula. But the farming community which constitutes almost half of the population of Canada faces the winter in a more contented mood than it has enjoyed since the flush prosperity of the war years. The crops have been uniformly good, and it is almost without precedent that not a single district in the vast area of the Dominion has reported a complete crop failure. The farmers of Canada had a larger income in some years between 1915 and 1920, but they spent it extravagantly, and many of them have since been struggling with a load of debt. This year a much smaller percentage of the proceeds of the crop will go to the payment of debts, and more will be free to flow into the usual channels of trade to the general stimulus of business. Moreover, in the hard years of readjustment the farmers, particularly in the west, have acquired a very clear-cut idea of the value of money, and the best uses to which it can be put. They have largely lost their old passion for easy credit, and cash business has made greater strides on the prairies than anywhere else in Canada to the enormous advantage of all concerned. Farm implement companies report that sales in many districts are running 50 and 60 per cent. ahead of last year's figures, and that their business compares very well with the best of the pre-war years. Merchants everywhere are experiencing the benefits of this farming prosperity, and they will gradually be extended to the industrial world. Meanwhile it still shows some backward spots, and the advent of winter is responsible for rather a sharp drop in the employment figures. The settlement of the strike in the anthracite coalfields of the U.S., which seems to be im-

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pending, will be very welcome, although no serious inconvenience has been suffered up to date. The province of Ontario, whose revenues during the present year have scarcely come up to expectations, is experimenting with a new kind of bond in an issue which has just been announced. Tenders up to December 1st are invited for \$21,000,000 worth of Ontario 4½ per cent. serial installment bonds, maturing on December 1, 1926-55, inclusive. Principal of the amount of \$700,000 will be repayable each year, and both principal and interest will be payable in gold at a fixed rate of \$4.86½ to the £ in London, New York, Toronto, Montreal and half a dozen other Canadian cities. The bonds will be issued in denominations of \$1,000, with interest coupons attached, and can be registered as to principal only. Two advantages are claimed for this type of bond; it obviates the necessity for the usual sinking fund and by offering simultaneously long and short-term bonds it attracts a wider range of investors.

The long-delayed merger of most of the asbestos companies of Canada is now well on the road to completion, and in it will be included the Asbestos Corporation of Canada, the Consolidated Asbestos, Federal Asbestos, Thetford-Vimy, Maple Leaf Asbestos, Asbestos Mines, Black Lake Asbestos, and Chrome Companies. Outside the merger still remain three large American concerns which manufacture asbestos products on a large scale, and own their own sources of supply in Canada, but apart from these the merger group, which have confined themselves to mining operations, controls from 90 to 92 per cent. of the remaining asbestos production of Canada. In recent years only the Asbestos Corporation has been operating successfully, and all the others have been in constant difficulties, owing to the collapse of prices and markets, and consequent over-production. It is now hoped to achieve some control of production, especially in the lower grades, with the result that a substantial increase in the price for these grades may be secured. It is also believed that a friendly understanding has been reached with the three manufacturing companies, whereby the

latter will take a substantial quantity of the merger's surplus production.

The slight premium upon the Canadian dollar in New York and the heavy express charges on bullion from the mining camps of Northern Ontario to that city have resulted in a change of policy, whereby most of the important gold producers in this field will deliver their bullion to the Royal Mint at Ottawa instead of shipping it to New York, which was the more profitable destination as long as the Canadian dollar was at a discount. The Canadian banks will be indirectly affected by the change, for the sum involved is substantial, gold production in Canada, for which Ontario at present is mainly responsible, having now passed the 30 million dollar per annum mark. The producers will probably not care to take payment for their bullion from the Mint in Canadian gold coin or Mint bars, but will expect the Mint to retain the latter and give them a cheque. Such a process, however, would entail the replenishment of the Government account on which such cheques are drawn. The bars or coin would, therefore, be deposited with the Government's banks, and in turn if these banks so desire they could be delivered back to the Receiver-General in exchange for Dominion notes when the latter were required. In any event, it seems inevitable that as long as the Canadian dollar can maintain itself a fraction above par, the gold holdings both of the Government and the banks will be substantially increased.

Despite the tendency to lower prices, the pulp and paper industry continues to flourish amazingly. October saw a record production of newsprint, and the export figures are very satisfactory; they reached 124,529 tons, as compared with 99,812 tons in October, 1924, which is a gain of virtually 25 per cent. From a percentage standpoint the gain in pulp exports was even greater, for they rose to 99,211 tons, as compared with 76,406 tons in October, 1924. For the first 10 months of the present year the exports of newsprint have amounted to 1,142,029 tons, as compared with 1,006,559 tons for the corresponding period of 1924; the respective values, however, were \$86,755,000, as compared with \$82,222,000, a noticeable decline of prices thereby being indicated. In this 10 months' period pulp exports jumped from 620,254 tons to 768,414 tons, valued respectively at \$32,476,000 and \$38,608,000.

The holders of Grand Trunk Pacific 4 per cent. debentures are naturally very deeply interested in the earnings of the Canadian National Railway system, and are basing high hopes on Sir H. Thornton's forecast that the net earnings for the year 1925 would reach 25 million dollars. The calculation is that if this figure is reached the payment of interest will be resumed, for it was paid in 1923, when the earnings reached 20 million dollars, and suspended last year, when they fell to about 17 millions. For the first three-quarters of the year ending September 30th the net earnings of the C.N.R. were \$12,325,762, but the heavy grain movement has given them a great fillip in October, and it is estimated that they will have reached 7 million dollars, as compared with 4½ millions in October, 1924. November and December earnings are likely to show a decline, but it would not be extravagant to place their joint total at 7½ million dollars, and in that event the total net earnings for the year would be within measurable distance of 27 million dollars, a figure which would at least entail a moral liability to pay the dividend on the G.T.P. debentures. But other holders, in estimating the prospects of the stock, should not lose sight of an agitation which, under the head of "Canadian ports for Canadian trade," has been gathering headway. Easily the most profitable part of the Canadian National system is the old Grand Trunk main line, which gives direct through communication between Chicago and Portland, Maine, and which is used extensively by American shippers. But the citizens of the two Canadian Atlantic ports of Halifax and St John have been casting envious eyes at the very substantial volume of traffic which, especially in the winter months, is carried over the Canadian National system, and its American subsidiaries to Portland, and their representatives are contending vigorously that if the money of the Canadian taxpayer has to be taken to pay deficits on the C.N.R., all its traffic should be retained for Canadian ports. They are, therefore, demanding that the American lines of the C.N.R.

should be sold for what they will bring, and special rate arrangements made to divert the Canadian trade now going to Portland to the Canadian ports. Political pressure will certainly be exerted for the sale of these lines in American territory, but their elimination from the C.N.R. system might have very serious results for its revenues, and there might also be the danger of inconvenient reprisals on the part of the United States. Therefore, whatever Canadian Government is in power will hesitate before it sanctions such a move, but the contingency should not be lost sight of.

INDIA.—A BRIGHT OUTLOOK—TASKS OF THE NEW VICEROY — DEPRESSION IN BOMBAY — JUTE SHORTAGE.

(FROM OUR CORRESPONDENT.)

CALCUTTA, November 12.

POLITICALLY and economically the Indian situation has never been more uniformly satisfactory since Lord Reading, now on the eve of retirement, assumed office. It is putting the case modestly to suggest that the Viceroy-designate has been fortunate in his predecessor. It is a symptom of the gradual subordination of political to economic issues that the pivot of Indian affairs is now, not Bengal, but Bombay, a province more interested in bounties than in bombs, and more concerned with the reform of the currency than with the recasting of the Constitution. Mahatma Gandhi is in eclipse, while the Swarajist leader is too busy combating rebellious subordinates to find time for effective attacks on the British administration. As political intransigence has waned, economic strength thanks to a series of good monsoons, has revived, and, in consequence of the careful conservation of purchasing power thus secured, the agricultural population are better equipped to face the inevitable vicissitudes of their industry than at any period within living memory.

Industrial development has received a check, but this is clearly only temporary, due partly to over-expansion in the immediate post-war boom, and, in the case of the Bombay cotton mills, to a concurrent distribution of the enormous profits of that period, without any regard to the possible advent of a lessened demand and lower turnover. The narrow range and limited prosperity of Indian industries, however, is due less to such transient factors as those indicated than to the diminutive purchasing power due to the appallingly low level of agricultural productivity which it will be the primary duty of the new Viceroy, as far as the resources and influence of the State can assist, to modify and improve. The most prosperous of Indian industries, jute manufacture sells all but a minor percentage of its product in foreign markets, whereas industries depending exclusively upon the Indian market are, in most instances, working, temporarily, at a loss. The explanation is simple, viz., the expansion in industrial and agricultural productivity has not kept pace. The result has been that, while industrial outputs have increased largely, and with remarkable rapidity, buying power has not advanced *pari passu*, with the inevitable sequel that so many industries are working short time, or, as with the cotton mills, have been forced for some months to face a complete suspension of production. If this lack of balance has not attained wider recognition, it is because the constitution of the Tariff Board has offered to depressed industries an apparent but deceptive "short cut" back to prosperous working, while encouraging evasion of the real problem to be solved. The prospect of an organised effort to modernise agricultural methods in India has, therefore, as yet received only a very tepid welcome in the industrial and commercial centres, and in certain quarters is even being represented as a subtle effort to sidetrack industrial progress, whereas the plain fact is that unless and until

the task assigned to the new Viceroy is faithfully and thoroughly fulfilled, the basis essential for the industrial structure inspiring the dreams of Indian capitalists is wholly lacking.

As Bombay is pre-eminently the headquarters of the indigenous industrial revival, it is distinctly unfortunate that, for various reasons, the relations between the commercial community of that city and the Government of India are less happy than could be desired. Without embarking upon a detailed examination of the sources and nature of these unfortunate differences, which give so sharp an edge to public controversies, it may be hoped that in the near future the course of events will enable the western capital and the Central Administration to get into closer accord. It can hardly be doubted that one means to this end would be, as opportunity offers, after a very long interval, to give Bombay direct representation in the Viceregal Cabinet. It is also averred, with considerable force, that Bombay interests and opinions should have received fuller representation in the *personnel* of the Currency Commission; despite the strong feeling upon that point, there will be no attempt to boycott that body by refusing to tender evidence or delegate witnesses for oral examination. Bombay representatives, as might be expected, will press hard for adoption of the gold standard, and will probably be found to attach even more importance to that reform than to re-establishment of the former ratio of 1s 4d, as against the ruling ratio of 1s 6d. Bombay, in view of the present crisis in the cotton industry, is also extremely insistent upon early abolition of the excise duty. In relation to the Protectionist movement, while Bombay led the campaign for a tariff on steel, it evinces no desire for higher tariffs on cotton manufactures, except the cheap Japanese goods, and, in relation to the suggested tariff on coal, is understood to be sharply antagonistic. It is significant in this connection, that the refusal of the Government of India to extend tariff aid to the overgrown cement industry failed to evoke a single authoritative protest. The Fiscal Commission advised "discrimination" in relation to tariff duties, and commercial opinion is evidently quite content to see this circumspect policy put into operation. Taking a comprehensive view, it is clear that Bombay cannot be described as irreconcilable, and that if that city is given its proper place "in the Indian sun," no deleterious twist will be given to the economic and financial interests of the country at large.

Meanwhile Bombay does not lack advice or assistance in setting its own house in order. Reckless and dangerous gambling on a badly regulated stock exchange has forced the Local Government, with wide support from public opinion, to pass legislation bringing this pivotal institution under regulations as to the conduct of business common to stock exchanges throughout the world; and it is evident, before the cotton industry can regain prosperity and stability, that drastic reforms will be forced in relation to some of the more obvious abuses sapping the efficiency of mill management. It is also anticipated that considerable curtailments will have to be effected in the over-ambitious schemes of civic development planned and initiated during the governorship of Sir George Lloyd. To-day, as the combined result of industrial speculation and official extravagance, Bombay is passing through perhaps one of the severest crises in its remarkable history.

Raw jute remains a soaring market, and the yield to cultivators at present prices will hardly fall short of 75 crores of rupees for a crop not exceeding 85 lakhs of bales. This compares with 50 crores paid for about the same quantity last year. A Jute Forecast Committee representative of local jute interests having been formed to assist the Director of Agriculture in framing his estimates, mill interests in Calcutta have greater confidence in the forecast than in previous years; it is, in fact, a joint effort, the new method of calculation coming into operation for the first time last year, when, it will be remembered, the estimate was remarkably close to the actual yield of the crop, as determined by the total receipts. A discouraging factor is a reported shortage of seed, tending to an artificial curtailment of the next crop. It is possible, however, that this conjecture betrays more pessimism than is warranted by the available supply.

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Letters to the Editor.

LIFE POLICIES IN REICHSMARKS.

TO THE EDITOR OF THE ECONOMIST.

SIR,—On page 892 of the issue of the *Economist* of November 28th appeared an article commenting with approval on the curious judgment of Mr Justice Acton in the case of *Anderson v. Equitable Life Assurance Society of the United States*. Admitting that the decision (against which an appeal is being lodged) was based only on the special circumstances of the policy in question, it may, unless reversed, have far-reaching effects upon the position of life policies issued in German currency by British insurance companies which carried on business in Germany until the end of 1901.

In order to form a correct view of the position, it is necessary first of all to consider what is the true interpretation of these contracts, taking account of their terms, the intention of the parties, and ordinary commercial practice. Stated in the simplest terms, and ignoring any exceptional conditions contained in individual policies, they were undertakings to pay a sum in marks in Germany on the happening of a specified event at a future date in consideration of the payment of a premium (annually or otherwise) in marks. Nothing was stated as to the value of the marks, measured either in gold or in British currency, the intention being that both premiums and sums assured should be paid in the German marks currency then existing, regardless of its value. Now this form of contract does not differ in essence from an ordinary transaction in foreign exchange. Such difference as exists is mainly in the length of time elapsing between the beginning and end of the transaction. After the War German marks were freely purchased in this and other countries, in the expectation that that currency would regain its value. The reverse happened, and the purchasers had to bear the loss, and no one proposes to recoup them. The foreign holders of German Government securities, including British insurance companies, have seen these investments become entirely valueless, and it has only been the popular clamour in Germany itself which has brought forth the Government's scheme to make good 2½ per cent. of the nominal value. The principle that a holder of foreign currency, or of any security payable in such currency, has to abide any loss it may bring him through depreciation has not, so far as is known, previously been called in question. And until marks had become almost valueless it was not suggested that a contractor to pay a specified sum in marks should pay more because their value had fallen. When marks had fallen to 100 to the £ no demand for revaluation at their pre-war value arose, but they had then lost 80 per cent. of their value, as is the case with French francs to-day. Further depreciation beyond that point is relatively unimportant. At what point did it become unfair to the German to pay him in his own currency the amount specified in his policy? When does "unjustifiable enrichment" (to use the German catch-phrase) begin, and on what ground is it unjustifiable?

It is argued in the judgment that the insurance company had always dealt with the policy as if it had been an assurance for dollars equivalent to £ sterling at M.20.43 = £1, and had made its allotment of profits to the policy on this basis. It is difficult to imagine that anything the company did in its internal management could have the effect of altering the essential nature of the contract. Its funds were in dollars, or were estimated in that currency, though no doubt partly invested in other currencies. In making its valuation and ascertaining its divisible surplus, it had to reduce all its liabilities as well as its assets to a dollar denomination, and in so doing it could use either normal or current rates of exchange, but in either case it must make such reserves as safety demands. So long as normal conditions prevailed the results of either method would be approximately the same. But when a particular currency is subject to abnormal depreciation and frequent fluctuations, it would be most unwise to ignore the possibility of its recovery. If this were done and no special reserve for the contingency of recovery were made, the apparent surplus would be largely increased, and were this distributed as bonus in cash or addition to sums assured funds would be depleted or

additional liability created. Should that currency subsequently recover its value, reserves on the normal basis would again be required, and in respect of the further bonus allotted as well as of the previous liability, and would have to be created out of the profits of the then current period, and if the profits were insufficient the company's funds would show a deficiency.

So far as the German policyholders are concerned, a distribution of surplus on marks policies when marks are valueless would have the same result whichever estimate of the surplus were made. Surplus is usually distributed in proportion to sums assured, reserves or premiums paid, and if all these are expressed in a valueless currency the value of the resulting bonus, even though counted in millions of marks, is still nothing. But if millions of marks had been allotted as bonus any future recovery in their value would be disastrous to the company unless full reserves had been set aside to meet this very contingency, and had this been done the surplus would not have been inflated. When a currency became permanently valueless, as the mark, it is time enough to consider the question of the valuation of contracts in that currency at nil, but even then there is no safety in taking that course if fantastic interpretations of the meaning of the contract are to be introduced at a later date. And it must always be remembered that a life assurance company's valuation is only a means of measuring its liability, on the basis of assumptions which it is anticipated will be realised more or less closely in the future. The surplus shown is not profit in the same sense as that realised from closed transactions, and only such portion of it can safely be distributed as remains after full provision for every foreseeable contingency has been made. If, because a company makes such provision by the use of normal instead of abnormal rates of exchange, some of its contracts are to be deemed to become altered in an essential manner, how can it measure its liability?

Incidentally, it may be remarked that no German policyholder has hesitated to take advantage of the depreciation of the currency when paying his premiums, and that French, Spanish, Danish, Norwegian and Greek policyholders of British companies are availing themselves of the same advantage to-day.—I am, Sir, yours faithfully,

W. K. PAGDEN.

Holmstoun, West Byfleet, December 16th, 1925.

SYNTHETIC NITRATE.

TO THE EDITOR OF THE ECONOMIST.

SIR,—I have read an article in your number of November 7th last, under the heading "Synthetic Nitrate," where, among other things, is written:—".....i.e., the Birkeland-Eyde furnace—but had to be abandoned for various obscure reasons, including risk of explosion; but this latter reason in itself is not of much moment, for all the various processes are attended with some risk of explosion. This was particularly the case in the early days, but the risk has now been much reduced, and safe working practically guaranteed....."

I have to express astonishment that a prominent newspaper like yours can be so badly informed about the great Norwegian nitrogen industry, an industry which to-day has in its service about 400,000 electr. horsepower.

There have been given in England, as well as in the United States and France, public lectures about this industry, and the periodicals of these countries have published detailed accounts of these lectures.

The furnaces of Birkeland-Eyde have now without any accident worked for more than twenty years in the Norwegian nitrate industry. There has never been any explosion as the system excludes any such possibility. The great pioneering work through Birkeland and Eyde which is laid down in the synthetic nitrogen industry, a work which is recognised and admired in the whole technical world, has through your correspondent's inaccuracy been depreciated.

If your newspaper had been an unknown one without importance, of course, I should not have paid any attention to the matter; as I, however, highly appreciate your publication as a prominent and veracious paper, I have thought fit to draw your attention to the incorrect information which your correspondent has given about the synthetic nitrogen industry.—Yours faithfully,

S. EYDE.

Hotel Vier Jahreszeiten, Wiesbaden, Germany,
December 11th, 1925.

[The statement that the arc process was tried in Germany and then abandoned for various reasons, including risk of explosion, has been frequently made in the technical Press, and by no means originated with the *Economist*. It will be noted that reference is made to the arc process generally, and not specifically to the Birkeland-Eyde furnace; also acknowledgment is made of the valuable pioneer work done in Norway. It is a little difficult to see how the fact that the arc process was given up in Germany reflects any discredit on or depreciation of the Norwegian nitrate industry. If anything, it might indicate that the Norwegians are more successful in the business than the Germans!—THE WRITER OF THE ARTICLE.]

Books and Publications.

POWER AND PROGRESS.*

THIS book is a timely contribution to a problem which was the subject of the Weir Committee's report (as yet unpublished), and which promises shortly to engage the attention of Parliament, namely, the national co-ordination of public electricity supply. Mr Quigley sees in the universal adoption of electrification throughout the country the key to national prosperity. This has been the case abroad, he argues, and cites France and elsewhere. So impressed, indeed, is he with the part that electricity is playing in certain countries that he claims that in Norway for instance, "the whole economic and social structure has become organised in terms of electric power." He sees Britain somewhat backward in this respect, and shows what requires to be done in the way of electrical development by the evidence of facts and figures of progress and low costs of supply in other countries more fully organised electrically. The value of the book, which is considerable, consists, indeed, in the excellent marshalling of comparative statistics relevant to electric power supply in the chief countries of the world, and by these the writer presses home his conclusions. In the chapter on "Coal Conservation and Electrical Power," there are also some significant figures and calculations. All this constitutes valuable data quite apart from agreement or otherwise with the author's conclusions.

Broadly, the immediately practical part of Mr Quigley's thesis may be stated thus. He finds that as regards national average prices per unit sold, Britain comes out high. Northern Italy, for instance, is .46d, Canada .72d, the United States 1.05d, whereas Britain stands at 2.07d. The problem, if Britain is to keep a place in the world's market, is how power can "be reduced in price to the international level." Mr Quigley emphasises as one of the leading factors that the earning capacity of the generating plant must be increased by fully loading it for a greater number of hours than at present, through securing the diversified supply of a large and varied area. This would reduce the capital costs per unit. Here again Britain, with .79d capital costs per kilowatt hour, compares unfavourably with America at .54d, and Italy at .29d. The author, therefore, suggests the delimitation of regional zones "served by stations of 40,000 kilowatts upwards or even less, scientifically interconnected to cover wider areas than at present, and reach a greater proportion of the total population," the final step being that "the whole of Britain must be converted into a super-power zone—and this is a consummation which can only be carried out by the State and private enterprise in co-operation."

The proposals in effect mean that in the present 15 districts already delimited by the Electricity Commissioners the supply should be more completely co-ordinated, that other districts should be added, and the whole interlinked into a national system. A complete interconnected system of this kind, however, appears to have but little expert support. However, the Weir Committee have gone fully into the whole matter, and when their report is published something like an authoritative verdict will be forthcoming. The present book should, therefore, be of interest to Members of Parliament and others interested in this problem and desiring data free from technicalities.

* "Electrical Power and National Progress." By Hugh Quigley. (London) George Allen and Unwin, Limited. Price, 8s 6d net. Pp. 160; 18 figs.

THE 1926 BANKERS' ALMANAC*.

IN the "Bankers' Almanac" for 1926 a further extension is to be noticed. Its pages are numbered to 3,022. We would suggest that the time is not far distant when either larger pages, or two volumes, will be needed. A further number of institutions has been added in the section "International Banks" this time. The "Geographical Index" now gives not only the name of nearly every

* "The Bankers' Almanac and Year-Book, 1926." (London) Thomas Skinner and Co. 42s net.

city and town of any importance in the world, where there is a bank, and the name of the bank in that place, but also the names of the London, and in some cases other, agents of such banks. We are glad to see that the publishers now insert in "Telegraphic Addresses" the names of the codes used by the various banks. Another interesting compilation in the present volume is that showing the relative position of the banks of Great Britain and Ireland. Totals are provided for the pre-war year 1914, at the Armistice and annually since, which indicates (to take only one item) that the deposits for these banks totalled £1,320,607,463 before the war, £2,589,010,517 at 1919-20, £2,703,983,628 at 1921-22, £2,524,928,639 at 1922-23, £2,460,822,646 at 1923-24, and £2,448,167,878 at 1924-25. Altogether the publication is of considerable value as a work of reference, and the arrangement of the various sections renders it comparatively easy to handle.

A LEGAL DIGEST.*

THE Digest No. 2 of the cases reported in "Lloyd's List Law Reports," which has now been issued, covers the period from Easter, 1922, to Michaelmas, 1924. It is a piece of work well done, and gives a very useful summary of the decisions of the courts, so far as they relate to commercial and shipping law, within the limits of time referred to. The "Lloyd's List Law Reports," though not authoritative in the same way as various other series of reports prepared by members of the Bar, nevertheless give in a convenient form reports of a range of cases of interest to commercial men, and the digest under alphabetical headings of the contents of volumes 11-20 of the reports brings together into one compact volume the substance of these cases. The two members of the Bar responsible for the digest have given cross references to other series of reports, and, besides succinctly stating the effect of each case, have quoted short salient passages from some of the judgments. Decisions relating to the various classes of insurance, to shipping documents, and to sale of goods, are among the largest groups, but the scope of the contents is wide, and the digest may be commended as a helpful work of reference.

BOOKS RECEIVED.

- The Science of Public Finance.* By G. Findlay Shirras. (London) Macmillan and Co. 21s.
Alexander Gordon Cummins Harvey. A Memoir. Edited with an Introduction by Francis W. Hirst. (London) R. Cobden-Sanderson. 5s net.
Happy India. By Arnold Lupton. (London) George Allen and Unwin. 6s net.
The Rupee and the Gold Standard. By P. B. Junnarkar. Published by Author. Ramna, Dacca. 3s.
Moody's Analyses of Investments, 1925. (New York) Moody's Investors' Service. (London) Moody's Investors' Service and Fredc. C. Mathieson. By subscription.
International Register of Telegraphic and Trade Addresses, 1925-1926. (London) Marconi International Code Company, Limited.
The World Wheat Situation, 1924-25. A Review of the Crop Year. (California) Stanford University Food Research Institute. November, 1925.
Jamaica. Extracts from the Blue-Book for the year ended December 31, 1924.
Foreign Affairs, 1926. (New York) Council on Foreign Relations, Inc. \$1.25.
Bourne's Insurance Directory, 1925-26. (New series.) Price 17s 6d net. (London) Stone and Cox, Limited, 188-189 Strand, W.C. 2.
Institute of Chartered Accountants. List of Members, 1926. (London) Gee and Co. 2s.

OFFICIAL PUBLICATIONS RECEIVED.

The following may be obtained from H.M. Stationery Office, Adastral House, Kingsway, W.C. 2:—
League of Nations: Decision relating to the Turco-Irak Frontier adopted by the Council of the League of

* "Digest No. 2 (Vols. 11-20) of Lloyd's List Law Reports." Edited by Charles W. Muir and R. Unwin Davis, Barristers-at-Law. London: Lloyd's, 1925.

Nations. Geneva, December 16, 1925. Cmd. 2562. 2d net.
Turco-Irak Frontier—Memorandum on the Enquiry conducted by MM. Ortega-Nuney, Markus, and Charrère into the Deportation of Christians in the neighbourhood of the Brussels line. Mosul, November 23, 1925. Cmd. 2563. 2d net.

Department of Overseas Trade: Report on the Economic and Commercial Situation of Australia to June, 1925. 2s net.

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STOCK EXCHANGE NEWS.

SETTLING DAYS.

TICKET, January 6, 1926. ACCOUNT, January 7, 1926.

BUSINESS in the stock markets this week quietened down very much, but although the holiday spirit has pervaded the House, prices for the most part remain fairly steady. The rise in gilt-edged stocks which occurred at the end of last week has been held in most cases, but liquidation of short-term bonds, presumably for end-of-the-year requirements, has influenced prices in some directions. Foreign bonds have moved irregularly, the renewed decline in the franc causing dullness in French bonds. Japanese and Chinese bonds were in some demand, and Brazilian and Peruvian bonds improved a little. There was a rise of a point in Turkish Unified, on the anticipated interview between the Prime Minister and the Turkish Ambassador. Mexicans have been weak owing to the delay in the ratification of the revised debt agreement.

Home Rails have been neglected, and in the absence of business prices were inclined to slip back. Southern and Underground stocks, however, kept steady. Slight declines are recorded in foreign and Colonial rails. Rubber shares have rallied a little on an improvement in the price of the commodity, but business has been on a very much smaller scale than in recent markets. Tea shares are inclined to dullness after their recent strength. The oil market has been quiet, but there has been a little Continental demand for some of the favourites. British Controlled Common have been weak.

In the industrial section there have been a few good features, including Courtaulds, Bradford Dyers and Dunlops; tobacco shares have hardened a little, and breweries were firm, but iron and steel shares were mostly lower after the announcement that the application for protection had been refused. In the mining market the main incident was a revival in demand from the Cape for low-priced platinum descriptions. Chartered have been in favour and are slightly higher, while tin shares have remained steady.

NEW ISSUES.

Sumatra Consolidated (Extended) Rubber Plantations, Limited.—Share capital £150,000, in shares of £1 each, of which 10,000 shares will be allotted as fully paid to the vendor company in satisfaction of the purchase price and approximately 10,000 shares in payment of preliminary expenses; 100,000 will be held in reserve to provide for the conversion rights of the debenture stock, and 10,000 are under option to the vendor company. This is an issue at par of £100,000 6 per cent. first mortgage convertible debenture stock which, when fully paid, is convertible at the option of the holder into shares of equal nominal amount, on one month's notice. Any stock not converted will be redeemable at £105 on December 31, 1945, the company reserving the right of redemption at £105 on or after December 31, 1932. The stock is secured by a specific first charge on the estates and fixed plant, machinery and buildings thereon, and a floating charge on remaining assets. The company has been formed to acquire a block of 4,000 acres in Sumatra. According to an independent report, most of the land is primary forest, which it is proposed to clear off and plant with rubber. The purchase price is £10,000, satisfied by the allotment of shares, together with the option to the vendor of subscribing until December 31, 1932, for 10,000 of the unissued shares. Interest is guaranteed by the vendor company for six years. The security behind the

stock does not, in our opinion, seem very attractive, and until the producing stage is reached this can only be described as a speculation.

Scottish Capital Investment Company, Limited.—We have now received a copy of the prospectus issued by this company. Last week, quoting from an advertisement in the Press, we described this issue as "prospectusless." The facts are that the issue was subscribed in advance of the publication of the advertisement, and it was therefore decided simply to insert the advertisement to comply with Stock Exchange regulations.

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

	Nominal Capital.	Cash Subscription.	Subscriptions.	First Payment.	Further Liability.
Amount previously recorded.....	£2,224,420	£2,224,420	£2,224,420	£2,224,420	£2,224,420
ISSUES OF THE WEEK—					

NATIONAL SAVINGS CERTIFICATES.

NET RECEIPTS INTO THE EXCHANGERS WEEK TO DEC. 19, 1925.

April 1, 1925, to Dec. 19, 1925..	£2,250,000	£2,250,000	£2,250,000	£2,250,000	£2,250,000
To the Public—					
Sumatra Consolidated Rubber Plantations, £100,000 6 % Mort. Deb. Stock, at par ..	100,000	100,000	10,000	10,000	90,000
Total offered to the public ..	100,000	100,000	10,000	10,000	90,000
To Shareholders only—					
Wankie Colliery, 37,998 Shares, 10s. at £1 ..	37,998	75,996	75,996	75,996	..
British Malayan Tin Syndicate, 10,000 Shares, 5s. issued at 7s. 6d. ..	10,000	15,000	15,000	15,000	..
Cape Asbestos, 30,000 5 % Ptg. Cum. Pref., at 21s. ..	30,000	31,500	7,500	7,500	24,000
Do 18,500 Ord. Shares, £1, at 21s. ..	18,500	19,425	4,625	4,625	14,800
Colombian Mining and Exploration, £30,000 10 % Notes, at 90 % ..	30,000	27,000	3,000	3,000	24,000
Hendon Electric Supply, 17,050 Ord. £1, at 46s. ..	17,050	39,212	4,262	4,262	34,950
Java Oil Exploration, 100,000 Shares, £1, at par ..	100,000	100,000	25,000	25,000	75,000
Lawas (Sarawak) Rubber, 40,000 Shares, £1, at £1 ..	40,000	160,000	40,000	40,000	120,000
London Asiatic Rubber, 452,937 Shares, 2s. at 6s. ..	452,937	1,358,811	1,358,811	1,358,811	..
Poonmudi Tea & Rubber, 327,448 Ord. Shares, 2s. at 3s. 6d. ..	327,448	573,034	573,034	573,034	..
Total to shareholders only ..	2,399,978	2,107,228	292,750	292,750	..
Total offered for subscription for whole year—					
1925 ..	231,914,268				
1924 ..	209,325,100				
1923 ..	271,393,173				
1922 ..	573,675,656				
1921 ..	388,978,203				
1920 ..	367,549,656				
1919 ..	1,016,059,951				
1918 ..	1,393,381,441				
1917 ..	1,318,596,010				

ACTIVE SECURITIES.

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

British and Colonial Government Securities.					
	Price Last Week.	Price Latest.	Rise or Fall.		
War Loans	97 1/2	97 1/2	..		
Consols	100 1/2	100 1/2	..		
Funding Loan 4%	85 1/2	85 1/2	..		
Victory Bonds 4%	92 1/2	92 1/2	..		
Conversion Loan 4%	75 1/2	75 1/2	..		
Consols 2 1/2%	84 1/2	84 1/2	..		
Irish Land Stock 3 1/2%	67 1/2	67 1/2	..		
Local Loans 3%	63 1/2	63 1/2	..		
British Railways.					
	Price Last Week.	Price Latest.	Rise or Fall.		
Great Western, Ord. 86 1/2	86 1/2	86 1/2	..		
London & North-Eastern, Do Pref. Ord. 55 1/2	55 1/2	55 1/2	..		
Do Def. Ord. 20 1/2	20 1/2	20 1/2	..		
London, Mid., and Scottish, Ord. 74 1/2	74 1/2	74 1/2	..		
Metropolitan, Do Pref. Ord. 69 1/2	69 1/2	69 1/2	..		
Metropolitan District, Ord. 47 1/2	47 1/2	47 1/2	..		
Colonial and Foreign Railways.					
	Price Last Week.	Price Latest.	Rise or Fall.		
Antofagasta Cons. 91	91	91	..		
B.A. and Pacific 85	85	85	..		
B.A. & Gt. Southern 90	90	90	..		
Buenos Ayres West. 79 1/2	79 1/2	79 1/2	..		
Canadian Pacific 151	151	151	..		
Central Argentine 74 1/2	74 1/2	74 1/2	..		
Cordoba Cen. Ord. 31 1/2	31 1/2	31 1/2	..		
American Railroads.					
	Price Last Week.	Price Latest.	Rise or Fall.		
Cheapeake & Ohio 132	132	132	..		
Edo 40	40	40	..		
Do 4 1/2 % 1st Pref. 47 1/2	47 1/2	47 1/2	..		
Foreign Government Securities.					
	Price Last Week.	Price Latest.	Rise or Fall.		
Argentine 5%, 1886-7, 101	101	101	..		
Austrian 6 % Guar. 99	99	99	..		
Belgian 3 % 74	74	74	..		
Brazil 5 % Fund., 1914 79	79	79	..		
Chilian 4 1/2 %, 1895 85	85	85	..		
Do 7 1/2 % 105	105	105	..		
China 5 %, 1913 58	58	58	..		
Egyptian 7 % 82	82	82	..		
French 4 % 14	14	14	..		
Do 3 % 12	12	12	..		
German 3 % Loan 102	102	102	..		
Do 7 %, 1924 102 1/2	102 1/2	102 1/2	..		
Greek 5 %, 1884 55	55	55	..		
Do 7 %, 1924 90 1/2	90 1/2	90 1/2	..		
Hungarian 7 1/2 %, 1924 100 1/2	100 1/2	100 1/2	..		
Japanese 4 %, 1910 63	63	63	..		
Do 5 %, 1924 93	93	93	..		
Mexican Cons., 1889 44	44	44	..		
Peruvian Corp. Pref. 36 1/2	36 1/2	36 1/2	..		
P.L.M. 6 % 84	84	84	..		
Portuguese (New) 30	30	30	..		
Russian 5 %, 1906 7	7	7	..		
Spanish 4 % 66	66	66	..		
Saline (Dept.) 7 % 98 1/2	98 1/2	98 1/2	..		
Shansee 10 % 103 1/2	103 1/2	103 1/2	..		

Telegraphs.					
	Price Last Week.	Price Latest.	Rise or Fall.		
Anglo-American "A" 24 1/2	24 1/2	24 1/2	..		
Marconi Wireless 1 1/2	1 1/2	1 1/2	..		
Banks.					
	Price Last Week.	Price Latest.	Rise or Fall.		
Barclays B. (£1, 10d.) 23 1/2	23 1/2	23 1/2	..		
Chartered Bk of India 20 1/2	20 1/2	20 1/2	..		
Lloyds (£5 with £1 paid) 3 1/2	3 1/2	3 1/2	..		
Midland (£12, with £2 1/2 paid) 8 1/2	8 1/2	8 1/2	..		
Nat. Bank of Egypt (£10) 34 1/2	34 1/2	34 1/2	..		
Marconi Canada 1 1/2	1 1/2	1 1/2	..		
Marconi Marine 1 1/2	1 1/2	1 1/2	..		
Miscellaneous.					
	Price Last Week.	Price Latest.	Rise or Fall.		
Aerated Bread (£1) 1 1/2	1 1/2	1 1/2	..		
Amal. Cottons (£1) 4 1/2	4 1/2	4 1/2	..		
Anglo Persian Oil (£1) 4 1/2	4 1/2	4 1/2	..		
Armstrong (8 1/2 W.G.) and Co. (£1) 3 1/2	3 1/2	3 1/2	..		
Ass. Ind. Cement (£1) 3 1/2	3 1/2	3 1/2	..		
Barker, John (£1) 3 1/2	3 1/2	3 1/2	..		
B'ham Small Arms (£1) 3 1/2	3 1/2	3 1/2	..		
Bleachers (£1) 3 1/2	3 1/2	3 1/2	..		
Bradford Dyers (1) 2 1/2	2 1/2	2 1/2	..		
Brazil Traction (£100) 83 1/2	83 1/2	83 1/2	..		
British-American Tobacco (£1) 5 1/2	5 1/2	5 1/2	..		
British Controlled Oil (£5) 2 1/2	2 1/2	2 1/2	..		
Bryant and May (£1) 2 1/2	2 1/2	2 1/2	..		
Burmah Oil (£1) 5 1/2	5 1/2	5 1/2	..		
Coats (J. and P.) (£1) 3 1/2	3 1/2	3 1/2	..		
Courtauld (£1) 6 1/2	6 1/2	6 1/2	..		
Cunard (£1) 8 1/2	8 1/2	8 1/2	..		
Dorman, Long (£1) 1 1/2	1 1/2	1 1/2	..		
Dunlop Rubber (6/8) 1 1/2	1 1/2	1 1/2	..		
Fine Cotton Spinners (£1) 2 1/2	2 1/2	2 1/2	..		
Forestal Land (£1) 1 1/2	1 1/2	1 1/2	..		
Furness, Withy (£1) 1 1/2	1 1/2	1 1/2	..		
Highlands and Lowlands Rubber (£1) 3 1/2	3 1/2	3 1/2	..		
Ashanti Gold (4/1) 1 1/2	1 1/2	1 1/2	..		
Barropan (£1) 3 1/2	3 1/2	3 1/2	..		
Broken Hill Prop. (£1) 1 1/2	1 1/2	1 1/2	..		
Burma Corp. (Rs. 10) 1 1/2	1 1/2	1 1/2	..		
Cam & Motor (£1) 2 1/2	2 1/2	2 1/2	..		
Central Mining (£8) 1 1/2	1 1/2	1 1/2	..		
Charrade (15/1) 2 1/2	2 1/2	2 1/2	..		
City Deep (£1) 2 1/2	2 1/2	2 1/2	..		
Cons. Gold Fields (£1) 1 1/2	1 1/2	1 1/2	..		
Crown Mines (10/1) 2 1/2	2 1/2	2 1/2	..		
De Beers Def. (£2 1/2) 1 1/2	1 1/2	1 1/2	..		
East Rand Prop. (£1) 1 1/2	1 1/2	1 1/2	..		
Geduld (£1) 3 1/2	3 1/2	3 1/2	..		
Gov. Govt. Areas (£1) 3 1/2	3 1/2	3 1/2	..		
Johannesburg Cons. 2 1/2	2 1/2	2 1/2	..		
Malayan Tin £1 1/2	1 1/2	1 1/2	..		
Modderfontein (10/1) 1 1/2	1 1/2	1 1/2	..		
Modderfont. "B" (5/1) 1 1/2	1 1/2	1 1/2	..		
Modderfont. Deep (5/1) 1 1/2	1 1/2	1 1/2	..		
Mount Lyell (£1) 1 1/2	1 1/2	1 1/2	..		
New State Areas (£1) 2 1/2	2 1/2	2 1/2	..		
Randfontein Est. (£1) 2 1/2	2 1/2	2 1/2	..		
Rand Mines (5/1) 2 1/2	2 1/2	2 1/2	..		
Selkwe (2/6) 2 1/2	2 1/2	2 1/2	..		
Shamva (£1) 1 1/2	1 1/2	1 1/2	..		
Rio Tinto (25/1) 4 1/2	4 1/2	4 1/2	..		
Ropp Tin (4/1) 2 1/2	2 1/2	2 1/2	..		
San Francisco of Mexico (10/1) 1 1/2	1 1/2	1 1/2	..		
Siemens Tin (5/1) 1 1/2	1 1/2	1 1/2	..		
Springs Mines (£1) 1 1/2	1 1/2	1 1/2	..		
Tanganyika Cons. (£1) 2 1/2	2 1/2	2 1/2	..		
Trans. Cons. Ltd. (10/1) 3 1/2	3 1/2	3 1/2	..		
Zambesia Expl. (£1) 2 1/2	2 1/2	2 1/2	..		

COMPANY NEWS.

DIVIDEND ANNOUNCEMENTS.

Name of Company.	Rate % per annum, except where marked % or stated in Cash.		Method of Payment.	Dividend for Whole Years	
	* Interim div.	† Final div.		Let's Pre-Year.	vious
Banks.					
Ionian	..	..	..	%	%
Mining.					
Ex-Lands Nigeria	17 1/2 %	..	Less tax	..	..
Keffiyontein	10 %	..	Less tax	..	..
San Francisco of Mexico	22 1/2 %	Jan. 13	..	37 1/2	32 1/2
Anglo-Dutch Plantations.					
Bargang Tea	10 %	..	Less tax	..	..
Braunston (Malay) Rubber	7 1/2 %	Dec. 30	Less tax at 3 1/2	..	..
Bukit Pulai Rubber	20 %	..	..	25	6
Chandapore Tea	5 %	..	Less tax	10	..
Emerald Rubber (Old shares)	15 %	..	Less tax	..	..
Do (New shares)	3 %	..	Less tax	..	..
Holyrood Rubber	15 %	Dec. 31	Less tax	..	..
Langen (Java) Rubber	12 1/2 %	..	Less tax at 4 1/2	22 1/2	..
Lumut Rubber	30 %	..	Less tax at 4 1/2	35	..
Malayan Plantations	10 %	Jan. 30	..	..	..
N rth Hummock Rubber	7 1/2 %	..	..	..	..
Port Dickson-Lukut Rubber	15 %	..	..	..	..
Standard Tea of Ceylon	20 %	Jan. 5	..	..	..
Sungei Kapar Rubber	12 1/2 %	Jan. 23	Less tax	..	..
Tanah Datar Rubber	15 %	Dec. 31	Less tax	..	..
Tingui Tea	7 1/2 %	Dec. 30	Less tax	..	..
Other Companies.					
Adelaide Electric Supply	..	..	..	12	12
Allen-Liversidge	5 %	..	Less tax	..	..
Angostura Bitters	6 %	..	..	9	9
Asbestos Corp'n. of Canada	14 %	..	..	..	..
Benn Bros.	6 1/2 %	Jan. 1	Less tax	..	..
British Burmah Petroleum	5 %	Feb. 22	Tax free	44 p.s.	74 p.s.
Canadian Nthrn. Prairie Lands	..	Jan. 15	..	..	..
O. Troling and Co.	5 %	Dec. 31	Less tax	10	..
Dominion of Canada Investment	2 1/2 %	..	Less tax	..	..
E. v. India Distilleries	9 %	..	..	19	10
Edinburgh and Dundee Invest.	1/2 p.s.	..	Less tax	..	..
Hall and Co.	5 %	..	Less tax at 4	..	..
Hardy's Crown Brewery	5 %	Dec. 30	..	..	..
Harmuth and Bulmer	..	..	..	..	..
Home Brewery	..	..	..	..	..
J. F. and H. Roberts	3 1/2 %	..	(bonus of 2 1/2 %)	7 1/2	7 1/2
N. Zealand & River Plate Land	4 1/2 %	..	..	10	10
North Eastern Breweries	9 %	..	..	7 1/2	..
Peel River Land and Mineral	11 %	..	..	15	15
Rolls-Royce	5 %	..	(bonus of 2 1/2 %)	12 1/2	15
Shawinigan Water	\$2 p.s.	Jan. 11	Tax free	8	8
Spanish River Pump	18 %	Jan. 15	Quarterly	..	..
Tamplin and Son's Brewery	1/2 p.s.	..	Quarterly	..	..
Tate Hydro-Electric	..	..	Less tax	..	..
United Lubricants	8 %	..	Tax free	..	..
W. Abbott and Sons	5 1/2 %	..	..	8	7
Whitehead Iron and Steel	12 1/2 %	..	..	30	15
	6 %	..	..	15	15

plant in every department, and during the year your enterprise expended over \$4,500,000 on capital account, mainly on additions to power generating plants, transmission systems, rolling stock, and on extensions to the light, power, and gas systems. As I have explained to you on many previous occasions, it has been the policy of your directors to keep every branch of the company's services in a position to meet all the requirements of the communities served, so that no user of these services may have his business retarded through any failure on the part of your company to meet all his requirements. This involves looking some distance ahead, and making timely provision for the growth of the demands upon the various services. Owing to the rapidly increasing demand for electricity for power and lighting purposes, we have deemed it wise to acquire the water rights of the Bridge River, situated some 130 miles from Vancouver. The thorough examination to which this water power has been subjected shows that it possesses natural features which render it capable of economic development to yield at least 200,000 horse-power of electric power. This, of course, will not be developed in its entirety at once; indeed, much remains to be done, both from a legal and an engineering point of view, before construction work can commence, but from our records of the demand for power, particularly during the past few years, we believe it will be necessary to commence the construction of the Bridge River power scheme as soon as the preparatory work referred to has been completed, and I am convinced, as I always have been convinced, that the commanding position of Vancouver on the Pacific Coast of Canada makes it inevitable that it shall become a very great centre of shipping and industry, absorbing steadily an increasing amount of power.

THE ACCOUNTS.

I want now to say a word upon the altered form in which the accounts are presented. I am sure I am right in anticipating that the altered form will meet with your approval. The directors have felt for some time that owing to the growth in size and importance of the allied and subsidiary companies, the balance-sheet of the British Columbia Electric Railway Company, Limited, which is the form of balance-sheet required by the Companies Acts, is insufficient in itself to convey to the shareholders a comprehensive view of the size and importance of the enterprise. Therefore, after considering the matter with the auditors, Messrs Price, Waterhouse, and Co.—a firm who have had the most extensive experience in the accounts of public utility companies throughout the world—it was decided to publish also a consolidated statement of the entire combined enterprise, and this is contained on pages 10 and 11 of the report. It was also decided that this consolidated statement should be stated in dollars (1) because the company's assets and earnings are in British Columbia and are represented by dollars, and (2) because there are already a considerable quantity of the company's securities held by investors in British Columbia, which will tend to increase. It is the policy of your directors, in accordance with established practice of public utility companies in Canada and the United States of America, to encourage their own customers to take and retain a financial interest in the concern.

Following the consolidated statement is a page setting out certain information regarding the company's properties and activities, which it is hoped will convey to the shareholders a better idea of the size and importance of the enterprise. The statement of revenue is contained on page 4 of the report, and is also set out both in the balance-sheet and the consolidated statement on pages 9 and 11. Our one aim in making these alterations is to give you a clearer statement of the company's position and the magnitude of the enterprise, and I am satisfied that you will agree that this result has been achieved.

RATES AND DIVIDENDS.

You will see from the report that a reduction in rates charged for commercial light in Vancouver became effective last autumn. I would remind you that reductions in lighting rates were granted in 1918, 1919, 1923, and again in 1924, and that this new reduction in commercial lighting rates is in accordance with the settled policy of the company, which is that reductions shall be granted whenever it is possible to grant the same in fairness to the employees and to the shareholders. So far as the employees are concerned, it may interest you to know that the wages bill of the company last year amounted to \$4,013,617. So far as the shareholders are concerned, it has been laid down over and over again by Public Utility Commissions, indeed so often that it has now become axiomatic, that a public utility company is entitled to rates enabling it to earn 8 per cent. on its entire capital. Taking the whole of the capital employed in this enterprise, the return earned is only between 5 per cent. and 6 per cent., and it is only by the most careful and skilful management and operation, and the fact that a large proportion of the capital raised only pays 4½ per cent., that we are able to recommend to you the payment of final

SECURITY FIRST ROYAL INSURANCE COMPANY, LIMITED

HEAD OFFICES: LIVERPOOL AND LONDON

dividends of £2 9s 3d per cent. on the preferred ordinary and £4 2s 6d per cent. on the deferred ordinary, making total dividends for the year of £6 6s 9d per cent. on the preferred ordinary and £8 per cent. on the deferred ordinary.

This leads me to my final remarks, viz., that the results before you to-day are due to the able management of your company. It is indeed difficult for me to find words with which to express our appreciation of the services rendered to the company by your president, Mr Kidd, and your vice-president, Mr Murrin. If I mentioned by name all those whose services are greatly appreciated, I should indeed give you a long list, but I cannot sit down without paying a special tribute to Mr Goward, your vice-president in Victoria; Mr Adams, your controller; Mr Glover; Mr Laursen, your solicitor; Mr Carpenter and Mr Newell, your extremely able engineers; Mr Keillor, the manager of your gas company; and Mr Power, the manager of your freight department. The whole staff are as able, loyal and enthusiastic a body of employees as can be found anywhere in the world.

Now, gentlemen, before inviting any discussion on the accounts, I should like to move: "That the balance-sheet as at June 30, 1925, together with the reports of the directors and auditors thereon, be and are hereby received and adopted."

Mr G. P. Norton seconded the motion, which was carried unanimously.

The Chairman then moved: "That the payment of the following dividends be and are hereby approved:—Dividend on the cumulative perpetual preference stock at the rate of 5 per cent. per annum (less income-tax) for the half-year ended December 31, 1924, on January 15, 1925, and for the half-year ended June 30, 1925, on July 15, 1925. Interim dividends on the preferred ordinary and deferred ordinary stocks for the year ended June 30, 1925, at 3½ per cent., free of income-tax, on June 4, 1925. Also that dividends be now declared in respect of the year ended June 30, 1925, as follows:—On the preferred ordinary stock at the rate of £2 9s 3d per cent. per annum, free of income-tax, making a total dividend for the year of £6 6s 9d per cent., free of income-tax. On the deferred ordinary stock at the rate of £4 2s 6d per cent. per annum, free of income-tax, making a total dividend for the year of £8 per cent., free of income-tax."

Mr Harold G. Brown seconded the resolution, which was unanimously approved.

RE-ELECTION OF DIRECTORS.

Mr G. P. Norton, in proposing the re-election of the retiring directors, Mr R. M. Horne-Payne and Sir Ernest Harvey, K.B.E., said that it was his honour, when the company was formed, to be associated with the chairman, Mr Horne-Payne, as one of the original directors of the company, and he had had the opportunity for nearly 30 years of watching the extraordinary and most satisfactory growth, from quite small beginnings, of the undertaking into the most important and successful enterprise which they, as a company, possessed to-day. Their chairman was responsible for the starting of the company, and he (the speaker) ventured to say—he believed all would agree with him—that Mr Horne-Payne had very great reason to be proud of the enterprise which he started 30 years ago. It was an undertaking which had done an immense amount of work and had given the greatest amount of assistance in the development of one of our great provinces, British Columbia. Not only had it done good to the municipalities and to the communities living in British Columbia, but it had rendered to them as a body of shareholders a reasonable and continuously fairly satisfactory return on the money which they had the courage to invest. With regard to his other colleague, Sir Ernest Harvey, he was able to say that no body of directors could have a more genial colleague and nobody could wish for a more able and efficient director. He had much pleasure in moving the re-election of those two gentlemen.

Mr T. Blundell Brown seconded the resolution, which was unanimously agreed to.

Mr James H. Mackay proposed the reappointment of Messrs Price, Waterhouse and Co. as auditors of the company both in London and British Columbia for the ensuing year. In doing so he asked if the directors could report a growing increase in the population of Vancouver.

Sir Charles Davidson seconded the motion, which was passed unanimously.

VOTE OF THANKS TO PRESIDENT AND STAFF.

Sir Ernest Harvey proposed a hearty vote of thanks to the president and staff in British Columbia; and remarked that on behalf of Mr Horne-Payne and himself he desired to thank the shareholders for their re-election. He paid a warm tribute to the work which Mr Horne-Payne did for the company, and stated that there was no man in England who worked so intelligently, so effectively, and with such wonderful cleverness and clearness of mind, and who at the same time laboured under such physical disability. He thought they would all recognise that Mr Kidd, the president, had a most difficult duty to perform as the manager of a public utility company; he had to consider the views of the stockholders and also those of the customers, and he thought everybody would agree that he had been successful in satisfying both parties. So far as the development of the company's area was concerned, he would point out that during the existence of the company the demand for power had doubled itself every eight years, and that was simply symptomatic of the development which went on in every direction in which they served the community.

Mr T. Blundell Brown seconded the motion, which was carried unanimously.

On the motion of Lord Stopford, seconded by Mr E. S. West, a hearty vote of thanks was accorded to Mr Davidson for presiding, and the proceedings terminated.

WESTERN AUSTRALIAN BANK.

The one hundred and sixty-eighth half-yearly meeting of shareholders of the Western Australian Bank was held on Wednesday, November 4th, at the Banking House, St George's terrace, Sir E. H. Wittenoom (chairman of directors) presiding.

The directors, in their report for the half-year ended September 28th, stated that the net profit, after providing for bad and doubtful debts, rebate on discounted bills current, interest on deposits, and all expenses of management, was £62,907 os 2d, which with the balance of £37,523 10s carried forward from the previous term, gave £100,430 10s 2d for distribution. This compared with a net profit of £46,267 9s 8d for the March half-year and £40,877 19s 9d for the corresponding period last year. Paid-up capital now stood at £700,000, and the reserve fund figured at £1,269,240.

The Chairman, in moving the adoption of the report and balance-sheet, said he thought they would consider the results satisfactory, seeing that the bank was again able to pay the usual dividend of 17½ per cent., and carry forward the substantial balance of over £39,000. It would be noticed that the net profits, after making the usual provision for bad and doubtful debts, were £62,907, being £16,640 more than in March, and the carry forward £39,180. Deposits at £2,862,430 were £111,779 less than in March; advances at £3,778,274 were £381,846 more than in March last, and specie, bullion, &c., at £772,271 were £86,475 less than in March. With reference to exchange, he was glad to be able to inform them that the position was now becoming normal owing to the adoption of the gold standard.

Fairly good rains had fallen over the pastoral areas, and a moderate lambing had taken place, but early rains were required to assure a good summer. Fortunately the price of wool had improved to a large extent, whilst store sheep and mutton realised good prices, and beef was saleable at remunerative rates. The season throughout the agricultural areas, whilst patchy in places, might be considered to have been good, and there was every prospect of an average yield.

The report and accounts were unanimously adopted.

RICHARD THOMAS AND COMPANY, LIMITED. TINPLATE INDUSTRY.

The seventy-sixth ordinary general meeting of Richard Thomas and Co., Limited, was held, on the 21st inst., in London, Mr F. Treherne Thomas (the chairman) presiding.

The Chairman, dealing with the accounts, said that the profits for the year, including dividends received from subsidiaries, amounted to £417,718, from which had to be deducted interest on debentures and other interest charges amounting to £109,076, and the reserve for depreciation and special expenditure amounting to £82,194, leaving £226,446. Adding the £75,000 transferred from reserve for contingencies and £200,955 brought in from last year, there was a total of £502,402. After paying the dividend on the preference shares, the directors recommended a dividend of 2½ per cent., less income-tax, on the ordinary shares, leaving to be carried forward £230,540—a sum about £30,000 in excess of last year's figure.

The profits for the year showed a substantial decrease as compared with last year. This falling-off was not altogether unforeseen. Last year he stated that the tinplate trade had had a setback, and was experiencing difficulties in many directions. As the Redbourn amalgamation took place on March 2nd last, the Redbourn results had formed part of the Richard Thomas results

THE HUMAN ASSET

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should be protected by Life Assurance.

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as from that date. The Redbourn works, with the exception of the brickworks, had been idle during the whole period.

The investments in subsidiary companies still exceeded £2,000,000, but of this amount one-half was the reinvestment in the Grovesend Company. The balance represented investments in collieries in Yorkshire and South Wales and the sums invested in the company's sales organisation, the Richard Nevill Foundry, and the retail coal and toy manufacturing undertakings. Later on it might be possible to carry the process of incorporation of their subsidiaries a step further, but the directors were advised that such a step was not yet practicable.

TINPLATE POSITION.

At last year's meeting he indicated that the demand for tinplates from South Wales had received a check, and that they were unable to keep all the company's tinplate works in South Wales fully employed. This condition was accentuated in the early months of this year. For some time the tinplate industry of Wales, by agreement among the makers, had maintained prices at a level which ensured a certain margin of profit both for the steelworks and tinplate works employed in the business, but they were forced to the conclusion that the high price was not only encouraging existing foreign competition, but also encouraging the erection of new plants abroad and at home. They realised that only by reducing prices substantially could they hope to bring idle works into operation, and so they felt compelled to bring those agreements to an end. Their decision had been justified. Schemes for the manufacture of tinplates abroad had been abandoned, their foreign competitors were finding it difficult to compete with our prices, and our exports had increased.

Through their large subsidiary the Grovesend Steel and Tinplate Co., Limited, they were also interested in an important degree in the black sheet and galvanised iron industry. He was glad to tell the shareholders that their sheet works were fully employed. Just as in the tinplate industry so in the sheet industry the maintenance of these conditions must depend upon their ability to keep down costs and selling prices and maintain a high standard of quality.

It was impossible to contemplate the restarting of the Redbourn Steel Works unless they could work them to their full capacity. He did not despair, however, of the future of the iron and steel industry. The day must come when the world-wide demand for iron and steel would equal the world supply.

POSITION AT THE COLLIERIES.

Dealing with the coal trade and the colliers, he stated that the demand for coal had been very restricted, and it had been very difficult to keep the pits working. Every effort was being made to reduce costs and to bring the collieries to the highest possible state of efficiency. The results for the year had again made possible a contribution to the profits of the parent company, although a reduced scale as compared with the previous year. Unless the cost of raising coal and the cost of transport were reduced the iron and steel trades could not revive. He did not want to see wages reduced if they were given a fair output for the wages paid. No one could be expected to provide capital for any business unless there was a reasonable security for the capital advanced and for the payment of a reasonable interest on the amount advanced. They were producing at their own and the Grovesend group of works over 8,000 tons of tinplates and sheets per week, and their wages bill in the steel works, tinplate works, and sheet works in South Wales was in the neighbourhood of £45,000 per week.

The report and accounts were unanimously adopted.

BALDWIN, LIMITED. BURDENS OF TAXATION.

The twenty-third annual meeting of shareholders of Baldwin, Limited, was held, on the 18th instant, at Birmingham, Colonel Sir William C. Wright presiding.

In moving the adoption of the report and accounts, the Chairman said the amount brought forward into credit from manufacturing, trading, interest, and others accounts was £214,078, a decrease of £279,442 as compared with the previous year. The trading results reflected the abnormally severe depression through which the company and other kindred firms had been passing. The great difficulty in competing in the export markets of the world had been the very low rate of exchange ruling against us in France and Belgium. Continental competitors had thus enjoyed artificial advantages as well as lower taxation, which assisted them materially in stimulating their exports. The financial burden placed upon commercial enterprise in this country by the ever-increasing national expenditure was one of the principal handicaps to industry.

EXCESSIVE TAXATION.

Since the war national and local taxation had increased out of all proportion to the increase in prices, and was to-day about 250 per cent. higher than pre-war, while iron and steel prices were only 20 per cent. higher. The relative wages in the iron and steel industries per 48-hour week were: Great Britain, 61s; Belgium, 33s 6d; Germany, 32s 6d; and France, on the basis of the franc at 124 to the £, 24s 2d. Another factor operating much to their disadvantage in comparison with Continental competitors was the continued high charge for transport. Both on the railways and at the docks they were paying very much higher rates per ton mile, and, as transport charges represented from 20 per cent. to 25 per cent. of the present selling price of iron and steel, if we were to compete successfully in the export market, railway and dock charges must be substantially reduced. It could not be too strongly emphasised that our great industries would not recover except on the basis of the lowest possible cost of production, and to attain this they must not only have the whole-hearted co-operation of labour and the highest efficiency of plant, but also a lightening of the burden of taxation, which was pressing so ruinously at present, and this could only be accomplished by the exercise of the most rigid economy in both national and local expenditure.

Referring to the operations of the subsidiary companies, the Chairman said the Port Talbot Steel Works, chiefly engaged on the manufacture of heavy steel, had had a very bad year. The British Mannesmann Tube Company had also experienced a bad year, owing to excessive competition for both home and export orders. In foreign markets the competition was very keen, and orders had been taken at low prices to keep the works even partly going. The Locarno Pact would, it was believed, help in no small measure to stabilise international credit, and thereby international trade.

COAL INDUSTRY.

From the coal industry point of view the year had been one of unrelieved gloom and depression, and at no time had it been possible to keep the collieries fully and regularly employed. Stoppages through lack of orders were continual, and the output for the year amounted to only a little over 900,000 tons, as against a normal capacity of over a million and a quarter tons. South Wales, as a coal exporting district, was the most seriously affected of all the coalfields. The wages agreement, which came into operation in May, 1924, increased the wages percentage in South Wales from 28 per cent. to 42.2 per cent., and added anything from 1s 6d to 2s per ton to the cost of production, whilst during 1924 the coal exports from South Wales dropped by four and a quarter million tons. An increased demand for coal could only be brought about by cheapening the product, and this could only be done by bringing down production costs. The quickest way to bring this about was a return to the eight-hour shift. If the demand for coal could be expanded and the industry made self-supporting again, we should not only have solved the problem of the mines, but have gone a long way towards reviving those industries of which cheap coal was the life blood.

The motion was seconded by Sir John Cecil Davies, and agreed to.

W. ABBOTT AND SONS, LIMITED. RECORD TAKINGS—GOOD PROSPECTS.

At the sixteenth annual general meeting, which was held at the registered offices of the company, 34 and 36, Gresham street, in the City of London, on Tuesday, December 22, 1925, Mr O. H. Abbott, the chairman and managing director, said, among other things:—

That with the shareholders' permission he would adopt the usual procedure and take the report and accounts as read. The company had now reached the sixteenth year of its existence. He felt it should be explained that the French side of our business had shown a satisfactory profit, and it was only through having to write down the whole of our French assets to the rate of exchange ruling at the close of our financial year that had converted this profit into a loss—a loss which had been successfully met by our English profits. He considered that the result as shown in the balance-sheet was, under the circumstances, very gratifying.

THE DIVIDEND.

It would be seen from the accounts that the year which ended August 31, 1925—after charging all trading expenses, loss on exchange, &c., and writing off £5,487 14s 4d for depreciation of leases, fixtures and furniture—had resulted in a balance of £26,986 5s 7d, and after deducting the further sum of £4,100 9s 1d charged against the gross profit, there remained a balance of £23,095 14s 5d; to that sum must be added the sum of £35,858 0s 9d, the amount of the carry forward from last year, making a total of £58,953 15s 2d, which it was proposed should be dealt with as shown in the report. The directors had pleasure in recommending payment of a final dividend, making for the year 15 per cent.

FRENCH ASSETS.

The reserve account now stood at £62,500, a sum which exceeded the preference share liability. The carry forward of £38,863 15s 2d showed an increase of £3,005 14s 5d. The directors still deemed it advisable to leave this sum intact against any possible further depreciation of the franc. At the same time, it was very



The Anglo-South American Bank Limited.

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Authorised Capital	£10,000,000
Reserve Fund	£4,000,000
Issued Capital	£8,734,660
Paid-up Capital	£4,367,330

The Bank has with its
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THE BRITISH BANK OF SOUTH
AMERICA, Ltd., and
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53 offices in the principal countries of
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satisfactory to know that the French assets had year by year been written down, so that they now stood in the books at a figure far below their actual realisable value in sterling—he referred to that portion of the assets represented by stock. The position in France was uncertain, but it was undeniably true that intrinsically and individually that country was rich—but, unfortunately, its wealth was—for the moment—not gettable by the Treasury. There appeared to be little doubt, however, that it was gradually being brought home to the French people at large that the time had come for some personal sacrifice, and the stabilisation of the franc should follow. When this took place the directors would look with more favour on an increased distribution.

STOCKS.

The stocks showed an increase of £16,857 0s 6d, and was accounted for by the stocking of four new branches since the date of the last annual meeting. A sum of no less than £37,000 had been written off the selling prices during the year with a view of quickly disposing of back numbers and any stock which was likely to depreciate through a sudden change of fashion. The directors felt that the continuity of this policy was a very wise one, and was not only responsible for the excellent condition of their stocks to-day, but truly represented the figure at which they stood at in our balance-sheet.

GOOD PROSPECTS FOR CURRENT YEAR.

The four new branches opened since the date of the last general meeting had met with an immediate response from the public—a proof of the value of our goodwill. The year's takings were the largest in the history of the company, and the current year showed a substantial increase over those of the same period last year.

The Chairman stated that he would like on behalf of the board, and he felt sure he might do so on behalf of the shareholders, to thank their staff, both in London and Paris, for their loyal co-operation in everything which had contributed to the results that had been placed before the shareholders that day.

He had much pleasure in moving:—
“That the report and statement of accounts as submitted be received, approved, and adopted.”

Which was duly seconded and carried unanimously.

RUDGE-WHITWORTH, LIMITED. LARGE EXCESS OF ASSETS OVER LIABILITIES.

Mr John V. Pugh, J.P., presided over the thirty-first ordinary general meeting of shareholders of Rudge-Whitworth, Limited, at the registered office, Crow lane, Coventry, on the 23rd instant.

The Chairman said: This meeting is simply formal to comply with the law, and will be adjourned to a date to be decided when the accounts of the company are available. I hope that date will be early in 1926. The accounts are not available to-day, and they depend on, among other things, the completion of the valuations being made by Messrs Edwards, Son, and Bigwood of certain of the company's freeholds, leaseholds, plant, and tools.

Last year, 1924, you will remember these were set out in the balance-sheet:—

	£
Freeholds	126,662
Leaseholds	6,736
Bearing works	91,086
Plant and tools	97,495
Total	321,979

And you will remember that I gave it as my opinion that they were worth at least £200,000 more than £321,979.

Speaking with a full sense of my responsibility as your chairman and managing director, I told you then that in my considered opinion these assets were worth more than £521,979. These are the assets that are now being valued, and the valuation is complete for the Coventry Factory and Bearing Works, Tyseley.

These valuations do not include our Rea street factory, our depots, and certain parts of our land, and they are as follows:—

	£
Coventry and Tyseley only—freeholds ...	233,350
Plant	227,897
Tools	39,240

Making a total of 500,487

The other items, including Rea street and land, are, again in my considered opinion, worth far more than another £80,000, so

that the value of our assets, freeholds, leaseholds, plant, and tools may be expected to exceed £580,000, so that what I told you a year ago was well within the mark.

WHEEL PATENTS.

I told you also that our wheel patents were bringing in an income of over £20,000 per annum. These patents are increasing in value with the increasing vogue of the Rudge-Whitworth Detachable Wire Wheel generally, and more particularly with new inventions which promise to make the wire wheel not only the best wheel for the best car, but even the cheapest wheel for the cheapest car, and, therefore, I think we might well say that they are worth over £100,000. If we decided to include this value of patents in our balance-sheet, we should show on one side assets of over a million, and liabilities including creditors of less than half-a-million, and a surplus of assets over liabilities of over half-a-million. We shall probably decide not to include the value of the patents in our balance-sheet, in which case the surplus of assets over liabilities will be stated at well over £400,000. The share capital of the company is £100,000 preference shares and £100,000 ordinary shares.

The past year has not been without its difficulties, but since the accounts are not complete, I will not attempt to forecast their result.

SAMUEL ALLSOPP AND SONS, LIMITED. GOOD YEAR—HALL'S OXFORD BREWERY.

The ordinary annual general meeting of Samuel Allsopp and Sons, Limited, was held, on the 23rd instant, at the Cannon street Hotel, E.C., Sir William Barclay Peat, C.V.O., the chairman, presiding.

The secretary (Mr T. H. Collinson) read the notice convening the meeting and the auditors' report.

The Chairman said that the year's profit on trading had increased by £10,000, while interest and dividends received were less by £2,000 because a good deal of money had been used to purchase their interest in Hall's Oxford Brewery. Expenditure on repairs was greater by £2,000; and the effect was that the net increase in the profit was £6,600. Other items of expenditure compared quite favourably with the previous year, and the net result was a profit of £102,000, as compared with £95,000, after paying all interest, directors' fees, compensation levy, and liberal depreciation.

Trade investments had increased in the year by £290,000. It had been the policy to ally themselves with other brewery companies which might desire to have their beer brewed at Allsopp's brewery; and an opportunity had arisen of buying a controlling interest in Hall's Oxford Brewery. They had accordingly acquired 19,740 ordinary shares in a total of 20,000 such shares, together with a proportion of preference shares. Hall's Oxford Brewery had 318 licensed houses taking their beer, which was a potential addition to the houses owned by Allsopp's. Part of the arrangement was that, under certain conditions, Allsopp's should brew the beer for Hall's Oxford Brewery. It might be asked what was the advantage of such an arrangement. The answer was that Allsopp's had large overhead charges, and any additional barrelage brewed by them meant that they brewed their whole production on rather better terms, because the standing charges were spread over a bigger area. Hall's Oxford Brewery dated back to 1795, and the balance-sheet was admirable. There were investments of £168,000, including £151,000 of British and Colonial Government securities. The reserve and depreciation funds were

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Deposits, etc. (31/12/24) ...	" 1,704,000,000

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£179,000, and there was an employees' compensation fund at £20,000. The creditors were not important, and the assets were of the usual character. It was a successful concern, the profits in the last three years being £32,798, £40,229, and £48,034 successively, after charging debenture and other interest, compensation fund, &c. Apart from the benefits accruing from brewing the beer at Burton, the return to Allsopp's on the investment would be rather more than 8 per cent. on the basis of recent dividends.

The business of Allsopp's itself had been and was prosperous, having regard to the times, and showed fair recuperative powers. Apart from the breweries of which he had spoken, the undertaking as a whole was worth considerably more than its balance-sheet figure, he was informed, and, so far as sales effected from time to time were an indication, that opinion was justified. The balance-sheet was conservative—again apart from the question of the breweries. The quality of the beer continuously improved, and although that improvement involved considerable expense, they maintained and improved their profits. It was not generally realised that this concern was established in 1708, and their actual records went back to 1730. Allsopp's were the pioneers of India Pale Ale, in which a great business was done; but that trade had dwindled to a proportion which the present directors and officers were struggling to restore. It was a great mistake to forget to push the sale of India Pale Ale, which had centuries of approval behind it, and to substitute a lager beer, the production of which had been abandoned after involving severe loss.

The report and accounts were unanimously adopted, and the usual formal business transacted.

GOVERNMENT RETURNS, &c.

PUBLIC INCOME AND EXPENDITURE.

RECEIPTS INTO AND ISSUES OUT OF THE EXCHEQUER.

	Estimate for the Year 1925-26. (See Note)	Total Receipts into the Exchequer from Apr. 1, 1925, to Dec. 19, 1925.	Total Receipts into the Exchequer from Apr. 1, 1924, to Dec. 20, 1924.	Receipts. Week Ended Dec. 19, 1925.	Receipts. Week Ended Dec. 20, 1924.
Balances in Exchequer on 1st April:—					
Bank of England...	..	5,341,778	5,069,613	..	..
Bank of Ireland...	..	1,215,322	1,562,001	..	..
REVENUE.		6,557,100	6,631,614	..	..
Customs...	102,040,000	74,719,000	72,954,000	1,795,000	1,491,000
Excise...	137,220,000	100,595,000	101,164,000	8,099,000	8,094,000
Motor Vehicle Duties...	17,500,000	5,999,000	5,105,000	..	..
Stamp Duties, &c., Duties...	66,500,000	42,150,000	44,370,000	1,210,000	1,850,000
Stamps...	24,000,000	16,260,000	14,560,000	280,000	1,090,000
Land Tax, House Duty & Mineral Rights Duty...	1,000,000	192,000	690,000	..	..
Property & Income Tax...	269,000,000	120,365,000	130,213,000	674,000	933,000
Super-Tax...	63,300,000	31,830,000	29,460,000	500,000	470,000
Excise Profits Duties, &c.	4,000,000	..	..	..	..
Corporation Profits Tax...	9,000,000	7,930,000	12,390,000	150,000	450,000
Post Office...	67,000,000	40,000,000	39,400,000	1,100,000	1,000,000
Crown Lands...	900,000	740,000	760,000	..	..
Interest on Sundry Loans...	12,600,000	10,631,461	9,694,036	273,841	..
Miscellaneous—					
Ordinary Receipts...	14,000,000	8,532,535	8,472,177	294,289	91,918
Special Receipts...	30,000,000	24,615,475	22,573,659	178,866	1,350,000
Revenue...	801,060,000	484,556,471	491,795,872	14,554,996	16,819,918
Total inc. Balance...	..	491,113,571	498,427,486	..	..

OTHER RECEIPTS.					
Temporary Advances Repaid:—					
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904...	73,782	73,782	..	..	..
Under the Unemployment Insurance Act, 1921...	1,510,000	5,920,000	40,000	..	..
Money Raised by Creation of Debt:—					
(a) For Capital Expenditure Issues:—					
Under the Telegraph (Money) Act, 1924...	5,980,000	4,500,000	..	..	..
Under the Housing Act, 1914...	6,000	4,000	..	..	..
Under the West Indian Islands (Telegraph) Act, 1924...	20,071	260,719	..	..	..
(b) Under the Unemployment Insurance Act, 1921...	1,715,000	650,000	..	..	..
(c) For other issues:—					
By Treasury Bills...	1,807,531,000	1,769,272,000	47,530,000	55,436,000	..
By 3½% Conversion Loan...	53,667,987	..	426	..	..
By National Savings Certificates...	27,450,000	20,400,000	500,000	600,000	..
By Exchequer and National War Bonds...	15	..	..	..	..
By Treasury Bonds, 1925...	10	..	..	..	..
By 4½% Treasury Bonds, 1931-33...	5,055,707	16,876,370	..	..	..
By Other Debt created under the War Loan Act, 1914 to 1919...	..	3,700,000	..	..	..
(d) Ways and Means Advances ...	496,231,800	597,469,000	26,700,000	18,150,000	..
Anglo-Persian Oil Company—Dividends on Shares Acquired...	..	23,109	..	..	..
Repayments:—					
In respect of Cunard Loan...	130,000	130,000	..	..	..
In respect of Issues under Land Settlement (Facilities) Act, 1919 and 1921...	137,925	892,436	..	..	..
In respect of Issues under Section 50 (4) of the Finance Act, 1920...	15,174,767	1,622,026	5,272,786	..	..
Interest received under Section 59 (5) of the Finance Act, 1920...	299,785	..	..	..	..
Total...	2,903,366,620	2,919,920,930	94,958,208	91,005,918	..

Note.—Budget Estimate as in H.C. No. 84 of 1925.

SCOTTISH UNION & NATIONAL INSURANCE COMPANY.

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

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

EXPENDITURE AND OTHER ISSUES.

	Estimate for the Year 1925-26 (Including Supplementary Grants).	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1925, to Dec. 19, 1925.	Total Issues out of the Exchequer to meet Payments from Apr. 1, 1924, to Dec. 20, 1924.	Issues. Week Ended Dec. 19, 1925.	Issues. Week Ended Dec. 20, 1924.
EXPENDITURE.					
National Debt Services—					
Interest, &c.	305,000,000	265,127,776	269,019,937	15,171,172	17,038,585
Sinking Fund...	50,000,000	31,489,686	25,269,612	5,125,000	6,091,041
Road Fund...	16,900,000	5,397,044	4,504,044	146,000	..
Payments to Local Taxation Accounts, &c.	13,329,000	7,978,583	8,563,084	135,000	400,000
Payments to Northern Ireland Exchequer...	4,000,000	2,967,626	3,052,735	..	..
Land Settlement...	700,000	300,886	387,574	..	..
Other Consolidated Fund Services...	2,000,000	1,590,710	1,756,147	..	4,361
Supply Services...	428,186,000	287,059,682	264,727,706	9,650,000	53,750
Expenditure...	320,115,000	602,911,913	577,281,539	30,227,172	7,622,000
OTHER ISSUES.					
Temporary Advances—					
Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904...	73,782	73,782	..	..	..
Under the Unemployment Insurance Act, 1921...	1,745,000	800,000	..	80,000	..
Issues to meet Capital Expenditure—					
Under the Telegraph (Money) Act, 1924...	8,300,000	6,200,000	..	..	..
Under the Housing Act, 1914...	6,000	6,000	..	..	..
Under the West Indian Islands (Telegraph) Act, 1924...	20,071	324,541	..	..	..
Unemployment Insurance Act, 1921—					
Repayment of amounts borrowed...	1,390,000	5,920,000	..	..	..
Redemption of Debt—					
Treasury Bills...	1,734,630,000	1,713,945,000	45,230,000	44,690,000	..
Principal of National Savings Certificates...	21,400,000	22,400,000	500,000	550,000	..
Principal of Exchequer Bonds paid off...	306,667	..	..	..	..
Principal of National War Bonds paid off...	8,344,789	6,586,653	..	..	..
Principal of Treasury Bonds paid off...	23,645,865	..	..	..	..
Other Debt under the War Loan Act, 1914 to 1919...	50	..	..	..	..
Ways and Means Advances Repaid ...	497,690,000	582,499,500	19,000,000	13,720,000	..
Anglo-Persian Oil Company—Issued to the National Debt Commissioners...	..	23,109	..	..	..
Issues to National Debt Commissioners to Reduce Debt—					
Cunard Loan Repayments...	130,000	130,000	..	..	..
Balance in Exchequer—					
Bank of England...	5,341,778	5,069,613	94,957,172	90,389,737	..
Bank of Ireland...	1,215,322	1,562,001	..	..	..
Total ...	2,772,533	3,730,756	358,964	616,181	..

Treasury, December 21, 1925.					
NATIONAL DEBT—(Million £).					
	Aug. 1, 1924.	Dec. 1, 1924.	Mar. 1, 1925.	Jun. 1, 1925.	Dec. 1, 1925.
Funded Debt...	588	315	315	315	314
Term Annuities...	30	20	18	14	13
3½% Conversion Loan...	..	..	26	684	666
4½% War Stock...	..	63	63	63	63
4½% War Stock...	..	13	13	13	13
National War Bonds...	2,047	1,995	1,963	2,095	2,017
4½% Funding Loan...	1,509	1,413	1,201	963	820
4½% Victory Bonds...	..	409	401	399	396
Treasury Bonds...	..	360	347	335	314
Exchequer Bonds...	20	323	289	185	150
National Savings Certificates...	..	267	285	342	354
Other Debt*	..	1,306	1,132	1,087	1,157
American Loan (Anglo-French)	..	51	1,121	878	616
Treasury Bills...	15	1,107	154	147	186
Temporary Advances...	1	243	..	..	..
Other Capital Liabilities ...	654	8,033	7,574	7,655	7,742
Total Liabilities ...	711	8,079	7,623	7,721	7,812

* Includes debt to American Government.

POSITION OF THE FLOATING DEBT.					
	Dec. 20, '24.	Mar. 31, '25.	Dec. 19, '25.	Week ended Dec. 19, '25.	Movement
Advances by Bank of England...	201,125,000	168,585,000	165,125,000	..	9,500,000
Advances by Public Debt Office...	643,650,000	676,610,000	648,505,000	..	17,200,000
Treasury Bills Outstanding...	..	..	..	..	2,375,000
Total Floating Debt ...	844,775,000	845,195,000	813,631,000	..	9,975,000

* Includes £32,000, the proceeds of which were not carried to the Exchequer within the period of the account.

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

Date.	Notes and Certificates Outstanding.	Investments Reserve Account.	Redemption Account.					
			Silver Coin.	Gold Coin and Bullion.	Bank of England Notes.	Ratio to Notes.	Govern- ment Secur- ities.	Balance at Bank of England.
1922.								
Mar. 29.....	300,351	14,255	5,000	22,500	19,450	159	261,479	177
June 28.....	295,374	13,338	5,000	22,500	19,650	163	254,312	250
Sept. 27.....	289,127	12,648	7,000	27,000	21,150	166	246,456	169
Dec. 27.....	301,337	12,872	7,000	27,000	21,150	159	258,922	137
1923.								
Mar. 28.....	285,616	12,318	7,000	27,000	22,450	173	241,294	190
June 27.....	286,503	12,516	7,000	27,000	22,450	173	242,446	123
Sept. 27.....	282,784	12,401	7,000	27,000	22,450	175	238,595	140
Dec. 26.....	299,070	12,571	7,000	27,000	22,450	165	255,032	159
1924.								
Mar. 26.....	281,538	11,908	7,000	27,000	22,450	176	236,867	130
June 25.....	290,216	12,272	7,000	27,000	22,450	170	246,138	140
Sept. 24.....	285,592	12,227	7,000	27,000	22,450	173	241,185	184
Dec. 31.....	296,261	12,812	7,000	27,000	26,950	182	248,111	132
1925.								
Mar. 25.....	284,256	11,882	7,000	27,000	26,950	189	235,076	112
June 24.....	292,278	12,265	7,000	..	53,950	185	243,474	119
Sept. 30.....	293,004	12,555	7,000	..	56,250	191	242,188	121
Dec. 9.....	290,601	11,983	7,000	..	56,250	193	239,211	123
Dec. 16.....	295,456	12,076	7,000	..	56,250	190	244,175	107

Since July 21, 1920, notes and certificates outstanding include notes called in but not yet cancelled. Maximum fiduciary issue for 1920 fixed at £320,000,000, for 1921 at £317,555,300, for 1922 at £309,988,400, for 1923 at £270,183,800, for 1924 at £248,190,900, and for 1925 at £248,146,400.

The Bankers' Gazette.

As the *Economist* goes to press earlier this week, in consequence of the Christmas holidays, we are unable to give the returns of the Bank of England and other customary statistical matter.

PROVINCIAL CLEARING RETURNS.

	Month of November.		Aggregate Weekly Totals to Dec. 19.	
	1924.	1925.	1924.	1925.
Number of Working Days	25	25		
	£	£	£	£
BIRMINGHAM.....	10,326,000	11,275,000	119,192,800	129,519,700
BRISTOL.....	4,932,000	4,684,000	59,058,000	59,485,000
DUBLIN.....			275,754,600	269,631,800
HULL.....	5,051,000	4,993,000	55,265,300	52,560,000
LEEDS.....	4,356,000	3,899,000	50,088,040	48,990,600
LIVERPOOL.....	3,384,000	3,167,000	38,083,200	39,951,400
MANCHESTER.....	39,768,000	38,254,000	491,048,000	446,232,300
NEWCASTLE-ON-TYNE.....	68,696,000	65,776,000	781,466,300	790,592,800
NOTTINGHAM.....	7,348,000	6,222,000	98,778,000	80,379,100
SHEFFIELD.....	7,658,000	2,718,000	31,678,000	33,565,800
	4,830,000	4,158,000	53,517,000	52,342,400
Total.....	150,530,000	144,436,000		..

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

Assets.	Dec. 15, 1925.	Dec. 7, 1925.	Nov. 30, 1925.	Dec. 15, 1925.	Position, May 31, 1924.
Coin and bullion.....	147,225	147,226	147,226	147,227	44,224
Balance abroad and foreign bills.....	58,076	58,138	58,222	41,078	28,533
Norwegian and Foreign Government securities.....	13,528	13,528	13,528	8,999	8,816
Discounts and loans.....	298,591	297,433	301,784	389,146	75,911
LIABILITIES.					
Notes in circulation.....	356,665	350,347	351,221	383,615	113,484
Deposits at notice.....	87,887	92,707	95,241	103,866	7,188

BANK OF DANZIG.—In Danzig gulden (000's omitted).

Assets.	Dec. 15, 1925.	Nov. 30, 1925.	Nov. 14, 1925.	Oct. 31, 1925.	Oct. 15, 1925.	Dec. 15, 1924.
Coin and bullion.....	2,883	2,727	2,871	2,652	2,767	2,604
Of which gold coin.....	7	5	4	4	4	4
Danzig subsidiary coin.....	2,876	2,722	2,867	2,648	2,763	2,600
Foreign currencies.....	16,103	15,553	14,098	16,346	11,104	17,243
Bills of exchange.....	16,366	16,785	16,953	16,952	16,954	17,436
Loans.....	579	1,068	752	1,611	682	2,501
Foreign exchange.....	17,532	18,126	18,547	18,698	21,217	9,247
Other balances on demand.....	1,515	1,785	1,839	1,790	3,641	57
LIABILITIES.						
Capital paid up.....	7,500	7,500	7,500	7,500	7,500	7,500
Notes in circulation.....	31,638	32,716	30,981	34,043	32,267	27,479
Deposits on demand.....	5,380	5,462	5,850	5,664	6,657	12,697
Deposits at notice.....	nil	nil	nil	5,664	6,657	12,697

BANK OF POLAND.—In zloty (000's omitted).

Assets.	Dec. 31, 1925.	Nov. 30, 1925.	Nov. 20, 1925.	Nov. 10, 1925.
Gold.....	133, 65	132,695	132,548	132,470
Foreign currencies.....	59,611	59,567	60,161	66, 06
Silver and bullion.....	13,212	9,685	17,015	14,722
Bills discounted.....	286,143	280,157	280,187	278,911
Loans against securities.....	74,435	75,511	70,180	66,710
Short-term discounts.....	18,235	18,314	17,958	17,958
Liability of the Treasury.....	50,000	50,000	50,000	50,000
LIABILITIES.				
Share capital.....	100,000	100,000	100,000	100,000
Reserve fund.....	1,197	1,197	1,197	1, 97
Notes in circulation.....	362,148	36, 800	349,072	362,013
Current accounts.....	102,778	90,575	108,744	109,149
Liability in foreign exchange.....	75,887	76,473	75,150	66, 08

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

Assets.	Dec. 15, 1925.	Dec. 7, 1925.	Nov. 30, 1925.	Dec. 15, 1925.
Metal reserves.....	14,830	14,830	14,830	1, 071
Gold in coin and bullion.....	498,597	494,884	501,580	442,616
Foreign bills.....	55,447	53,945	55,079	
Other foreign bills.....	129,250	104,019	108,305	184,550
Bills discounted.....	190,499	191,080	191,963	219,256
LIABILITIES.				
Reserve fund.....	2,679	2,679	2,679	487
Notes in circulation.....	814,394	803,946	826,784	770,369
Deposits.....	76,935	57,308	46,752	76,773

† Contains such foreign bills and balances as bought from customers against kronen under the agreement that the same amount of foreign currency shall be supplied to the customers at fixed terms on condition of such sums in kronen being returned by them as were paid by the bank for the foreign currency delivered.

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

Assets.	Dec. 15, 1925.	Dec. 8, 1925.	Nov. 30, 1925.	Nov. 22, 1925.	Dec. 15, 1924.
Gold.....	75,394	75,347	75,226	74,933	72,350
Other coin and notes.....	18,719	18,868	19,703	19,308	20,168
Foreign credits.....	366,189	370,476	380,070	380,070	366,115
Bills.....	1,142,167	1,142,270	1,092,050	1,083,801	1,077,271
Govt. advances.....	4,499,574	4,499,453	4,521,422	4,521,337	4,542,533
LIABILITIES.					
Notes in circulation.....	5,977,055	6,082,205	6,017,118	5,883,955	5,961,143
State credits.....	346,851	316,730	368,700	368,614	367,912
Deposits.....	712,197	622,071	693,899	743,647	654,696

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

Assets.	Dec. 5, 1925.	Nov. 28, 1925.	Nov. 21, 1925.	Dec. 6, 1925.	May 12, 1924.
Gold.....	566,470	566,470	566,470	566,470	545,275
Silver, &c.....	5,277	5,580	5,414	11, 773	775
Government loan.....	11,355,073	11,352,467	11,347,074	11,299,370	12,585,130
Other advances.....	10,422,596	10,417,211	10,358,367	8,571,573	5,037,432
LIABILITIES.					
Notes in circulation.....	20,060,716	20,216,312	20,184,591	19,308,073	15,845,426
State credits.....	8,611,671	8,455,316	8,430,733	6,920,334	7,077,350

NATIONAL BANK OF BULGARIA.—In leva (000's omitted).

Assets.	Dec. 19, 1925.	Dec. 12, 1925.	Dec. 5, 1925.	Nov. 28, 1925.	Dec. 20, 1925.	Position, May 30, 1924.
Gold.....	2,536,946	2,536,952	2,536,928	2,536,974	2,535,134	521,775
Silver.....	65, 218	65,218	65,218	65,218	65,218	728,600
Loans & discounts.....	2,626,664	2,656,716	2, 93,608	2,680,662	2,50, 026	800,725
Spanish 4% stock.....	344,475	344,475	344,475	344,475	344,475	344,475
Treasury bills.....	150,000	150,000	150,000	150,000	150,000	150,000
LIABILITIES.						
Circulation.....	4,381,781	4,415,200	4,431,064	4,399,089	4,494,505	901,550
Deposits.....	1,275,459	1,296,952	1,007,280	991,168	9, 678	477,500

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

Assets.	Dec. 19, 1925.	Dec. 12, 1925.	Dec. 5, 1925.	Nov. 28, 1925.	Dec. 20, 1925.	Position, May 30, 1924.
Gold.....	2,536,946	2,536,952	2,536,928	2,536,974	2,535,134	521,775
Silver.....	65, 218	65,218	65,218	65,218	65,218	728,600
Loans & discounts.....	2,626,664	2,656,716	2, 93,608	2,680,662	2,50, 026	800,725
Spanish 4% stock.....	344,475	344,475	344,475	344,475	344,475	344,475
Treasury bills.....	150,000	150,000	150,000	150,000	150,000	150,000
LIABILITIES.						
Circulation.....	4,381,781	4,415,200	4,431,064	4,399,089	4,494,505	901,550
Deposits.....	1,275,459	1,296,952	1,007,280	991,168	9, 678	477,500

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

Assets.	Dec. 2, 1925.	Nov. 25, 1925.	Nov. 18, 1925.	Nov. 11, 1925.	Dec. 3, 1925.
Coin and bullion.....	10,305	10,273	10,280	10,204	9,621
Of which gold.....	8,577	8,577	8,577	8,577	8,577
Balance abroad.....	324,475	315,448	321,246	314,535	343,934
Discounts.....	178,523	183,230	184,921	187,361	164,561
Government loans.....	1,642,155	1,632,430	1,636,557	1,630,383	1,656,590
LIABILITIES.					
Notes in circulation.....	1,703,086	1,687,394	1,691,398	1,710,019	1,757,363
Deposits.....	70,588	77,719	72,335	72,335	65,755

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

Assets.	Nov. 30, 1925.	Nov. 20, 1925.	Nov. 10, 1925.	Oct. 31, 1925.	Nov. 30, 1924.	Position, May 31, 1924.
Total cash.....	1,561,156	1,561,975	1,531,858	1,516,270	1,604,630	1,221,875
Inland bills.....	5,064,487	5,033,891	5,150,691	5,345,938	5,556,670	418,400
Advances to.....						
Treasury.....	5,378,088	5,378,199	5,378,156	5,378,186	5,500,096	nil
Other advances.....	2,712,939	2,680,917	3,173,508	3,333,925	2,217,438	79,175
Securities.....	362,795	363,099	363,113	363,126	373,821	805,700
LIABILITIES.						
Note circulation.....	15,131,907	15,009,979	15,416,983	15,437,163	13,785,598	1,556,929
Deposits & drafts.....	1,497,718	1,438,057	1,484,261	1,560,778	1,678,381	193,975

LONDON RATES.

Bank rate (changed from 4% Dec. 3, 1925).....	Dec. 18, 1925.	Dec. 19, 1925.	Dec. 21, 1925.	Dec. 22, 1925.	Dec. 23, 1925.	Dec. 24, 1925.	Dec. 25, 1925.
60 days' bankers' drafts.....	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
3 months' do.....	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
4 months' do.....	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
6 months' do.....	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Discount (Treasury Bill).....	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
2 months.....	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
3 months.....	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
6 months.....	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Loans—Day to day.....	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2
short.....	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Deposit allowances: Banks.....	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
Discount houses at call.....	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
At notice.....	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2

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

Comparison with previous weeks:—

Dec. 1925.	Bank Bills.			Trade Bills.		
	3 Months.	4 Months.	6 Months.	3 Months.	4 Months.	6 Months.
11.....	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
18.....	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2
23.....	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2

OVERSEAS BANK RATES.

Changed.	Oct. 3, 1925.	%	Changed.	Sept. 14, 1925.	%
Amsterdam.....	Aug. 18, 1925	10	Oslo.....	Sept. 14, 1925	6
Athens.....	Aug. 18, 1925	10	Paris.....	July 9, 1925	5
Belgrade.....	Aug. 18, 1925	10	Peking.....	Dec. 1, 1925	6 1/2
Berlin.....	Feb. 26, 1925	9	Riga.....	Dec. 1, 1925	6 1/2
Brussels.....	Dec. 1, 1925	9	Rome.....	Feb. 16, 1924	8
Bucharest.....	Sept. 4, 1920	7	Sofia.....	June 18, 1925	7
Calcutta.....	Oct. 21, 1925	6	Stockholm.....	Oct. 8, 1925	4 1/2
Canton.....	Sept. 3, 1925	5	Swiss Bank.....	Oct. 22, 1925	4 1/2
Copenhagen.....	Sept. 3, 1925	5	Tokyo.....	April 15, 1925	7 1/2
Danzig.....	Mar. 6, 1925	9	Vienna.....	Sept. 2, 1925	9
Helsingfors.....	Oct. 29, 1925	9	Warsaw.....	(See note below)	
Lisbon.....	Sept. 12, 1923	9			
New York Federal Reserve.....	Feb. 26, 1925	3 1/2			
Madrid.....	Mar. 23, 1923	5			

The Bank Rate of the South African Reserve Bank is 5 1/2% for first-class commercial bills (90 days), and 6% for agricultural bills (of not more than six months).
Warsaw (Poland).—From August 12, 1925, discount rate, gold francs, 12%; loans on collateral security, gold francs, 14%.
We are informed that the head office of the De Javasche Bank at Batavia as from October 20th, has increased its discount rate for bills from 3 1/2 per cent. to 4 1/2 per cent.

RATES OF EXCHANGE.

London on	Usance	Par.	Dec. 23, 1924.	Dec. 18, 1925.	Dec. 23, 1925.
Paris	francs to £1	T.T.	25-22 1/2	87-42-47	129 1/2
Berlin	marks to £1	T.T.	20-43	19-73-78	20-36-37
Vienna	schillings to £1	T.T.	34-58 1/2	332,335,000b	34-40-45
Prague	kroner to £1	T.T.	24-02	155 1/2	163 1/2
Warsaw	zloty to £1	T.T.	25-22 1/2	24-40-40	163 1/2
Reval	Estons to £1	T.T.	25-22 1/2	1730-1770	1800-40
Riga	late to £1	T.T.	25-22 1/2	24-27-52	25-00-25
Kovno	lits to £1	T.T.	48-66	48-66	25-00-25
Bukarest	lei to £1	T.T.	25-22 1/2	915-925	1040-5
Budapest	kr. to £1	T.T.	24-02	340/350,000	345/348,000
Constantinople	piastres to £1	T.T.	110	1040-5	1040-5
Sofia	leva to £1	T.T.	25-22 1/2	870-880	900 910
Belgrade	dinars to £1	T.T.	25-22 1/2	640-650	660-80
Amsterdam	florin to £1	T.T.	12-107	312-317	272-275
Brussels	francs to £1	T.T.	25-22 1/2	11-64-65	12-07-8
Oslo	kroner to £1	T.T.	25-22 1/2	94-51-58	106-95-107-05
Stockholm	kroner to £1	T.T.	18-159	31-25-30	23-95-98
Copenhagen	kroner to £1	T.T.	18-159	17-44-47	18-95-98
Helsingfors	F. marks to £1	T.T.	18-159	26-62-67	18-95-98
Greece	drachmas to £1	T.T.	25-22 1/2	185 1/2-187	192 1/2-193
Italy	lire to £1	T.T.	25-22 1/2	257-260	192 1/2-193
Switzerland	francs to £1	T.T.	25-22 1/2	109-80-90	120 1/2-121
Madrid	pesetas to £1	T.T.	25-22 1/2	24-25-28	25-11-13
Lisbon	pence to escu.	T.T.	53-23	33-81-86	34-19-22
Alexandria	piastres to £1	Sight	9-7 1/2	28-2 1/2	24-2 1/2
New York	dollars to £1	Cable	4-9 1/2	97 1/2-97 3/4	97 1/2-97 3/4
Montreal	dollars to £1	Cable	4-9 1/2	4-7 1/2-7 1/2	4-8 1/2-8 1/2
Buenos Aires	pence to peso	T.T.	47-62	45 1/2-46 1/2	4-8 1/2-8 1/2
Rio de Janeiro	pence to mils.	90 days	16	5 1/2-5 1/2	46 1/2-48 1/2
Manzanillo	pence to peso	T.T.	51	49 1/2-50 1/2	47 1/2-48 1/2
Valparaiso	pence to peso	90 days	13-33	40-20	35-30
Lima	ling. to Per. \$1	30 days par	122 1/2 prem.	12 1/2 prem.	124 1/2 prem.
Calcutta	ster. to rupee	T.T.	10 to	15 1/2 prem.	15 1/2 prem.
Bombay	ster. to rupee	T.T.	10 to	15 1/2 prem.	15 1/2 prem.
Madras	ster. to rupee	T.T.	10 to	15 1/2 prem.	15 1/2 prem.
Hong Kong	ster. to dollar	T.T.	10 to	15 1/2 prem.	15 1/2 prem.
Shanghai	ster. to tael	T.T.	10 to	15 1/2 prem.	15 1/2 prem.
Singapore	ster. to dollar	T.T.	10 to	15 1/2 prem.	15 1/2 prem.
Yokohama	ster. to yen	T.T.	10 to	15 1/2 prem.	15 1/2 prem.
Manila	ster. to peso	T.T.	10 to	15 1/2 prem.	15 1/2 prem.
Mexico	pence to doles.	T.T.	10 to	15 1/2 prem.	15 1/2 prem.

MONTHLY TRAFFIC RETURNS.

AMERICAN RAILROAD GROSS AND NET RECEIPTS.

This table is extracted from the Commercial and Financial Chronicle of New York.

Date.	Miles of Road.		Gross Earnings.		Net Earnings.	
	1923.	1924.	1924.	Increase or Decrease.	1924.	Increase or Decrease.
Oct.	235,625	235,189	571,405.30	+ 15,135,757	402,654,709	+ 41,345,593
Nov.	235,122	235,309	504,589,062	+ 26,135,525	131,435,105	+ 6,350,391
Dec.	235,875	235,196	504,818,559	+ 11,308,918	180,337,665	+ 6,689,812
1924.						
Jan.	235,496	235,449	483,195,642	+ 15,866,417	101,022,458	+ 17,341,704
Feb.	235,031	235,642	454,009,669	+ 24,441,938	99,460,389	+ 4,981,506
Mar.	235,048	235,559	485,498,143	+ 18,864,833	109,230,086	+ 5,447,665
April	235,664	235,045	472,591,665	+ 1,696,103	102,461,475	+ 5,389,790
May	235,098	235,663	487,664,385	+ 11,114,584	112,459,524	+ 16,805,030
June	235,357	235,779	506,002,036	+ 41,227,707	130,837,324	+ 29,350,006
July	235,525	235,762	521,538,604	+ 40,595,602	139,606,752	+ 27,819,865
Aug.	235,546	235,750	554,529,318	+ 47,021,764	165,558,656	+ 31,821,453
Sept.	235,587	235,752	564,443,591	+ 26,381,004	177,212,895	+ 18,026,891
Oct.	235,564	235,724	590,161,046	+ 18,585,008	180,625,428	+ 12,054,757

OVERSEAS RECEIPTS.

Name.	Period.	Ending	Present Mileage.	Receipts for Month.	Total Receipts.
				1924-25. + or -	1924-25. + or -

INDIAN.

Southern Punjab	5 mths	Aug. 31	842	Rs 8,94,246	Rs 78,817	Rs 70,969	Rs 1,052,105
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CANADIAN.

Canadian National	10 mths	Oct. 31	Gross \$27,175,821	+ 43,551,231	196,444,081	+ 1,118,758
			Net \$8,159,958	+ 34,661,114	20,485,720	+ 9,16,056
Canadian Pacific	10 mths	31	Gross \$19,596,000	+ 217,000	144,243,300	+ 4,468,000
			Net \$7,444,000	+ 422,000	29,080,000	+ 1,612,000
Temiscouata	1 mth	31	Gross \$38,249			

BRAZILIAN.

State of Bahia	7 mths	Nov. 30	52	£7,798	+ 1,515	45,675	+ 11,207
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CHILE AND PERU.

Peruvian Corp.	5 mths	Nov. 30	1,066	\$1,586,400	+ 103,400	8,442,900	+ 1,183,250
Taitai	5 mths	30	172	\$22,440	+ 9,172	127,575	+ 12,105

URUGUAYAN.

Midland Uruguay	5 mths	Nov. 30	319	£17,234	+ 4,043	£3,384	+ 6,170
N.W. Uruguay	5 mths	30	113	£8,287	+ 1,335	£1,244	+ 1,9
Uruguay North	5 mths	30	73	£3,404	+ 426	£13,138	+ 254

OTHER OVERSEAS.

Algoma Cent. & Hudson Bay (a)	4 mths	Oct. 31	Gross \$128,513	+ 26,680	411,537	+ 28,272
Beira and Mashonaland	1 mth	31	810	159,980	+ 13,872	
Bilbao	11 mths	Nov. 30	15	2,289	+ 420	28,593
Bolivar	11 mths	30	136	9,900	+ 1,427	135,811
Costa Rica	3 mths	Sept. 30	190	37,26	+ 6,720	97,749
Dorado Extension	11 mths	Nov. 30	70	14,000	+ 5,750	183,950
Dorado Rope, Ex. Int.	11 mths	30	45	11,450	+ 3,825	104,650
International of Central America	10 mths	Oct. 31	Gross 93,856	+ 10,242	1,061,080	+ 186,756
			Net 35,297	+ 7,826	430,896	+ 54,799
La Guaira & Car.	11 mths	Nov. 30	222	11,320	+ 610	137,610
Mid. of W. Aust.	4 mths	Oct. 31	277	10,136	+ 10	49,840
Nasajo Oscarsh	7 mths	July 31	11	11,287	+ 360	70,380
Puerto Cabello, Ex. Int.	11 mths	Nov. 30	35	4,500	+ 750	53,750
Rhodesia Railways	1 mth	Oct. 31	1,397	200,257	+ 36,020	
Samana & Santiago	11 mths	Nov. 30		4,950	+ 1,112	75,670
Santa Fe Prov.	11 mths	30		135,666	+ 21,779	
Zafra and Huelva	11 mths	30	112	13,100	+ 102	142,391

(a) Railway receipts only.

TRAMWAY & OTHER RECEIPTS.

Argentine Light and Power (a)	7 mths	Oct. 31	Gross 47,740	+ 5,012	331,651	+ 26,005
Barcelona Trac.	10 mths	31	Gross 27,770,724	+ 752,935	70,911,194	+ 6,398,393
Boji in pata.	10 mths	31	Net 29,371	+ 46,391.97	5,474,562	
Brazilian Trac.	10 mths	31	Gross \$3,100,963	+ 615,468	25,220,814	+ 3,073,391
Receipts in E.			Net \$1,685,743	+ 117,671	14,220,950	+ 356,294
Bris. Columbia Electric, Ex. Int.	4 mths	31	Gross \$1,015,459	+ 100,141	3,315,191	+ 322,294
			Net \$892,279	+ 31,371	1,120,213	+ 123,513
Burmah Electric	1 mth	Nov. 30	Rs 65,892	+ 1,214		
Cape Elec. Trams	1 mth	30	Gross 432,704			
Carthage and Herrerias Trams	11 mths	30	1	£1,272	+ 465	22,040
Catalina Warehs.	1 mth	30		£10,500	+ 2,000	
Cities Service Co.	12 mths	30	Gross \$1,557,064	+ 297,103	19,399,958	+ 2,031,868
Elec. Sup. of Viet.	26 weeks	Oct. 4	22	(b) £3,387	+ 516	28,448
Havana Elec. Rly.	10 mths	31	Gross \$1,277,949	+ 80,549	12,589,433	+ 794,959
Light & Power	10 mths	31	Net \$559,045	+ 12,583	5,949,177	+ 278,540
International Light & Power	4 mths	31	Gross \$2,417	+ 8,54	127,121	+ 33,042
Kalgoolie Elec. Trams	9 mths	Sept. 30	Net 2,423	+ 1,776	32,585	+ 5,443
Keystone Tele.	12 mths	30	Gross		1,970,106	+ 83,127
La Guaira Harbr.	1 mth	Nov. 30	Net 210,519	+ 2,386	943,057	+ 84,159
La Plata Electric	11 mths	30		£8,599	+ 353	84,541
Lima Light, Pwr. and Tramways	4 mths	Dec. 31	Gross 285,136			
Manila Electric & Co.	12 mths	June 30	Gross \$311,953	+ 10,990	3,763,794	+ 96,606
			Net \$161,584	+ 14,639	1,880,988	+ 38,594
Pana Electric	12 mths	Nov. 30	Gross 216,185	+ 4,347	145,339	+ 18,310
			Net 27,537	+ 4,268	57,587	+ 29,816
Puebla Tram, & Co.	10 mths	Oct. 31	Net \$137,000	+ 48,100	1,291,400	+ 346,500
Rangoon Electric	10 mths	31	Gross 24,16,560	+ 41,110	40,09,889	+ 3,46,634
			Net 2,15,560	+ 215	25,09,857	+ 2,19,722
Shanghai Electric	11 mths	Nov. 30	Net \$187,299	+ 3,101	1,94,846	+ 404,431
Singapore Trac'n	2 mths	30		\$63,504	+ 2,558	130,417
United Electric Tr.	1 mth	30	Gross 550,517	+ 4,094		
Montevideo	1 mth	Oct. 31	Net Mx 112,00	+ 78,000	181,200	+ 194,100
Vera Cruz	10 mths	Oct. 31	Gross 476,913	+ 46,728	4,367,050	+ 32,747
Winnipeg Electric	9 mths	31	Net \$150,482	+ 38,284	1,465,392	+ 184,823

(a) Formerly Cordoba Light, Power, and Traction. (b) Four-weekly return.

Reports and Notices.

Mr Richard George Salmon, F.I.A., actuary of Sun Life Assurance Society since 1905, has been appointed by the board "Joint General Manager and Actuary."

Mr J. Proctor Green, who has held the office of a general manager of the Refuge Assurance Co., Ltd., for the past twelve years, has been appointed a managing director of the company.

BANKS.

IONIAN BANK, LIMITED.—The report for year ended August 31, 1925, shows the net profit amounted to £69,399, against £63,077. The ordinary dividend is again 8 per cent., free of income-tax. The sum of £30,000 has been put to reserve, making total reserve £220,000. The carry-forward is £13,193, against £12,640 brought in. The continual expansion of the bank's business made it advisable to issue the balance of the authorised capital, amounting to 22,884 shares. These were only issued to the shareholders in June last, so the present accounts are not affected thereby. The directors have decided to recommend the increase of the capital to £1,000,000 by the creation of 80,000 new shares of £5 each. It is not the directors' intention to make any immediate new issue.

ULSTER BANK, LIMITED.—The net profit for year ended November 30, 1925, amounted to £216,380, against £211,378 in preceding year. The ordinary dividend is again 2½ per cent. The sum of £100,000 is put to reserve fund and £50,000 to superannuation fund. The carry-forward is £73,895. All ascertained bad and doubtful debts have been written off or fully provided for.

WESTERN AUSTRALIAN BANK.—The report for half-year ended September 28, 1925, shows a net profit of £62,907, which added to balance of £37,524 brought in makes £100,431 available. The ordinary dividend is 1½ per cent. per annum, free of dividend duty. This dividend absorbs £61,250, leaving £39,181 to carry forward. The reserve fund is £1,269,240.

Commercial Reports.

THE CORN TRADE

Mark Lane, Wednesday Evening.

Climatic conditions have been adverse to field work, which has enabled farmers to attend to threshings. Supplies of native wheat at the principal markets have therefore been on a liberal scale. Prices, however, marked a downward tendency in sympathy with the position of imported varieties. No cargo sales of wheat were reported, while only small parcel business transpired. Wheat quiet and easier. No. 1 Northern Manitoba ex-ship to arrive quoted 63s, No. 2 ditto 62s, No. 3 61s, No. 2 mixed Durum 59s 6d, Barusso 62½ lbs ex-ship 63s per 49½ lbs. English quoted 12s-12 3d per 112 lbs free on rail. Flour dull. London standard grade quoted 49s, patents 51s-52s, town whites 49s per sack delivered in the Home Counties, with 6d to 1s per sack less for deliveries in the London districts. Of imported Manitoba patents range from 46s-49s, Minneapolis 48s-49s, Australian 46s-46s 6d per 280 lbs ex-store. Maize tends easier. Plate ex-ship to arrive quoted 36s 9d, landed 39s 3d, white flat African ex-ship 36s 3d, landed 38s 3d per 480 lbs. Yellow African maize meal ex-ship to arrive £9, white ditto £8 5s per ton. Barley weak. Californian ex-store quoted 38s-50s, Chilian Chevalier 58s-63s, brewing 50s-53s according to quality, Australian Chevalier 50s-58s ex-store, Danish ex-ship 45s-60s per 448 lbs. American malting ex-ship 29s 6d, No. 3 Canadian Western ex-ship 32s 6d, Russian ex-ship 28s 6d, landed 30s per 400 lbs. English quoted 8s 10d-17s 6d as to quality per 112 lbs. Oats easier. Plate ex-ship quoted 24s 3d, landed 25s 9d, No. 2 Canadian Western ex-ship to arrive 20s 3d, No. 2 Canadian feed ex-ship to arrive 25s, landed 26s 3d, all per 320 lbs. Danzig ex-ship 28s 6d-29s 6d per 336 lbs. English quoted 9s-9s 8d per 112 lbs free on rail. Millers' offals quiet. Broad bran quoted 8s 6d-8s 9d, middlings 8s-8s 3d, fine ditto 10s 6d bags included ex-mill, powdered oat husks 6s 3d, feed oatmeal 7s 9d, ground oats 12s 3d per cwt free on rail. Oatmeal steady. London-made flaked 18s, head 17s ex-mill, ordinary Scottish oatmeal 17s 6d, American ditto 16s per cwt.

COMPARATIVE AVERAGES OF GRAIN.

The following table gives the estimated sales of home-grown wheat during the harvest years 1925-26, 1924-25, 1923-24, 1922-23.

	1925-26.	1924-25.	1923-24.	1922-23.
Estimated sales of home-grown wheat—				
1 week to Dec. 19.....	Cwts. 589,905	Cwts. 423,709	Cwts. 60,361	Cwts. 442,203
16 weeks to Dec. 19.....	677,990	3,643,569	5,968,707	577,954
Average price of English wheat per cwt.....	12 7	12 3	9 10	9 4

a These figures refer to the period ended December 12th.

The following is a statement showing the Quantities Sold and the Average Price of British Corn in the past two weeks, and for the corresponding week in each of the years from 1921 to 1924:—

	QUANTITIES SOLD.			AVERAGE PRICE PER CWT.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1925.						
Dec. 12.....	Cwts. 589,905	Cwts. 423,709	Cwts. 60,361	12 7	10 10	9 3
Dec. 19.....	771,420	388,401	74,599	12 7	10 8	9 4
1921.....	384,596	208,735	58,960	10 6	12 5	10 2
1922.....	539,927	369,157	88,857	9 6	9 3	9 5
1923.....	365,682	472,247	76,386	9 9	10 7	9 2
1924.....	275,589	371,675	75,605	12 2	14 4	9 6

SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Period Ending.	Balance from Last Account.	Net Profit After Pay- ment of Deben- ture Interest.	Amount Avail- able for Distri- bution.	Appropriation.					Corresponding Period/Last Year.	
					Dividend.			Carried to Reserve, Deprecia- tion, &c.	Balance Forward.	Net Profit.	Divi- dend.
					Prefce.	Ordinary.					
						Amount.	Amount.					Rate.
Banks.		£	£	£	£	£	%	£	£	£	%
Ionian Bank	Aug. 31	12,640	69,399	82,039	..	38,847	8½	30,000	13,192	63,077	8½
Ulster Bank	Nov. 30	91,589	216,380	307,969	..	84,075	21½	150,000	73,894	211,378	21½
Western Australian Bank	Sept. 28*	37,524	62,907	100,431	..	61,250	17½†	..	39,181	40,878	17½†
Breweries.											
Chicago Breweries	Nov. 30	..	Dr 14,930	Dr 14,930	..	..	..	Dr 14,930	..	Dr 16,369	..
Electric Lighting and Power.											
Adelaide Electric	Aug. 31	47,191	223,325	270,516	97,400	60,000	12	65,000	48,116	150,877	12
Financial Land.											
Olitheroe Estate	June 23	715	8,718	9,433	5,000	..	..	..	4,433	5,300	..
New Zealand and River Plate Land Mortgage	Oct. 31	35,600	66,076	101,676	..	52,500	7½	10,000	39,176	60,011	7
Oilfields Finance Corporation....	June 30	Dr 405,179	Dr 12,502	Dr 53,921	..	..	..	..	Dr 53,921	Dr 5,609	..
Scottish Trust and Loan of Ceylon	Aug. 31	6,392	81,602	87,994	..	68,252	60	11,450	8,292	45,214	60
Oil.											
British Burmah Petroleum.....	July 31	11,933	141,217	153,150	..	46,701	4½ ps†	100,000	6,449	52,099	nil
Shops and Stores.											
W. Abbott and Sons	Aug. 31	35,858	21,896	57,754	4,200	12,690	15	2,500	38,364	39,713	15
Other Companies.											
Benson and Hedges	Dec. 31, 24	4,282	10,423	14,705	..	..	..	10,000	4,705	..	..
British-American Tobacco	Sept. 30	3,914,072	5,145,238	9,059,310	225,000	4,487,734	27½†	..	4,346,576	4,866,266	26½†
East India Distilleries and Sugar Factories	Sept. 30	19,898	4,256	24,154	14,000	8,000	10	..	2,154	54,765	10
United Lubricants	June 30	..	11,390	11,390	4,170	6,000	30	..	1,220	..	..

The cutlery trade is quieter than at any time since the beginning of the year.

Our Glasgow correspondent writes:—The works are chiefly occupied in finishing off contracts for delivery before the end of the year and making preparations for stocktaking. There has been a fair inquiry for pig-iron, but the business passing has been mostly in small parcels, buyers holding off in the hope of further reductions. The shipments from Glasgow Harbour last week of all grades totalled 1,272 tons, of which 1,192 tons were for foreign destinations. For the corresponding week of last year the tonnage was 434 and 342 tons respectively. With the exception of the sheet-makers most works will close for the full ten days at the New Year. Prices for finished materials have sagged considerably lately, and steel plates for export have been quoted as low as £7 2s 6d per ton, a figure at which there can be no margin for the manufacturer. Galvanised corrugated sheets are in steady demand.

OTHER METALS.

TIN.—The market for tin displayed firmer features in view of higher Eastern advices, and prices advanced sharply under a steady demand, with sellers showing more reserve. Movements, however, were attended by some irregularity, especially regarding forward positions. Standard cash sold £286 5s to £285 10s, £286 10s, and three months £279 5s to £280 and £279 5s. Sales in the East were reported at £282 5s to £283.

COPPER. was also a generally firm market, and business proceeded on active lines, closing weak. Standard cash sold £60 3s 9d to £60 5s and £59 13s 9d, three months at £61 2s 6d to £61 7s 6d and £60 13s 9d. English ingots quoted £285 10s to £286.

LEAD rather easier on liberal offerings, but business was on a fair scale, closing firm. Good soft foreign pig, December, sold £34 12s 6d to £34. January £34 13s 9d to £34 17s 6d, February £34 10s to £34 13s 9d. March £34 7s 6d to £34 8s 9d.

SPELTER barely steady owing to some pressure to sell, but offerings were well absorbed. January sold £38 7s 6d to £38 5s, February £38 to £37 17s 6d, March £37 10s to £37 8s 9d, April £37 7s 6d per ton.

ALUMINIUM.—Home trade nominally £120, export £125 per ton. **ANTIMONY** firmer. English special brands quoted £95 per ton. **QUICKSILVER** firm. Spot quoted £15 to £15 10s per bottle.

WOLFRAM firm. Forward quoted 22s to 22s 6d per unit, c.i.f. terms.

THE COTTON TRADE.

LIVERPOOL, December 22, 1925.

Cotton has only been in quiet demand for the last four days, mainly due to the approach of the Christmas holidays. The estimated spot sales from the 18th to 22nd (inclusive) are 19,000. Of these 12,280 are American, 850 Brazilian, 2,500 Peruvian, 750 Egyptian, 2,360 African, 160 East Indian, and 100 sundries. The imports for the same period are 94,123 bales. Of these 65,697 are American, 6,208 Brazilian, 3,176 Peruvian, 18,773 Egyptian, 156 African, 91 East Indian, and 22 bales sundries. Middling American is quoted at 9.72d, Egyptian F.G.F. Sakel 16.70, F.G.F. upper 13.70, fair Brazil 10.22, G.F. mod-rough Peru 16.00, smooth 11.97, F.G.F. Tinnivelly 8.85, G.F. East African 12.50, and middling West African 9.47. Futures have been quiet, and quotations are practically unchanged from those of Thursday last. The ginning figures issued on Monday were a little larger than expected, namely, 14,826,000, and on their appearance the market dropped a few points, but soon recovered.

MANCHESTER, December 22, 1925.

The tone of the market has continued quiet, holiday influences having interfered with business. The chief reason for inactivity, is, however, distrust of current prices. Reports relating to supplies of raw cotton remain very favourable, with a tendency to increased estimates of the American crop. Only scattered sales have taken place in piece goods for India, and merchants have received comparatively few bids from the other side. Isolated transactions have been put through in sheetings and fancies for China and the minor outlets of the Far East. No improvement can be recorded in the turnover for Egypt. Finishing styles have attracted some attention for the United States and the Continent. More difficulties are being met with in getting customers to take delivery of dear goods. A slack feeling has prevailed in the yarn market, the turnover in American and Egyptian qualities being unimportant.

(I.) Comparative Statement of the Cotton Trade.

	Price, Dec. 22, 1925.	Previous Weeks in 1925.				
		Price, Dec. 17.	Price, Dec. 10.	Price, Dec. 3.	Price, Nov. 26.	Price, Nov. 19.
Raw Cotton—Mid. American	9.72	9.74	10.15	10.47	10.79	10.74
— Sakellaridis Fully Good Fair						
— Egyptian	16.70	16.75	18.20	19.20	19.85	20.50
Yarns—32's twist	16 1/2	16 1/2	16 1/2	17 1/2	17 1/2	18 1/2
— 40's twist	17	17	17 1/2	18	18 1/2	19 1/2
— 60's twist (Egyptian)	30 1/2	30 1/2	32	32 1/2	33 1/2	35 1/2
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	27	27	27	28	28	29
36-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	31	31	32	33	33	34
38-in. ditto, 58 yds, 18 by 18, 10 lbs.	15	15	15	16	16	16
39-in. ditto, 37 1/2 yds, 16 by 16, 8 1/2 lbs.	14	14	14	14 1/2	14 1/2	14 1/2

(II.) Compared with Previous Years.

	Price, Dec. 22, 1925.	Corresponding dates in				
		1924.	1923.	1922.	1921.	1920.
Raw Cotton—Mid. American	9.72	13.34	21.28	15.34	11.81	10.77
— Sakellaridis Fully Good Fair						
— Egyptian	16.70	29.25	24.30	17.90	21.50	23.00
Yarns—32's twist	16 1/2	23 1/2	24 1/2	21 1/2	18 1/2	24 1/2
— 40's twist	17	24 1/2	28 1/2	20 1/2	18	23 1/2
— 60's twist (Egyptian)	30 1/2	42	38	28	32	35
32-in. Printers, 116 yds, 16 by 16, 32's and 50's	27	36	39	30	31	45
36-in. Shirtings, 75 yds, 19 by 19, 32's and 40's	31	41	43	32	31	42
38-in. ditto, 58 yds, 18 by 18, 10 lbs.	15	19	23	18	18	25
39-in. ditto, 37 1/2 yds, 16 by 16, 8 1/2 lbs.	14	17	21	16	16	21

THE WOOL TRADE.

Our Bradford correspondent, writing on Tuesday, says:—There is no new feature in the general situation, and it is improbable that anything of outstanding interest will develop until after the turn of the year. Raw material values are steady, and more encouraging reports are coming to hand from overseas. There is not likely to be any great activity, however, until the beginning of next month, when, if the London sales go well, there should be a steady trade. Stocks are by no means heavy, and even if machinery can be run as during the last month or two, there will be a big consumption. The really unsatisfactory feature at present is the bad state of Continental finance. Financial stringency in Germany makes business almost impossible, and as the German market is of the utmost importance, both as regards raw material and semi-manufactured articles, trouble in that country may have far-reaching effects here. The position in France is also causing some uneasiness, for without adequate support from France and Germany, it will be impossible to maintain wool values. Traders as a whole, however, are inclined to take a more hopeful view of the immediate future. There is, of course, a good deal of wool to

come on the market during the next few months, and it is impossible to see any justification for higher values. What is wanted is a steady demand to keep prices stable and give manufacturers and merchants a chance to sell at a reasonable profit.

COLONIAL WOOL.

(FROM A CORRESPONDENT.)

Last Saturday the final auction for the year took place at Dunedin. Private cables report a very good sale, with prices slightly against the buyer. Altogether, nine sales have been held, and there should be a resumption on January 7th at Christchurch. The course of the sales in New Zealand has been to the liking of home trade buyers, values having gone in a way that means nothing but good. All users are determined that this season they will not commit the blunder of a year ago. Wool generally is being purchased at about 1s per lb less than during the first round a year ago. At that time good 40's preparing crossbreds were selling at 23-24d, whereas this season we should say that the bulk of the wools of that quality have been purchased at 10d to 11d. This means that crossbred wool is going to be landed in Bradford at very reasonable prices, and, no doubt, New Zealand has been forced lower because of the very cheap prices ruling in Buenos Aires. Through the past fortnight there has been a very big business done in B.A. crossbreds on the basis of 16d clean, c.i.f. English port, for 36-40's, 16d for 40-44's, and 18d for 46's. Wool at these values is right, and cannot but make for the future good of the industry. Colonial prices during the past few weeks have confirmed our contention that reasonable wool would inspire confidence in the minds of all sections of the trade. Consumption is larger to-day in the West Riding and elsewhere than at any time this year. There are still plenty of looms to be got running, but very few spindles are standing, and full time is general. All this is due to the belief that values are not going to fall further, or that, if they do, the decline will be of little significance.

During 1924 the home trade absorbed the biggest weight of wool, 370,000 bales, the Continent 301,500 bales, and America 9,000 bales. This year the home trade falls to the second position, 249,500 bales, while the Continent has taken 335,500 bales, and America 17,000 bales. The increased takings of the Continent are largely due to France, where trade has been in a very healthy condition during the greater part of the year.

HIDE, LEATHER, AND ALLIED TRADES.

No sales of market hides will be held in London or the provinces this week. Little has been done in imported hides, but Argentine frigorific ox are now quoted at 9 1/2d and Montevideo at 9 1/4d. Dry hides are firm, tanners showing interest in sorts which will produce the light cheap bends now demanded by the shoe trade. Chicago packer hides are cabled as steady, with best heavy steers selling at 15 1/2 cents. As regards sole leather, a few orders have come to hand for light bends for the Russian boot, whilst repairers have required a supply of medium wet salted bends. Offal is a firm market. In upper leathers there is no cessation for the demand for coloured glacé kid and light willow calf, and stocks are almost cleared up. Patent is slow, but curriers are much busier on semi-chrome and wax kips, orders for lining leathers having again come from the United States. The outlook in the boot and shoe trade is regarded as hopeful; the fillip due to the Russian boot has been most useful, but has delayed orders for spring wear. Makers of travelling gear and fancy leather goods report that good business has been done for the Christmas trade.

VEGETABLE OILS AND OILSEEDS.

Markets are under holiday influences. There has been no reduction in the official estimate of the new crop in Argentina. This disappointed expectations, old crop Plate offering freely at £17 15s afloat and December shipment, and £17 2s 6d December-January. With new crop at £17 January-February, crushers are still holding aloof and indisposed to do business, in view of the poor oil market, and the possibility that world supplies of linseed in the coming year will be more than ample to meet requirements. Linseed oil has also been weaker in sympathy, current value being around £34 10s per ton naked ex Hull mill, spot and December delivery, and £34 5s for January-April. Cottonseed is again easier and lower, black Egyptian offering at £9 10s afloat and December later positions being at a slight premium. New Bombay cottonseed is quoted £8 for shipment. Demand for the oil product has been fair, and values steady at £36 for crude Egyptian and £38 for ordinary refined. Little or nothing is passing in soya, palm kernel, and ground nut oils.

OVERSEAS PRODUCE.

FOODS, BEVERAGES, &c.

SUGAR.—With the exception of filling up a few gaps, there is no generality of buying on the part of trade interests, and the market begins to wear a holiday appearance. The undertone, however, is one of steadiness as no pressure of supplies is felt. Of British refined, Messrs Tate and Lyle's cubes quoted 31s 6d to 32s 6d; crushed, 29-6d; nibs, 32s 3d; granulated, fine and coarse grain, 28s 10d; No. 1, 28s 7d; No. 2, also London and T.L.S., 28s 4d; ditto, January delivery, 28s 3d; February-March, 28s 6d; yellow crystals, spot,

25s 4 1/2d; caster, finest, 32s 7 1/2d; A, 32s 1 1/2d; B, 30s 6d. English-grown granulated, 27s 6d, ex wharf, London for Cantley, Ely, also Ipswich, 27s 6d, ex works; Kidderminster, 27s 9d; Colwich, 27s 9d. Crystallised West India in but retail support at 22s to 26s 3d, according to sample. Dutch granulated, J quality, on spot, sold, 27s 3d; ready for shipment, quoted 14s 6d; April-August, 15s 1 1/2d, f.o.b. Rotterdam; Czecho granulated, December, 14s 4 1/2d; January-March, 14s 9d; April-August, 15s 1 1/2d, f.o.b., Hamburg. American granulated, spot, sold, 27s 2 1/2d; ditto, afloat, quoted 15s 3d, c.f. and i., London; and 15s 6d outports. White Java, spot, 26s 7 1/2d; May-June, steamer, London, 15s 1 1/2d, c.f. and i. terms. White Mauritius crystals, spot, 25s 9d to 26s 3d, as to sample; ditto, December-January, to London, 16s, c.f. and i. Belgium granulated, prompt, 14s 1 1/2d, f.o.b., Antwerp. Polish crystals, prompt, 13s 10 1/2d, f.o.b., Dantzig. Cuban, basis 96 per cent. December-January, 11s 1 1/2d, c.f. and i., U.K. White terminal section very steady. Fair sales include December, 13 1/2d to 13s 10 1/2d; March, 14s 4 1/2d; May, 14s 7 1/2d to 14s 9d; August, 15s 3d to 15s 4 1/2d per cwt. Cuban receipts last week, 28,562 tons new crop, against 15,006 last year; old, 4,238, against 6,777; exports: new, 9,611, against 6,500; old, 68,466, against 5,314; stocks, new, 34,921, against 12,295; old, 115,004, against 3,286; c-ntrals at work 63, against 64 at same time last year. Mr F. O. Licht reduces German estimate 50,000 tons, making total for Europe 7,482,000 tons, against 7,077,791 last season. German estimate now 1,630,000 tons.

COFFEE.—Business was of a holiday character, but the finer sorts came in for certain support at full recent rates. Common slow.

COCOA.—Only a retail business in spot parcels on former terms. Accra, F.F., December-February, sold, 36s 6d; January-March, sellers, 37s, f.o.b.

TEA.—Quite a holiday tone pervaded this market, but all common teas were held for full recent prices. Some of the finer parcels show slight irregularity and weakness, due mainly to falling in general run of quality.

RICE.—This market remains quite featureless at the moment. Prices remain unchanged, with business of a holiday character. Two Stars Rangoon, spot, London, 16s; January-February, 15s 6d. No. 3 Spanish, December-January, 22s 6d; oiled, 23s, c.f. and i., London. Broken rice firm, but quiet. Beans in slow request. Peas easier. Japanese, afloat, quoted 31s; January-February sold, 34s 3d cwt, c.f. and i., U.K.

SPICE.—A moderate business resulted in pepper at rather irregular and again easier prices. Black Singapore, f.a.q., January-March, sold, 15 1/2d to 15 1/4d and 15 1/2d. Lampong, ditto, 15 1/2d to 15 1/4d. Muntok, white, L.S., January-March, done 15 1/2d to 15 1/4d. Pimento, spot, 7 1/2d per lb. Tapioca quiet. Singapore flake, January-March, to Havre, quoted 18s. Penang seed, ditto, to London, 17s. Sago flour firm. Sarawak, January-March, sold, 15s, c.f. and i., U.K. Desiccated coconut dull. Halves, on spot, quoted 39s 6d; forward, 38s, c.f. and i., London. Ginger quiet, but steady. Japanese lime, spot, 87s 6d; Cochin, F.W.R., 100s; West Coast African, 59s cwt.

FRUIT (Dried).—Trade quiet in view of the holidays, and prices without material alteration. Currants, Amalia, quoted 32s to 33s; Gulf, 35s to 40s; Pyrgos, 30s to 31s; Vostizza, 42s to 52s; Patras, 34s to 46s. Sultanas, Smyrna, 65s to 90s; Australian, 66s to 75s; Cretan, 65s to 85s; Greek, 68s to 80s. Figs, good average, 40s to 42s; genuine, 43s to 45s. Dates, Hallowee, spot, 26s 6d; Siar, 14s 6d; Khadowie, 18s 6d. Raisins, Valencia, quarter boxes, 28s to 45s; halves, 28s to 30s. Evaporated fruits steady, and new crop plums continue in small supply. Californian apricots, standard new extra choice, 127s 6d; fancy, 135s; Australian, 120s to 130s. Plums, Oregon, size 30/40, quoted 72s; 40/50, 52s. Californian, 40/50, 59s; 7/80, 46s; 80/90, 43s 6d. Bosnian, new crop, 60/70, 45s. Pears, Californian, extra choice, 90s; fancy, 105s. Lake County, extra choice, 105s; fancy, 117s 6d. Apple rings, Californian, extra choice, 55s to 70s; Canadian, 63s 6d per cwt.

CANNED GOODS.

CANNED FISH.—Sardines: Trade restricted, but general tone firm. Portuguese 1/2s quoted 4s 9d to 5s per dozen tins. Salmon in moderate demand, but prices show a hardening tendency. Red, tall, 1 lb, 63s to 64s; 1/2 lb, pink, 37s to 39s; tall pink, 26s to 27s. Lobsters firm and supplies short. Halves quoted 160s to 165s, and 1/2s, 95s to 100s.

CANNED FRUIT.—Market steady, with fair inquiries for best apricots and peaches. Californian Bartlett pears, standard, 13s 3d to 13s 6d; seconds, 12s to 12s 6d; Oregon, choice, 15s; standard, 13s 3d; seconds, 12s to 12s 3d; Canadian, standard, 11s 6d. Californian peaches, choice, 11s; standard, 9s 6d; seconds, 8s 9d. Californian apricots, standard, 9s 3d; seconds, 8s. Loganberries, fancy, 11s to 12s; choice, 10s 3d per dozen tins. Pines quiet on spot but shipment parcels firm with scanty offers. Italian tomatoes continue to realise full rates.

CANNED MEATS.—The general position is unaltered and trade slow. Corned beef, South American, 6 lb tins, quoted 34s; and New Zealand, 34s. Lunch tongues, Danish sixes, quoted 116s; and 1 lb, 18s; New Zealand ox, 6 lb, 12s per dozen tins.

NATIONAL PROVIDENT INSTITUTION.

INCREASE IN INTERIM BONUSES

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£2 : 5s. per cent. per annum, rising to £3 : 5s. per cent. per annum, on all Whole Life With Profit Policies in respect of premiums paid after 20th May, 1925.

48 GRACECHURCH STREET, E.C.3

CONDENSED MILK in fair demand, at about late rates. Machine-skimmed quoted 16s to 16s 3d; full-cream Danish, 26s 6d; Dutch, 24s per case.

HONEY.—New Zealand remains firm, with sustained inquiries, but other descriptions generally quiet at previous rates.

RUBBER.

Dearer, a good demand, mainly in order to cover, causing sellers to exercise reserve. Plantation standard, spot, sold, 3s 10d to 3s 11d; December, 3s 10d to 3s 10½d; January, 3s 8½d to 3s 10d to 3s 8½d; January-March, 3s 7½d to 3s 9½d and 3s 7d to 3s 8½d; April-June, 3s 4½d to 3s 6½d to 3s 4d; January-December, 1926, quoted 3s 3d. To New York, standard estate sheet, December, sold, 3s 7½d per lb, c.f. and i. terms.

GENERAL.

HEMP.—Manila still reservedly offered, and market firmer. J, January-March, quoted £45; K, £38 10; L, £39 15s; M, sold, £34 10s. New Zealand quiet, but fully steady. Fair, January-March, £37. African sisal, No. 1 Taunganyika, January-March value, £44 10s; Kenya, £44 ton.

SHELLAC quiet. Fair, T.N. spot, 210s; December, 1925 6d; March, 1926 cwt. sellers.

COPRA.—Market dull, at about late rates. F.M.S. Straits, October-December, to Rotterdam, quoted £30 7s 6d; December-February,

£30 5s; January-March, £30 2s 6d. Dutch East Indies, October-December, £30 2s 6d; January-March, £29 17s 6d. Ceylon, December-January, £31 12s 6d. Palm kernels, January-March, Liverpool, £21 2s 6d ton.

MISCELLANEOUS.—Cocoanuts quoted 25s per 100. Coir yarn, Ceylon, £24 10s to £40; Cochin, £29 to £53 10s. Ceylon bristle, £17 to £23; cinnamon leaf oil, 4½d; citronella, Ceylon, 1s 1½d; Java, 3s 4½d.

OVERSEAS PRODUCE.

METROPOLITAN CATTLE.—Dec. 22.

British Beasts, per stone of 8 lbs to sink the offal. Sheep, per stone.			
	s	d	s
Beasts—Devons.....	6	4	7 2
Shortboms.....	6	4	7 2
Herefords.....	6	4	7 2
Scottish.....	6	4	7 2
Irish.....	6	4	7 2
Fat Cows.....	6	4	7 2
Beasts—Heavy Bulls.....	8	8	to 9 8
Canadian.....	8	8	to 9 8
Sheep—Downs (clipped).....	8	8	to 9 8
Ewes.....	8	8	to 9 8
Crossbred.....	8	8	to 9 8
Scottish.....	8	8	to 9 8
Lamb—Downs.....	8	8	to 9 8

LONDON POTATO MARKETS.—Dec. 22.

Per Cwt.			
	s	d	s
Lincoln—King Edwards.....	7	0	to 8 0
British Queens.....	6	0	to 0 0
Red Kings.....	5	6	to 6 6
Majestic.....	6	0	to 0 0
Blackland—King Edwards.....	5	6	to 6 6
ditto Whites.....	4	6	to 5 0

COMMERCIAL TIMES—WEEKLY PRICE CURRENT.

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

LONDON, FRIDAY.			
COCOA—Duty, British grown, 9s 4d, foreign, 14s cwt	65	0	70 0
Trinidad, per cwt	54	0	65 0
Grenada, per cwt	85	0	105 0
Ceylon, plantation, per cwt	70	0	80 0
Guayaquil, per cwt	51	0	53 0
Bahia, finest, per cwt	115	0	138 0
COFFEE—British grown, 9s 4d, foreign, 14s cwt	115	0	138 0
B. India, fine ord. gd. mid. 115	150	0	158 0
Do good to fine, 115	150	0	158 0
Costa Rica, ord. to mid. 118	150	0	158 0
Good to fine, 118	150	0	158 0
Central American, gd. ord. to mid. 115	140	0	145 0
Mid to fine, 115	140	0	145 0
Colombian, ord. to low mid. 115	110	0	112 0
Do mid to fine, 115	110	0	112 0
CHEMICALS—			
Acid, citric, per lb	1	4	0 0
Nitric, per lb	0	24	0 4
Oxalic, net, per lb	0	6	0 6 4
Tartaric, English, per lb	1	04	0 0
Foreign, per lb	0	11 1/2	1 0
Cream of Tartar—			
99%-100%, per cwt. 82	0	0	0 0
Alum lump, per ton 10/10/0	11/0/0		
Do ground, per ton 11/10/0	12/0/0		
Ammonia, carb., per ton 37	0	39	0 0
Muriatic, White, per ton 22	0	29	0 0
Sulphate, per ton 14	0	15	0 0
Arsenic, lump, per ton 65	0	70	0 0
Powder, per cwt 17	0	18	0 0
Ashes, pot, per cwt 65	0	70	0 0
Pearl dc, per cwt	9/0/0	9/10/0	
Bleaching powder, per ton 24	10	0	0 0
Borax, gran., per cwt 25	0	0	0 0
Do crystals, per cwt 26	0	0	0 0
Do powder, per cwt 26	0	0	0 0
Calomel, per lb 4	2	4	4 4
Iodine, dry, per oz 1	0	1	1 1
Nitrate of Soda, per ton 13/0/0	13/5/0		
Potash—Chlorate, net, per cwt 0	44	0	4 4
Prussiate, per cwt 0	8	0	8 0
Do Foreign, per cwt 11	0	12	0 0
Sulphate, per lb 1	10	2	0 0
Sul-Ammonia, per cwt 47	6	52	6 0
Soda Bicarb., per ton 9/0/0	10/10/0		
Crystals, per ton 5/0/0	5/5/0		
Alkali, per ton 5/17/6	6/15/0		
Caustic, per ton 14/2/6	16/10/0		
Sugar of lead, white, ton 0/0/0	0/0/0		
Foreign white, per ton 247	0	49	0 0
Sulphate Quinine—			
English Brands, per cwt 2	3	0	0 0
Foreign do, per cwt 2	3	0	0 0
Sulphate Copper, per ton 24/10/0	25/10/0		
Zinc, cut, per ton 9/0/0	9/10/0		
Sulphur Flour, per ton 8/0/0	8/10/0		
Do Roll, per ton 4	6	4	9 0
Vermillion, Chinese, per lb 4	6	5	0 0
English, per lb 4	6	5	0 0
Oil Peppermint, H.C.B., per lb 107	6	110	0 0
COPRA—per ton, c.f.—			
Malabar, Dec.-Jan., per ton 31	12	6	0 0
Ceylon, per ton 30	5	0	0 0
F.M.S. Singapore, per ton 29	7	6	0 0
F.M. Straits, per ton 29	7	6	0 0
OOCHINEAL—per lb 2/9	3/6		
DRUGS—			
Aloes, fine E.I., per cwt 120	0	150	0 0
Cape, good to fine, 41	0	42	6 0
Balsam Peru, per lb 6	9	7	0 0
Capsic, per lb 2	0	2	3 0
Campor—			
Japan, refined, 2	8	2	8 3
Cardamoms, Ceylon, 6	0	8	3 3
Cantharides, China, per lb 4	0	0	0 0
Castor oil, per cwt 85	0	95	0 0
Gum Benjamin Sum., per cwt 5/0/0	10/0/0		
Olibanum, drops, fair to good, 80	0	105	0 0
Opuncanba, 12	0	12	6 0
Salap., per cwt 73	0	75	0 0
Do, good, China, 73	0	75	0 0
Do, Ceylon, per lb 9	10	0	0 0
Alumina, 3	3	3	4 0
Peru, Wayne, 120	0	125	0 0
Shanghai, China, fr to fr 3	0	3	3 3
DYE STUFFS, &c.—			
Galls, China, per cwt	nom		
Turneric, Bengal, per cwt	nom		
Madras, finger, 32	6	0	0 0
Gambier, block, 50	0	0	0 0
Cutch, ord. to fair, 55	0	0	0 0
DYEWOODS—			
Brasil, per ton	18	0	0 0
Cambric, Jamaica, 8	10	0	0 0
Cambric, 15	0	0	0 0
Lima Wood, 20	0	0	0 0
Logwood, Campeachy, 9	0	0	0 0
Honduras, 10	10	0	0 0
Jamaica, 7	15	0	0 0
Red Sanders, 12	0	0	0 0
Sapang Ceylon, 15	0	0	0 0
FLAX—spot—c.f.—			
FLAX, per cwt	72	0	71 0 0
FLAX, per cwt	69	0	68 0 0
FLAX, per cwt	81	0	82 0 0
FRUIT—			
Oranges, Denia & Val, 300	10	6	43 0 0
Do, 350	10	0	27 0 0
Do Cape, boxes, 0	0	0	0 0
Lemons, Naples, cases, 0	0	0	0 0
Do Sicilian, boxes, 9	0	14	0 0
Do Malaga, cases, 12	0	26	0 0
Grapes, Lisbon, boxes, 0	0	0	0 0
Almeria, barrels, 8	0	25	0 0
Val. Ona, 6	0	8	6 0
Egyptian Ona, bags, 0	0	0	0 0
Apples—American, boxes, 10	0	12	6 0
Jonathans, boxes, 14	6	16	6 0
NEWTOWN, Oregon boxes, 14	6	16	6 0
HIDES—Wet salted—			
Australian, per lb	0	54	0 63
West Indian, per lb	0	4	0 72
Cape, per lb	0	6	0 8
Lisbon, per lb	0	52	0 72
Oporto, per lb	0	4	0 72
Dry & Dressed Cape, per lb	0	8	0 12 1/2
Madagascar, per lb	0	62	0 72
Central American, per lb	0	4	0 11 1/2
Bufoles, Singapore, per lb	0	5	0 11 1/2
Penang, per lb	0	5	0 11 1/2
E.I., per lb	0	5	0 15
Market Hides, London—			
Best hyv. ox & heifer, 0	8	8	9 1/2
Do Light do, 0	6	4	0 72
2nd ox, heavy, 0	7	4	0 8 1/2
Do Light do, 0	5	4	0 6 1/2
Best cow, 0	6	4	0 6 1/2
2nd do, 0	5	4	0 6 1/2
Best calf, 0	8	4	0 11 1/2
2nd do, 0	8	4	0 9 1/2
INDIA RUBBER—lb—			
Fine, hard spot, 4	1	0	0 0
Plantation sheet, 3	10 1/2	0	0 0
INDIGO—per lb—			
Bengal, good red violet to fine, 6	8	7	0 0
Mid. ord. vio. to good, 6	0	6	6 0
Low to good ord., 5	0	6	0 0
Madras, dry leaf, good, 3	0	4	0 0
Do low to ord., 1	0	3	0 0
Kurpah, gd. mid. to gd., 4	0	5	0 0
Low to mid., 3	0	4	0 0
HEMP—per ton—			
Italian P.C., 75	0		
Manilla, Jan.-Mar., 46	0		
Grade, 46	0		
N.Z., high point, fair, 40	0		
Jan.-Mar., 40	0		
JUTE—			
Native first marks, Dec.-Jan., 55/0/0			
LEATHER—per lb—			
Sole Bends 6/9 lb., 1	4	2	0 0
Do do 10/12, 1	3	2	0 0
Do do 12/14, 1	4 1/2	2	4 0
Do do 14/16, 1	6	2	6 0
Do do 17 lb and up, 1	6	2	6 0
Bark Tanned Sole, 2	3	2	9 0
Shoulders fm DS Hides, 0	10	0	11 0
Do Eng. or WS do, 1	0	1	8 0
Bellies from DS do, 0	7 1/2	0	8 1/2
Do Eng. or WS do, 1	8 1/2	0	9 1/2
Dressing Hides, 1	8 1/2	0	9 1/2
Do, Eng. or WS do, 3	8	5	0 0
Aust. Sides, 1	0	1	4 0
METALS—B. Copper—			
Best selected, 53	15	55	0 0
Turneric (strong), 30	0	0	0 0
Standard, 59/12/6	59/10/0		
Lead Eng. Pig per ton, 35/15/0	0/0/0		
Soft Foreign, 34/15/0	34/8/9		
Spelter G.O.B., 38/6/3	37/18/0		
Tin—English ingots, 285/10/0	285/0/0		
Do do bars, 286/10/0	287/0/0		
Standard cash, 286/5/0	286/10/0		
OILS—Fish, per ton, 38	0	0	0 0
Seal, pale, 38	0	0	0 0
Linseed, p. ton net, naked, 34	10	0	0 0
Rape, refined, 61	10	0	0 0
Crude, 48	10	0	0 0
Cotton-seed, crude, 35	10	35	10 0
Edible, refined, 43	0	0	0 0
Coconut, crude, 48	0	0	0 0
Reined, 50	0	52	0 0
Palm, 39	10	40	0 0
Lard, American, 70	0	78	0 0
Petroleum—Oil, per 8 lbs., 1/0	0/0		
Water-White, 1/1	0/0		
Oil Cakes, Linseed, Eng., per ton, 12/10/0	12/3/0		
Oil Seeds—Linseed—			
Le Plata, p. ton Jan.-Feb., 16	7	6	
Bombay, p. ton Dec.-Jan., nom.			
Calcutta, p. ton Dec.-Jan., 19	7	6	
PORTLAND CEMENT—Best English per ton delivered, London 58/0	53/6		
Rapid hardening "Ferrocement," 10/ per ton extra.			
"Lightning" brand Aluminous Cement 108/ to 113/6 per ton.			
PROVISIONS—			
Butter—per cwt.—			
Irish creamery, nom.			
Do factory, nom.			
Australian, 134	0	152	0 0
Argentine, 130	0	145	0 0
Dutch, 132	0	135	0 0
New Zealand, 140	0	172	0 0
Danish, 172	0	174	0 0
Bacon, engd.—Irish, 130	0	140	0 0
Danish, 125	0	134	0 0
Canadian, 120	0	126	0 0
American, 120	0	122	0 0
Hams—Irish, nom.			
Canadian, 120	0	126	0 0
American, 120	0	122	0 0
Lard—Irish, 120	0	126	0 0
American boxes, 56	16	78	0 0
Pork—per 8 lbs., 7	4	9	4 0
Beef—Frozen, per 8 lbs., 2	8	5	6 0
Scotch, 7	0	8	8 0
Cheese—cwt.—Canadian, 98	0	110	0 0
New Zealand, 99	0	102	0 0
Eng. Cheddars, 125	0	145	0 0
Cheshire, 125	0	145	0 0
Dutch, 64	0	108	0 0
Eggs, per 120—English, 28	6	30	0 0
Irish, 28	6	27	6 0
FLOUR—280 lbs.—			
London standard ex mill, 47	0	0	0 0
RICE—per cwt., c.f.—			
Rangoon, No. 2, 15	6	0	0 0
Broken 1a, 13	9	0	0 0
ROBIN—per ton—			
American, 28/0/0	34/10/0		
French, 29/0/0	0/0/0		
SAGO—Pearl, per cwt., 25	0	27	0 0
SHELLAC—per cwt.—			
Orange, first marks, 300	0	325	0 0
Second, fair to fine, 270	0	290	0 0
T.N. Orange, 205	0	210	0 0
Garnet, Lac. AO, 215	0	220	0 0
Button—Pure, 250	0	0	0 0
Blocky (T.N.), 200	0	0	0 0
SILK—per lb—			
China—Blue Elephant, 18	0	0	0 0
Canton, 23	0	25	0 0
Tussah, 10	0	12	0 0
Re-reeled, 0	0	0	0 0
Japan, 28	0	30	0 0
Italian, Raw, fr. Milan, 28	0	29	6 0
SHELLS—Co-P, per cwt—			
Manila, bold, 55/0/0	9/5/0		
Macassar, 8/10/0	11/5/0		
Sydney, 6/0/0	12/10/0		
W. Australian, 7/0/0	13/5/0		
Bombay, 5/0/0	10/0/0		
SUGAR—per cwt, duty, 11s 8d, per cent, polarisation s d s d			
B.W.I., muscovado, nom			
Crystallised, 22	0	26	3 0
Java, white, spot 26	6	26	9 0
REFINED—London—			
Yellow Crystals, 25	4 1/2	0	0 0
Cubes, 31	6	32	6 0
Crushed, 29	6	0	0 0
Granulated, 28	24	28	10 0
Crystals, No. 3, 23	0	0	0 0
Crystals, No. 8, 36	6	32	7 1/2
Pieces, 23	3	26	9 0
SPICES—Pepper, lb—			
Muntok, fair White, 1	7 1/2	0	0 0
Black Singapore, 1	5	0	0 0
White Siam, 1	8	0	0 0
Pimento, 0	8	0	0 0
Cinnamon—1st sort, 1	10	0	0 0
Do 2nd, 1	10	0	0 0
Do 3rd, 1	8	0	0 0
Cassia Ligna, 55	0	0	0 0
Olives—Zanzibar, 0	11	0	11 1/2
Penang, 2	2	2	4 0
Madagascars, 1	3	1	5 0
Ginger—per cwt—			
China, small rough, 165	0	0	0 0
Do wormy, 0	0	0	0 0
Japan, 80	0	0	0 0
Jamaica, ord. to good, 80	0	120	0 0
Mace, 11	0	3	4 0
Nutmegs, 65's, 2	8	0	0 0
110's and 80's, 2	4	2	7 0
Chillies—per cwt, 45	0	97	6 0
TALLOW—per cwt—			
Good mutton, 47	0	0	0 0
Beef, 43	0	0	0 0
TAPIOCA—per lb—			
E.I. Flake, fair, spot, 0	2 1/2	0	0 0
Medium Pearl, cwt 25	0	28	0 0
Seed, 17	6	27	0 0
TEA—duty 3d, British, foreign, 4d per lb—			
Indian and Ceylon—			
Pekoe, 1	52	2	2 0
Broken Pekoe, 1	54	2	2 0
Orange Pekoe, 1	62	2	2 0
Broken Orange, 1	62	3	0 0
Pekoe Souchong, 1	6	1	7 1/2
TIMBER—ex. yd—			
Swedish u/s 3 x 6, Pt. Std., 19	0	0	0 0
Do 2 1/2 x 7, 19	0	0	0 0
Do 2 x 4, 19	0	0	0 0
Can'dn Spruce, Dis., 17	10	0	0 0
Pineligne, per load, 9	0	0	0 0
Rio Deals, per load, 32	0	0	0 0
Teak, per load, 20	0	0	0 0
Honduras Mang. logs, c.ft., 0	11	8	0 0
African, 0	6	8	0 0
American Oak Boards, 0	6	8	0 0
Do Ash, 0	6	8	0 0
English Oak Planks, 0	7	0	0 0
Do Ash, 0	6	8	0 0
TOBACCO—			
Duty 8/2—10/4d per lb. Empire			
grows, 6 1/2 per lb.			
Virginia leaf—			
Common to fine, 1	3	2	5 0
Strips, 2	0	2	6 0
Kentucky leaf—			
Common to fine, 1	0	1	1 0
Strips, 1	3	1	9 0
China, 0	9	2	6 0
Borneo and Sumatra, 1	0	7	0 0
Nyasaland, 0	6	2</	

ing something like temporary stability, with prospects of a renewed up-swing of business in the autumn. Among the Dominions of the Empire the outlook is promising. Canada hopes to harvest a reasonably good wheat crop and to market it at prices which, though less than those of last season, will be remunerative to the grower. The progress of the Indian monsoon is so far giving rise to no anxiety, and in Australia disappointment at the recent fall in wool prices has been offset by the promise of a much enlarged clip this year. In Europe, seasonal conditions are unfavourable to industrial activity at the moment, and some countries, such as Germany and Belgium, have their own peculiar difficulties, but the satisfactory crop situation is likely to have a good effect on affairs generally in a few months' time.

The following notes on conditions in various trades and countries call attention to the most striking tendencies:—

HOME INDUSTRIES.

Iron and Steel.—The iron and steel trades are in a lethargic condition, labour troubles in the coal industry having intensified factors already present. Apprehensions of the closing down of plant which would inevitably follow a coal stoppage have led to the speeding up of work already under contract, but restricted the giving out of new work. At the quarterly meeting held at Birmingham on July 9th, purchases were reduced to the barest possible limit in a buyers' market. Nine blast furnaces went out of production last month, the output of pig-iron falling consequently to 510,000 tons, as against 575,000 tons in May. This is the lowest figure for two and a half years. The output of steel at 585,000 tons showed a decline of 62,000 tons, as compared with May, partly owing to the Whitsun holidays. The pig-iron market has been consistently dull, though a slight expansion of inquiry has been lately in evidence, with prices better maintained, but foreign competition is keenly felt in the steel trade, and pressure is being brought to bear on manufacturers to reduce their quotations. The tin-plate trade is only moderately employed. Although fair quantities of plates have been bought for South America and the East, many buyers are tending to hold off pending developments in the labour world. The sheet trade remains one of the few bright features in the picture, orders having been placed recently, in some cases, as far forward as September.

Coal.—The prospect of a national stoppage in the coal industry has been received on the whole with rather less apprehension among coal users than might have been expected. A steady increase in the weight of orders has been recorded and employment has improved, but there has been no "panic" rush to obtain supplies at the last moment. Stocks of coal in the country are relatively heavy, and have recently been accumulated at an increased rate. Industrial demand has been a little more steady, and gas coals are being bought, but foreign users are apparently relying on supplies from other sources in the event of a stoppage in this country.

Engineering.—Though it is difficult to put a finger on any one outstanding feature, the general tone in the engineering trades seems to have deteriorated lately. As before, the brightest features are the motor and electrical industries. Makers of light cars have, in some cases, been working overtime, and although business is quieter after the phenomenal rush of the spring, sufficient orders are in hand to keep most works busy for some months. A significant feature is the demand for heavy road vehicles, which has favourably affected makers in the Manchester district. New contracts in the electrical manufacturing industry continue to be obtained in satisfactory volume, though profits are not in every instance on the scale of a few months ago. The motor-cycle trade remains extremely busy, and although pedal bicycles are rather less in demand, the undertone is healthy. The machine tool trade is uneven and depressed, and the textile machinery industry dull. Shipbuilding also fails to show signs of better times, the latest Lloyds' Register figures confirming previous diagnoses of the depressed state and prospects of the industry.

Cotton.—Our Manchester correspondent writes: Since a month ago the conditions in the cotton industry have shown very little change. Lately some increase in inquiry has been experienced, and in small lots a little more business has been done. There is now not quite so much expectation of cheaper goods. On the whole, the new cotton crop in the United States is making fair progress, but the drought in Texas has not been relieved, and the latest Bureau report is disappointing. During the last couple of weeks inquiry in cloth has broadened, and rather more business has been done. Demand for India has been on a larger scale, and freer operations have occurred in light fabrics, with occasional transactions in grey shirtings. Merchants are encouraged by the favourable monsoon reports. Compared with a month ago, the trade outlook for China is rather better, and some exporters have resumed shipments,

whilst fresh business of an isolated character has taken place. The better conditions in the home trade have been maintained. The yarn market continues depressed. Spinners of American qualities are now restricting output to the extent of 8½ hours per week, which is equal to one day, and in addition have been recommended to stop a full week between now and the end of August.

Woollen and Worsted Trades.—Prospects in the woollen industry have been seriously affected by the decision of employers to post notices announcing an average reduction of 5 per cent. in wages, as from the beginning of next week. Business has been confined within very narrow limits owing to the reluctance of both producers and consumers to commit themselves until the situation becomes clearer. Firmer conditions at the recent wool sales were due not to home but to Continental demand, domestic buyers being indisposed to operate freely. Orders in the worsted section are coming in very slowly, but the woollen section is rather better. The autumn outlook for drapery and clothing is not unsatisfactory, travellers reporting a fair demand from most parts of the country. The larger wholesale and retail houses have had a satisfactory half-year, though the position of some of their smaller colleagues is not quite so happy.

Boots and Shoes.—Continued fine weather has increased sales of boots and shoes of "seasonal" descriptions, but as regards the heavier grades demand is still disappointing, and the volume of production is less than was expected at this normally active period of the year. Overseas requirements are on a moderate scale.

Pottery.—The home market is still relatively inactive, and, although overseas demand is fairly well maintained, production shows some little decline over the last few weeks.

Building Trades.—Little change has occurred in the general situation, the industry remaining more actively employed than at the corresponding period of last year. Unemployment is lowest in the South-Eastern and South-Western districts of England, and highest in Wales and Northern Ireland, though even in these areas improvement has recently been reported.

Shipping.—The downward swing of the freight markets gained slightly increased momentum last month, our Index of "tramp" freights declining from 98 per cent. of the 1913 level in May last to less than 92 per cent. in June. The fall over the spring and summer has been much more pronounced than in previous periods, the decline of the Index from the highest point reached during the winter being 21 per cent., as against 16 per cent. in 1924 and 13 per cent. in 1923. Demand for homeward tonnage was reduced last month to painfully small dimensions. Grain moved slowly, while the coal trade in European waters was featureless. Tonnage remained generally redundant in North and South American ports. Homeward rates from the Plate have, however, moved in favour of owners this month, and the experience of earlier years suggests that the next few weeks may reveal a better tendency. The troubles of the mining industry have provoked a certain amount of demand for prompt coal steamers.

UNITED STATES OF AMERICA.

The following "indicators" of American trade conditions have been extracted from the current number of the "Survey of Current Business," issued by the United States Department of Commerce, and may serve as an approximate guide to recent business conditions:—

	April, 1925.	May, 1925.	Compared with May, 1924.
Production—Pig-iron .....thous. tons	3,259	2,931	+ 316
Steel ingots..... "	3,588	3,458	+ 818
U.S. Steel Corporation unfilled orders, thous. tons	4,447	4,050	+ 422
Wholesale prices (1913=100).....	156	157	+ 10
Bank clearings—New York.....million \$	22,849	23,847	+ 3,125
Outside..... "	17,717	17,103	+ 1,175
Retail business: (Total sales of mail order houses).....	36.3	29.5	+ 2.1
Imports—Value..... "	349	328	+ 25
Exports—Value..... "	399	370	+ 35

The general business situation is tending to become more stable, although some branches of production are still retarding their activities in order to bring output more closely into line with consumption. In contrast with the setback which was so noteworthy a feature at this time last year, the recession has been of moderate dimensions, and on the distributive side, at any rate, something like stability has almost been achieved. Although prices have been firmer after the narrower profit margins, competition being unusually keen. The average daily pig-iron production declined from 94,500 tons in May to 88,900 tons in June, the latter figure comparing very favourably, however, with that of 67,500 tons in June, 1924. The steel trade continued to run at about 70 per cent.

(Continued on page 12.)

BRITISH TRADE IN OVERSEAS MARKETS.

The Survey of conditions affecting British trade in the chief markets of the world, issued by a Committee under the presidency of Sir Arthur Balfour,* is a document of the first importance to the economist, the trader, the manufacturer, and, not least, the politician. For a critical summary of the main conclusions reached by the Committee we refer our readers to a leading article on page 71 of the "Economist" of July 18, 1925. We now propose to reproduce a few of the many illuminating statistical tables which have been prepared under the Committee's direction, with a statement of the main lessons to be drawn therefrom, expressed in the words of the "Survey" itself. The material for the tables is stated to have been derived, mainly, from official sources, and the whole forms a comprehensive picture of Great Britain's post-war trade position.

* "Survey of Overseas Markets," prepared by the Committee on Industry and Trade, with an Introduction by the Committee. (London) Obtainable from H.M. Stationery Office, Adastral House, Kingsway, W.C. 2. 6s.

I.—Great Britain's Share in the World's Trade.

THE detailed reviews of conditions in individual markets, which form so valuable a feature of the Survey, are too lengthy to be dealt with here. Before entering on that part of its task, however, the Committee deemed it advisable to clear out of the way certain questions of a general order, the replies to which can be very conveniently indicated. What has been the general trend of the world's trade since the war? How does its present magnitude compare with its magnitude in the years just preceding the war? And is the share of Great Britain in the aggregate world's trade an increasing or a decreasing share?

The following table affords an approximate answer:—

WORLD TRADE, 1913 AND 1923.—BRITISH, AMERICAN, AND FRENCH SHARE.

	Total Value.		Per Cent. of Total	
	1913.	1923.	1913.	1923.
	Million £.	Million £.		
World total (157 countries) ..	4,365.3	5,700.0	100.0	100.0
British Empire—				
United Kingdom	659.2	958.4	15.10	16.81
Other British countries ..	518.0	788.4	11.87	13.85
Total British Empire ..	1,177.2	1,746.8	26.97	30.66
United States.....	361.0	829.0	8.27	14.54
France.....	333.9	430.5	7.65	7.55
All other countries	2,493.2	2,693.7	57.11	47.25

EXPORTS (SPECIAL) OF MERCHANDISE.

	Million £.	Million £.		
	1913.	1923.	1913.	1923.
World total.....	4,034.8	5,299.0	100.0	100.0
British Empire—				
United Kingdom	525.3	743.5	13.02	14.03
Other British countries ..	494.7	853.5	12.26	16.11
Total British Empire ..	1,020.0	1,597.0	25.28	30.14
United States.....	503.1	894.3	12.47	16.88
France.....	272.8	401.8	6.76	7.58
All other countries	2,238.9	2,405.9	55.49	45.40

Conversions of foreign currencies to sterling have been made at the averages of the quoted rates. The figures for 1923 are available for about 91 per cent. of the imports and 89 per cent. of the exports, and the balance has been estimated from the 1922 records. For better comparison with 1913, the figures of trade of the United Kingdom in 1923 have been adjusted (reduced) to apply to the British Isles as a whole, and not to Great Britain and Ireland only.

In 1913 the aggregate sterling value of the exports of the world was £4,035 millions. In 1923 (the latest year for which figures for some of the countries can be obtained), the corresponding aggregate was £5,299 millions, an increase of 31 per cent. In the same two years the exports of the United Kingdom were valued at £525 millions and £743 millions respectively, an increase of 41 per cent. In other words, our proportion of the world's export trade (measured in sterling values) rose from 13 per cent. in 1913 to 14 per cent. in 1923.

A very similar result is reached if the calculation is made in a slightly different way. The sterling value of the aggregate imports of the world (excluding the United Kingdom) was, in 1913, £3,706 millions, and, in 1923, £4,742 millions. Thus, the proportion borne by the value

of our exports to the aggregate value of the imports from all sources into other countries was, in 1913, 14.2 per cent. and, in 1923, 15.7 per cent.

Up to this point the results seem *prima facie* to be highly satisfactory. Measured in sterling values, the world's trade has increased, and of this increased value a larger share appears to have fallen to the United Kingdom. Before, however, we can draw conclusions from a statistical position which seems so little consistent with the excessive unemployment which has persisted in this country for the last few years, there are several important considerations which have to be weighed.

In the first place, all the above figures are in terms of sterling values, and it is notorious that, during the period considered there has been a great rise of the general level of prices, which makes sterling values (unless corrected for this rise) a very misleading measure of the real volume of trade. It is when we attempt to apply this corrective that the difficulties of exact measurement begin.

The Board of Trade index number of wholesale prices indicated a rise of about 59 per cent. in 1923, compared with 1913. It is more difficult to state a percentage for the world as a whole, but we shall probably not be wrong in assuming a general rise of from 50 to 60 per cent. (or, say, 55 per cent.) in the world prices of commodities measured in sterling.

As the percentage rise in the value of the world's foreign trade has not been much more than one-half of the rise of prices, it is evident that there must have been a considerable shrinkage in the real volume of that trade, and it is further evident that the increased percentage of the world's trade, which appears from the figures to fall to our share, masks a real falling off in the total volume of goods exported from Great Britain. In order to measure this decline, and as a step towards a clearer appreciation of the true position, the Committee obtained from the Board of Trade the results of a recalculation of the external trade of the United Kingdom during recent years on the basis of the 1913 level of prices, which are shown below.

EXTERNAL TRADE OF THE UNITED KINGDOM.

NET IMPORTS, BRITISH EXPORTS, and RE-EXPORTS during the HALF-CENTURY 1875-1924.

(Declared Values.)

NOTE.—From April 1, 1923, the particulars include the trade of Great Britain and Northern Ireland with the Irish Free State, and exclude the direct foreign trade of the Irish Free State.

TOTAL TRADE—ALL CLASSES.

Period.	Net Imports.	British Exports.		Re-Exports.
		Excluding Ships.	Ships.	
	£1,000's.	£1,000's.	£1,000's.	£1,000's.
Pre-War (annual average)	1875-9	319,500	201,500	55,500
	1880-4	343,600	234,300	64,000
	1885-9	318,800	226,200	60,900
	1890-4	357,055	234,450	61,537
	1895-9	392,704	237,830	60,318
	1900-4	446,040	282,761	67,379
	1905-9	522,116	369,225	85,159
War	1910-13....	610,990	466,121	106,958
	1914-18....	896,925	467,664	2,410
Post-War....	1919	1,461,410	796,310	2,328
	1920	1,709,896	1,307,915	26,554
	1921	978,581	672,774	30,626
	1922	899,404	689,521	29,986
	1923	977,682	757,558	9,700
	1924	1,139,696	789,843	5,522

NET IMPORTS, BRITISH EXPORTS, AND RE-EXPORTS, 1900-1924.
(Values on the basis of 1913.)

In the following table, which relates to the period 1900 to 1924, the trade of each year is expressed approximately at the amount representing the imports and exports of that year at the average values of corresponding goods imported or exported in the year 1913.

TOTAL TRADE.—ALL CLASSES.

Period.	Net Imports.		British Exports.		Re-exports.	
	Value.	Relative Figures.	Value.	Relative Figures.	Value.	Relative Figures.
Annual average—						
1900-1904	523.6	79.4	326.6	82.2	89.8	75.6
1905-1909	556.8	84.5	412.4	78.5	95.3	85.1
1910-1913	614.9	93.3	493.1	93.9	105.3	96.1
1910	573.4	87.0	462.4	88.0	99.6	90.9
1911	590.9	89.6	479.2	91.2	102.3	93.3
1912	636.3	96.5	505.6	96.3	109.8	100.2
1913	659.2	100.0	525.3	100.0	109.6	100.0
1919	591.4	89.7	288.2	54.9	85.9	78.4
1920	578.8	87.8	372.2	70.9	98.0	90.4
1921	484.2	73.5	261.7	49.8	86.0	78.5
1922	570.1	86.5	361.8	68.9	89.3	81.5
1923	641.7	97.3	404.4	77.0	94.6	85.8
1924	719.5	109.1	420.6	80.1	106.2	96.9
Including trade with the Irish Free State	625.7	94.9	391.4	74.5	89.0	81.3
Adjusted approximately for comparison with earlier years.	701.1	106.4	396.5	75.5	99.2	90.5

It will be seen that for the year 1922 the volume of our exports calculated at 1913 prices was only 68.9 per cent. of the 1913 volume. In 1923 the percentage rose to 74.5 per cent., and in 1924 it has further risen to 75.5 per cent.

There is, however, reason to believe that these figures, taken by themselves, give somewhat too dark a picture of the recent and present trade position. The two last tables combined show that the average increase shown in the price level of British exports is nearly 90 per cent., compared with about 50 per cent. in the case of imports. There is ground for belief that some part of this wide divergence is due to a shift of export trade towards the higher and more expensive qualities of goods, which could not be fully taken into account in the calculation. Exactly how much of the apparent rise is referable to this cause is difficult to estimate, but the available indications would seem to support the view that the true rise of the level of export prices has not exceeded 80 per cent. If the consequential modifications were made in the figures given above, we should find that the volume of our exports in 1923 was 79 per cent. of the 1913 volume, and that the corresponding figure for 1924 was 80 per cent. Meanwhile the volume of our imports in the same two years was 94.9 per cent. and 106.4 per cent., respectively, of the 1913 volume.*

Even after these allowances have been made, there remains a considerable excess in the rise of the price level of exports compared either with that of imports, or with the general index number of wholesale prices. This excess can only be attributable to the fact that the selling prices of the manufactured goods, which form the staple of our exports, have risen faster than the prices of commodities in general. This excess suggests two reflections. First, it tends to check any over-sanguine conclusions which might be drawn from the fact that, *measured in values*, an increased percentage of the world's trade has fallen to our share, since it appears probable that this increase is at least partly due to a disproportionate rise of price rather than to an expansion of volume. Secondly, it confirms the apprehensions which are widely entertained, that a material factor in checking the recovery and expansion of the volume of our overseas trade is the great increase in productive and distributive costs, reflected in an abnormal increase of selling price.

II.—Great Britain's Position in Individual Markets.

If it could be said that British trade is not only holding its own in comparison with that of other countries, but is sufficient in volume to provide full employment for the

* It is perhaps desirable to explain that the term "volume" is used throughout in the sense of total value corrected for changes of price, and not of total quantity or weight. The actual weight of our exports is completely dominated by coal and coke, which in 1924 accounted for 64½ million tons, as compared with about 14 million tons of all other commodities combined, while the value was less than 10 per cent. of the total value of our exports. A figure of quantity made up by adding together the weights of articles of such very different values would be meaningless in relation to the measurement of our foreign trade. It has, however, a very important significance in relation to shipping and rail transport, where the weight or bulk of goods carried is of primary importance.

population of the United Kingdom, we might regard the fluctuations of particular overseas markets with comparative complacency, except in so far as a serious falling off in any particular market might be an index of some future danger to the maintenance of our general trade position. Given that we were exporting up to the limit of our producing capacity, changes in the local distribution of our exports would be a matter of secondary interest from a national point of view. That this comfortable position is far from having been reached is plainly shown, not only by the statistical indications of the deficiency in the volume of our exports compared with pre-war times, but also by the large number of workpeople in the United Kingdom unable to obtain employment.

It is, therefore, of the highest importance to scrutinise each group of markets, and to estimate the weight of the various factors which in the case of each group are mainly responsible for obstructing the recovery and development of British trade with those markets. This scrutiny will be facilitated by a close study of the table on page 5, which shows for each overseas market separately the percentage of total imports which was derived from the United Kingdom in 1913 and 1923, and also, side by side with these figures, the percentage of the total British exports which in the same years was destined for that market.

It is evident, the Committee observe, that if the statistics disclose a serious falling off in British exports to a particular market (other than a merely casual decline due to transitory and superficial conditions), the observed falling off must be due to one or more of three main groups of causes:—

I.—Decline of purchasing power of the local population.

II.—Growth of local manufacture.

III.—Displacement of British imports by imports from other sources.

Frequently an observed decline is due to a combination of all these causes, and they are sometimes so interconnected that it is difficult to estimate precisely the relative importance of each.

The survey proceeds to consider each of these groups of causes in detail. The first-named is deemed to have been of predominant weight in the years following the war, and to have retained considerable, though decreasing, importance. Deficiency of capital and credit, and the temporary impairment of the will to work, due to "war weariness" and general unrest, were factors very unfavourable to economic recovery. Broadly speaking, the markets in which the decline of purchasing power has been most noticeable are the countries of Central and Eastern Europe, and of the Near and Far East.

Another kindred but slightly different cause, which undoubtedly had a very detrimental influence on British trade with overseas markets during the period of rapidly falling and fluctuating prices, which began in 1920, was the temporary reduction in the will (as distinct from the power) to purchase, arising from a general expectation that prices would fall still further. As the fall of prices slowed down this tendency decreased, and the arrears of orders which then materialised contributed not a little to the increased volume of British exports in 1922, which was the first symptom of reviving trade. While the will to purchase has thus for the time been to some extent restored, considerable advance has also been made towards the recovery of the world's purchasing power, except, perhaps, in countries like China or Mexico, where political conditions remain unsettled. A complete recovery, however, can only be looked for when the political and financial conditions of the chief consuming and producing countries are definitely stabilised.

On this subject the Committee conclude their remarks by observing that the future development of British trade and industry is intimately bound up with the general restoration of the economic health and prosperity of the countries with which we trade. To promote the restoration of that general economic health, rather than to cripple the power of particular competitors by impeding their recovery, should be the immediate object of British commercial policy.

Considerations arising under the remaining heads specified by the Committee ("Growth of local manufacture" and "Replacement of British imports by imports from other sources") are dealt with below.

Country.	Column A.—Imports from United Kingdom shown as a percentage of Total Import Trade of each Importing Country.		Column B.—Exports to each Country from United Kingdom shown as a percentage of Total Export Trade (U.K. produce and manufactures) of the United Kingdom.		Column C.—Exports to the United Kingdom shown as a percentage of the Total Export Trade of each Exporting Country.		Column D.—Net Imports into the United Kingdom from each Country shown as a percentage of the Total Net Import Trade of the United Kingdom.	
	1913. (Except Where Otherwise Stated.)	1923. (Except Where Otherwise Stated.)	1913. (Except Where Otherwise Stated.)	1923. (Except Where Otherwise Stated.)	1913. (Except Where Otherwise Stated.)	1923. (Except Where Otherwise Stated.)	1913. (Except Where Otherwise Stated.)	1923. (Except Where Otherwise Stated.)
Group 1.—Europe, Western—	A.	B.	A.	B.	C.	D.	C.	D.
Netherlands	8.70	2.94	15.34	3.96	22.18	3.48	27.59	3.86
Belgium	10.27	2.52	16.69	3.40	14.66	3.43	18.41	2.84
France (a)	13.24	5.51	16.17	6.63	21.13	6.19	20.22	5.53
Switzerland	5.87	0.80	8.11	0.98	17.16	1.39	20.63	1.77
Italy	16.23	2.78	12.73	2.61	10.37	1.11	10.85	1.43
Spain	17.29	1.50	(1920) 14.22	1.42	19.38	2.03	(1920) 20.05	1.95
Portugal and Azores	26.40	0.62	(1920) 37.21	0.65	21.54	0.37	(1920) 18.10	0.38
Group 2.—Europe, Central—								
Germany (a)	8.13	7.74	(1924) 9.06	5.73	14.24	11.56	(1924) 9.36	3.60
Austria (a)	6.38	0.85	2.35	0.15	9.74	1.10	4.24	0.12
Hungary (a)			1.61	0.02			2.36	0.06
Czecho-Slovakia	(a)	(a)	3.29	0.13	(a)	(a)	9.70	0.84
Group 3.—Europe, Northern—								
Denmark (a)	15.73	1.10	20.05	1.73	56.89	3.57	68.68	4.86
Norway	24.75	1.17	21.88	1.16	24.31	1.03	30.56	1.15
Sweden	24.43	1.57	21.96	1.86	29.10	2.09	31.39	2.25
Finland	12.24		18.44	0.53	27.00		41.46	1.39
Baltic States—								
Estonia			19.73	0.12			34.10	0.18
Latvia			17.04	0.21			1.75	0.58
Lithuania	12.59	3.45	5.27	0.03	17.62	5.79	26.90	0.08
Poland (a)			8.11	0.36			5.8	0.56
Soviet Russia (a)			20.95	0.33			16.28	0.58
Group 4.—Europe, South-Eastern—								
Roumania (a)	9.45	0.37	(1922) 8.90	0.37	6.69	0.30	(1922) 2.37	0.24
Serb-Croat Slovene Kingdom (a)	(1912) 8.02(e)	0.01	9.91	0.12	(1912) 0.02(e)	0.00	2.14	0.07
Bulgaria	8.92	0.09	15.85	0.18	8.52	0.00	0.78	0.00
Greece (a)	23.89	0.48	14.29	0.52	23.91	0.32	27.63	0.47
Group 5.—Near East—								
Turkey in Europe (a)		0.46	17.31	0.42		0.14	18.61	0.09
Turkey in Asia (a)			28.33	0.07	21.74		21.68	0.08
Palestine	19.92	1.01	36.87	0.54		0.57	16.19	0.17
Iraq			0.27				0.02	
Syria			0.24				14.87	0.54
Persia	15.08	0.14	34.01	0.24	7.31	0.02		
Group 6.—Africa, North—								
Morocco	19.21	0.24	(1922) 14.96	0.23	14.12	0.02	(1922) 12.55	0.04
Algeria and Tunisia	7.26	0.35	3.50	0.35	5.36	0.32	6.61	0.34
Tripoli and Cyrenaica	(b)	0.03	(b)	0.01	(b)	0.00	(b)	0.00
Egypt	31.14		32.63	2.02	43.11		48.56	3.14
Sudan	29.19	1.87	32.85	0.20	23.06	2.44	37.24	0.14
Group 7.—Africa, West and East—								
Nigeria (a)	70.76	0.71	77.22	0.87	51.26	0.33	67.04	0.68
Gold Coast (a)	70.34	0.36	67.60	0.52	52.74	0.09	22.61	0.19
Kenya	42.23	0.22	38.63	0.25	64.98	0.05	47.10	0.19
Uganda		0.01		0.02		0.04		0.02
Zanzibar	16.67	0.02	21.39	0.05	11.59	0.00	30.61	0.02
Tanganyika Territory (a)	6.65	0.03	29.68	0.06	4.87	0.02	21.85	0.02
Group 8.—India, Ceylon, Malaya—								
British India	65.38	13.38	59.04	11.59	23.49	5.48	24.86	5.96
Ceylon	28.96	0.80	21.96	0.51	45.54	0.67	47.28	1.14
Straits Settlements	11.44	1.11	9.27	1.04	24.69	0.70	9.10	0.54
Group 9.—Far East—								
China	16.53	2.83	13.04	2.50	4.05	0.44	5.74	0.91
French Indo-China	1.74	0.03	(1922) 3.02	0.03	2.17	0.04	(1922) 0.48	0.01
Japan	14.71	2.77	(1922) 12.29	3.54	4.51	0.58	(1922) 3.33	0.62
Siam	21.55	0.26	16.42	0.23	5.04	0.06	1.11	0.02
Netherlands East Indies	16.46	1.38	14.97	1.21	3.53	0.51	8.38	1.29
Group 10.—Brit. Dominions & W. Indies—								
Canada	21.36	4.53	17.21	3.71	49.88	4.46	34.47	5.41
South Africa (a)	56.77	4.22	53.76	3.74	77.16	0.91	57.06	0.99
Australia	52.37	6.56	51.93	7.77	45.49	3.96	46.20	2.90
New Zealand	61.08	2.06	51.93	2.79	84.03	2.47	83.40	3.97
British West Indies	35.53	0.45	29.21	0.50	24.73	0.26	37.93	0.58
Group 11.—United States of America	16.30	5.58	10.66	8.03	24.40	19.77	21.17	20.85
Group 12.—America, South and Central—								
Argentina	31.06	4.31	22.68	3.79	24.89	6.18	24.50	6.60
Brazil	24.47	2.37	26.49	1.48	13.17	0.70	6.96	0.35
Chile	30.02	1.14	23.09	0.90	37.28	0.65	28.85	0.49
Cuba	11.47	0.42	4.83	0.39	11.19	0.54	7.69	0.90
Haiti	7.27	0.03	7.84	0.03	(2)	0.01	4.95	0.02
San Domingo	7.88	0.03	5.03	0.02	2.51	0.02	17.58	0.11
Mexico	13.45	0.42	(1921) 8.86	0.37	10.37	0.26	(1921) 6.73	0.63
Guatemala	16.40	0.07	15.37	0.05	12.85	0.01	2.42	0.00
Central American Republic—								
Salvador	27.22	0.06	17.25	0.06	7.11	0.00	0.67	0.00
Honduras	12.66	0.02	(1921-2) 4.84	0.03	2.31	0.00	(1921-2) 1.23	0.08
Nicaragua	19.95	0.05	12.01	0.03	12.95	0.00	2.18	0.00
Costa Rica	14.85	0.04	15.65	0.03	41.83	0.15	38.40	0.14
Panama	22.66	0.09	10.81	0.05	1.22	0.00	3.41	0.08
Colombia	20.46	0.32	(1919) 14.74	0.37	16.22	0.10	(1919) 3.33	0.13
Venezuela	22.16	0.16	24.33	0.21	2.60	0.06	5.18	0.04
Peru	26.26	0.28	20.28	0.35	37.24	0.43	33.19	0.88
Ecuador	29.64	0.08	(1922) 28.55	0.08	10.26	0.04	(1922) 6.48	0.02
Bolivia	20.27	0.07	23.80	0.07	80.84	0.28	53.24	0.39
Paraguay	28.62	0.04	(1921) 20.92	0.02	(d)	0.00	(1921) 0.11	0.00
Uruguay	24.45	0.56	22.95(c)	0.42	11.20	0.38	28.37	0.50

(a) See note (2) above.

(b) Particulars of trade with the United Kingdom are not available.

(c) Eleven months, January-November only.

(d) Particulars of exports to United Kingdom are not available.

(e) Pre-War Serbia only.

III.—Competition from Local Industries.

The Committee find that, taking the world as a whole, the widespread development of home manufactures to meet needs formerly supplied by imported goods is one of the outstanding features of the post-war economic situation, and this is perhaps the most important permanent factor tending either to limit the volume or to modify the character of British export trade. In part, this tendency is a natural and universal one, inseparable from healthy economic progress, and dating from a period long before the war; but undoubtedly the tendency has been stimulated by war conditions and necessities. It is impossible, in the absence of general production statistics, to estimate the total increase of manufacturing industries which has taken place since the beginning of the war in countries in which such manufacture had previously been comparatively undeveloped, but the general tendency may be illustrated by the following figures with regard to certain industries and countries. The number of cotton spindles in Japan, China, India, and Brazil in 1913 was about 10 millions; by 1924 the number had risen to nearly 18 millions. Between 1913 and 1922 the number of cotton power looms in India and Japan rose from 120,000 to 200,000. The annual production of steel just before the war in Japan, China, India, and Australia was 360,000 tons. In 1922 it was 858,000 tons.

The most obvious and immediate effect on British trade is, of course, restrictive, but there are certain partial compensations which may in the long run be of great importance to British traders, provided their methods and organisation are sufficiently flexible. As the new local manufactures are generally concerned at the outset with the simpler and coarser classes of goods, international commerce is driven more and more on to the finer qualities of manufacture. It follows that, while the total volume of international trade open to competition may be diminished, there is a probability that an increased share of what remains will be captured by the exporting country most capable of adapting its production to special qualities of goods. At present the reputation of this country in most markets for quality of goods stands high compared with that of its competitors.

The second compensation is more indirect and distant, but may nevertheless be very important in the long run. New industries create new wants for plant and materials, and, though this demand cannot of itself be sufficient to counterbalance the loss of the market for the goods themselves, we have also to take into account the demand resulting from the increased purchasing power of those for whom the local industries provide employment. Part of this purchasing power will almost inevitably be expended, directly or indirectly, on foreign goods. Whether or not the product of the new industries is itself exported, it tends as a rule to give rise in the long run to a new demand for imports either on the part of the same or of some other country. A consideration of cardinal importance in this connection is that the capacity of overseas markets to absorb imports of manufactured goods is strictly limited by the outlets which are available for the exports of their local produce. It is clear that, other things being equal, a country like Great Britain, which is one of the greatest consumers of imported materials and foodstuffs, must be in a relatively strong position for securing a full share of the export of manufactures by which payment for these materials and foodstuffs is made.

The practical lessons to be drawn by the trading community are plain. The widespread growth of local manufacture has come to stay, and is likely to develop. It does not necessarily follow that international trade as a whole will shrink, but its local distribution will necessarily be affected. Concurrently with this geographi-

cal rearrangement, there will probably be a continuous trend or shift towards the importation of the higher qualities or more distinctive classes of goods, i.e., towards goods the production of which depends on special skill or local conditions. This double re-adjustment is bound to make great and increasing demands on the foresight, intelligence and adaptability of those concerned in overseas export trade, and the future of British commerce will depend in no small degree on the capacity of British manufacturers and traders to understand and react to these changing conditions.

The Committee proceed to examine the expedients adopted by various countries to give an advantage to the products of their native industries. While the Committee agree that the obstruction offered by tariff barriers to British trade is, in the aggregate, very great, they find reason for questioning the widely held thesis that their post-war rise has been a serious factor in retarding the recovery of our export trade. The results of a most painstaking inquiry, made under their auspices, covering a number of typical articles in the major-British export industries, suggest that the increase of charge expressed in coins of sterling per unit of product (not per unit of value) has not materially exceeded the average increase in value of the articles exported. In other words, the average *ad valorem* incidence of tariffs has not materially increased. Taken altogether, the average increase of import duties per unit of product has probably not exceeded 80 per cent.—a rise not more than sufficient to keep pace with the average rise of price level of the exports. It is a legitimate inference that, taking British trade as a whole, tariff increases since 1913 have not, so far, been an important factor in retarding recovery, though, unfortunately, there is reason to fear that further increases are probable in the near future; while, in the event of a fall in prices, the *ad valorem* incidence of existing specific duties would, of course, be automatically raised.

A remarkable confirmation of this diagnosis is afforded by an estimate of relative tariff incidence in different countries which has recently been made, quite independently, by the Board of Trade on a different basis. The Board of Trade have calculated "index numbers" by which the average *ad valorem* incidence of the tariffs of various countries on British exports as a whole may be roughly compared. If the results be "weighted" in accordance with the relative importance of each market, the conclusion emerges that, taken as a whole, the *ad valorem* incidence of overseas tariffs on British goods has slightly declined since 1914, the average rise of tariff rates reduced to a "specific" basis being rather less than 70 per cent.

The relative levels of the tariffs of the eighteen countries covered by the investigation, as applied to staple British exports, in the years 1914 and 1924, are shown in the following statement:—

Country.	Index Number expressing the Estimated <i>ad valorem</i> Incidence of the Tariff applied to British goods in—	
	1914.	1924.
Empire Countries—	Per Cent.	Per Cent.
India	23	10½
Australia	61	9½
Canada	15½	13½
Union of South Africa	7½	9
New Zealand	8½	8½
Foreign Countries—		
U.S.A.	19½	32
Germany	17½	10
Argentina	24	20½
France (and Algeria)	21½	12½
Japan	19½	10½
China	5	5
Netherlands	22	22
Brazil	88	41
Belgium	10	8½
Egypt	8	8
Italy	18½	15½
Spain	42	37½
Sweden	23	12½

This table may usefully be supplemented by one giving

index numbers to show the estimated "effective preference" enjoyed by British goods in the self-governing Dominions:—

	1914.		1924.	
	<i>Ad Valorem</i> Level of Duties on British Goods	Extent of Preference Over Foreign Goods	<i>Ad Valorem</i> Level of Duties on British Goods	Extent of Preference Over Foreign Goods
Australia	6½ per cent.	3½ per cent.	9½ per cent.	11½ per cent.
Canada	15½ per cent.	5½ or 6½ per cent.	13½ per cent.	5 or 8½ per cent.
Union of South Africa	7½ per cent.	2½ per cent.	9 per cent.	2½ per cent.
New Zealand	8½ per cent.	3½ per cent.	8½ per cent.	12 per cent.

* Over countries enjoying Intermediate Tariff Rates (France, Italy, Belgium, Netherlands).

† Over countries subject to General Tariff Rates (Germany, United States of America).

The Board of Trade calculation brings out clearly the remarkable fact that the main increases of tariff rates on British exports have been within the British Empire, where the average *ad valorem* incidence has risen by nearly two-thirds, while in foreign countries, despite the great increase in the United States tariff, the average *ad valorem* incidence has decreased by one-fifth, the net result, on balance, being a slight decline, as stated above. As will be seen later, however, the disadvantage to British trade of the increased tariffs in overseas parts of the Empire has in several cases, but not in all, been offset by a concurrent increase in the preference accorded to British goods.

It is also to be observed that the average incidence of Empire tariffs on British goods, even after the rise, is still materially lower than the average incidence of foreign tariffs, i.e., roughly in the proportion of 10 to 17.

IV.—Competition from Other Countries.

The concluding section of the Committee's introduction to their Survey deals with the growth of competition from other exporting countries in overseas markets. The position is summed up as follows:—

The effect of the war has, so far, been to strengthen some of our competitors and to weaken others; and the net result, on balance, of the changes in the decade 1913 to 1923 was to leave the relative position of Great Britain as an exporting country unimpaired and perhaps slightly improved. Germany disappeared during this period as a serious competitor, while France became a more serious factor in international trade, owing to its great increase of mineral wealth and manufacturing capacity resulting from the territorial changes, added to the improved position arising from the re-equipment on modern lines of the industries of the devastated districts, and to the temporary assistance of the impetus to export resulting from the depreciation of the franc. The comparative immunity of American industry from the direct effects of the war, combined with the enormous financial strength of the United States and the gradual attainment of control over industrial enterprises overseas, gave United States trade a much stronger position than before the war in certain markets, especially those of the American Continent. On the other hand, Belgium, which, though a comparatively small country, is very highly industrialised, and more dependent on exports than any other Continental State, has not yet fully recovered its pre-war position in foreign trade, though the process of recovery has been rapid, especially in the case of iron and steel and other manufactured goods.

These results are suggested by the following table:—
COMPARISON OF PRE-WAR AND POST-WAR EXPORT TRADE OF U.S.A., BELGIUM, FRANCE, AND GERMANY.
(COMPARISON BETWEEN 1913 AND 1923 ON THE BASIS OF 1913 PRICES.)

	1913.		1923.		Percentage Col. (3) to Col. (1).
	Values as Recorded.	(1)	Values as Recorded.	Values at 1913 Prices.	
United States.	(1)	(2)	(3)	(4)	
Total exports	2,448.6	(Millions of Dollars.)	4,091.3	2,924.3	119.4
Exports of manufactures only ..	1,052.4		1,850.7	1,559.3	148.2
Belgium (see Note A).	3,634.6	(Millions of Francs.)	8,356.5	2,285.7	62.9
Total exports	1,800.9		6,308.9	1,621.5	30.0
Exports of manufactures only ..	6,880.2	(Millions of Francs.)	30,431.5	7,299.3	106.1
France (see Note B).	4,161.9	(Millions of Gold Marks.)	19,703.4	4,886.1	117.4
Total exports	10,095		6,064	5,335	52.9
Exports of manufactures only ..	6,778		5,200	4,519	66.7

(A) Belgium.—For 1923 the particulars relate to the economic Union of Belgium and Luxembourg, whereas those for 1913 relate to Belgium only.

(B) France.—For 1923 the particulars relate to the enlarged territory, including Alsace and Lorraine. It is, however, difficult to determine whether the inclusion of Alsace and Lorraine within the French Customs border would in itself have a tendency to increase or to decrease French recorded exports.

(C) Germany.—For 1923 the particulars relate to the post-war diminished territory.

(D) Note on the method of obtaining the figures.—In the case of Germany, no revision has had to be made. In the other three cases, the 1923 figures have been revalued on approximately the same lines as are followed in the corresponding work done on the U.K. returns, i.e., where quantity particulars are available, the different headings shown in the accounts for 1923 have been revalued at the average valuation shown for the same headings in the accounts for 1913. The methods adopted to deal with cases in which quantity particulars are not available have been as nearly as possible similar to those adopted in the revaluations of United Kingdom trade. In view of the fact that the absence of exhaustive particulars has rendered it necessary to have recourse to estimates for a proportion of the goods, the results cannot be regarded as of a high degree of precision, but they probably approximate to the facts much more closely than would be possible by the use of any other mode of calculation.

The table shows that, calculated on this basis, the exports of Germany in 1923 amounted only to about 53 per cent., and those of Belgium to 63 per cent., of the 1913 volume, while those of France had risen to 106 per cent., and those of the United States nearly 120 per cent. If the comparison be confined to manufactured goods, the percentages become 67, 90, 117, and 148 respectively.

If we look, not at percentages, but at the aggregate magnitude of the changes as measured in gold value on the basis of 1913 prices, we find that decreases of £238 millions in German, and of £54 millions in Belgian, exports were partially offset by increases of £98 millions for the United States and £17 millions for France, the net decline, on balance, being £145 millions, or about 12½ per cent. of the aggregate exports. A similar calculation, for manufactured goods only, shows that the increases for the United States and France (£105 millions and £30 millions respectively) rather more than counterbalanced the decreases of £113 millions for Germany and £7 millions for Belgium, the net result being a small increase, on balance, of £15 millions, or rather less than 2 per cent.

The Committee do not find that British trade suffers from adverse discrimination as compared with that of other exporting countries, but that (with minor local exceptions, which do not appreciably affect the general situation), it enjoys an equal position in all important foreign markets, together with a preferential position in Empire markets. The adverse forces which still operate in the markets themselves to retard the full recovery of British trade are in the main world-forces, which operate with equal intensity against the trade of other exporting countries. Their effects are, however, felt with special acuteness by a country like Great Britain, which depends so greatly on foreign trade to maintain the employment of its population. Of the forces referred to, some are transitory, like the instability of exchange, the dearth of capital, the impaired purchasing power, and the general financial and economic weakness of our customers, following the great war. The world is still poorer for the waste of war, and years of hard work will be necessary to re-establish its purchasing power. But, given peace and political stability, there is no reason to doubt that recovery will take place. It may also be hoped that such difficulties as arise from unwise measures restricting commercial, maritime or financial intercourse will, in the long run, be mitigated by international agreement, or by national action based on the teachings of experience. But other forces, like the growth of manufacture in the less industrially developed countries, undoubtedly represent permanent tendencies, with which traders must inevitably reckon in future, and to which it is, therefore, essential that they should strive with all their power to accommodate their outlook, their methods, and their organisation.

PRODUCTION. (Thousands of Metric Tons.)

COAL.														LIGNITE.				
Period.	United Kingdom.	Belgium.	Czechoslovakia.	France.	Germany.	Netherlands.	Poland.	Canada.	South Africa.	India.	Japan.	United States.	Austria.	Czechoslovakia.	Germany.	Hungary.		
Monthly Average.																		
1913	24,336	1,903	1,189	3,404	15,842	156	748	1,135	665	1,111	1,776	43,088	...	1,918	7,269	...	...	...
1918	19,283	1,158	...	2,188	13,376	283	...	1,133	747	1,681	2,536	51,272	...	...	8,389	...	...	...
1921	13,822	1,813	971	3,213	9,491	327	632	890	762	1,558	2,186	38,283	...	...	10,253	...	...	...
1922	21,133	1,767	826	3,596	9,929	381	1,849	882	735	1,540	2,308	34,565	...	...	11,434	...	...	...
1923	23,450	1,910	969	3,978	15,185	440	3,009	1,014	901	1,589	2,199	49,268	...	...	12,854	...	...	...
1924	22,646	1,947	1,197	4,916	9,902	490	2,693	755	944	1,710	...	42,278	...	...	10,363	...	...	...
1924-June	19,636	1,848	963	4,544	9,101	445	2,479	568	929	1,497	2,259	43,610	...	...	9,034	...	...	...
July	22,247	1,973	1,197	5,046	11,274	532	2,463	581	997	1,534	2,308	43,347	...	...	9,670	...	...	...
August	24,445	1,702	1,108	4,905	10,804	475	1,394	525	955	1,820	1,989	47,968	...	...	9,747	...	...	...
September	22,330	1,569	1,108	5,006	11,388	496	2,909	617	968	1,820	2,397	44,111	...	...	10,841	...	...	...
October	23,341	1,926	1,112	5,341	11,943	538	3,235	822	998	1,633	2,397	49,430	...	...	11,975	...	...	...
November	21,453	1,890	1,097	4,740	10,688	495	3,036	800	906	1,419	2,478	43,100	...	...	12,335	...	...	...
December	22,341	2,001	1,233	5,024	11,233	511	2,840	788	987	1,662	2,662	48,222	...	...	12,375	...	...	...
1925-January	22,314	2,125	1,048	5,392	11,929	539	2,848	857	914	1,829	2,270	53,840	...	...	12,335	...	...	...
February	21,456	1,896	984	5,437	10,555	480	2,856	764	920	2,095	2,294	41,878	...	...	11,153	...	...	...
March	22,849	2,030	1,029	5,437	11,419	558	2,870	496	1,007	1,848	2,623	40,536	...	...	12,081	...	...	...
April	20,415	1,920	955	5,020	10,362	526	1,793	...	1,035	1,779	...	37,352	...	...	10,719	...	...	...
May	20,735	1,835	899	5,829	10,440	519	...	...	...	1,257	...	39,560	...	...	10,440	...	...	...
June	26,431	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...

a Including lignite. b Including the production of Lorraine and Saar. c Saleable coal only. d Irish Free State production omitted since 1921. e Average of two months. f Strike period. g From 1919 excluding Alsace-Lorraine and from 1920 excluding Saar and Palatinat: from June, 1922, excluding Upper Silesia. h Since July, 1922, including Upper Silesia. i Excluding Rhine mines. j Excluding Saar. k Decrease due to coal strike. l Average of five months.

PIG IRON.														STEEL.				
Period.	United Kingdom.	Belgium.	France.	Saar.	Germany.	Luxembourg.	Sweden.	Canada.	United States.	United Kingdom.	Belgium.	France.	Saar.	Germany.	Luxembourg.	Sweden.	Canada.	United States.
Monthly Average.																		
1913	869	207	434	102	1,609	212	61	85	2,601	649	205	396	172	1,578	101	62	48	2,564
1918	768	109	...	...	989	106	...	...	2,560	812	...	...	...	1,248	73	...	...	1,845
1921	222	73	280	96	654	81	26	30	1,401	314	66	259	77	833	64	19	57	1,628
1922	415	134	427	96	783	140	22	32	2,276	494	130	373	105	976	117	29	47	2,227
1923	636	182	442	85	411	117	23	75	3,392	719	190	415	83	525	100	25	75	3,682
1924	620	234	638	114	...	181	42	50	2,634	696	238	576	119	...	157	45	55	3,103
1924-June	618	237	639	107	599	175	36	58	2,059	662	225	555	104	762	144	35	70	2,099
July	625	247	636	113	599	181	41	46	1,814	704	245	565	118	762	156	41	53	1,908
August	598	244	656	124	599	181	43	23	1,917	536	238	582	129	762	156	46	23	2,594
September	578	239	641	101	599	177	40	24	2,086	655	245	598	114	762	158	46	23	2,873
October	596	246	660	99	803	189	45	23	2,517	689	256	609	110	580	168	50	20	3,176
November	593	217	634	106	803	185	39	23	2,517	689	256	609	110	580	168	50	20	3,176
December	590	247	665	116	803	201	37	23	3,009	560	245	609	118	...	171	37	28	4,266
1925-January	584	249	669	114	...	197	32	29	3,424	615	247	608	120	580	183	42	38	3,817
February	651	246	637	...	...	177	34	30	3,266	663	240	569	...	...	157	42	38	3,817
March	618	282	689	...	...	199	35	65	3,621	696	269	607	...	...	178	44	110	4,266
April	675	268	686	...	...	187	40	61	3,311	607	251	587	...	...	174	44	110	4,266
May	675	275	706	...	...	190	...	64	2,978	662	253	596	...	...	167	...	90	3,645
June	512	...	...	...	...	...	...	...	2,709	594	...	...	...	...	...	...	102	3,514

e Excluding Luxembourg, including Alsace-Lorraine and Saar, from 1913 to October, 1918; for 1920-1923 figures not official. f Corrected figures based on returns from works responsible in 1923 for 95% of total production. g Average nine months Jan. to Sept., 1924. h Corrected figures based on returns from works responsible in 1923 for 95% of total production. i Average of five months.

WHOLESALE PRICES.

Monthly Average.	U.K.	Belgium.	Czechoslovakia.	Denmark.	France.	Germany ("Frankfurter Zeitung").	Holland.	Italy (Bach).	Norway.	Poland.	Russia.	Spain.	Sweden.	Switzerland.	Australia.	British India.	Canada.
Board of Trade.																	
1913	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
1918	124.9	...	...	...	339.2	...	373	409.1	...	...	...	...	...	...	...	...	...
1921	197.2	181.0	366	...	178	345.0	...	4,217	...	...	...	...	...	...	...	...	...
1922	158.8	159.5	367	1,334	181	396.6	...	205,417	...	...	...	...	...	...	...	...	...
1923	158.9	162.1	497	977	210	418.9	...	140.1	...	...	...	...	...	...	...	...	...
1924	166.2	173.9	573	997	234	488.5	...	146.9	...	...	...	...	...	...	...	...	...
1924-June	162.6	168.3	565	953	220	465.3	...	130.1	...	...	...	...	...	...	...	...	...
July	162.6	172.9	566	986	213	481.0	...	134.2	...	...	...	...	...	...	...	...	...
August	165.2	171.8	547	982	231	476.6	...	133.2	...	...	...	...	...	...	...	...	...
September	166.9	175.6	550	999	234	485.6	...	133.2	...	...	...	...	...	...	...	...	...
October	170.2	180.0	555	1,013	231	497.1	...	140.7	...	...	...	...	...	...	...	...	...
November	170.0	179.5	569	1,024	234	503.5	...	140.9	...	...	...	...	...	...	...	...	...
December	170.1	180.3	566	1,045	234	507.2	...	146.9	...	...	...	...	...	...	...	...	...
1925-January	171.0	177.1	569	1,048	234	514.4	...	147.1	...	...	...	...	...	...	...	...	...
February	168.8	177.2	551	1,034	230	515.0	...	146.3	...	...	...	...	...	...	...	...	...
March	166.3	173.8	546	1,020	216	513.5	...	144.3	...	...	...	...	...	...	...	...	...
April	162.5	169.0	538	1,006	216	512.1	...	143.3	...	...	...	...	...	...	...	...	...
May	169.0	165.5	537	997	216	520.0	...	140.6	...	...	...	...	...	...	...	...	...
June	157.7	161.4	...	...	206	541.0	...	142.6	...	...	...	...	...	...	...	...	...

a From 1920 revised index. b End of month. c New index compiled by Central Statistical Bureau middle of each month. d Beginning of the following month. e Revised index number. f 100,000,000's omitted. g Middle of month. h 1914. i Zloty prices; April, 1924=109.1. j Since January, 1924, number of commodities changed. k Prices shown in gold marks. l New index, beginning of following month.

Wholesale Prices—Continued.					Index Numbers of Retail Prices.										Cost of Living.—(Base = 100.)						
Monthly Average.	South Africa.	China.	Japan.	United States, Europe, & Australasia.	No. of Towns and Localities.	U.K.	Irish Free State.	Austria.	Belgium.	Bulgaria.	France.	Germany.		Italy.	Spain.	Canada.	U.S.A.				
						630	105	Vienna.	69	12	Paris.	71	Berlin.	Milan.	Madrid.	60	32				
						Base.	July, 1914.	July, 1914.	July, 1914.	July, 1921.	1914.	1914.	Oct., 1913, Jan., April, June, 1914.	Aug., 1913, July, 1914.	Jan.-June, 1914.	1914.	1913.	1914.			
1913	100	100	100	100																	
1918	153·1	..	195·8	194																	
1921	160·4	150·2	200·4	147																	
1922	128·4	145·6	195·8	149	1918—July ..	210	..	1,160	..	d											
1923	126·6	156·9	199·1	154	1921—July ..	222	..	9,970	100	2910	307	1124	1125	286	154	146	174				
1924	128·7	153·9	206·5	150	1922—July ..	181	185	264,511	90	1643	302	5392	6122	494	189	155	180				
					1923—July ..	171	180	1,090,300	109	2464	334	3765100	3288610	488	181	147	167				
					1924—July ..	171	183	1,239,100	125	2812	366	b 116·0	b 101·7	487	177	145	170				
1924—June	..	151·8	199·0	145	1924—June ..	170	..	1,244,200	123	2639	366	b 112·0	b 98·7	512	186	143	168				
July	124·8	151·5	195·3	147	July ..	171	183	1,239,100	125	2555	..	b 116·0	b 101·7	512	182	144	..				
August	..	148·8	200·1	150	Aug. ..	172	..	1,314,200	127	2644	..	b 114·0	b 100·0	511	180	145	..				
September ..	..	149·3	206·5	149	Sept. ..	176	..	1,316,200	128	2697	367	b 116·0	b 103·3	516	189	146	177				
October	132·5	162·8	213·0	152	Oct. ..	180	193	1,330,700	134	2785	..	b 122·0	b 108·7	546	185	147	..				
November ..	..	154·9	214·3	153	Nov. ..	181	..	1,357,400	137	2945	..	b 122·5	b 108·4	563	175	147	..				
December ..	..	157·4	213·5	157	Dec. ..	180	..	1,365,000	137	3010	377	b 122·6	b 108·1	573	180	148	173				
1925—January ..	130·0	159·9	213·7	160	1925—Jan. ..	179	195	1,376,200	139	3083	..	b 124·1	b 107·8	580	192	149	..				
February	..	159·2	210·0	161	Feb. ..	179	..	1,389,500	137	3128	..	b 135·6	b 109·2	593	188	149	..				
March	..	160·3	204·3	161	Mar. ..	175	..	1,366,000	136	3187	386	b 136·0	b 110·0	602	189	150	..				
April	129·8	159·3	201·7	156	April. ..	173	188	1,543,200	131	3074	..	b 136·7	b 113·4	600	190	147	..				
May	..	157·8	198·5	155	May ..	172	..	c	128	..	..	..	..	601	189	..	..				
June	..	..	..	157	June ..	173	..	..	..	..	..	..	..	..	..	..	..				

FOREIGN TRADE.

IMPORTS for Domestic Consumption—Merchandise Only. (000's omitted.)

Period.	U.K.	Irish Free State.	Belgium.	Bulgaria.	Denmark.	Estonia.	France.	Finland.	Germany.	Greece.	Italy.	Jugoslavia.	Netherlands.	Poland.	Sweden.	Switzerland.	Egypt.	United States.
Monthly Average.	£	£	Francs.	Leva.	Kroner.	Esti Mark.	Francs.	Markat.	Mark.	Drachm.	Lira.	Dinars.	Gulden.	Zloty.	Kronor.	Francs.	£s.	Dollars.
1913.....	54,931	..	386,333	15,775	84,785	..	701,778	41,035	897,475	14,828	303,802	..	325,231	..	70,545	159,985	2,271	147,932
1918.....	107,100	..	..	15,775	84,785	..	1,858,416	39,944	..	11,591	1,336,551	..	50,696	..	102,776	200,122	4,147	245,961
1921.....	81,548	..	849,617	15,775	84,785	..	3,715,551	39,944	..	8,815,963	1,336,551	..	50,696	..	102,776	200,122	4,147	245,961
1922.....	74,950	..	..	15,775	84,785	..	1,858,416	39,944	..	11,591	1,336,551	..	50,696	..	102,776	200,122	4,147	245,961
1923.....	81,474	..	..	15,775	84,785	..	1,858,416	39,944	..	11,591	1,336,551	..	50,696	..	102,776	200,122	4,147	245,961
1924.....	94,975	5,376	..	15,775	84,785	..	1,858,416	39,944	..	11,591	1,336,551	..	50,696	..	102,776	200,122	4,147	245,961
1924—May.....	108,995	5,967	1,512,521	572,058	204,794	1,035,236	3,177,313	512,285	889,403	599,038	1,547,169	630,386	218,738	148,110	131,910	198,086	3,830	290,048
June.....	78,478	5,522	1,379,459	440,219	188,243	642,132	3,178,867	439,461	734,278	522,259	2,088,282	630,386	188,781	112,136	108,847	138,086	3,218	281,369
July.....	97,941	4,966	1,492,686	463,101	184,901	977,575	3,099,976	410,725	539,348	655,770	1,481,522	725,383	174,162	96,697	122,599	206,346	3,226	246,855
Aug.....	93,256	5,311	1,363,526	438,831	184,345	559,687	3,071,943	390,810	437,200	639,232	1,467,974	725,383	174,162	96,697	122,599	206,346	3,226	246,855
Sept.....	91,330	5,324	1,476,511	465,531	182,079	444,543	3,156,970	417,535	447,370	622,111	1,386,079	725,383	174,162	96,697	122,599	206,346	3,226	246,855
Oct.....	107,417	5,716	2,238,860	509,160	181,913	538,751	3,397,608	454,170	847,370	862,111	1,458,219	725,383	174,162	96,697	122,599	206,346	3,226	246,855
Nov.....	106,413	5,538	777,484	390,683	195,558	636,951	3,414,967	400,395	1,034,842	886,077	1,846,026	725,383	174,162	96,697	122,599	206,346	3,226	246,855
Dec.....	115,557	4,963	1,802,810	572,013	211,028	738,554	4,118,454	317,320	1,214,443	917,744	2,495,487	725,383	174,162	96,697	122,599	206,346	3,226	246,855
1925—Jan.....	115,633	4,553	1,371,819	528,694	217,774	738,554	3,172,571	318,877	1,282,464	875,372	2,827,725	709,465	196,832	120,415	130,415	200,304	4,249	341,244
Feb.....	96,290	4,836	1,299,536	509,979	174,661	602,886	3,346,369	283,835	1,071,368	771,506	2,073,231	709,465	196,832	120,415	130,415	200,304	4,249	341,244
Mar.....	100,084	5,896	1,660,430	625,966	187,005	794,012	3,306,700	397,362	1,036,895	813,247	2,586,958	709,465	196,832	120,415	130,415	200,304	4,249	341,244
Apr.....	97,948	..	..	625,966	173,088	846,878	3,050,968	401,754	1,036,895	813,247	2,586,958	709,465	196,832	120,415	130,415	200,304	4,249	341,244
May.....	89,779	..	..	625,966	173,088	846,878	3,050,968	401,754	1,036,895	813,247	2,586,958	709,465	196,832	120,415	130,415	200,304	4,249	341,244
June.....	100,382	..	..	625,966	173,088	846,878	3,050,968	401,754	1,036,895	813,247	2,586,958	709,465	196,832	120,415	130,415	200,304	4,249	341,244

EXPORTS of Domestic Produce—Merchandise Only. (000's omitted.)

1913.....	43,771	..	302,882	7,778	53,113	..	573,351	33,482	841,583	1,917	209,303	..	255,453	..	68,112	114,700	2,626	204,024
1918.....	41,785	..	..	7,778	53,113	..	333,551	15,797	..	24,732	278,726	..	31,768	..	112,538	163,598	3,776	503,980
1921.....	58,617	..	605,408	184,777	117,518	190,553	1,647,979	278,491	8,299,713	78,977	1,336,551	..	50,696	..	102,776	200,122	4,147	245,961
1922.....	59,959	..	m 519,536	360,810	97,997	400,965	1,781,579	369,734	33,833	207,090	775,197	307,597	101,769	54,936	91,439	178,345	3,029	364,911
1923.....	63,938	4,037	1,516,790	494,761	126,217	475,996	2,536,049	363,787	d 508,523	212,092	923,802	670,577	108,602	59,682	96,143	146,798	4,059	317,511
1924.....	66,280	..	1,156,790	408,519	172,391	655,483	3,454,511	406,663	d 544,288	289,173	1,192,470	794,898	138,588	105,287	104,298	146,694	4,869	340,598
1924—May.....	70,261	3,598	1,284,957	472,831	164,640	657,040	o 3,560,148	318,581	513,950	319,126	1,095,485	738,584	135,531	124,975	109,219	163,102	4,569	325,758
June.....	62,094	4,126	1,074,269	342,709	136,195	674,286	o 2,922,304	274,014	474,457	153,759	1,218,874	650,665	110,784	89,953	126,951	163,102	2,538	236,682
July.....	71,283	4,053	1,159,181	228,714	164,659	604,145	o 3,013,713	734,014	572,260	237,171	1,842,485	886,286	110,784	80,429	124,610	165,903	2,020	279,697
Aug.....	66,288	4,482	1,006,405	376,079	174,069	818,428	o 2,987,146	586,403	587,928	193,039	1,023,677	854,688	134,417	80,429	124,610	165,903	2,020	279,697
Sep.....	63,823	4,725	1,179,926	525,109	185,533	726,653	o 3,184,332	510,353	562,288	326,386	1,233,155	937,368	137,773	63,431	125,943	165,903	2,158	320,669
Oct.....	68,587	5,070	1,721,609	723,254	186,267	771,059	o 3,551,896	626,294	610,288	417,571	1,354,813	1,008,635	162,911	93,739	124,610	165,903	3,868	419,233
Nov.....	68,151	4,621	1,680,216	723,254	172,336	801,075	o 3,432,683	518,930	641,380	461,418	1,412,996	922,483	173,987	108,775	122,148	181,435	7,418	355,365
Dec.....	69,508	3,831	1,471,180	421,524	165,110	1,005,942	o 4,042,067	403,889	738,405	385,493	1,774,960	953,195	135,531	124,975	109,219	163,102	4,569	325,758
1925—Jan.....	69,051	3,619	1,048,792	342,386	170,512	750,390	o 3,562,615	237,977	695,657	220,688	1,119,280	762,717	135,531	124,975	109,219	163,102	4,569	325,758
Feb.....	69,530	2,319	986,162	328,031	152,202	630,701	o 3,598,061	220,289	692,843	231,211	1,403,194	693,002	136,318	103,026	80,321	171,494	7,876	404,404
Mar.....	70,303	3,122	1,439,185	360,278	171,550	630,701	o 3,762,025	228,294	704,617	464,165	1,480,447	817,745	135,531	124,975	109,219	163,102	4,569	325,758
April.....	60,877	..	..	371,136	162,699	619,306	o 3,557,744	256,797	670,047	405,175	1,343,176	669,681	144,320	89,607	85,752	164,718	3,374	361,755
May.....	61,204	..	..	..	142,355	688,481	o 3,640,187	455,255	728,002	..	1,436,585	..	150,481	..	126,000	191,049	3,661	362,757
June.....	58,893	..	..	..	142,355	688,481	o 3,640,187	455,255	728,002	..	1,436,585	..	150,481	..	126,000	191,049	3,661	362,757

Official rates. ^a Since January, 1922, gold marks valuation. ^b Since January, 1922, the value of imports is based on declarations of importers, instead of official evaluations previously used. ^c Since May, 1922, figures refer to "Union Economique Belgo-Luxembourgeoise." ^d Period September 1-21. ^e Official values. ^f From November, 1923, provisional figures based on merchants' declarations, which may differ considerably from final figures based on official quarterly valuations. ^g From April 1, 1923, including trade of Great Britain and Northern Ireland with the Irish Free State, and excluding the direct foreign trade of the Irish Free State.

IMPORTS for Domestic Consumption—Merchandise Only. (000's omitted.)

Value.								Quantity (Metric Tons).										
Period.	Aus- tra- lia.	British India.	Canada.	New Zealand	South Africa.	Japan.	Brazil.	Bel- gium.	Czecho- slovakia.	France.	Ger- many.	Greece.	Hun- gary.	Nether- lands.	Poland.	Spain.	Swit- zerland.	Brazil.
Monthly Average.	£s.	Rupees.	Dollars.	£s.	£s.	Yen.	Milreis.											
1913.....	6,365	^b 152,725	54,917	1,785	3,365	60,474	83,958	2,721	..	3,685	^a 6,076	..	..	5,041	..	987	661	467
1918.....	7,696	137,704	75,583	1,966	3,768	137,221	82,450	1,472	333	2,446	..	29	..	404	..	235	295	145
1921.....	8,222	230,729	66,616	3,461	4,447	139,481	140,820	1,472	333	2,446	2,175	77	194	1,435	404	682	357	205
1922.....	9,860	199,822	63,528	2,817	4,008	153,956	137,719	2,721	333	2,446	3,822	87	279	1,633	344	682	357	205
1923.....	11,088	185,088	75,253	2,675	4,584	161,924	188,930	2,721	333	2,446	3,822	87	279	1,633	344	682	357	205
1924.....	11,852	196,166	67,350	3,995	5,302	201,843	..	2,721	333	2,446	3,822	87	279	1,633	344	682	357	205
1924—April.....	9,822	192,722	60,203	3,061	5,685	174,389	2,749	371	4,924	2,550	92	387	1,660	212	..	506	283	..
May.....	12,477	197,497	72,058	3,783	4,955	228,596	2,489	528	5,485	3,000	132	387	1,660	212	..	506	283	..
June.....	10,737	179,847	66,396	3,842	5,123	179,243	2,533	496	4,582	3,203	106	371	2,050	249	168	506	365	..
July.....	13,335	188,519	72,631	4,095	5,494	185,471	2,593,638	2,754	570	5,140	160	479	2,443	156	139	506	412	..
Aug.....	11,756	201,389	61,970	4,588	5,710	143,297	2,607,783	2,921	567	4,457	2,083	164	367	1,482	173	148	669	412
Sept.....	11,511	206,666	63,901	4,621	5,638	142,425	2,611,717	3,117	545	4,732	2,934	164	367	1,482	173	148	669	412
Oct.....	12,378	205,066	68,184	4,041	5,762	159,607	2,504,544	3,937	565	4,660	3,330	201	385	1,956	177	181	669	388
Nov.....	12,052	217,494	66,250	3,751	4,670	193,905	300,171	1,822	586	4,360	4,892	180	411	2,217	245	230	619	349
Dec.....	12,127	164,749	60,996	4,452	5,883	187,138	287,180	2,976	645	4,751	5,078	187	518	2,185	233	107	619	349
1925.....	13,193	239,662	58,776	4,767	4,904	288,265	..	2,975	446	5,322	4,615	187	518	2,185	233	107	619	349
Jan.....	11,171	192,671	61,430	3,957	5,439	288,265	..	2,975	446	5,322	4,615	187	518	2,185	233	107	619	349
Feb.....	12,982	197,212	64,608	4,193	5,437	317,002	..	2,975	446	5,322	4,615	187	518	2,185	233	107	619	349
Mar.....	12,982	197,212	64,608	4,193	5,437	317,002	..	2,975	446	5,322	4,615	187	518	2,185	233	107	619	349
April.....	11,060	174,810	59,105	4,118	5,900	260,905	..	2,975	446	5,322	4,615	187	518	2,185	233	107	619	349
May.....	10,419	180,162	75,896	3,330	..	204,000	..	..	438	3,658	4,536	173	370	1,931	260	..	504	..

THE STATE OF TRADE AT HOME AND ABROAD—Continued from page 2.

of capacity, with new orders at about 50 per cent. The last Bureau report reveals a decline of condition of the cotton crop, but other crops are reported to be doing well with generally favourable weather. Encouraging farm prospects and the well liquidated condition of industry have inspired many observers with some degree of optimism regarding the autumn business outlook.

BRITISH EMPIRE.

Although the somewhat exuberant forecasts of this year's harvest in Canada, made last month, have since been toned down, the consensus of opinion still regards the situation as eminently satisfactory. Though hail and various pests have caused a loss in some areas, a yield well above the average is expected from the Prairie Provinces, and although the abnormally high figure of 1923 will probably not be reached, the abnormally low one of 1924 will certainly be exceeded. As planting has been cheaper than in any year since the war, the maintenance of something like present prices would assure a generous return to the farming community. Australian trade has slowed down to some extent over the last few months, the position of wool having much to do with this development. The timely and substantial rainfall which has occurred in many areas will, however, have a favourable bearing on conditions in the coming season. Reports from India at the end of last month indicated an earlier onset of the monsoon than usual, of which cultivators have taken full advantage, so that in some districts the sowing of the cotton crop had been completed by the end of June. Although a spell of better weather has supervened in the jute districts, the heavy rains of May and June have unfavourably affected the prospects for that crop. South African conditions show no marked change.

SOUTH AMERICA.

A more generous rainfall has facilitated late ploughing and sowing for the main crops in Argentina, and operations are progressing favourably. The export movement of grain has slowed down, owing to a disposition to withhold stocks pending the recovery of prices. The livestock market is rather firmer. The extent to which production and exports of Chilean nitrate have expanded is shown by the following figures of reported production and total exports for the last three seasons

respectively (based on figures supplied by the Anglo-South American Bank):—

TWELVE MONTHS ENDED JUNE 30.
(Million Metric Quintals.)

	1923.	1924.	1925.
Reported production	15.0	22.2	24.1
Total exports	21.1	21.8	25.7

Brazilian business is on quiet lines, the prices of the principal commodities having weakened to some extent.

EUROPE.

A slight quickening of activity in the French metallurgical trades has followed the lowering of the Bank of France's discount rate, and the prospects of a renewal of the producers' combines. Business on the wool market continues moderately active. Belgian conditions are still unfavourable, influenced by the doubtful political situation, exchange instability, and labour troubles. The effect of the "Stinnes Crisis" was felt throughout last month over almost the whole field of German trade and commerce. Lack of working capital is still the main hindrance to economic recovery. Dutch trade is passing through a period of seasonal dullness, similar influences being apparent in Scandinavia, where the timber market is inactive and money easier. The labour situation, on the other hand, is better. In Austria unemployment is slowly declining, chiefly as a result of improved conditions in the engineering, building, and food industries. In Hungary, Roumania, and other agricultural areas in Eastern Europe business is dull pending the autumn harvests, but crop prospects are fairly good. The so-called "Battle of the Exchanges" in Italy did not have any marked repercussion on internal business conditions in Italy last month, the cotton industry being very actively employed, though in wool and silk the tendency among buyers to hold off is becoming more apparent. Crop prospects are generally above the average. Spanish business continues slightly more active.

FAR EAST.

The Chinese situation is for the time being a little easier. The Shanghai strike has virtually collapsed, and some inquiry for cotton goods is reported. Japanese trade during the first half of July was inactive.

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In the following pages we have aimed at compiling tables which will show summary figures for as many nations of the world as possible, and we have endeavoured to combine brevity with comprehensiveness. The greater number of the figures are taken from the Monthly Statistical Bulletin of the League of Nations,* supplemented from our own statistical records. We propose in these columns to give our own appreciation of the trade position, fortified by informed opinion, and to leave the figures to be interpreted by our readers each in his own way.

* "League of Nations Monthly Bulletin of Statistics," rs 6d. Constable.

THE STATE OF TRADE AT HOME AND ABROAD.

THOUGH one does not look for active trade at the holiday season, there appears, in fact, to have been no further slackening of activity in the past month. A disastrous stoppage in the coal-mining industry, which threatened to involve many other trades, has been averted at a cost to the taxpayer as yet uncomputed, while the woollen textile industry, after a three weeks' wages dispute, has resumed operations pending arbitration. Prospects for the next few months are shrouded in uncertainty until the pressure of autumn demand can be estimated, and the practical effect of the Government's subvention on coal output prices and competitive power has been revealed.

Two distinct views as to trade possibilities hold the field at the moment. The more pessimistic is based on the admittedly unsatisfactory method by which the recent coal crisis was obviated, and lays down that so long as workers refuse to contemplate basic wage reductions in any trade, sheltered or unsheltered, unduly high costs are likely to delay indefinitely any increase of our trade in foreign markets, where the trouble avowedly lies. The more optimistic view points out that the chief drag on industry during the last twelve months has been the coal, and, to a less extent, the heavy iron and steel industries, the engineering trade as a whole having gained rather than lost ground, while the cotton textile trade has made quite definite headway. Assuming that the coal industry is "stabilised" for way. During the next nine months, the slow but steady improvement in other directions may have the opportunity to assert itself. Which of these divergent interpretations is the more correct we shall have the opportunity of judging before many months are past.

The improvement in the employment figures for July was due chiefly to the accelerated production of coal in anticipation of a stoppage, but the weekly figures for August still show some improvement as compared with six weeks ago. The recent fall in the cost of living index number is now being reflected in the wages bill, decreases in full-time wages, chiefly under sliding scales, being more widespread last month than for some time. While coal production increased last month, the output of

pig-iron declined still further, and is now very considerably below the by no means satisfactory level of twelve months ago. The steel situation is scarcely more encouraging. Foreign trade returns last month showed a welcome decline in imports, due almost entirely to reduced purchases of foreign manufactures, and a small rise in British exports. The latter remain, however, below the level of twelve months ago. In volume, the 1925 exports of coal, iron and steel and woollen goods are well below the figures of

last year, but cotton and engineering are steadily expanding their export trade. Railway receipts show an expansion due to increased seasonal passenger traffic, which has so far exceeded that of 1924. The influence of the holidays is also evident in an increase of Treasury note circulation, but current financial statistics afford more tangible encouragement than this, since the deposits and advances of the London Clearing Banks both showed an increase last month as compared with June, while the total clearings at London and important provincial centres such as Manchester moved in a similar way. The fall of $\frac{1}{2}$ per cent. in Bank rate, though unexpected, has been well received. Security values are fairly steady, with the notable exception of certain railway stocks, though there is a tendency for gilt-edged securities to gain ground at the expense of "industrials."

Among the main industries, iron and steel is still stagnant, but a rather better tone has obtained during the last fortnight. Coal has experienced a reaction after the artificial stimulus of last month, and engineering is just holding its ground. The Lancashire cotton trade, favoured by comparative stability in the price of its raw material, is rather better situated than a month ago, but the woollen textile trade has not yet settled down after the recent stoppage. The minor industries reflect the instability of seasonal conditions. Some small improvement is recorded in the demand for shipping tonnage, but the end of the "slump" of the last few months is not yet in sight.

Among overseas countries, the United States is preparing for active trade in the autumn, while

HOME TRADE STATISTICS—JULY, 1925.

	Compared with	JUNE.	JULY.	JULY, 1924.
UNEMPLOYMENT— (State Insurance %)		12.2	11.5	+ 1.6
PRODUCTION—				
Coal (million tons)		16.2	18.9	— 0.9
Iron (thous. ")		510	493	— 123
Steel (" ")		585	590	— 99
FOREIGN TRADE—				
Imports (million £'s)		111.0	98.7	— 9.4
Re-exports (" ")		10.6	11.4	+ 1.2
Exports (" ")		58.9	64.8	— 6.5
TRANSPORT—				
Railway Receipts* (£0,000)		365	415	+ 3
Shipping Freights (av. level)		92	95	— 9
COMMODITY PRICES (" ")		170	173	— 9
TRADE DISPUTES (thous. working days lost)		281	732	— 1268
SECURITY VALUES (av. level)		114	114	— 1
FINANCIAL DATA—				
Bank Notes (million £'s)		147	145	+ 18
Currency Notes (" ")		294	298	+ 5
Bank Deposits (" ")		1663	1671	— 11
Bank Advances (" ")		867	868	+ 60
Banks Cash Ratio (%)		12.1	11.8	+ 0.3
Bank Clearings:				
London (million £'s)		757	781	+ 18
Manchester (" ")		14.0	15.2	+ 0.1
Three months' Bank Drafts (Discount Rate %)		4 1/2	4 1/2	+ 1/2
Day-to-day Loans (%)		3 1/2	3 1/2	+ 1/2

(*) 1913=100. (2) Economist Index No.; July, 1914=100. (3) Bankers' Magazine Index No. of 365 securities; December, 1921=100. (4) Cash in hand and at Bank of England as % of total current, deposit, and other accounts. * Av. weekly figures.

MONTHLY BULLETIN OF STATISTICS

ISSUED by the LEAGUE OF NATIONS

A STATISTICAL REVIEW of the most recent information of the economic activity of Europe, The British Empire, America, Asia, etc., compiled from official and other defined sources.

The following among other subjects are dealt with in informative Tables:—

PRODUCTION: Coal, Iron and Steel; Shipping Construction, etc.
FOREIGN TRADE: Weight and Value of Imports and Exports; Movement of Shipping.
PRICE: Wholesale and Retail Price Index Numbers.
CURRENCY AND FINANCE: Reserves, Note Circulation, Discount Rates, Foreign Exchanges, Capital Issues, Bankruptcies, Savings Bank Deposits.
LABOUR: Unemployment Percentages.

This information is given where available for the following countries:—

ARGENTINE	DANZIG	JAPAN	PORTUGAL
AUSTRALIA	DENMARK	JUGO-SLAVIA	ROUMANIA
AUSTRIA	DUTCH EAST INDIES	LATVIA	RUSSIA
BELGIUM	EGYPT	LITHUANIA	SIAM
BOLIVIA	EQUADOR	LUXEMBURG	SOUTH AFRICA
BULGARIA	ESTHONIA	NETHERLANDS	SPAIN
BRAZIL	FINLAND	NEW ZEALAND	SWEDEN
CANADA	FRANCE	NORWAY	SWITZERLAND
CHILI	GERMANY	PALESTINE	UNITED KINGDOM
CHINA	GREECE	PARAGUAY	UNITED STATES
COLOMBIA	HUNGARY	PERU	URUGUAY
CUBA	ITALY	POLAND	VENEZUELA
CZECHOSLAVAKIA			

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satisfactory harvest prospects give a tinge of optimism to the general outlook in many parts of Europe, and in Canada. The so-called "sales crisis" continues in Germany, and French trade is marking time. On the other side of the world, there is little improvement to record in the Chinese situation, but the Japanese trade balance continues to improve.

The following notes on conditions in various trades and countries call attention to the most striking tendencies:—

HOME INDUSTRIES.

Iron and Steel.—The recent course of business in the iron and steel trades has been without any well-marked feature. Neither the threat of a coal stoppage nor the manner in which it was obviated caused any violent movement in the market, but the ensuing reductions in fuel prices, with the prospect of others to come, suggest the prospect of cheaper iron and a better competitive position vis-à-vis foreign producers. At the moment, however, smelters are having a very quiet time, due, in part, to the holiday season. Hematite has been bought rather more freely, and stocks have been reduced. The semi-finished market is distinguished by a slight access of Continental competition for a very limited amount of trade, but uncertainty as to due delivery of foreign material is enabling some British works to retain business which, on price considerations alone, would be placed abroad. Producers of constructional steel, galvanised sheets, and—in some cases—rails are rather more favourably situated, with a fair amount of work on hand, and, generally speaking, the more finished branches are least affected by current depression. The tin-plate market is steadier, but substantial orders are difficult to secure.

Coal.—The spurt of buying at the end of July came abruptly to an end with the settlement of the labour dispute, and markets have since been stagnant. Some uncertainty still prevails as to the exact effect of the Government's financial intervention, but the prevailing view is that the downward tendency of prices, already apparent, will persist still further. In the circumstances, buyers are tending to hold off, and until autumn business is under way no great change can be looked for. Industrial demand is seasonally slow, and merchants have fair supplies on hand for domestic requirements. Gas coals are in quiet request. The export trade shows little life, many foreign consumers having anticipated their normal requirements in view of the threatened stoppage last month, and there has not yet been sufficient time to test the effect on business of a lower range of prices.

Engineering.—The situation in the engineering trades generally shows little or no change. Depressed sections remain depressed, while more active branches have, as a rule, maintained their position, with little to spare. The motor and cycle trades are still an outstanding feature. Orders for the current season are still being actively carried out, and preparations for next season pushed forward. Electrical manufacturing is rather less active, but prospects for autumn business are fairly good. Wagon building is an exception to the general rule, the home market having improved, and textile machinery makers have obtained rather more orders, chiefly from Continental sources. The machine tool trade, on the other hand, continues to make little headway, and no change for the better is reported by locomotive manufacturers. Shipbuilding, unfortunately, is still without any sign of a turning in the long lane of depression, and the outlook for marine engineering is correspondingly unsatisfactory.

Cotton.—Our Manchester correspondent writes:—On the whole the position of cotton spinners and manufacturers in Lancashire is rather better. Inquiry has broadened, and although buying has been irregular, turnover shows an improvement. Trading has been favoured by comparatively small fluctuations in raw cotton rates, but latterly bearish sentiment has been rather more pronounced, and manufactured goods merchants are afraid of committing themselves very far ahead. Further progress has been made by the cotton crop in the United States, and there is now every probability of the output being larger than last season. Cloth demand during the month has been more varied than for some time. Although clearances in the Indian bazaars are not all that could be desired, the general trade outlook is considered healthy, and another successful monsoon season appears to be assured. The trade done for China has been rather surprising, in view of the unsettled conditions. Quite an encouraging turnover has taken place in white shirtings and fancies. It has been a poor month for fresh trade with Egypt, but this is usually a quiet time of the year for that outlet. The markets of South America have given moderate support, and quite a healthy business has been done with the Continent, special reference being made to the substantial contracts in yarn and cloth for Russia. All round quotations for piece-goods are steadier than a month ago. The yarn market has also gained a little ground. The extra restriction of output, in addition to the annual holidays, has resulted in a considerable curtailment of production, the accu-

mulation of stocks has been checked and most spinners have booked more orders. Slightly more activity has been experienced in yarns for India and the Continent. Demand in Egyptian spinnings, which has been slack for several months, has shown signs of improvement, but in this section there is still an anticipation of lower values.

Woollen and Worsted Trades.—The July wool sales passed off without any further decline of prices, and induced a partial return of confidence in the trade. No considerable accession of business resulted, however, before the occurrence of a stoppage throughout the greater part of the West Riding, lasting from the last week of July to the middle of August. Business became entirely stagnant, the few spinners who continued working having taken up comparatively small weights of merino and crossbred tops. The resumption of operations witnessed some little improvement in demand, though buyers have as yet insufficient faith in the future to do much forward buying.

Boots and Shoes.—Business before the holidays was quiet, summer trade as a whole having scarcely come up to expectation. The boot and shoe trades are particularly sensitive to depressed conditions in other industries, and many factories are much less favourably situated as regards orders than at this time last year. Export demand shows little change.

Pottery.—Output continues on a restricted scale, and the annual holidays were extended over a fortnight, and, in some cases, three weeks. Some improvement is looked for over the autumn.

Chemical Trades.—Conditions have improved, on the whole, during the last few weeks, and prices have increased in a number of cases. Slightly more activity is reported from the coal-tar group, and in the fine chemical market the tone is firmer.

Shipping.—The freight market has been appreciably more active, a condition reflected in a rise of our index number of "tramp" freights from 91.7 in June to 94.9 last month (1913 = 100). Of the three factors responsible—demand for collier tonnage in anticipation of a coal strike, restricted offerings due to the laying-up of vessels, and tentative signs of increased activity in the grain markets—only the last-named can be deemed entirely satisfactory. A much greater rise in freight levels is needed to put an end to the acute depression of the last few months, and it is too early as yet to pronounce on the possibility of such a movement.

UNITED STATES OF AMERICA.

The following "indicators" of American trade conditions have been extracted from the most recent number of the "Survey of Current Business," issued by the United States Department of Commerce, and may serve as an approximate guide to recent trade tendencies:—

	May, 1925.	June, 1925.	Compared with June, 1924.
Production—Pig-iron .....thous. tons	2,931	2,666	+ 640
Steel ingots.....	3,458	3,207	+ 1,141
U.S. Steel Corporation unfilled orders, thous. tons	4,050	3,710	+ 447
Wholesale prices (1913=100).....	155	157	+ 12
Bank clearings—New York.....million \$	23,847	24,019	+ 4,060
Outside.....	17,103	18,244	+ 2,844
Retail business: (Total sales of mail order houses).....	29.5	30.5	+ 3.5
Imports—Value.....	327	326	+ 52
Exports—Value.....	371	326	+ 19

(Continued on page 20.)

SOME STATISTICS OF THE WORLD'S COAL TRADE

Continued from p. 15.

indeed. Argentina and China purchased more, and the United States less than in 1923.

The following, then, seem to be the main conclusions to be drawn from this survey. During 1924 the world's coal production showed practically no change as compared with the previous year, but as the world's trade in this commodity fell by something between 10 and 15 per cent., a larger proportion of the whole was either consumed in producing countries or put into stock. The decline in demand originated chiefly in two areas: (1) North America, where a set-back in general trade was experienced, and (2) Central Europe, where imports returned to a more normal level after the Ruhr adventure. The brunt of these movements fell on the three major exporting countries, but was disproportionately great as regards the United Kingdom. This disproportion could probably be remedied by improved efficiency and lower costs in the British coal industry, but a more ample degree of recovery would seem to wait upon events in the world market.

SOME STATISTICS OF THE WORLD'S COAL TRADE.

THE British taxpayer, whose hand must shortly search his pocket on behalf of a great national industry, is concerned to know whether the coal trade's present difficulties are "subjective" or "objective"—in other words, whether the undoubted depression of the moment is confined to Great Britain or reflects a world movement which is handicapping all coal-producing and exporting countries. The two views came sharply into conflict during the recent negotiations, and it is clearly of the utmost importance to know whether the industry may hope to overcome its disabilities by putting its own house in order or must await the favourable conjunction of external circumstances over which it may have little or no control. The following tables, based on data supplied through the courtesy of the Mineral Resources Department of the Imperial Institute, throw some light on the fluctuations in the world's coal trade down to the end of 1924, and Great Britain's part therein.

Our first table shows the approximate world production of coal in 1913 and during each of the years 1921 to 1924, the chief producers being arranged in order of magnitude in the latter year:—

COAL PRODUCTION (including Brown Coal), 1921-24.
(In Thousands of Long Tons.)

Country.	1913.	1921.	1922.	1923.	1924.
U. S. of America	508,893	452,139	425,849	587,050	511,860
United Kingdom	287,431	163,251	249,607	276,001	267,118
Germany (a)	274,264	255,148	262,878	177,573	239,280
France (b)	40,188	37,916	42,460	46,121	58,039
Czechoslovakia	..	32,174	28,385	27,380	34,306
Poland (c)	..	7,717	24,300	35,701	31,793
Japan	20,973	25,944	27,420	28,632 (d)	30,000
Belgium	22,474	21,401	20,868	22,554	22,984
India	16,208	19,303	19,011	19,658	21,177
22 other countries ..	142,107	92,376	98,179	103,641 (e)	106,116
Total, 31 countries ..	1,312,538	1,107,369	1,198,957	1,324,311	1,322,673
British share of total (%).....	21.9	14.8	20.8	20.8	20.1

(a) Excluding Upper Silesia from June, 1922. (b) Including Saar. (c) Including Polish Upper Silesia from June, 1922. (d) Approximate. (e) Assuming Chinese production as in 1923.

There was practically no falling off in production last year. Taking the 1924 total figure as 100, we have the following:—1921, 83; 1922, 90; 1923, 100. The shares of individual producers have, however, shown considerable variation. The United States contributed, broadly, 38.6 per cent. of the total last year, as against 44.4 per cent. in 1923; Germany, 18.1 per cent., against 13.4 per cent.; France, 4.4 per cent., against 3.5 per cent.; but the United Kingdom's quota was surprisingly steady—20.1 per cent. in 1924, as compared with 20.8 per cent. in 1923. To put the same thing in another way, increased production in France and Germany broadly compensated for a decrease of 75,000,000 tons in the United States, which last year experienced a marked recession in domestic business, while Great Britain largely maintained her position among world producers, both absolutely and relatively.

COAL EXPORTS (including Bunkers), 1921-24.
(In Thousands of Long Tons.)

Country.	1921.	1922.	1923.	1924.
United Kingdom	24,661	64,198	79,459	61,651
United States of America	10,926	18,259	18,159	17,689
Poland	24,829	13,450	23,710	19,851
Czechoslovakia (b)	7,548	4,120	4,547	3,989
South Africa	(a) 330	(a) 5,237	12,355	11,346
China	5,691	4,420	3,758	4,595
Netherlands	3,064	3,696	3,317	3,337
Belgium and Luxembourg (e) ..	1,886	2,377	2,808	3,197
Germany	1,902	2,220	2,214	2,775
Australia	6,545	3,095	2,447	2,111
France	(c) 4,084	4,998	2,609 (d)	2,609
9 other countries	3,678	2,526	2,238	2,209
Total, 20 countries	1,680	2,070	2,401	2,235
British share of total (%).....	35.6	61.5	59.9	56.5

(a) Including briquettes. (b) About 60 per cent. brown coal. (c) 8 months only. (d) Approximate. (e) 1921 Belgium only.

When we come to trade, as distinguished from production, a very different state of affairs is discovered. We have taken 1921-24 the figures for 20 countries, which are responsible for the bulk of the world's coal exports (with the exception of Japan, for which returns are not available). The results are shown above. Coal supplied for bunkers is given separately in the case of the two most important exporting countries, and included in the figures for other countries where known.

The figures do not tell the whole story, since exports of coke, patent fuel, and by-products are not included, but this does not seriously affect the general conclusions, which are sufficiently plain. The total exports (including bunkers) of the 20 countries declined by 14 per cent. last year, as compared with 1923. Exports from the United Kingdom fell 22 per cent., or, if bunker coal be included, 19 per cent. American exports declined by 16 per cent., Polish by 8 per cent. These three countries account for more than four-fifths of the total exports shown in our table. Their figures show a drop last year of 23,700,000 tons. As the falling-off in the combined figures of the 20 countries is 22,300,000 tons, the trade of the remaining 17 States would appear to have changed very slightly for the better on balance.

Our final table shows the imports of 29 countries for the past four years:—

COAL IMPORTS (less Re-exports), 1921-1924.
(In Thousands of Long Tons.)

Country.	1921.	1922.	1923.	1924.
British Empire—	15,329	12,788	18,292	13,968
Canada	1,489	882	592	448
India (a)	1,176	1,048	1,038	799
Hong-Kong	715	582	545	789
Ceylon	813	501	445	674
New Zealand	516	349	348	504
8 other Empire Countries	..	..	..	..
Total, 13 Dominions & Colonies	20,038	16,150	21,260	17,182
Europe—	18,102	22,061	25,846	24,703
France	2,329	14,379	26,240	15,035
Germany (b)	5,538	5,582	7,764	9,171
Belgium and Luxembourg (c) ..	4,947	6,406	7,530	7,447
Italy (d)	5,345	(e) 4,700	4,533	5,277
Austria (b)	4,815	6,116	6,284	7,066
Netherlands	2,054	2,777	3,166	3,521
Denmark	1,435	2,592	3,278	3,423
Sweden	879	1,723	1,813	2,009
Norway	1,049	1,236	1,718	1,657
Switzerland	940	508	832	952
Czechoslovakia	436	784	766	886
Portugal	80	225	482	609
Finland	..	..	..	..
Total, 13 European countries	47,949	69,089	90,252	81,766
Argentina	1,693	2,184	2,538	3,246
United States of America	1,127	4,721	1,944	478
China	1,362	1,151	1,366	1,610
Grand total, 29 countries ..	72,169	93,295	117,360	104,282

(a) Excluding Government stores. (b) Including brown coal. (c) 1921, Belgium only. (d) Including coke and patent fuel. (e) Approximate.

The total imports of the 29 countries show a falling-off of 12 per cent. in 1924, as compared with the previous year. In the case of the 13 Dominions and Colonies of the British Empire, whose figures are available, the decline amounts to 19 per cent., and in that of 13 European countries to 9½ per cent. Canada, far and away the largest coal importer in the Empire, reduced her purchases from 18½ million tons to less than 14 millions. India and Hong Kong took less, and the rest of the Empire more coal last year than in 1923. Of European importers, Germany and France are pre-eminent. France's purchases fell by only 1 million tons, but Germany, whose 1923 import figures were altogether abnormal as a result of the Ruhr occupation, showed a decline of over 12 million tons. It is significant that of the remaining 11 European countries, 9 imported more coal last year than in 1923, while the other two showed a very slight decline

(Continued on page 14.)

PRODUCTION. (Thousands of Metric Tons.)

[illegible]

^a Including lignite. ^c Including the production of Lorraine and Saar. ^d Saleable coal only. Irish Free State production omitted since 1921. ^e Average of two months. ^f Strike period. ^g From 1919 excluding Alsace-Lorraine and from 1920 excluding Saar and Palatinat: from June, 1922, excluding Upper Silesia. ^h Since July, 1922, including Upper Silesia. ⁱ Excluding Rhine mines. ^m Excluding Saar. ⁿ Decrease in production.

PIG IRON.

IRON.										STEEL.									
Period.	United Kingdom.	Belgium.	France.	Saar.	Germany.	Luxemburg.	Sweden.	Canada.	United States.	United Kingdom.	Belgium.	France.	Saar.	Germany.	Luxemburg.	Sweden.	Canada.	United States.	
Monthly Average.																			
1913	869	207	434	108	1,609	212	61	85	2,601	619	205	396	172	1,578	101	62	88	2,564	
1916	768	133	109	..	989	106	64	90	3,260	812	1	151	..	1,248	73	19	43	3,645	
1921	222	77	280	86	664	61	26	51	1,401	314	66	259	77	833	64	23	147	1,628	
1922	415	134	422	86	783	140	22	37	2,476	494	130	373	106	976	117	29	41	2,987	
1923	636	182	422	95	411	117	23	75	3,329	719	d 190	415	83	525	100	25	76	3,682	
1924	620	234	638	114	..	181	42	50	2,634	696	d 238	576	119	..	157	45	55	3,103	
					e	d		k						e	d				
1924—July	625	247	636	113	599	181	41	46	1,814	704	d 245	565	118	762	157	41	53	1,908	
August	598	244	656	124	599	181	43	23	1,917	736	d 238	582	129	762	156	46	23	2,594	
September	578	239	641	101	599	177	40	24	2,086	655	d 245	598	114	762	156	43	18	2,873	
October	596	246	660	99	803	189	45	29	2,517	689	d 256	609	110	580	158	50	20	3,176	
November	583	217	634	106	803	185	39	23	2,450	684	d 217	558	112	580	158	50	20	3,176	
December	590	216	650	116	803	201	37	23	3,009	690	d 215	647	108	580	158	50	20	3,176	
1925—January	594	249	669	114	..	191	32	29	3,424	615	d 247	608	118	..	171	37	28	3,627	
February	551	246	637	..	..	177	34	30	3,265	663	d 249	607	..	..	157	42	38	3,171	
March	618	282	689	..	..	199	35	65	3,621	696	d 267	607	..	..	171	37	28	3,627	
April	579	268	686	..	..	187	40	61	3,311	607	d 251	587	..	..	178	44	110	4,266	
May	584	275	706	..	..	190	46	64	2,978	662	d 253	596	..	..	167	47	90	3,645	
June	518	213	703	..	..	190	37	47	2,716	595	d 600	600	..	..	167	52	102	3,514	
July	500	..	..	..	..	..	..	..	2,604	600	d 600	..	..	..	171	34	64	3,259	

* Excluding Luxemburg, including Alsace-Lorraine and Saar, from 1913 to October, 1918; for 1920-1923 figures not official. d Ingots and castings. e Average nine months Jan. to Sept., 1924. k Corrected figures based on returns from works responsible in 1923 for 95% of total production.

WHOLESALE PRICES.

Monthly Average.	U.K.		Belgium.	Czechoslovakia.	Denmark.	France.	Germany. ("Frankfurter Zeitung")	Holland.	Italy (Bachl).	Norway.	Poland.	Russia.	Spain.	Sweden.	Switzerland.	Australia.	British India.	Canada.
	Bo'd of Trade.	Econo- mist.																
1913	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
1918	224.9	224.9	356	356	292	339.2	373	409.1	373	409.1	373	409.1	373	409.1	373	409.1	373	409.1
1921	197.2	181.0	356	356	178	345.0	182	577.5	182	577.5	182	57.046	207	222	191.2	177.8	180	199
1922	158.8	159.3	367	1,334	181	386.6	205,417	160	562.3	232	72.8	0.96	150	222	191.2	177.8	180	199
1923	158.9	163.1	497	977	210	418.9	140.1	151	574.6	232	85.9	1.72	176	173	167.5	161.6	180	153
1924	166.2	173.9	573	573	234	468.5	146.9	156	585.0	267	110.2	1.72	183	162	180.6	178.7	176	153
1924-July	162.6	172.9	566	986	233	481.0	m	134.2	151	567.4	265	1.75	182	157	170.6	170.5	a	153
August	165.2	171.8	547	982	231	476.6	m	133.2	151	572.3	271	1.73	182	160	169.9	169.4	a	153
September	166.9	175.6	550	999	234	485.6	m	141.3	158	580.1	272	1.72	182	163	169.0	169.7	a	153
October	170.2	180.0	555	1,013	231	497.1	m	140.7	161	601.7	273	1.72	182	163	169.0	169.7	a	153
November	170.0	179.5	569	1,024	234	503.5	m	140.9	161	620.5	276	1.72	182	167	168.5	171.0	a	153
December	170.1	180.3	566	1,045	234	507.2	m	146.9	160	639.8	279	1.72	182	167	169.8	170.9	a	153
1925-January	171.0	177.1	559	1,048	234	514.4	m	147.1	160	657.0	279	1.72	182	167	170.6	172.6	a	153
February	168.8	177.2	551	1,034	230	515.0	m	146.3	158	660.1	281	1.78	191	169	170.8	171.2	a	153
March	162.5	173.8	546	1,020	216	513.5	m	144.3	155	659.4	279	1.73	182	169	169.9	170.4	a	153
April	162.5	173.8	546	1,020	216	513.5	m	144.3	155	659.4	279	1.73	182	169	169.9	170.4	a	153
May	169.0	165.5	537	988	218	520.0	m	140.6	151	658.1	273	1.72	182	168	165.9	167.8	a	153
June	157.7	161.6	552	1,009	206	542.5	m	142.6	151	659.8	282	1.72	182	168	163.0	166.1	a	153
July	157.5	164.9	552	1,009	212	557.5	m	142.3	153	682.6	280	1.72	182	161	161.9	166.8	a	153

a From 1920 revised index. b End of the month. c New index compiled by Central Statistical Bureau middle of each month. d Beginning of the following month.
e Revised index number. f 100,000,000's omitted. g Middle of month. h 1914. i Beginning of the following year.
j Zloty prices; April, 1924=109.1. k Since January, 1924, number of commodities changed. l Prices shown in 1924.
m Beginning of the following year.

Wholesale Prices—Continued.

Monthly Average.					Cost of Living.—(Base = 100.)										
South Africa.	China.	Japan.	United States, Bureau of Labour.	No. of Towns and Localities.	U.K.	Irish Free State.	Austria.	Belgium.	Bulgaria.	France.	Germany.		Italy.	Spain.	Canada.
					630	105	Vienna.	59	12	Paris.	71	Berlin.	Milan.	Madrid.	60
					Base.	July, 1914.	July, 1914.	July, 1914.	July, 1921.	1914.	Oct., 1913, Jan., April, June, 1914.	Aug., 1913, July, 1914.	Jan., June, 1914.	1914.	1913.
1913	100	100	100	100	1918—July ..	210	..	1,160	..	d	..	..	..	..	..
1918	153.1	..	196.8	194	1921—July ..	222	..	9,970	..	..	..	..	..	..	..
1921	160.4	150.2	200.4	147	1922—July ..	181	185	264,511	100	1910	307	..	286	154	146
1922	128.4	146.6	196.8	149	1923—July ..	171	180	1,090,300	90	2632	302	1124	494	189	155
1923	126.6	156.4	199.1	154	1924—July ..	171	183	1,239,100	109	2464	334	5392	6122	147	147
1924	128.7	153.9	206.5	150		a			125	2812	366	3765100	488	177	145
1924—July ..	124.8	151.5	195.3	147	1924—July ..	171	183	1,239,100	125	2565	..	b 116.0	512	184	145
August ..	..	148.8	200.1	150	1924—Aug. ..	172	..	1,314,200	125	2644	..	b 116.0	511	182	144
September ..	..	149.3	206.5	149	1924—Sept. ..	176	..	1,316,200	127	2697	367	b 116.0	516	180	145
October ..	132.5	152.8	213.0	152	1924—Oct. ..	180	193	1,350,700	128	2785	..	b 103.3	546	189	146
November ..	..	154.9	214.5	153	1924—Nov. ..	181	..	1,357,400	137	2845	..	b 108.7	563	175	147
December ..	..	153.5	213.7	157	1924—Dec. ..	180	..	1,365,000	137	3010	..	b 122.5	573	190	148
1925—January ..	130.0	159.9	210.0	160	1925—Jan. ..	179	195	1,376,200	139	3083	377	b 122.6	580	188	149
February ..	..	160.3	204.3	161	1925—Feb. ..	179	..	1,383,200	137	3186	..	b 108.1	592	180	150
March ..	129.8	169.3	201.7	156	1925—Mar. ..	175	188	1,365,000	136	3127	386	b 135.6	600	189	146
April ..	..	167.8	199.4	155	1925—April ..	173	..	1,343,200	131	3074	..	b 135.0	591	..	146
May ..	..	157.3	..	157	1925—May ..	173	..	..	128	..	..	b 136.7	591	..	146
June ..	..	..	199.0	157	1925—June ..	173	..	..	131	..	390	b 135.5	591	..	146
July ..	..	..	..	157	1925—July ..	173	..	..	..	..	..	b 135.5	591	..	146

a The first of the following month. b Gold mark prices. c Figures no longer published. d Yearly figures are averages.

FINANCE.

Notes in Circulation. (000,000's omitted.)

Period.	United Kingdom.		Austria.	Belgium.	Bulgaria.	Czecho- slovakia.	Den- mark.	Finland.	France.	Germany.		Greece.	Hun- gary.	Jugo- Slavia.	Netherlands.		
End of	Bank of England Notes.	Currency Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Reichs- bank Notes.	Reichs-und Darlehens- kassenscheine.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	State Notes.	
	£	£	Schilling.	Francs.	Leva.	Koruna.	Kron.	Markat.	Francs.	Marks.	Marks.	Drachme.	Korona.	Dinars.	Gulden.	Gulden.	
1913.....	296	..	..	1,067	189	..	152	113	5,714	2,593	149	h 245	..	..	313	..	
1918.....	702	323.2	..	3,210	2,293	..	450	1,156	31,055	12,618	10,599	1,274	..	..	1,069	69	
1921.....	107.1	325.6	174.115	3,290	3,615	12.130	471	1,356	36,359	113,639	8,523	2,161	25,175	4,688	1,013	33	
1922.....	102.9	325.4	14,080.177	6,701	3,886	10,064	459	1,421	36,359	1,280,095	13,663	3,149	75,887	5,040	1,012	32	
1923.....	105.1	292.7	713	7,460	4,193	9,959	473	1,352	39,114	149,650.742	772	4,681	931.337	5,790	1,066	32	
1924.....	101.3	296.3	839	7,590	4,530	8,810	478	1,250	40,885	1,941	m 1,835	4,821	4,513,990	6,002	935	23	
1924-June	105.4	292.1	777	7,583	4,715	8,081	477	1,305	40,115	1097308.572	182	m 1,772	4,542	2,893,719	5,434	983	29
July	104.6	295.6	800	7,764	4,993	8,030	470	1,261	40,324	1211038.485	128	m 1,803	4,475	3,277,943	5,568	964	29
Aug.	103.3	289.4	800	7,641	4,278	8,140	471	1,273	40,034	1391895.246	101	m 1,832	4,422	3,659,757	5,822	999	28
Sept.	99.6	287.5	800	7,628	4,362	8,223	473	1,279	40,534	1520510.653	712	m 1,853	4,654	4,115,925	5,968	972	30
Oct.	101.1	285.0	821	7,630	4,496	8,586	495	1,258	40,529	1,781	m 1,715	4,754	4,635,090	5,990	998	26	
Nov.	101.4	288.1	807	7,603	4,623	8,501	479	1,228	40,447	1,863	m 1,677	4,826	4,442,644	6,034	964	24	
Dec.	101.3	296.3	839	7,590	4,530	8,810	478	1,250	40,885	1,941	m 1,835	4,821	4,513,990	6,002	935	23	
1925-Jan.	97.5	281.2	790	7,648	4,458	7,917	456	1,205	40,516	1,901	m 1,847	4,847	4,449,653	5,795	922	22	
Feb.	97.9	281.2	796	7,599	4,380	7,727	453	1,288	40,723	1,906	m 1,736	4,973	3,373,985	5,760	912	21	
Mar.	94.4	288.6	790	7,550	4,277	7,681	452	1,384	40,904	2,315	m 1,611	5,222	4,270,096	5,994	898	20	
Apr.	94.4	288.6	798	7,665	4,171	7,526	465	1,382	43,050	2,452	m 1,480	5,241	4,526,216	5,671	896	19	
May	94.9	295.5	817	7,489	4,174	7,437	467	1,336	42,703	2,609	m 1,551	5,098	4,493,649	5,771	900	19	
June	92.7	293.5	828	7,562	4,155	7,587	468	1,286	43,800	2,474	m 1,672	5,062	4,583,176	5,644	889	18	
July	90.0	301.0	837	7,688	..	7,549	449	1,222	44,495	2,530	..	..	4,743,662	5,661	900	18	

Period.	Italy.		Norway.	Poland.		Roumania.	Russia.			Sweden.	Switzerland.	Australia.	Canada.	South Africa.	Egypt.	United States.	Japan.	
End of	Bank Notes.	State Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	State Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	State Notes.	Total Dominion & Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	State Notes.	Bank Notes.
	Lire.	Lire.	Kroner.	Marki p.	Zloty.	Lei.	Gd. Rbls.	Roubles.	Tohert.	Kronor.	Francs.	£	Dollars.	£	£s	Dollars.	Dollars.	Yen.
1913	b			a	n			p				d		k	2			494
1913	2,384	499	108	..	..	437	..	2	..	234	314	100	227	2-3	2-2	726	343	1,144
1918	11,750	2,124	431	..	..	2,489	..	57	..	814	976	58-9	530	6-3	3-5	3,402	291	1,541
1921	19,309	2,267	410	229,538	..	..	..	17,540	..	628	1,009	68-5	444	8-8	35-3	3,257	281	1,541
1922	18,012	2,267	385	793,437	..	15,126	..	2,138,710	0-4	584	976	61-8	414	8-1	31-7	2,881	298	1,541
1923	17,247	2,428	396	125,371,965	..	17,917	..	178,509,900	2-37	576	382	52-2	408	8-8	34-3	2,951	308	1,598
1924	18,114	2,400	391	3,514,000	551	19,397	223	..	41-1	537	914	56-9	411	9-1	40-2	2,555	297	1,561
1904-June	17,525	2,428	395	141,858,402	334	17,799	129	248,000,000	29-9	557	866	56-9	369	9-1	28-1	2,587	299	1,364
July	17,513	2,400	390	34,229,367	390	17,895	162	241,500,000	30-1	515	866	56-9	353	8-4	26-4	2,485	303	1,303
Aug.	17,353	2,400	390	18,182,665	434	18,493	181	241,000,000	33-1	528	869	56-9	365	8-5	26-5	2,497	310	1,303
Sept.	17,761	2,400	389	10,804,556	460	18,842	202	..	35-0	564	891	56-9	359	8-5	32-6	2,475	306	1,230
Oct.	18,071	2,400	386	5,785,000	504	19,164	218	..	37-3	536	882	56-9	400	8-9	37-7	2,527	307	1,254
Nov.	17,756	2,400	376	3,782,000	498	19,227	226	..	40-2	537	859	56-9	405	9-0	41-1	2,608	306	1,254
Dec.	17,794	2,400	391	3,514,000	551	19,397	229	..	41-1	537	914	56-9	411	9-1	40-2	2,555	297	1,561
1925-Jan.	17,655	2,400	361	3,146,000	553	19,149	234	..	37-3	483	825	56-9	364	8-9	38-2	2,408	285	1,364
Feb.	17,471	2,400	368	3,106,800	550	19,122	236	..	37-3	483	825	56-9	363	9-0	37-0	2,460	290	1,297
Mar.	17,693	2,300	380	3,078,000	563	19,071	245	..	40-2	493	830	56-9	345	8-6	35-2	2,381	282	1,207
Apr.	17,645	2,100	380	3,036,600	567	19,121	245	..	40-2	493	830	56-9	345	8-6	35-2	2,381	282	1,207
May	17,744	2,100	374	2,770,200	557	19,381	258	..	41-8	500	822	56-9	345	8-5	32-6	2,384	286	1,277
June	19,017	2,100	387	g	503	19,536	..	..	46-1	523	834	..	..	..	..	2,325	281	1,344
July	19,017	2,100	384	g	462	..	..	..	67-8	494	824	..	..	..	..	..	..	..

^a Including German, Russian, and Austro-Hungarian notes, converted into national currency. ^b Three banks of issue: Banks of Italy, Naples, and Sicily.
^c Including Austro-Hungarian and other notes, converted after the War into national currency. ^d Gross issue, without deduction of notes held by Banking
Department. ^e Excluding notes held on redemption account in respect of Currency Notes. ^f Includes notes called in, but not cancelled. ^g Ceased to be
exchangeable against Zloty notes. ^h Until February, 1923, Julian Calendar. ⁱ Including notes of the Bank of Crete, amalgamated with the National
Bank of Greece in 1919, and those of the Ionian Bank, amalgamated in April, 1920. ^j Circulation in Union only. ^k Millions. ^l Rentenmarks issued by Rentenbank.
^m 1 Zloty = 1,000,000 F. Marks. ⁿ Thousands. ^o Excluding 1 and 2 lire notes. ^p Not presented for exchange. ^q In Reichsmarks. ^r In Kronen.
One schilling = 10,000 paper kronen.

LONDON RATES OF EXCHANGE.

	Paris.	Brussels.	Italy.	Switzer- land.	Madrid.	Amster- dam.	Stock- holm.	Oslo.	Copen- hagen.	Berlin.	Vienna.	New York.	Buenos Aires.
	Francs to £1.	Francs to £1.	Lire to £1.	Francs to £1.	Pesetas to £1.	Florins to £1.	Kronor to £1.	Kroner to £1.	Kroner to £1.	Marks to £1.	Krone to £1.	Dollars to £1.	Pence to Dollars.
Par level	25·22½	25·22½	25·22½	25·22½	25·22½	19·107	18·159	18·159	18·159	20·43	24·02	4·86½	47½
Highest, 1924	120·25	139·00	113·30	25·00	35·35	11·87	17·58	32·92	28·26	22	340·000	4·74½	46½
Lowest "	63·30	73·75	94	23·20	30·90	11·29	16·14	29·60	24·40	17	295·000	4·20	39½
Beginning of—													
July, 1914	25·15	25·35½	25·25½	25·19½	28·10	19·11½	18·30	18·25	18·30	20·49½	24·55	4·87½	47½
January, 1919	27·97½	27·60	30·31½	22·95½	23·67½	19·78½	16·85	16·85	17·87½	"	"	4·76½	51½
January, 1920	40·92½	40·42½	50·00	21·16½	19·78½	10·07	17·50	18·60	19·66½	187½	"	3·78½	62½
January, 1921	61·06½	58·07½	104½	23·55	27·46½	11·36½	17·56	22·42½	22·17½	362	1,500	3·54½	51½
January, 1922	52·32½	54·65½	97½	23·55	28·19½	11·44½	16·97½	26·99½	21·12½	791½	13,000	4·20	43½
January, 1923	62·32½	64·65½	97½	23·55	28·19½	11·79	17·37½	25·12½	23·40	48,500	330,000	4·68	44
January, 1924	66·30	72·65	104½	24·72½	29·73½	11·79	17·37½	25·12½	23·40	193 billions 19·94 gildmarks	305,500	4·74½	44
January, 1924	87·85	92·45	100½	24·63½	33·85	11·79	17·37½	25·12½	23·40	20,100	337,500	4·78½	43½
January, 1925	87·40½	94·79½	112·35	24·34½	33·95½	11·71	16·26½	25·37½	23·37½	"	33,935	4·85½	44½
April "	90·70	94·55	116½	24·75½	33·37½	11·71	16·26½	25·37½	23·37½	"	33,935	4·85½	44½
May "	93·19½	95·17½	118½	25·07½	33·64½	11·71	16·26½	25·37½	23·37½	"	33,935	4·85½	44½
June "	180·38½	102·42½	122½	25·02	33·30	12·02½	18·16½	28·90½	25·84½	20·38½	"	4·85½	44½
July "	103·25	104·45	135½	25·06	33·30	12·02½	18·16½	28·90½	25·84½	20·40½	"	4·85½	44½
August "	103·25	104·45	135½	25·06	33·30	12·02½	18·16½	28·90½	25·84½	20·42½	"	4·85½	44½
August "	103·25	104·45	135½	25·01	33·65½	12·08½	18·06½	26·77½	21·34½	20·42½	"	4·85½	44½

	Rio de Janeiro.	Monte Video.	Valparaíso.	Bombay.	Hong Kong.	Shanghai.	Yokohama.	Singapore.	Place.	Method of Quoting.	July Quotations.		
	Pesos to Milreis.	Pesos to Dollars.	Pesos to £.	10 to Gold Sovereigns.	Sterling to Dollar.	Sterling to Tael.	Sterling to Yen.	Sterling to Dollar.			Highest.	Lowest.	Average.
Par level	16	51	13.33	s d	s d	s d	s d	s d	New York.				
Highest, 1924	64½	52	45.30	1 6½	2 6	2 0½	2 2½	2 4½	July, 1924.....	Dollars	4.41½	4.31½	4.370
Lowest	5	41½	38.60	1 4½	2 3½	3 ½	2 7½	2 5½	June, 1925.....	to £1.	4.85½	4.85½	4.86½
									July, 1925.....		4.86½	4.85½	4.860
Beginning of—									Paris.				
July, 1914.....	16½	51½	13.33	1 3½	1 10½	2 6½	2 0½	2 4½	July, 1924.....	Francs	82.05	88.60	85.338
January, 1918.....	17½	52½	45.30	1 5½	3 4½	5 2	2 1½	2 4½	June, 1925.....	to £1.	108.10	97.32	101.814
January, 1920.....	17½	52½	45.30	2 4½	4 10½	7 8½	2 8	2 4½	July, 1925.....		109.20	101.20	103.472
January, 1921.....	17½	52½	45.30	1 5½	3 2½	4 1½	2 8½	2 5½	Amsterdam.				
January, 1922.....	7½	40	40.20	1 4	2 7½	3 6½	2 3½	2 4½	July, 1924.....	Florins	11.59½	11.46½	11.511
January, 1923.....	5½	44	34.70	1 4½	2 2½	3 4½	2 1½	2 4½	June, 1925.....	to £1.	12.14½	12.09	12.108
January, 1924.....	5½	43	40.30	1 6½	2 4½	3 1½	2 7½	2 4½	July, 1925.....		12.14½	12.09	12.117
January, 1925.....	5½	43	40.30	1 6½	2 4½	3 1½	2 7½	2 4½	Berlin.				
April	5½	47½	41.70	1 5½	2 3½	3 1	1 9½	2 4½	July, 1924.....	Reichmks.	118½	418	118.314
May	4½	44½	41.00	1 6	2 3½	3 0½	1 8½	2 4½	June, 1925.....	to £1.	20.14	20.39	20.417
June	5½	47½	42.10	1 6½	2 3½	3 1½	1 8½	2 4½	July, 1925.....		20.45	20.38	20.415
July	5½	47½	41.50	1 6½	2 4½	3 1½	1 8½	2 4½					

5 Pence to Pence

‡ Schilling to £1.

† Billion paper marks

* Daily rates.

FOREIGN TRADE.

IMPORTS for Domestic Consumption—Merchandise Only. (000's omitted.)

Period.	U.K.	Irish Free State.	Belgium.	Bul- garia.	Den- mark.	Esa- thonia.	France.	Fin- land.	Germany.	Greece.	Italy.	Jugo- Slavia.	Nether- lands.	Poland.	Swed'n.	Switz'r- land.	Egypt.	United States.	
Monthly Average.	£	£	Francs.	Leva.	Kroner.	Esti Mark.	Francs.	Mark.	Mark.	Drach- me.	Lire.	Dinars.	Gulden.	Zloty.	Kronor.	Francs.	£s.	Dollars.	
1913.....	54,931	..	386,333	15,775	64,785	..	701,778	41,035	897,475	£ 14,828	303,802	..	325,231	..	70,545	159,985	2,271	147,933	
1918.....	107,100	..	..	47,268	75,851	..	1,858,416	38,944	..	£ 15,159	1,336,551	..	..	..	102,776	200,122	4,147	245,961	
1921.....	81,548	..	..	849,013	243,424	129,058	373,551	1,139,192	294,844	8,815,963	1,433,800	1,438,885	343,508	186,695	..	104,963	191,357	1,410	243,072
1922.....	74,959	..	..	767,635	336,472	121,322	465,785	1,194,994	328,254	9,160,760	257,121	315,730	532,823	168,966	70,375	92,847	159,539	3,282	256,042
1923.....	81,474	..	m1,045,866	426,722	158,499	777,690	2,724,067	381,105	512,020	520,537	1,438,413	682,470	167,436	93,040	107,877	186,923	3,651	310,983	
1924.....	£ 94,975	5,376	m1,463,963	645,109	181,672	874,522	3,344,381	385,641	761,255	663,807	1,615,599	685,145	196,361	123,350	116,803	208,706	4,106	294,761	
1924—June ..	78,478	5,522	1,379,459	440,219	188,243	642,132	3,178,867	439,461	734,278	522,259	2,088,282	630,386	188,781	121,136	108,847	198,086	3,219	261,855	
July ..	97,941	5,966	1,494,686	463,101	164,301	777,575	3,093,976	410,785	539,348	655,770	1,481,922	725,383	198,162	96,697	122,539	246,974	3,226	264,861	
Aug. ..	91,321	4,324	1,363,328	431,345	170,341	777,943	3,093,976	400,811	437,400	639,231	1,467,574	725,383	174,417	81,301	113,660	206,346	3,180	264,158	
Sept. ..	91,330	4,294	1,475,811	465,523	170,020	444,543	3,156,970	417,535	618,499	777,501	1,386,079	725,383	189,686	112,578	123,458	206,346	4,195	278,744	
Oct. ..	107,417	5,716	2,298,860	509,160	181,913	538,751	3,397,008	454,170	847,370	862,319	1,468,243	724,126	118,062	151,022	129,082	263,979	6,088	316,934	
Nov. ..	106,413	5,538	777,484	390,683	195,558	666,951	3,414,967	400,395	1,034,842	986,077	1,646,095	742,126	219,516	178,584	119,410	263,979	4,745	296,498	
Dec. ..	119,557	4,963	1,602,810	571,013	211,028	738,554	4,118,454	313,870	1,214,443	917,744	2,495,487	742,126	219,516	178,584	119,410	263,979	4,745	296,498	
1925—Jan ..	115,623	4,553	1,371,819	528,694	191,794	762,778	3,172,571	317,327	1,282,464	875,372	1,827,726	709,465	210,122	188,969	105,060	222,965	4,631	335,444	
Feb. ..	96,230	4,836	1,293,536	509,979	174,661	602,886	3,346,369	283,835	1,071,368	771,506	2,073,231	709,465	196,853	150,701	108,515	197,631	3,357	315,964	
Mar. ..	100,084	5,896	1,660,430	625,556	187,005	794,012	3,306,700	397,362	1,036,895	813,247	2,586,958	709,465	203,822	189,929	128,515	222,965	4,463	377,586	
April ..	97,946	4,912	1,305,728	523,868	173,086	805,878	3,050,968	401,754	1,006,949	826,761	2,603,003	..	193,677	182,293	130,415	220,550	4,341	371,548	
May ..	89,779	..	..	689,000	128,367	863,572	2,968,672	436,092	1,035,587	..	2,442,720	..	198,318	189,623	130,415	220,550	4,341	371,548	
June ..	100,382	..	..	..	176,991	880,318	2,991,243	452,535	1,009,200	..	2,704,108	..	183,466	167,000	103,000	186,032	3,858	326,000	
July ..	87,369	..	..	..	..	..	3,034,000	..	..	..	..	..	..	..	..	..	..	..	

EXPORTS of Domestic Produce—Merchandise Only. (000's omitted.)

1913.....	43,771	..	302,882	7,778	53,113	..	573,351	33,482	841,583	6,917	209,303	..	255,453	..	68,112	114,700	2,626	204,024
1918.....	41,785	..	..	..	59,207	..	393,561	15,797	..	24,738	278,726	..	106,517	..	178,343	178,343	..	..
1921.....	58,617	..	605,408	184,777	171,538	190,555	1,647,709	278,491	2,098,513	78,977	689,724	205,062	141,791	..	91,439	163,594	3,776	503,991
1922.....	59,599	m	638,816	360,810	400,965	1,781,578	1,647,709	278,491	2,098,513	78,977	689,724	205,062	141,791	..	91,439	163,594	3,776	503,991
1923.....	63,938	..	738,041	394,121	475,996	2,156,049	3,383,787	4,298,513	2,098,513	78,977	689,724	205,062	141,791	..	91,439	163,594	3,776	503,991
1924.....	66,280	4,037	1,156,740	408,519	164,460	655,483	3,454,511	4,066,653	d 544,288	289,173	1,194,790	794,898	138,388	105,287	95,178	146,684	4,866	374,837
1925.....	62,024	4,126	1,074,269	342,709	136,195	479,286	o 2,922,504	513,594	474,487	153,759	1,218,874	650,665	110,784	89,535	126,951	163,102	2,939	298,688
1926.....	71,283	4,065	1,159,181	228,114	164,609	604,145	o 3,013,713	734,014	572,260	237,719	842,485	686,286	134,417	80,429	128,312	165,903	2,020	270,699
1927.....	66,288	4,482	1,006,405	376,079	174,069	818,428	o 2,987,146	586,403	588,282	193,039	1,023,677	854,688	137,733	63,431	126,943	165,903	2,158	270,699
1928.....	63,938	4,037	1,156,740	408,519	164,460	655,483	3,454,511	4,066,653	2,098,513	78,977	689,724	205,062	141,791	..	91,439	163,594	3,776	503,991
1929.....	68,587	4,070	1,725,209	723,246	186,267	771,059	3,351,896	518,390	610,000	385,286	1,234,415	337,368	162,911	93,739	124,269	165,903	2,020	270,699
1930.....	68,581	4,062	1,650,216	577,351	172,136	801,173	o 3,342,683	518,390	610,000	385,286	1,234,415	337,368	162,911	93,739	124,269	165,903	2,020	270,699
1931.....	69,308	3,831	1,471,160	421,524	165,110	1,005,942	o 4,042,607	403,889	738,405	385,493	1,774,960	322,643	159,877	102,073	123,381	181,435	9,608	488,365
1932.....	69,051	3,219	1,048,792	508,808	70,312	750,350	o 3,562,615	327,977	695,657	200,688	1,119,280	762,717	139,999	136,355	135,974	123,680	181,435	10,874
1933.....	69,330	3,235	986,162	548,531	152,200	679,351	o 3,595,061	200,289	629,843	231,211	1,030,194	630,990	136,318	109,885	80,321	164,994	7,876	440,651
1934.....	70,303	3,122	1,439,185	360,278	171,530	830,701	o 3,762,244	228,294	708,115	464,165	1,480,447	817,745	146,278	120,456	38,838	171,453	6,685	364,833
1935.....	69,877	3,515	1,184,388	371,456	171,530	830,701	o 3,762,244	228,294	708,115	464,165	1,480,447	817,745	146,278	120,456	38,838	171,453	6,685	364,833
1936.....	69,877	3,515	1,184,388	371,456	171,530	830,701	o 3,762,244	228,294	708,115	464,165	1,480,447	817,745	146,278	120,456	38,838	171,453	6,685	364,833
1937.....	69,877	3,515	1,184,388	371,456	171,530	830,701	o 3,762,244	228,294	708,115	464,165	1,480,447	817,745	146,278	120,456	38,838	171,453	6,685	364,833
1938.....	69,877	3,515	1,184,388	371,456	171,530	830,701	o 3,762,244	228,294	708,115	464,165	1,480,447	817,745	146,278	120,456	38,838	171,453	6,685	364,833
1939.....	69,877	3,515	1,184,388	371,456	171,530	830,701	o 3,762,244	228,294	708,115	464,165	1,480,447	817,745	146,278	120,456	38,838	171,453	6,685	364,833
1940.....	69,877	3,515	1,184,388	371,456	171,530	830,701	o 3,762,244	228,294	708,115	464,165	1,480,447	817,745	146,278	120,456	38,838	171,453	6,685	364,833
1941.....	69,877	3,515	1,184,388	371,456	171,530	830,701	o 3,762,244	228,294	708,115	464,165	1,480,447	817,745	146,278	120,456	38,838	171,453	6,685	364,833
1942.....	69,877	3,515	1,184,388	371,456	171,530	830,701	o 3,762,244	228,294	708,115	464,165	1,480,447	817,745	146,278	120,456	38,838	171,453	6,685	364,833
1943.....	69,877	3,515	1,184,388	371,456	171,530	830,701	o 3,762,244	228,294	708,115	464,165	1,480,447	817,745	146,278	120,456	38,838	171,453	6,685	364,833
1944.....	69,877	3,515	1,184,388	371,456	171,530	830,701	o 3,762,244	228,294	708,115	464,165	1,480,447	817,745	146,278	120,456	38,838	171,453	6,685	364,833
1945.....	69,877	3,515	1,184,388	371,456	171,530	830,701	o 3,762,244	228,294	708,115	464,165	1,480,447	817,745	146,278	120,456	38,838	171,453	6,685	364,833
1946.....	69,877	3,515	1,184,388	371,456	171,530	830,701	o 3,762,244	228,294	708,115	464,165	1,480,447	817,745	146,278	120,456	38,838	171,453	6,685	364,833
1947.....	69,877	3,515	1,184,388	371,456	171,530	830,701	o 3,762,244	228,294	708,115	464,165	1,480,447	817,745	146,278	120,456	38,838	171,453	6,685	364,833
1948.....	69,877	3,515	1,184,388	371,456	171,530	830,701	o 3,762,244	228,294	708,115	464,165	1,480,447	817,745	146,278	120,456	38,838	171,453	6,685	364,833
1949.....	69,877	3,515	1,184,388	371,456	171,530	830,701	o 3,762,244	228,294	708,115	464,165	1,480,447	817,745	146,278	120,456	38,838	171,453	6,685	364,833
1950.....	69,877	3,515	1,184,388	371,456	171,530	830,701	o 3,762,244	228,294	708,115	464,165	1,480,447	817,745	146,278	120,456	38,838	171,453	6,685	364,833
1951.....	69,877	3,515	1,184,388	371,456	171,530	830,701	o 3,762,244	228,294	708,115	464,165	1,480,447	817,745	146,278	120,456	38,838	171,453	6,685	364,833
1952.....	69,877	3,515	1,184,388	371,456	171,530	830,701	o 3,762,244	228,294	708,115	464,165	1,480,447	817,745	146,278	120,456	38,838	171,453	6,685	364,833
1953.....	69,877	3,515	1,184,388	371,456	171,530	830,701	o 3,762,244	228,294	708,115	464,165	1,480,447	817,745	146,278	120,456	38,838	171,453	6,685	364,833
1954.....	69,877	3,515	1,184,388	371,456	171,530	830,701	o 3,762,244	228,294	708,115	464,165	1,480,447	817,745	146,278	120,456	38,838	171,453	6,685	364,833
1955.....	69,877	3,515	1,184,388	371,456	171,530	830,701	o 3,762,244	228,294	708,115	464,165	1,480,447	817,745	146,278	120,456	38,838	171,453	6,685	364,833
1956.....	69,877	3,515	1,184,388	371,456	171,530	830,701	o 3,762,244	228,294	708,115	464,165	1,480,447	817,745	146,278	120,456	38,838	171,453	6,685	364,833
1957.....	69,877	3,515	1,184,388	371,456	171,530	830,701	o 3,762,244	228,294	708,115	464,165	1,480,447	817,745	146,278	120,456	38,838	171,453	6,685	364,833
1958.....	69,877	3,515	1,184,388	371,456	171,530	830,701	o 3,762,244	228,294	708,115	464,165	1,480,447	817,745	146,278	120,456	38,838	171,453	6,685	364,833
1959.....	69,877	3,515	1,184,388	371,456	171,530	830,701	o 3,762,244	228,294	708,115	464,165	1,480,447	817,745	146,278	120,456	38,838	171,453	6,685	364,833
1960.....	69,877	3,515	1,184,388	371,456	171,530	830,701	o 3,762,244	228,294	708,115	464,165	1,480,447	817,745	146,278	120,456	38,838	171,453	6,685	364,833
1961.....	69,877	3,515	1,184,388	371,456	171,530	830,701	o 3,762,244	228,294	708,115	464,165	1,480,447	817,745	146,278	120,456	38,838	171,453	6,685	364,833
1962.....	69,877	3,515	1,184,388	371,456	171,530	830,701	o 3,762,244	228,294	708,115	464,165	1,480,447	817,745	146,278	120,456	38,838	171,453	6,685	364,833
1963.....	69,877	3,515	1,184,388	371,456	171,530	830,701	o 3,762,244	228,294	708,115	464,165	1,480,447	817,745	146,278	120,456	38,838	171,453	6,685	364,833
1964.....	69,877	3,515	1,184,388	371,456	171,530	830,701	o 3,762,244	228,294	708,115	464,165	1,480,447	817,745	146,278	120,456	38,838	171,453	6,685	364,833
1965.....	69,877	3,515	1,184,388	371,456	171,530	830,701	o 3,762,244	228,294	708,115	464,165	1,480,447	817,745	146,278	120,456	38,838	171,453	6,685	364,833
1966.....	69,877	3,515	1,184,388	371,456	171,530	830,701	o 3,762,244	228,294	708,115	464,165	1,480,447	817,745	146,278	120,456	38,838	171,453	6,685	364,833
1967.....	69,877	3,515	1,184,388	371,456	171,530	830,701	o 3,762,244	228,294	708,115	464,165	1,480,447	817,745	146,278	120,456	38,838	171,453	6,685	364,833
1968.....	69,877	3,515	1,184,388	371,456	171,530	830,701	o 3,762,244	228,294	708,115	464,165	1,480,447	817,745	146,278	120,456	38,838	171,453	6,685	364,833
1969.....	69,877	3,515	1,184,388	371,456	171,530	830,701	o 3,762,244	228,294	708,115	464,165	1,480,447	817,745	146,278	120,456	38,838	171,453	6,685	364,833
1970.....	69,877	3,515	1,184,388	371,456	171,530	830,701	o 3,762,244	228,294	708,115	464,165	1,480,447	817,745	146,278	120,456	38,838	171,453	6,685	364,833
1971.....	69,877	3,515	1,184,388	371,456	171,530	830,701	o 3,762,244	228,294	708,115	464,165	1,480,447	817,745	146,278	120,456	38,838	171,453	6,685	364,833
1972.....	69,877	3,515	1,184,388	371,456	171,530	830,701	o 3,762,244	228,294	708,115	464,165	1,480,447	817,745	146,278	120,456	38,838	171,453	6,685	364,833

† Since January, 1922, gold marks valuation. ‡ Until February, 1923, Julian Calendar. § Old Greece only. ¶ Valued at 1921
 official rates. † Since January, 1922, the value of imports is based on declarations of importers, instead of official evaluations previously used.
 ** Since May, 1922, figures refer to "Union Economique Belgo-Luxembourgeoise." *** Period September 1-21. ° Official values. p January
 to October, 1923, official figures. From November, 1923, provisional figures based on merchants' declarations, which may differ considerably from final
 figures based on official quarterly valuations. † From April 1, 1923, including trade of Great Britain and Northern Ireland with the Irish Free State, and
 excluding the direct foreign trade of the Irish Free State.

IMPORTS for Domestic Consumption—Merchandise Only. (000's omitted.)

Value.								Quantity (Metric Tons).										
Period.	Australia.	British India.	Canada.	New Zealand.	South Africa.	Japan.	Brasil.	Belgium.	Czechoslovakia.	France.	Germany.	Greece.	Hungary.	Netherlands.	Poland.	Spain.	Switzerland.	Brasil.
Monthly Average.	£'s.	Rupees.	Dollars.	£'s.	£'s.	Yen.	Milreis.											
1913.....	6,365	^b 152,725	54,917	1,785	^s 3,365	60,474	83,958	2,721	..	3,685	^h 6,076	..	..	5,041	..	987	661	46
1918.....	7,696	137,704	75,583	1,966	3,768	137,221	82,450	..	..	2,446	..	29	..	..	..	887	833	14
1921.....	8,222	230,729	66,616	3,461	4,447	132,481	140,820	1,472	333	3,339	2,175	77	194	404	..	232	295	14
1922.....	9,860	199,622	63,528	2,817	4,008	163,956	137,719	^q 1,772	266	3,285	3,822	87	279	1,623	404	683	357	14
1923.....	11,088	186,088	76,255	5,875	4,584	161,994	188,930	^q 2,203	349	4,572	3,881	112	313	1,612	266	354	441	26
1924.....	11,852	196,166	67,350	3,995	5,302	201,843	..	..	482	4,708	3,234	153	376	1,888	201	..	556	28
1924-May ..	12,477	197,497	72,058	3,783	4,955	228,596	214,088	^q	2,489	5,485	3,000	132	322	1,750	249	168	506	36
June ..	10,737	179,847	66,396	3,842	5,123	179,243	256,499	2,533	^o 528	4,582	3,803	106	371	2,034	156	139	506	41
July ..	13,336	188,519	72,631	4,095	5,494	185,471	259,638	2,754	^o 496	4,582	3,803	106	371	2,034	156	139	506	41
Aug. ..	11,736	201,389	61,970	4,588	5,710	143,297	260,783	2,921	^o 567	4,457	3,123	160	479	2,445	173	148	669	41
Sept. ..	11,511	216,662	63,901	4,621	5,638	142,425	261,717	3,117	^o 645	4,732	2,934	201	385	1,956	177	261	669	34
Oct. ..	12,378	205,066	68,184	4,041	5,762	159,607	250,544	3,937	^o 555	4,660	3,330	160	411	2,217	245	230	619	35
Nov. ..	12,052	217,494	66,250	3,751	4,670	193,206	300,171	1,822	^o 586	4,560	3,892	208	371	2,185	233	107	619	34
Dec. ..	12,137	164,729	60,946	4,452	5,883	187,180	287,180	2,976	^o 645	4,751	3,572	187	518	2,044	245	160	619	33
1925-Jan. ..	13,193	239,962	58,376	4,787	4,904	227,738	307,079	2,575	^o 446	3,582	4,005	182	270	1,874	260	..	541	..
Feb. ..	11,171	192,671	61,430	3,957	5,439	288,265	..	3,697	^o 380	3,972	4,005	182	270	1,874	260	..	504	..
Mar. ..	12,562	197,212	84,606	4,195	5,264	317,002	..	2,975	^o 424	3,947	4,429	208	253	1,931	370	..	550	..
April ..	10,260	176,810	59,105	4,118	5,900	260,906	..	1,804	^o 438	3,658	4,536	172	238	1,866	367	..	608	..
May ..	10,419	187,206	75,895	3,871	5,126	207,314	..	..	^o 397	3,819	4,198	..	314	2,229	381	..	..	..
June ..	12,224	152,851	75,592	^a 3,795	5,148	202,000	..	..	481	3,730	4,821	..	..	..	..	..	..	..

EXPORTS of Domestic Produce—Merchandise Only. (000's omitted)

1913.....	6,070	200,993	26,333	1,751	2,294	52,393	81,814	1,740	..	1,840	8,6147	..	..	3,753	..	1,604	71	17
1918.....	8,488	203,534	102,000	2,510	2,594	160,218	34,758	1,438	812	1,336	1,714	27	70	166	..	549	70	14
1921.....	9,930	180,741	66,892	3,578	2,834	102,371	142,477	1,438	791	1,887	1,714	27	70	476	189	767	46	16
1922.....	10,053	233,252	73,697	3,425	2,476	132,884	194,340	2,136	942	1,875	1,061	36	87	757	162	554	62	17
1923.....	8,973	273,941	84,561	3,718	3,044	117,384	274,753	1,411	942	1,875	1,061	36	87	757	162	554	62	17
1924.....	11,335	308,365	88,171	4,275	3,147	147,198	..	1,036	2,449	1,326	33	141	844	1,312	..	62	17	17
1924-May ..	7,533	280,357	104,151	3,746	2,546	177,194	239,626	1,770	1,165	2,171	1,066	22	121	700	1,908	144	69	14
June ..	6,328	284,609	87,219	2,649	2,034	145,580	268,838	1,700	1,205	2,468	917	17	100	978	1,353	108	69	14
July ..	6,747	246,144	87,059	2,709	2,384	137,021	294,938	1,774	1,045	2,317	1,198	25	807	1,500	1,197	103	69	12
Aug. ..	6,645	241,078	73,824	2,265	1,831	176,977	365,090	1,774	926	2,307	1,198	25	807	1,500	1,197	103	69	12
Sept. ..	10,807	272,153	80,961	2,180	2,855	158,688	394,443	1,953	884	2,539	1,500	26	121	751	1,574	137	69	12
Oct. ..	14,422	239,022	103,292	2,776	2,997	182,790	505,303	2,267	911	2,683	1,525	38	157	905	1,574	121	69	12
Nov. ..	16,285	326,394	118,965	2,616	5,124	180,611	303,442	1,967	1,064	2,949	2,220	54	223	1,173	1,579	199	79	12
Dec. ..	18,820	350,479	124,429	5,805	5,124	182,945	403,951	2,986	1,389	2,512	2,967	29	186	1,125	1,486	128	79	12
1925-Jan. ..	14,011	391,341	75,347	6,614	5,680	147,173	301,102	1,673	1,389	2,512	2,967	29	186	1,125	1,486	128	79	12
Feb. ..	18,809	430,810	70,126	8,213	3,731	164,753	303,442	1,595	1,040	2,332	3,174	24	265	906	1,508	125	79	12
Mar. ..	15,345	459,744	94,816	7,661	α 2,840	151,596	..	1,878	1,058	2,243	2,255	29	187	895	1,229	..	66	..
April ..	13,527	331,733	59,909	6,902	α 1,850	158,581	..	1,634	950	2,893	2,708	29	139	949	1,079	..	50	..
May ..	11,776	326,937	5,077	6,347	α 1,528	170,823	..	..	938	2,449	3,425	23	138	937	1,154	..	65	..
June ..	9,378	331,019	93,463	α 3,315	..	182,000	..	..	1,011	2,578	3,123	..	158	1,001	1,213	..	63	..

a General trade, reduced at the unit of weight.	b Sea-borne trade only.	c Including Luxembourg.	d Since May, 1922, figures refer to "Union Economique Belgo-Luxembourgeoise."	e Including goods declared by number only and s.M.
.. ..	1,011	2,578	3,123	.. ..
.. ..	108	1,001	1,213	104
.. ..	810	.. ..	.. ..	75

CAPITAL ISSUES.—(000,000's omitted.)[illegible]

a Including Government loans. *c* Excluding Treasury Bills and foreign issues. *d* Excl. Govt. and large railway issues. *f* Company issues. *g* Gold marks. *h* New companies only. *k* Nom. value. *i* Issue value. *m* Excl. bonus shares. *n* Excl. conversions. *o* No issues. *p* Thous. billions. *a* In schillings. *s* Zloty.

BANK RATES

[illegible]

* Federal Reserve. † Gold francs. ‡ 4½% from August 6, 1925

U.K. IMPORTS AND EXPORTS.

		Food.		Raw Materials.		Manu- factures.	
		Imp.	Exp.	Imp.	Exp.	Imp.	Exp.
Monthly average,	1913	242	27	235	58	161	343
"	1918	469	1	382	51	233	327
"	1919	539	28	506	93	246	534
"	1920	639	42	592	121	378	933
"	1921	472	31	253	53	204	491
"	1922	393	30	248	85	191	473
"	1923	425	37	271	109	214	483
"	1924	477	47	384	78	250	515
August,	"	463	44	368	78	262	531
September,	"	460	51	273	82	270	489
October,	"	567	59	372	87	260	528
November,	"	567	64	362	84	252	520
December,	"	564	53	475	93	271	529
January,	1925	510	46	509	83	264	559
February,	"	452	48	385	89	267	563
March,	"	474	48	468	78	284	545
April,	"	482	40	337	73	280	482
May,	"	426	41	313	75	298	511
June,	"	454	41	288	59	362	477
July,	"	463	46	276	69	243	516

LONDON BANKERS' CLEARING RETURNS

	LONDON BANKERS' CREDITING			
	(000's omitted.)			
	Town.	Metropolitan.	Country.	Total.
	£	£	£	£
1913	14,191,275	855,648	1,389,481	16,436,404
1921	30,268,214	1,660,166	3,002,179	34,930,559
1922	32,780,635	1,574,651	2,805,165	37,161,451
1923	32,470,573	1,544,665	2,810,654	36,827,552
1924	32,857,573	1,594,114	2,900,145	35,532,848
1925 (to August 31)	23,869,857	1,077,529	1,899,132	25,846,511

RAILWAY STATISTICS.—GREAT BRITAIN.

	Freight Train Traffic.								Gross Receipts.			
	1924.				1925.				Passenger.		Freight.	
	Mer- chandise.*	Coal, &c.	Other Minerals.	Total.	Mer- chandise.*	Coal, &c.	Other Minerals.	Total.	1925.	Compared with 1924.	1925.	Compared with 1924.
	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.	\$	\$	\$	\$
January	4,925,907	17,859,344	4,823,597	27,608,848	5,577,677	17,825,870	5,467,859	28,871,406	4,245,149	+ 602,034	8,924,681	+ 850,330
February	5,342,078	19,051,985	5,384,653	29,758,716	5,139,493	16,363,246	5,043,328	26,819,067	3,589,892	+ 105,235	8,408,181	+ 865,154
March	7,234,318	19,385,805	5,967,504	31,077,627	5,698,635	17,610,231	5,646,802	28,855,668	4,049,171	- 209,728	9,287,379	- 364,714
April	5,336,196	17,852,257	5,670,594	28,859,047	5,178,676	15,779,720	5,256,753	26,215,149	5,489,087	+ 15,029	8,337,692	+ 333,765
May	5,680,504	18,146,504	5,439,321	29,269,327	5,302,573	15,860,362	5,650,332	26,813,267	5,314,694	+ 214,634	8,600,065	+ 790,621
June	4,946,796	14,856,856	5,471,105	25,274,757	"	"	"	"	"	"	"	"
July	5,532,885	16,686,466	5,736,196	27,955,547	"	"	"	"	"	"	"	"
August	5,192,497	15,720,134	5,169,116	26,081,677	"	"	"	"	"	"	"	"
September	5,684,397	17,087,951	5,451,491	28,203,839	"	"	"	"	"	"	"	"
October	6,196,791	17,687,391	5,776,133	29,660,315	"	"	"	"	"	"	"	"
November	5,499,851	17,063,431	5,336,497	27,899,719	"	"	"	"	"	"	"	"
December	5,194,769	17,807,048	5,083,658	28,085,475	"	"	"	"	"	"	"	"

"Bankers' Magazine" Index Number of Market Value of Securities.* (Dec., 1921 = 100.)

1922.	Fixed Interest.	Variable Dividend.	Total.
January	102.5	101.3	102.1
June	112.0	114.4	112.8
December	111.0	117.6	113.2
1923.			
January	112.4	118.0	114.2
April	116.4	124.4	119.0
May	115.5	123.2	118.0
June	115.8	122.7	118.0
July	112.4	117.5	114.1
August	113.7	115.8	114.4
September	114.8	117.4	115.5
October	114.8	117.0	115.5
November	111.8	117.1	113.6
December	111.2	115.9	112.8
1924.			
January	109.6	116.9	112.2
February	111.3	120.5	114.3
March	111.7	119.3	114.2
April	113.6	119.5	115.6
May	113.1	119.7	115.3
June	113.4	119.9	115.5
July	112.6	120.4	115.2
August	113.0	121.6	115.8
September	113.1	120.7	115.6
October	113.5	121.9	116.2
November	113.2	122.2	114.4
December	112.9	126.9	117.5
1925.			
January	111.8	129.0	117.5
February	112.4	129.2	117.9
March	111.9	127.2	116.9
April	111.5	126.9	116.5
May	109.9	125.6	115.1
June	108.6	125.5	114.1
July	109.6	124.2	114.4

* 1925 securities nominal value \$6,683.4 millions.

UNEMPLOYMENT.

Percentage of persons unemployed in trade unions or in official unemployment insurance schemes (Belgium and U.K.).

[illegible]

Number of Workers Covered by Last Returns.

Millions	11.5	0.6	0.3	3.6	0.3	0.03	0.2	0.4	0.2
December 22	Ex. Irish Free State since Mar., 1923.								

IMPORTS.

United Kingdom.		Wheat.	Raw Cotton.	Sheep's & Lambs' Wool.	Cotton Piece Goods.	Iron and Steel.	Coal.
		Million Cwts.	Million Centals.	Million Centals.	Million Sq. Yds.	Million Tons.	Million Tons.
Monthly average,	1913	8.8	1.6	0.67	*589	0.41	6.1
"	1918	8.8	1.2	0.34	308	0.13	2.6
"	1919	5.9	1.6	0.87	294	0.19	3.9
"	1920	9.1	1.6	0.73	359	0.27	2.1
"	1921	6.7	1.0	0.63	242	0.14	2.0
"	1922	8.0	1.2	0.92	349	0.28	5.3
"	1923	8.4	1.1	0.62	345	0.36	6.6
"	1924	9.9	1.3	0.64	370.4	0.32	6.1
August,	"	12.4	0.7	0.35	374	0.30	5.1
September,	"	9.5	0.7	0.32	364	0.31	4.9
October,	"	10.7	1.9	0.37	329	0.31	4.8
November,	"	10.5	2.1	0.37	329	0.31	4.9
December,	"	10.0	2.8	0.68	410	0.30	5.2
January,	1925	7.3	3.0	0.79	403	0.33	4.4
February,	"	6.4	2.0	0.77	422	0.30	4.3
March,	"	9.0	1.7	0.78	417	0.31	4.4
April,	"	7.6	1.5	0.77	333	0.30	4.4
May,	"	8.3	1.0	0.90	371	0.30	4.7
June,	"	8.2	0.7	0.63	338	0.28	3.7
July,	"	9.4	0.6	0.42	371	0.31	4.4

* Yards.

THE STATE OF TRADE AT HOME AND ABROAD—Continued from page 14.

The American situation continues to inspire confidence. The usual summer slackness has been less pronounced than was expected, and anticipations of a new forward movement in the autumn are widespread. The agricultural outlook, though a little less bright than a few weeks ago, is still satisfactory. Building and construction are at "record" levels, while a very large volume of goods continues to pass steadily into consumption. Prices are showing considerable firmness, and although money rates may advance when the autumnal pressure is experienced, there is probably ample credit available for financing a significant increase in the volume of business without straining the present financial machinery. The chief uncertain factors are the possibility of increased labour costs, or, alternatively, labour troubles in certain industries, the continuance of depressed or disturbed conditions in some important foreign markets, and the possibility that the cotton and maize crops, the estimates for which have already been reduced from earlier levels, may not ultimately realise all that is expected of them. With these provisos, however, the outlook may be accepted as promising.

BRITISH EMPIRE.

Although drought, hail, and the depredations of the sawfly were reported from some of the grain-growing districts of Canada last month, the condition of the main crops was not seriously impaired. With a prospective yield substantially above that of last year, and prices at a moderately high level, the general tone is confident. Manufacturers have obtained more orders than at the corresponding period of last year, though the margin of profit is not very wide in some cases. The mining industry continues to increase its output, building is fairly active, and unemployment, for the present at any rate, has been appreciably alleviated. Indian trade is normally at its lowest point at this season, and, with quietness characterising all markets, money is difficult to employ. The grain market is irregular, and the demand for piece goods, though probably better than at this time last year, is affected by the prevailing sentiment. The monsoon has, on the whole, confirmed the favourable impression previously recorded. Seasonal conditions are good throughout the greater part of Australia, though merchants report a falling-off in demand from the interior districts. The possibility of "stabilising" wool prices is still being seriously considered. Trade conditions in South

Africa continue quiet, without marked development. Weather conditions have lately been more favourable to the main crops, that of maize being much larger than a year ago.

SOUTH AMERICA.

Early-sown crops are in good condition in Argentina, the area under wheat and oats exceeding that of last season. Shipments, however, are still below the seasonal average. Sales of Chilean nitrate have recently been on a fairly large scale, and business generally remains satisfactory. Peruvian trade shows much dullness, partly as a result of the failure of the sugar crop. Conditions in Brazil are fairly stable, coffee prices having lately been steadier at rather lower levels.

EUROPE.

Trade in France exhibits seasonal quietness, although no considerable falling off is reported. Home demand is rather better in the metallurgical group, but the situation still leaves something to be desired. Buyers are tending to hold off in the cotton trade, but the woollen industry continues to find satisfactory employment. The continued strike of the metal workers unfavourably affected the Belgian situation. Apart from an improvement in the glass trades, the general industrial situation is far from favourable. In Holland, business as a whole is inactive, but confidence in the future still obtains. No improvement took place in the economic situation of Germany last month, the "sales crisis" being, if anything, more acute. Such improvement as occurred was confined to industries of secondary importance, such as potash, printing, brewing, certain textiles, and the food trades. Scandinavian markets are quiet, the appreciation of the currencies of Norway and Denmark tending, for the moment, to restrict export activity. Harvest prospects are satisfactory, though perhaps less so than a month ago. The Austrian unemployment figures showed a further decline last month, owing chiefly to improved conditions in the electrical, machinery, and brewing industries. In both Austria and Hungary, the excellent harvest conditions which are in prospect may tend to alleviate problems connected with the high costs of living. No material change has occurred in Italy. The volume of business is still considerable, though less than a month ago owing to summer conditions. Spanish business has maintained the improved tone of the last few months.

The Economist

MONTHLY SUPPLEMENT.

New Series.

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No. 28.

In the following pages we have aimed at compiling tables which will show summary figures for as many nations of the world as possible, and we have endeavoured to combine brevity with comprehensiveness. The greater number of the figures are taken from the Monthly Statistical Bulletin of the League of Nations,* supplemented from our own statistical records. We propose in these columns to give our own appreciation of the trade position, fortified by informed opinion, and to leave the figures to be interpreted by our readers each in his own way.

* "League of Nations Monthly Bulletin of Statistics," 1s 6d. Constable.

THE STATE OF TRADE AT HOME AND ABROAD.

THE trade situation shows very little change as compared with a month ago. Some industries, notably the iron and steel industry, had a lower production in August than in July, and were substantially below the level of 1924. These cases are offset by a certain amount of improvement in other directions. On balance, it may be said that there has been no further setback since a month ago, and that there are some small signs of improvement. The gross figures of unemployment at the end of August were worse than at the end of July, but this has hardly any real significance, since the latter figure was reduced by the temporary activity in the coal trade which took place in the last two or three weeks of July in anticipation of a stoppage of the mines in August. If this special influence is omitted, and the figures examined over a period of twelve months, they show that the normal seasonal deterioration in employment last autumn and winter continued, accompanied by an actual increase of unemployment, until the middle of this year. Since the last week of August, however, there has been a marked decline in the unemployment figures.

Coal, iron and steel still remain the two chief industries whose condition is holding back trade recovery. Cotton and wool have not been doing very well lately, the former being affected by the trade difficulties in China and the latter by the uncertainty as to the price of wool. But these textile trades are not in so difficult a position as the coal and iron trades, and reports from Lancashire are, in fact, a little better, thanks to improved conditions in China. As against these adverse factors, the engineering industry continues to show improvement as regards both employment and the volume of its exports. Among the more finished branches of the industry, agricultural machinery shows a seasonal decline, but manufacturers of locomotives and textile machinery are better employed. The motor industry continues very brisk. It is difficult to escape from the conclusion that this situation in the finishing branches of the metal group of trades has been assisted by the increasing import of iron and steel at low prices. Our table of statistics of home trade shows that the average level of industrial securities was a little

better at the end of August than of July, that bank advances continued substantially higher than a year ago, and that the currency note circulation also showed some expansion. The reports of various industries, summarised below, together with the pronounced ease in the money market, hold out some hope of an autumnal improvement.

In respect of overseas countries, reports for the most part continue good, or show improvement in those cases where conditions have been depressed, except, perhaps, in regard to Germany, where activity in the coal and iron and

steel industries continues to decline. Crop prospects in Canada are excellent. There is a little more movement of commodities from the Argentine, and other South American countries report trade improvement. In almost all European countries harvest prospects are good, and even in China the effect of the disturbances is showing signs of passing away. The strike of seamen in South Africa and Australia has not, as yet, had a serious effect on the trade situation, though it may be responsible for temporary movements in some of the commodity markets, particularly metals. Unless, however, the situation improves in South African ports the season may be spoiled. The condition of world trade, unfortunately, is not such as to hold out any hope of substantial improvement in international shipping in the near future. Our freight index number, indeed, shows a slight hardening

tendency, but the movement is very small, and leaves the level of tramp freights below the 1913 level—a situation which is obviously quite abnormal.

The following notes on conditions in various trades and countries call attention to the most striking tendencies:—

HOME INDUSTRIES.

Iron and Steel.—The volume of business in the iron and steel trades remains below normal for this time of the year. Pig-iron production in the holiday month of August was returned at 444,500 tons, as compared with 492,000 tons in July, and 588,900 tons in August, 1924, while the output of steel ingots and castings amounted to 477,100 tons in August, as against 490,400 tons in July and 527,500 tons a year ago. These figures are the lowest for any month in the last three years. Within the last week or two demand has improved to some extent. Prices, however, show but slight strength, inquiries

MONTHLY BULLETIN OF STATISTICS

ISSUED by the LEAGUE OF NATIONS

A STATISTICAL REVIEW of the most recent information of the economic activity of Europe, The British Empire, America, Asia, etc., compiled from official and other defined sources.

The following among other subjects are dealt with in informative Tables:—

PRODUCTION: Coal, Iron and Steel; Shipping Construction, etc.

FOREIGN TRADE: Weight and Value of Imports and Exports; Movement of Shipping.

PRICE: Wholesale and Retail Price Index Numbers.

CURRENCY AND FINANCE: Reserves, Note Circulation, Discount Rates, Foreign Exchanges, Capital Issues, Bankruptcies, Savings Bank Deposits.

LABOUR: Unemployment Percentages.

This information is given where available for the following countries:—

ARGENTINE
AUSTRALIA
AUSTRIA
BELGIUM
BOLIVIA
BULGARIA
BRAZIL
CANADA
CHILI
CHINA
COLOMBIA
CUBA
CZECHOSLOVAKIA

DANZIG
DENMARK
DUTCH EAST INDIES
EGYPT
ECUADOR
ESTHONIA
FINLAND
FRANCE
GERMANY
GREECE
HUNGARY
INDIA
ITALY

JAPAN
JUGO-SLAVIA
LATVIA
LITHUANIA
LUXEMBURG
NETHERLANDS
NEW ZEALAND
NORWAY
PALESTINE
PARAGUAY
PERU
POLAND

PORTUGAL
ROUMANIA
RUSSIA
SIAM
SOUTH AFRICA
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tend to be of a "hand-to-mouth" description, and Continental competition is rather more intense. Taken all round, demand has not yet broadened on a scale to suggest an active autumn and winter. Continental steel makers have lately reduced their quotations, and prices are weak generally. Steel rails are having a better sale, and constructional steel continues in good demand. Sheet manufacturers have orders in hand for some months ahead, but shipbuilding requisites find a poor market. The tinplate trade reports better business, and the re-establishment of price "stabilisation" arrangements has been brought a little nearer.

Coal.—Little improvement can be traced. A very slight expansion of business has taken place, but stocks on hand are heavy, and in some cases resort is being had to forced selling at reduced prices in order to prevent their further increase. The steam coal trade remains dull, though inquiry is on broader lines. The house coal market has responded to the stimulus of colder weather, but export trade remains of moderate dimensions. Within the last few days, a rather more cheerful tone has obtained among sellers, but no corresponding recrudescence of forward business is observable.

Engineering.—Taken all round, the engineering outlook is better. Apart from certain sections, such as agricultural machinery, which are affected by seasonal influences, most branches have at least held their ground, and a few have improved their condition. Lancashire textile machinery makers have obtained on satisfactory terms orders from Russia which are said to run into seven figures, with which almost every firm of note is concerned. These should ensure a fair activity throughout the autumn and early winter. Electrical engineering has become more active after the usual end-of-season slackness, the telephone section being particularly well off for orders. The motor trade is awaiting further accessions of business after next month's Olympia Exhibition. Prospects for the 1926 season are reported as excellent. In the motor-cycle section, business remains fairly good, while the pedal cycle industry, although approaching the quietest season of the year, is fairly well occupied. Marine engineering remains depressed, and the outlook for boiler makers is by no means satisfactory. The machine-tool trade is quiet, and the same applies to locomotive manufacture and railway work generally.

Cotton.—Our Manchester correspondent writes:—During the past month cotton spinners and manufacturers in Lancashire have experienced a large inquiry, but it has been extremely difficult to secure contracts of weight. The past fortnight, however, has brought a distinct advance in values, and the upward movement has forced out more orders. There is now an inclination to reduce estimates of raw cotton production. Doubt exists as to whether the crop will be more

than sufficient to meet the requirements of users. Favourable news has been received relating to the growth in Egypt. Much uncertainty continues with regard to financial matters, the money stringency undoubtedly holding back enterprise on the part of merchants. Manufacturers of cloth have experienced a considerable demand. Although free buying has not taken place for India, the turnover has been fairly encouraging, especially in the lighter styles of cloth and fancies. In view of the unsettled state of affairs in China, the trade done can be described as healthy, there being a substantial turnover, especially in white shirtings. The auction sales in Shanghai, however, have not yet been resumed. On the whole, producers of American qualities are in a rather better position, and the present output is being well absorbed.

Woollen and Worsted Trades.—The September wool auctions showed little change in prices, French buying being in evidence. Recovery in the woollen textile trades must, it is now recognised, be a comparatively slow process. Although the dislocation caused by a further decline in raw material prices would temporarily have a depressing effect, a lower level of prices is essential before buying on a really large scale can take place. There is a steady turnover in Bradford tops and yarns, although prices are still frequently below replacement costs. During the recent stoppage, stocks were considerably reduced, and although there is a general absence of anything resembling speculative buying, more plant is at work both in the West Riding and in Scotland.

Boots and Shoes.—Except in the sports section, autumn trade in boots and shoes has not yet developed on any considerable scale. The export trade is, however, by no means unsatisfactory, and the forthcoming Shoe and Leather Fair may result in improved business all round.

Pottery.—Conditions are only moderately good as regards domestic demand, and foreign competition has lately been more in evidence. The volume of exports is, however, well maintained.

Chemicals.—The market shows no marked tendency. Prices are steady for the most part, the most active sections are caustic soda, alkali, sulphate of copper, and borax.

Building Trades.—Employment during August showed little variation. Most classes of skilled labour were well employed, overtime being worked in some centres, while in certain branches, such as bricklaying and plastering, the demand for labour exceeded the supply. The position as regards unskilled labour is better than a year ago.

Shipping.—The rise in freights recorded during July continued with less impetus during August, our Index Number of "tramp" freights rising from 95 to 96 per cent. of the 1913

(Continued on page 28.)

RUSSIA'S INDUSTRIAL PROGRAMME—Continued from page 23.

100 per cent. Necessary capital expenditure in iron and steel is 88 million roubles; in engineering, 51 million roubles. The value of output of all metal industries, including shipbuilding, in 1924-25 was (programme, at pre-war prices) 349,743,000 roubles, of which 138,920,000 roubles fell to iron and steel and about 140 million roubles to machinery. The three great electrotechnical trusts have been fused into one, under the title "GET" (State Electrical Trust). The "GET'S" programme provides for output in 1925-26 of electrical wares of value 77 million roubles, as against 49 million roubles in 1924-25. Many ambitious plans are under way, including electrification of the Central Asian Soviet Republics, and the "Dnieprstroï," or central power station, for the Ukraine; and the old plan for a Volga-Don canal, joining the Caspian and Black Seas, is being again considered.

The transport programmes are also so big that they explain the official statement that 80 per cent. of iron and steel production will be absorbed by the State. A five years' shipbuilding plan, already sanctioned, provides for construction of 193 vessels of 658,300 tons, also tug-boats and a floating dock, total cost 191 million roubles, of which half goes to the Leningrad Shipbuilding Trust. Internal navigation is still in a bad way. A small sum has been allotted for preliminary railway electrification work. The 1925-26 railways programme provides for construction of 250 locomotives and 2,500 freight cars. This is part of a construction plan covering the next five years, at the end of which, says the Communications Commissariat, passenger traffic will have recovered to 95 per cent., freight traffic to 90 per cent., of the pre-war volume (on the same area). About half the cost of the construction programme (which involves also expenditure on the permanent way) is to be covered out of five years' profits, total-

ling 1,045 million roubles. Railway profits in the business year 1925-26 are put at 147 million roubles.

The textile production programme for 1924-25 fell far behind needs; and, owing to the good crops, a much-increased demand is expected in the new business year. Large expansion and re-equipment plans for the year, including the manufacture of 600,000 spindles and 10,000 looms, have been prepared. The textile production programme for 1925-26, not available in detail, provides for increases as compared with 1924-25 of different sorts varying from 30 to 84 per cent. The *Gosplan* publishes the following figures concerning earlier developments in the cotton branch. Employed in the present area of all the Soviet Republics in 1912 were 429,630 persons; in the business year 1923-24, 226,654 persons; number of spindles operated 1912, 7,245,000; 1923-24, 2,340,000; looms operated 1912, 176,000; 1923-24, 65,000; raw cotton consumed in manufacturing, 1912, 20 million puds; 1923-24, 6½ million puds. The programme for the current business year was:—Persons employed, 307,900; spindles operated, 3,493,000; looms, 95,000; cotton consumed, 10.2 million puds.

The above figures give a very favourable picture of recovery. But it must be noted that, after an almost complete collapse, even a very moderate absolute increase involves a high percentage increase. In summarising the official reports, it has been necessary for reasons of space to ignore certain inconsistencies and certain admitted obstacles. Most of the programmes make fulfilment contingent upon increased capital expenditure; and it is not always clear whence the capital is to come. Making, however, a liberal allowance for errors and undue optimism, it seems certain that Russian industry is moving towards restoration.

RUSSIA'S INDUSTRIAL PROGRAMME.

(FROM A CORRESPONDENT.)

THE Russian business year dates from October 1st. As big industry is almost wholly conducted by the State, precise plans, or "programmes," as with the State undertakings of non-Socialist countries, must be prepared in advance; and in the late summer these programmes appear. The programmes are nothing less than little Budgets, giving the coming business year's volume of production, receipts, expenditure, and sometimes even prices and wages; and with them are usually published, for comparison, preceding years' programmes and their fulfilment. The programmes for the coming business year 1925-26 are very optimistic, in that nearly all of them provide for greatly increased, sometimes doubled, output, so that if only expectations are realised industrial production as a whole will be within sight of that of 1913 (on the present national area). The official reports state that the fulfilment of the 1924-25 programmes was satisfactory, and improved from month to month, being as high as 98 per cent. in some important branches, and over 100 per cent. for short periods. How far official statistics are reliable will not be considered here. The fact that they are extremely minute and voluminous does not help, but rather hinders, analysis. The official *Ekonomicheskaya Zhizn* (June 1, 1925) exposes inconsistencies between the figures for the same industries issued by different departments; and suspicion is aroused by the fact that whereas two departments' valuations of combined outputs of 15 branches agree closely, the figures for some of the separate branches differ materially. It should not, however, be presumed that the whole elaborate system of Soviet statistics has for years past been erroneous or fraudulent; and a very marked recovery of industry since 1920 must be taken as a fact.

The programme for 1925-26 assumes not only a great increase in the State industries' output, but also an increase in their share in the total output. M. Strumilin, an official publicist, has compiled the following figures:—

GROSS PRODUCTION, in Millions of Roubles and in %.

Business Year.	State and Co-operative.		Private.		Total.	
	Absolute.	Per Cent.	Absolute.	Per Cent.	Absolute.	Per Cent.
1923-24	5,562	76.3	1,728	23.7	7,290	100
1924-25	7,550	79.3	1,970	20.7	9,520	100

The new programme assumes a further movement in the same direction:—

1925-26 9,186 .. 79.7 2,334 .. 20.3 11,520 .. 100

In big industry, 99 per cent. of production will be State or co-operative. M. Svirneff (*Ekonomicheskaya Zhizn*) shows that 77.6 per cent. of private industries belong to the "first class."

The official comparison of the production of State industry since the first complete year of the "new economic programme" shows:—

	Percentage of Pre-War Production.	
	1921-22.	1924-25.
Chemicals.....	27.3	79.7
Paper.....	14.0	74.5
Textiles.....	25.3	69.9
Coal.....	42.0	69.2
Oil.....	31.8	56.6
Metals.....	14.6	47.7
Ores.....	3.6	24.8

The 1924-25 figures are the programme. The 1921-22 figures do not represent the lowest level, which was reached in 1919-20. The new programme of all national production, published by the *Gosplan* in August, contains the following figures, values being at pre-war prices:—Gross agricultural production in 1924-25 was 9,150 million roubles, or 71 per cent. of that of 1913. The figure for 1925-26 (which includes the 1925 harvest) is 11,436 million roubles. Of this, 10,236 million roubles from forestry, ture proper, and 1,200 million roubles from forestry, fishing, and hunting. The production of "big" industry in 1924-25 was 70 per cent. of the pre-war. The programme for 1925-26 raises production of "big" industry to 94 per cent. of pre-war; gross value, 5,275 million roubles, against 3,950 million roubles in 1924-25 and 5,620 million

roubles in 1913. This does not include petty and home industries. The whole national production—State and private, industrial and agricultural—in 1925-26, according to the programme, will be 18,100 million roubles, which is 90 per cent. of the figure of 1913.

The oil industry, according to the *Gosplan's* programme, will in the new business year nearly reach the pre-war figure. The following are gross production figures (including gas as its naphtha equivalent) in millions of puds, the figures for 1924-25 being those of the programme:—

	1913.	1924-25.	1925-26.
From Baku	467.4	291	352
From Grosny	73.6	123	144
Total (including other yields)	561.8	431.8	521

Of the other small oil districts, only Turkestan yields less than before the war. The 1924-25 programme will be realised, it is officially stated, as to 98 per cent. Regarding 1925-26, it is stated unofficially that the programme may not be realised, owing to the refusal of the Finance Commissariat, which considers that the oil branch has "recovered too rapidly in comparison with other industries," to grant the capital required for borings and equipment. The capital requirement was 109,570,000 roubles. The estimated loss in 1925-26 on Grosny oil is 22,948,000 roubles.

For the coal industry there is also planned a great increase in output, which, it is stated, will be fully realised. In the last reported quarter (April-June) the Donetz Trust programme was fulfilled as to 98 per cent. The programme (gross production) of this Trust for 1925-26 is 790 million puds, which is 42 per cent. more than in the current business year. Donetz coke output is planned at 30 million puds, against 23 million puds this year. An advance of 5,480,000 roubles has been sanctioned for improving the mechanism of production. After deducting consumption on the spot, and consumption in coke production, 575 million puds are promised for the general market. The coal programmes for the minor production districts are not at present available. The value of wood output by all the State Trusts in 1925-26 is put at 141 million roubles. The output of sawn wood is to exceed by 40 per cent. that of the current business year, veneer 23 per cent., unsawn logs for sawmills 45 per cent., fire-wood 80 per cent. For fulfilment of this programme, 165 million roubles working capital is required. In August the Supreme Council of Economy decided that twelve wood trusts should be united in a single syndicate.

The official accounts show rapid increase in output by the iron, steel, and engineering industries. This is in part explained by the fact that these branches suffered worst of all, production of pig-iron in 1920 having fallen to 2.4 per cent. of the pre-war. The 1924-25 programme was revised and considerably increased last spring. Comparative pig-iron production figures are:—

District.	(In Thousands of Puds.)	
	1913.	1925-26.
South.....	189,725	48,220
Urals.....	55,765	22,247
Central.....	11,820	2,504
	257,310	72,971

Other heavy materials are:—

	(In Thousands of Puds.)	
	1924-25.	1925-26.
Steel.....	102,000	182,400
Rolled goods.....	75,700	141,800

The month to month output in the current business year has increased almost without a break; pig-iron, from 5,399,000 puds in January to 7,869,000 puds in June; steel, from 8,730,000 puds to 10,943,000 puds; roller goods, from 5,610,000 puds to 7,880,000 puds. Fulfilment of the programme of late is stated to have been, for different sorts, between 94 and 102 per cent. President of the "Glavmetal" Mezhlauk, states that the output of all the metal industries will exceed that of 1924-25 by

(Continued on page 22.)

PRODUCTION. (Thousands of Metric Tons.)

[illegible]

a Including lignite. b Including the production of Lorraine and Saar. c Saleable coal only. d Irish Free State production omitted since 1921. e Average of two months. f Strike period. g From 1919 excluding Alsace-Lorraine and from 1920 excluding Saar and Palatinate; from June, 1922, excluding Upper Silesia. h Since July, 1922, including Upper Silesia. i Excluding Rhine mines. j Excluding Saar. k Decrease due to coal strike. l Average of five months.

PIG IRON.

[illegible]

^c Excluding Luxemburg, including Alsace-Lorraine and Saar, from 1913 to October, 1918; for 1920-1923 figures not official. ^d Ingots and castings. ^e Average nine months Jan. to Sept., 1924. ^f Corrected figures based on returns from works responsible in 1923 for 95% of total production.

WHOLESALE PRICES.

Monthly Average.	U.K.		Belgium.	Czechoslovakia	Denmark	France.	Germany. ("Frankfurter Zeitung")	Holland.	Italy (Bacchi).	Norway.	Poland.	Russia.	Spain.	Sweden.	Switzerland land.	Australia.	British India.	Canada.
	Bo'd of Trade.	Econo- mist.																
1913	100	100	h 100	h n	100	100	h 100	e	c									
1918	..	224·9	..	..	292	339·2	..	100	100	100	h 100	1	100	100	h 100	100	h100	100
1921	197·2	181·0	366	..	178	345·0	h 4,217	373	409·1	..	..	..	207	222	191·2	177·8	180	193
1922	158·8	159·5	367	1,334	181	326·6	205,417	180	577·5	..	57,046	j k d	163	190	173	167·5	181	177
1923	158·9	162·1	497	977	210	418·9	140·1	151	574·6	232	k d	0·96	172	173	167·5	161·6	180	152
1924	166·2	173·9	573	997	234	488·5	m b	146·9	585·0	267	l h 11·0·2	k d	172	183	162	178·7	176	153
									b			d			b	173·3	177	155
1924—August	165·2	171·8	547	982	231	476·6	m	133·2	572·3	271	l b 10·9·2	a	173	182	160	169·9	169·4	180
September	166·9	176·6	550	934	234	485·6	m	141·3	580·1	272	l 112·4	a	164	184	163	169·0	169·7	179
October	170·2	180·0	555	1,013	231	497·1	m	140·7	601·7	273	l 116·4	a	164	186	167	168·5	171·0	181
November	170·0	179·5	569	1,024	234	503·5	m	140·9	620·5	276	l 116·6	a	168	181	167	169·8	170·9	180
December	170·1	180·3	566	1,045	234	507·2	m	146·9	639·8	279	l 118·3	a	172	198	168	170·8	172·6	176
1925—January	171·0	177·1	559	1,048	234	514·4	m	147·1	657·0	279	l 119·5	a	178	191	169	170·8	171·2	171
February	168·8	177·2	551	1,034	230	515·0	m	146·3	660·1	281	l 121·1	a	183	192	168	169·9	170·4	172
March	166·3	173·8	546	1,020	216	513·5	m	144·3	659·4	279	l 121·6	a	195	193	168	165·9	167·8	168
April	162·5	169·0	538	1,026	216	512·1	m	142·3	658·1	273	l 119·4	a	197	190	163	163·0	166·1	169
May	159·0	166·5	537	998	216	520·0	m	140·6	659·8	262	l 118·0	a	191	191	162	161·9	166·8	164
June	157·7	161·6	552	1,009	206	542·5	m	142·6	682·6	263	l 119·3	a	188	187	161	160·6	170·4	157
July	157·5	165·1	559	992	212	557·2	m	143·3	707·1	264	l 119·6	a	175	..	161	169·6	169·7	160
August	157·0	165·1	567	..	197	558·5	m	144·3	720	260								

^a From 1920 revised index. ^b End of the month. ^c New index compiled by Central Statistical Bureau middle of each month. ^d Beginning of the following month.
^e Revised index number. ^f 1000,000,000's omitted. ^g Middle of month. ^h 1914. ⁱ Beginning of the following year. ^k Czervonets roubles.
^l Zloty prices; April, 1924 = 109.1. ^m Since January, 1924, number of commodities changed. ⁿ Prices shown in gold marks. ^o New index, beginning of following month.

Wholesale Prices—Continued.

[illegible]

a The first of the following month. b Gold mark prices. c Figures no longer published. d Yearly figures are averages.

FINANCE.

Notes in Circulation. (000,000's omitted.)

Period.	United Kingdom.		Austria.	Belgium.	Bulgaria.	Czecho- slovakia.	Den- mark.	Finland.	France.	Germany.		Greece.	Hung- ary.	Jugo- Slavia.	Netherlands.	
End of	Bank of England Notes.	Currency Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes	Bank Notes.	Bank Notes.	Reichs- bank Notes.	Reichs- und Darlehens- kassenscheine.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	State Notes.
	£	£	Schilling.	Francs.	Leva.	Koruna.	Kron.	Markat.	Francs.	Marks.	Marks.	Drachmas	Korona.	Dinars.	Gulden.	Gulden.
1913.....	296		..	1,067	189	..	152	113	5,714	2,593	149	h j 245	..	..	313	..
1918.....	702	383·2		3,210	2,289		450	1,156	31,055	22,188	10,539	1,274			1,069	69
1921.....	e 1071	325·6	e 174,115	6,290	3,615	12,130	471	1,356	36,359	113,639	8,523	2,161	25,175	4,638	1,013	33
1922.....	e 1029·9	395·4	14,080,177	6,701	3,886	10,064	459	1,421	36,359	1,280,095	13,663	3,149	75,887	5,040	1,012	32
1923.....	e 105·1	292·7	713	7,460	4,139	9,599	473	1,352	39,114	1496507,484,772	800	4,861	931,337	5,790	1,066	32
1924.....	e 101·3	296·3	839	7,590	4,530	8,810	478	1,250	40,885	1,941 m	1,835	4,821	4,513,990	6,002	935	23
1924-July	104·6	295·6	800	7,764	4,115	8,090	470	1,261	40,324	1211038,485,128	m 1,803	4,475	3,277,943	5,568	964	29
Aug. 103·3	289·4	800	7,641	4,278	4,140	471	1,273	40,034	1391895,246,101	m 1,832	4,422	3,659,757	5,822	999	28	
Sept. 99·8	287·5	800	7,621	4,362	8,223	473	1,279	40,534	1520510,653,712	m 1,853	4,654	4,115,925	5,968	972	30	
Oct. 101·1	285·0	821	7,630	4,496	8,586	495	1,258	40,529	s 1,781	m 1,715	4,754	4,635,090	5,920	964	26	
Nov. 101·4	288·1	807	7,603	4,623	8,501	479	1,228	40,447	s 1,863	m 1,677	4,826	4,442,644	6,034	964	24	
Dec. 101·3	296·3	839	7,590	4,530	8,810	478	1,250	40,885	s 1,941	m 1,835	4,821	5,153,990	6,002	935	23	
1925-Jan.	97·5	281·2	790	7,648	4,530	8,917	456	1,205	40,516	s 1,901	m 1,780	4,979	4,237,985	5,760	912	21
Feb. 97·9	281·2	796	7,599	4,380	7,727	453	1,288	40,729	s 2,106	m 1,736	5,222	4,270,096	5,594	898	20	
Mar. 94·4	288·6	758	7,550	4,277	7,681	452	1,384	40,904	s 2,315	m 1,611	5,241	4,526,216	5,671	896	19	
Apr. 94·4	289·8	817	7,589	4,171	7,526	465	1,382	43,050	s 2,459	m 1,480	5,098	4,591,649	5,771	900	19	
May 94·7	293·5	828	7,482	4,174	7,437	467	1,336	42,703	s 2,609	m 1,672	5,182	4,583,176	5,644	889	18	
June 92·9	293·5	828	7,482	4,155	7,587	468	1,286	43,800	s 2,474	m 1,701	5,303	4,743,642	5,661	900	18	
July 90·3	301·0	837	7,688	4,129	7,549	449	1,252	44,496	s 2,530	m 1,834	..	4,930,549	5,965	899	18	
Aug. 90·7	295·8	836	7,653	..	7,695	442	1,268	45,445								

Period.	Italy.		Norway.	Poland.	Roumania.	Russia.			Sweden.	Switzerland.	Australia.	Canada.	South Africa.	Egypt.	United States.		Japan.
End of	Bank Notes.	State Notes.	Bank Notes.	Bank Notes.	Bank Notes.	State Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	State Notes.	Total Dominion & Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	State Notes.	Bank Notes.
	Lire.	Lire.	Kroner.	Mark p.	Zloty.	Lel.	Gd. Rbls.	Roubles.	Tocherv.	Kronor.	Francs.	£	Dollars.	£	£s	Dollars.	Yen.
1913	2,284	499	108	a	n	437	..	p 2	..	234	314	100	227	2-3	2-2	726	343
1918	11,750	2,124	431	..	..	2,489	..	57	..	814	976	58-9	530	6-3	44-5	3,402	291
1921	19,909	2,267	410	223,538	..	13,722	..	17,540	..	628	1,009	55-5	444	8-8	35-3	3,256	381
1922	18,012	2,267	385	793,437	..	e 15,126	..	2,138,710	0-4	584	976	51-8	414	8-3	31-7	3,117	1,591
1923	17,247	2,428	396	125,371,955	..	e 17,317	..	178,509,900	23-7	576	982	52-2	408	8-4	34-1	2,951	1,698
1924	18,114	2,400	391	3,314,000	551	19,397	229	..	41-1	537	914	56-9	411	9-1	40-2	2,555	297
1924-July	17,513	2,400	390	34,229,367	394	17,895	162	241,500,000	30-1	515	866	56-9	354	8-4	26-4	2,485	303
Aug.	17,523	2,400	390	18,182,665	430	18,493	181	241,000,000	35-1	528	869	56-9	365	8-5	26-5	2,497	310
Sept.	17,761	2,400	389	10,804,556	460	18,842	202	..	35-0	536	891	56-9	359	8-5	32-6	2,475	306
Oct.	18,071	2,400	386	5,785,000	504	19,164	218	..	37-3	536	882	56-9	400	8-9	37-7	2,537	307
Nov.	17,756	2,400	376	3,782,000	498	19,227	226	..	40-2	537	859	56-9	405	9-0	40-1	2,698	306
Deco.	17,794	2,400	391	3,314,000	551	19,397	229	..	41-1	537	914	56-9	411	9-1	40-2	2,555	297
1925-Jan	17,655	2,400	361	3,146,000	551	19,149	234	..	37-3	483	825	56-9	364	8-9	38-2	2,408	287
Feb.	17,471	2,400	368	3,106,800	550	19,122	236	..	37-7	493	819	56-9	363	8-9	37-0	2,460	290
Mar.	17,693	2,400	388	3,078,000	563	19,171	245	..	40-2	521	836	56-9	351	8-9	36-1	2,421	287
Apr.	17,645	2,400	380	3,036,600	567	19,200	250	..	40-9	493	830	56-9	345	8-6	35-2	2,381	282
May	17,744	2,100	380	2,770,200	557	19,351	250	..	41-8	500	822	56-9	351	8-5	32-6	2,384	286
June	19,017	2,100	387	0	503	19,689	274	..	46-1	523	834	56-9	355	8-1	30-8	2,325	281
July	19,276	2,100	384	0	462	19,689	274	..	50-5	494	824	53-9	..	7-8	..	2,287	286
Aug.	18,974	..	371	0	443	19,780	308	..	56-7	511	819	..	..	..	..	..	..

[illegible]

LONDON RATES OF EXCHANGE.

	Paris.	Brussels.	Italy.	Switzer- land.	Madrid.	Amster- dam.	Stock- holm.	Oslo.	Copen- hagen.	Berlin.	Vienna.	New York.	Buenos Aires.
	Francs to £1.	Francs to £1.	Lire to £1.	Francs to £1.	Pesetas to £1.	Florins to £1.	Kronor to £1.	Kroner to £1.	Kroner to £1.	Marks to £1.	Krone to £1.	Dollars to £1.	Pence to Dollars.
Par level	25.22½	25.22½	25.22½	25.22½	25.22½	12.107	18.159	18.159	18.159	20.43	24.02	4.869	47.58
Highest, 1924	120.25	139.00	113.30	25.00	35.35	11.67	17.58	32.92	28.26	22	340,000	4.74½	46½
Lowest "	63.50	73.75	94	23.20	30.90	11.29	16.14	29.60	24.40	17	295,000	4.20	39½
Beginning of—													
July, 1914	25.15	25.35½	25.25½	25.19½	26.10	12.11½	18.30	18.25	18.30	20.49½	24.55	4.87½	47½
January, 1919	27.97½	27.60	30.31½	22.95½	23.67½	11.15	16.29½	16.85	17.67½	..	..	4.76½	51½
January, 1920	40.92½	40.42½	50.00	21.16½	19.72½	10.07	17.50	18.60	19.56½	187½	..	3.78½	62½
January, 1921	61.06½	58.07½	33.55	27.46½	11.36½	17.56	22.42½	22.12½	22.12½	262	1,500	3.78½	51½
January, 1922	52.32½	54.55½	37.72	21.70½	28.19½	11.36½	16.97½	26.92½	21.12½	791½	13,000	4.20	43½
January, 1923	66.30	72.85	34	24.72½	29.73½	11.73	17.37½	25.12½	23.40	48,500	330,000	4.68	44
January, 1924	87.85	59.45	83½	24.63½	33.58½	11.36½	16.26½	29.82½	24.44½	19½ billions	305,500	4.29½	40½
January, 1925	87.40½	94.79½	112.35	24.63½	33.58½	11.71½	17.62½	31.37½	26.85½	19,94½ gldmks	337,500	4.74½	46½
May	93.19½	95.17½	118½	25.07½	33.50½	12.09½	18.16½	28.90½	25.84½	20.38½	..	3.44½	48½
June	100.32½	102.42½	122½	25.02	33.41	12.07½	18.16	28.82½	25.64½	20.40½	..	3.45½	48½
July	103.25	104.45	135½	25.05½	33.65½	12.13½	18.13½	26.77½	23.82½	20.42½	..	3.45½	48½
August	103.42½	107.02½	133½	25.01	33.65½	12.08½	18.06½	26.42½	21.34½	20.40½	..	3.45½	48½
Sept.	103.45	108.11½	121½	25.09	34.05	12.04½	18.08½	22.90½	19.97½	20.36½	..	3.43½	48½

									August Quotations				
									Method of Quoting.	Highest.	Lowest.	Average.	
	Rio de Janeiro.	Monte Video.	Valparaíso.	Bombay.	Hong Kong.	Shanghai.	Yokohama.	Singapore.	Place.				
	Pence to Milreis.	Pence to Dollars.	Pesos to £.	10 to Gold Sovereign	Sterling to Dollar.	Sterling to Tael.	Sterling to Yen.	Sterling to Dollar.					
				s d	s d	s d	s d	s d					
Par level	16	51	13.33	1 6 1/2	2 6	3 6 1/2	2 0 1/2	2 3 1/2	New York.	Dollars	4.58	4.40 1/2	4.500
Highest, 1924	6 1/2	52	45.30	1 6 1/2	2 6	3 6 1/2	2 0 1/2	2 3 1/2	Aug., 1924	to £1.	4.86 1/2	4.85 1/2	4.86 1/2
Lowest "	5	41 1/2	38.60	1 4 1/2	2 3 1/2	3 1 1/2	2 7 1/2	2 3 1/2	July, 1925		4.85 1/2	4.85 1/2	4.85
Beginning of—									Aug., 1925				
July, 1914	16 1/2	51 1/2	13.33	1 3 1/2	1 10 1/2	2 6 1/2	2 0 1/2	2 4 1/2	Paris.	Francs	87.55	79.00	82.01
January, 1919	13 1/2	61 1/2	10.00	1 6 1/2	3 4 1/2	5 2	2 1 1/2	2 4 1/2	Aug., 1924	to £1.	109.20	101.20	103.47
January, 1920	17 1/2	65 1/2	12.00	2 1 1/2	4 10 1/2	7 8 1/2	2 8	2 4 1/2	July, 1925		101.90	102.20	103.55
January, 1921	9 1/2	58 1/2	12.00	1 5 1/2	3 2 1/2	3 6 1/2	2 3 1/2	2 3 1/2	Aug., 1925				
January, 1922	7 1/2	41	40.20	1 4	2 7 1/2	3 6 1/2	2 3 1/2	2 3 1/2	Amsterdam.	Florins	11.66 1/2	11.51 1/2	11.59
January, 1923	5 1/2	40	34.70	1 4 1/2	2 3 1/2	3 0 1/2	2 1 1/2	2 4 1/2	Aug., 1924	to £1.	12.14	12.09	12.11
January, 1924	5 1/2	40	40.30	1 5 1/2	2 4 1/2	3 1 1/2	2 1 1/2	2 4 1/2	July, 1925		12.10	12.04	12.06
January, 1925	5 1/2	40	40.30	1 6 1/2	2 3 1/2	3 0 1/2	2 1 1/2	2 4 1/2	Aug., 1925				
May	4 1/2	44 1/2	41.00	1 6	2 3 1/2	3 1 1/2	2 1 1/2	2 4 1/2	Berlin.	Rehmks.	119 1/2	118 1/2	118 1/2
June "	5 1/2	47 1/2	42.10	1 6 1/2	2 3 1/2	3 2 1/2	2 1 1/2	2 4 1/2	Aug., 1924	to £1.	20.45	20.38	20.41
July "	5 1/2	46 1/2	41.50	1 6 1/2	2 2 1/2	3 1 1/2	2 1 1/2	2 4 1/2	July, 1925		20.42 1/2	20.38	20.40
August "	5 1/2	49 1/2	40.30	1 6 1/2	2 5 1/2	3 2 1/2	2 1 1/2	2 4 1/2	Aug., 1925				
Sept. "	6 1/2	49 1/2	39.70	1 5 1/2	2 5 1/2	3 2 1/2	2 1 1/2	2 4 1/2					

1 Billion paper marks.

* Daily rates.

4 Pence to Peso

† Schilling to £1

† Billion paper marks.

Daily intake

FOREIGN TRADE.

IMPORTS for Domestic Consumption—Merchandise Only. (000's omitted.)

Period.	U.K.	Irish Free State.	Belgium.	Bulgaria.	Denmark.	Estonia.	France.	Finland.	Germany.	Greece.	Italy.	Jugoslavia.	Netherlands.	Poland.	Sweden.	Switzerland.	United States.
Monthly Average.	£	£	Francs.	Leva.	Kroner.	Eesti Mark.	Francs.	Mark.	Drachma.	Lira.	Dinars.	Gulden.	Zloty.	Kronor.	Francs.	£.	Dollars.
1913.....	54,931	..	386,333	15,775	64,785	..	701,778	41,035	897,475	14,828	303,802	..	325,231	..	70,545	159,985	2,271
1918.....	107,100	..	472,288	75,851	..	1,858,416	38,944	..	..	..	..	..	..	..	102,776	200,122	4,147
1921.....	81,548	..	849,617	243,494	129,058	373,551	1,838,992	294,844	9,815,963	143,800	1,438,885	343,503	166,636	..	104,893	191,357	213,072
1922.....	74,950	..	767,035	336,472	121,322	465,785	1,994,194	328,254	516,700	257,122	1,313,730	536,823	168,966	70,375	92,847	159,539	3,382
1923.....	81,474	..	1,045,866	426,722	158,949	777,690	2,724,067	381,105	512,020	502,937	1,432,431	692,470	187,436	93,040	107,877	186,923	3,651
1924.....	94,975	5,376	1,463,963	463,109	181,874	672,522	3,344,381	385,641	761,255	663,807	1,615,599	685,145	196,961	123,350	116,803	208,706	4,106
1924—July ..	97,941	4,966	1,492,686	463,101	164,901	977,575	3,099,976	410,725	539,348	655,770	1,481,522	725,383	198,162	96,697	122,599	203,346	3,226
Aug.	93,226	5,311	1,365,328	434,833	184,345	559,687	3,071,943	390,810	537,200	639,232	1,467,974	725,383	174,417	81,304	113,660	206,346	3,989
Sept.	91,330	5,524	1,475,811	465,531	182,070	444,543	3,156,970	417,535	618,492	777,901	1,386,079	725,383	189,686	115,758	123,488	206,346	4,195
Oct.	107,417	5,716	2,298,860	509,160	181,913	538,751	3,397,608	454,170	847,370	862,212	1,458,219	742,126	217,689	144,972	128,795	263,979	4,745
Nov.	106,413	5,538	1,777,484	390,683	195,558	666,951	3,414,967	400,395	1,034,842	986,077	1,646,098	742,126	217,689	144,972	128,795	263,979	4,745
Dec.	119,557	4,963	1,602,810	571,013	211,028	738,554	4,118,454	317,320	1,214,443	977,744	2,495,487	742,126	217,689	144,972	128,795	263,979	4,745
1925—Jan.	115,623	4,553	1,371,819	528,694	191,794	762,778	3,172,571	318,777	1,282,464	875,737	1,827,786	709,465	216,648	186,860	105,060	222,965	4,633
Feb.	96,290	4,836	1,299,556	509,979	174,661	602,886	3,346,369	283,355	1,071,368	771,506	2,073,231	709,465	196,853	150,700	105,315	197,631	4,367
Mar.	100,084	5,896	1,660,430	652,956	187,005	794,012	3,306,700	397,362	1,036,895	812,242	2,586,958	709,465	203,822	189,924	112,482	222,550	4,463
Apr.	97,948	4,912	1,305,049	623,868	173,088	646,878	3,050,968	401,754	1,006,948	825,761	2,603,003	..	193,677	182,933	130,415	200,304	4,249
May	89,779	4,914	1,291,883	688,753	128,367	863,222	2,968,672	436,092	1,059,587	..	2,442,720	..	198,318	185,651	120,088	186,032	4,341
June	100,382	..	..	690,000	..	890,318	2,931,243	452,535	1,009,188	..	2,887,229	..	183,466	169,404	102,729	197,910	3,693
July	87,369	..	..	..	174,943	815,821	3,297,316	..	1,154,067	..	..	..	223,551	173,257	116,722	205,556	4,292
Aug.	78,233	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..

EXPORTS of Domestic Produce—Merchandise Only. (000's omitted.)

Period.	U.K.	Irish Free State.	Belgium.	Bulgaria.	Denmark.	Estonia.	France.	Finland.	Germany.	Greece.	Italy.	Jugoslavia.	Netherlands.	Poland.	Sweden.	Switzerland.	United States.
Monthly Average.	£	£	Francs.	Leva.	Kroner.	Eesti Mark.	Francs.	Mark.	Drachma.	Lira.	Dinars.	Gulden.	Zloty.	Kronor.	Francs.	£.	Dollars.
1913.....	43,771	..	302,882	7,778	53,113	..	573,351	33,482	841,583	9,917	203,303	..	255,453	..	68,112	114,700	2,626
1918.....	41,785	..	59,207	..	59,207	..	33,561	..	..	..	..	..	..	..	112,539	163,598	3,776
1921.....	58,617	..	605,408	184,777	117,518	190,563	1,647,709	278,471	8,299,713	78,777	689,796	205,062	141,791	..	112,539	178,315	3,776
1922.....	59,599	..	519,636	360,810	97,997	400,965	1,781,579	369,734	330,833	207,090	775,197	307,597	101,769	54,596	96,143	146,798	3,029
1923.....	63,938	..	738,041	294,761	128,217	475,996	2,536,049	363,787	4,508,523	212,092	923,802	670,737	108,602	99,633	95,175	146,684	3,178
1924.....	66,280	4,037	1,156,740	408,519	164,460	655,483	3,454,511	406,663	4,544,288	288,173	1,192,470	794,898	138,388	105,287	104,238	172,518	5,478
1924—July ..	71,283	4,053	1,159,181	428,114	164,659	604,145	3,013,713	734,014	572,260	237,719	842,485	686,286	134,417	80,429	124,610	165,903	2,020
Aug.	66,288	4,482	1,006,405	376,079	174,069	818,428	2,987,146	586,403	587,962	193,039	1,023,677	854,688	137,773	83,431	125,843	165,903	2,158
Sept.	63,283	4,725	1,179,326	525,109	185,533	726,553	3,087,563	510,335	569,288	78,986	937,368	620,911	93,739	73,739	124,269	165,903	2,388
Oct.	68,587	5,070	1,721,509	723,245	186,267	771,093	3,531,896	626,924	610,288	417,571	1,446,813	1,008,853	173,487	106,375	128,148	181,435	2,412
Nov.	68,151	4,621	1,650,216	777,351	172,136	801,173	3,432,636	518,930	641,380	461,418	1,412,996	922,463	159,327	123,033	123,381	181,435	2,412
Dec.	69,308	3,831	1,471,160	421,524	165,110	1,005,942	3,042,067	403,889	738,405	385,493	1,774,960	953,195	136,235	135,574	123,668	181,435	2,412
1925—Jan.	69,051	3,219	1,048,794	504,388	170,312	750,590	3,562,615	327,977	695,657	1,119,280	762,717	139,992	107,485	80,320	164,494	7,850	440,438
Feb.	69,330	2,935	986,162	528,031	152,220	679,351	3,595,061	220,289	629,843	231,211	1,403,194	693,020	136,318	103,026	80,321	171,453	6,683
Mar.	70,303	3,122	1,435,185	520,278	171,550	630,701	3,762,244	228,294	708,115	461,165	1,480,447	817,745	146,278	120,455	71,388	168,502	6,882
Apr.	60,877	2,815	1,040,675	371,136	162,699	619,306	3,557,744	256,797	670,047	405,178	1,343,176	659,681	144,320	89,605	85,752	164,718	3,371
May	64,204	2,833	1,088,320	413,295	142,355	688,481	3,640,187	455,255	728,002	..	..	..	150,490	105,893	191,049	3,660	362,757
June	58,893	..	..	368,000	..	783,880	3,506,534	543,714	865,724	..	..	..	153,619	130,058	209,132	2,592	315,397
July	64,204	..	..	..	163,637	980,665	3,848,373	800,915	742,800	..	..	..	161,535	86,794	133,942	1,793	331,647
Aug.	61,038	..	..	..	..	..	3,265,311	..	..	..	..	..	..	..	..	..	..

d Since January, 1922, gold marks valuation. e Until February, 1923, Julian Calendar. f Old Greece only. g Valued at 1921 official rates. h Since January, 1922, the value of imports is based on declarations of importers, instead of official evaluations previously used. i Since May, 1922, figures refer to "Union Economique Belgo-Luxembourgeoise." j Period September 1-21. k Official values. l January to October, 1923, official figures. m From November, 1923, provisional figures based on merchants' declarations, which may differ considerably from final figures based on official quarterly valuations. n From April 1, 1923, including trade of Great Britain and Northern Ireland with the Irish Free State, and excluding the direct foreign trade of the Irish Free State.

IMPORTS for Domestic Consumption—Merchandise Only. (000's omitted.)

Value.								Quantity (Metric Tons).										
Period.	Australia.	British India.	Canada.	New Zealand.	South Africa.	Japan.	Brazil.	Belgium.	Czecho-slovakia.	France.	Germany.	Greece.	Hungary.	Netherlands.	Poland.	Spain.	Switzerland.	Brazil.
Monthly Average.	£'s.	Rupees.	Dollars.	£'s.	£'s.	Yen.	Milreis.											
1913.....	6,355	^b 152,725	54,917	1,785	^s 3,365	60,474	83,958	2,721	..	3,685	^h 6,076	..	..	5,041	..	987	661	467
1918.....	7,696	137,704	75,583	1,966	3,768	137,221	82,450	..	..	2,446	..	..	..	..	..	..	..	..
1921.....	8,222	202,729	66,616	3,461	4,447	132,481	140,820	1,472	333	3,339	2,175	77	29	194	..	404	233	145
1922.....	9,850	199,622	63,528	2,817	4,008	153,956	137,719	^q 1,772	266	4,285	3,822	87	279	1,435	682	354	357	205
1923.....	11,086	185,068	75,253	3,575	4,584	161,924	188,930	^q 2,203	349	4,572	3,881	112	313	1,612	265	441	260	285
1924.....	11,852	196,166	87,350	3,995	5,302	201,843	..	..	482	4,708	3,234	153	376	1,888	201	564	285	285
1924—June ..	10,737	179,847	66,396	3,842	5,123	^a 179,243	256,499	2,533	^q 496	4,582	3,203	106	371	2,050	156	139	506	412
July	13,335	188,519	72,631	4,095	5,494	^a 185,471	259,638	2,754	^q 476	5,140	3,123	160	479	2,443	173	148	669	412
Aug.	11,736	201,389	61,970	4,588	5,710	^a 143,297	260,783	2,921	^q 567	4,457	2,083	164	357	1,982	136	181	669	412
Sept.	11,511	216,662	63,901	4,621	5,638	^a 142,425	261,717	3,117	^q 645	4,732	2,934	201	385	1,956	177	261	669	388
Oct.	12,378	205,066	68,184	4,041	5,762	^a 159,607	250,544	3,937	^q 555	4,660	3,330	160	411	2,217	245	230	619	346
Nov.	12,052	217,494	66,250	3,751	4,670	^a 193,206	300,171	1,822	^q 586	4,360	4,892	208	371	2,185	245	230	619	346
Dec.	12,137	264,729	60,946	4,452	5,883	^a 187,180	287,180	2,976	^q 645	4,731	5,078	187	518	2,044	243	107	619	319
1925—Jan.	13,135	199,562	58,376	4,767	4,904	^a 227,738	307,079	2,575	^q 446	3,522	4,615	183	515	2,077	245	160	619	442
Feb.	11,171	197,212	61,430	3,957	5,439	^a 288,265	..	3,697	^q 380	3,972	4,005	182	270	1,874	288	..	541	506
Mar.	12,982	197,212	61,430	3,957	5,439	^a 288,265	..	3,697	^q 380	3,972	4,005	182	270	1,874	288	..	541	506
April	11,060	174,810	59,105	3,195	5,264	^a 317,002	..	2,975	^q 424	3,947	4,429	206	253	1,931	370	..	504	..
May	10,419	187,205	75,895	3,876	5,126	^a 207,314	..	2,804	^q 438	3,658	4,536	172	238	1,866	367	..	550	..
June	11,452	158,127	75,592	^a 3,795	5,148	^a 204,065	..	2,742	^q 397	3,819	4,198	..	314	2,229	381	..	503	..
July	12,024	166,739	81,492	^a 4,326	5,506	^a 169,000	..	..	^q 481	3,730	4,821	..	354	1,953	352	..	508	..
									^q 445	3,709	4,835	..	..	2,359	443	..	608	..

THE STATE OF TRADE AT HOME AND ABROAD—Continued from page 22.

level. Outward coal freights remained extremely depressed, and the North American grain markets are less active than was expected. A feature during the month was the exceptional outburst of grain chartering activity from South Russia. The unofficial seamen's strike had a negligible effect on business in home ports. With regard to the South African and Australian services, such dislocation as was experienced applied rather to passenger than to freight carriage, though both would suffer from a prolongation of the dispute.

UNITED STATES OF AMERICA.

Trade has remained generally active, though dominated by seasonal conditions, and the business community is looking forward to the next few months with noteworthy confidence. That the movement of goods is on a very large scale is evidenced by the returns of railway freight traffic, which continue to make new high "records," by cheque payments, bankers' clearings, and the volume of retail sales. Since September 1st 158,000 anthracite miners have been on strike, and no immediate prospects of settlement are in view. This development, together with the scaling down of recent estimates for the wheat and cotton crops, is the chief unfavourable feature in a picture otherwise decidedly bright.

BRITISH EMPIRE.

Official estimates put Canada's wheat crop at 392 million bushels, as compared with 262 million bushels last year, this year's production being only thrice exceeded in the history of the Dominion. Private estimates are slightly lower. Ideal harvest weather has prevailed almost everywhere. In India, the monsoon which opened very favourably showed signs of failure about a fortnight ago, and although anxiety has been allayed by further heavy rainfall in some areas, in other places partial crop failure may be unavoidable. Australian business remained brisk during August, wool showing greater strength, while labour conditions were relatively good. During the present month, however, the latter has been less satisfactory, and the business outlook during the coming Australian summer may depend to an appreciable extent on the results of the forthcoming elections. In South Africa trade is steady, though anxiety is felt regarding the strike of British seamen, which is dislocating business in maize and fruit, and will, if prolonged, affect the shipment of the wool clip.

SOUTH AMERICA.

Although exports of cereals from Argentine are still restricted, the general position remains favourable. Crop and livestock conditions are satisfactory, with prices well maintained. In Chile, improvement in business is continued. The Brazilian coffee market is firm, but cotton and sugar are weaker, and import business is dull pending greater exchange stability. In Peru trade has recovered somewhat from the depression caused by the flooding of crops earlier in the season, but in Uruguay and Paraguay business remains dull. In Mexico mining activity has increased, but oil production continues to decline and business turnover shows slight expansion.

EUROPE.

French trade shows a certain expansion after the holidays. In Belgium, a slight improvement has occurred in the coal and metal trades, and prices show a firmer tendency. In Germany, apart from the potash, building, and certain branches of the textile industry, no improvement in industrial conditions was experienced in the course of last month. There has been a further closing down of pits on the Ruhr. Czechoslovakian business is less active than a few months ago, and labour conditions are less settled. The grain harvest has been handicapped by unfavourable weather, but a good sugar beet crop is expected. Financial stringency continues to restrict trade in Poland. A falling off in activity was common to most branches of Italian industry in Italy last month, but the outlook remains satisfactory. In Austria the situation shows no marked change, but the outlook for the future is all the better for the excellent crops harvested this year, and the same remark applies with even greater force to Hungary.

FAR EAST.

The Japanese money market is easier, and the situation as a whole is favourably regarded as a result of a good crop of autumn cocoons and a prospective rice harvest of satisfactory dimensions. The situation in China is becoming more settled. With the return of numbers of labourers to work and students to study, business prospects in the remaining months of the year are not unfavourable, provided always that political conditions show no sudden turn for the worse.

The Economist

MONTHLY SUPPLEMENT.

New Series.

SATURDAY, OCTOBER 24, 1925.

No. 29.

In the following pages we have aimed at compiling tables which will show summary figures for as many nations of the world as possible, and we have endeavoured to combine brevity with comprehensiveness. The greater number of the figures are taken from the Monthly Statistical Bulletin of the League of Nations,* supplemented from our own statistical records. We propose in these columns to give our own appreciation of the trade position, fortified by informed opinion, and to leave the figures to be interpreted by our readers each in his own way.

* "League of Nations Monthly Bulletin of Statistics," 1s 6d. Constable.

THE STATE OF TRADE AT HOME AND ABROAD.

THE trade situation shows a slight improvement. This is to some extent seasonal, but there seems reason to think that, apart altogether from this factor, the outlook is a little more hopeful. The unemployment figures at the end of September were no worse than in August, and since that date there has been an appreciable fall. Coal production in September was still on a very low level, but production on the North-East Coast, which, with South Wales, has been very hardly hit by the decline in export business, has recently shown some improvement.

Exports as a whole do not as yet show much elasticity, but it is satisfactory that the trade balance for the third quarter of the year is on a markedly lower level than for the first six months. Financial conditions continue to be reasonably favourable to industry, and part of the recovery may perhaps be due to the fact that six months' experience has served to dissipate fears that our return to the gold standard would involve heavy charges upon industry in the form of high interest rates. But perhaps the most important underlying influence is the satisfactory harvest in Europe and North America. Imports into Europe will be less than a year ago, and the prices at which Great Britain has to buy both its food and some of its chief raw materials are already relatively lower than a year ago.

As regards overseas countries, there is no important change as compared with a month ago. The list of "prosperous" countries still includes the United States, India, some of the South American countries, Australia, and Canada. So far as Europe is concerned, French trade, on the whole is good, and Italy is still doing well, but Norway and Denmark, whose currencies have for some time been rapidly appreciating, report bad trade, while Germany remains in a state of depression, particularly in the heavy industries. There is, however, a certain, though not very marked, improvement in

HOME TRADE STATISTICS—SEPTEMBER, 1925.

	AUG.	SEPT.	SEPT. 1924.
Compared with			
UNEMPLOYMENT—			
(State Insurance %)	12.5	12.4	+ 1.6
PRODUCTION—			
Coal (million tons)	20.1	17.2	— 3.2
Iron (thous. ")	445	449	— 120
Steel (" ")	477	639	— 6
FOREIGN TRADE—			
Imports (million £s)	91.7	97.9	— 3
Re-exports (" ")	13.5	10.5	+ 0.9
Exports (" ")	61.0	60.7	— 2.6
TRANSPORT—			
Railway Receipts* (£0,000)	424	388	— 16
Shipping Freights (av. level)	96	98	— 13
COMMODITY PRICES (" ")	174	173	— 11
TRADE DISPUTES (thous. working days lost)	2850	450	— 68
SECURITY VALUES (av. level)	116	116	nil
FINANCIAL DATA—			
Bank Notes (million £s)*	145	144	+ 20
Currency Notes (" ")	300	294	+ 7
Bank Deposits (" ")	1649	1651	— 1
Bank Advances (" ")	856	851	+ 40
Banks Cash Ratio (%)	11.9	11.9	+ 0.7
Bank Clearings:			
London (million £s)*	711	704	+ 11
Manchester (" ")	14.0	13.8	— 0.7
Three months' Bank Drafts			
(Discount Rate %)	3 1/8	3 1/8	— 1/8
Day-to-day Loans (%)	3 1/8	3 1/8	+ 1/8
(1) 1913=100. (2) Economist Index No.; July, 1914=100.			
(3) Bankers' Magazine Index No. of 365 securities; December, 1921=100. (4) Cash in hand and at Bank of England as % of total current, deposit, and other accounts. * Av. weekly figures.			

In the cotton trade the prospect of a very large crop has produced a considerable drop in the level of prices, and this will be very much in Lancashire's favour. The first effect, however, was to disorganise the market, and the full benefit is only now beginning to make itself felt. In the engineering industry reports as to production, confirmed by the rising statistics of exports, seem to show that our manufacturers have taken the measure of the world market. Unemployment in this industry, which, almost since the end of the war, has been among the highest in the country, is now down to the average level of the country as a whole. The building trade continues to be fully occupied, both in those branches concerned with the production of small houses and those engaged on large buildings in London and elsewhere. Minor industries, including those catering for the home market, all report a freer flow of orders, and there is reason to hope that a general expansion in business may be reflected in falling unemployment.

other directions.

The chief element of uncertainty in European industry to-day is the French exchange, for French commerce is now a sufficiently important matter to make the price of French products a disturbing factor in many markets, the most important being iron and steel and woollen textiles. Outside Europe the factor most difficult to forecast is the progress during the next twelve months of American production. There are some signs that building in America, in some of the most important centres, has been overdone, and that the railways, which are succeeding in handling record quantities of freight without any congestion, have reached the highest point of their replacement programme. These are the two largest single factors in the American industrial position, and it may be

MONTHLY BULLETIN OF STATISTICS

ISSUED by the LEAGUE OF NATIONS

A STATISTICAL REVIEW of the most recent information of the economic activity of Europe, The British Empire, America, Asia, etc., compiled from official and other defined sources.

The following among other subjects are dealt with in informative Tables:—

PRODUCTION: Coal, Iron and Steel; Shipping Construction, etc.

FOREIGN TRADE: Weight and Value of Imports and Exports; Movement of Shipping.

PRICE: Wholesale and Retail Price Index Numbers.

CURRENCY AND FINANCE: Reserves, Note Circulation, Discount Rates, Foreign Exchanges, Capital Issues, Bankruptcies, Savings Bank Deposits.

LABOUR: Unemployment Percentages.

This information is given where available for the following countries:—

ARGENTINE
AUSTRALIA
AUSTRIA
BELGIUM
BOLIVIA
BULGARIA
BRAZIL
CANADA
CHILE
CHINA
COLOMBIA
CUBA
CZECHOSLOVAKIA

DANZIG
DENMARK
DUTCH EAST INDIES
EGYPT
ECUADOR
ESTHONIA
FINLAND
FRANCE
GERMANY
GREECE
HUNGARY
INDIA
ITALY

JAPAN
JUGO-SLAVIA
LATVIA
LITHUANIA
LUXEMBURG
NETHERLANDS
NEW ZEALAND
NORWAY
PALESTINE
PARAGUAY
PERU
POLAND

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that for these reasons production has reached its peak for the time being. On the other hand, there are those who hold that the agricultural prosperity of the country, and the apparently inexhaustible demand for automobiles, point to continued growth during the winter. The matter is of some importance to Great Britain, for price levels are such that we have begun to sell once more over the American tariff barrier.

The following notes on conditions in various trades and countries call attention to the most striking tendencies:—

HOME INDUSTRIES.

Iron and Steel.—During the last fortnight a more hopeful tone has obtained. Improvement is doubtless partly seasonal, and paralleled by a similar movement last year, which came abruptly to an end at Christmas. At the same time, it would seem that recent price reductions have stimulated demand to some slight extent, and trade psychology has been perhaps unduly affected by recent orders placed here by the United States, with the prospect of others to follow. Pig-iron output in September recorded a slight advance over the depressing August total, but that of steel recovered much more markedly, and practically reached the level of a year ago. The quarterly meeting at Birmingham this month brought no change in iron prices, but rather more business was forthcoming than had been expected. In the semi-finished department conditions remain weak, but finished steels are in better demand. The Continent has bought tinplates freely, and many firms are booking orders for some weeks ahead. Galvanised sheets are also a firm market. These signs are encouraging after nine months of almost unbroken depression in the industry as a whole, but it is much too early to say whether or no better times are in sight.

Coal.—The market has a firmer undertone, but the situation generally is still far from satisfactory. Large stocks are available in many places, and until these have been further diminished the placing of forward orders can scarcely be expected. Prices, however, are steadier. Domestic demand has expanded, and industrial fuels are in a rather better position. The steam coal position is irregular, Cardiff recording no material expansion, while Newcastle has been doing a much more satisfactory trade. Coking coal is in improved demand, as a result of better conditions in the iron and steel districts.

Engineering.—This group has been able to make slow, but, on the whole, sustained progress, throughout the last few months. The slight acceleration which has recently been reported is gratifying, though seasonal factors may be chiefly responsible. The really black spot is shipbuilding and its ancillary trades, in which activity remains at a low level, as demonstrated by the *Lloyd's Register* returns for the September quarter. On the other hand, such recently depressed branches of engineering as machine-tool manufacture report a better volume of home and foreign orders, and locomotive makers are improving their position. Electrical engineers continue to receive good support, especially as regards orders for primary plant. The Olympia Motor Exhibition evoked a very satisfactory amount of business, especially from the overseas side, and the Textile Machinery Exhibition in Manchester achieved similar gratifying results as regards various Lancashire firms in that trade. These indications certainly point to a healthier tone among buyers.

Cotton.—Our Manchester correspondent writes:—The outstanding event in the cotton industry has been a decline in raw material rates of fully 2d per lb, due to increased crop estimates, with a possibility of record output. As is usual in a falling market, there has been a good deal of nervousness on the part of operators, but recently demand has broadened, and a larger turnover taken place. Cloth inquiry has increased, a feature having been the freer activity on the part of Indian merchants. It is understood that stocks in India, especially in the up-country districts, are comparatively light. It was hoped that by this time there would have been a resumption of the auction sales in Shanghai, but the decision to restart has had to be postponed. Rather depressing reports have been circulated as to conditions in the Near East, and

trade has dragged. A considerable demand has again been met with for the Continent, especially for Germany and Switzerland. Steady clearances have taken place in the home trade, and in certain quarters rather more orders have been placed with manufacturers. The yarn market in Manchester has been very irregular. Spinners have tried very hard to derive some advantage from cheaper raw material, and some success has been met with. There has not been any general flow of orders in yarns for shipping purposes, and the Continent has given more support than Eastern markets.

Woollen and Worsted Trades.—The firmness of wool at the recent London auctions undoubtedly came as a surprise to many people. Competition was good, and prices ruled in sellers' favour, but the running was made by the Continent. Had the market been dependent on West Riding demand, results would have been very different. In the latter area, however, more business has recently been done. An active demand has occurred for wool and tops, and as most topmakers have been carrying minimum stocks, some scarcity has developed, many firms being booked up to the end of the year. Spinners are making higher quotations, and the piece goods demand is maintained. The worsted trade shares this improvement to some extent, the application for "Safeguarding" facilities pre-dating the present movement.

Boots and Shoes.—The home trade is better, makers of heavy winter footwear having secured a larger amount of business. Orders are chiefly of small dimensions, however, and no appreciable quickening of export business is recorded.

Chemical Industry.—The volume of inquiries is larger, and export business rather more satisfactory. Coal-tar products have met with a fair demand.

Shipping.—Recent business has been without special feature. The upward movement of "tramp" freights, which began in July last, continued during September, but our index number remains nearly 2 per cent. below the 1913 level. The seasonal movement of Northern Hemisphere crops has not as yet given evidence of producing any marked increase in the demand for shipping. The strike of seamen has come to an end this month in South African ports, and appears to be petering out in Australia.

UNITED STATES OF AMERICA.

The following "indicators" of American trade conditions have been extracted from the most recent number of the "Survey of Current Business," issued by the United States Department of Commerce, and may serve as an approximate guide to recent trade tendencies:—

	July, 1925.	August, 1925.	Compared with August, 1924.
Production—Pig-iron thous. tons	2,664	2,704	+ 817
Steel ingots "	3,088	3,424	+ 871
U.S. Steel Corporation unfilled orders thous. tons	3,539	3,513	+ 223
Wholesale prices (1913=100)	160	160	+ 10
Bank clearings—New York . million \$	23,396	..	+ 2,269*
Outside "	18,570	..	+ 3,226*
Retail business (total sales of mail order houses)	27.9	28.7	+ 4.9
Imports—Value "	326	377	+ 122
Exports—Value "	340	384	+ 53

* July, 1925, compared with July, 1924.

The expected expansion of business has become more general during the last few weeks. Industrial output is steady, distribution to consumers sustained, and forward orders are reported as on a larger scale than in the corresponding periods of recent years. The opinion is currently put forward that trade volume this autumn will prove to be the largest in American history. The better balance between prices on the agricultural and manufacturing sides is now becoming apparent, and has not been upset by recent price variations in the cereal markets. Other indications of the larger movement are the quantitative increase in iron and steel output,

(Continued on page 36.)

TRADE POLICY OF CZECHOSLOVAKIA—Continued.

in 1924. Imports from Hungary, Yugoslavia, and Roumania amounted together to about 11 per cent. last year, from France 3.5 per cent., Holland 4 per cent., and Poland 3.5 per cent.

Czechoslovakia exports chiefly to Austria (20 per cent.), Germany (19 per cent.), Great Britain (9 per cent.), Hungary (6 per cent.), U.S.A. (4 per cent.), France, Italy, Poland, and Roumania. Her trade balance is active in relation to Austria (6,636 million kc in 1920, 1,972 millions in 1923, 2,278 millions in 1924), also with Hungary, Great Britain (1,089 millions in 1924), Yugoslavia and Roumania. Her trade balance is passive in relation to Germany (2,266 millions in 1924), Holland,

United States, Poland, and lately also Denmark (250 millions in 1924).

It is obvious that since most industries depend chiefly upon exports, Czechoslovakia is not unwilling to grant tariff reductions to those countries which are prepared to grant concessions to her. Unfortunately, few of the countries in Central Europe are as yet willing to reduce their tariff barriers. This, of course, makes any scheme of preferential tariffs between them illusory, even if the other States which at present enjoy most favoured nation treatment were willing to consent to the formation of such a preferential Customs union in Central Europe, which would place them outside it.

THE TRADE POLICY OF CZECHOSLOVAKIA

(BY A CORRESPONDENT.)

MORE than almost any other country, the Czechoslovak Republic depends on foreign trade for its prosperity. About 80 per cent. of all the industries and coal mines of former Austria are situated in Czechoslovakia. About 50 per cent. of her population is engaged in trade and industries, and her agriculture is devoted mostly to the lucrative production of those products which support food-while grain production and cattle-breeding is inadequate for home consumption. Czechoslovak industries naturally depend mostly on exports. Most important of all, however, the balance between national cash receipts and payments abroad makes a surplus of exports over imports imperative.

Even in the cash balance-sheet of the U.S.A. receipts for exported goods form 80 per cent., and payments for imported goods 60 per cent., and America is the world's greatest financier to-day. The exact figures for the compilation of a cash balance-sheet of Czechoslovakia are not available, but there is no doubt that the visible trade balance occupies an even more important place in it. The Czechoslovak visible trade balance up to the end of 1923 did not include goods imported for repairs and improvement and re-exported; but if we calculate this on the basis of 1924 we arrive at the following figures, showing the export surpluses during the past five years:—

	In Million Kc.	In Million \$
1920	5,456	87
1921	6,167	79
1922	6,329	152
1923	2,948	89
1924	1,160	35

The surplus for this year will be considerably larger than last year, because during the first eight months it had already reached 1,412 million kc (\$43 millions), and thus exceeded the figure for the whole of 1924. The net profit from foreign trade during the past five years, therefore, amounted to \$442 millions, the aggregate receipts from exports being \$2,225 millions, and the payments for imports \$1,783 millions.

Obviously, very little may be added on the side of receipts besides the proceeds from exports. Czechoslovakia, as an inland country with no sea-coast, cannot make profits from the shipping of foreign goods, and the interest which she receives from investments abroad is practically nil. On the other hand, we must include remittances from Czechoslovak settlers in U.S.A. (in 1922 these amounted to \$45 millions), receipts for transportation from the transit of goods and passengers, proceeds from tourist traffic, health resorts, and baths, and loans received from other countries (\$41 millions in 1922). According to the estimates of Dr K. Uhlig, a prominent Czech authority, the total receipts for 1922 were \$588 millions, out of which \$472 millions were for exported goods. Payments include \$320 millions for imports, \$20 millions loaned to Austria, the cost of houses and factories built abroad, the cost of the diplomatic service, and money spent by Czech tourists abroad. After estimating for all these visible and invisible items, we are still faced with an apparently unaccountable surplus of receipts of some \$158 millions, only a small part of which (about \$30 millions in six years) went towards the enrichment of the Treasury's gold reserve. An Austrian authority, Dr F. Hertz, proved, however, quite recently that this cash surplus goes to Vienna in the form of dividends, for a large portion of shares of Czechoslovak concerns is still held by Austrian shareholders, and the income from this investment provides, in fact, the deficiency of the Austrian trade balance. A small portion of these shares, nevertheless, has been bought back by Czechoslovakia out of her trade profits. The money spent abroad on investments and loans, on the repayment of debts, and on the repurchase of Czechoslovak shares cannot, of course, be counted as a loss, because it promotes her emancipation from dependence on foreign capital, decreases her indebtedness abroad, and increases her income from capital invested abroad.

Czechoslovak trade policy has from the beginning

striven for the development of foreign trade through commercial treaties with other countries, through the gradual abolition of trade restrictions, and through the reduction of her tariffs. Immediately after the war, when industries were at a standstill, when there was a general lack of foodstuffs, and when the Customs service was inadequately organised, a strict State control of all foreign trade was inevitable. Later, goods were classified into three groups:—(1) Goods the import of which was prohibited unless the importer obtained a special licence; (2) goods which simply had to be announced to the Ministry of Commerce by the importer (whose good faith the Ministry wished to examine); and (3) goods which could be imported without any formalities except a Customs declaration. The same applied to exports. This classification still exists to-day, but the list of goods in the second category has been gradually extended at the expense of the first, and the list of the third at the expense of the second.

The earliest treaties were compensation treaties providing for the mutual exchange of certain classes of goods, the import of which was otherwise prohibited. Secondly, Czechoslovakia proceeded to conclude treaties with most European countries and the United States, providing for "the most-favoured-nation" treatment. The opening of the third period is marked by the conclusion of important tariff treaties with France in 1923, and with Italy, Austria, and Switzerland in 1924. The reduced tariffs accorded to these countries, of course, extend equally to all the countries to whom Czechoslovakia granted the most-favoured-nation treatment.

If Czechoslovakia could not proceed as quickly with the reduction of her Customs tariff, and with the abolition of trade restrictions, as she wished, it was not entirely her fault. She was surrounded by States with highly inflated currencies, some of which even now keep on raising their tariff walls, presumably in order to develop and create their own industries. Obviously, Czechoslovakia cannot open her door to foreign competition so long as most of her neighbours do not assure her reciprocity, but, on the contrary, make her export policy more difficult than ever.

Czechoslovakia is not only an important exporter, but, like every industrial country with a high civilisation and high standard of living, a good consumer not only of foodstuffs and raw materials, but also of finished goods. The first place in imports is occupied by cotton (17 per cent.) and wool (12.65 per cent.), then come minerals (8.5 per cent.), corn and foodstuffs generally, machines, &c. The chief export articles are textiles (cotton goods, 12 per cent., woollen 9 per cent.), coal and timber (18.58 per cent.), sugar (15 per cent.), pig-iron and iron goods, machinery, glass, china, wooden articles, hops, &c. If we take the figures for 1923 as typical, we find that Czechoslovakia imported livestock for 652 million kc, foodstuffs for 2,381 millions, raw materials for 5,192 millions, finished articles for 1,994 millions, and gold for 0.8 millions. Her exports consisted of 18 millions worth of livestock, 2,581 millions worth of foodstuffs (sugar, beer, malt, barley, spirit, &c.), 3,356 millions in raw materials (of which 1,121 millions represented coal), manufactured goods for 6,493 millions, and gold, silver, and coins for 123 million kc.

These facts and her geographical position explain her trade relations with other countries. The chief place in Czechoslovakia's import trade is held by Germany. Her share in Czechoslovak imports was 21 per cent. in 1920, 26 per cent. in 1921, 27.8 per cent. in 1922, 40 per cent. in 1923, and 35 per cent. in 1924. The United States comes second with 18 to 20 per cent. in 1920-1922, but her share in Czechoslovak imports fell to 7 per cent. in 1923 and 5.6 per cent. in 1924. Austria's share has gone up from 6.52 per cent. in 1923 to 7.8 per cent. in 1924, imports from Italy from 4.53 per cent. to 5.9 per cent., while imports from Great Britain fell from 5.14 per cent. in 1922 to 3.29 per cent. in 1923 and 2.9 per cent.

(Continued on page 30.)

PRODUCTION. (Thousands of Metric Tons.)

COAL.												LIGNITE.				
Period. Monthly Average.	United Kingdom.	Belgium.	Czecho- slovakia.	France.	Germany.	Nether- lands.	Poland.	Canada.	South Africa.	India.	Japan.	United States.	Austria.	Czecho- slovakia.	Germany.	Hun- gary.
1913	24,336	1,903	1,189	^a 3,404	^g 15,842	156	748	1,135	665	1,311	1,776	43,088	..	1,918	^g 7,269	..
1918	15,283	1,158	..	2,188	13,376	283	..	1,133	747	1,681	2,136	51,272	..	..	8,389	..
1921	15,822	1,813	..	^c 3,213	9,491	327	632	890	862	1,558	2,385	38,283	206	1,792	10,253	474
1922	21,133	1,767	826	^c 3,596	981	318	h 1,899	882	735	1,540	2,398	34,565	259	1,579	11,434	511
1923	23,450	1,910	969	^c 3,978	5,185	440	3,009	1,014	1,583	3,199	49,268	222	231	1,351	9,434	575
1924	22,646	1,947	1,197	^c 4,916	9,902	490	2,693	755	944	1,710	..	42,278	231	1,709	10,363	479
1924—September ..	22,330	1,569	1,108	^e 5,006	11,388	496	2,909	697	968	1,820	2,191	44,111	212	1,740	10,841	475
October ..	23,341	1,856	1,112	5,341	11,943	538	3,235	822	998	1,633	2,397	49,430	228	1,789	11,975	548
November ..	21,453	1,801	1,084	4,760	10,688	495	3,036	800	906	1,419	2,478	43,100	219	1,766	11,498	515
December ..	22,341	1,235	1,024	5,024	11,240	513	3,240	888	987	1,662	2,662	48,222	260	1,806	12,335	527
1925—January ..	22,914	1,215	1,048	5,392	11,929	539	2,848	788	984	1,662	2,662	48,222	260	1,806	12,335	527
February ..	21,446	1,896	984	4,937	10,535	480	2,386	764	920	1,823	2,170	53,840	279	1,599	10,376	567
March ..	22,849	2,030	1,029	5,383	11,412	558	2,670	486	1,007	1,848	2,294	41,878	252	1,618	11,153	323
April ..	20,415	1,920	955	5,020	10,362	526	2,393	425	1,025	1,779	2,545	40,536	262	1,453	12,081	326
May ..	20,735	1,835	893	4,915	10,437	519	2,444	517	1,006	1,557	2,517	39,561	244	1,283	10,437	349
June ..	17,864	1,800	955	4,905	11,240	601	2,101	..	990	1,432	..	40,797	222	1,292	10,388	332
July ..	21,551	1,899	1,071	5,009	9,891	506	2,201	579	930	1,432	..	40,797	222	1,292	10,388	332
August ..	16,726	1,845	994	3,865	11,061	601	2,101	..	995	1,363	..	43,659	256	1,451	11,650	352
September ..	17,483	..	..	..	..	590	1,543	..	1,184	1,360	..	48,775	..	1,447	11,463	..

a Including lignite. c Including the production of Lorraine and Saar. d Saleable coal only. Irish Free State production omitted since 1921. g From 1919 excluding Alsace-Lorraine and from 1920 excluding Saar and Palatinat; from June, 1922, excluding Upper Silesia. h Since July, 1923, including Upper Silesia. i Excluding Rhine mines.

PIG IRON.

IRON.									STEEL.									
Period. Monthly Average.	United King- dom.	Bel- gium.	France.	Saar.	Ger- many.	Luxem- burg.	Sweden.	Canada.	United States.	United King- dom.	Bel- gium.	France.	Saar.	Ger- many.	Luxem- burg.	Sweden.	Canada.	United States.
1911.....	869	207	434	102	c	1,609	212	61	85	d	649	396	172	c	d	d	d	2,564
1918.....	768	"	109	"	1,609	106	64	90	2,601	812	1	151	"	1,578	101	62	88	2,645
1921.....	222	73	280	96	654	81	26	51	3,260	314	1	151	"	1,248	73	53	142	3,645
1922.....	415	132	427	96	783	140	22	32	1,401	314	66	259	77	833	64	19	57	1,928
1923.....	636	184	442	85	411	117	23	75	k 2,276	719	d	130	83	976	117	29	41	2,627
1924.....	620	234	638	114	"	181	42	50	k 2,332	696	238	576	119	s	100	25	75	3,182
1924—September..	578	239	641	101	e 599	177	40	24	b, 634	d	d	d	d	"	157	45	55	3,603
October.....	596	246	660	99	803	189	45	23	2,086	655	245	598	114	762	158	43	18	2,873
November.....	593	217	634	106	803	185	39	23	2,517	688	256	609	110	580	168	50	20	3,176
December.....	590	247	665	116	803	197	37	23	2,550	684	217	508	112	580	158	43	23	3,171
1925—January.....	581	249	669	114	910	201	32	23	3,009	560	247	605	120	580	185	42	27	3,627
February.....	550	249	669	114	910	201	32	23	3,424	615	247	608	118	581	171	37	28	4,266
March.....	618	282	689	"	873	197	34	30	3,266	663	240	569	"	1,145	157	42	38	4,266
April.....	579	268	686	"	896	187	40	40	3,621	696	269	607	"	1,209	178	44	10	4,266
May.....	584	275	706	"	961	190	46	64	3,511	607	251	587	"	1,064	167	47	190	3,645
June.....	518	213	703	"	941	190	37	47	2,978	595	262	596	"	1,115	167	52	02	3,514
July.....	501	183	724	"	886	203	38	21	2,716	600	155	625	"	1,109	171	34	164	3,259
August.....	452	166	713	"	766	202	33	27	2,707	485	150	617	"	1,031	184	39	23	3,137
September.....	456	"	"	"	"	"	"	"	2,748	"	"	"	"	899	174	"	"	"

e Excluding Luxemburg, including Alsace-Lorraine and Saar, from 1913 to October, 1918; for 1920-1923 figures not official.	d Ingots and castings.	c Average nine
months Jan. to Sept., 1924. * Corrected figures based on returns from works responsible in 1923 for 95% of total production.		

WHOLESALE PRICES.

Monthly Average.	U.K.		Belgium.	Czechoslovakia.	Denmark.	France.	Germany. ("Frankfurter Zeitung")	Holland.	Italy (Bacchi).	Norway.	Poland.	Russia.	Spain.	Sweden.	Switzerland.	Australia.	British India.	Canada.
	Board of Trade.	Economic mist.																
1913	100	100	h 100	h 100	d 100	100	h 100	e 100	100	c 100	h 100	100	100	100	h 100	100	100	100
1918	224.9	224.9	..	..	292	339.2	..	339.2	100	100	..	100	100	100	..	100	100	100
1921	197.2	181.0	366	..	178	345.0	..	373	407.5	..	..	..	100	100	..	100	100	100
1922	158.8	159.5	367	1,334	181	326.6	..	182	509.1	..	57,046	..	100	100	..	100	100	100
1923	158.9	162.1	497	977	210	418.9	205,437	160	562.3	..	72.8	j k d	0.96	176	173	191.2	174.9	181
1924	166.2	173.9	573	997	234	488.5	140.1	151	574.6	232	85.9	k d	1.69	172	163	187.5	186.1	180
	b	b	b	b	b	b	146.9	156	585.0	267	110.2	k d	1.72	183	162	174.6	173.3	177
1924—September	166.9	175.6	550	999	234	485.6	m 141.3	158	580.1	272	112.4	k	1.64	184	163	169.0	169.7	179
October	170.2	180.0	565	1,013	231	497.1	m 140.7	161	601.7	276	116.4	k	1.64	186	167	168.5	171.0	181
November	170.2	179.5	569	1,024	234	503.5	m 140.9	161	620.5	277	116.6	k	1.68	181	167	169.8	170.9	180
December	170.1	180.3	566	1,045	234	507.2	m 146.9	160	639.8	279	118.3	k	1.72	198	168	170.8	170.8	176
1925—January	171.0	177.1	559	1,008	234	514.4	m 147.1	160	657.0	279	119.5	k	1.78	191	169	170.8	171.2	171
February	168.8	177.2	551	1,034	230	545.0	m 146.3	158	660.1	281	121.1	k	1.95	193	169	169.9	170.4	172
March	166.3	173.8	546	1,020	216	513.5	m 144.3	155	659.4	279	121.6	k	1.95	193	168	165.9	167.8	168
April	162.5	169.0	538	1,006	216	512.1	m 142.3	151	658.1	273	119.4	k	1.97	190	163	163.0	166.1	169
May	159.0	165.5	537	998	216	520.0	m 140.6	151	659.8	262	118.0	k	1.91	191	162	161.9	166.8	164
June	157.7	161.6	552	1,009	206	542.5	m 143.5	155	682.6	280	119.3	k	1.88	187	161	160.6	165.7	165
July	157.5	165.1	559	993	212	557.2	m 143.3	155	707.1	257	119.6	k	1.75	188	161	159.6	163.7	160
August	157.0	165.2	567	996	197	557.2	m 144.3	155	730.6	249	124.1	k	1.73	184	159	159.4	..	159
September	156.0	164.3	..	..	186	555.0	m 144.5	155	..	237	..	..	..	..	159.2	..	..	..

a From 1920 revised index. b End of the month. c New index compiled by Central Statistical Bureau.

a From 1920 revised index.	b End of the month.	c New index compiled by Central Statistical Bureau middle of each month.	d Beginning of the following month.
e Revised index number.	f 1000,000,000 omitted.	g Middle of month.	h 1914.
i Zloty prices; April, 1924 = 109.1	m Since January, 1924, number of commodities changed . . . Prices changed . . .	j Beginning of the following year.	k Czarkowicz, rubles.

Wholesale Prices—Continued.

					Index Numbers of Retail Prices.						Cost of Living.—(Base = 100.)						
Monthly Average.	South Africa.	China.	Japan.	United States, Bureau of Labour.	No. of Towns and Localities.	U.K.	Irish Free State.	Austria.	Belgium.	Bulgaria.	France.	Germany.		Italy.	Spain.	Canada.	U.S.A.
					630	105	Vienna.	59	12	Paris.	71	Berlin.	Milan.	Madrid.	60	32	
					Base.	July, 1914.	July, 1914.	July, 1914.	July, 1921.	1914.	1914.	Oct., 1913. Jan., April, June, 1914.	Aug., 1913. July, 1914.	Jan.-June, 1914.	1914.	1913.	1913.
1913	100	100	100	100													
1918	153.1	..	195.8	194		July, 1914.	July, 1914.	July, 1914.	July, 1921.	1914.	1914.	Oct., 1913. Jan., April, June, 1914.	Aug., 1913. July, 1914.	Jan.-June, 1914.	1914.	1913.	1913.
1921	160.4	150.2	200.4	147													
1922	128.4	145.6	195.8	149	1918—July ..	210	..	1,160	..	d							
1923	126.6	156.4	199.1	154	1921—July ..	222	..	9,970	100	1910	307	..	..	286	154	146	174
1924	128.7	153.9	206.5	150	1922—July ..	181	185	264,511	90	2643	302	1124	1125	498	189	155	180
					1923—July ..	171	180	1,090,300	109	2464	334	3765100	6122	484	181	147	167
					1924—July ..	171	183	1,239,100	125	2812	366	b 116.0	3286610	487	177	145	170
						a						b 101.7	512	184	145	169	
1924—September..	149.3	206.5	149	1924—Sept ..	176	..	1,316,200	128	2697								
October	152.8	..	152	Oct.	180	193	1,330,700	134	2785	367	b 116.0	b 103.3	516	189	146	171	
November	154.9	214.3	153	Nov.	181	..	1,357,400	137	2945	..	b 122.0	b 108.7	546	185	147	..	
December	157.4	213.5	157	Dec.	180	..	1,365,000	137	3010	377	b 122.5	b 108.4	563	175	147	..	
1925—January	130.0	199.9	213.7	1925—Jan. ..	179	195	1,376,200	139	3083	..	b 122.6	b 108.1	573	190	148	173	
February	159.2	210.0	161	Feb.	179	..	1,389,500	137	3186	..	b 124.1	b 107.8	580	188	149	..	
March	160.3	201.1	161	Mar.	175	..	1,366,000	136	3127	386	b 135.6	b 109.2	592	189	150	..	
April	129.8	157.4	156	April.	173	188	1,343,200	131	3074	..	b 136.0	b 110.0	602	192	147	..	
May	157.8	199.9	157	May	173	..	..	128	3027	..	b 136.7	b 113.4	600	191	146	..	
June	157.3	198.3	160.1	June	173	..	c	131	3171	390	b 135.5	b 114.4	591	188	146	..	
July	126.6	160.3	160.4	July	173	188	c	..	..	..	b 138.3	b 116.9	596	190	146	174	
August	..	200.1	..	Aug.	174	..	..	..	..	..	b 140.3	b 120.8	598	190	149	..	
September	..	200.2	..	Sept.	176	..	c	..	..	401	b 145.0	b 118.9	610	190	..	..	
					The first of the following month					A Gold							

a The first of the following month. *b* Gold mark prices. *c* Figures no longer published. *d* Yearly figures are averages.

FINANCE.

Notes in Circulation. (000,000's omitted.)

Period.	United Kingdom.		Austria.	Belgium.	Bulgaria.	Czecho-slovakia.	Den-mark.	Finland.	France.	Germany.		Greece.	Hung-ary.	Jugo-Slavia.	Netherlands.	
End of	Bank of England Notes.	Currency Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Reichs-bank Notes.	Reichs- und Darlehens-kassenscheine.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	State Notes.
	£	£	Schilling.	Francs.	Leva.	Koruna.	Kron.	Markat.	Francs.	Marks.	Marks.	Drachmas	Korona.	Dinars.	Gulden.	Gulden.
1913.....	296	..	..	1,067	189	..	152	113	5,714	2,593	149	h 245	..	..	313	..
1918.....	702	383 2	..	3,210	2,299	..	450	1,156	31,055	22,188	10,599	1,274	..	..	1,069	69
1921.....	1071	385 6	174,115	6,290	3,615	12,150	471	1,356	113,639	9,523	2,161	25,175	4,688	..	1,013	33
1922.....	1029	284 4	14,080,177	6,701	3,886	10,064	459	1,421	36,359	1,280,035	15,663	3,149	75,887	5,040	1,012	32
1923.....	1051	292 7	713	7,460	4,139	9,599	473	1,353	39,114	14,965,007,424,772	800	4,681	931,357	5,790	1,066	32
1924.....	1013	296 3	839	7,590	4,530	8,810	478	1,250	40,885	1,941	m 1,835	4,821	4,513,990	6,002	935	23
1924-Aug.	1033	289 4	800	7,641	4,278	8,140	471	1,273	40,034	1,391,895,246,101	m 1,832	4,422	3,659,757	5,822	999	28
Sept.	998	287 5	800	7,628	4,362	8,223	473	1,279	40,534	1,520,510,653,712	m 1,853	4,654	4,115,925	5,968	972	30
Oct.	1011	285 0	821	7,630	4,496	8,586	498	1,258	40,529	s 1,781	m 1,715	4,754	4,635,090	6,990	998	26
Nov.	1014	288 1	807	7,603	4,623	8,501	478	1,228	40,447	s 1,863	m 1,677	4,826	4,442,644	5,934	964	24
Dec.	1013	296 3	839	7,590	4,458	8,810	478	1,250	40,885	s 1,941	m 1,835	4,821	4,513,990	6,002	935	23
1925-Jan.	975	281 2	790	7,648	4,458	7,917	456	1,205	40,516	s 1,901	m 1,780	4,847	4,449,650	5,795	922	28
Feb.	979	281 2	796	7,599	4,580	7,727	453	1,288	40,729	s 2,106	m 1,736	4,979	4,237,985	5,760	912	24
Mar.	944	288 6	790	7,550	4,497	7,681	452	1,384	40,904	s 2,315	m 1,611	5,222	4,270,096	5,594	898	20
Apr.	944	289 8	798	7,665	4,171	7,526	465	1,382	43,050	s 2,452	m 1,480	5,241	4,556,215	5,671	896	19
May	949	295 5	817	7,749	4,171	7,437	467	1,336	42,703	s 2,609	m 1,551	5,182	4,583,176	5,644	889	18
June	927	295 5	828	7,562	4,159	7,587	468	1,286	43,800	s 2,474	m 1,672	5,203	4,743,642	5,661	900	18
July	903	301 0	837	7,688	4,129	7,549	449	1,252	44,496	s 2,530	m 1,701	5,303	4,990,549	5,965	899	18
Aug.	887	295 8	836	7,653	4,221	7,695	442	1,268	45,445	s 2,595	m 1,713	5,287	5,102,507	6,097	879	18
Sept.	885	293 0	841	7,760	..	7,839	430	1,279	46,354	s 2,649	m 1,833	..	..	..	..	..

Period.	Italy.		Norway.	Poland.		Roumania.	Russia.			Sweden.	Switzer-land.	Australia.	Canada.	South Africa.	Egypt.	United States.		Japan.
End of	Bank Notes.	State Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Leil.	State Notes.	Bank Notes.		Bank Notes.	Bank Notes.	State Notes.	Total Dominion & Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	State Notes.	Bank Notes.
	Lire.	Lire.	Kroner.	Marki p.	Zloty.		Gd. Rbls	Roubles.	Toherv.	Kronor.	Francs.	£	Dollars.	£	£s	Dollars.	Dollars.	Yen.
1913	b			a	n			p										
1918	2,284	499	108	..	..	437	..	2	..	234	314	10-0	227	2-3	2-2	726	343	424
1921	11,750	2,124	431	..	..	2,489	..	57	..	814	976	58-9	530	6-3	44-5	3,402	291	1,144
1922	19,209	2,267	410	229,538	e	15,722	..	17,540	..	628	1,009	55-5	444	8-8	35-3	3,256	281	1,547
1923	18,012	2,267	385	793,437	..	15,126	..	2,138,710	..	584	976	51-8	411	8-3	31-7	3,117	288	1,591
1924	17,247	2,428	396	125,371,955	e	17,917	..	178,503,910	23-7	576	982	52-2	408	8-8	34-3	2,961	308	1,698
1924	18,114	2,400	391	3,514,000	551	19,397	229	..	41-1	537	914	56-9	355	9-1	40-2	2,555	297	1,561
1924-Aug.	17,353	2,400	390	18,182,665	430	18,493	181	241,000,000	33-1	528	869	56-9	365	8-5	26-5	2,497	310	1,301
Sept.	17,761	2,400	389	10,804,556	460	18,842	202	..	35-0	564	891	56-9	359	8-5	32-6	2,475	306	1,238
Oct.	18,071	2,400	386	5,785,000	504	19,164	218	..	37-3	536	882	56-9	359	40-0	37-7	2,527	307	1,366
Nov.	17,756	2,400	376	3,782,000	498	19,227	226	..	40-2	537	853	56-9	359	40-0	37-7	2,527	307	1,366
Dec.	17,794	2,400	391	3,314,000	551	19,397	229	..	41-1	537	914	56-9	359	40-0	37-7	2,527	307	1,366
1925-Jan.	17,655	2,400	361	3,146,000	553	19,149	234	..	37-3	483	825	56-9	364	8-9	34-2	2,408	285	1,391
Feb.	17,471	2,400	368	3,106,800	550	19,122	236	..	40-2	521	836	56-9	363	8-9	36-1	2,421	287	1,395
Mar.	17,693	2,300	380	3,078,000	563	19,071	245	..	40-9	493	830	56-9	345	8-6	35-2	2,381	282	1,473
Apr.	17,645	2,100	380	3,036,600	567	19,120	250	..	41-8	500	822	56-9	351	8-5	32-6	2,384	285	1,405
May	17,744	2,100	374	2,770,200	557	19,381	250	..	46-1	523	834	56-9	355	8-1	30-8	2,395	281	1,428
June	19,017	2,100	387	g	503	19,536	258	..	50-5	494	824	56-9	354	7-8	28-3	2,287	286	1,490
July	19,276	2,100	384	g	462	19,669	274	..	56-7	511	819	..	..	..	..	..	..	1,372
Aug.	19,431	2,100	378	g	440	20,153	308	..	55-1	511	819	..	..	..	..	..	..	1,162
Sept.	g	372	g	397	20,649	..	..	..	75-6	551	845	..	..	..	..	..	..	..

Sept.	372	397	20,649	756	551	675	675
<i>a</i> Including German, Russian, and Austro-Hungarian notes, converted into national currency. <i>e</i> Including Austro-Hungarian and other notes, converted after the War into national currency. <i>g</i> Excluding notes held on redemption account in respect of Currency Notes.				<i>b</i> Three banks of issue: Banks of Italy, Naples, and Sicily. <i>d</i> Gross issue, without deduction of notes held by Banking Department. <i>f</i> Includes notes called in, but not cancelled. <i>h</i> Includes notes called in, but not cancelled.			
<i>i</i> Excluding notes held on redemption account in respect of Currency Notes. <i>k</i> Until February, 1923, Julian Calendar.				<i>j</i> Includes notes of the Bank of Crete. <i>l</i> Includes notes of the Bank of Crete. <i>m</i> Includes notes of the Bank of Crete.			
<i>n</i> Exchangeable against Zloty notes.				<i>o</i> Includes notes of the Bank of Crete. <i>p</i> Includes notes of the Bank of Crete. <i>q</i> Includes notes of the Bank of Crete.			
<i>r</i> Bank of Greece in 1913, and those of the Ionian Bank, amalgamated in April, 1920.				<i>s</i> Includes notes of the Bank of Crete. <i>t</i> Includes notes of the Bank of Crete. <i>u</i> Includes notes of the Bank of Crete.			
<i>v</i> Bank of Greece in 1913, and those of the Ionian Bank, amalgamated in April, 1920.				<i>w</i> Includes notes of the Bank of Crete. <i>x</i> Includes notes of the Bank of Crete. <i>y</i> Includes notes of the Bank of Crete.			
<i>z</i> Bank of Greece in 1913, and those of the Ionian Bank, amalgamated in April, 1920.				<i>aa</i> Includes notes of the Bank of Crete. <i>ab</i> Includes notes of the Bank of Crete. <i>ac</i> Includes notes of the Bank of Crete.			
<i>ad</i> Bank of Greece in 1913, and those of the Ionian Bank, amalgamated in April, 1920.				<i>ae</i> Includes notes of the Bank of Crete. <i>af</i> Includes notes of the Bank of Crete. <i>ag</i> Includes notes of the Bank of Crete.			
<i>ah</i> Bank of Greece in 1913, and those of the Ionian Bank, amalgamated in April, 1920.				<i>ai</i> Includes notes of the Bank of Crete. <i>aj</i> Includes notes of the Bank of Crete. <i>ak</i> Includes notes of the Bank of Crete.			
<i>al</i> Bank of Greece in 1913, and those of the Ionian Bank, amalgamated in April, 1920.				<i>am</i> Includes notes of the Bank of Crete. <i>an</i> Includes notes of the Bank of Crete. <i>ao</i> Includes notes of the Bank of Crete.			
<i>ap</i> Bank of Greece in 1913, and those of the Ionian Bank, amalgamated in April, 1920.				<i>aq</i> Includes notes of the Bank of Crete. <i>ar</i> Includes notes of the Bank of Crete. <i>as</i> Includes notes of the Bank of Crete.			
<i>at</i> Bank of Greece in 1913, and those of the Ionian Bank, amalgamated in April, 1920.				<i>au</i> Includes notes of the Bank of Crete. <i>av</i> Includes notes of the Bank of Crete. <i>aw</i> Includes notes of the Bank of Crete.			
<i>ax</i> Bank of Greece in 1913, and those of the Ionian Bank, amalgamated in April, 1920.				<i>ay</i> Includes notes of the Bank of Crete. <i>az</i> Includes notes of the Bank of Crete. <i>ba</i> Includes notes of the Bank of Crete.			
<i>bb</i> Bank of Greece in 1913, and those of the Ionian Bank, amalgamated in April, 1920.				<i>bc</i> Includes notes of the Bank of Crete. <i>bd</i> Includes notes of the Bank of Crete. <i>be</i> Includes notes of the Bank of Crete.			
<i>bf</i> Bank of Greece in 1913, and those of the Ionian Bank, amalgamated in April, 1920.				<i>bg</i> Includes notes of the Bank of Crete. <i>bh</i> Includes notes of the Bank of Crete. <i>bi</i> Includes notes of the Bank of Crete.			
<i>bj</i> Bank of Greece in 1913, and those of the Ionian Bank, amalgamated in April, 1920.				<i>bk</i> Includes notes of the Bank of Crete. <i>bl</i> Includes notes of the Bank of Crete. <i>bm</i> Includes notes of the Bank of Crete.			
<i>bn</i> Bank of Greece in 1913, and those of the Ionian Bank, amalgamated in April, 1920.				<i>bo</i> Includes notes of the Bank of Crete. <i>bp</i> Includes notes of the Bank of Crete. <i>bq</i> Includes notes of the Bank of Crete.			
<i>br</i> Bank of Greece in 1913, and those of the Ionian Bank, amalgamated in April, 1920.				<i>bs</i> Includes notes of the Bank of Crete. <i>bt</i> Includes notes of the Bank of Crete. <i>bu</i> Includes notes of the Bank of Crete.			
<i>bv</i> Bank of Greece in 1913, and those of the Ionian Bank, amalgamated in April, 1920.				<i>bw</i> Includes notes of the Bank of Crete. <i>bx</i> Includes notes of the Bank of Crete. <i>by</i> Includes notes of the Bank of Crete.			
<i>bz</i> Bank of Greece in 1913, and those of the Ionian Bank, amalgamated in April, 1920.				<i>ca</i> Includes notes of the Bank of Crete. <i>cb</i> Includes notes of the Bank of Crete. <i>cc</i> Includes notes of the Bank of Crete.			
<i>cd</i> Bank of Greece in 1913, and those of the Ionian Bank, amalgamated in April, 1920.				<i>ce</i> Includes notes of the Bank of Crete. <i>cf</i> Includes notes of the Bank of Crete. <i>cg</i> Includes notes of the Bank of Crete.			
<i>ch</i> Bank of Greece in 1913, and those of the Ionian Bank, amalgamated in April, 1920.				<i>ci</i> Includes notes of the Bank of Crete. <i>cj</i> Includes notes of the Bank of Crete. <i>ck</i> Includes notes of the Bank of Crete.			
<i>cl</i> Bank of Greece in 1913, and those of the Ionian Bank, amalgamated in April, 1920.				<i>cm</i> Includes notes of the Bank of Crete. <i>cn</i> Includes notes of the Bank of Crete. <i>co</i> Includes notes of the Bank of Crete.			
<i>cp</i> Bank of Greece in 1913, and those of the Ionian Bank, amalgamated in April, 1920.				<i>cq</i>			

LONDON RATES OF EXCHANGE.

	Paris.	Brussels.	Italy.	Switzer- land.	Madrid.	Amster- dam.	Stock- holm.	Oslo.	Copen- hagen.	Berlin.	Vienna.	New York.	Buenos Aires.
	Francs to £1.	Francs to £1.	Lire to £1.	Francs to £1.	Pesetas to £1.	Florins to £1.	Kronor to £1.	Kroner to £1.	Kroner to £1.	Marks to £1.	Krone to £1.	Dollars to £1.	Pence to Dollars.
Par level	25.22½	25.22½	25.22½	25.22½	25.22½	12.107	18.159	18.159	18.159	20.43	24.02	4.868	47.58
Highest, 1924	120.25	139.00	113.30	25.00	35.35	11.87	17.58	32.92	28.26	17	340.00	4.74½	46½
Lowest "	63.30	73.75	94	23.20	30.90	11.29	16.14	29.60	24.40		295.00	4.20	39½
Beginning of—													
July, 1914	25.15	25.35½	25.25½	25.19½	26.10	12.11½	18.30	18.25	18.30	20.49½	24.55	4.87½	47½
January, 1919	27.97½	27.60	30.31½	22.95½	23.67½	11.15	16.29½	16.85	17.67½	..	..	4.75	51½
January, 1920	40.92½	40.42½	50.00	21.16½	19.72½	12.76½	10.07	15.50	18.60	19.66½	187½	3.78½	62½
January, 1921	61.06½	58.07½	104½	15.87½	10.4½	11.36½	17.56	12.42½	22.17½	26½	1.500	3.54½	51½
January, 1922	54.39½	52.85	97½	14.70½	18.19½	11.44½	16.97½	26.99½	21.12½	23.40	1.500	3.54½	51½
January, 1923	66.30	72.85	91	14.70½	18.19½	11.44½	16.97½	26.99½	21.12½	23.40	1.500	3.54½	51½
January, 1924	87.85	99.45	100.75	14.70½	18.19½	11.44½	16.97½	26.99½	21.12½	23.40	1.500	3.54½	51½
January, 1925	87.40½	94.79½	112.35	24.63½	33.58½	11.71½	17.62½	29.82½	26.85½	19.91½	33.58½	3.54½	47½
June "	100.39½	102.42½	122½	25.02	33.30½	12.13½	18.16½	26.77½	23.82½	20.42½	34.56½	4.868	45½
July "	103.25	104.45	135½	25.05½	33.45½	12.13½	18.16½	26.77½	23.82½	20.42½	34.56½	4.868	45½
August "	103.42½	107.02½	133½	25.01	33.65½	12.08½	18.03½	26.42½	21.34½	20.36½	34.35	4.84½	45½
September "	103.45	108.11½	121½	25.09	34.05	12.04½	18.08½	22.90	19.27½	20.35	34.32½	4.84½	45½
October "	103.52½	107.55	120½	25.09	33.65½	12.04½	18.02½	23.97½	20.09½	20.35	34.32½	4.84½	45½

	Rio de Janeiro.	Monte Video.	Valparaíso.	Bombay.	Hong Kong.	Shanghai.	Yokohama.	Singapore.	Place.	Method of Quoting.	Sept., Quotations.		
	Pence to Milreis.	Pence to Dollars.	Pesos to	10 to Gold Sovereign	Sterling to Dollar.	Sterling to Tael.	Sterling to Yen.	Sterling to Dollar.			Highest.	Lowest.	Average
Par level	16½	51	13.33	s d	s d	s d	s d	s d	New York.	Dollars	4.49½	4.42½	4.462
Highest, 1924	61½	52	45.30	1 6½	2 6	3 6½	2 0½	2 4	Sept., 1924.....	to £1.	4.85½	4.85½	4.857
Lowest "	5	41½	38.60	1 4½	2 3½	3 1½	2 7½	2 3½	Aug., 1925.....		4.85½	4.84½	4.847
									Sept., 1925.....				
Beginning of—									Paris.	Francs	85.20	82.60	84.051
July, 1914	16½	51½	13.33	1 3½	1 10½	2 6½	2 0½	2 4½	Sept., 1924.....		101.90	102.20	103.556
January, 1919	13½	61½	\$10.88	1 6½	3 4½	5 2	2 1½	2 4½	Aug., 1925.....		103.65	101.95	102.835
January, 1920	17½	65½	\$12.88	2 4½	4 10½	7 8½	2 8	2 4½	Sept., 1925.....				
January, 1921	17½	50	\$9.98	1 5½	3 2½	4 1½	2 8½	2 3½	Amsterdam.	Florins	11.64½	11.52½	11.599
January, 1922	9½	41	40.20	1 4	2 7½	3 6½	2 3½	2 4½	Sept., 1924.....	to £1.	12.10	12.04½	12.067
January, 1923	7½	44	34.70	1 4½	2 3½	3 0½	2 1½	2 4½	Aug., 1925.....		12.06½	12.04	12.053
January, 1924	5½	43½	40.30	1 5½	2 4½	3 1½	1 7½	2 4½	Sept., 1925.....				
January, 1925.....	5½	50½	40.30	1 6½	2 3½	3 1½	1 8½	2 4½	Berlin.	Reichmks.	119	118.50	118.786
June	5½	47½	42.10	1 6½	2 4½	3 2½	1 8½	2 4½	Sept., 1924.....	to £1.	20.42½	20.38	20.404
July	5½	48½	41.50	1 6½	2 4½	3 1½	1 8½	2 4½	Aug., 1925.....		20.41	20.32	20.361
August	5½	49½	40.30	1 6½	2 4	3 1½	1 8½	2 4½	Sept., 1925.....				
September	6½	49½	39.70	1 6½	2 5½	3 2½	1 8½	2 4½					
October	7½	49½	39.70	1 6½	2 5½	3 2½	1 8½	2 4½					

THE ECONOMIST MONTHLY SUPPLEMENT.

FOREIGN TRADE.

IMPORTS for Domestic Consumption—Merchandise Only. (000's omitted.)

Period.	U.K.	Irish Free State.	Belgium.	Bulgaria.	Denmark.	Estonia.	France.	Finland.	Germany.	Greece.	Italy.	Jugoslavia.	Netherlands.	Poland.	Sweden.	Switzerland.	Egypt.	United States.
Monthly Average.	£	£	Francs.	Leva.	Kroner.	Esti Mark.	Francs.	Mark.	Mark.	Drachm.	Lire.	Dinars.	Gulden.	Zloty.	Kronor.	Francs.	£.	Dollars.
1913.....	54,931	..	386,333	15,775	64,785	..	701,778	41,035	897,475	303,802	..	325,231	..	70,545	159,985	2,271	147,332	..
1918.....	107,100	..	47,268	75,851	..	1,858,416	38,944	..	61,159	1,336,551	..	50,696	..	102,776	200,122	4,147	245,561	..
1921.....	81,548	..	849,617	434,531	184,345	559,687	3,071,943	390,810	437,200	632,232	1,487,974	725,383	174,417	81,304	113,669	206,346	3,989	264,158
1922.....	74,950	..	m 767,035	1,332,424	121,322	465,785	1,838,992	294,844	8,815,963	143,800	1,438,885	343,508	186,696	70,375	104,893	191,357	4,109	213,072
1923.....	81,474	..	m1,045,866	426,722	158,949	777,630	2,724,067	381,105	512,020	502,937	1,432,431	536,823	168,966	70,375	92,847	159,539	3,382	256,042
1924.....	94,975	5,376	m1,463,963	463,109	181,874	672,522	3,544,351	385,641	761,255	663,807	1,615,599	685,145	196,961	123,350	116,803	208,706	4,106	294,761
1924—Aug.....	93,226	5,311	1,363,328	434,833	184,345	559,687	3,071,943	390,810	437,200	632,232	1,467,974	725,383	174,417	81,304	113,669	206,346	3,989	264,158
1924—Sept.....	91,330	5,324	1,475,811	465,531	182,070	444,543	3,158,970	417,535	618,492	717,901	1,386,079	725,383	189,686	112,578	123,488	206,346	3,989	278,742
1924—Oct.....	107,417	5,716	2,298,860	509,160	181,513	538,751	3,397,608	454,170	847,820	869,212	1,458,219	724,126	218,062	151,022	129,502	263,979	6,088	316,934
1924—Nov.....	106,413	5,648	1,774,484	390,683	195,558	666,951	3,414,967	400,395	1,034,842	986,077	1,646,095	724,126	219,518	178,584	119,410	263,979	4,925	320,480
1924—Dec.....	119,557	4,963	1,602,810	571,013	211,028	738,554	4,118,454	317,320	1,214,443	917,744	2,495,487	724,126	219,518	178,584	105,060	227,965	4,467	356,449
1925—Jan.....	115,623	4,553	1,371,819	528,494	191,794	762,778	3,172,571	318,877	1,282,464	875,372	1,827,761	709,465	210,648	158,894	105,060	227,965	4,467	356,449
1925—Feb.....	96,290	4,836	1,293,536	509,979	187,605	794,012	3,346,369	283,835	1,071,368	771,506	2,073,231	709,465	196,853	150,700	105,060	227,965	4,467	356,449
1925—Mar.....	100,984	5,896	1,660,430	652,956	187,605	794,012	3,346,369	283,835	1,071,368	771,506	2,073,231	709,465	196,853	150,700	105,060	227,965	4,467	356,449
1925—Apr.....	97,948	4,912	1,303,049	623,868	173,088	846,878	3,506,700	397,362	1,035,895	813,247	2,586,958	709,465	203,822	189,924	112,482	222,550	4,463	375,781
1925—May.....	89,779	4,914	1,282,857	688,753	128,367	863,222	2,968,672	436,092	1,006,948	826,761	2,603,003	824,849	193,677	182,293	130,415	200,504	2,499	328,830
1925—June.....	100,382	4,660	1,554,204	690,144	176,991	880,318	2,991,243	452,533	993,587	..	2,442,720	824,849	198,318	185,651	120,088	186,032	4,341	320,669
1925—July.....	87,399	..	..	..	174,943	815,821	3,033,549	448,449	1,009,188	..	2,885,334	824,849	183,466	169,404	102,729	197,910	3,693	319,889
1925—Aug.....	78,233	..	..	..	147,289	774,708	3,297,316	446,632	1,178,511	..	1,851,146	..	223,551	173,257	116,722	205,556	4,201	313,017
1925—Sept.....	87,399	..	..	..	..	..	4,317,029	..	..	..	..	..	192,241	116,445	118,801	212,106	4,881	333,089

EXPORTS of Domestic Produce—Merchandise Only. (000's omitted.)

Monthly Average—Exports of Manufactures—Merchandise Only. ('000's omitted.)																		
Period.	U.K.	Irish Free State.	Belgium.	Bulgaria.	Denmark.	Estonia.	France.	Finland.	Germany.	Greece.	Italy.	Jugoslavia.	Netherlands.	Poland.	Sweden.	Switzerland.	U.S.S.R.	U.S.
Monthly Average.	£	£	Francs.	Leva.	Kroner.	Esti Mark.	Francs.	Mark.	Mark.	Drachm.	Lire.	Dinars.	Gulden.	Zloty.	Kronor.	Francs.	£.	Dollars.
1913.....	43,771	..	302,882	7,778	53,113	..	573,351	23,482	841,583	9,917	209,303	..	255,453	..	68,112	114,700	2,626	204,094
1918.....	41,785	..	605,408	184,777	117,518	..	1,847,709	278,491	8,299,713	78,977	689,724	..	205,062	..	114,700	114,700	2,626	204,094
1921.....	58,617	..	1,181,579	1,332,424	121,322	465,785	1,838,992	294,844	8,815,963	143,800	1,438,885	343,508	186,696	70,375	104,893	191,357	4,109	213,072
1922.....	59,959	..	1,181,579	1,332,424	121,322	465,785	1,838,992	294,844	8,815,963	143,800	1,438,885	343,508	186,696	70,375	104,893	191,357	4,109	213,072
1923.....	63,938	..	1,181,579	1,332,424	121,322	465,785	1,838,992	294,844	8,815,963	143,800	1,438,885	343,508	186,696	70,375	104,893	191,357	4,109	213,072
1924.....	66,280	4,037	1,181,579	1,332,424	121,322	465,785	1,838,992	294,844	8,815,963	143,800	1,438,885	343,508	186,696	70,375	104,893	191,357	4,109	213,072
1924—Aug.....	66,288	4,482	1,186,405	376,079	174,069	818,428	0 2,967,146	586,403	8,957,362	190,339	1,023,677	854,688	137,773	63,431	125,943	165,903	2,158	325,065
1924—Sept.....	63,282	4,725	1,205,109	385,109	185,653	726,653	0 3,184,332	510,353	5,622,288	328,396	334,415	931,631	162,511	93,739	124,269	161,933	3,668	419,232
1924—Oct.....	68,587	5,070	1,721,509	1,332,424	186,287	771,079	0 3,531,896	626,924	6,110,288	417,571	1,466,813	1,008,863	162,511	93,739	124,269	161,933	3,668	419,232
1924—Nov.....	68,151	4,621	650,216	577,351	171,059	711,059	0 3,432,688	518,930	641,380	461,418	1,122,996	923,966	159,527	123,037	124,269	161,933	3,668	419,232
1924—Dec.....	69,308	3,831	1,471,160	421,594	165,115	1,000,000	0 4,042,067	403,899	738,405	385,493	1,174,280	953,195	136,835	135,574	123,663	161,933	3,668	419,232
1925—Jan.....	69,051	3,219	1,048,792	508,381	170,312	750,350	0 3,565,015	237,977	699,657	220,688	1,119,280	953,195	136,835	135,574	123,663	161,933	3,668	419,232
1925—Feb.....	69,308	2,935	998,152	524,033	152,220	679,351	0 3,595,061	220,285	699,657	220,688	1,119,280	953,195	136,835	135,574	123,663	161,933	3,668	419,232
1925—Mar.....	70,303	3,132	1,436,133	508,381	152,220	679,351	0 3,595,061	220,285	699,657	220,688	1,119,280	953,195	136,835	135,574	123,663	161,933	3,668	419,232
1925—Apr.....	69,877	2,815	1,040,675	360,278	171,550	630,701	0 3,762,244	228,294	708,115	464,165	1,480,447	953,195	136,835	135,574	123,663	161,933	3,668	419,232
1925—May.....	64,204	3,203	1,084,557	415,219	182,699	619,306	0 3,557,744	256,797	700,047	405,175	1,343,676	953,195	136,835	135,574	123,663	161,933	3,668	419,232
1925—June.....	58,893	3,379	1,040,675	360,278	171,550	630,701	0 3,762,244	228,294	708,115	464,165	1,480,447	953,195	136,835	135,574	123,663	161,933	3,668	419,232
1925—July.....	64,204	3,203	1,084,557	415,219	182,699	619,306	0 3,557,744	256,797	700,047	405,175	1,343,676	953,195	136,835	135,574	123,663	161,933	3,668	419,232
1925—Aug.....	61,038	3,585	1,349,506	367,655	182,699	619,306	0 3,557,744	256,797	700,047	405,175	1,343,676	953,195	136,835	135,574	123,663	161,933	3,668	419,232
1925—Sept.....	60,735	..	..	..	145,766	858,221	0 3,258,311	686,137	724,585	..	..	..	..	..	..	..	..	..
1925—Oct.....	..	..	..	..	..	..	0 3,849,879	..	..	..	..	..	..	..	..	..	..	..

IMPORTS for Domestic Consumption—Merchandise Only. (000's omitted.)

Value.								Quantity (Metric Tons).										
Period.	Australia.	British India.	New Zealand.	South Africa.	Japan.	Brazil.		Belgium.	Czechoslovakia.	France.	Germany.	Greece.	Hungary.	Netherlands.	Poland.	Spain.	Switzerland.	Brazil.
Monthly Average.	£'s.	Rupees.	Dollars.	£'s.	£'s.	Yen.	Milreis.											
913.....	6,355	152,725	54,917	1,785	3,365	60,474	83,958											
918.....	7,696	137,704	75,583	1,966	3,768	137,221	82,450	2,721	..	3,685	4,076	..	..	5,041	..	987	661	467
921.....	8,222	230,729	66,616	3,461	4,447	132,481	140,820	1,472	333	3,339	2,175	29	194	1,435	404	233	295	145
922.....	9,850	199,622	63,528	2,817	4,008	153,956	137,719	1,472	366	4,285	3,422	77	279	1,623	344	354	441	260
923.....	11,088	185,088	75,253	3,579	4,584	161,924	188,930	1,472	389	4,572	3,481	112	313	1,623	266	255	556	285
924.....	11,852	196,166	67,356	3,995	5,302	201,843	..	2,203	449	4,708	3,234	152	376	1,888	201	..	564	..
924—July.....	13,335	188,519	72,631	4,095	5,494	185,471	259,638	2,754	0 476	5,140	3,123	160	479	2,443	173	148	669	412
924—Aug.....	11,726	201,389	61,970	4,688	5,710	143,297	260,783	2,921	0 567	4,457	2,083	164	357	1,482	136	181	669	388
924—Sept.....	11,511	216,662	63,901	4,621	5,638	142,425	261,717	3,117	0 645	4,732	2,934	201	385	1,956	177	261	669	346
924—Oct.....	12,378	205,066	68,184	4,041	5,762	142,425	261,717	3,117	0 645	4,732	2,934	201	385	1,956	177	261	669	346
924—Nov.....	12,052	217,494	66,250	3,751	4,670	143,297	260,783	3,937	0 555	4,660	3,330	160	411	2,217	245	230	619	354
924—Dec.....	12,137	164,729	60,946	4,452	5,883	147,180	287,180	1,822	0 586	4,360	4,892	208	371	2,185	233	107	619	319
925—Jan.....	13,193	239,962	58,376	4,767	4,904	187,180	287,180	2,976	0 545	4,731	5,078	187	518	2,044	245	160	619	442
925—Feb.....	11,171	192,671	61,430	3,957	5,439	227,738	307,079	2,575	0 446	3,522	4,615	183	315	2,077	288	..	541	503
925—Mar.....	12,982	197,212	64,608	4,199	5,293	228,265	269,274	2,697	0 380	3,972	4,005	182	270	1,874	260	..	504	393
925—April.....	11,060	174,810	59,105	4,118	5,900	260,906	328,166	2,975	0 424	3,947	4,429	206	253	1,931	370	..	550	319
925—May.....	10,419	187,205	75,895	3,876	5,126	207,314	365,455	2,804	0 438	3,658	4,536	172	280	1,866	367	..	503	358
925—June.....	11,452	158,127	75,592	3,712	5,148	204,065	..	2,742	0 397	3,819	4,198	..	314	2,329	381	..	508	..
925—July.....	12,024	174,607	81,492	4,432	5,506	168,981	..	2,592	0 485	3,730	4,821	..	354	1,353	352	..	508	..
925—Aug.....	..	185,068	61,974	4,476	..	191,000	..	..	0 485	3,709	4,835	..	378	2,359	443	..	526	..
									0 571	3,809	5,266	..	..	2,301	245	..	508	..

THE STATE OF TRADE AT HOME AND ABROAD—Continued from page 30.

more than usually marked after the seasonal decline, "record" railway traffic, and well-maintained retail demand. Demand for financial facilities has been reflected in a tightening of the money market, but although this is expected to become more pronounced, no large increase in money rates is expected.

BRITISH EMPIRE.

Despite heavy rainfall during early September in the prairie provinces, the marketing of Canadian wheat crop has proceeded rapidly. Grain is coming forward in much greater volume than at this time last year, and the average grade is high. The yield having been much more generally distributed than last year, more satisfactory purchases of goods by farmers are expected in the coming months. Business in Eastern Canada is of a somewhat uneven character, but unemployment shows a further decline. The Indian monsoon is stated ultimately to have been satisfactory except in parts of the Bombay Presidency. The usual quickening of business associated with the end of the monsoon is beginning under not unfavourable auspices. The strike of cotton operatives at Bombay has assumed serious dimensions, 145,000 workers being reported unemployed at the end of last month. The strike of British seamen in Australian ports caused considerable interruption to overseas trade, but the situation improved materially during October. Recent wool sales have been satisfactory from the grower's point of view, the fall in prices having been more than arrested. South African conditions continue quiet, but some improvement has followed the collapse of the seamen's strike.

SOUTH AMERICA.

Argentine crop prospects are good, and given favourable weather large yields are expected throughout the country. The meat trade remains prosperous. Chilean business has generally been dull pending the outcome of the Presidential elections. Brazilian business has also passed through a somewhat quiet period, but export prospects are more favourable. Peruvian trade shows a slight seasonal increase, though many parts of the country are still depressed. Business in Mexico showed no tendency to expand last month, although the undertone was better.

EUROPE.

The French wheat crop is placed at 85 million quintals, against about 75 million quintals in 1924. Consumption is estimated at 90 million quintals. The metallurgical industry is moderately active, chiefly on account of home demand. The woollen textile trade has large orders in hand at current quotations. In Belgium, coal has been in slightly better demand, while in the metal trades some fair-sized orders have recently been received. In Germany the shortage of working capital is still a dominating factor in industry, as the experience of the Leipzig Fair showed quite clearly. The coal and metal industries are among the most depressed, but in certain sections of these trades and in industry as a whole, the situation is now probably a little easier. The rapid appreciation of Danish currency has been marked by trade dullness, particularly in shipping, where real wages are now above the British level. Similar difficulties which occurred in Norway are being slowly obviated. Labour conditions are better, various disputes having been adjusted. Prices in the Swedish timber markets have been more stable, and the autumn outlook is fairly good. Similar remarks apply to Finland, which will be greatly assisted by this year's good harvest. Polish trade remains hampered by shortage of capital and dullness in the export trades generally. Money is easier in Austria, and production as a whole has expanded slightly, though the latter factor has not so far been reflected in the unemployment figure. Normal activity obtained in most branches of Italian trade last month, but monetary stringency was an adverse factor in some cases. Spanish trade showed some improvement.

FAR EAST.

In Japan there is evidence of undoubted recovery from the unfavourable conditions of the last twelve months. The trade balance has become favourable, exports of raw silk and cotton textiles being of large dimensions, credit is easier, the rice harvest adequate for Japanese requirements, and general financial conditions more satisfactory. In China the prospect of further hostilities between military factions will have a regrettable effect on the movement towards more normal trade conditions, instanced by the willingness of merchants to resume purchases and of labour at the treaty ports to work more regularly.

The Economist
MONTHLY SUPPLEMENT.

New Series.

SATURDAY, NOVEMBER 28, 1925.

No. 30.

In the following pages we have aimed at compiling tables which will show summary figures for as many nations of the world as possible, and have endeavoured to combine brevity with comprehensiveness. The greater number of the figures are taken from the Monthly Statistical Bulletin of the League of Nations,* supplemented from our own statistical records. We propose in these columns to give our own appreciation of the trade position, fortified by informed opinion, and to leave the figures to be interpreted by our readers each in his own way.

* "League of Nations Monthly Bulletin of Statistics," 1s 6d. Constable.

THE STATE OF TRADE AT HOME AND ABROAD.

THE features of the industrial situation since our last report have been a slow but steady improvement in the main export industries, combined with a slight decline in such trades as building, printing, catering, &c., which usually feel a seasonal reaction in the winter. But as the latter feature is a normal one, the net result is unquestionably a more hopeful feeling in industry generally. The number of unemployed on the Labour Exchange registers has fallen rapidly in the last eight weeks, and in the middle of November was below the corresponding

figure a year ago, in spite of the fact that in the coal mining industry, the numbers are still very much larger. It is suggested in some quarters that these figures are not to be taken at their face value, but that more stringent administration has driven some of those in receipt of the dole on to the Poor Law, the figures of which have increased. They have not increased, however, so fast as the unemployment figures have fallen, and a study of the summaries of the trade reports which follow leaves no doubt of the real progress that has been made. The most important improvement is in the coal trade, the export branch of which is beginning to recover. Iron and steel output also has risen, and is likely to be higher again in November. Pig-iron, it is true, is well behind last year, but steel output is relatively better placed. Another index (which, as we explain elsewhere, we have arranged to show monthly) is that of the heavy section of the electrical industry, the new orders in which have shown a substantial recovery since the middle of the year. The figures are not yet as good as those for 1924 when taken as a whole, but it is significant that the export figures are very much higher than in 1924, and, indeed, than the average level of 1920. Home orders are slow in coming forward owing to the lack of a definite and final policy on our internal standardisation. The cotton, wool, hosiery, hemp, and carpet trades are all better than in September. The tin plate industry is expanding, and its demand for material is one of the factors that has improved the situation in the iron and steel industry. Boot and shoe production is below normal, but here, too, an improvement is taking place in the heavy sections of the trade, while

the sudden coming into fashion of Russian boots for ladies has created brisk activity in the light sections. The ship-building industry alone seems to remain in the bottom of the depression, the only sign of life being in the case of cargo steamers. This has benefited such ports as the Hartlepoons, but the cargo-building slips at Glasgow remain deserted.

As regards the more general indices, wholesale prices are considerably lower than at this time last year, and still show a dwindling tendency; traffic receipts are also down

but industrial securities have risen, in spite of the gloomy balance-sheets issued by important companies in the metallurgical group of trades. The note circulation remains at an appreciably higher level than last year, and bank advances are also high. The same is true of London clearings, but this is largely a reflection of the rubber boom on the London Stock Exchange.

As regards conditions abroad, business in the United States continues to expand; indeed, the prosperity of that country is so great that it seems too good to last. With the exception of Brazil and Mexico, the greater part of the New World is also in a prospering situation. The collapse of the seamen's strike, and the general election, point to the resumption by Australia of its former prosperous development. Reports from India and South Africa, though in a more temperate tone, are

good. So far as Europe is concerned, there are no marked changes. The most important underlying facts remain, on the one hand, the stimulating effect of good harvests in most countries on the Continent, and, on the other, the financial difficulties with which German industry is wrestling. The Scandinavian countries, on the whole, are not doing quite so well as a month ago, but French industry appears to be prosperous. In China there is no appreciable improvement in sight, but Japan is getting some share of the general world recovery.

The following notes on conditions in various trades and industries call attention to the most striking tendencies:—

HOME TRADE STATISTICS—OCTOBER, 1925.

HOME TRADE STATISTICS

Compared with

1924.

UNEMPLOYMENT—	SEPT.	OCT.	OCT. 1924.
(State Insurance %)	12.0 ..	11.4 ..	+ 0.4
PRODUCTION—			
Coal (million tons)	18.8 ..	23.7 ..	+ 0.8
Iron (thous. ")	449 ..	474 ..	+ 113
Steel (" ")	639 ..	647 ..	+ 31
FOREIGN TRADE—			
Imports (million £'s)	97.9 ..	108.8 ..	+ 11.7
Re-exports (" ")	10.5 ..	13.4 ..	+ 0.5
Exports (" ")	60.7 ..	67.1 ..	+ 1.5
TRANSPORT—			
Railway Receipts* (£0,000)	388 ..	362 ..	+ 11
Shipping Freights (av. level ¹) ..	98 ..	99 ..	+ 17
COMMODITY PRICES(" ") ..	173 ..	168 ..	+ 21
TRADE DISPUTES (thous. working days lost)			
	413 ..	440 ..	+ 63
SECURITY VALUES (av. level ²) ..			
	116 ..	117 ..	+ 1
FINANCIAL DATA—			
Bank Notes (million £'s)* ..	144 ..	143 ..	+ 19
Currency Notes (" ") ..	294 ..	293 ..	+ 7
Bank Deposits (" ") ..	1651 ..	1665 ..	+ 9
Bank Advances (" ") ..	851 ..	854 ..	+ 30
Banks Cash Ratio (†) (%) ..	11.9 ..	11.6 ..	+ 0.1
Bank Clearings:			
London (million £'s)*	704 ..	794 ..	+ 68
Manchester (" ")	13.8 ..	15.6 ..	+ 0.6
Three months' Bank Drafts (Discount Rate %)*			
	3½ ..	3½ ..	+ ½
Day-to-day Loans (%)			
	3½ ..	3½ ..	+ ½
(1) 1913=100. (2) Economist Index No.; July, 1914=100.			
(3) Bankers' Magazine Index No. of 365 securities; December, 1921=100. (4) Cash in hand and at Bank of England as % of total current, deposit, and other accounts. * Av. weekly figures.			

MONTHLY BULLETIN OF STATISTICS

ISSUED by the LEAGUE OF NATIONS

A STATISTICAL REVIEW of the most recent information of the economic activity of Europe, The British Empire, America, Asia, etc., compiled from official and other defined sources.

The following among other subjects are dealt with in informative Tables:—

PRODUCTION: Coal, Iron and Steel; Shipping Construction, etc.
FOREIGN TRADE: Weight and Value of Imports and Exports; Movement of Shipping.
PRICE: Wholesale and Retail Price Index Numbers.
CURRENCY AND FINANCE: Reserves, Note Circulation, Discount Rates, Foreign Exchanges, Capital Issues, Bankruptcies, Savings Bank Deposits.
LABOUR: Unemployment Percentages.

This information is given where available for the following countries:—

ARGENTINE	DANZIG	JAPAN	PORTUGAL
AUSTRALIA	DENMARK	JUGO-SLAVIA	ROUMANIA
AUSTRIA	DUTCH EAST INDIES	LATVIA	RUSSIA
BELGIUM	EGYPT	LITHUANIA	SIAM
BOLIVIA	EQUADOR	LUXEMBURG	SOUTH AFRICA
BULGARIA	ESTHONIA	NETHERLANDS	SPAIN
BRAZIL	FINLAND	NEW ZEALAND	SWEDEN
CANADA	FRANCE	NORWAY	SWITZERLAND
CHILI	GERMANY	PALESTINE	UNITED KINGDOM
CHINA	GREECE	PARAGUAY	UNITED STATES
COLOMBIA	HUNGARY	PERU	URUGUAY
CUBA	INDIA	POLAND	VENEZUELA
CZECHOSLAVAKIA	ITALY		

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HOME INDUSTRIES.

Iron and Steel.—Steady progress has continued during the past month, an encouraging feature being the increased willingness of buyers to place forward business. As a result, order books in many cases make a much less depressing showing than at the end of last summer. The output of pig-iron in October was 473,700 tons, an increase of 25,000 tons on that of September, but 112,700 tons less than that of October, 1924. The net increase in the number of furnaces blowing during the month was seven, a larger increment than in any month for nearly two years. Steel ingots and castings were produced to a total of 647,100 tons, an increase of 7,000 tons as compared with September, and a decrease of 31,400 tons as compared with October, 1924. Further reports as to the re-starting of furnaces and mills have been received this month, and all indications point to a continuance of the tendency over the next few weeks, though the usual "stock-taking" lull at the end of December may somewhat obscure it. Pig-iron stocks have been reduced, but smelters, who are in some cases well sold, are inclined to move with caution, owing to uncertainty regarding possible advances in fuel prices. Competition in some of the heavier branches of the steel market remains keen, but the demand for steel sheet and tinplate bars has improved concurrently with further recovery in the tinplate trade. Considerable business continues to be done in galvanised sheets. Continental competition remains formidable chiefly in the semi-finished branches, and the improvement in the iron and steel trades as a whole has not yet been accompanied by a general advance of prices to levels ensuring a very satisfactory profit margin to the average producer.

Coal.—The situation as a whole is better than a month ago. Prices are firmer, and less difficulty is experienced in disposing of current output. Domestic demand has been stimulated by the coming of cold weather, the best qualities being most in demand, though the tonnage moving is still below normal. Coking coal is moving fairly well, and industrial fuel is in greater request. The export trade has been largely affected by the continuance of the miners' strike in the United States, though European and Mediterranean markets have recently been more active. Taken on the whole the industry remains depressed, but the omens are rather better than most people would have prophesied six or seven weeks ago.

Engineering.—The gradual improvement in the engineering group has continued over the past few weeks, without any noteworthy change in the volume of the trade. Locomotive builders have recently obtained colonial and foreign orders of some moment, but in the shipbuilding and ship repairing sections new contracts are still few and far between. The machine tool trades are again slightly better, and textile machine makers fairly actively engaged completing existing orders. The motor and allied trades remain busy, and cycle and motor-cycle manufacturers are actively engaged on production for the 1926 season.

Electrical Manufacturing.—Since the end of September a period of fairly steady improvement in the home trade has succeeded the less satisfactory conditions of early 1925. The most active branches are small motors, domestic heating and cooking, and accessories, where order books are filled, in some cases, for four months ahead. The home market generally is affected by uncertainty as to the Government's policy, which has discouraged the construction of new power stations, and production has fallen to about 60 per cent. of the 1924 volume. A compensating gain has been made, however, on the export side, especially as regards heavy electrical plant, turbo-alternators, condensers, and large motors, the most important markets being Japan, Australia, India, Argentina, and Brazil. No large amount of business is being done with European countries, with the single exception of Holland.

Cotton.—Our Manchester correspondent writes:—Values in the cotton industry have continued to fall, and spinners and manufacturers have had to give way in price for yarn and cloth. There is now a probability of an output this season of 15,500,000 bales. Available statistics indicate a much larger consumption than last year. One forecast has been made of 14,300,000 bales, against 13,256,000 bales in 1924-25. Estimates of the Egyptian crop have also increased, and there is now a likelihood of a "record" output of over 8,000,000

cantars. Inquiry in cloth has been considerable, but buyers have not been prepared to place contracts of importance. India has provided a very fair turnover in the lighter styles of goods. The news from China has been worse, business for Shanghai and Hong Kong being very restricted. Disappointing advices have again been received from Egypt and the Near East. The most active market has been the Continent, free buying being reported, especially from Germany. The home trade has recently displayed more life. The yarn market remains unsatisfactory, and it is now proposed to close the mills spinning American cotton one and a-half days instead of one day per week. Business in export yarns has been rather better, both for the Continent and India. There has not been any free movement in Egyptian yarns. Some special contracts have, however, been placed for thread manufacturing.

Woolen and Worsted.—Colonial wool markets have tended to react slightly after their recent firmness, and conditions generally point to approximate equilibrium between supplies and effective demand in the near future. Topmakers have sold forward very largely, and are awaiting developments before committing themselves further. Employment in the spinning section has improved, but for the present the trade is disinclined to believe in the permanence of present conditions. The piece goods trade is moderately active, but efforts to pass on recent increases in manufacturing costs are meeting with resistance.

Boots and Shoes.—Trade is still below normal, but the improvement on the heavy side, formerly most depressed, is gratifying. Export business is slightly larger, and the outlook for the trade as a whole seems better, on balance, than a month or two ago.

Pottery.—Trade remains below the level of a year ago, but some ground has been gained in the last few weeks, most noticeably on the export side.

Chemicals.—Recent price changes in this industry have not been important. Trade in fine chemicals continues to make slow but steady headway in the face of foreign competition. Recent price reductions for some heavy chemicals have stimulated demand.

Building Trades.—Despite a slight seasonal decline, employment in these trades remains very satisfactory, a shortage of bricklayers and plasterers still being experienced in some districts. The seasonal recession has been most evident, geographically, in London, and, among different trades, in painting.

Shipping.—Seasonal recovery in freights continues to make slow progress, our Index Number of "tramp" freights showing a rise of just over one point during October. In the present month business has further expanded, the Plate market showing a marked revival. Outward rates are firmer on increased charterings for coal shipment, but so far as this reflects artificial conditions in the American market, its importance should not be over-emphasised.

Retail Trade.—A large London store reports that a distinctly increased business has developed this month in Bradford woollen fabrics. The boot and shoe section has generally been good, the vogue for the Russian boot being a strong feature—mostly, however, in the medium and lower price lines. Hosiery has also sold well.

UNITED STATES OF AMERICA.

The following "indicators" of American trade conditions have been extracted from the most recent number of the "Survey of Current Business," issued by the United States Department of Commerce, and may serve as an approximate guide to recent trade tendencies:—

	August, 1925.	Sept., 1925.	Compared with Sept., 1924.
Production—Pig-iron thousands tons	2,704	2,726	+ 673
Steel ingots "	3,424	3,493	+ 595
U.S. Steel Corporation unfilled orders thousands tons	3,513	3,717	+ 243
Wholesale prices (1913=100)	160	160	+ 11
Bank clearings—New York million \$	20,219	21,774	+ 2,483
Outside "	16,850	18,021	+ 2,035
Retail business (total sales of mail order houses)	28.7	34.8	+ 3.4
Imports—Value	340	342	+ 64
Exports—Value	380	413	— 6

Production continues on a high level, and an all-round increase was recorded last month. The iron and steel trades are

(Continued on page 44.)

BROWN COAL AND ELECTRICAL POWER IN GERMANY.

(BY A CORRESPONDENT.)

THE importance of scientific utilisation of our power resources has become clearer with fuller comprehension of the fuel problem in Britain, and the need for intensive electrification on an economic basis is now seen to be a matter of national interest. The issues have been confused to some extent, as far as electrification is concerned, through the belief that electrical development is impossible without cheap power, and that cheap power can only be obtained through water-power. If we remember that in the United States, where electrical progress has been greater than in any other country of industrial importance, water-power only accounts for 35 per cent. of the annual output of electricity, and also that in Germany, where the output of electricity is now over five times the output of 1913, water-power still accounts for less than 10 per cent., it is difficult to attach much importance to this dictum. The fact remains that electrification constitutes the only method of approach to a complex and very difficult problem, and it is in the more effective utilisation of our coal resources that it finds its fullest justification.

The example of Germany is decisive. The intensive electrification that has taken place in that country during the last five years has been due in no small measure to the fact that the loss of the Saar and the necessity to provide a heavy tonnage of coal each year for Reparations reduced the annual coal output to a level below that necessary to cover the minimum requirements of industry. This meant either reduction in industrial activity, or the exploitation of new materials and new methods sufficient to make good this loss. In other words, Germany had to meet the problem of effective utilisation of her fuel and power resources as long ago as 1919, and the problem was met by increased production of brown coal, improved methods of briquetting, and, in many cases, more extensive systems of brown coal distillation, and, finally, utilisation of brown coal for raising steam in electrical power stations.

In 1913 514 million units were produced from brown coal; in 1922, 2,979 million units; and in 1924, over 4,000 million units—an increase of almost 700 per cent. in 11 years. The production of brown coal rose from 87 million tons in 1913 to 124 million tons in 1924, and, judging from the returns for the first nine months, will reach 144 million tons in 1925—an increase of 16 per cent. over the previous year. Of this total over 14 million tons were used to generate electricity in brown coal power stations, while the remainder was converted into briquettes for direct sale as fuel or for distillation purposes. In almost every case, power stations were built in the vicinity of the brown coal deposits, and special companies formed to undertake the generation and transmission of power. The main brown coal syndicate, with about 30 per cent. of the total production of Germany, the Rheinische Braunkohlensyndikat, with its subsidiary in the Rheinische A.G. für Braunkohlenbergbau und Brikettfabrikation, feeds into the Fortuna power station of the Rheinisches Elektrizitätswerk, which supplies Cologne and the surrounding industrial area with a large part of their power requirements. In 1924 this station generated 173 million units, while the new Fortuna station, destined to have a capacity of 200,000 kilowatts, has now 48,000 kilowatts in operation. This brown coal undertaking, with a present capacity of 88,000 kilowatts, will in a few years reach 240,000 kilowatts and an annual output of over 450 million units.

The second great brown coal mining company, the Roddergrube A.G., with an annual output of over 35 million tons, feeds into the Goldenberg power station of

the Rheinisch-Westfälisches Elektrizitätswerk, with a generating capacity of 300,000 kilowatts and an output, under normal conditions, of 850 million units. In the Rhineland, considering those two stations, Fortuna and Goldenberg, alone, over 1,000 million units are generated annually from brown coal. A greater development still has taken place in Central Germany, where the creation of the Electrowerke A.G. must be regarded as one of the most important acts of the German Government. Electro-chemical and electro-metallurgical works controlled by one of the leading members of the dye combine, the Griesheim-Elektron Company, and the German General Electric Company, grew up round the large brown coal deposits at Bitterfeld. In 1921, through association of the Golpa mines, the Brigetta and the Sachsenburg mines, a constant supply of fuel was ensured for the Electrowerke, which has now in its three power stations—Zschornowitz (160,000 kilowatts), Tattendorf (86,000 kilowatts), and Lauta (66,000 kilowatts)—a total capacity of 312,000 kilowatts. If we add to this the station owned by the Griesheim-Elektron Company, with 60,000 kilowatts, we can see now in realisation a brown-coal super-power zone in Central Germany with an annual output of almost 2,000 million units. In this case, by-product and aluminium industries have grown up through scientific utilisation of brown coal.

A similar process has been at work in Saxony, where the Sächsisches Werke, with an annual output of 310 million units, is now operating the Hirschfeld station of 85,500 kilowatts, and has under construction the Bohlen station outside of Leipzig, destined to house generating plant of a total capacity of 100,000 kilowatts. Those two stations will feed into the Central German power zone and make it one of the greatest examples of scientific interconnection in the world. In this case again, the construction of large electro-chemical works has taken place at the same time as electrical power station construction, and the result has been a high standard of output at low rates, with more effective utilisation of the fuel. To show the progress achieved in four undertakings alone, the Rheinisches Elektrizitätswerk, the Rheinisch-Westfälisches Elektrizitätswerk, the Electrowerke A.G., and the Sächsisches Werk had together an output of about 730 million units in the year 1915 and 3,400 million units in 1924, an increase of 365 per cent. in nine years. In Britain the corresponding rate of increase for four of the most progressive undertakings has been less than 150 per cent.

Although it is impossible to reproduce the conditions existing in Germany which led to intensive utilisation of her brown-coal resources—the presence of brown coal itself first of all and the economic pressure exerted by the Treaty of Versailles to make good the diversion from home consumption of essential coal supplies—it is still possible in Britain to utilise low-grade fuel at the coal mines, and use it for the generation of electricity at low prices, and for the creation of important electro-chemical and electro-metallurgical industries based on low cost of energy. There is no doubt that Germany is now reaping the benefit of the power policy which, carried out in 1920, 1921, and 1922, concentrated the supply of electricity in undertakings large enough and efficient enough to make full use of the resources at their disposal.

The recovery in the iron and steel industry must be attributed, at least in part, to this provision of cheap power, with its consequences in low costs of production. During the first nine months of this year, to quote actual statistics, 9,644,000 metric tons of steel ingots were produced, compared with 6,878,000 in 1924, rolling mills increasing their output in the same proportion. Everything in modern production hangs together, fuel utilisation, power production, industrial production, and recognition of the truth of this fact is bringing Germany back to a high place among the great industrial nations.

Notes in Circulation. (000,000's omitted.)

Period.	United Kingdom.		Austria.	Belgium.	Bulgaria.	Czecho- slovakia.	Den- mark.	Finland.	France.	Germany.		Greece.	Hun- gary.	Yugo- Slavia.	Netherlands.	
End of	Bank of England Notes.	Currency Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes	Bank Notes.	Bank Notes.	Reichs- bank Notes.	Reichs- und Darlehens- kassens- cheine.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	State Notes.
	£	£	Schilling.	Francs.	Leva.	Koruna.	Kron.	Markat.	Francs.	Marks.	Marks.	Drachmas	Korona.	Dinars.	Gulden.	Gulden.
1913.....	296	..	1,067	189	..	152	113	5,714	2,593	149	h 245	..	..	313	..	..
1918.....	702	393.2	3,210	2,999	..	450	1,156	31,065	22,188	10,599	1,274	..	..	1,039	61	..
1921.....	£ 107.1	325.6	174,115	6,290	3,615	12,130	471	1,356	113,639	9,523	2,161	26,175	4,688	1,013	33	..
1922.....	£ 102.9	295.4	4,080,177	6,701	3,886	10,064	469	1,421	1,280,095	15,663	3,149	76,887	5,040	1,012	32	..
1923.....	£ 105.1	292.7	713	7,460	4,139	9,599	473	1,352	39,114	800	4,681	931.357	5,790	1,066	32	..
1924.....	£ 101.3	296.3	839	7,590	4,530	8,810	478	1,250	149,650,742,477	1,941	m 1,835	4,821	4,513,990	6,002	935	23
1924. Sept.	99.8	287.5	800	7,628	4,362	8,223	473	1,279	40,534	1520510,653,712	m 1,853	4,654	4,115,925	5,968	972	30
Oct.	101.1	285.0	821	7,630	4,496	8,586	495	1,258	40,529	1,781	1,715	4,754	4,635,090	5,990	998	26
Nov.	101.4	288.1	807	7,603	4,623	8,501	479	1,228	40,447	1,863	1,677	4,826	4,442,644	6,034	964	24
Dec.	101.3	296.3	839	7,590	4,530	8,810	478	1,250	40,885	1,941	1,835	4,821	4,513,990	6,002	935	25
1925-Jan.	97.5	281.2	790	7,648	4,558	7,917	456	1,205	40,516	1,901	1,780	4,847	4,449,650	5,795	922	22
Feb.	97.9	281.2	796	7,599	4,380	7,977	457	1,288	40,729	2,106	1,736	4,979	4,237,985	5,760	912	21
Mar.	94.4	288.6	790	7,550	4,277	7,681	452	1,384	40,904	2,315	1,611	5,222	4,270,096	5,594	896	20
Apr.	94.4	289.8	798	7,665	4,171	7,526	465	1,382	43,050	2,452	1,480	5,241	4,526,216	5,671	936	19
May	92.7	295.5	817	7,489	4,174	7,437	467	1,336	42,703	2,609	1,551	5,098	4,493,649	5,771	900	19
June	92.7	293.5	828	7,562	4,155	7,587	468	1,286	43,800	2,474	1,672	5,182	4,583,172	5,664	889	18
July	90.3	301.0	837	7,688	4,129	7,549	449	1,262	44,496	2,530	1,701	5,303	4,743,642	5,641	900	18
Aug.	88.7	295.8	836	7,653	4,221	7,695	442	1,258	45,445	2,595	1,713	5,303	4,990,549	5,965	899	18
Sept.	88.5	293.0	841	7,760	4,190	7,839	430	1,279	46,354	2,649	1,713	5,548	5,102,507	6,097	879	18
Oct.	86.2	291.6	853	7,653	..	7,919	454	1,271	46,679	2,803	1,816	..	5,439,952	6,158	940	18

Period.	Italy.		Norway.	Poland.		Roumania.	Russia.			Sweden.	Switzerland.	Australia.	Canada.	South Africa.	Egypt.	United States.		Japan.
End of	Bank Notes.	State Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	State Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	State Notes.	Total Dominion & Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	State Notes.	Bank Notes.
	Lire.	Lire.	Kroner.	Marki p.	Zloty.	Lei.	Gd. Rbls.	Roubles.	Tcherv.	Kronor.	Francs.	£	Dollars.	£	£s	Dollars.	Dollars.	Yen.
1913	6	2,284	499	108	..	437	..	2	..	234	314	10-0	227	2-3	2-2	726	343	424
1918	11,750	2,124	431	..	..	2,489	..	57	..	814	976	58-9	530	6-3	44-5	3,402	291	1,144
1921	19,209	2,267	410	222,538	..	13,722	..	2,138,710	0-4	584	976	51-8	448	8-8	35-3	3,256	281	1,547
1922	18,012	2,267	385	793,437	..	15,126	..	178,509,900	..	576	982	52-2	408	8-8	34-3	2,951	308	1,596
1923	17,247	2,428	396	125,371,955	..	17,917	..	..	23-7	537	914	50-9	411	9-1	40-2	2,555	297	1,661
1924	18,114	2,400	391	3,514,000	551	19,597	229	..	41-1	537	914	..	..	..	..	..	..	..
1924-Sept.	17,761	2,400	389	10,804,556	460	18,842	202	..	35-0	564	891	56-9	359	8-5	32-6	2,475	306	1,238
Oct.	18,071	2,400	386	5,785,000	508	19,164	218	..	37-3	536	882	56-9	400	8-9	37-7	2,587	307	1,356
Nov.	17,756	2,400	376	3,782,000	494	19,227	226	..	40-2	537	859	56-9	405	9-0	40-1	2,608	306	1,364
Dec.	17,794	2,400	391	3,314,000	551	19,397	229	..	41-1	537	914	56-9	411	9-1	40-2	2,555	297	1,561
1925-Jan	17,655	2,400	361	3,146,000	553	19,149	234	..	37-3	483	825	56-9	364	8-9	38-2	2,408	285	1,391
Feb.	17,471	2,400	368	3,106,800	550	19,122	236	..	37-7	493	819	56-9	363	9-0	37-0	2,460	290	1,297
Mar.	17,693	2,300	380	3,078,000	563	19,071	245	..	40-2	521	836	56-9	351	8-9	36-1	2,421	287	1,288
Apl.	17,645	2,100	380	3,036,600	567	19,120	250	..	40-9	493	830	56-9	345	8-6	35-2	2,381	282	1,271
May	17,744	2,100	374	2,770,200	557	19,381	250	..	41-8	500	822	56-9	351	8-5	32-6	2,384	286	1,205
June	19,017	2,100	387	..	..	19,536	258	..	48-1	523	834	56-9	355	8-1	30-8	2,325	281	1,428
July	19,476	2,100	384	..	..	19,669	274	..	50-5	494	824	53-9	354	7-8	28-2	2,287	281	1,428
Aug.	19,431	2,100	378	..	..	20,153	308	..	56-7	511	819	53-9	356	7-5	35-0	2,316	300	1,377
Sept.	19,474	2,100	372	..	..	20,638	341	..	65-2	551	845	..	..	..	..	..	..	..
Oct.	..	..	365	..	..	20,494	..	..	76-6	523	841	..	..	..	..	..	..	..

LONDON RATES OF EXCHANGE.

a Including German, Russian, and Austro-Hungarian notes, converted into national currency. b Three banks or issue: Bank of Italy, Bank of France, and Bank of England. c Gross issue, without deduction of notes held by Banking Department. d Notes issued, but not cancelled. e Ceased to be exchangeable against Zloty notes. f Until February, 1923, Julian Calendar. g Including notes of the Bank of Crete, amalgamated with the National Bank of Greece in 1919, and d those of the Ionian Bank, amalgamated in April, 1920. h Circul tant in Union only. i In Reichsmarks. j In Kronen. One schilling = 10,000 paper kronen. k Excluding 1 and 2 lire notes.

Cost of Living.—(Base=100.)

Monthly Average.	South Africa.	China.	Japan.	United States. Bureau of Labour.	Cost of Living.—(Base=100.)												
					No. of Towns and Localities.	U.K.	Irish Free State.	Austria.	Belgium.	Bulgaria.	France.	Germany.		Italy.	Spain.	Canada.	U.S.A.
						630	105	Vienna.	59	12	Paris.	71	Berlin.	Milan.	Madrid.	60	30
1913	100	100	100	100													
1918	153.1	..	195.8	194	Base.	July, 1914.	July, 1914.	July, 1914.	July, 1921.	1914.	1914.	Oct., 1913. Jan., April, June, 1914.	Aug., 1913. July, 1914.	Jan.- June, 1914.	1914.	1913.	1914.
1921	160.4	150.2	200.4	147	1918—July ..	210	..	1,160	..	..	..	..	..	..	..	..	..
1922	128.4	146.6	195.6	149	1921—July ..	322	..	9,970	100	1910	307	1124	1125	286	154	146	170
1923	128.6	156.4	199.1	154	1922—July ..	181	185	264,511	90	2643	302	5332	6122	494	189	155	180
1924	128.7	153.9	206.5	150	1923—July ..	171	180	1,090,500	109	2464	334	3765100	3288610	487	177	145	170
					1924—July ..	171	183	1,239,100	125	2812	366	b 116.0	b 101.7	512	184	145	168
1924—October ..	132.5	152.8	213.0	152	1924—Oct. ..	180	193	1,330,700	134	2785	..	b 122.0	b 108.7	546	185	147	..
November ..	154.9	214.3	185	180	Nov. ..	181	..	1,357,400	137	2948	..	b 122.5	b 108.4	563	175	147	..
December ..	154.9	213.6	180	180	Dec. ..	180	..	1,365,000	137	3010	377	b 122.6	b 108.1	573	150	147	170
1925—January ..	130.0	159.9	213.7	160	1925—Jan. ..	179	195	1,376,200	139	3083	..	b 124.1	b 107.8	580	188	149	..
February ..	..	159.2	210.0	161	Feb. ..	179	..	1,389,500	137	3186	..	b 135.6	b 109.2	592	189	150	..
March ..	..	160.3	204.3	161	Mar. ..	175	..	1,366,000	136	3127	386	b 135.6	b 110.0	602	182	150	..
April ..	129.8	159.3	201.7	156	April. ..	173	188	1,343,200	131	3074	..	b 135.7	b 113.4	600	191	146	..
May ..	..	167.8	199.4	155	May ..	172	..	c	128	3027	..	b 135.5	b 114.4	591	188	146	..
June ..	..	157.3	199.9	157	June ..	173	..	c	131	3171	390	b 138.3	b 116.8	596	190	146	170
July ..	126.6	168.8	198.3	160.1	July ..	173	188	c	153	2989	..	b 143.3	b 120.8	598	190	149	..
August ..	..	160.3	200.1	160.4	Aug. ..	174	..	c	136	2821	..	b 145.0	b 118.9	610	190	..	..
September ..	..	160.2	201.1	159.7	Sept. ..	178	..	c	139	..	401	b 144.9	b 115.9	624	190	..	..
October ..	..	159.0	..	..	Oct. ..	176	..	c	..	..	..	b 143.5	b 114.7	..	..	..	..

a The first of the following month. b Gold mark prices. c Figures no longer published. d Yearly figures are averages.

	Paris.	Brussels.	Italy.	Switzerland.	Madrid.	Amsterdam.	Stockholm.	Oslo.	Copenhagen.	Berlin.	Vienna.	New York.	Buenos Aires.
	Francs to £1.	Francs to £1.	Lire to £1.	Francs to £1.	Pesetas to £1.	Florins to £1.	Kronor to £1.	Kroner to £1.	Kroner to £1.	Marks to £1.	Krone to £1.	Dollars to £1.	Pesos to Dollars.
Par level	25.22½	25.22½	25.22½	25.22½	25.22½	12.107	12.159	12.159	12.159	20.43	24.02	4.868	47.58
Highest, 1924	120.25	139.00	115.30	25.00	35.35	11.87	17.58	32.38	28.25	22	340,000	4.74	462
Lowest "	63.30	73.75	94	23.20	30.90	11.29	16.14	29.60	24.40	17	295,000	4.20	391
Beginning of—													
July, 1914	25.15	25.35	25.25	25.19	26.10	12.11½	12.30	12.25	12.30	20.49½	24.55	4.87½	47½
January, 1919	27.97½	27.60	30.31½	25.25	23.67½	11.15	16.29½	16.85	17.67½	..	..	4.76	46½
January, 1920	40.92½	40.42½	50.00	21.16½	19.79½	10.07	17.60	18.60	19.66½	..	..	3.78½	62½
January, 1921	61.06½	58.07	104½	23.55	27.46½	11.36½	17.58	22.42½	20.17½	..	..	3.64½	61½
January, 1922	52.32½	54.66½	97½	21.70½	28.19½	11.44½	16.97½	26.69½	21.12½	26½	1,500	4.30	43½
January, 1923	66.30	72.85	93½	24.72½	29.75½	11.79	17.37½	25.12½	23.40	79½	13,000	4.68	44
January, 1924	87.85	99.45	100½	24.63½	30.84½	11.36½	16.26½	29.82½	24.44½	19½ billions	306,500	4.29½	40½
January, 1925	87.40½	94.79½	115.35	24.34½	33.95½	11.71½	17.62½	31.37½	26.85½	199¼ glmark	337,500	4.74½	46½
July	103.25	104.45	135.45	25.01	33.65½	12.13½	18.13½	26.77½	23.62½	20.42½	..	3.46½	4.86½
August	103.42½	107.02½	133½	25.09	34.05	12.04½	18.08½	26.42½	21.34½	20.40½	..	3.45½	4.85½
September	103.45	108.14½	121½	25.09	33.65½	12.04½	18.08½	22.90	19.77½	20.36½	..	3.45	4.84½
October	103.52½	107.55	120½	25.09	33.65½	12.04½	18.02½	23.97½	20.02½	20.33	..	3.44½	4.84½
November	121.56½	106.93½	122½	25.15	33.89½	12.04½	18.13	23.84½	19.45½	20.36	..	3.46½	4.84½

	Rio de Janeiro.	Monte Video.	Valparaiso.	Bombay.	Hong Kong.	Shanghai.	Yokohama.	Singapore.	Place.	Method of Quoting.	Oct. Quotations.		
	Pesos to Milsreis.	Pence to Dollars.	Pesos to £.	10 to Gold Sovereign.	Sterling to Dollar.	Sterling to Tael.	Sterling to Yen.	Sterling to Dollar.			Highest.	Lowest.	Average.
Par level	16	51	13.33	s d	s d	s d	s d	s d	New York.				
Highest, 1924	54½	52	45.30	1 6½	2 6	3 6½	2 2½	2 4½	Oct., 1924	Dollars to £1.	4.52½	4.45½	4.48½
Lowest	5	41½	38.60	1 4½	2 3½	3 3½	2 7½	2 3½	Sept., 1925		4.85½	4.84½	4.84½
									Oct., 1925		4.85½	4.83½	4.84½
Beginning of—									Paris.				
July, 1914	16½	51½	19½	1 3½	1 10½	2 6½	2 0½	2 4½	Oct., 1924	Francs to £1.	87.75	83.90	85.754
January, 1919	13½	41½	10½	1 6½	3 4½	5 2	2 1½	2 4½	Sept., 1925		103.65	101.95	102.83
January, 1920	17½	65½	12½	1 4½	4 10½	7 8½	2 8½	2 7½	Oct., 1925		121.75	102.20	109.027
January, 1921	9½	50	19½	1 5½	3 2½	4 1½	2 3½	2 3½	Amsterdam.				
January, 1922	9½	41	40.20	1 4	2 7½	3 0½	2 1	2 4½	Oct., 1924	Florins to £1.	11.548	11.40½	11.475
January, 1923	58½	44	34.70	1 4½	2 3½	3 4½	2 1½	2 4½	Sept., 1925		12.06½	12.04	12.053
January, 1924	58	43½	40.30	1 5½	2 3½	3 1½	1 7½	2 4½	Oct., 1925		12.05½	12.03½	12.045
January, 1925	58½	50½	40.30	1 6½	2 4½	3 2½	1 8½	2 4½	Berlin.				
July	5½	48½	41.50	1 6½	2 4	3 1½	1 8½	2 4½	Oct., 1924	Reichmks. to £1.	119.10	118.55	118.833
August	5½	49½	40.30	1 6½	2 5½	3 2½	1 8½	2 4½	Sept., 1925		20.41	20.32	20.361
September	6½	49½	39.70	1 6½	2 5½	3 2½	1 8½	2 4½	Oct., 1925		20.38	20.30	20.338
October	7½	49½	39.70	1 6½	2 4½	3 1½	1 8½	2 4½					
November	7½	50½	39.20	1 6½	2 4½	3 1½	1 8½	2 4½					

• Selling to £1.

† Billion paper marks.

* Daily rates.

‡ Schilling to £l.

† Billion paper marks. * Daily rates.

FOREIGN TRADE.

IMPORTS for Domestic Consumption—Merchandise Only. (000's omitted.)

Period.	U.K.	Irish Free State.	Belgium.	Bulgaria.	Denmark.	Estonia.	France.	Finland.	Germany.	Greece.	Italy.	Jugoslavia.	Netherlands.	Poland.	Sweden.	Switzerland.	U.S.S.R.	United States.
Monthly Average.	£	£	Francs.	Leva.	Kroner.	Esti Mark.	Francs.	Markat.	Mark.	Drachms.	Lira.	Dinars.	Gulden.	Zloty.	Kronor.	Francs.	£.	Dollars.
1913.....	54,931	..	386,333	15,775	64,785	..	701,778	41,035	897,475	14,828	303,802	..	325,231	..	70,545	159,985	2,271	147,932
1918.....	107,100	..	..	47,268	75,851	..	1,838,416	38,944	..	61,159	1,336,551	..	50,696	..	102,776	200,122	4,147	256,961
1921.....	151,548	..	849,617	243,424	129,058	373,551	1,838,992	294,844	9,815,963	143,800	1,438,885	343,508	186,695	..	104,893	191,357	4,109	213,072
1922.....	181,474	..	1,048,969	336,472	121,322	777,690	1,794,194	328,254	5,167,700	257,122	1,313,730	536,823	168,966	70,375	92,847	159,539	3,382	256,042
1923.....	194,975	5,376	1,048,969	336,472	121,322	777,690	1,794,194	328,254	5,167,700	257,122	1,313,730	536,823	168,966	70,375	92,847	159,539	3,382	256,042
1924.....	194,975	5,376	1,048,969	336,472	121,322	777,690	1,794,194	328,254	5,167,700	257,122	1,313,730	536,823	168,966	70,375	92,847	159,539	3,382	256,042
1924—Sept.	91,330	5,557	1,475,811	465,531	182,070	444,543	3,156,970	417,535	818,492	777,901	1,386,079	725,383	189,686	112,578	123,488	206,346	4,195	278,742
Oct.	107,417	5,952	2,298,860	509,160	181,913	538,751	3,397,608	454,170	847,370	862,212	1,458,219	742,126	218,062	151,022	129,502	263,979	6,088	316,934
Nov.	106,413	5,740	777,484	390,683	195,558	666,951	3,414,967	400,395	1,034,842	986,077	1,646,095	742,126	218,062	151,022	129,502	263,979	6,088	316,934
Dec.	119,557	5,248	1,602,810	571,013	211,028	738,554	4,118,456	317,320	1,214,442	917,744	2,495,487	742,126	218,062	151,022	129,502	263,979	6,088	316,934
1925—Jan.	115,623	4,752	1,711,819	528,694	191,794	762,778	3,172,571	318,877	1,282,464	875,372	1,827,726	709,465	196,853	105,600	122,550	222,550	4,631	335,447
Feb.	95,290	5,031	1,299,536	406,272	174,661	629,886	3,346,369	397,362	1,071,358	771,506	2,073,231	709,465	196,853	105,600	122,550	222,550	4,631	335,447
Mar.	100,084	6,103	1,650,430	522,956	187,005	794,012	3,356,049	397,362	1,071,358	771,506	2,073,231	709,465	196,853	105,600	122,550	222,550	4,631	335,447
Apr.	97,948	5,080	1,305,049	463,868	173,088	846,878	3,050,968	401,754	1,063,948	825,761	2,603,003	824,949	198,318	105,600	122,550	222,550	4,631	335,447
May	89,779	5,026	1,282,857	468,753	173,367	863,222	2,968,672	436,092	993,587	806,417	2,442,720	824,949	198,318	105,600	122,550	222,550	4,631	335,447
June	100,382	4,782	1,554,204	693,147	176,991	880,318	2,991,243	452,535	1,009,188	802,071	2,603,003	824,949	198,318	105,600	122,550	222,550	4,631	335,447
July	87,369	5,284	1,372,452	628,144	174,943	815,821	3,033,549	448,449	1,154,067	825,761	2,603,003	824,949	198,318	105,600	122,550	222,550	4,631	335,447
Aug.	78,233	4,504	1,421,274	580,003	147,289	774,708	3,297,516	446,632	1,178,511	825,761	2,603,003	824,949	198,318	105,600	122,550	222,550	4,631	335,447
Sept.	87,399	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Oct.	95,462	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..

EXPORTS of Domestic Produce—Merchandise Only. (000's omitted.)

Period.	U.K.	Irish Free State.	Belgium.	Bulgaria.	Denmark.	Estonia.	France.	Finland.	Germany.	Greece.	Italy.	Jugoslavia.	Netherlands.	Poland.	Sweden.	Switzerland.	U.S.S.R.	United States.
Monthly Average.	£	£	Francs.	Leva.	Kroner.	Esti Mark.	Francs.	Markat.	Mark.	Drachms.	Lira.	Dinars.	Gulden.	Zloty.	Kronor.	Francs.	£.	Dollars.
1913.....	43,771	..	302,882	7,778	53,113	..	573,351	33,482	841,583	9,917	209,303	..	265,453	..	68,112	114,700	2,626	204,094
1918.....	41,785	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
1921.....	58,617	..	605,408	184,777	77,518	190,553	1,647,709	278,491	8,999,713	78,977	689,724	205,062	141,791	..	91,439	176,345	4,059	364,911
1922.....	63,938	..	1,048,969	336,472	121,322	777,690	1,794,194	328,254	5,167,700	257,122	1,313,730	536,823	168,966	70,375	92,847	159,539	3,382	256,042
1923.....	66,280	4,037	1,156,740	408,519	164,460	655,483	3,454,511	406,663	1,069,087	825,761	2,603,003	824,949	198,318	105,600	122,550	222,550	4,631	335,447
1924.....	63,283	4,869	1,179,926	525,109	185,933	726,653	3,184,332	510,353	1,069,087	825,761	2,603,003	824,949	198,318	105,600	122,550	222,550	4,631	335,447
1924—Sept.	68,587	5,236	1,721,509	525,109	185,933	726,653	3,184,332	510,353	1,069,087	825,761	2,603,003	824,949	198,318	105,600	122,550	222,550	4,631	335,447
Oct.	68,587	5,236	1,721,509	525,109	185,933	726,653	3,184,332	510,353	1,069,087	825,761	2,603,003	824,949	198,318	105,600	122,550	222,550	4,631	335,447
Nov.	68,587	5,236	1,721,509	525,109	185,933	726,653	3,184,332	510,353	1,069,087	825,761	2,603,003	824,949	198,318	105,600	122,550	222,550	4,631	335,447
Dec.	68,587	5,236	1,721,509	525,109	185,933	726,653	3,184,332	510,353	1,069,087	825,761	2,603,003	824,949	198,318	105,600	122,550	222,550	4,631	335,447
1925—Jan.	69,508	4,110	1,471,160	421,524	165,110	1,005,942	3,402,067	403,889	1,069,087	825,761	2,603,003	824,949	198,318	105,600	122,550	222,550	4,631	335,447
Feb.	69,508	4,110	1,471,160	421,524	165,110	1,005,942	3,402,067	403,889	1,069,087	825,761	2,603,003	824,949	198,318	105,600	122,550	222,550	4,631	335,447
Mar.	70,303	3,261	1,048,185	504,278	170,312	750,350	3,562,615	237,977	1,069,087	825,761	2,603,003	824,949	198,318	105,600	122,550	222,550	4,631	335,447
Apr.	60,877	2,970	1,040,675	371,136	162,699	619,306	3,557,744	256,797	1,069,087	825,761	2,603,003	824,949	198,318	105,600	122,550	222,550	4,631	335,447
May	64,204	2,973	1,084,557	413,295	142,355	688,481	3,640,187	455,255	1,069,087	825,761	2,603,003	824,949	198,318	105,600	122,550	222,550	4,631	335,447
June	58,893	3,388	1,349,506	367,565	164,592	783,880	3,506,534	543,714	1,069,087	825,761	2,603,003	824,949	198,318	105,600	122,550	222,550	4,631	335,447
July	64,826	3,688	1,148,492	514,745	163,637	980,665	3,848,373	800,915	1,069,087	825,761	2,603,003	824,949	198,318	105,600	122,550	222,550	4,631	335,447
Aug.	61,038	3,406	1,001,572	522,143	145,766	858,221	3,589,511	686,172	1,069,087	825,761	2,603,003	824,949	198,318	105,600	122,550	222,550	4,631	335,447
Sept.	60,735	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
Oct.	67,082	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..

d Since January, 1922, gold marks valuation. e Until February, 1923, Julian Calendar. f Since January, 1922, the value of imports is based on declarations of importers, instead of official evaluations previously used. g Since May, 1922, figures refer to "Union Economique Belgo-Luxembourgeoise." h Official values. i From November, 1923, provisional figures based on merchants' declarations, which may differ considerably from final figures based on official quarterly valuations. j From April 1, 1923, including trade of Great Britain and Northern Ireland with the Irish Free State, and excluding the direct foreign trade of the Irish Free State.

IMPORTS for Domestic Consumption—Merchandise Only. (000's omitted.)

Value.								Quantity (Metric Tons).										
Period.	Australia.	British India.	Canada.	New Zealand.	South Africa.	Japan.	Brazil.	Belgium.	Czechoslovakia.	France.	Germany.	Greece.	Hungary.	Netherlands.	Poland.	Spain.	Switzerland.	Brazil.
Monthly Average.	£'s.	Rupees.	Dollars.	£'s.	£'s.	Yen.	Milreis.											
1913.....	6,355	^b 152,725	54,917	1,785	3,365	60,474	83,958	2,721	..	3,685	^h 6,076	..	..	5,041	..	987	661	467
1918.....	7,696	137,704	75,583	1,966	3,768	137,221	82,450	..	..	2,446	..	29	..	..	..	..	..	..
1921.....	8,222	250,729	66,616	3,461	4,447	132,481	140,820	1,472	333	3,339	2,175	87	194	404	..	233	295	140
1922.....	9,850	199,622	63,528	2,817	4,008	153,956	137,719	^q 1,772	266	4,885	3,822	87	279	1,435	404	682	357	204
1923.....	11,088	185,088	75,353	3,575	4,584	161,924	188,330	^q 2,203	349	4,572	3,881	112	313	1,623	344	354	441	260
1924.....	11,852	196,166	67,350	3,995	5,302	201,843	..	..	482	4,708	3,234	153	376	1,888	201	..	556	285
1924—Aug. ..	11,736	201,389	61,970	4,588	5,710	^a 143,297	260,783	2,921	o 567	4,457	2,083	164	357	1,482	136	181	669	388
Sept.	11,511	216,662	63,901	4,621	5,638	142,425	261,717	3,117	o 645	4,732	2,034	201	385	1,956	177	261	669	346
Oct.	12,378	205,066	68,184	4,041	5,762	^a 159,607	250,544	3,937	o 555	4,732	2,034	201	385	1,956	177	261	669	346
Nov.	12,052	217,494	66,250	3,751	4,670	^a 193,206	300,171	1,822	o 586	4,360	4,892	160	411	2,217	245	230	619	354
Dec.	12,137	164,729	60,946	4,452	5,883	^a 181,180	287,180	2,976	o 645	4,731	5,078	208	371	2,185	233	107	619	314
1925—Jan. ..	13,193	239,962	58,376	4,787	4,904	^a 227,738	307,079	2,976	o 446	3,522	4,615	187	518	2,044	245	160	619	441
Feb.	11,171	192,671	61,430	3,957	5,439	^a 288,265	269,274	3,697	o 380	3,972	4,005	182	315	2,077	288	..	541	503
Mar.	12,982	197,212	84,608	4,193	5,264	^a 317,002	282,106	2,975	o 424	3,947	4,429	206	270	1,874	260	..	504	395
April	11,040	174,810	69,105	5,900	^a 260,906	326,364	368,545	2,804	o 438	3,658	4,536	172	338	1,931	370	..	550	315
May	10,419	187,205	75,895	4,876	^a 207,314	279,314	368,545	2,742	o 397	3,819	4,198	165	314	1,866	367	..	503	352
June	11,452	158,127	75,592	3,712	5,148	^a 204,065	..	2,592	o 481	3,730	4,821	190	354	1,953	383	..	508	352
July	12,024	174,077	81,492	4,268	5,506	^a 168,981	..	2,528	o 475	3,709	4,835	..	378	2,359	443	..	526	..
Aug.	12,132	185,068	82,074	^a 4,676	5,890	^a 192,581	..	2,733	o 571	3,809	5,266	..	374	2,301	246	..	596	..
Sept.	9,200	176,090	78,663	^a 4,218	4,940	^a 164,300	..	..	o 752	4,651	4,843	..	..	2,171	197	..	601	..

THE STATE OF TRADE AT HOME AND ABROAD—Continued from page 38.

operating at something over 80 per cent. of capacity, the most steady buyers being the structural, railway and automobile industries. The chief "business indicators" point all the one way. Confidence generally runs high, as is shown by a wider disposition towards future commitments, but most observers hold to the opinion that no wide speculative movement is to be expected in the commodity markets. Recent events on the Stock Exchange have given a salutary check to the movement towards inflated security values, which was not unconnected with the advance in the discount rates of several Federal Reserve banks—designed to withdraw New York's excessive supplies of funds employed in Stock Exchange speculation.

BRITISH EMPIRE.

The outlook for Canada is brighter than for some time past. The purchasing power of the farming community is expected to be greater and more widely distributed than at any time since 1920. Mineral production shows a steady growth, coal mining having made rapid progress since the strike settlement. The iron and steel and textile industries are more active, and wholesale houses report an increased turnover without as yet any disposition to buy far ahead. The collapse of the seamen's strike and the result of the general election have favourably affected the outlook in Australia. Wool sales have been well attended. Monetary conditions in India have been markedly easier than usual, but with the advent of heavier crop demands conditions are becoming more stringent. The strike of the Bombay cotton operatives continues. South African trade last month was quiet, the dislocation caused by the shipping strike being still productive of irregularity. The gold output continues at a high level. The maize crop is being freely moved, and with satisfactory rain throughout the country prospects are more hopeful.

SOUTH AMERICA.

Argentine crop conditions are excellent, record yields being indicated, although the danger of damage from unfavourable weather has not yet passed. Chilean business was generally good last month, despite a one day general strike on October 26th. Nitrate production continues at a high level, and reports

from agricultural areas point to larger crops than last year. Brazilian markets are generally dull, coffee prices having declined still further during October, while trade in cotton and sugar remains depressed. Peruvian trade is similarly affected. Unemployment is growing in Mexico as a result of decreased petroleum output and unfavourable crop conditions.

EUROPE.

French business is generally active. The metallurgical trades have received increased export orders, but are unwilling to trade very far ahead in view of price uncertainties. The woollen textile industry is still a heavy buyer of raw material, but the cotton trade has been unsettled by price fluctuations. French competition has affected the coal and metallurgical industries of Belgium. The German situation shows no marked change, iron and steel and engineering remaining depressed, although some improvement has taken place in the coal trade. Seasonal conditions are responsible for slightly increased production in textiles. Among Scandinavian countries, Norwegian industries are more active in the export branches, but, as a whole, dulness obtains and unemployment is increasing. Denmark is still feeling the effects of deflation, and seasonal quietness is overtaking Swedish trade. Business in Poland remains restricted. In Czechoslovakia the coal and metal industries are active, but the Austrian situation is rather less favourable, owing partly to Polish import restrictions. Italian conditions are generally satisfactory, with labour shortage in certain areas, but seasonal unemployment in agriculture has begun. The favourable returns from Turkey's staple crops this season may be a factor in producing the long-awaited trade revival in the Near East.

FAR EAST.

Chinese trade has again been hampered by political unsettlement and transport difficulties arising out of the commandeering of railways for military purposes. Easier monetary conditions obtained in Japan in the first half of this month. The trade balance remains favourable, the raw silk export market being particularly active.

The Economist
MONTHLY SUPPLEMENT.

New Series.

SATURDAY, DECEMBER 26, 1925.

No. 31.

In the following pages we have aimed at compiling tables which will show summary figures for as many nations of the world as possible, and have endeavoured to combine brevity with comprehensiveness. The greater number of the figures are taken from the Monthly Statistical Bulletin of the League of Nations,* supplemented from our statistical records. We propose in these columns to give our own appreciation of the trade position, fortified by informed opinion, and to leave the figures to be interpreted by our readers each in his own way.

* "League of Nations Monthly Bulletin of Statistics," 1s 6d. Constable.

THE STATE OF TRADE AT HOME AND ABROAD.

The slow, but welcome improvement noted in our survey last month has been maintained. The movement is now seen to have originated with the "heavy" trades—coal, iron and steel—which were the most depressed during the summer and autumn months, the better sentiment obtaining having spread to industry generally. The number of insured workers lacking employment continues to decline, despite the fact that 42 per cent. of insured persons have been shown to be engaged in industries subject to greater unemployment in winter than summer. In five "staple" industries—iron and steel, engineering, shipbuilding, cotton and wool—the decline in unemployment during the last three months has more than compensated for the whole of the increase during the previous eight months, while in a sixth—coal mining—although the figures are much higher than at this time last year, they show a reduction of 103,000 since September. If comparison be made with the figures of a year ago, it will be found that while coal-mining has 59,500 more, all other industries taken together have 24,000 less unemployed, and as the insurable population has increased by some 250,000 in the meantime, the numbers in employment have clearly increased quite considerably.

The present spirit of cautious expectation is very different from the optimism with which the change of Government was hailed a year ago. The more conservative section of industrial opinion, indeed, while admitting the favourable nature of recent developments, is inclined to question the part played by the temporary and artificial stimulus of the coal subsidy. The real test will, in its opinion, come next spring, when the coal-mining industry is dependent once again on its own efforts, and the taxpayer is no longer helping to provide home industry and foreign consumers with cheap fuel supplies.

As regards individual industries, the output of iron and steel was further increased last month. Although production has not regained last year's level, the extremely low relative prices at which these commodities are being marketed (reflecting, in turn, further reductions in working costs this year) seem already to have stimulated demand and placed this country in a more favour-

able competitive position as regards the Continent. Current consumption is at least equal to production. The coal trades have benefited partly as a result of recent weather conditions and partly owing to improved export demand. Engineering continues its slow, steady progress. The cotton trade is still unsettled by falling prices for its raw material, and uncertainty as to the financial position of some of its members, but the woollen textile industries, having now reached a more economic price basis than prevailed 12 months ago, should be in a position to do more business next year. Shipping is making slow headway, and even shipbuilding shows a very slight improvement, though signs of permanent revival are still to seek. In the retail trades, Christmas demand has been active, after an earlier start than usual.

As regards more general indications, the foreign trade figures show a falling-off in British exports, but this reflects the conditions of two or three months ago rather than the immediate present. Wholesale prices are fairly steady. On the Stock Exchange, industrials have risen, partly, but not entirely, at the expense of fixed-interest securities. The note circulation remains higher than last year, and total bank advances are steady, although deposits declined appreciably last month.

Outside Great Britain, the expansion of business in the United States continues without interruption,

while Canadian feeling is decidedly hopeful. Financial uncertainty is a limiting factor in French business. The shortage of working capital in Germany is rather less acute, but in Poland and other Central European States trade remains restricted. In the Far East, political instability still hampers China, but Japanese trade has more than consolidated its recent advance.

The following notes on conditions in various trades and industries call attention to the most striking tendencies:—

HOME INDUSTRIES.

Iron and Steel.—Business has been quieter, as is usual at the end of the year, but the general attitude is one of restrained confidence. The November production figures show a further

MONTHLY BULLETIN OF STATISTICS

ISSUED by the LEAGUE OF NATIONS

A STATISTICAL REVIEW of the most recent information of the economic activity of Europe, The British Empire, America, Asia, etc., compiled from official and other defined sources.

The following among other subjects are dealt with in informative Tables:—

PRODUCTION: Coal, Iron and Steel; Shipping Construction, etc.

FOREIGN TRADE: Weight and Value of Imports and Exports; Movement of Shipping.

PRICE: Wholesale and Retail Price Index Numbers.

CURRENCY AND FINANCE: Reserves, Note Circulation, Discount Rates, Foreign Exchanges, Capital Issues, Bankruptcies, Savings Bank Deposits.

LABOUR: Unemployment Percentages.

This information is given where available for the following countries:—

ARGENTINE
AUSTRIA
AUSTRIA
BELGIUM
BOLIVIA
BULGARIA
BRAZIL
CANADA
CHILE
CHINA
COLOMBIA
CUBA
CZECHOSLOVAKIA

DANZIG
DENMARK
DUTCH EAST INDIES
EGYPT
EQUADOR
ESTHONIA
FINLAND
FRANCE
GERMANY
GREECE
HUNGARY
INDIA
ITALY

JAPAN
JUGO-SLAVIA
LATVIA
LITHUANIA
LUXEMBURG
NETHERLANDS
NEW ZEALAND
NORWAY
PALESTINE
PARAGUAY
PERU
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slight increase, pig-iron output at 494,100 tons being the highest figure for five months, and that of steel ingots and castings, at 653,800 tons, the highest for eight months, though both are below the corresponding figures for last year. Current production is, however, balanced by consumption, and some progress is being made in working off surplus stocks. New business in pig-iron is confined at the moment to small lots for immediate delivery. Hematite production shows a noteworthy increase, and in the North-West numerous furnaces have restarted, some works having booked orders running into March of next year. Considerable quantities of semi-finished material continue to come to this country from the Continent. Structural steel remains one of the most active branches, but in the general steel trade orders are somewhat scarce. Business in galvanised sheets remains firm, with most works booked up till March. The tinplate market is a shade quieter, though a fair amount of foreign business has been done, and feeling with regard to next year is most hopeful.

Coal.—Most coal areas are busier than a month ago. The cold weather has sharpened home demand, although snow and fog resulted in delay to transport in some cases. Stocks of house coal are no longer heavy, and as regards the better qualities, at least, satisfactory placing of new orders has been effected. Steam coals have, again, shown strength, and a fair number of contracts have been arranged for supplies in 1926, but at prices well below those of a year ago. The demand for industrial fuel has strengthened during the last week or two. Altogether, the advance of the late autumn has shown no signs of a check so far, but quotations remain at low levels.

Engineering.—Slow but steady progress continues, and the industry closes the year with an appreciably improved outlook. The cheapness of steel is an asset, but the competitive power of the industry on the export side appears to have increased independently of this factor. Except in "depressed" branches orders are satisfactory in number, and the average amount involved tends slowly to increase. The most active branches are the motor-car and cycle and textile machinery industries, the former being booked up for some time to come, while the latter is busy on contracts placed some weeks ago. Agricultural machinery has passed its seasonal peak, but is better employed than a year ago. Shipbuilding is slightly better, chiefly on the cargo side. Marine engineering shows no signs of life. Activity in the locomotive industry is sporadic, but orders are more satisfactory in volume than three or four weeks ago.

Electrical Industry.—The following index of production is copy-right by the Economic and Statistical Department of the British Electrical and Allied Manufacturers' Association. An explanation of the manner in which it has been computed will be found on page 888 of the *Economist* of November 28, 1925.

INDEX OF ACTIVITY IN THE ELECTRICAL INDUSTRY.

(1920 = 100.)

1924.	Home.	Export.	Total.	1925.	Home.	Export.	Total.
January ..	96	95	96	January ..	78	102	84
February ..	100	83	95	February ..	77	102	83
March	107	95	104	March	67	105	83
April	106	105	106	April	60	95	69
May	108	107	108	May	55	87	62
June	105	89	101	June	58	86	65
July	102	79	96	July	58	119	73
August ...	92	79	88	August ...	61	119	76
September.	89	94	90	September.	61	121	76
October ...	83	92	85	October ...	67	125	81
November.	91	96	92	November.	68	124	81
December..	80	80	80				

Conditions have improved during the past month over the entire industry. The heavy engineering side is beginning to benefit from the development of new schemes in the Midlands, at London, and at Bristol, where orders have been placed for a new station destined to house over 200,000 kilowatts. In New Zealand and Australia important hydro-electric projects have passed the survey stage. Signs of renewed activity are observable in the small motor branch, and a steady demand obtains for small fractional horse-power motors for export. Makers of transformers and switch-gear are rather less active, after a busy year, but firms specialising in small domestic apparatus and electrical necessities are booked up for the next six months. Radio valve manufacturers are extremely well occupied, and are working in some cases with a long waiting list.

Cotton.—Our Manchester correspondent writes:—During the past month there has been another fall in raw cotton prices, and quotations for yarn and cloth have declined, with resulting

caution in the giving out of orders to spinners and manufacturers. The United States Government has published its final estimate of 15,603,000 bales. If to this is added 1,000,000 bales of linters and the carry-over from last season of 3,400,000 bales, total supplies of approximately 20,000,000 bales are indicated. As consumption is not likely to be more than 15,000,000 bales, including linters, there should be a substantial increase in stocks at the end of next July. In the cloth market the feature of interest has been the revival of demand for India in light fabrics, and a large business has been done. Numerous makers have extended their order lists. Some advices from China have been rather better. There has been no improvement in the offtake for Egypt and the Near East. A fair business has been done for South America. Spinners of yarn are in a worse position. Although the proposal to reduce the working hours from 39½ to 35 per week was not approved, it has been difficult to clear production, and stocks in first hands are larger. It is feared that many mills are having severe losses, and the disclosures relating to the Belgrave failure have caused nervousness.

Woolen and Worsted Trades.—The December wool sales closed with prices from 5 to 7½ per cent. below those of the September-October series, while in overseas centres the decline was still more marked. The end of the year finds wool values decidedly lower than at the beginning of 1925. The decline has been accompanied by an extensive contraction of activity in the woollen textile trades, and has severely tried the finances of many firms, but at to-day's values there is much more confidence and a stronger disposition to buy tops, yarn and pieces. Spinners, for instance, are buying quietly but steadily, and the demand for yarn has increased. With prices on a more economic basis, numerous orders held over during the last few months are likely to find their way to the market.

Boots and Shoes.—Business remains somewhat uneven, but its volume has expanded slightly. A few spring orders have been received, and prospects for the remainder after the turn of the year are regarded as fairly good. The success of the Russian boot took the market by surprise, and supplies have not always been obtainable. Demand is chiefly for the cheaper grades, and although the medium-priced boot finds a sale, there is no demand for the expensive type.

Pottery.—With the completion of Christmas orders the industry has been quiet. Foreign competition tends to increase. **Chemicals.**—Coal tar products continue in active demand at firm prices. The fine chemical group shows little change, but demand for dyestuffs is rather better. Numerous artificial silks concerns have been floated during the past few weeks.

Building Trades.—The building trades are now approaching the bottom of their seasonal curve. A decline was recorded in all parts of the country last month, Scotland and North-West England being most affected.

Shipping.—Conditions in the open freight market have generally been steady. The *Economist's* Index Number of "tramp" freights showed a further slight rise during November, and now stands above the 1913 level for the first time since April. Part of the rise, however, is due to Australian rates, which are temporarily well above those on other routes. Grain chartering has been restricted by fluctuations in wheat prices, but tonnage is firmly held by owners. Recent rates have been fairly well maintained during the present month, and though freights are somewhat irregular in view of the holiday season, there is no marked surplus of vessels on offer.

Retail Trade.—A large London store reports that Christmas buying opened earlier this year than usual. The most active lines have been hosiery, ironmongery, and small furnishings. British-made toys have sold well. Demand for the cheaper grades of Russian boots has been heavy, but the expensive type has not been required, and caution in placing future orders is regarded as advisable. The sale of expensive fur coats has been noticeably good, demand having exceeded that of either of the last two years.

UNITED STATES OF AMERICA.

Underlying conditions remain favourable to production, a seasonal decline in some directions being balanced by increased activity in others. Iron and steel output has again increased, demand from the railroads having expanded. Building operations show a smaller seasonal falling off than usual, while the automobile industry is operating little below capacity. Con-

(Continued on page 52.)

THE ARTIFICIAL SILK INDUSTRY.

(BY A CORRESPONDENT).

THE commercial development of artificial silk by the viscose process being almost exclusively the result of British genius, it will be of interest to examine the position in which the industry stands to-day.

The chief countries producing artificial silk are the United States, Great Britain, Italy, Germany, and France, but rapid developments are being made in other countries, notably in Holland. The estimated world production for 1925 is 185,000,000 lbs, as against 141,000,000 lbs for 1924 and 97,000,000 lbs in 1923. Great Britain's proportion, as the second largest producer, has usually been from 16 to 18 per cent., and this figure gives little idea of the real position. The leading producers in this country are Messrs Courtaulds, Limited, who have subsidiary companies in different parts of the world, notably in America, where they account for 75 per cent. of the output. On account of this Messrs Courtaulds, apart from other British firms on a much smaller scale, are responsible for 50 per cent. of the output of the whole world. It is reasonable, therefore, to suppose that, generally speaking, prices will be controlled from this country. It is important to note this point when considering the position of the industry as a whole and of the British share in particular.

It was unlikely that this enviable position would remain unchallenged, but of all the countries who are strenuously endeavouring to gain the ascendancy, the only one which has attained any great measure of success is Italy. In saying this, one is quite aware of the large output of both America and Germany, but in each of these cases the home markets have hitherto absorbed a very large proportion of the material, and in the world market, as generally known to the textile industries, the only serious competitors of this country are the Italians. Certain companies in this latter country, notably the Snia Viscosa, have recently attained a very high rate of production, and are invading our markets, especially India, to an important degree. We are actually sending less artificial silk yarn into India than Italy is, and Italian imports into England, until materially reduced by the recent duties, were becoming a serious factor. A glance, however, at the trade figures will show that, apart from this competition, our industry is in a satisfactory condition. Taking the average imports for October and November, 1925 (£266,360 and £255,279 respectively), our total takings in a normal year should be slightly over £3,000,000, and as our exports for the first 11 months of 1925 amounted to £4,798,747, it will be seen that the balance of trade will in future years tend to be very much in our favour. When it is appreciated that the average imports for October and November, 1925, are 231 per cent. less than the average for the first 11 months of the same year, the effect will be seen both of the exceptionally heavy imports made to forestall the duty, and of the duty's subsequent restraint of imports. It must not be forgotten that tariffs are dangerous weapons, and may be used with equal or greater force against us.

Thus, with a strong hand in the control of prices, and with a rapidly improving balance of trade, the prospects for the home producer appear excellent. However, the present state of under-production cannot last very long when such a rapid increase is being made in the world output. Estimates for 1926, even though possibly a little "coloured," lead to the conclusion that another very great increase will be made. The brightness and lustre of artificial silk, combined with its moderate price, were the reasons for its first success, and these are sufficient to guarantee an expanding demand, more especially when further advance has been made both in regard to dyeing and waterproofing. However, artificial silk, though not

dependent upon seasonal harvests for its main raw material, is at the mercy of fashion's whims. For these reasons it is likely that the industry, when the present shortage is made up, will in future years be subject to occasional depression. A fluctuating demand is an exceedingly difficult matter for the yarn producer, and it has been said with much truth that those companies which both produce the yarn and manufacture it themselves will be better placed than producers only. With a known demand, the labour costs on the technical process of spinning may be gauged to a minimum.

In any survey of the industry one must point out that several processes of manufacture are used. The most popular is the Viscose or Wood-Pulp system, and this is adopted by Messrs Courtaulds, Limited, Snia Viscosa, and the other great producers. It is not necessary, perhaps, to describe the process, but approximately 45,000,000 lbs of wood-pulp will be utilised in this industry during 1925. The commercial success of the viscose process is due to the comparatively low price of the raw material and the ease with which large quantities can be produced when technical details have been satisfactorily arranged. The other processes used in this country are Cellulose-Acetate (British Celanese, Limited), Cuprammonium (Brysilka), and Nitro-Cellulose (Bulmer Rayon). In these, the basic raw material is cotton treated with acetic acid, copper-ammonia after caustic soda, and nitric acid followed with ether and alcohol respectively. The product resulting from the last three processes has qualities of a better kind than Viscose, but the commercial success has not so far been exceptional. A number of new processes are now being introduced, in most cases modifications of either the Viscose or the Cellulose-Acetate. Their commercial success in this country has not, however, been proved.

The obvious success which has attended the efforts made by Messrs Courtaulds, Limited, has resulted in many attempts to start production both in this country and abroad. Artificial silk production is a most difficult matter, and even when a site with an adequate water supply of the right quality has been found there is required an almost unique combination of chemical and technical textile brains working in close harmony with the commercial or sales side of the business. It was this combination which gave Courtaulds their success. The industry being as yet in its infancy, only a general idea can be obtained as to future demand and price. The particular quality which will be required cannot be definitely predicted, the present tendency being towards the better qualities. It is therefore obvious that the costs of selling an article the future uses of which have largely to be developed will be high, and it is perhaps more certain that much money will be required to be set apart for research both as to uses of the fibre and methods of making it. Machinery must be subject to a possible depreciation far in excess of that engaged on standard textiles where little change takes place for many years. These are some of the difficulties facing the newcomers, and it may be that the rather optimistic estimates of profit and of production dates will be subject to revision.

In conclusion, the artificial silk industry in this country would appear to have, on the whole, an exceedingly prosperous future. Prices are scarcely likely to remain as high as at present, but, on the other hand, a reduction should once again stimulate demand, and the many lines of development as taken up by the public should from time to time cause a return to the under-production situation as it is at present. Artificial silk cannot be regarded as a competitor of cotton, wool and silk. On the contrary, it has been, and will be in the future to an even greater extent, a most important asset to those industries. It is in the mixture of artificial silk with the standard textiles that its great future would appear to lie. Lancashire is rapidly realising this, having trebled her consumption of artificial silk in 1924, and in 1925 having doubled the 1924 takings before September.

Notes in Circulation. (000,000's omitted.)

Period.	United Kingdom.	Austria.	Belgium.	Bulgaria.	Czechoslovakia.	Denmark.	Finland.	France.	Germany.	Greece.	Hungary.	Yugo-Slavia.	Netherlands.		
End of	Bank of England Notes.	Currency Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Reichsbank Notes.	Reichs- und Darlehens-kassenscheine.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	State Notes.
	£	£	Schilling.	Francs.	Leva.	Koruna.	Kron.	Marka.	Francs.	Marks.	Marks.	Drachms.	Korona.	Dinars.	Gulden.
1913.....	296		..	1,067	189	..	152	113	5,714	2,593	149	^h 245	..	..	313
1918.....	702	303.2		1,210	2,399	..	450	1,156	31,055	12,118	10,599	1,274	..	..	1,089
1921.....	1071	295.6	174,115	6,390	3,615	12,150	471	1,356	36,359	113,639	8,523	2,161	25,175	4,688	1,013
1922.....	1029	295.4	14,080,777	6,701	3,886	10,064	459	1,421	36,159	1,280,095	13,663	3,149	76,887	5,040	1,013
1923.....	1051	292.7	713	7,460	4,139	9,599	473	1,352	39,354	1496507,424,772	800	4,681	931,337	6,790	1,066
1924.....	101.3	296.3	839	7,590	4,530	8,810	478	1,250	40,885	1,941	m 1,835	4,821	4,533,990	5,002	935
1924—Oct.	101.1	285.0	821	7,630	4,496	8,586	495	1,258	40,529	1,781	m 1,715	4,754	4,635,090	5,990	998
Nov.	101.4	288.1	807	7,603	4,683	8,501	479	1,228	40,447	1,863	m 1,677	4,826	4,442,644	6,034	964
Dec.	101.5	286.3	839	7,590	4,530	8,810	478	1,250	40,885	1,941	m 1,835	4,821	4,533,990	6,002	935
1925—Jan.	97.5	291.2	790	7,648	4,458	7,917	456	1,205	40,516	1,901	m 1,780	4,847	4,449,650	5,795	922
Feb.	97.9	281.2	796	7,599	4,380	7,727	453	1,288	40,729	2,106	m 1,736	4,979	4,237,985	5,760	912
Mar.	94.4	288.6	790	7,550	4,277	7,681	452	1,394	40,904	2,315	m 1,611	5,222	4,270,036	6,594	898
Apr.	94.4	289.8	798	7,665	4,171	7,526	465	1,582	43,050	2,452	m 1,550	5,098	4,593,649	5,771	900
May	94.9	295.5	817	7,489	4,174	7,437	467	1,336	44,703	2,609	m 1,680	5,241	4,526,216	5,671	896
June	92.7	293.5	828	7,562	4,155	7,587	468	1,286	43,800	2,474	m 1,672	5,182	4,583,176	5,644	889
July	90.3	301.0	837	7,688	4,129	7,549	449	1,262	44,496	2,530	m 1,701	5,303	4,743,642	5,661	900
Aug.	88.7	295.8	836	7,653	4,221	7,695	442	1,268	45,445	2,595	m 1,713	5,303	4,990,549	5,965	899
Sept.	88.5	293.0	841	7,760	4,190	7,639	440	1,269	46,354	2,696	m 1,713	5,548	5,102,507	6,097	879
Oct.	86.7	291.6	853	7,653	4,074	7,919	454	1,271	46,679	2,803	m 1,543	5,591	5,439,952	6,158	940
			872	7,615		7,921	434	1,253	49,184	2,771	..	..	o 406	6,071	905

Period.	Italy.	Norway.	Poland.	Roumania.	Russia.	Sweden.	Switzerland.	Australia.	Canada.	South Africa.	Egypt.	United States.	Japan.					
End of	Bank Notes.	State Notes.	Bank Notes.	Bank Notes.	State Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Total Dominion & Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.	Bank Notes.					
	Lire.	Lire.	Kroner.	Marki p.	Zloty.	Lei.	Gd. Rbls.	Roubles.	Toherv.	Kronor.	Francs.	£	Dollars.	£	£	Dollars.	Lollars.	Yen.
1913	2,284	499	108	a	n	437	..	2	..	234	314	d	227	23	22	726	34.	42
1918	11,750	2,124	431	..	..	2,489	..	57	..	814	976	58-9	530	83	44-5	3,402	231	1,114
1921	19,802	2,267	..	..	..	3,782	..	..	..	624	1,009	55-5	444	8-8	35-3	3,256	281	1,554
1922	18,012	2,267	385	..	..	15,126	..	..	..	584	976	51-8	414	8-1	31-7	3,117	288	1,591
1923	17,247	2,428	396	..	..	17,917	..	178,509,300	23-7	576	982	52-2	408	8-8	34-3	2,951	308	1,693
1924	18,114	2,400	391	..	..	19,397	229	..	41-1	537	914	56-9	..	9-1	40-2	2,555	297	1,562
1924-Oct.	18,071	2,400	386	5,785,000	504	19,164	218	..	37-3	536	882	56-9	400	8-9	37-7	2,527	307	1,350
Nov.	17,756	2,400	376	5,782,000	498	19,227	226	..	40-2	537	859	56-9	405	9-0	40-1	2,608	306	1,360
Dec.	17,794	2,400	391	3,314,000	551	19,327	229	..	41-1	537	914	56-9	411	9-1	40-2	2,555	297	1,350
1925-Jan.	17,655	2,400	361	3,145,000	553	19,149	234	..	37-3	483	825	56-9	364	8-9	38-2	2,408	285	1,350
Feb.	17,471	2,400	368	3,106,800	550	19,122	236	..	37-7	493	819	56-9	363	9-0	37-0	2,469	290	1,260
Mar.	17,623	2,400	380	3,078,000	563	19,071	245	..	40-2	521	836	56-9	351	8-9	36-1	2,421	287	1,260
Apr.	17,645	2,100	380	3,036,600	567	19,120	250	..	40-9	493	830	56-9	351	8-5	35-2	2,381	282	1,260
May	17,744	2,100	374	2,770,200	557	19,381	250	..	41-8	500	824	56-9	351	8-1	30-8	2,325	281	1,260
June	19,017	2,100	387	g	503	19,536	258	..	46-1	525	834	56-9	354	7-8	28-2	2,287	286	1,260
July	19,276	2,100	384	g	462	19,669	274	..	50-5	511	819	53-9	356	7-5	35-0	2,316	300	1,370
Aug.	19,431	2,100	378	g	440	20,153	306	..	56-7	621	849	53-9	356	7-3	34-1	2,341	305	1,370
Sept.	19,474	2,100	372	g	382	20,683	341	..	65-2	611	819	53-9	356	..	7-4	2,361	308	1,370
Oct.	19,469	2,100	367	g	362	20,185	..	..	71-9	523	841	..	..	..	..	..	..	..
									78-7	503	819	..	..	..	..	..	..	..

LONDON RATES OF EXCHANGE.

a Including German, Russian, and Austro-Hungarian notes, converted into national currency. b Three banks of issue: Banks of Italy, Naples, and Sicily.
 c Including Austro-Hungarian and other notes, converted after the War into national currency. d Gross issue, without deduction of notes held by Banking
 Department. e Excluding notes held on redemption account in respect of Currency Notes. f Includes notes called in, but not cancelled. g Ceased to be
 exchangeable against Zloty notes. h Until February, 1923, Julian Calendar. i Including notes of the Bank of Crete, amalgamated with the National
 Bank of Greece in 1919, a d those of the Ionian Bank, amalgamated in April, 1920. k Circulation in Union only. l Millions. m Rentenmarks issued by Rentenbank.
 n 1 Zloty = 1,000,000 P. Marks. o In pengö. One pengö = 12,500 paper crowns. p Thousands. q Excluding 1 and 2 lire notes. r In Reichsmarks. t In Kronen.
 One schilling = 10,000 paper kronen.

	Paris.	Brussels.	Italy.	Switzer- land.	Madrid.	Amster- dam.	Stock- holm.	Oslø.	Copen- hagen.	Berlin.	Vienna.	New York.	Buenos Aires.
	Francs to £1.	Francs to £1.	Lire to £1.	Francs to £1.	Pesetas to £1.	Florins to £1.	Kronor to £1.	Kroner to £1.	Kroner to £1.	Marks to £1.	Krone to £1.	Dollars to £1.	Pence Dollar
Par level	25-22½	25-22½	25-22½	25-22½	25-22½	12-107	18-159	18-159	18-159	20-43	24-02	4-86½	47-58
Highest, 1924	120-25	139-00	115-30	25-00	35-35	11-87	17-58	32-52	28-26	22	340,000	4-74½	46-2
Lowest "	63-30	73-75	94	23-20	30-90	11-29	16-14	29-60	24-40	17	295,000	4-20	39½
Beginning of—													
July, 1914	25-15	25-35½	25-25½	25-19½	26-10	12-11½	18-30	18-25	18-30	20-49½	24-55	4-87½	47½
January, 1919	27-97½	27-60	26-11½	22-95½	23-67½	11-15	16-29½	16-85	17-67½	..	..	4-76½	61½
January, 1920	40-92½	40-42½	50-00	21-16½	19-72½	10-07	17-50	18-40	19-62½	187½	..	3-78½	62½
January, 1921	61-06½	58-07½	104½	23-55	27-46½	11-36½	17-66	28-29	22-17½	26½	1,500	3-54½	51½
January, 1922	52-39½	54-65½	97½	21-70½	28-19½	11-44½	16-97½	26-99½	21-12½	791½	13,000	4-20	43½
January, 1923	66-30	72-85	93½	24-72½	28-71½	11-79	17-37½	25-12½	23-40	48,500	330,000	4-68	44½
January, 1924	87-85	99-45	100½	26-63½	33-58½	11-36½	16-26½	29-82	24-44½	194 billions	306,500	4-29½	40½
January, 1925	87-40½	111-35	118-35	24-34½	33-99½	11-71	17-62½	31-37½	26-85½	194½ goldmarks	373,500	4-74½	46½
August	103-42½	107-02½	108-11½	25-01	33-65½	12-08½	18-06½	26-42½	21-34	34-51	4-857½	45½	45½
September	103-45	108-11½	121½	25-09	34-05	12-04½	18-08½	29-59	19-27½	20-36	..	34-35	44½
October	103-52½	107-55	122½	25-09	33-65½	12-04½	18-06½	29-59	19-27½	20-36	..	34-35	44½
November	121-56½	106-93½	122½	25-15	33-89½	12-06½	18-13½	23-77½	19-37½	20-37	..	34-39½	46½

Wholesale Prices—Continued.					Index Numbers of Retail Prices.										Cost of Living.—(Base=100.)				
Monthly Average.	South Africa.	China.	Japan.	United States, Bureau of Labour.	No. of Towns and Localities.	U.K.	Irish Free State.	Austria.	Belgium.	Bulgaria.	France.	Germany.		Italy.	Spain.	Canada.			
						630	105	Vienna.	59	12	Paris.	71	Berlin.	Milan.	Madrid.	60			
1913	100	100	100	100	Base.	July, 1914.	July, 1914.	July, 1914.	July, 1921.	1914.	1914.	Oct., 1913, Jan., April, June, 1914.	Aug., 1913, July, 1914.	Jan.-June, 1914.	1914.	1913.			
1918	153.1	..	195.8	194															
1921	180.4	150.2	200.4	147															
1922	128.4	145.6	195.8	149	1918—July ..	210	..	1,160	..	d				286	154	146			
1923	126.6	156.4	199.1	154	1921—July ..	222	..	9,970	100	1910	307	..	1124	494	189	155			
1924	128.7	153.9	206.5	150	1922—July ..	181	185	264,511	90	2643	302	5392	8122	488	181	147			
					1923—July ..	171	180	1,090,300	109	2464	334	3765100	3388610	177	145	145			
					1924—July ..	171	183	1,239,100	125	2812	366	b 1160	b 101.7	512	184	145			
1924—November ..	..	154.9	214.3	153	1924—Nov. ..	181	..	1,357,400	137	2945		b 122.5	b 108.4	563	175	147			
December ..	..	157.4	213.5	157	Dec. ..	180	..	1,365,000	137	3010	377	b 122.6	b 108.1	573	190	148			
1925—January	130.0	158.9	213.7	160	1925—Jan. ..	179	195	1,376,200	139	3083	..	b 124.1	b 107.8	580	188	149			
February	..	159.2	210.0	161	Feb. ..	179	..	1,389,500	137	3185	..	b 136.6	b 109.2	592	189	150			
March	..	160.3	204.3	161	Mar. ..	176	..	1,356,000	136	3127	386	b 136.0	b 110.0	602	192	147			
April	129.8	159.3	201.7	156	April ..	173	188	1,343,200	131	3074	..	b 136.7	b 113.4	600	191	148			
May	..	161.8	199.4	155	May ..	172	..	c	128	3027	..	b 135.5	b 114.4	591	188	146			
June	..	157.3	199.9	157	June ..	173	..	c	131	3171	390	b 138.3	b 116.9	595	190	146			
July	126.6	162.8	198.3	160.1	July ..	173	188	c	133	2989	..	b 143.3	b 120.8	598	190	149			
August	..	160.3	200.1	160.4	Aug. ..	174	..	c	136	2821	..	b 145.0	b 118.9	610	190	..			
September	..	160.2	201.1	159.7	Sept. ..	176	..	c	139	..	401	b 144.9	b 115.9	624	190	..			
October	124.3	159.0	200.4	157.6	Oct. ..	176	188	c	141	..	..	b 145.5	b 114.7	643	189	..			
November	..	158.4	..	..	Nov. ..	177	..	c	..	..	..	b 141.4	b 113.2	..	..	..			

	Rio de Janeiro.	Monte Video.	Valparaíso.	Bombay.	Hong Kong.	Shanghai.	Yokohama.	Singapore.	Place.	Method of Quoting.	Nov. Quotations		
	Pence to Milreis.	Pence to Dollars.	Pesos to £.	10 to Gold Sovereign	Sterling to Dollar.	Sterling to Taal.	Sterling to Yen.	Sterling to Dollar.			Highest.	Lowest.	Average.
Par level	16	51	13.33	s d	s d	s d	s d	s d	New York.	Dollars	4.64½	4.52½	4.60
Highest, 1924	6½	52	45.30	1 6½	2 6	3 1½	2 2½	2 4½	Nov., 1924.....	to £1.	4.85½	4.83½	4.84
Lowest "	5	41½	38.60	1 4½	2 3½	3 1½	2 7½	2 3½	Oct., 1925.....		4.84½	4.84½	4.84
									Nov., 1925.....				
Beginning of—									Paris.	France	88.55	85.55	87.35
July, 1914	16½	51½	13½	1 3½	1 10½	2 6½	2 0½	2 4½	Nov., 1924.....	to £1.	121.75	102.20	109.00
January, 1919	15½	51½	13½	1 6½	3 10½	5 8½	2 8	2 4½	Oct., 1925.....		130.12½	115.10	122.15
January, 1920	17½	66½	12½	2 4½	4 10½	4 14	2 8½	2 3½	Nov., 1925.....				
January, 1921	9½	40½	1 1½	1 5½	3 7½	3 6½	2 3½	2 3½	Amsterdam.	Florins	11.57½	11.44½	11.50
January, 1922	7½	41	34.70	1 4½	2 3½	3 0½	2 1	2 4½	Nov., 1924.....	to £1.	12.05½	12.03½	12.04
January, 1923	5½	44	40.30	1 5½	2 4½	3 4½	2 1½	2 4½	Oct., 1925.....		12.05½	12.03½	12.04
January, 1924	5½	43½	40.30	1 6½	2 3½	3 1½	1 7½	2 4½	Nov., 1925.....				
January, 1925.....	5½	50½	40.30	1 6½	2 3½	3 1½	1 8½	2 4½	Berlin.	Reichmarks	19.52	18.95	19.20
August	5½	49½	40.30	1 6½	2 3½	3 1½	1 8½	2 4½	Nov., 1924.....	to £1.	20.38	20.30	20.34
September	6½	49½	39.70	1 6½	2 3½	3 1½	1 8½	2 4½	Oct., 1925.....		20.38	20.32	20.35
October	7½	49½	39.20	1 6½	2 4½	3 1½	2 4½	2 4½	Nov., 1925.....				
November	7½	50½	39.30	1 6½	2 4½	3 1½	2 4½	2 4½					
December	6½	51	39.30	1 6½	2 4½	3 1½	2 4½	2 4½					

* Subiling to £1.
* Daily rates.

4 Pence to Puro.

† Schilling to £1

* Daily rates

FOREIGN TRADE.

IMPORTS for Domestic Consumption—Merchandise Only. (000's omitted.)

Period.	U.K.	Irish Free State.	Belgium.	Bulgaria.	Denmark.	Estonia.	France.	Finland.	Germany.	Greece.	Italy.	Jugoslavia.	Netherlands.	Poland.	Sweden.	Switzerland.	U.S.S.R.	United States.
Monthly Average.	£	£	Francs.	Leva.	Kroner.	Esti. Mark.	Francs.	Markka.	Mark.	Drachma.	Lira.	Dinara.	Gulden.	Zloty.	Kronor.	Francs.	£.	Dollars.
1913.....	54,931	..	386,333	15,775	64,785	..	701,778	41,035	897,475	114,828	303,802	..	325,231	..	70,545	159,985	2,271	147,932
1918.....	107,100	..	472,688	75,851	1,858,416	..	1,858,416	38,944	1,858,416	1,858,416	1,858,416	..	1,858,416	..	1,858,416	1,858,416	1,858,416	1,858,416
1921.....	81,548	..	349,617	24,424	129,058	373,551	1,838,992	294,844	9,815,963	143,800	1,438,885	343,508	186,695	..	104,893	191,357	4,109	213,072
1922.....	74,950	..	326,472	21,322	465,785	1,994,194	1,994,194	326,472	1,994,194	1,994,194	1,994,194	..	1,994,194	..	1,994,194	1,994,194	1,994,194	1,994,194
1923.....	81,474	..	349,617	24,424	129,058	373,551	1,838,992	294,844	9,815,963	143,800	1,438,885	343,508	186,695	..	104,893	191,357	4,109	213,072
1924.....	84,975	5,376	386,333	15,775	64,785	..	701,778	41,035	897,475	114,828	303,802	..	325,231	..	70,545	159,985	2,271	147,932

EXPORTS of Domestic Produce—Merchandise Only. (000's omitted.)

Period.	U.K.	Irish Free State.	Belgium.	Bulgaria.	Denmark.	Estonia.	France.	Finland.	Germany.	Greece.	Italy.	Jugoslavia.	Netherlands.	Poland.	Sweden.	Switzerland.	U.S.S.R.	United States.
Monthly Average.	£	£	Francs.	Leva.	Kroner.	Esti. Mark.	Francs.	Markka.	Mark.	Drachma.	Lira.	Dinara.	Gulden.	Zloty.	Kronor.	Francs.	£.	Dollars.
1913.....	43,771	..	302,882	7,778	53,113	..	573,351	33,482	841,583	1,917	209,303	..	255,453	..	68,112	114,700	2,626	204,084
1918.....	41,785	..	302,882	7,778	53,113	..	573,351	33,482	841,583	1,917	209,303	..	255,453	..	68,112	114,700	2,626	204,084
1921.....	58,617	..	302,882	7,778	53,113	..	573,351	33,482	841,583	1,917	209,303	..	255,453	..	68,112	114,700	2,626	204,084
1922.....	59,959	..	302,882	7,778	53,113	..	573,351	33,482	841,583	1,917	209,303	..	255,453	..	68,112	114,700	2,626	204,084
1923.....	63,538	..	302,882	7,778	53,113	..	573,351	33,482	841,583	1,917	209,303	..	255,453	..	68,112	114,700	2,626	204,084
1924.....	66,280	4,037	302,882	7,778	53,113	..	573,351	33,482	841,583	1,917	209,303	..	255,453	..	68,112	114,700	2,626	204,084

d Since January, 1922, gold marks valuation. e Until February, 1923, Julian Calendar. f Old Greece only. g Valued at 1921 official rates. h Since January, 1922, the value of imports is based on declarations of importers, instead of official valuations previously used. i Since May, 1922, figures refer to "Union Economique Belgo-Luxembourgeoise." j Official values. k January to October, 1923, official valuations. l From November, 1923, provisional figures based on merchants' declarations, which may differ considerably from final figures based on official quarterly valuations. m From April 1, 1923, including trade of Great Britain and Northern Ireland with the Irish Free State, and excluding the direct foreign trade of the Irish Free State.

IMPORTS for Domestic Consumption—Merchandise Only. (000's omitted.)

Period.	U.K.	Irish Free State.	Belgium.	Bulgaria.	Denmark.	Estonia.	France.	Finland.	Germany.	Greece.	Italy.	Jugoslavia.	Netherlands.	Poland.	Sweden.	Switzerland.	U.S.S.R.	United States.
Monthly Average.	£	£	Francs.	Leva.	Kroner.	Esti. Mark.	Francs.	Markka.	Mark.	Drachma.	Lira.	Dinara.	Gulden.	Zloty.	Kronor.	Francs.	£.	Dollars.
1913.....	6,356	152,725	64,917	1,785	3,365	60,474	83,958	2,721	..	3,585	16,076	..	5,041	..	887	661	467	..
1918.....	7,696	137,704	75,583	1,966	3,768	137,221	82,450	2,721	..	3,585	16,076	..	5,041	..	887	661	467	..
1921.....	8,222	130,779	65,618	2,461	4,447	130,481	140,820	1,472	333	3,338	2,175	77	194	1,435	404	233	395	145
1922.....	8,222	130,779	65,618	2,461	4,447	130,481	140,820	1,472	333	3,338	2,175	77	194	1,435	404	233	395	145
1923.....	11,068	185,088	75,583	3,575	5,494	161,924	186,930	2,203	349	4,872	5,581	112	313	1,612	266	255	556	285
1924.....	11,852	196,166	87,350	3,995	5,302	201,843	..	482	4708	5,334	..	153	376	1,888	201	..	564	..

EXPORTS of Domestic Produce—Merchandise Only. (000's omitted.)

Period.	U.K.	Irish Free State.	Belgium.	Bulgaria.	Denmark.	Estonia.	France.	Finland.	Germany.	Greece.	Italy.	Jugoslavia.	Netherlands.	Poland.	Sweden.	Switzerland.	U.S.S.R.	United States.
Monthly Average.	£	£	Francs.	Leva.	Kroner.	Esti. Mark.	Francs.	Markka.	Mark.	Drachma.	Lira.	Dinara.	Gulden.	Zloty.	Kronor.	Francs.	£.	Dollars.
1913.....	6,070	200,993	36,333	1,751	2,294	52,393	81,814	1,740	..	1,840	16,147	..	3,753	..	1,604	71	115	..
1918.....	8,498	200,993	36,333	1,751	2,294	52,393	81,814	1,740	..	1,840	16,147	..	3,753	..	1,604	71	115	..
1921.....	9,930	180,741	66,892	3,478	2,434	102,371	142,477	1,438	812	1,336	1,714	27	87	1,797	26	70	148	180
1922.....	10,063	235,252	73,697	3,478	2,434	102,371	142,477	1,438	812	1,336	1,714	27	87	1,797	26	70	148	180
1923.....	11,852	235,252	73,697	3,478	2,434	102,371	142,477	1,438	812	1,336	1,714	27	87	1,797	26	70	148	180
1924.....	11,852	235,252	73,697	3,478	2,434	102,371	142,477	1,438	812	1,336	1,714	27	87	1,797	26	70	148	180

a General trade. b Sea-borne trade only. c Including Luxembourg. d Including goods declared by number only and reduced at the unit of weight. e Since May, 1922, figures refer to "Union Economique Belgo-Luxembourgeoise." f Including goods declared by number only and reduced at the unit of weight.

CAPITAL ISSUES.—(000,000's omitted.)

Period.	United Kingdom.	Austria.	Czechoslovakia.	Denmark.	France.	Germany.	Italy.	Netherlands.	Poland.	Roumania.	Sweden.	Switzerland.	U.S.S.R.	United States.
Monthly Average.	£	Kronen.	Koruna.	Kroner.	Francs.	Mark.	Lira.	Gulden.	Marki.	Leu.	Kronor.	Francs.	Rupies.	Dollars.
1913.....	16.3	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1
1918.....	116.1	39	21.9	105	105	105	105	105	105	105	105	105	105	105
1921.....	32.4	717	164	1.4	1,100	2,353	288	42	1,139	244	27	67	37	180
1922.....	47.8	4,227	98	2.0	1,214	7,059	232	43	2,190	245	27	67	37	180
1923.....	22.6	18,206	48	0.7	1,049	4,563	332	19	15,964	340	19	62	31	176
1924.....	17.4	26,932	41	0.8	709	..	504	30	2.0	262	12	51	19	..

1923. a Including Government loans. b Excluding Treasury Bills and foreign issues. c Ex. Govt. and large railway issues. d Company issues. e Gold marks. f New companies only. g Nom. value. h Issue value. i Ex. bonus shares. j Ex. conversions. k No issues. l Thous. millions. m In schillings. n Zloty.

BANK RATES.

Period.	1920.	1921.	1922.	1923.	1924.	1925.
End of Month.	Sept.	Dec.	Sept.	Dec.	Sept.	Dec.
London.....	5	5	5	5	5	5
Paris.....	5	5	5	5	5	5
Berlin.....	5	5	5	5	5	5
New York.....	5	5	5	5	5	5
Amsterdam.....	5	5	5	5	5	5
Oslo.....	5	5	5	5	5	5
Stockholm.....	5	5	5	5	5	5
Copenhagen.....	5	5	5	5	5	5
Brussels.....	5	5	5	5	5	5
Madrid.....	5	5	5	5	5	5
Rome.....	5	5	5	5	5	5
Switzerland.....	5	5	5	5	5	5
Helsinki.....	5	5	5	5	5	5
Lisbon.....	5	5	5	5	5	5
Vienna.....	5	5	5	5	5	5
Warsaw.....	5	5	5	5	5	5
Tokyo.....	5	5	5	5	5	5
Calcutta.....	5	5	5	5	5	5

* Federal Reserve. † Gold francs. ‡ % from December 1, 1925. § % from December 1, 1925. ¶ % from December 3, 1925.

U.K. IMPORTS AND EXPORTS.

Period.	U.K.	Irish Free State.	Belgium.	Bulgaria.	Denmark.	Estonia.	France.	Finland.	Germany.	Greece.	Italy.	Jugoslavia.	Netherlands.	Poland.	Sweden.	Switzerland.	U.S.S.R.	United States.
Monthly Average.	£	£	Francs.	Leva.	Kroner.	Esti. Mark.	Francs.	Markka.	Mark.	Drachma.	Lira.	Dinara.	Gulden.	Zloty.	Kronor.	Francs.	£.	Dollars.
1913.....	6,356	152,725	64,917	1,785	3,365	60,474	83,958	2,721	..	3,585	16,076	..	5,041	..	887	661	467	..
1918.....	7,696	137,704	75,583	1,966	3,768	137,221	82,450	2,721	..	3,585	16,076	..	5,041	..	887	661	467	..
1921.....	8,222	130,779	65,618	2,461	4,447	130,481	140,820	1,472	333	3,338	2,175	77	194	1,435	404	233	395	145
1922.....	8,222	130,779	65,618	2,461	4,447	130,481	140,820	1,472	333	3,338	2,175	77	194	1,435	404	233	395	145
1923.....	11,068	185,088	75,583	3,575	5,494	161,924	186,930	2,203	349	4,872	5,581	112	313	1,612	266	255	556	285
1924.....	11,852	196,166	87,350	3,995	5,302	201,843	..	482	4708	5,334	..	153	376	1,888	201	..	564	..

LONDON BANKERS' CLEARING RETURNS.

Period.	Town.	Metropolitan.	Country.	Total.
Monthly Average.	£	£	£	£
1913.....	14,191,275	855,648	3,002,179	16,433,404
1921.....	20,258,214	1,680,168	2,806,185	24,744,567
1922.....	22,780,621	1,574,661	2,810,654	27,165,936
1923.....	22,270,373	1,546,565	2,800,145	26,617,083
1924.....	22,038,605	1,594,114	2,800,145	26,432,864
1925 (to Dec. 16).....	24,353,143	1,612,134	2,859,387	28,824,664

RAILWAY STATISTICS—GREAT BRITAIN.

Period.	Freight Train Traffic.	Passenger.	Freight.
Monthly Average.	Tons.	Tons.	Tons.
1913.....	4,925,907	17,225,870	4,925,907
1918.....	5,342,078	16,336,246	5,342,078
1921.....	5,724,318	15,779,720	5,724,318
1922.....	5,536,196	15,860,362	5,536,196
1923.....	5,680,504	15,860,362	5,680,504
1924.....	5,680,504	15,860,362	5,680,504
1925.....	5,680,504	15,860,362	5,680,504

"Bankers' Magazine" Index Number of Market Value of Securities. (Dec., 1921 = 100.)

Value of Securities.* (Dec., 1921 = 100.)			
	Fixed Interest.	Variable Dividend.	Total.
1922.			
January	102.5	101.3	102.1
June	112.0	114.4	112.8
December	111.0	117.6	113.2
1923.			
January	112.4	118.0	114.2
June	115.8	122.7	118.0
September	114.8	117.4	115.5
October	114.8	117.0	115.5
November	111.8	117.1	113.6
December	111.2	115.9	112.8
1924.			
January	109.6	116.9	112.2
February	111.3	120.6	114.3
March	111.7	119.3	114.2
April	113.6	119.5	115.6
May	113.1	119.7	115.3
June	113.4	119.3	115.5
July	113.6	120.4	115.2
August	113.0	121.6	115.8
September	113.1	120.7	115.6
October	113.5	121.9	116.2
November	113.2	125.2	117.4
December	112.9	126.9	117.5
1925.			
January	111.8	129.0	117.5
February	112.4	129.2	117.9
March	111.9	127.2	116.9
April	111.5	126.9	116.5
May	109.9	125.6	115.1
June	108.6	125.5	114.1
July	109.6	124.2	114.4
August	110.8	127.1	116.2
September	110.9	126.6	115.0
October	110.5	126.6	115.7
November	109.3	132.2	116.6

THE STATE OF TRADE AT HOME AND ABROAD—Continued from page 46.

sumption is keeping step with production, and there is generally an absence of accumulation of stock. A certain amount of forward business is being done, but buying remains predominately conservative, and prices fluctuate within narrow limits. The reaction in stock market prices has passed without appreciable effect on trade and industry generally, the steps taken by the Federal Reserve authorities having apparently been effective.

BRITISH EMPIRE.

The upward trend of business in Canada became more definite last month, and with increased agricultural purchasing power more widespread, a cheerful sentiment prevails throughout the country. The early advent of cold weather interfered with the disposal of the second largest wheat crop on record, but stimulated demand for seasonal goods. The production of iron and steel shows surprisingly rapid expansion, and building construction has increased at a time when a decline was expected. The Indian monsoon which ended last month is regarded as fairly satisfactory, although its course was marred by floods and storms in Southern India and a shortage of rain elsewhere. The cotton crop is expected to be large, but not of high quality. Trade is becoming more active. Money remains easy, although many bazaar dealers are not too well off. No settlement of the Bombay cotton mill strike has yet been reached. Australian conditions are good, the wool sales having passed off satisfactorily, though at a reduced level of prices. Wheat prospects are not so good as a year ago, though somewhat improved by rains during November in Queensland, South Wales, and Victoria. South African conditions are quiet, with a brighter tendency. The daily Transvaal coal output last month was the highest since March, but native labour remains scarce. Building is becoming more active.

SOUTH AMERICA.

Recent heavy rains in Argentina have been unfavourable to cereals, particularly in the northern districts, but a wheat output in excess of last year's is still anticipated. Maize and

fruit have been less affected by recent weather. A seasonal slackening is noticeable in wholesale and retail business. Chilean trade is steadily improving, but that of Brazil is hampered by credit stringency. Mexican business is slightly more active than a month ago.

EUROPE.

French metallurgists have raised their quotations, and consumers are exhibiting caution with regard to future commitments, in view of the prevailing uncertainty as to the financial situation. The latter is also restricting activity business in other markets, especially wool and silk textiles. In Belgium, stocks of coal remain large and owners have submitted proposals for wage reductions. The iron and steel trades are quiet, and the effects of restricted credit are felt in industry as a whole. Unemployment continues to increase in Germany, partly as a result of the seasonal falling off in agriculture and the building trades, and partly to lack of orders in the metal and engineering industries. Textiles and paper, together with most industries producing "consumption" goods, show, however, some improvement. Swedish conditions are promising, the wood pulp and paper industries working to capacity. The Danish and Norwegian situation is, however, more uncertain. Many branches of business remain slack and unemployment tends to increase. Slow but steady improvement continues in Holland. The tone of business in Czechoslovakia is largely optimistic, the sugar industry being particularly active, but unsatisfactory financial conditions are restricting Polish business. Unemployment in Austria again shows signs of increase, industry being dull with the exception of the cotton, electrical, and rubber trades. Italian business shows very slight change, while Spanish trade as a whole is quiet.

FAR EAST.

The uncertainty of the political situation continues to restrict Chinese trade. Business throughout South China is irregular, merchants being unwilling to carry any amount of stock while movements in the interior are interrupted. The continuance of favourable conditions as regards Japanese export trade and the reduction effected in stocks have induced a better feeling in most branches of industry. The production of cotton yarn is higher than at any time in the history of the trade, but steel and engineering remain dull.

MONTHLY BULLETIN OF STATISTICS

ISSUED by the LEAGUE OF NATIONS

A STATISTICAL REVIEW of the most recent information of the economic activity of Europe, The British Empire, America, Asia, etc., compiled from official and other defined sources.

The following among other subjects are dealt with in informative Tables:—

PRODUCTION: Coal, Iron and Steel; Shipping Construction, etc.

FOREIGN TRADE: Weight and Value of Imports and Exports; Movement of Shipping.

PRICE: Wholesale and Retail Price Index Numbers.

CURRENCY AND FINANCE: Reserves, Note Circulation, Discount Rates, Foreign Exchanges, Capital Issues, Bankruptcies, Savings Bank Deposits.

LABOUR: Unemployment Percentages.

This information is given where available for the following countries:—

ARGENTINE
AUSTRALIA
AUSTRIA
BELGIUM
BOLIVIA
BULGARIA
BRAZIL
CANADA
CHILI
CHINA
COLOMBIA
CUBA
CZECHOSLOVAKIA

DANZIG
DENMARK
DUTCH EAST INDIES
EGYPT
ECUADOR
ESTHONIA
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FRANCE
GERMANY
GREECE
HUNGARY
INDIA
ITALY

JAPAN
JUGO-SLAVIA
LATVIA
LITHUANIA
LUXEMBURG
NETHERLANDS
NEW ZEALAND
NORWAY
PALESTINE
PARAGUAY
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The Economist
INSURANCE SUPPLEMENT.

SATURDAY, JULY 11, 1925.

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O. Morgan Owen, General Manager.

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HOUSEHOLDERS' COMPREHENSIVE
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Chief Office:
Steelhouse Lane, BIRMINGHAM.

INSURANCE IN 1924.

A Review of Progress and Prospects.

Vol. CI.

SATURDAY, JULY 11, 1925.

No. 4,272.

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GENERAL RESULTS OF THE YEAR.

In subsequent and particularised sections of this review we shall give in considerable detail the results for last year of the British life, fire, accident and miscellaneous, and marine insurance companies and branches as shown by their published accounts. In this brief preliminary survey we are concerned with the broad effects of the year and its contribution to the resources of British insurance. It is rather misleading to talk or write of "profits" when we are considering the underwriting surpluses of insurance companies, those balances of the annual premiums which remain over after claims, expenses, and unexpired liabilities have been met. In the technical and legal sense they are, of course, profits belonging to the shareholders. But, unlike the profits of an ordinary trading company, they are not, except to a very small extent, available for distribution. These annual profits of insurance—or, as we prefer to call them, these annual surpluses—are the materials, and the sole materials, out of which the powerful structure of insurance is built up. They provide the slowly accumulating reserves for contingencies upon which security rests, and without which insurance, from the public point of view, would be little better than a gamble. In order to achieve security of the highest class, these annual surpluses, when they are earned, are always treated as funds held in trust for the public rather than as cake to be cut up and divided among shareholders. Out of them British taxes are paid, and almost the whole balance, sometimes even more than the balance, is put away to permanent reserve. Dividends are based not on these surpluses, but upon the interest earned by the reserves. This sound system of insurance finance has been taught to the world by the British companies, and no other system will give that endurance and impeccable security which is of the essence of insurance, and without which insurance is a mockery.

Last year the fire insurance offices did fairly well, in spite of rather unfavourable results in the United States. The accident and miscellaneous departments, though not productive of large surpluses, did better than in 1923. Marine insurance remained in the trough of the wave, and showed few, if any, signs of becoming seaworthy. Life assurance was prosperous, but as the bulk of the surpluses in this class of insurance, even in proprietary com-

panies, goes in bonuses to policyholders, it is not a large contributor to profit and loss accounts.

UNDERWRITING RESULTS, INTEREST, TAXES, AND DIVIDENDS.

Company.	Net Underwriting Surplus.	Interest Net, less Debenture Interest.	Taxes.	Dividends for 1924.
Alliance	£ 449,805	£ 303,733	£ 17,125	£ 434,000
Atlas	174,603	122,127	46,762	143,000
British Dominions	43,964	117,355	25,000	143,152
British General	86,933	50,100	..	40,687
Caledonian	74,328	74,052	30,925	74,981
Commercial Union	1,018,201	728,163	271,433	826,000
Employers' Liability	121,603	268,537	216,079	267,818
General Accident	175,428	179,221	143,821	89,358
Guardian	248,577	142,283	48,776	163,069
London Assurance	115,729	237,429	50,000	212,855
London and Lancashire	754,158	387,001	184,741	407,603
Motor Union	62,126	69,225	..	84,940
North British	575,058	398,596	101,711	375,554
Northern	222,999	246,682	56,037	297,254
Phoenix	383,742	421,772	Refund 65,621	463,556
Royal	781,357	1,034,245	130,000	1,134,351
(Royal Liverpool and London & Globe	511,869	382,222	50,000	413,777
Royal Exchange	90,909	170,688	48,254	152,838
Scottish Union	201,095	124,669	62,938	116,250
Sun	220,388	181,220	48,579	186,000
Yorkshire	156,895	98,966	58,844	112,548

While making up the figures for the table of general results on this page, we have observed certain recognised principles. The underwriting surpluses in the fire, accident, and miscellaneous accounts were arrived at after charging against premiums all the claims paid and outstanding, all expenses and commissions, including those carried to profit and loss accounts, and including colonial and foreign taxes when specified in the companies' accounts, and the amounts required to maintain the reserves for unexpired risks at 40 per cent. of the premium incomes. When the premium income falls the yearly contribution to current reserve is negative, and becomes an addition to the surplus; but when the premium income increases it is positive, and a reduction of the apparent surplus. With marine insurance we have been obliged to adopt a different system. No one knows how a marine account works out except the officials of the individual companies, and they only after an account has been finally closed. For marine surpluses we have taken the amounts transferred to profit and loss by the companies in respect of the latest closed year. For the contribution of life assurance we have taken those amounts which have been disclosed by valuations as belonging to shareholders, and accordingly carried to profit and loss.

So much for surpluses. The interest receipts are those yielded by the available funds, other than life and capital redemption, less income-tax and less debenture interest

payable by the companies. The taxes, which are chargeable against surpluses, are in most cases British taxes only. But where a few companies have lumped all their taxes together and put them into profit and loss account, we have been obliged to follow them. Dividends are those provided in respect of 1924; many of them have been increased as compared with 1923. Increases in dividend are permissible, as and when the interest yielded by the funds increases.

After applying the above principles we find that the total surpluses of the 21 companies in our table amounted to £6,469,747 before charging taxes. Taxes, net, required in the aggregate £1,535,404, so that there remained £4,934,343 as the final surplus from all sources on about £100 millions of premium income (excluding life premiums). The dividends provided for 1924 cost £6,159,661, towards the payment of which the interest receipts on the funds yielded £5,638,288, leaving only £521,373 to be drawn from the surplus. We see, therefore, that the aggregate surplus of £4,934,343 was disposed of as follows:—£4,412,970 undivided and set aside to strengthen reserves, and £521,373 expended in the payment of dividends.

LIFE ASSURANCE.

NEW BUSINESS AND EXPENSES.

A good volume of new business each year is a necessity of healthy life in an assurance office. And ever since the war came to an end the volume of new entrants flowing into our life offices has been remarkably constant. The bumper year was 1920, and one might have expected, and did expect, that with the collapse of the artificial trade boom there would be a considerable falling in the number of young men who desired, or were able, to effect life and endowment assurances. And yet in 1924, after four years of depression, the new business of the life offices was, in the aggregate, not much less than in 1920, and in many instances actually better than in 1920. For purposes of comparison we have left the figures for that bumper year in the following tables of new business, premiums, and expenses, and given in addition those for 1923 and 1924. The new entrants last year were very frequently more numerous than in 1923, and the amounts of new assurance were generally larger. This was partly due to the unusual feature last year of substantial amounts of life and endowment assurance—especially endowment assurance for short terms—taken out by single premiums. We will deal with that feature presently. For the moment it is sufficient to point out that a mass of single-premium business coming along in one year has had two disturbing effects: the total premium incomes have been abnormally increased and the proportions of commission and expenses to premium incomes have been abnormally reduced. It will be obvious that the expenses and commission incurred in connection with a single premium assurance are smaller in proportion to the premium credited in the year of entry than would have been the case had the same amount of assurance been taken out by annual premiums. It is not therefore permissible to conclude that the reduction in the annual cost of carrying on life assurance has been lowered to the extent shown in our tables. There has been a steady reduction—in fact as well as in appearance—since 1920, but it has not, in proportion to premium income, been as great as our figures for 1924 would seem to indicate.

We have outlived the days when it was considered the mark of a heaven-born life assurance manager to rush

after new business in huge volume at almost any cost. New life assurance business, like other kinds of business, can be bought too dearly. But it did cause some surprise early this year, when a strong mutual life office, the National Mutual, declared its intention to limit the amount of new business accepted. The idea, for which there was much to be said, was that the large surplus carried forward undivided by this office belonged in the main to existing policyholders, and that new entrants should not be permitted unduly to encroach upon profits to which they had not contributed. The tentative solution of this difficulty decided upon by the directors was not to accept new assurances for less than £500, though existing policyholders would be permitted to take out additional with-profit policies for £250 and upwards. At the same time, the non-profit tables were revised and made slightly more attractive.

Company.	Year.	New Business.		Premium Income.	Expenses % of Premiums.
		Policies.	Amount.		
Abstainers.....	1920	2,093	£ 706,687	165,198	25.8
	1923	2,049	585,944	209,725	22.2
	1924	2,447	719,622	226,472	23.0
Alliance.....	1920	4,082	2,613,903	1,168,514	9.9
	1923	3,460	2,058,620	1,210,636	9.9
	1924	3,213	2,096,208	1,299,117	9.9
Atlas.....	1920	2,780	1,972,269	347,891	10.8
	1923	2,195	2,310,362	431,319	12.2
	1924	3,238	2,715,829	501,030	12.9
Britannic (Ordinary)....	1920	15,087	1,943,222	459,397	16.6
	1923	11,856	1,901,802	614,228	15.6
	1924	10,644	1,714,839	652,051	14.8
British General.....	1923	2,306	467,004	57,178	10.0
	1924	725	428,626	100,110	10.0
Caledonian.....	1920	1,912	1,511,829	429,565	14.3
	1923	1,508	1,180,901	460,874	13.3
	1924	1,476	1,128,215	475,679	13.5
Clerical, Medical.....	1919-20	2,089	1,650,996	542,650	16.2
	19 2-23	1,561	1,210,964	568,308	15.3
	1923-24	1,518	1,324,691	609,492	15.1
Commercial Union.....	1920	7,689	4,226,794	941,878	13.9
	1923	5,758	3,218,911	1,089,960	12.8
	1924	6,286	3,618,600	1,261,154	11.5
Co-operative, Ordinary	1923	9,501	1,619,481	878,307	11.2
	1924	11,282	1,795,525	1,007,314	11.2
Eagle, Star, and British Dominions.....	1920	6,099	3,170,234	1,257,774	10.9
	1923	3,338	1,734,296	1,151,612	13.9
	1924	3,980	1,755,494	1,108,576	14.0
Equitable.....	1920	617	576,056	271,634	8.3
	1923	766	605,269	295,379	6.9
	1924	770	604,710	368,639	6.2
Equity and Law.....	1920	579	983,118	377,208	16.7
	1923	473	980,087	408,063	13.9
	1924	449	1,091,184	708,127	9.15
Friends' Provident and Century.....	1920	2,764	1,331,344	325,172	12.3
	1923	1,811	1,049,759	400,629	12.7
	1924	2,116	1,383,586	530,510	16.3
General Life.....	1920	1,370	503,859	197,984	24.8
	1923	852	466,044	197,450	23.9
	1924	1,065	504,801	211,581	22.1
Gresham.....	1920	6,684	4,061,370	1,104,916	31.6
	1923	4,000	1,959,269	824,093	23.9
	1924	4,123	2,082,277	852,897	23.9
Guardian.....	1920	2,134	1,509,345	413,097	13.1
	1923	1,429	1,071,727	471,288	13.3
	1924	1,600	1,152,905	484,503	13.5
Law Union and Rook...	1920	3,540	1,595,636	629,041	18.9
	1923	2,536	1,405,470	626,967	17.1
	1924	2,938	1,658,802	729,256	16.5
Legal and General.....	1920	5,252	3,083,942	1,212,516	14.9
	1923	5,141	2,941,868	1,214,333	14.5
	1924	5,308	3,087,317	1,368,836	14.7
Liverpool and London and Globe.....	1920	3,873	1,852,901	464,522	10.0
	1923	2,914	1,415,681	547,451	10.0
	1924	3,042	1,564,603	657,922	10.0
London and Manchester, Ordinary.....	1920-21	10,909	1,014,231	227,828	17.4
	1923-24	13,561	1,155,294	356,117	14.9
	1924-25	16,711	1,530,041	425,348	15.0
London and Scottish...	1920	2,753	1,408,930	457,796	20.5
	1923	3,135	1,442,332	490,208	24.2
	1924	2,864	1,108,897	494,978	23.7
London Assurance.....	1920	1,643	1,302,997	308,699	21.5
	1923	1,443	1,251,697	380,123	16.3
	1924	2,044	1,692,072	472,822	13.9
*London Life.....	1920	1,644	1,454,204	625,183	7.05
	1923	1,304	1,625,006	1,132,202	5.45
	1924	1,410	1,887,499	1,340,569	5.35
Marine and General....	1920	1,184	499,673	207,638	18.4
	1923	853	331,097	215,533	17.0
	1924	768	334,808	225,794	16.9

Company.	Year.	New Business.		Premium Income.	Expenses % of Premiums.
		Policies.	Amount.		
National Mutual.....	1920	1,011	£ 635,046	£ 256,856	17.9
	1923	756	557,524	287,470	16.7
	1924	794	672,038	336,050	16.6
National Provident....	1919-20	2,311	1,283,635	598,861	13.8
	1922-23	1,878	1,089,503	633,684	13.7
	1923-24	1,915	1,282,876	787,611	10.9
North British.....	1920	10,355	4,810,711	1,449,071	17.5
	1923	6,105	2,925,763	1,580,607	17.3
	1924	6,290	2,935,455	1,774,590	16.2
Northern.....	1920	2,312	1,110,734	366,302	10.3
	1923	1,481	807,169	384,952	11.9
	1924	1,599	825,094	394,131	12.1
Norwich Union.....	1920	13,572	8,586,010	2,268,056	17.9
	1923	10,388	8,045,956	2,559,361	17.2
	1924	12,272	9,124,616	2,779,763	16.4
Pearl, Ordinary.....	1920	47,774	7,292,446	2,082,473	14.1
	1923	37,692	7,152,313	2,648,479	11.6
	1924	40,594	7,905,531	2,910,948	11.8
Phoenix.....	1920	3,622	2,513,378	858,334	17.1
	1923	2,347	1,863,399	935,745	13.0
	1924	2,664	1,546,458	1,122,442	11.9
Pioneer, Ordinary.....	1923-24	773	77,750	37,853	12.7
	1924-25	917	93,175	38,863	13.0
Prov. Mutual.....	1920	28,214	3,080,551	398,668	21.2
	1923	15,974	1,840,791	581,511	14.3
	1924	18,812	1,953,565	631,555	15.3
Prudential, Ordinary..	1920	142,163	23,528,225	8,800,749	12.9
	1923	73,831	12,112,425	9,728,511	12.6
	1924	83,410	14,217,481	10,024,236	12.5
Refuge, Ordinary.....	1920	66,311	7,817,702	2,359,292	13.7
	1923	41,478	4,769,542	2,745,831	15.8
	1924	45,339	5,300,393	2,931,570	16.2
Royal.....	1920	8,082	4,778,332	1,192,089	17.0
	1923	5,708	3,251,750	1,367,724	13.7
	1924	5,922	3,231,488	1,485,842	13.6
Royal Exchange.....	1920	3,720	2,061,193	527,423	21.1
	1923	2,466	1,677,915	594,946	17.4
	1924	3,098	1,861,807	640,958	17.0
Scottish Amicable.....	1920	1,809	1,334,777	526,614	14.9
	1923	1,601	1,227,466	582,320	14.2
	1924	1,469	1,223,807	668,307	12.5
Scottish Equitable.....	1920-21	2,115	1,329,598	560,912	14.6
	1923-24	1,522	1,373,231	578,724	14.1
	1924-25	1,489	1,435,609	682,178	12.1
Scottish Life.....	1920	1,578	1,085,634	337,700	16.6
	1923	1,209	876,007	384,759	15.1
	1924	1,168	945,690	458,487	13.9
Scottish Provident....	1920	3,938	2,930,680	930,960	15.8
	1923	3,601	2,477,038	1,015,861	15.8
	1924	3,714	2,580,847	1,120,784	15.4
Scottish Union.....	1920	3,335	1,775,708	645,471	18.1
	1923	2,310	1,472,820	608,115	16.3
	1924	2,520	1,705,714	674,744	15.3
Scottish Widows.....	1920	5,603	3,373,789	1,582,659	13.5
	1923	3,756	2,403,079	1,611,920	11.9
	1924	3,831	2,555,939	1,694,035	11.8
Standard.....	1919-20	3,623	2,510,797	954,591	21.7
	1922-23	3,656	1,977,098	893,774	19.4
	1923-24	3,402	2,023,997	916,238	20.5
Sun Life.....	1920	12,630	5,112,477	1,320,696	19.9
	1923	12,806	5,574,015	1,704,368	18.8
	1924	15,833	6,853,323	2,102,214	16.3
United Kingdom Prov..	1920	5,014	2,002,491	936,871	14.0
	1923	4,691	2,081,979	1,060,887	14.4
	1924	4,778	2,551,635	1,212,240	13.3
Wesleyan and Gen., Ord.	1920	9,390	936,310	357,773	17.8
	1923	7,299	700,045	392,825	17.4
	1924	8,807	1,054,840	426,157	18.4
Yorkshire.....	1920	2,350	1,587,781	334,294	14.9
	1923	1,980	1,310,884	412,191	14.4
	1924	1,878	1,167,698	425,779	14.2

* For 1923 and 1924 the figures include those of the Clergy Mutual.

LIFE ASSURANCE AT SINGLE PREMIUMS.

The past year was remarkable for an outburst of assurance, chiefly of endowment assurance for comparatively short terms, at single premiums. This, unlike most developments in life assurance, was the result of spontaneous public demand; by the life offices it was not much liked, and by one or two actively discouraged. It was due to the discovery that in this way one could combine an excellent investment with some relief in both income-tax and super-tax. Suppose, for example, one took out a large endowment assurance policy, payable in ten years or at previous death. The surrender value at a single premium was immediately very high, and one was able to borrow at once from the office about 90 per cent. of

the premium, paying only 10 per cent. in cash. Income-tax at half the standard rate would be allowable in respect of 7 per cent. of the sum assured; subject to the limitation that the total life assurance premiums on which abatement was permitted should not exceed one-sixth of a policyholder's income. The chief gain was in respect of super-tax, for as some 90 per cent. of the single premium was borrowed from the life office, and interest at, say, 5½ per cent. was paid annually upon it, the interest charge was allowed as a deduction from total income of the policyholder upon which super-tax was levied. The investment, after making allowances for the savings in income and super taxes, worked out favourably, and there was at one period in the year a great rush for this unusual kind of policies.

We have taken out the figures of 25 life offices (as samples) in order to show how great was the volume of this single-premium assurance. The most striking example is that of the Equity and Law, whose new single premiums amounted to as much as £309,660, and the new annual premiums to no more than £22,766. The London Life also had a very high proportion of its new premiums in single payments, for, of course, the whole premium would be credited as paid and the amount borrowed set down as a loan on the other side.

It may be doubted whether this class of business will be a permanent feature of life assurance accounts. The life offices do not care for it, and one or two of them have increased the rate of interest charged on loans in connection with it. The practice of granting loans to policyholders against surrender values at low rates of interest was instituted as a genuine means of assisting policyholders, and not as a device for enabling comparatively wealthy people to reduce their payments of super-tax.

Company.	New Assurances.	New Annual Premiums.	Single Premiums.
	£	£	£
Alliance	2,096,208	79,379	101,321
Atlas	2,715,829	66,040	31,761
Clerical, Medical	1,324,691	46,306	24,184
Commercial Union	3,618,600	113,706	131,154
Equitable	604,710	26,016	67,770
Equity and Law	1,091,184	22,766	309,660
Friends' Provident	1,383,586	49,271	110,723
Legal and General	3,087,317	102,342	81,704
London Assurance	1,692,072	57,415	73,908
London Life	1,887,259	62,136	248,324
Liverpool and London and Globe	1,554,691	46,478	78,656
National Mutual	1,658,290	28,514	39,586
National Provident	1,282,876	43,518	142,826
North British	2,935,455	113,024	186,847
Norwich Union	9,124,616	353,849	118,502
Phoenix	2,546,458	76,437	187,570
Royal	3,231,468	131,486	65,073
Royal Exchange	1,861,807	69,227	22,362
Scottish Amicable	1,233,807	41,629	91,054
Scottish Equitable	1,435,609	39,571	100,743
Scottish Provident	1,400,847	83,166	69,592
Scottish Union	1,405,714	45,949	63,777
Scottish Widows	2,551,959	96,965	67,962
San	6,853,323	265,941	254,662
United Kingdom Provident	2,551,635	84,098	128,631

of 2s in the £ on the gross interest is the equivalent of nearly $\frac{1}{2}$ of 1 per cent. in the net yield.

The actual net yields on the mean funds for the year are curiously uneven. They range from about $\frac{1}{4}$ per cent. for an office with a very low rate of expenses up to about $\frac{1}{2}$ per cent., and even higher with some companies. Methods of investment play a great part in the yield, and upon this enthralling subject there are almost as many theories as there are actuaries. With the improvement in security values which began in 1920, and has now, perhaps, slightly passed the peak, new money cannot be invested to quite the same advantage as it could a few years since. We may therefore expect rates of interest as shown by the companies' accounts to be fairly stable, the lower yield on new investments being offset by the reduced charges for income-tax. The figures given in our tables show slight reductions in many cases when 1924 is compared with 1923, but decided advances when the yields of 1924 are set alongside those for 1920.

FUNDY AND INTEREST YIELD.

Company.	Year.	Life Funds.	Net Interest.	Yield %.
		£	£	£ s d
Abstainers'	1920	1,277,851	55,349	4 12 3
	1923	1,735,135	83,066	5 2 8
	1924	1,872,557	87,395	4 19 3
Alliance	1920	18,177,744	705,966	3 19 8
	1923	18,700,744	820,796	4 7 10
	1924	18,943,709	801,568	4 5 5
Atlas	1920	3,231,389	115,192	4 3 5
	1923	3,85,300	180,856	4 18 7
	1924	4,297,030	204,358	5 2 10
Britannic, Ordinary	1920	2,438,909	108,361	4 15 5
	1923	3,471,830	169,076	5 3 3
	1924	3,893,578	186,183	5 1 0
British General	1923	225,241	8,975	4 8 9
	1924	311,092	12,432	4 14 11
Caledonian	1920	4,069,502	166,987	4 5 6
	1923	4,700,432	220,591	4 17 0
	1924	5,038,494	234,396	4 16 4
Commercial Union	1920	8,570,993	345,408	4 5 5
	1923	10,752,082	483,173	4 12 2
	1924	11,696,199	511,168	4 11 1
Co-operative, Ordinary	1923	1,800,411	76,279	4 13 2
	1924	2,208,692	95,000	4 14 10
Clerical, Medical	1919-20	6,439,750	248,985	3 18 4
	1922-23	7,493,768	338,777	4 14 0
	1923-24	7,961,035	357,247	4 13 2
Eagle, Star, and Brit. Dominions	1920	13,225,606	558,815	4 7 1
	1923	14,232,922	646,636	4 12 0
	1924	14,267,608	651,316	4 11 5
Equitable	1920	4,494,538	172,246	3 17 6
	1923	5,555,045	199,133	4 5 0
	1924	5,752,353	211,704	4 7 6
Equity and Law	1920	4,954,275	145,143	* 5 2 7
	1923	5,352,369	188,937	* 5 2 6
	1924	5,943,155	202,931	* 5 1 1
Friends' Provident	1920	3,664,321	141,968	4 2 7
	1923	4,260,794	184,383	4 11 0
	1924	4,618,844	252,888	5 17 3
General Life	1920	2,229,641	81,831	3 15 4
	1923	2,147,475	82,519	4 12 10
	1924	2,177,495	83,349	4 10 8
Gresham	1920	9,842,577	412,018	4 5 3
	1923	6,787,475	294,022	4 9 0
	1924	6,261,909	331,005	4 16 8
Guardian	1920	4,044,664	160,304	4 2 10
	1923	4,822,033	231,003	4 14 0
	1924	5,001,257	211,879	4 6 3
Law Union and Rock	1920	8,661,504	377,642	4 10 2
	1923	9,217,374	410,098	4 12 1
	1924	9,355,813	422,532	4 13 1
Legal and General	1920	12,526,553	415,798	* 5 2 6
	1923	14,542,607	539,691	4 11 0
	1924	15,418,057	598,247	4 11 9
Liverpool and London and Globe	1920	5,203,965	208,388	4 3 7
	1923	6,181,793	248,570	4 2 11
	1924	6,517,513	252,767	4 0 0
London and Manchester, Ord.	1920-21	868,312	35,180	4 13 0
	1923-24	1,639,215	79,576	5 6 5
	1924-25	1,949,894	88,205	4 18 4
London and Scottish	1920	4,336,886	173,745	4 2 9
	1923	4,582,536	194,462	4 7 9
	1924	4,689,501	197,508	4 7 1
London Assurance	1920	2,947,729	124,751	4 5 9
	1923	3,659,536	149,961	4 5 2
	1924	3,972,501	160,418	4 4 1
London Life	1920	6,284,886	244,507	4 0 11
	1923	12,874,932	539,019	4 7 5
	1924	13,672,911	579,506	4 9 3

Company.	Year.	Life Funds.	Net Interest.	Yield %.
		£	£	£ s d
Marine and General	1920	2,253,987	91,838	4 4 11
	1923	2,578,462	115,522	4 11 10
	1924	2,756,691	125,578	4 14 2
National Mutual	1920	3,155,048	126,384	4 8 9
	1923	3,940,268	156,362	4 6 3
	1924	4,106,743	172,397	4 11 3
National Provident	1919-20	7,573,800	298,247	4 1 3
	1922-23	8,059,543	360,095	4 11 10
	1923-24	8,467,977	375,122	4 12 11
North British	1920	18,124,630	751,303	4 3 5
	1923	21,041,741	913,741	4 8 8
	1924	22,090,561	1,009,384	4 13 8
Northern	1920	4,708,385	226,796	4 14 3
	1923	5,452,637	236,225	4 10 0
	1924	5,593,570	238,691	4 6 5
Norwich Union	1920	17,065,572	760,018	4 12 4
	1923	21,701,022	1,031,694	5 1 4
	1924	23,369,545	1,113,268	5 1 4
Pearl, Ordinary	1920	8,711,952	326,453	4 3 9
	1923	13,816,372	594,729	4 12 8
	1924	15,867,670	681,154	4 11 10
Phoenix	1920	11,128,284	455,876	4 3 6
	1923	12,136,921	525,838	4 8 2
	1924	12,627,038	548,348	4 8 5
Pioneer, Ordinary	1923-24	237,601	9,391	5 0 9
	1924-25	263,961	9,714	4 10 8
Provident Mutual	1920	3,261,214	133,494	4 6 11
	1923	4,239,944	187,171	4 11 7
	1924	4,701,807	206,141	4 12 3
Prudential, Ordinary	1920	58,786,311	2,215,679	3 19 2
	1923	69,079,634	3,079,501	4 11 5
	1924	72,595,918	3,288,287	4 12 10
Refuge, Ordinary	1920	13,568,733	501,392	3 19 2
	1923	18,201,037	822,205	4 14 5
	1924	20,004,401	907,389	4 15 1
Royal	1920	13,348,515	531,426	4 2 8
	1923	15,644,489	637,161	4 3 11
	1924	16,477,520	674,958	4 4 0
Royal Exchange	1920	5,052,187	205,902	4 4 8
	1923	6,037,780	236,431	5 1 5
	1924	6,452,623	308,552	4 18 10
Scottish Amicable	1920	7,134,973	278,069	4 1 8
	1923	7,965,171	346,972	4 10 10
	1924	8,447,240	363,628	4 10 7
Scottish Equitable	1920-21	6,476,573	255,011	4 1 9
	1923-24	7,030,180	302,562	4 8 8
	1924-25	7,353,174	307,322	4 7 6
Scottish Life	1920	3,009,940	126,072	4 7 8
	1923	3,762,68	168,891	4 15 2
	1924	4,111,738	183,506	4 13 2
Scottish Provident	1920	16,681,113	657,460	4 1 5
	1923	17,810,858	761,533	4 8 5
	1924	18,252,194	781,172	4 8 7
Scottish Union	1920	8,474,238	366,620	4 9 7
	1923	9,109,582	403,130	4 9 5
	1924	9,323,268	424,356	4 12 1
Scottish Widows	1920	22,520,643	908,762	4 2 5
	1923	24,231,186	1,024,542	4 6 0
	1924	24,754,187	1,064,390	4 7 0
Standard	1919-20	13,311,119	622,695	4 15 0
	1922-23	13,905,386	683,682	4 19 5
	1923-24	14,332,647	705,254	4 19 11
Sun Life	1920	12,720,041	496,235	4 0 10
	1923	14,593,381	654,570	4 15 8
	1924	15,844,839	683,158	4 12 10
United Kingdom Provident	1920	10,187,032	426,462	4 1 11
	1923	12,976,501	538,616	4 10 8
	1924	13,704,877	545,468	4 3 6
Wesleyan, Ordinary	1920	2,050,201	80,300	4 4 5
	1923	2,683,752	115,024	4 15 8
	1924	2,916,615	126,295	4 10 0
Yorkshire	1920	3,352,305	135,760	4 5 5
	1923	4,266,60	179,430	4 8 0
	1924	4,609,982	199,249	4 9 10

* Gross yield, excluding funds in reversions.
† For 1923 and 1924 the figures include those of the Clergy Mutual.
‡ Friends' Provident yield after including dividend by Century Company of £65,625 for 1921-24.

INVESTMENTS IN GOVERNMENT SECURITIES.

We are able to give in this issue a comparison between the amounts of life office funds invested in British and Colonial Government securities at the end of last year, and at the end of 1923. It is clear, taking the companies as a whole, that British Government securities have become rather less popular, and Dominion, Indian, and colonial securities rather more popular. There has not been in many cases an actual falling off in the amounts invested on the security of the British Government; the proportions of such amounts to total funds are lower,

which suggests that the new money available during the year for investment has partly, in some cases wholly, gone elsewhere. The yield on British Government stocks was less attractive last year than it has been in recent years, and life office managers have to watch closely their interest yield.

There is great divergence in practice among the companies. Some offices, and very good ones, continue to regard the stocks of the British Government as their main stand-by; with others, not less good, there is a strong tendency to look elsewhere. Perhaps the memory still lingers of those bitter days of depreciation, when the stocks with the most gilded edges had to be written down the most remorselessly. The Scottish Amicable continues to support the Home Government with 60 per cent. of its funds, though the proportion has fallen from 62.5 per cent. At the opposite end of the scale is that sound little office the Friends' Provident, which has reduced its holdings of Government stocks from 8.9 per cent. of its funds to 6.7 per cent. No other company takes quite so indifferent a view of the attractiveness of our War Loans—it may be that the Society of Friends holds aloof from all war loans—but it is rather surprising to find the "Old" Equitable reducing its holdings of Government securities from 14.7 per cent. to 12.1 per cent. In this instance the reduction was actual as well as relative. On the other hand, the huge holdings of the Prudential have been increased in amount, and exceed £70 millions, though the proportion to total funds is slightly less at 42.6 per cent. All the Scottish offices remain faithful to the Government, with some 40 to 60 per cent. of their life funds in its charge, and no one would be so foolish as to suggest that the managers of the Scottish life offices do not understand their business. Most of the English mutual offices also remain faithful to the extent of from 30 to 40 per cent. of their funds. But one can discern no rule; each office is a law unto itself. For instance, the Sun Life, a proprietary company, has cut down its British Government holdings from 57.2 per cent. to 48.4 per cent., while the Eagle, Star, and British Dominions, also a proprietary company, has invested an additional two millions with the Government, and has raised its percentage from 35.8 per cent. to 49.1 per cent. There is no rule. All we know is that the British life offices still have about £200 millions invested in the securities of their home government, and we may feel sure that should the emergency arise they would support the issues of the British Government as actively in the future as they did in the years of war.

HOLDINGS IN GOVERNMENT SECURITIES.

Companies or Life Departments.	Life Assurance Funds.	British Government Securities.	Indian and Colonial Government Securities.
	£	£	%
Abstainers	1923 1,742,825	681,170	39.1
	1924 1,872,557	672,417	35.9
Alliance	1923 11,069,745	3,729,571	33.7
	1924 11,640,478	3,649,151	31.3
Atlas	1923 3,862,300	867,593	22.5
	1924 4,297,029	788,994	18.4

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Companies or Life Departments.	Life Assurance Funds.	British Government Securities.		Indian and Colonial Government Securities.
	£	£	%	%
Scottish Equitable	1923 7,030,180 1924 7,353,174	3,797,483 3,430,084	54.0 46.6	6.3 6.0
Scottish Life	1923 3,762,668 1924 4,111,739	1,636,066 1,645,904	43.5 40.0	14.1 13.5
Scottish Provident	1923 17,810,858 1924 18,252,194	8,281,201 7,931,984	46.4 43.4	6.9 6.2
Scottish Widows	1923 24,597,072 1924 25,122,042	13,732,769 13,771,853	55.8 54.8	4.3 4.2
Standard	1922-3 13,944,728 1923-4 14,332,648	7,036,105 6,964,674	50.4 48.6	6.3 6.8
Sun Life	1923 16,369,850 1924 17,702,981	9,367,324 8,572,593	57.2 48.4	9.3 9.8
United Kingdom Provident..	1923 13,276,501 1924 14,004,877	4,723,291 4,879,621	35.6 34.8	8.1 8.4
Wesleyan	1923 5,562,313 1924 6,004,276	3,057,202 2,912,870	54.9 48.8	6.2 10.2

* Royal Exchange: includes Bank of England stock.

MORTALITY EXPERIENCE.

Nothing is more certain than that the rates of mortality of assured lives are steadily improving, and that what is called the profit from mortality is of increasing value to life offices and to their with-profit policyholders. Revised annuity tables are already coming into use, for, in the case of annuitants, the selection is against the issuing office, which must endeavour to make sure that its charges are adequate to cover the cost of annuities granted. With life assurances, on the other hand, the selection is with the office, and the more skilled its medical advisers prove to be the lower the mortality experienced. That would be to the disadvantage of the assured, were it not for the with-profit system, which is designed to give back to participators in bonuses the profits which are earned from improved mortality, as from the other sources of surplus

interest and lowered expenses. We shall come before very long to revised mortality tables for assured lives as for annuitants, yet one may doubt if much change will be seen in the rates of premium charged for with-profit assurance, though the non-profit rates, which are directly competitive, will doubtless be subject to periodical testing and revision. There is, perhaps, no business in existence which is so truly co-operative as with-profit whole life and endowment assurance, and none in which participants are more certain to benefit under present-day conditions.

We have collected from the reports of life offices examples showing the actual experience of death claims in comparison with the claims "expected" and provided for in the tables employed—tables which now relate to the latter half of the nineteenth century and not to the first quarter of the twentieth. These results broadly show that the amounts paid last year in death claims were from 60 to 70 per cent. of those anticipated in the office calculations.

ABSTAINERS' AND GENERAL.—This office states that, excluding war casualties, its mortality experience during the past 41 years has been 44 per cent. of the rates given in the tables excluding war casualties.

CLERICAL, MEDICAL AND GENERAL.—During the year ended June, 1924, the death claims were 62 per cent. of the amounts allowed for by the tables.

EQUITY AND LAW.—The death claims paid were 64 per cent. of expected amount.

FRIENDS' PROVIDENT.—This office gives the average mortality for the past five years at 61 per cent. of the expectation, and the rate for 1924 as 67 per cent.

GENERAL LIFE.—Mortality during 1923 71 per cent. of that allowed for.

LONDON LIFE.—Death claims 59.9 per cent. of amounts expected.

LEGAL AND GENERAL.—The death claims of this office in 1924 in amount were 71.2, against 62.9 per cent. in 1923, of that expected.

NATIONAL PROVIDENT.—Last year's claims paid at death were 63.5 per cent. of the amount allowed for.

NORWICH UNION LIFE.—The corresponding percentage for this office was 71 per cent.

SCOTTISH AMICABLE.—The percentage of actual death claims to claims expected in 1924 is given as approximately 69 per cent.

SCOTTISH LIFE.—The mortality was 63.5 per cent. of the amounts shown by the tables.

SCOTTISH PROVIDENT.—The death claims paid last year were less than 78 per cent. of the amounts expected.

SCOTTISH WIDOWS.—The death claims in 1924 were about 75 per cent. of the expectation.

UNITED KINGDOM PROVIDENT.—In the temperance section the death claims paid last year were 54.1 per cent., and in the general section 62.7 per cent., of the amounts allowed for by the tables. For both sections taken together the mortality rate worked out at 65.6 per cent. of that expected.

UNIVERSITY.—The death claims in 1924 were 50 per cent. in number and 69 per cent. in amount of those expected.

VALUATIONS AND BONUSES DECLARED.

It happened that comparatively few of the offices which value after three and five-year intervals issued valuation statements made up to the end of 1924. Those that did included the Guardian, Law Union and Rock, Royal, University, and Gresham. The others, whose reports supply our summaries this year, made their usual annual valuations. The results both of the annual and the periodical offices are uniformly favourable. Relieved of the incubus of depreciated assets, which worried the life assurance offices for so many years, the actuaries find themselves able to recommend the distribution of bonuses with relaxed hands. There has been of recent years a substantial appreciation in security values above the points to which they had been written down, and grave caution has properly been exercised in dealing with this apparent profit. The general rule has been not to distribute it;

rather to treat it as a reserve to be carried forward against the contingencies of the unknown future, or to leave as a hidden reserve with the same end in view. It does not matter much in principle which course is adopted so long as profit, apparent or hidden, on revaluation of assets is not divided among policyholders or shareholders. In the hands of the offices the undivided reserves remain fructifying and earning surplus interest for distribution in the future.

The profits from interest earned above the valuation rate (now usually 3 per cent.) and the profits from light mortality are most substantial. Let us take one example from a periodical valuation, that of the Guardian. The total surplus shown on five years was £648,349, of which £202,536 consisted of profit on mortality. The average rate of interest earned by the funds during 1920-1924 was £4 7s 6d per cent. net, after deducting income-tax, as compared with a net rate of £3 17s 9d per cent. during the previous five years, 1915-1919, and a valuation rate of 3 per cent. The margin nowadays of profit to be derived from economies in expenditure is less than it was before the war, but the other sources of profit—light mortality and surplus interest—are substantially greater.

We have entered upon a period of bonuses to with-profit policyholders at materially higher rates than they were before 1914. A dozen years ago an office congratulated itself if it were able to maintain a flat rate of bonus of 30s per cent. per annum on sums assured and previous bonuses. The flat rate of the immediate future to which we are tending is about 40s per cent. per annum. Some offices have already exceeded that rate, others are reaching the stage of contemplating it. The annual bonus to ordinary branch policyholders of the industrial life offices is now £2 per cent. on sums assured, which some of the companies provide easily and others not so easily. The Royal, which for 60 years has kept up, in good and bad times, a simple reversionary bonus of 30s per cent. per



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Alfred Shepherd, Esq., W.S.
Owen Hugh Smith, Esq.

Net Premium Income for 1924, £609,434

The Investments and Cash at Bankers and in hand at
31st December, 1924, exceeded £470,000.

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LONDON, E.C.2.**

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Sub-Manager: FREDK. G. POOK.
Secretary: H. P. HEWITT.
General Manager: ROLAND A. ELLIOT.



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155, LEADENHALL STREET, E.C.3.

Chief Administration: 7, CHANCERY LANE, W.C.2.

GOVERNOR: F. W. PASCOE RUTTER.

annum—and held on to it all through those evil years of depreciation at some cost to the shareholders—is contemplating, in cautious fashion, a higher level—we hope for the next 60 years. In this matter actuaries and managers have little voice in determining the future. All depends upon peace between the nations and sense among the world's rulers in the place of folly. In so far as human eyes can discern, the prospects before the British life offices and their participating policyholders were never more rosy than they are at present. The bonuses which are being declared are well secured, and can, without doubt, be maintained if the civilised nations keep clear of the wretched business of cutting their own and one another's throats.

ATLAS.—Although the three-year period between bonus distributions does not end until December 31st of this year, a valuation of assets and liabilities was made as at December 31, 1924. The basis for assurances was the British Offices OM (5) table, with 3 per cent. for with-profit and 3½ per cent. for non-profit business. The total surplus shown was £144,973, including £33,436 brought forward. This sum was apportioned as follows:—£15,000 to strengthen the valuation, £3,491 for interim bonuses, £13,586 to proprietors (percentage of premiums in lieu of profits), and £112,896 carried forward. The rate of interim bonus payable with claims for the current year remains at 36s per cent. on the sum assured and existing bonuses.

BRITANNIC.—In the ordinary branch the annual valuation for 1924 was made by the OM table, with interest at 3 per cent. The surplus was £200,043, including £58,280 brought forward. In the industrial branch the English Life Table (No. 6) was used, with interest at 3½ per cent. For monthly premium business the valuation was by net premiums; for weekly premium business, 39 per cent. of the premiums was reserved under whole-life policies, and 37½ per cent. under endowment assurances. After eliminating negative values, the margin of premiums reserved was 39.5 per cent. on weekly business, as compared with 38.1 per cent. for 1923. The surplus of

the industrial department was £114,780, including £34,833 brought forward. The joint surplus was allocated as follows:—£115,478 to participating policyholders in the ordinary branch; £30,000 to the staff pension fund; £72,000 to profit and loss; and £97,345 carried forward. The reversionary bonus to ordinary branch with-profit policyholders for 1924 was £2 per cent., as against 36s per cent. for 1923, 30s for 1922, 26s for 1921, and 24s for 1919 and 1920.

FRIENDS' PROVIDENT.—A valuation for the five years to December 31, 1924, was made by the OM (5) table, with 3 per cent. interest. Annuities were valued by the new Life Annuity tables, which involved an increase in the liability of £53,400. The total surplus was £464,326, including interim bonuses paid during the five years. The compound reversionary bonus declared on new series whole-life and endowment assurances was 36s per cent. per annum, as compared with 30s per cent. per annum in 1919. The distribution, with interim bonus, cost £439,924, leaving £24,402 to be carried forward. Interim bonuses during the current five years will be at the full rate of 36s per cent. per annum.

GRESHAM.—A valuation was made for the five years ended December 31st last. The foreign securities and liabilities in foreign currencies were revalued, and the amount of the funds written down by £786,010. This decrease does not represent loss since the reduction in the sterling value of currency securities is accompanied by a corresponding fall in the liabilities under policies in the same currencies. The assurances were valued by the Institute HM table with 3½ per cent. interest, against a net rate of interest earned in the five years of £4 8s 6d per cent. The death claims were 79 per cent. of those expected by the tables. There was a surplus of £517,144 on funds of £6,263,909. The surplus was apportioned as follows:—£405,000 to policyholders; £45,000 to shareholders (in addition to £5,594 required to pay the annual 5 per cent. dividend on the paid-up capital); £50,000 to staff pension fund, and £11,549 carried forward. The reversionary bonuses range from £1 5s per

cent. per annum on recently effected assurances to £2 10s per cent. per annum in the case of those of the longest duration.

GUARDIAN.—A valuation for the five years ended December 31st last was made by the British Offices OM table, with interest at 3 per cent. The actual rate of interest yielded by the fund was £4 7s 6d per cent. net, as compared with £3 17s 9d per cent. for the five years 1915-1919. Mortality profit during the five years was £202,536. The total surplus on funds of £5,104,257 was £648,349, after restoring to the life fund £163,000 from the investment reserve fund. The surplus (including £16,514 paid in interim bonuses) was apportioned as follows:—£500,000 to policyholders, £125,000 to proprietors, and £39,863 carried forward. The amount apportioned to policyholders five years earlier was £165,404.

LAW UNION AND ROCK.—The valuation as at December 31st last, covering five years, was made by the British Offices OM table at 3 per cent., against £4 12s 1d per cent. net yielded by the funds. The surplus was £858,715 on funds of £6,449,153, of which £95,690 was carried to the shareholders' profit and loss account, £692,674 divided among policyholders, and £70,351 carried forward. The reversionary bonus declared on sums assured and existing bonuses was at the rate of £2 5s per cent. per annum. At the 1919 valuation the surplus was carried forward undivided.

LONDON AND MANCHESTER.—The annual valuation was made for the year ended March 24th last. In the ordinary branch the basis was the British Offices OM table, with 3 per cent. interest, net premiums being taken credit for. For the industrial branch the English Life table No. 6 was taken, also at 3 per cent. interest. Credit was taken for not more than 61½ per cent. of the office premiums in the case of whole-life assurances, and not more than the net premiums in the case of other classes. The gross surplus of both branches was £212,135, including £64,582 brought forward. The directors declared, at a cost of £69,908, a reversionary bonus of £2 per cent.

for the year on all existing with-profit policies; £35,000 was transferred to the staff pension fund, £32,933 to the shareholders, and £74,294 carried forward. The reversionary bonus for 1923-24 was £1 18s per cent., as compared with 32s per cent. for 1922-23, 26s per cent. for 1921-22, and 24s per cent. for 1919-20 and 1920-21.

LONDON LIFE.—The annual 3 per cent. valuation for assurances by the British Offices OM (5) table allowed the rates of reduction of premium to be increased by two, so that for the year beginning July 1, 1925, the rates for fully-participating policies will range from the equivalent of 133 per cent. for the First Series to 52 per cent. for the Nineteenth Series. The reversionary bonus, in respect of policies with right to full participation, was 36s per cent. of the sums assured and existing bonuses, as compared with 35s per cent. declared each year since 1914. The average rate of interest earned was £4 9s 3d per cent. net. A valuation of Stock Exchange securities showed a margin over the book values of £502,000, which, with reserves and unappropriated balances, made a total margin over the actuarial reserves of £835,000.

NATIONAL MUTUAL.—The annual valuation was made by the British Offices OM table for assurances, with 3 per cent. interest. The assets were revalued, and showed a balance of profit on securities revalued or realised of £117,019. The gross surplus on funds of £4,108,000 was £654,576, of which £76,530 was divided among policyholders, and £575,290 carried forward, as against £468,531 brought in. The reversionary bonus for 1924 was at the rate of 42s per cent. on sums assured and existing bonuses (the same rate as for 1923), and the interim bonuses payable on claims during the current year will be at the same rate.

PEARL.—The valuation for 1924 of the ordinary branch was made by the HM table, with 3 per cent. interest, net premiums being credited. The surplus was £507,661, including £43,405 brought forward. The reversionary bonus for the year was £2 per cent. on sums assured, as compared with 36s per cent. for 1923, 30s per cent. for 1922, 26s per cent. for 1921, and 20s per cent. for 1920.

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In the industrial branch the valuation was by the English Life Table No. 6, with 3 per cent. interest, the percentage of premiums reserved for expenses being 36.3 per cent. on the average. The surplus in this branch was £284,851, including £51,816 brought forward. The total surplus of £792,512 was appropriated as follows:—£346,658 to participating policyholders in the ordinary branch, £216,664 to profit and loss, £100,000 to staff pension fund, and £129,190 carried forward.

PIONEER.—The valuation for the year ended March 31 last was made by the HM table in ordinary branch, and the English Life Table No. 8 in the industrial branch, with interest at 3½ per cent. The proportion of office premiums reserved for expenses in the industrial branch was raised from 32½ per cent. to 34 per cent. The surplus in the ordinary branch was £5,159, and in the industrial branch £3,748. These surpluses were carried forward. No with-profit policies are issued.

PRUDENTIAL.—The annual valuation was made by the HM table in the ordinary branch, and the English Life Table No. 8 in the industrial branch at 3 per cent. interest. The net yield on the combined funds was £4 17s 6d per cent. The ordinary branch funds of £73,028,988 showed a surplus of £2,423,829, and the industrial branch funds of £88,574,775 a surplus of £3,669,752. The net ratio of expenses and commissions to premiums in the industrial branch was 27.86 per cent., as against 40.5 per cent. in 1920. In the ordinary branch a reversionary bonus was declared for the year of £2 per cent. on sums assured, as compared with the same rate for 1923, 32s per cent. for 1922, and 26s per cent. for 1921. The ordinary branch surplus was apportioned as follows:—£1,660,648 to participating policyholders, £250,000 to investment reserve fund (making it £3,250,000), £183,070 to profit and loss, and £330,111 carried forward. In the industrial branch the surplus was apportioned as follows:—£250,000 to investment reserve fund (making that fund £2,500,000), £1,719,301 set aside to provide a bonus for industrial policyholders, £1,152,952 to profit and loss, £387,097 reserved for a bonus to the outdoor staff, and

£160,402 carried forward. The bonus to industrial life policyholders took the form of a contingent reversionary bonus vesting after 15 years from the date of the policy of £1 10s per cent. on the sum assured, added to all policies issued since January 1, 1923, and on which premiums were being paid on December 31st last. The bonus will be calculated on the amount payable on a claim arising by death or maturity provided the policy has then been 15 years in force. In addition, these policies on becoming claims after they have been not less than five years and under 15 years in force will share in any interim bonus which may be declared.

REFUGE.—The annual valuation in the ordinary branch was made by the HM table, with interest at 3 per cent. The surplus was £1,276,317, of which £545,669 was carried forward. The reversionary bonus to ordinary with-profit policyholders was at the rate of £2 per cent. for the year of sums assured as compared with 38s per cent. for 1923, 32s per cent. for 1922, and 28s per cent. for 1921. The industrial branch was valued by the English Life Table No. 8 with 3½ per cent. for weekly whole life assurances, and 3 per cent. for the remainder of the assurances. The surplus was £40,994.

ROYAL.—The valuation for the five years ended December 31st last was made by the British Offices OM and OM (5) tables, with interest at 3 per cent. Annuities were valued by the new 1924 tables with interest at 3 per cent. The life funds of £16,607,520 showed a surplus of £1,611,626, which was apportioned as follows:—£1,170,009 to with-profit policyholders, £130,000 to shareholders, and £311,617 carried forward. The reversionary bonus will be at the rate of £1 10s per cent. per annum of sums assured. This rate of bonus has been maintained for 60 years. The actuary states:—"After giving the fullest consideration to all the circumstances of the situation, and after making special investigations and calculations with the aid of tables constructed to represent the mortality actually experienced by the company, I feel justified in anticipating that in the absence of national or international catastrophes, bonuses will for

the future be definitely maintained at a higher level. I recommend, therefore, that interim bonuses should be paid at the rate of 30s per cent. per annum for 'Royal' participating policies terminated before May 1, 1925, and should then be increased to the rate of 35s per cent. per annum for 'Royal' participating policies terminated in the period of twelve months ending April 30, 1926, and that the subsequent rates should be specially considered and determined from year to year."

UNIVERSITY.—At its valuation five years ago—for the period May 1st to April 30, 1920—this life office, which is now associated with the "Old" Equitable, carried forward its surplus undivided, so that bonuses to policyholders were temporarily suspended. The new valuation for the five years ended April 30th last by the British Offices OM (5), on a 3 per cent. basis, shows that the profit-earning position has been restored. The surplus was £161,622 in excess of liabilities of £947,417. Of this surplus £101,622 is to be divided among policyholders, £11,207 goes to the proprietors' fund, and £48,793 is carried forward. Then reversionary additions to with-profit whole life, and endowment assurance policies, vesting when six years' premiums have been paid, are at the rate of £2 10s per cent. per annum of sums assured. In 1915 and 1910 the reversionary bonuses were at the rate of £1 10s per cent. per annum, and in 1905 at the rate of £2 5s per cent. per annum. A net profit on securities realised was made of £16,361, which forms part of the carry-forward of £48,793.

WESLEYAN AND GENERAL.—The annual valuation was made in the ordinary branch by the British Offices OM table, at 3 and 3½ per cent. interest, and in the industrial branch by the English Life table No. 6, at 3½ per cent. In the industrial department 34.38 per cent. of the premiums was reserved for expenses. The surplus in the ordinary department was £107,617, and in the industrial department £23,704. In the ordinary branch £71,216 was allotted to policyholders as a reversionary bonus of £2 per cent. on sums assured, £31,401 being carried forward. The corresponding reversionary bonus for 1923

was 36s per cent., for 1922 30s per cent., and for 1921 24s per cent. Bonuses do not vest until a policy has been two complete years in force.

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In spite of reduced premiums in the United States and Canada, and underwriting results in these countries a good deal less favourable than in 1923, the past year over the whole business of the British fire offices has been fairly good. Home and foreign fields were free from serious disaster, and the margin of profit, after allowing for current liabilities, has made up to some extent for the comparatively poor surpluses yielded by America. We give the premiums, claims, expenses, and underwriting results (after providing for unexpired risks on the basis of 40 per cent. of the premiums) for the years 1920, 1922, 1923, and 1924. Last year there was in some cases a reduction in premium incomes. This was chiefly due to a falling off in United States incomes, partly through the re-insurance of business by one or two companies—notably the British Dominions—and partly through increased competition with native American companies. It was pointed out by Mr Rutter at the annual meeting of the London and Lancashire that the American companies are expanding rapidly in their country by writing larger and freer lines, and are so making more difficult the task of British companies in seeking good and profitable business.

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Extract from the 76th Report of the Directors on the operations of the Society for the twelve months ending 31st December, 1924.

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Head Office—ROYAL EXCHANGE, E.C.3.

West End Branch—44, PALL MALL, S.W.1.

premiums over claims and expenses. It will be seen that the surpluses, in proportion to premiums, were generally higher than in 1923. The Alliance, which eschews the United States, with their high premiums and their perils, had a striking surplus of 22.5 per cent. of the premium income due to the abnormally low claims ratio of 33 per cent. This surplus of 22.5 per cent. compares with 15.2 per cent. for 1923, and 10.3 per cent. for 1922. The Guardian, another company which keeps clear of America, had a surplus of 14.9 per cent., as compared with 11 per cent. in 1923 and 5.1 per cent. in 1922. The London and Lancashire, thanks to its fairly good results in the United States, showed a surplus on its whole business for last year of 13.1 per cent., as against 13.4 per cent. in 1923 and 11 per cent. in 1922. The North British, another company which did well on the other side of the Atlantic, had a surplus of 9.6 per cent. of its premiums, as compared with 8.8 per cent. in 1923 and 7.5 per cent. in 1922. Neither the Royal, nor its ally the Liverpool and London and Globe, did quite so well last year as the year before, though both showed considerably better results than in 1922. Perhaps the most interesting feat of all was that of the Commercial Union. It made a small loss on its very large business in the United States, yet by its successes elsewhere—and, one may suspect, by judicious reinsurances on this side of American risks—made a final surplus of 7.1 per cent. over the whole of its retained premium income of £8.3 millions sterling. This result compares with 7.4 per cent. in 1923 and 6.6 per cent. in 1922. The small and well-managed Scottish Union did relatively better than any other British company in America, and showed on its total net premium income a surplus of 13.9 per cent., as against 9.8 per cent. in 1923 and 7.9 per cent. in 1922.

On an aggregate premium income for last year of just £45 millions, the average surplus of all the companies in our table was 9.2 per cent., after allowing for the claims, expenses, and reserve for unexpired risks. It was quite a good result, and enabled the resources of the companies to be increased by about four millions.

	Pre- miums.	Claims.	Ex- penses.	Underwriting Surplus or Deficit.
Alliance—	£	%	%	£
1920	1,945,110	40.9	45.3	176,101
1922	1,908,611	46.8	43.9	196,754
1923	1,877,392	41.5	43.9	285,334
1924	1,923,817	33.0	43.5	433,020
Atlas—				
1920	2,339,761	41.8	41.9	206,882
1922	2,136,188	50.4	43.4	128,158
1923	2,271,494	50.2	42.3	115,842
1924	2,079,612	50.6	44.5	179,707
Brit. Dominions—				
1923	1,452,558	62.0	38.0	Def. 61,141
1924	952,006	76.2	40.9	14,086
British General—				
1924	342,752	55.5	33.0	28,657
Caledonian—				
1920	920,209	49.9	36.6	38,118
1922	767,951	61.0	38.9	31,988
1923	880,853	49.8	38.7	55,527
1924	851,490	55.1	40.8	45,952
Commercial Union—				
1920	6,708,182	49.9	38.7	490,350
1922	6,742,172	49.1	40.6	442,856
1923	7,084,093	51.5	39.1	525,283
1924	8,322,667	52.6	40.9	595,795
Guardian—				
1920	1,139,114	43.2	37.1	176,633
1922	964,199	54.0	42.9	49,090
1923	898,324	48.0	44.5	99,228
1924	921,811	40.7	43.4	136,691
Liverpool and London and Globe—				
1920	5,022,270	49.1	40.7	326,295
1922	4,230,020	60.0	42.4	Def. 32,821
1923	4,761,038	49.7	40.8	238,154
1924	4,678,254	52.0	42.8	274,979
London and Lancashire—				
1920	3,668,249	40.9	37.8	621,677
1922	2,904,408	51.1	39.3	320,574
1923	3,015,995	45.9	39.2	404,906
1924	3,043,406	46.6	39.8	398,538
London Assurance—				
1920	1,603,063	46.1	41.3	105,657
1922	1,480,153	51.4	45.3	82,399
1923	1,601,505	46.4	45.5	80,745
1924	1,643,609	47.0	47.3	75,891
North British—				
1920	4,171,720	46.0	38.3	445,720
1922	3,746,353	49.0	41.1	282,471
1923	3,902,031	49.6	39.9	344,588
1924	3,993,966	48.2	41.2	384,297

	Pre- miums.	Claims.	Ex- penses.	Underwriting Surplus or Deficit.
Northern—	£	%	%	£
1920	2,851,011	47.1	39.1	68,706
1922	2,394,138	55.7	42.9	110,967
1923	2,533,300	54.8	41.4	34,528
1924	2,337,464	56.5	43.2	84,767
Phoenix—				
1920	5,171,578	44.6	41.4	328,321
1922	4,747,557	57.3	42.2	18,337
1923	5,478,432	47.8	40.5	348,859
1924	5,371,668	49.4	44.9	343,583
Royal—				
1920	7,074,558	48.2	39.0	509,796
1922	6,427,122	53.2	40.8	382,480
1923	6,709,350	48.9	40.9	563,578
1924	6,820,969	49.6	41.8	538,402
Royal Exchange—				
1920	1,792,448	46.2	41.6	94,449
1922	1,480,013	46.1	46.6	129,706
1923	1,414,548	47.5	46.5	382,480
1924	1,365,542	46.8	48.3	86,774
Scottish Union—				
1920	1,313,333	54.0	41.9	43,358
1922	1,091,095	53.9	38.1	85,733
1923	1,121,269	48.5	40.6	109,266
1924	1,147,469	45.4	39.8	159,544
Sun—				
1920	2,370,989	46.3	39.6	290,660
1922	2,202,438	49.3	43.8	155,071
1923	2,304,940	43.4	42.8	276,285
1924	2,328,845	44.2	43.1	284,419
Yorkshire—				
1920	841,958	49.8	40.1	43,730
1922	834,455	53.6	42.0	41,479
1923	872,957	53.0	40.8	37,715
1924	881,124	49.9	41.7	70,424

POOR RESULTS IN AMERICA.

We have already discussed the results shown by America in relation to the total business of the fire offices. In our table below we give details for three years: 1924, 1923, and 1922. With the exceptions of the Scottish Union Company and the British Dominions, they were substantially worse last year than in 1923. This is especially noticeable with the big companies. The Royal had a surplus of 3 per cent. of its premiums as against

7.2 per cent., the Liverpool and London and Globe had a surplus of 1.9 per cent., as against 2.9 per cent., and the London and Lancashire dropped from 11.3 per cent. in 1923 to 6.7 per cent. in 1924. The North British did not decline very far with its surplus of 5.3 per cent., as compared with 6.1 per cent., but the Commercial Union, which had in 1923 a surplus of 3.9 per cent., had to admit a fractional deficiency for last year. The British Dominions Company boldly reinsured a large portion of its American risks, and came out with a deficiency of 1.4 per cent., as compared with a serious deficiency for 1923 of 8.4 per cent.

Though the results as published in the United States, and recorded by the Insurance Departments of the several States, are net there, it does not follow that they are final in the British accounts. It is well known that considerable changes are made by the administrations in this country, and reinsurances effected which materially alter the character of the contribution of America to the final results. We cannot, as the individual companies can for their own business, go behind the official American figures, though we may suspect them of not revealing the ultimate results. Taking the figures available to us, the net premium income of British—and British Colonial—offices in the United States last year was £32.3 millions, as against £34.7 millions in 1923, and the surplus was £805,000 (2.5 per cent.), as compared with a surplus in 1923 of £1,386,000, or 4 per cent. of the premium income.

	Pre- miums.	Claims.	Ex- penses.	Underwriting Surplus or Deficit.
Atlas—	£	%	%	£
1922	866,095	57.6	45.5	Def. 60,144
1923	1,026,949	55.0	44.5	Def. 10,380
1924	821,088	61.0	49.3	Def. 14,661
British Dominions—				
1922	947,791	68.5	38.3	Def. 69,451
1923	1,301,234	61.4	36.2	Def. 109,971
1924	726,230	90.5	42.5	Def. 9,878
British General—				
1924	153,319	54.5	38.6	3,887

SCOTTISH AMICABLE

LIFE ASSURANCE SOCIETY

Established 1826.

A STRONG MUTUAL
OFFICE

now in its

100th YEAR

with a Great Bonus Record.

NEXT DIVISION OF PROFITS at
31st DECEMBER, 1925.

Head Office :
35 ST. VINCENT PLACE, GLASGOW.

London Office :
17 TOKENHOUSE YARD, E.C.2.

THE LONDON GENERAL INSURANCE COMPANY LIMITED

MORTGAGE LOANS AND INVESTMENT CERTIFICATES

A System of House Purchase by Easy Payments

The Company has paid in claims over £1,000,000, and has advanced to Policy and Certificate holders for purchase of property over Half-a-Million Pounds.

Prospectuses and full particulars on application to any of the Company's Representatives, or to the

HEAD OFFICES :
City House, 158-160, City Road, London, E.C.1

The Saving Power of a good Life Assurance Policy

is judged by the Bonus declared and the financial strength of the office issuing the policy.

THE BRITANNIC ASSURANCE COMPANY, LTD., is eminently satisfactory in both respects. The Reversionary Bonus declared for 1924 was £2 per cent. The substantial margin of interest earned over the rate assumed in the Valuation renders the possibility of maintaining this high rate almost a certainty, while the Funds, amounting to £10,000,000, are an indication of careful and wise management.

Send for Leaflet—
"Endowment Assurance v. 5 per cent. Investment."

LIFE : FIRE : ACCIDENT
MOTOR : PLATE GLASS

BRITANNIC ASSURANCE CO.
LIMITED.

Chief Offices :
BROAD STREET CORNER, BIRMINGHAM

Why can the "Pearl" offer you a better investment?

THREE REASONS:

Its management is a triumph of efficiency and economy.

EXPENSES, 1924, 11.79 %

Skill in the control of its investments gives high interest with perfect security.

NET INTEREST YIELD, 1924, £4:13:11

The Reserves are ample and Profits are divided ANNUALLY.

£2 PER CENT. BONUS was declared for the year 1924.

PEARL

ASSURANCE COMPANY, LIMITED,
HIGH HOLBORN, W.C.1

Assets - - - £33,600,000

	Pre- miums.	Claims.	Ex- penses.	Underwriting Surplus or Deficit.
Caledonian—				
1922	£ 624,179	53.2	39.6	£ 3,705
1923	725,517	46.1	42.3	43,671
1924	692,631	52.0	45.3	32,317
Commercial Union Group—				
1922	4,644,091	53.5	43.7	7,407
1923	5,314,826	48.2	42.8	209,058
1924	4,947,514	57.7	45.5	Def. 13,477
Liverpool & London & Globe Group—				
1922	2,797,007	60.6	45.9	Def. 249,183
1923	3,294,465	50.3	40.7	95,351
1924	3,061,989	55.4	45.7	57,506
London Assurance—				
1922	710,702	50.2	46.1	55,239
1923	968,395	41.0	45.1	106,373
1924	1,037,180	49.0	47.0	13,830
London and Lancashire Group—				
1922	1,454,472	49.6	45.9	71,987
1923	1,602,307	40.6	44.4	181,613
1924	1,522,502	48.9	46.5	102,233
North British Group—				
1922	3,750,773	49.6	42.1	137,570
1923	4,023,067	47.6	43.6	243,651
1924	4,049,774	48.1	46.4	213,238
Northern—				
1922	1,180,169	57.4	44.6	Def. 35,941
1923	1,471,338	52.5	42.2	19,106
1924	1,370,857	63.2	45.3	Def. 76,886
Phoenix Group—				
1922	2,165,047	50.6	45.9	87,522
1923	2,831,577	43.5	46.7	95,660
1924	2,589,597	49.7	48.2	152,651
Royal Group—				
1922	5,290,550	51.7	44.4	118,183
1923	5,619,763	46.9	43.8	393,049
1924	6,237,436	50.6	43.5	187,475
Royal Exchange—				
1922	552,318	55.7	43.0	Def. 6,114
1923	600,048	52.0	45.2	19,788
1924	628,509	58.5	52.7	Def. 29,592
Scottish Union—				
1922	759,360	51.9	44.9	23,811
1923	824,826	46.5	44.9	41,852
1924	845,589	46.2	44.6	69,642
Sun—				
1922	942,473	52.1	45.7	Def. 2,535
1923	1,085,845	41.7	47.3	65,010
1924	1,113,737	51.2	47.1	38,502
Yorkshire—				
1922	367,628	56.6	45.5	19,362
1923	422,676	46.8	43.1	20,669
1924	504,952	54.0	44.0	2,957

ACCIDENT AND MISCELLANEOUS INSURANCE.

IMPROVEMENT IN AMERICA.

In the wide categories of accident and miscellaneous insurance are included nowadays almost numberless branches of business which, in the aggregate, rival fire insurance itself in importance. We may take it that the total premium income derived from accident, workmen's compensation, motor insurance, burglary, plate glass, boiler, and so on amount for the score or so of leading British offices to about £43 millions sterling. The United States, as with fire insurance, make the largest contribution through the subsidiaries of such companies as the Employers' Liability, the Commercial Union, the Royal, Liverpool and London and Globe, the Phoenix, General Accident, and the London and Lancashire. It follows, therefore, that the results shown by America are of high importance. Next to workmen's compensation in this country and in the United States comes motor-car insurance, which since the war has expanded enormously. In this country, as the result of trade depression, the premium income from workmen's compensation has fallen off, whereas the premiums from motor cars have mounted up, and are now the most considerable single item in the office accounts. The companies distinguish in their reports between workmen's compensation in the United Kingdom and outside of it, but all the miscellaneous classes are put together, so that one cannot tell, for example, how motor insurance in this country compares in profit with similar kinds of insurance in America. This does not affect, however, the broad results, which are all that we can be concerned with in this brief review.

Last year it was explained that the very large workmen's compensation business transacted by British com-

panies and their subsidiary companies in the United States had become unprofitable, and that the official rates were being revised by the various State Insurance Departments. The companies are not allowed to fix their own rates; this is done for them by the insurance superintendents, after taking into account the experience of the offices over a series of years. The revision of rates was undertaken during 1923, and the new rates came into operation in practically all the States between January and July of last year. The majority of the revised rates did not become effective until April, May, June, and July, while those in the great State of New York did not come into operation until January of 1925. It follows that the full effect of the revision was not apparent last year, and will not be fully seen until the accounts are made up and presented for 1925. Nevertheless there was a distinct improvement, and several of the companies with large American commitments did not repeat last year their highly unfavourable experience of 1923.

The company with the largest American business is the Employers' Liability. Last year its final results for all business showed a surplus—after provision for claims, expenses, and reserves for unexpired risks on the basis of 40 per cent. of the premiums—of 1.9 per cent. of the premiums as compared with a serious deficiency for 1923 of 4.9 per cent. of the premiums. The Commercial Union, which through its subsidiary the Ocean Accident has the largest aggregate accident and miscellaneous business, showed a surplus of 3.9 per cent. of its premiums, as against a surplus for 1923 of 2.1 per cent. The Royal had a surplus of 3.9 per cent., as against 3.2 per cent., and the Liverpool and London and Globe a surplus of 4.3 per cent., against 1.8 per cent. On the other hand, the Phoenix, with the London Guarantee and Accident, showed a deficiency of 1.1 per cent., the same deficiency as in 1923, and the British Dominions had a surplus of no more than 1.4 per cent., as compared with 7.4 per cent. in the earlier year. The Scottish Union, though

less successful in 1924 than in 1923, had the excellent surplus last year of 15.5 per cent., as against 20 per cent. The distinguished record of this company, both in fire and accident insurance last year, shows how it is possible for a small office to set an inspiring example in careful management to its big brethren. The net result of all the companies in our table for 1924 was a surplus of 3.4 per cent. on an aggregate premium income of £43 millions.

	Pre- miums.	Claims.	Ex- penses.	Underwriting Surplus or Deficit.
Alliance	1923 £ 602,225 1924 652,323	45.1 47.5	42.3 38.7	£ 56,146 62,737
Atlas	1923 280,144 1924 323,066	53.9 61.6	40.7 40.7	Def. 18,690 5,864
British Dominions	1923 1,117,226 1924 1,117,871	46.1 53.0	45.9 45.6	82,723 15,961
British General	1924 389,704	49.4	32.6	39,431
Caledonian	1923 313,091 1924 334,188	47.8 51.1	39.4 40.7	22,780 18,376
Commercial Union (inc. Ocean Acc.)	1922 7,047,450 1924 7,721,403	56.5 54.4	38.9 38.5	149,736 300,144
Employers' Liability	1923 4,687,826 1924 4,692,651	69.0 64.4	34.3 33.6	Def. 288,679 8,863
General Accident	1923 4,184,210 1924 4,793,654	57.3 58.6	33.3 34.1	117,258 105,342
Guardian	1923 475,238 1924 514,079	40.9 41.4	44.0 42.0	71,094 69,673
Liverpool and London & Globe	1923 3,862,664 1924 4,226,210	56.4 54.6	37.1 37.6	70,108 181,660
London and Lancashire	1923 1,544,766 1924 1,695,566	44.5 48.1	40.7 40.8	188,322 161,835
London	1923 286,234 1924 374,584	44.9 43.9	47.0 45.4	Def. 8,350 9,489
Motor Union	1923 1,149,354 1924 1,223,968	49.3 50.3	44.3 42.6	47,126 60,213
North British (Railway Passengers)	1923 895,542 1924 958,392	46.0 49.0	39.6 38.0	122,858 98,900

REFUGE ASSURANCE CO. LTD.

ESTABLISHED 1864

Chief Office:
OXFORD STREET
MANCHESTER

(For the Year ending December 31st, 1924)
ANNUAL INCOME EXCEEDS

£7,900,000

ASSETS EXCEED

£29,000,000

CLAIMS PAID EXCEED

£43,000,000



POLICYHOLDERS OVER ONE MILLION.
FUNDS EXCEED £3,000,000
SUM ASSURED - - £15,000,000

LATEST VALUATION £2 BONUS
ALL CLASSES OF LIFE ASSURANCE

CHAIRMAN:
GENERAL BRAMWELL BOOTH.
JOINT MANAGING DIRECTORS:
COMM. JOHN A. CARLETON, COLONEL WM. MAXWELL.
CHIEF OFFICE:
QUEEN VICTORIA ST., LONDON, E.C.4

London & Manchester Assurance Company, Ltd.

ESTABLISHED 1869.

Allied with National Amalgamated Approved Society for National (Health) Insurance.

CHIEF OFFICE:
50, FINSBURY SQUARE, LONDON, E.C.2.

YEARLY PREMIUM INCOME EXCEEDS

£1,750,000.

FUNDS EXCEED

£5,500,000.

ORDINARY AND INDUSTRIAL BUSINESS
TRANSACTED.

LIFE AND ENDOWMENT ASSURANCES
AND ANNUITIES.

CLAIMS PAID EXCEED

£8,000,000.

PROMPT SETTLEMENTS.

AMPLE SECURITY FOR POLICYHOLDERS.

UNITED KINGDOM PROVIDENT INSTITUTION

Chairman:
The Rt. Hon. WALTER RUNCIMAN, M.P.

FUNDS EXCEED
£14,000,000

Highly attractive terms
for Children's Deferred
Assurances.

Specially low rates for Whole-
Life Non-Profit Assurances
for £1,000 and upwards.

HEAD OFFICE:

196, STRAND, LONDON, W.C.2

		Premiums.	Claims.	Ex-penses.	Underwriting Surplus or Deficit
		£	%	%	£
Northern	1923	974,202	41.7	42.3	128,043
	1924	1,046,760	46.5	40.7	105,066
Phoenix (inc. London Guar. & Acc.)	1923	6,157,389	58.1	38.0	Def. 70,740
	1924	6,112,291	63.3	38.1	Def. 69,566
Royal	1923	4,255,476	48.0	40.9	136,865
	1924	4,568,734	53.5	39.8	180,766
Royal Exchange	1923	726,986	46.8	41.9	56,610
	1924	771,484	49.8	40.4	57,450
Scottish Union	1923	124,974	39.8	39.9	25,009
	1924	138,339	40.6	39.9	21,571
Sun	1923	602,451	44.6	44.8	Def. 17,524
	1924	804,464	58.1	42.3	Def. 84,031
Yorkshire	1923	866,749	49.6	40.2	87,171
	1924	922,816	49.9	40.7	63,731

MARINE INSURANCE.

NO SIGNS OF BETTER CONDITIONS.

There are no immediate prospects of improvement in the condition of the marine insurance market. The trade depression involves a reduction in the employment of ships, which in turn means fewer ships to be insured, and less cargo to be covered. The insurance market expanded enormously during the war, and though it has very considerably contracted since, is still much larger than is required to do the business which is offered. The result is competition for the insurance of hulls and cargoes in excess of what is healthy, and a tendency on the part of many underwriters to write large lines at inadequate rates. Under conditions such as these, the best that individual underwriters can do is to move warily, to limit their commitments, and to strive to avoid losses.

Accounts are issued by the marine companies in two forms. In one of them—in our view the best and simplest—a marine insurance account is kept open for two years, and is then closed by carrying to suspense a sum judged by the underwriter to be sufficient to meet future liabilities. The net result is, then, the estimated profit or loss. The other method is to give for each year the total income from premiums and the total outgoings for claims and expenses, and to carry to profit and loss some amount—it may be a profit or a loss—which is judged to be the result of the latest amount actually closed in the office books. By the first method one can see how the marine underwriting of a particular year has approximately worked out. By the second method one has no data for judgment concerning a particular year. All that can be done is to give the premiums, claims, and expenses of a series of years, and see how the series has worked out. One company, the London and Lancashire (which owns the Marine and Standard companies), has adopted the fire insurance system of accounts, and declares the result to be satisfactory in showing the working out of its marine business. Under this system the premiums for a year are given, then the claims paid and outstanding, then the expenses, and a provision is made for unexpired liabilities on the basis of 40 per cent. of the premium income. We do not find, however, that other marine companies are willing to admit the adequacy of this method, though its employment is practically universal as giving the substantially correct underwriting results of fire and accident insurance business.

The results of five companies who keep their accounts open for two years, and then estimate the profit or loss on the closed account, are given in the table below. We have taken the figures for five years in each case, from 1918 to 1923 inclusive. Of these five companies one only, the British and Foreign, shows a profit for each year. The others reveal deficits in some years and no profits in others. All show large reductions in premium since 1918, which was, of course, to be expected.

THE LONDON ASSURANCE

A.D. 1720



FIRE

MARINE

LIFE

ACCIDENT

LIFE BONUS YEAR 1925.

1, KING WILLIAM STREET, E.C.4.
Marine Dept.: 7, ROYAL EXCHANGE, E.C.3.

ASSETS EXCEED £10,000,000.
 THIRD CENTURY OF ACTIVE BUSINESS.

BRANCHES AND AGENCIES THROUGHOUT THE WORLD. APPLICATIONS FOR AGENCIES INVITED.

	Account.	Premiums.	Claims & Suspense.	Expenses.	Surplus or Deficit.	Year.	Premiums.	Claims.	Expenses.
		£	£	£	£		£	£	£
British and Foreign	1918	1,055,052	817,899	107,801	129,352	British Dominions—	1,909,792	1,287,050	170,522
	1920	1,237,914	1,067,346	156,866	13,702	1918	1,675,908	1,104,854	353,156
	1921	827,477	630,540	141,135	55,801	1919	1,543,404	869,187	414,872
	1922	619,964	448,805	130,566	40,591	1920	1,175,112	1,174,391	167,664
	1923	589,465	451,080	118,646	19,739	1921	743,716	743,673	75,763
						1922	864,004	407,155	75,201
						1923	641,191	331,421	93,424
						1924	567,249	537,787	85,087
Indemnity	1918	2,724,299	2,305,262	30,089	388,948		8,632,376	6,765,198	1,435,688
	1920	2,297,340	2,464,990	32,350	200,000			= 78.3 %	= 16.6 %
	1921	1,206,315	1,139,754	34,440	32,121	Commercial Union—			
	1922	941,830	834,195	35,119	72,516	1917	892,771	595,590	98,453
	1923	845,289	811,294	33,995	None	1918	821,279	528,444	113,826
						1919	856,324	269,331	138,475
Merchants'	1918	525,303	458,212	23,860	43,431	1920	987,450	561,193	183,315
	1920	587,075	545,257	41,818	None	1921	270,646	354,118	124,058
	1921	423,373	353,723	47,800	21,850	1922	388,388	208,514	94,075
	1922	464,476	418,284	46,192	None	1923	424,557	218,268	94,118
	1923	446,401	399,695	46,706	Def. 35,000	1924	440,990	262,854	73,872
Ocean	1918	760,855	651,969	28,686	80,200		5,082,405	2,798,312	919,992
	1920	760,178	901,793	35,511	Def. 177,126			= 55 %	= 18.1 %
	1921	358,435	474,490	33,945	Def. 150,000	Liverpool and London and Globe—			
	1922	339,541	306,460	33,084	None	1917	809,055	556,038	28,179
	1923	373,889	340,961	32,928	None	1918	742,609	552,458	32,833
Sea	1918	1,234,060	993,473	40,938	199,649	1919	716,968	483,450	43,602
	1920	954,959	901,260	55,550	Def. 1,672	1920	812,650	656,394	54,907
	1921	501,760	440,504	49,553	1,603	1921	377,016	530,764	57,589
	1922	416,775	348,842	41,773	26,219	1922	353,688	357,016	60,460
	1924	424,268	365,477	41,929	16,912	1923	340,712	257,973	44,744
						1924	341,560	265,814	41,975
							4,494,268	3,659,907	363,289
								= 81.4 %	= 8.1 %
						London and Lancashire—			
						1917	551,001	350,847	50,527
						1918	2,910,720	1,306,813	258,507
						1919	2,201,893	1,616,890	226,134
						1920	2,669,515	1,839,442	224,495
						1921	1,383,306	1,814,004	173,180
						1922	1,144,399	1,041,736	184,123
						1923	1,239,124	893,031	139,121
						1924	1,036,764	946,378	163,900
							13,166,722	9,909,141	1,360,987
								= 75.3 %	= 10.3 %
						London Assurance—			
						1917	1,743,929	1,048,268	141,686
						1918	1,213,551	766,919	165,736
						1919	861,588	690,864	180,180
						1920	1,219,825	1,016,160	201,500
						1921	707,398	707,398	149,044
						1922	678,232	541,173	148,682
						1923	869,279	588,306	185,154
						1924	944,601	794,610	202,831
							1,122,004		
							8,652,009	6,153,698	1,374,813
								= 71.1 %	= 15.8 %
						Maritime (Scottish Union)—			
						1917	922,008	614,717	56,351
						1918	816,574	475,655	78,860
						1919	374,865	272,394	85,449
						1920	563,951	363,531	74,833
						1921	507,492	345,793	56,129
						1922	301,519	301,519	60,230
						1923	289,603	269,620	55,417
						1924	274,837	217,534	56,243
							3,849,855	2,860,761	523,512
								= 74.3 %	= 13.5 %
						Royal Exchange—			
						1917	1,799,401	1,374,619	65,302
						1918	1,250,498	824,822	68,434
						1919	955,218	529,316	96,989
						1920	1,070,952	740,406	127,803
						1921	248,364	649,330	108,343
						1922	369,068	379,983	88,056
						1923	517,806	448,535	93,513
						1924	635,481	521,300	90,800
							6,846,788	5,410,011	745,240
								= 79.8 %	= 10.8 %

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MUNICH REINSURANCE COMPANY of MUNICH

Extract from the Annual Report for the Year 1923/24.

In accordance with the special Laws enacted and the Ordinances applying to the subject the Company's Balance Sheet has been reconstituted on the Goldmark basis.

The Company's Real Estate has been re-valued upon a pre-war basis, and 40% has been written off its own Office building. All its other Real Estate property, consisting of 49 separate Premises, has been written down to the extent of 75%.—All furniture and all printed supplies have been written off.

The Mortgages pro and contra have been valued as prescribed by the official ordinance.

The Securities were valued not higher than at Stock Exchange prices of the 30th June, 1924, in some instances at lower prices. Where no quotation was available most conservative estimates were applied.

All the Company's German Papermark securities, of a nominal value of Papermark 40,011,900, have been written off. The Company's property still sequestered in the United States is estimated, in default of authentic information, at the amount of M5,000,000, but this Asset is neutralized by a Reserve of equal amount.—All property still under sequestration in other countries stands to book at the nominal sum of M1.

The Premium and Loss-Reserves have been computed with the greatest care.

The excess of Assets over Liabilities being M17,007,500 has been applied as to M12,007,500 to reconstitute the Ordinary and Preference Capital, both being fully paid up, and as to M5,000,000 to create special Reserve Funds (v. items II and III).

GOLDMARK BALANCE SHEET As on 1st July, 1924.

ASSETS:		Goldmarks	LIABILITIES:		Goldmarks
I. Real Estate			I. Ordinary and Preference Share Capital		
Pre-war Value	... M18,701,000		fully paid up	... ..	12,007,500.—
written off	 „ 12,695,750		II. Capital Reserve Fund	... ..	2,000,000.—
		6,005,250.—	III. Special Reserve Fund	... ..	3,000,000.—
II. Mortgages	... ..	109,655.—	IV. Reserve in respect of sequestered property in the United States	... ..	5,000,000.—
III. Securities	... ..	17,514,548.30	V. Mortgages	... ..	556,038.—
IV. Property under Sequestration in the United States	... ..	5,000,000.—	VI. Reserves for unexpired risks	... ..	33,895,763.89
V. Outstanding balances:			VII. Reserves for outstanding Losses	... ..	14,316,462.85
1. Cash at Banks and in hand	... ..	7,232,767.78	VIII. Premium Reserves held in Trust on behalf of Retrocessionaires	... ..	30,765,581.21
2. Due from Insurance Companies and others (on balance)...	... ..	7,492,229.65	IX. Other Liabilities	... ..	352,725.95
VI. Interest accrued but not yet payable	... ..	113,619.57			
VII. Deposits of Premium-Reserves with Companies reinsured	... ..	58,426,001.60			
		101,894,071.90			101,894,071.90

The Economist

GERMAN ECONOMIC SUPPLEMENT.

SATURDAY, JULY 18, 1925.

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In May of last year we published a supplement giving an outline of the history of the Reparation question from the Armistice until the publication of the Dawes Report. In the following pages we propose to bring the story up to date, and to sketch the economic conditions created by the bringing into effect of the Dawes Plan.

The first section gives a résumé of the chief steps taken by the Allies, and a record of the bringing into effect of the Plan. The second part describes the results achieved in the various spheres in which the Allies have imposed some control over Germany. A third part briefly sets out the leading features of recent economic life in Germany, and, finally, some figures are given bearing upon the question of German competition and the influence of Reparation receipts upon other nations.

In brief, this record shows that the Dawes Scheme was brought into effect, with comparative ease, by the arrangements made at the London Conference of last July and August, that the settlement of Germany's economic future made it possible for German currency to be maintained on a stable basis under the strong direction of the President of the Reichsbank; that, in consequence, the German Budget, about which the Experts expressed some doubt, has more than balanced; that Germany has had no difficulty in paying her first year's annuities, the greater part of these being the proceeds of the international loan successfully floated last winter; that the mortgage on German industry has proved to be lighter than was feared; that the railway company is making adequate profits and supplying its contributions under the Dawes Scheme; that there is no reason to expect difficulty under the Plan for some time to come, but that present experience throws no light upon the critical question, namely, whether the Allies will be able to get money out of Germany without upsetting the currency settlement; that the payment of Reparations on the Dawes scale should not have a devastating effect upon other countries' trade if world commerce shows anything like a reasonable normal expansion, but that present experience gives no indication of how an export surplus is to be created; that in the meantime Germany has immensely benefited from the stabilisation of money, but her foreign trade, as well as her home trade, is still far from normal; that her chief handicap is shortage of capital; and that there are no indications as yet that she is supplanting other countries' trade.

A rich volume of material for the further study of the whole problem has recently been provided in the Report of the Agent-General for Reparation Payments; the reports submitted to the Brussels Conference by Sir Josiah Stamp; and the Survey of Overseas Markets issued this week by the Balfour Committee on Industry and Trade.

RECENT HISTORY OF THE REPARATION QUESTION.

(I) THE DAWES PLAN.

Readers of our supplement issued last May will remember that the Expert Committee, consisting of representatives of the United States of America, Great Britain, France, Italy, and Belgium, which was appointed in December, 1923, reported in the following April in favour of a plan, of which these are the main features:—

(a) A schedule of payments rising from a comparatively small figure to a standard was laid down covering a period of five years, the figures being: 1924-25, 1 milliard gold marks; 1925-26, 1.22; 1926-27, 1.20; 1927-28, 1.75; 1928-29, 2.50.

(b) The experts did not fix a total to be paid by Germany, but, on the other hand, they could not confine themselves merely to five years' payments. They therefore provided that the last figure should continue over subsequent years, subject to variation, in accordance with an index of German prosperity, the calculation of which was carefully laid down; it was also provided that the annual payments might be varied up or down if the value of gold changed appreciably.

(c) The payments were not, however, all to be met from the Budget, but were to be made up by the interest from the bonds to be issued by the German railways (which were placed under new management independent of the State),

by certain other charges upon transport, and by a mortgage imposed upon industrial undertakings. In the first year, four-fifths of the annuities was to be paid from the proceeds of an international loan, the floating of which the Allies undertook to facilitate, it being realised that the placing to Germany's credit of this sum in foreign currencies would assist her to maintain her exchange at parity with gold.

(d) The new railway company was to be put under some degree of foreign control, and trustees for both the railway and the industrial debentures were to be appointed.

(e) Contributions from the Budget were to be safeguarded, not by putting the whole of German finances under Allied supervision, but by the assigning of certain specified revenues to a representative of Germany's creditors. The general direction of Germany's finances was left unfettered, subject to the right of the Commissioner of Controlled Revenues to take measures to increase their productivity if the assigned items should prove insufficient.

(f) The Plan laid down the important principle that Germany should be held to have paid her debt when she had placed at the disposal of the Allies the necessary sums in German currency. These sums were to be placed in the hands of an Allied Transfer Committee, who would

have the task of converting them into foreign money without upsetting the exchange. The experts indicated that the Allies must take powers to act if Germany were found to be indulging in "financial manoeuvres" definitely intended to defeat this process of transfer abroad.

(g) In order to prevent a new currency slide, a new bank was to be set up, over which the creditors of Germany should, in the last resort, have equal authority with the German representatives. This governing board was to be represented by a commissioner, who would be kept informed of the bank's proceedings.

(h) The Experts, whose proposals were based upon the postulate that Germany should regain her economic sovereignty, nevertheless added that control would have to be enlarged if flagrant default were proved.

Two factors combined to give the Plan the chance denied to previous efforts to solve the Reparation problem. The first was the prompt announcement by Mr MacDonald, Prime Minister and Foreign Secretary in the Labour Government that had come into power in February, 1924, that Great Britain accepted the Plan as a whole—a declaration followed by the agreement of Germany. The second was the new relations he had been able to establish with France, relations which led directly to the substitution for M. Poincaré, who had quibbled over the Plan, of M. Herriot.

Preliminary difficulties created by M. Herriot's effort to link the settlement of Reparations with the problems of debts and security were overcome by Mr MacDonald's insistence, on the one hand, on the importance of concentrating on the single concrete issue of the Plan as the agenda for a Conference, and, on the other, by his undertaking to raise the matter of inter-Allied debt at a later stage, and to discuss, as soon as possible, the question of security.

The London Conference, therefore, assembled in July, 1924, for the single purpose of working out the method and conditions of applying the Dawes Plan, and was able to face its problems in an atmosphere of mutual goodwill that contributed largely to success.

(2) THE WORK OF THE LONDON CONFERENCE.

The London Conference opened its deliberations at the Foreign Office on July 16th, and concluded them exactly one month later. The following signatories of the Versailles Treaty were officially represented:—The British Empire, France, Italy, Belgium, Japan, Portugal, Greece, Rumania, and the Serb-Croat-Slovene kingdom; while two "observers" from the United States attended the meetings and played a prominent part in the Conference. On August 2nd Germany was invited to send representatives, not, as on previous occasions, to be presented with the cut-and-dried decisions of the Allies, but to "discuss" with the Conference the best means of achieving its end—a new and significant departure in post-war diplomacy. The German delegates arrived three days later, and many of the subsequent decisions of the Conference were rendered additionally valuable for practical purposes by reason of their "agreed" character.

The Terms of the London Agreement.

In the London Agreement, initiated by the representatives of the conferring Governments and of the Reparation Commission on August 16th, and formally signed as a Protocol on August 30, 1924, the signatories confirmed their acceptance of the Dawes Plan, and agreed to its being brought into operation. Certain agreements necessary for that purpose were signed *ne varietur* (except as regards certain dates mentioned in Annex III. below), and are to be regarded as mutually interdependent. The Protocol was followed by four annexes, the first of which was as follows:—

Annex I. set out the terms of agreement between the Reparation Commission and the German Government:—

(1) The German Government undertakes to take all appropriate measures for carrying the Dawes Plan into effect, especially as regards the promulgation of laws and regulations, notably those concerning the banks, the railways, and the industrial debentures in the form approved by the Reparation Commission. It will also apply the necessary provisions as to the control of the revenues assigned as security for the annuities under the Dawes Plan. (2) The

Reparation Commission undertakes on its side to take all appropriate measures for carrying the Plan into force, and in particular to facilitate the issue of the German Loan, and for making necessary financial and accounting adjustments. (3) The Reparation Commission and the German Government agree in their respective spheres to carry into effect such additional arrangements as may be agreed as necessary to the application of the Plan—these to be signed later on, and to form a schedule to the London Pact. Further, any dispute that may arise as regards the agreements or the German legislation to put them into effect shall be referred to arbitration.

Annex II. contained an agreement between the Allied Governments and the German Government, set out in six clauses. Clause 1 laid down that disputes arising under Annex I. above should be referred to three arbitrators appointed respectively by the Commission, the German Government, and the two authorities jointly, or, failing agreement as to the third member, by the Permanent Court of International Justice at The Hague. Clause 2 set up a Transfer Committee in connection with German Reparation deliveries, and defined its functions in great detail. Germany recognised the right of this Committee to pursue ordinary commercial methods in employing the funds at its disposal, and that the programmes for deliveries should not go to the limitations fixed by the Treaty of Versailles, but should be fixed "with due regard to the possibilities of production in Germany, to the position of her supplies of raw materials, and to her domestic requirements in so far as is necessary for the maintenance of her social and economic life, and also with due regard to the limitations set out in the Experts' Report." Germany undertook to facilitate the execution of programmes drawn up on these lines, but in default of agreement, either between the members of the Reparation Commission or between the latter body and Germany, provision was made for their being fixed for certain periods by an Arbitral Commission appointed in advance in the same manner as the arbitrators referred to above, the chairman of which was to be a citizen of the United States of America, and whose decision was to be final. Allied Governments, if dissatisfied, might submit reasoned claims to this Commission. Clause 3 provided for a Special Commission, on which the Allies and Germany would be equally represented, with power to co-opt a neutral member to determine procedure with regard to deliveries in kind. Clauses 4 and 5 made provision for arbitration in case of possible differences between the Transfer Committee and the German Government, or of divided opinion on the Transfer Committee itself on certain matters, including the question whether Germany was indulging in financial manoeuvres to defeat the Plan. Clause 6 prescribed the procedure for an appeal to arbitration where any Allied Government might consider that a defect existed in the Plan, as regards collection or deliveries, which might be remedied without affecting the vital principles of the Plan.

Annex III. stated that the Dawes Plan would be considered to have been put into execution when the Reparation Commission had declared that Germany had (a) voted in the Reichstag, and promulgated, the necessary legislative measures for imposing a mortgage on industry, for placing the railways under an independent company, and for establishing a new and independent bank of issue; (b) installed the executive and controlling bodies provided for the Plan; (c) constituted the bank and the German Railway Company; and (d) deposited with trustees certificates representing the railway bonds and industrial debentures; and when, in addition, contracts had been concluded assuring the subscription of a loan to Germany of 800 million gold marks, as envisaged in the Dawes scheme. The fiscal and economic unity of Germany was to be considered as restored when the German authorities in occupied territories had been re-invested with the relevant powers they exercised before January 11, 1923, all undertakings exploited under Allied management had been restored to their owners, and restrictions on the movements of persons, goods, and vehicles in the occupied areas had been removed. The annex also contained a time-table for the carrying out of the various measures, and provided for amnesty in respect of offences in occupied territories since January, 1923, and other conciliatory measures.

Annex IV. gave the terms of agreement between the Allied Governments. In all deliberations affecting the

Dawes Plan a seat on the Reparation Commission was to be occupied by a representative of the United States, holding office for five years. To secure the service of the contemplated gold mark loan the Allies undertook to safeguard any pledged specific securities if it were found necessary to impose sanctions in consequence of a German default, and further stipulated that the service of the loan should enjoy absolute priority over all other claims whatever. Unless otherwise stated in the London Agreement, the signatory Governments reserved all their rights under the Treaty of Versailles.

Outside the main body of the Agreement was the promise given by the French and Belgian delegates of the complete evacuation of certain occupied zones forthwith, and the withdrawal of their military forces from the Ruhr in a maximum period of twelve months.

The Significance of the Agreement.

The significance of the London Agreement has been well described by an American critic, Mr George P. Auld, in a recent address before the Chicago Council on Foreign Relations. The Dawes Plan, he stated, gave Europe what it had badly needed for six unhappy years—a *modus vivendi*. "It was a triumph of the principle of attending to first things first, of acting on things agreed instead of waiting for agreement on everything." "The general background of the arrangement created by the London Conference was acceptance of the principle of arbitration. Sixteen or seventeen separate arbitrations were provided for. Many of them are likely never to be invoked, for an agreement to arbitrate is evidence of a frame of mind which leads toward direct settlements by the parties themselves. . . . The chief significance of the machinery set up is psychological rather than technical."

The Dawes Plan and the London Agreement, indeed, marked a considerable advance in numerous ways on the policy which had previously made of the Reparation question a running sore in European politics. For the first time since the war the Allies negotiated with instead of dictating to Germany. The principle of arbitration, which was a natural corollary, did not, indeed, supersede the appeal to force, but, nevertheless, succeeded in interposing an elaborate series of barriers between a complaint of German default and extreme action by any one Allied Power. The Agreement promised a long respite from the periodical crises over Reparations which had previously occurred with distressing frequency. Last and not least, the carrying out of its provisions offered the chief European Powers an opportunity for stabilising their own internal finances, and thus avoiding many of the currency troubles which had proved so formidable a barrier to international trade.

These beneficial results—which may be summed up in a phrase, the translation of the Reparation problem from the political to the economic sphere—are by this time fairly well known and appreciated.

At the same time, the Agreement left several loopholes for future dispute in certain circumstances. Thus France did not agree to the immediate military (as distinguished from "economic") evacuation of the Ruhr, and until her troops have left this area it is questionable whether Germany can really be said to have regained her economic sovereignty. As the evacuation promised by this August is, however, contingent only on the carrying out of the London Agreement "in the spirit of good faith and pacification which inspired the deliberations of the London Conference," and is not related to such controversial questions as German "disarmament," &c., the next two or three months should witness its complete and final accomplishment.

A more serious set of considerations centres round the possible consequences of a hypothetical German "default," i.e., a failure to provide, for one reason or another, exactly what is required of her under the heading of Reparation. The Dawes Plan and the London Agreement make it as difficult as possible for any power to take the law into its own hands. Arbitration is provided if the Reparation Commission is not unanimous on a default question. Sanctions can be applied only in the event of "flagrant failure (by Germany) to fulfil the conditions accepted by common agreement," and in the event of such default the Allies have undertaken to confer without delay as to the nature of the sanctions to be

applied. As to what is to happen should the Allies fail to come to agreement in such a contingency the London Agreement is silent, except in so far as its concluding words suggest somewhat disquieting possibilities. "The existing rights of the signatory powers under the Treaty of Versailles, read with the Dawes Report, are reserved." In other words, France might conceivably revert to her earlier interpretation of that clause in the Treaty which speaks of action by "the respective powers," and proceed to re-occupy the Ruhr. That weighty arguments exist, however, against the probability of such an occurrence, we endeavour to show at the end of Part I. of this "Supplement."

(3) IMPLEMENTING THE LONDON AGREEMENT.

The London Agreement came before the French Legislature during the last week of August, 1924, and secured a surprisingly easy passage, M. Herriot's policy being approved in the Chamber by 336 votes to 204, and in the Senate by the surprisingly large vote of 200 to 40. In the course of debate, M. Herriot revealed that he had agreed to the evacuation of the Ruhr after consultation with Marshal Foch, who did not regard the occupation as necessary to French security. In Germany the position for a time appeared less promising, as the Nationalist Party proclaimed its decision to vote for the rejection of the Agreement, the Government's counter-move being a threat of dissolution of the Reichstag if the necessary two-thirds majority was not obtainable. On matters being brought to an issue, more prudent counsels prevailed among various members of the intransigent party, and the Dawes Bills having been duly passed by the Reichstag, the terms of the London Agreement became definitive with the final signature of that document by the parties concerned on August 30, 1924.

Matters thenceforward moved with a clockwork precision, which spoke well for the comprehensiveness of the arrangements made by those responsible for the drafting of the Dawes Plan and the London Agreement. The "Dawes Laws" passed by the Reichstag provided for the initiation of the new Bank, the Railway Company, and the Mortgage on Industry in the form laid down in the Report. The French, who had already carried out the promised evacuation of certain areas outside the Ruhr, thereupon handed over the administration of the Ruhr and other occupied districts to the German authorities, restored the mines and factories to their German owners and management, and relinquished their hold on the railways according to the time-table arrived at by the London Conference. The Agent-General for Reparation and his staff were duly appointed and installed in Berlin. The resultant partial demobilisation and reorganisation of the Reparation Commission not only represented a saving of cost, but replaced a body which had become associated in many people's minds with a policy scarcely judicial by one which had at least the advantage of a clean sheet in this respect. The machinery of control over German revenues and the new Bank came into being without friction, and the mortgage bonds which were issued on industrial concerns proved a less onerous burden than had been expected.

The Loan.

Finally, the issue of the 800 million gold marks loan, "the most important single development of the transition period," according to the Agent-General, turned out to be a conspicuous success. The London emission in October, 1924, of £12,000,000 7 per cent. sterling bonds at 92 per cent. was rapidly over-subscribed, despite a hostile campaign which had been carried on for some weeks previously in a section of the British Press, while in the case of the New York issue of \$110 millions, it was found necessary to close the lists within a quarter of an hour of opening. The following table, extracted from the Report of the

Agent-General issued on May 30, 1925, shows the tranches of the Loan taken up by the various countries:—

Tranche.	Nominal Amount.	Net Proceeds.*	
		Foreign Currency.	Gold Marks.
1. American	\$ 110,000,000	\$ 95,625,000	400,628,338.50
2. British	£ 12,000,000	£ 10,255,386 13 11	192,943,039.66
3. Belgian	£ 1,500,000	£ 1,295,625 0 0	24,375,656.83
4. Dutch	£ 2,500,000	£ 2,160,231 4 8	40,642,203.74
5. French	£ 3,000,000	£ 2,570,808 3 9	48,178,586.86
6. Italian	Lire 100,000,000	Lire 85,500,000	15,696,751.68
7. Swedish	S.Krs. 25,200,000	S.Krs. 21,751,060	24,250,126.64
8. Swiss (sterling)	£ 2,350,000	£ 2,065,000	38,850,540.37
9. Swiss (Swiss francs)	S.Frs. 15,000,000	S.Frs. 11,855,468.70	9,521,735.95
10. German	£ 360,000	£ 315,000	5,926,353.62
Less expenses of issue, negotiation, and delivery since receipt of proceeds..			19,623.10
Total			800,993,655.75

* The figures are subject to final adjustment, depending upon the expenses of issue, negotiation and delivery.

The bonds in every case bear interest at 7 per cent., and are redeemable in 1949. Since certain concessions made by one or more of the Allies at the London Conference were not unconnected with the necessity for providing sufficient security for the investor to make the issue of this loan a feasible commercial proposition, we may usefully set out the gist of a "statement" attached to the prospectus of the London issue giving the nature of the security provided.

The service of interest and amortisation is (1) A direct and unconditional obligation of the German Government chargeable on all the assets and revenues of that Government. (2) A specific first charge on all payments provided for under the plan of the Dawes Committee to or for the account of the Agent-General for Reparation Payments, such charge being prior to Reparation and other Treaty payments, which in turn have a specific precedence over the existing German debt. (3) A first charge by way of collateral security on the "controlled revenues," i.e., the gross revenues of the German Government derived from the Customs and from the taxes on tobacco, beer and sugar, the net revenue of the German Government from the spirits monopoly, and such tax (if any) as may hereafter be similarly assigned by the German Government in accordance with the terms of the final protocol of the London Conference. The Reparation Commission have postponed in favour of the charges created in respect of the loan all Reparation and other charges upon the payments to the Agent-General for Reparation Payments, including charges in respect of deliveries in kind or payments therefor, whether direct or through the operation of any Reparation Recovery Act or Decree.

Thus, though there is no direct Allied Government guarantee, as in the case of the Austrian loan of June, 1923, the investor possesses security of the highest order. Moreover, the service of the loan is amply covered. The amount required for interest and sinking fund should not exceed about 91½ million gold marks. The payments to the Agent-General for Reparation Payments have been fixed at 1,000 million gold marks for the first year, and are expected to increase thereafter until they reach 2,500 million gold marks for the fifth and subsequent years. The annual gross receipts of the controlled revenues should exceed 1,000 million gold marks. Further, the German Government may not create any further charge upon the controlled revenues ranking in priority to or *pari passu* with the charge created in favour of the bondholders of this issue. The Agent-General for Reparation Payments is one of the trustees for the bondholders, and it is provided that funds which have to be sent abroad shall have an absolute right of remittance, which will have priority over Reparation or other payments.

The results achieved up to the present by the various institutions set up in accordance with the terms of the Dawes Plan and the London Agreement are dealt with in Part II. of this supplement. We append here a list of their personnel:—

POSTS UNDER the REPORT of the FIRST COMMITTEE of EXPERTS and the LONDON AGREEMENT.

Organisation.	Position.	Name.	Nationality.
Reparation Commission	Additional Member of the Reparations Commission on Dawes Plan questions	T. N. Perkins	American
Transfer Committee	Members of the Committee	J. E. Sterrett	American
		J. Parmentier	French
		H. Bell	British
		P. Jannaccone	Italian
		A. E. Janssen	Belgian
Co-ordinating Board	Members of the Board	S. P. Gilbert	American
		G. W. J. Bruins	Dutch
		G. Leverage	French
		A. McFadyean	British
		B. Nogara	Italian
		L. Delacroix	Belgian
		G. W. J. Bruins	Dutch
		Dr. H. Schacht	German
Reichsbank	Commissioner	Dr. K. von Grimm	"
"	President of the Managing Board of the General Council	Herr E. Kaufmann	"
"		Herr P. Schneider	"
"		Herr A. Budozies	"
"		Dr. B. Bernhardt	"
"		Herr O. Seifert	"
"		Dr. W. Vooke	"
"		Dr. K. Friedrich	"
Reichsbank	General Council	Herr R. Fuchs	"
		Sir Charles Addis	British
		C. L. Sargent	French
		C. Feltrinelli	Italian
		E. Franconi	Belgian
		Gates W. McGarragh	American
		G. W. J. Bruins	Dutch
		G. Bachmann	Swiss
		Herr C. Wassermann	German
		Herr von Mendelssohn	"
		Herr E. Urbrig	"
		Herr H. Remshard	"
		Dr. L. Hagen	"
		Herr Max M. Warburg	"
German Railway Company	Commissioner	Dr. H. Schacht	"
	Trustee	G. Leverage	French
	President of the Board of Management	L. Delacroix	Belgian
	Board of Management	Herr von Siemens	German
		The late Sir Wm. Acworth	British
		Jules Jadot	Belgian
		E. Bianchini	Italian
		M. Margot	French
		Herr Bergmann	German
		Dr. von Miller	"
		Herr Munchmeyer	"
		Herr Sarre	"
		Herr Stieler	"
		Herr Arnold	"
		Herr von Bock	"
		Dr. Ing. Blum	"
		Herr Buck	"
		Herr Dan Fischer	"
		Herr Vitus von Herbill	"
		Herr P. Klockner	"
		Dr. Ott	"
		Dr. Ing. Carl von Siemens	"
Bank for Industrial Debentures	Director-General	Herr Oeser	German
	Trustee	B. Nogara	Italian
	Board of Directors	H. Debeyster	French
		C. Frerichs	Belgian
		Dudley Ward	British
		Dr. H. Bucher	German
		Dr. K. Lammer	"
		Dr. J. Frechthelm	"
		Dr. E. Trendelenberg	"
		Dr. H. Dorn	"
		Dr. E. Bail	"
		Herr T. Schwabach	"
		G. W. McGarragh	American
		Mario Alberti	Italian
		M. Dubois	Swiss
		Herr von Krupp	German
Controlled Revenues Advisory Committee for Controlled Revenues	President of Board of Directors	Mr. A. McFadyean	British
	Commissioner	Vacant	American
		"	French
		"	British
		"	Italian
Committee for Deliveries in Kind	Members of the Committee	Sir T. Urwick	British
		A. Aron	"
		A. Bemelmans	"
		V. Laviosa	"
		Dr. Cuntze	German
		Dr. Schaeffer	"
		Dr. Lister	"
		Dr. Reiser	"
		V. Wallenberg	"

(4) THE PARIS CONFERENCE.

The carrying out of the Dawes proposals regularised the financial relations of Germany and her Reparation creditors. The next stage was the effort of those creditors to determine varying outstanding questions as to the distribution of available receipts at a Conference of Finance Ministers held in Paris in January, 1925. The discussions were mainly concerned with the costs of various Commissions and Armies of Occupation provided in the Treaty of Versailles, America's claim to a share in the Dawes annuities, Belgian priority, and the respective percentage of the total receipts to be obtained by the remaining Allies, and last, but not least, with the division of the spoils obtained by France and Belgium from the "exploitation"

of the Ruhr. The Conference succeeded in escaping the obvious danger of being drowned in a sea of detail, and a comprehensive agreement was signed on January 14, 1925, after a shorter period of negotiations than had been expected.

The Terms of the Paris Agreement.

(a) It was agreed that the maximum annual charge for the Reparation Commission—to be defrayed, of course, out of the Dawes annuities—should be 7½ million gold marks from September 1, 1925, inclusive of 3.7 millions for the various organisations set up under the Dawes Plan. The maximum annual cost of the Inter-Allied Rhineland High Commission and the Military Commission of Control was fixed at 10 million and 8 million gold marks respectively (exclusive of the Military Commission's expenses in national currencies). The extent to which the cost of armies of occupation is to be allowed as a prior charge on the annuities was fixed for the twelve months ended August 31, 1925, at 110 million gold marks for the French army, and 25 millions each for the British and Belgian, any further charges falling to be added to Reparation arrears. The scale for costs in subsequent years is to be assessed later.

(b) The United States of America was allocated a definite sum of 55 million gold marks per annum out of the Dawes annuities as payment for her occupation costs, and a share in Reparation receipts of 2½ per cent. (with a maximum of 45 million gold marks in any one year) in respect of her Reparation claims, to be contributed proportionately by the other participants out of their own shares.

(c) Belgium waived her claim to priority in the distribution of Reparation moneys. As a *quid pro quo* her share was fixed at 8 per cent. instead of 4½ per cent. for the years ending August 31, 1925 and 1926—the lower figure to be reverted to when her priority rights have been fully met—and 4½ in succeeding years. The Greek and Roumanian percentages were fixed at 0.4 per cent. and 1.1 per cent. respectively. Apart from the adjustments rendered necessary by these decisions, the general provisions agreed on at the Spa Conference were confirmed as regards Great Britain and France.

(d) It was agreed that any profits accruing from the occupation of the Ruhr were to be set off against the Reparation claims of the Powers receiving them, but that the Dawes annuities were not subject to claims in respect of the Ruhr occupation arising earlier than September 1, 1924.

The conclusion of the Paris Financial Agreement reflects in no small degree the willingness of many of the chief protagonists to make substantial concessions. America reduced her initial claims in deference to the wishes of the Conference, while the other Allies waived their theoretical objection to a Power which was not a signatory to the Versailles Treaty obtaining a share of the receipts resulting therefrom. Belgium contributed to the pool of conciliation and accommodation by making a sacrifice in respect of her priority rights, Great Britain consented to put her signature to a document which, while not explicitly admitting the legality of the Ruhr adventure, certainly recognised it as a *fait accompli*, and acquiesced in the retention of the spoils by those who had seized them.

(5) THE REPARATION RECOVERY ACT.

In 1921, when the Allies were endeavouring to bring pressure to bear on Germany to secure her acceptance of the abortive London Agreement of that year, the so-called Reparation Recovery Act was passed as one of a number of coercive measures designed to secure that end. This of measure has, in practice, proved a principal means of obtaining a regular flow of Reparation payments, aggregating some £25,000,000. The procedure adopted, with the co-operation of the German Government, has been as follows:—The English importer of German goods has paid 74 per cent. of the price to the German seller, and the 26 per cent. to the English Customs, and sent the Customs receipt to the seller, who has obtained an equivalent payment from the German Government. For a limited period during the Ruhr occupation the German Government protested its inability to find the cash with which to reimburse its exporters, and the levy became purely protective in effect, while at a later date the Labour Government in Great Britain reduced the percentage from

26 per cent. to 5 per cent. for a short time, but with these exceptions the method of collection remained substantially as indicated. Great Britain's initiative in the matter was followed later by France.

After the machinery of the Dawes Plan had been set up, however, a rather anomalous position arose as between the British authorities and the Agent-General for Reparation Payments. The latter naturally disliked a plan under which a substantial amount of the receipts obtainable from Germany did not pass through his accounts, and one, moreover, which put a charge upon the exportable assets of Germany without bringing them under review by the Transfer Committee. After much discussion an agreement has therefore been made with all the parties concerned that the Acts shall function in a new way. German exporters will, in future, periodically surrender to their Government an amount of sterling equal to 26 per cent. of the British customs' valuation of imports from Germany during the previous month, against subsequent reimbursement in marks through the Agent-General, 800 of the principal German exporting firms having given an undertaking to this effect. The money will thus be paid in bulk instead of on specific transactions, and the amount will be reduced if the yield is greater than the sum due to Great Britain for her share of Reparations. The German Government, on the other hand, has agreed to establish a reserve fund of £500,000 sterling to provide against temporary fluctuations in the amount of sterling received from German exporting firms.

(6) FUTURE PROSPECTS OF THE PLAN.

The extent to which the Dawes Plan has removed Reparations from the political arena has been strikingly demonstrated by recent events. Of the most important European Governments whose representatives negotiated the London Agreement not one remains in office to-day (with the exception of Signor Mussolini's Government in Italy), but the mechanism of Reparation has remained absolutely unaffected. While Great Britain has exchanged a Labour for a Conservative Administration, and France has replaced M. Herriot by M. Painlevé with his colleagues MM. Briand and Caillaux; while Belgium has been endeavouring to forge an effective Government out of a political stalemate, and Germany has admitted Nationalists to her Cabinet and elected a Nationalist President—the Agent-General for Reparation Payments has continued imperturbably to issue the colourless monthly reports which are the sole outward and visible sign of the present existence of a Reparation problem. In the "disarmament" controversy, and the tentative "security pact" negotiations, Reparations have played no part whatever.

But this appearance of tranquillity should not deceive anyone into a belief that the Reparation question has been finally disposed of, and nothing remains but to take the proceeds as they mature. The facts as they stand fully justify the note of caution expressed in a recent speech by Lord Bradbury, who of all men ought to be able to form an accurate judgment. When Germany has begun to defray the Dawes annuities, not out of borrowed money but out of her own resources, it will be possible to measure her ability to sustain the full weight of the burden imposed on her by the Dawes Plan. When extensive payments abroad have to be made in cash, as well as in kind, the machinery set up under the plan will for the first time be severely tested, and the ability of the Allied nations to receive Reparations without straining their own economic systems disclosed. In the second part of this Supplement we give the latest available information regarding the various sources from which the wherewithal for Reparations must ultimately come—the German State revenues, the Railway Company, the Industrial Bonds, &c.—and leave our readers to draw their own conclusions from the evidence. We have shown above that if Reparations are not forthcoming on the scale envisaged by the Dawes Committee, the Allies have reserved, in the last extreme, all their right under the Treaty of Versailles, which, on the French thesis, would permit of a re-occupation of the Ruhr, and throw the whole question into the melting pot once more. Is such a contingency at all likely? No definite answer can safely be hazarded at this stage, but one or two factors may be pointed out suggest-

ing that independent action by France on these lines is much less probable than would have been the case two years ago. In the first place although the Government of the United States have accepted no formal responsibility for the Dawes Plan, that country is interested in so many different ways as to make it unlikely she would stand by and see it completely wrecked without making a considerable effort to save it. The scheme has for its god parent the Vice-President of the United States; American investors found one-half of the money raised to finance it, and were encouraged so to do by President Coolidge; on its administrative side the scheme is manned predominantly by Americans, and their Government is to receive two and a-quarter per cent. of the money it produces. No European State would care lightly to resist the weight of American influence were the latter to be thrown decisively

into the scale at a time of crisis. In the second place, French expectations in 1925 are framed on much more modest lines than in 1923. The process of disillusionment may be said to have started in the early months of the Ruhr occupation, when France discovered that the whole coal output of the Ruhr mines was not available for Reparations, but that costs of production must first be met, and only the profit—if any—was available for Reparations. For the future, France is much less likely to confuse substance—however disappointing—with shadow. One may therefore venture to hope that the Dawes Plan will be given every opportunity to succeed on its own merits, and that for five years at least Europe will enjoy a respite during which it may put its economic affairs in order without the intervention of the Reparation question to upset its hopes at every stage.

THE DAWES PLAN IN OPERATION.

(1) THE BUDGET.

Germany's Budget for 1924-25 shows considerably better results than the Experts anticipated. The Treasury return showing actual intakings and payments-out April, 1924, to March, 1925, inclusive, is:—

	Millions of Marks.
Receipts—	
Taxation	7,311.7
Administration receipts	474.5
	7,786.2
Expenditure—	
Subventions to States and Municipalities ..	2,629.3
Federation administration	4,266.2
	6,895.5
Redemption of gold loan	230.9
	7,126.4
Surplus	659.8

These sums are a little less than Germany will actually receive in respect of 1924-25, for the reserved revenues for March, 1925, were handed over to the Controller, Mr McFadyean. As the Dawes Plan does not ask Germany to pay anything out of the Budget this year, such sums are passed back to the Government. But as they have to be verified there is a period of delay, and on the last day of March, Mr McFadyean had sums in hand payable to the Government. The surplus shown is much better than was expected. Indeed, the yield of taxes increased rapidly from quarter to quarter in the financial year 1924-25, the figures for each quarter being as follows:—

	Millions of Marks.
1st quarter	1,514.8
2nd "	1,784.3
3rd "	1,993.9
4th "	2,018.9
	7,311.7

As the revenue showed much better results than the Government budgeted for, it permitted itself certain expenditure, which were detailed by the Finance Minister to the Reichstag on April 30th:—

	Millions of Marks
Estimated receipts from taxation were	5,244
Estimated Federal share thereof	3,382
Actual receipts	7,312
" Federal share	4,567
Surplus of Federal share over estimate	1,185
Or, including profits from Mint, interest, &c.	1,922
There against—	
For covering of estimated deficit	348
Realised surplus	1,574
Special liabilities to be met out of surplus—	
Old debts from passive resistance time, &c.	577
Redemption of Gold Loan (above estimated 100 million marks)	136
Compensation for losses through enforced liquidation, &c., to States for property lost through Peace Treaty, &c.	527
	1,240
Net surplus in hand after payment of special liabilities	344

The Finance Minister in the period covered, however, must have underspent, his actual balance on April 1st being—as shown above—659.8 million marks. It is of considerable interest to see what items are responsible for the great difference between the estimate and the actual realised income. This is given in the following table:—

	Estimated. Marks	Realised. Marks.
All taxes	5,243,747,035	7,311,748,258
Thereof—		
Income-tax	1,344	2,210
Company income-tax	144	314
Property tax	376	499
Sales tax	1,260	1,794
Luxury tax	180	119
Capital transactions tax	198	168
Traffic tax	230	313
Customs	160	356
Tobacco	360	513
Beer	126	195
Sugar	231	217
Spirits	140	141
Wine	48	94

The corresponding details of expenditure are not yet known.

As regards the future, however, it has to be remembered that there are heavy items still to go upon the German Budget, the Reparations being the most important of these. The Dawes Committee Report, therefore, contained a somewhat detailed criticism of the German Budget system and the various items in it, and suggested additional taxation. The present German Government accepts this view, and has put forward a plan for additional taxation.

The Budget and Supplementary Budget for 1925-26 have, however, not yet been sanctioned. This Budget was drafted before the taxation results of 1924-25 were known; and the taxation yield estimates of 1924-25 were accepted for 1925-26, almost without change. The original Budget for 1925-26 showed a deficit of 277 million marks, or with the Supplementary Budget 349 million marks. The combined Budgets show:—

	Mills. of Marks.
Revenue, ordinary and extraordinary	5,671
Expenditure, ordinary and extraordinary	6,020
Deficit	349

According to the Finance Minister's statement to the Reichstag of May 14th, the surplus yield of taxation remaining to the Republic will be less than in 1924-25, being 840 million marks as follows:—

	Mills. of Marks.
Gross taxation receipts	6,527
Subventions to States and Municipalities	2,305
Net to Reich	4,222
Net to Reich as in Budget	3,382
	840

Against this 840 million marks stands the above Budget deficit of 349 million marks, a sum of 338 million marks representing increases in expenditure estimates made by Reichstag Budget Commission, in addition to which the Republic proposes to create a Reparations Fund of 300 millions, in all 987 millions, so that the final result is a deficit of 147 millions. To meet this the Government proposed to increase the tobacco and beer duties so as to yield an additional 130 million marks, thus reducing the deficit to 17 million marks. These taxation increases have been rejected in Reichstag Committee, and compromise proposals are under way. Other taxation questions handled of late are: The definitive Income-tax. The exemption limit has been raised from 60 to 80 marks monthly, and the family abatements made more liberal. The maximum

e, which was (provisionally) 20 per cent. in 1924, and the new Government Bill 33.3 per cent., has been raised Committee to 40 per cent. The tax payable on an income 8,000 marks is 10 per cent., 15,000 marks 11.67 per cent., 110,000 marks 36.87 per cent., 3,990,000 marks 9 per cent. (family abatements disregarded). Property x:—As amended in Reichstag Committee, this rises from 10 per mille annually on property worth under 10,000 marks 7½ per mille on over 5,000,000 marks; but in 1925 and 26 the maximum rate is to be 5 per mille. The Government has refused to reduce the Sales Tax further below present 1½ (formerly 2½) per cent. The triennial tax increment of wealth has been abolished, and the Cabinet has refused to substitute an inflation profits tax. Capital Transactions Taxes on company issues, stock transfers, bills of exchange, &c., were very much reduced in 1924. A considerable increase in revenue will result from the pending Customs Tariff reform. On the basis of the tariff and on the import volume of 1924, Customs receipts would increase from the estimated 160 millions to around 600 million marks. The Tariff Bill restores the pre-war maximum duties on grain, and fixes irreducible minimum rates, restores also the abolished duties on meat, dairy products, and other necessary foods, and while increasing moderately the duties on most industrial articles, imposes prohibitive rates on certain of them, in particular luxury articles, motor vehicles, typewriters, cash registers, and other articles in these classes, and certain kinds of chemicals. The duties on heavy iron and steel are, with certain minor exceptions, not increased.

The Financial Outlook.

There is no reason to regard the satisfactory Budget results as merely temporary, for in view of the wiping out of her war debt by inflation and a low level of military expenditure, the burden placed upon the German Budget by the Dawes Plan is not very large. In this connection, however, two points call for comment. One was the possibility that some portion of the charge on the repudiated war debt might have been restored. But certain events show that this will be a relatively minor matter. The re-war debt, war debt, and such part of the post-war debt as was contracted in old marks, entirely disappeared, having been first turned into paper mark liabilities by law of August 4, 1914, and ultimately stabilised in November, 1923, at the ratio of 1 billion paper marks to 1 gold mark. The nominal debt had, however, already been reduced out of the yield of sold Army material and as result of its acceptance in payment of taxes. The condition of the old debt as determined late in 1924 for the purpose of amortisation was as follows:—

	Marks.
Outstanding pre-war debt (Federal)	18,956,528,042
Whereof 4,805 millions were original Federal debts, and the remainder State debts taken over in exchange for the railways.	
War debts	51,148,330,400
Post-war	3,840,000,000

The forced loan of 1923—the last loan subscribed in paper marks—has been declared officially to have been practically a tax, and is not to be recognised as a debt.

The valorisation of the above debts has gone through several stages. According to the Third Taxation Decree of February, 1914, which partially restored private depreciated debts, no claim for principal or interest on paper-mark public debts could be made until after full payment of Reparations, but no bondholder could meantime be compelled to accept repayment in paper marks at the nominal sum. A Government Bill submitted in the spring of 1925, which has passed its third reading after much alteration, enacts: (1) "New" bondholders, i.e., those who acquired after June 30, 1920, shall receive 25 reichsmarks nominal of new "loan redemption debt" bonds in exchange for every 1,000 marks nominal of their old paper mark bonds. Until after Reparations have been fully paid, the "loan redemption bonds" issued to these "new" bondholders will not bear interest nor will they be amortised. (2) "Old" bondholders, those who acquired before July 1, 1920, and who have held since their bonds uninterruptedly, shall receive 50 reichsmarks nominal of new "loan redemption debt" bonds for every 1,000 marks nominal of old paper-mark bonds. The loan redemption debt bonds of "old" holders will also not at present bear interest; but they will be amortised gradually in the course of the next thirty years at a premium of 150 per

cent., so that the "old" bondholder will get 125 reichsmarks cash for every 50 reichsmarks of new "loan redemption debt" bonds, that is for every 1,000 marks nominal of his paper-mark loans. To the sum thus due on amortisation will be added 4½ per cent. per annum simple interest between January 1, 1926, and the date of amortisation. Finally, if the "old" bondholder is destitute and has an income of under 800 marks, he will get an inalienable life pension of 20 reichsmarks per 1,000 marks nominal of his paper mark bonds, but not exceeding 800 marks. It is estimated that 20 milliard marks nominal out of a total 70 milliard marks nominal of paper-mark loans are in "old" hands.

The second matter of uncertainty arises out of the relation of the central finances to those of the different States. In the pre-war Germany the States were the main direct tax authorities; in present Germany, with its centralised finances, the Central Government is the main collector of revenue. Before the war, with exception of the postal, telegraph, and telephone services (which are now separated from the Federal finances), and of the State contributions based on population, nearly the whole of the Federal revenue came from Customs and Excise. Income-tax was wholly left to the States and Municipalities. The States Taxation Law of March, 1920, delimited anew the tax competence of Republic, States, and Municipalities; and in particular prohibited the latter two from levying any tax based on the personal paying ability of citizens, thereby taking income and property taxation in particular into the Federal domain. The chief sources left to the local Governments were the industry and land taxes. As compensation, the Republic has paid since subventions to the States and municipalities out of the yields of direct taxes and of the sales tax. The proportions so paid over have varied, and are at present under revision. No settlement has been come to. When the temporary regulation of February, 1924, expired at the end of the financial year 1924-25, a new provisional regulation for the next six months was made. A Bill now before the Legislature gives the Republic 25 per cent. of the income and corporation income-tax yield, and (after the first six months) 80 per cent. of the yield of the sales tax. The State Governments will agree to the Republic's retaining only 10 per cent. of the income-taxes and 70 per cent. of the sales tax. As compensation for taking 25 per cent. of the income-taxes, the Republic proposed that the States be authorised after March, 1926, to themselves impose unlimited income-tax supplements, thereby breaking with an important provision of the States taxation law, and, in fact, abandoning the main principle of the Erzberger Financial Reform of 1919-20. No agreement has yet been come to.

It is clear from this statement that, as in the case of Austria, the expenditure of the States and smaller local bodies might have a very important influence on the question whether or no the finances of the nation are in a state of equilibrium.

Pre-war Comparisons.—The change in the constitution, the alteration in the area of Germany, as well as the movement of prices, makes it impossible to give comparison with the pre-war situation. It may, however, be convenient to put on record the figures:—

	Marks.
The Federal Budget for 1913 balanced at	3,696,033,200
Ordinary revenue	3,577,398,700
Whereof—	
From taxation	2,488,998,800
" posts, telegraphs	842,369,000
Extraordinary revenue	118,634,500
Whereof—	
From loans	39,151,000
Ordinary expenditure	3,577,398,700
Whereof non-recurring 1,127,639,500 marks, including 580,559,900 marks on Army and 233,207,600 marks on Navy.	
Extraordinary expenditure	118,634,500
Whereof 12,700,000 marks on Army and 49,650,000 marks on Navy.	

An official summary of the distribution of taxation in 1914 and 1924 is:—

1924 is:—	Marks per Capita of Population.	
	1914.	1924.
Federal	33.73	52.02
State (Prussia).....	13.40	26.27
Municipal	30 to 40	40 to 60

Approx. 82 Approx. 129

The heavier increase in State taxation since 1914 is due to the fact that railway surpluses then provided a considerable part of total revenue. The increase per head is remarkably small in comparison with the great increase in the burden borne by other nations whose debts have not been eliminated by depreciation. Germany is, however, creating a new debt. The following shows what it at present amounts to and the comparison with 1914:—

DEBT.	Marks.
Federal Debt, March 31, 1914	5,157,897,000
April 30, 1925	2,782,300,000
(whereof 941.6 million marks Reparations Loan, and 1,771.7 million marks debt to Rentenbank).	

National Income and Taxation.—It is obviously peculiarly difficult to assess at all accurately Germany's national income. The last official summary (based on private estimates) put pre-war national wealth at 300 to 310 milliard marks; post-war at 170 to 180 milliard marks. The pre-war national income (on pre-war area) is put at 42 milliard marks; and it is estimated that 20 per cent. has been lost through territorial cessions only; also, an estimated loss of 2 milliard marks per annum formerly received from capital and undertakings abroad. The estimate of the late Dr Helfferich of from 18 to 22 milliards as the post-war national income has been officially endorsed; but the Berlin Chamber of Industry and Commerce, on a basis of its own more recent calculations, puts the national income at 35 milliards, with the same buying power as 23.24 milliards before the war.

Pre-war estimates of national wealth were:—

Highest....	397	milliards (Steinmann-Bucher).
Lowest	300	" (Present Chancellor, Luther).

Post-war:—

Highest....	243.6	" (Mario Alberti, for 1920).
Lowest	150	" (Luther, 1924).

Pre-war estimates of national income were:—

Highest....	43.5	milliards (Dr Raedel, for 1913).
Lowest	40	" (Dr Friedrich Raab, for 1913).

Post-war:—

Highest....	35	" (Berlin Chamber of Ind. and Com.).
Lowest	18	" (Helfferich).

Figures for State and municipal taxation are not available for very recent dates. The Cabinet estimates the total at from 9 to 10 millions, and the Berlin Chamber of Commerce accepts the latter figure. On the basis of the Chamber's estimate of national income, the percentage of taxation of all kind works out at about 28½ per cent., which is substantially higher than in either Great Britain or France. But there are many elements in this calculation which require verification before it can be used with confidence.

A calculation of some interest to British readers is that of the Federal Ministry of Labour, which estimates the burden of taxation and premiums for social purposes (insurance, &c.) at 1,600 million marks annually. Dr Tanzler puts the figure at 1,900 million marks.

(2) THE NEW RAILWAY COMPANY.

The new constitution of the railway company is laid down in the law of August, 1924, which provides for the creation of a German railway company (*Deutsche Reichsbahn-Gesellschaft*), with a capital of 15 milliard gold marks, whereof 2 milliard preferred shares and 13 milliard ordinary shares, which shall issue 11 milliard gold marks in Reparation bonds, secured as a first mortgage on all the company's movable and immovable property. The company has exclusive operation right, which is to terminate at the end of 1964, or whenever all the Reparations bonds have been amortised or brought back. The company may not alienate property without the consent of the trustee; and may not encumber its property for new loans for longer than to January 1, 1965, without the consent of the Government. It is free from all taxation imposed after February 12, 1924. Its employees, as regards rights and duties, remain officials of the Republic. The Republic has a supervision right as regards safe and satisfactory operation, and certain rights of control, prohibition, and collaboration, and it can demand information on matters within these rights. The company must liquidate as soon as its operating right terminates as above, and must retransfer its properties to the Republic. The accounts of the new railway company up to February 28th show a considerable profit. The company's normal business year is the calendar year, but the

first business year stretches from October 1, 1924, to December 31, 1925. On October 11, 1924, the company took over the railways in unoccupied territory, and on November 15th those conducted by the Franco-Belgian regie. The result of the five months' management was:—

Receipts—	Millions of Marks.
Passenger and luggage	457
Goods	1,102
Other	109
	1,668
Expenditure—	
Salaries and wages	945
Material	500
Interest	4
	1,449
Extraordinary expenditure	116
Interest on Reparations Bonds	100

Thus the railway company has not only met its reparation obligations, but had a margin for capital expenditure. This is very satisfactory in view of the period of deficits through which the railways of Germany passed during the inflation period.

The Agent-General's Report notes that the results so far are, on the whole, satisfactory. Despite somewhat unfavourable conditions, the receipts for the six months have nearly tallied with the estimates of the company, leaving a working surplus of 276,809,000 reichsmarks, of which 142,469,000 has been devoted to extraordinary expenditure. This result has been attained notwithstanding substantial reductions in freight rates and a considerable excess of expenditure over the estimates.

The Report of the Commissioner emphasises the necessity, on the one hand, of keeping expenditures within proper limits, and, on the other, the importance of maintaining tariffs for both passenger and freight transportation that will yield an adequate return for the services rendered by the railway company. The figures given in the Commissioner's Report show the substantial extent to which freight tariffs have been reduced since September 1, 1924, particularly on goods of numerous classes, and the relatively low increase over pre-war passenger rates in Germany as compared with the rates in other countries. It shows also the extent to which the recommendations of the experts for increases in workmen's wages have already been carried into effect. As against this, it is interesting to note the extraordinary charges which the railway company has to bear, such as the increase in expenditure for pensions, particularly those to discharged employees.

(3) THE INDUSTRIAL BONDS.

The Dawes Plan provided that a bond for 5 milliards of gold marks should be drawn against certain industrial undertakings. This was imposed by the Act of August, 1924, which provides for the distribution of the burden among the individual industrial undertakings on the basis of their property tax assessments. Thirty-two milliard marks of property was found assessable for this special charge, which is a good deal higher than was expected, and the charge, therefore, works out at 15½ per cent. instead of the 25 per cent. at first anticipated. The German Government has, however, accepted the view of the industrialists that a bond on industry means in effect a tax discrimination. They have, therefore, imposed a charge upon the capital value of banking, commercial, and other forms of economic activity which will produce a part of the interest required on the present bond, and will, perhaps, reduce it by one-half. If this should materialise, the burden on industry proper will be proportionately reduced.

(4) THE BANK CONTROL.

There is little to be said about the bank control. A Controller has been installed, but his primary function is to watch the note issue to see that it conforms to the constitution of the bank. He also must be kept informed of what is passing, for it is to him that the Allies would first look for an opinion if any question arose as to whether "financial manœuvres are being resorted to with the intention of making it difficult to transfer funds abroad." But these phrases, as well as Dr Bruin's function, are a matter of considerable ambiguity and doubt. Recently the Bank rate was lowered, and the Controller was doubtless kept informed of the discussion on this matter. But there is no reason to suppose that his opinion played any

part in the matter. In other words, the Allies are not attempting to make themselves generally responsible for monetary policy. They may, however, find themselves driven to attempt some intervention if difficulties arise when the time comes to transfer money abroad. For the time, however, it is sufficient to observe that the position of the Controller is a negative one.

(5) THE AGENT-GENERAL'S ACCOUNTS.

Up to the present, Germany's obligations under the Dawes Plan have been punctually met. Thus, the Note presented by the Allies to Germany on June 4th (Cmd. 2429) contains a statement by the Reparation Commission to the effect that "Germany is faithfully fulfilling her Reparation obligations as they are at present fixed." The following is a summarised statement of receipts and payments issued by the Agent-General for Reparations, and covering the "First Annuity Year" as far as the end of April, 1925:—

(On cash basis, reduced to Gold Mark equivalents.)

Receipts.	Million Gold Marks.	Payments.	Million Gold Marks.
Cash withdrawn from proceeds of German External Loan, 1924	529.6	Payments to various Allied countries	560.0
Interest on Railway Bonds, half-year to Feb. 28, 1925	100.0	Coal, transport, &c., to Belgium and Luxembourg	10.4
Receipts from Belgium and Luxembourg	10.2	Expenses—	
Exchange difference & interest received	0.29	Reparation Commission	4.3
		Rhineland High Commission	5.5
		Military Com. of Control	7.0
		Naval	0.07
		Service of German External Loan	41.6
		Administration costs of Office for Reparation Payments	2.0
		Balance of cash in hand, April 30, 1925	9.2
Total	640.0	Total	640.0

* Receipts is reimbursement of cost of coal, coke, and lignite delivered other than on Reparation Account, and transport charges in respect thereof.

† To be reimbursed to Agent-General.

From this balance-sheet the significant fact emerges that the payments made by Germany this year are being provided almost entirely out of amounts borrowed from other countries. For the present, Germany is enjoying a virtual moratorium, during which she is steadily benefiting from the stabilisation of her currency, and consolidating her internal position against the time when substantial amounts will fall due to be paid out of her own budgetary resources.

Another important point to be noticed is that the amounts received so far have not involved any transfers in cash. An analysis of the value of Reparations received by the chief Allies reveals the following position (to April 30, 1925):—

(Million Gold Marks.)

	To Great Britain.	To France.	To Italy.	To Belgium.	Total Four Countries.
Arising on account of—					
Reparations Recovery Act	120.4	12.2	..	..	132.6
Cost of armies, requisitions, &c.	23.8	81.2	..	11.9	116.9
Delivery of dyestuffs and receipts in kind	4.5	174.3	44.6	53.8	277.2
Total	148.7	267.7	44.6	65.7	526.7

The inclusion with the above figures of miscellaneous deliveries to other Allies, valued at 33.2 million gold marks, payments for coal delivered to Belgium and Luxembourg, to be reimbursed, 10.4 millions, and other expenses (including service of German External Loan), brings the total payments to the equivalent of 630.9 million gold marks. The Transfer Committee has thus had not a single problem to consider as yet, and no opportunity has arisen of testing its efficacy as a means of preventing undesirable consequences when international payments are being effected.

ECONOMIC CONDITIONS.

Economically, Germany is still in a transition stage. The industrial and commercial effects of inflation have not wholly disappeared, and the legislative readjustment of private property relations is still pending. The volume of circulating currency is below the normal and expected figure, the supply of capital is inadequate, and the creation of new capital out of savings has only begun. Credit, whether home or foreign, is obtained with difficulty, and at abnormally high rates. These conditions powerfully affect industry. Foreign trade is still more emphatically in a transition state. Important economic restrictions in the Peace Treaty were removed only in January. With several leading countries commercial-treaty relations do not exist, and future trade will be conducted under a Customs Tariff materially differing from the existing one, which dates from 1902. Germany under present conditions is a low-tariff country, since the specific duties imposed in 1902 are lower in relation to the prices of to-day than was intended. Moreover, the war swept food duties away, and it is only recently that new agricultural protection has been proposed. An increased tariff is now before the Reichstag. For this, as well as for the other reasons mentioned, business in the next few years will develop under conditions very different from those at present prevailing, and it is impossible to foresee its trend.

(1) CURRENCY AND PRIVATE FINANCE.

German currency is dominated primarily by the Reichsbank's credit policy. A limit upon Reichsbank note circulation, given the legally necessary cover, does not exist. The supply of currency, including rentenmarks and the emergency currencies which have since disappeared, was wholly inadequate in the first months after the currency reform of November 15-20, 1923. After that date the Reichsbank note circulation rapidly increased, partly owing to its being issued in exchange for emergency currencies, partly owing to expansion of credit. In the spring of 1924 the Bank and the Government took fright, fearing of internal depreciation of the "mark," by which was then meant 1 billion paper marks or its equivalent, 1 renten-

mark; and the Bank announced that it would not increase credits beyond the figures reached in April. In September the Bank increased its credit ration by 10 per cent., and also admitted bank acceptances to discount. The discount rate, which had been 10 per cent. (for "stable-value" transactions) since the currency reform, was reduced to 9 per cent. on February 26, 1925. After the adoption of the credit rationing system prices fell, and though they have again risen, there is no sign of inflation. Reichsbank circulation has, however, greatly increased. In addition to calling in of emergency currencies is the factor of foreign credits, which, though in part spent on imports, were in part handed over to the Bank for conversion into marks, needed for internal industrial expenditure. Under the latter influence, the Reichsbank's circulation has increased more or less independently of its volume of credits:—

	Millions of Gold Marks.	Circulation.	Discounts.
1913—December 31	2,593	....	1,491
1923—November 23 (after mark stabilisation) ..	224	....	144
—December 31	496	....	307
1924—June 30	1,097	....	840
—December 31	1,941	....	2,064
1925—June 30	2,474	....	1,691

The total currency circulation, which at present consists of Reichsbank notes, Rentenbank notes, and private issue bank notes, has moved as follows. The figures for 1913 include coined gold:—

1913 (year's average)	6,070
1923—December 31	2,273
1924—June 30	3,129
—October 31	3,826
—December 31	4,274
1925—June 30	4,790

The Rentenbank, which was founded late in 1923, in order to provide a stable currency, and to lend a limited sum to the Republic, so as to help it over the transition period until the inflow of taxes in good money should make Budget equilibrium possible, has fulfilled its functions, and is now being converted into an agricultural credit bank. The Gold Discount Bank, which was founded early in 1924, with English capital, and later American rediscount

credits, in order to grant credits for import of raw materials designed for re-export in finished form, suspended further credit-giving late in 1924, and began to liquidate old credits, but it has since resumed credit-giving. Its rate, which had been 8 per cent. since foundation, was reduced to 7 per cent. in May, 1925.

Credit conditions since the stabilisation have been extraordinarily strained. At the end of the depreciation period interest on short-term paper-mark loans cost up to 40 per cent. per day, the intent being to cover the risk of depreciation. After stabilisation, and until lenders concluded that the stability would endure, a modified "depreciation premium" was charged, with result that in January, 1924, day money cost 85 per cent. per annum, and month money 35 per cent. These rates quickly dropped to around about 30 and 25 per cent. approximately, but rose to respectively about 50 and 40 per cent. in April, after which they dropped slowly to around 10 per cent. at the end of the year. The tendency for day money has since been slowly downward, and the supply has been abundant, the Berlin rate in mid-May being $7\frac{1}{2}$ to 9 per cent., while month money cost $9\frac{1}{2}$ to 11 per cent. In spring the Berlin bourse resumed the pre-war practice of daily quoting a private discount rate, which began at 8, and fell to $7\frac{1}{4}$ per cent. Long-term credit, except from abroad, is very difficult to obtain. The industrial debenture market is almost non-existent, and mortgages, which bear nominal interest of 12 per cent., in fact cost 3 to 4 per cent. more, the capital sum being either paid in cash at a discount, or in form of mortgage-bonds, which sell at a loss. Owing to the pending Valorisation Bill, which annuls old contracts, revives extinguished mortgages, and in certain conditions repudiates the records of the land registers, mortgages are risky transactions, and this market is practically dead. Bank interest-rates on loans are about double the rates granted upon deposits. This is defended on the ground that the banks are drawing practically no revenues from capital issues, Bourse transactions, and some other former sources of profit.

In spite of such obstacles, credit greatly expanded in 1924. The total of discounts and advances by the Reichsbank and private note banks, and the agricultural credits of the Rentenbank increased from about 600 million marks at the beginning of 1924 to 2,500 million marks in June, 1925.

Though still weak, the capital issue market has greatly improved since the stabilisation. In the first quarter of 1924 under 12 million marks were raised for increase of existing company capitals; in the last quarter, 138 million marks. The total for the year was 230,120,000 marks. No increase took place in capital issues by new foundations, and the number of these declined. The total issues by new foundations for the year was 128,520,000 marks. Fixed interest issues totalled 176,320,000 marks, but of this sum 130,000,000 marks were railway and post loans. The re-accumulation of national capital proceeds fairly satisfactorily, but it is believed that a part of the increase in deposits in banks and savings banks does not represent money spared out of income, but rather realisations of foreign currency and other stable values hoarded during the inflation years. Complete savings bank figures are not obtainable. In February the Reichsbank President estimated Savings Bank deposits at 2,000 million marks, as against 400 millions in 1923, and added that the German nation has altogether, including insurance reserves, 8 to 9 milliard marks of savings. All local savings bank reports show increases. Between November, 1924, the date of stabilisation, and March, 1925, deposits in the Prussian savings banks increased from 332 million marks to 621 million marks. The estimates of Germany's present income from investments differ materially. The Minister of Industry estimates that after valorisation of debts is carried through according to the present plan, the pure rentier capital invested in loans, debentures, mortgages, and similar investments will be 25 to 35 milliard marks, which is one-fourth to one-fifth of the pre-war figure.

(2) FOREIGN TRADE.

Foreign trade statistics are unreliable. Before the currency stabilisation of November, 1923, the value returns were in paper marks of varying value. The later-published gold mark totals were estimates, based upon

quantities of goods imported and exported. Since the stabilisation the value returns have been in gold or reichs (new) marks. The chief feature of post-war foreign trade was a practical equilibrium of imports and exports until the end of 1923, since when there have been heavy import surpluses:—

(Millions of Gold Marks.)		
	Imports.	Exports.
1913	10,769.7	10,097.2
1920	3,928.7	3,709.3
1921	5,732.1	2,990.6 (May-Dec.)
1922	6,302.8	6,181.5
1923	6,081.3	6,079.5
1924	9,317.3	6,568.2

The first annual import surplus of dimensions worth mentioning occurred in 1924. Of a return to trade equilibrium in 1925 there is so far no sign:—

(Millions of Gold Marks.)		
	Imports.	Exports.
1913, monthly average	897.0	841.0
1925, January	1,365.6	697.4
February	1,123.6	631.4
March	1,110.5	711.1
April	1,080.9	672.3
May	1,084.0	732.1

The geographical distribution of trade in post-war years before 1924 is not reported. In 1924 it was:—

(Millions of Gold Marks.)		
	Imports.	Exports.
Europe	5,182.8	4,762.7
Africa	380.7	143.2
Asia	857.3	511.0
America	2,623.7	1,117.9
Australia	269.9	29.1

The main difference as compared with pre-war years is the conversion of an active balance with Europe into a passive balance. This is due to increased European Protection, special measures against German trade, including anti-dumping measures adopted in the mark depreciation years, the rise abroad of competitive industries in former special German branches, and the now withdrawn restrictions of the Peace Treaties, including the duty-free import contingents. In 1913 the trade balance with Europe was active, imports being only 5,888.0 million marks, against 7,677.5 million marks exports. The change since 1913 in the American trade balance is relatively small, imports from both Americas in 1913 having been 2,994.6 million marks, as against 1,546.7 million marks exports. In a broad sense, the unfavourable trade balance is due to continuing dependence upon abroad for necessary food-stuffs and raw materials, while exports of manufactures have declined; but an additional factor is the disappearance of the former favourable trade balance in heavy goods, in particular coal and iron. The year 1924 also witnessed a large increase in imports of manufactured, partly luxury, goods, and in a deterioration of the trade balance in textiles, which was only partly due to necessary import of raw and half-finished materials.

The very unfavourable foreign trade balance of 1924 and 1925 is not necessarily symptomatic of the future trend. Owing to conditions on the Western frontier in 1924, exports were considerably larger than appears in the return. The impending termination of the treaty restrictions on January 20, 1925 resulted in the rushing in of large quantities of Alsace-Lorraine duty-free goods, and this appears plainly in the statistics. The currency stabilisation and the general rise in earnings suddenly created buying power, which enabled citizens to make up for privations of past years, and many foreign products not seen since 1914 reappeared on the home market. But a main factor was the replenishment of native capital by means of foreign loans and credits, which were transferred largely in shape of foreign goods. Through this, through the foundation of the Gold Discount Bank, and through the resulting abundance of, and later removal of restrictions upon dealings in, foreign exchange, the influences which checked importing in the inflation years disappeared. The passive balance was, therefore, due entirely to greatly increased imports, and not to declining exports, which, on the contrary, after remaining unchanged in 1922-23, increased materially.

The year 1925 opened very badly. The first five months show an adverse balance of 2,320 million marks, which for the whole year would mean about 5,570 million marks, or equal to nearly the whole volume of exports in

1923. This development, however, is not expected. The import flood reached its height in January, and shows signs of declining. Imports in 1924 were highly erratic, being considerable in the spring, very small in the summer after the Reichsbank began to ration credit, and very large in the last months, when the Dawes Settlement restored international confidence and induced foreign capitalists to end. As against this, exports have increased from month to month almost without a break. Exports per quarter were:—

	Millions of Gold Marks.
January-March	1,353.8
April-June	1,473.4
July-September	1,726.9
October-December	1,995.2

Unless financed by further foreign credits, a continuation of the large import surpluses seems impossible.

The question of the foreign trade balance is associated with Germany's ability to make net payments to abroad, whether for her normal liabilities for interest upon foreign loans and investments, or for the Reparation scheme. The doubtful question how far future Reparation deliveries will be made in kind is of no importance in principle, because deliveries in kind must affect the foreign payment balance quite as much as cash transfers. The present foreign trade balance, even assuming, as seems justified, that 1924 was an exceptional year, does not promise the creation of a large favourable payment balance. It is denied by authoritative Germans that the whole national economy is passive—that is, that consumption values exceed production values, and that the balance is for the present made good by foreign borrowings. This view is confirmed by certain factors, notably the recovery in deposited savings. Owing, however, to the sharp credit restrictions imposed by the Reichsbank in April, the year 1924 compelled the sacrifice of large hoards of foreign exchange holdings; and the import surplus was paid for in this way, in so far as it was not covered by foreign loans. The official analysis of the foreign payment balance of 1924 is:—

	Millions of Gold Marks.
Receipts from—	
Export of foreign banknotes	700
Export of foreign bills	1,800
Foreign loans and credits	1,400
Total receipts	3,900
Net liability on trade balance	2,700
Surplus	1,200

The surplus, after provision for certain small interest payments to abroad, is represented in an increase in the Reichsbank's holdings of gold and foreign exchange.

With present trade conditions, there is no possibility of making payments to abroad otherwise than by further borrowing from abroad. The prospect for the future depends almost exclusively upon the development of foreign trade.

(3) INDUSTRY.

Since February, 1925, a steady improvement has taken place in the condition of industry, but activity has not recovered to the degree witnessed during the best period of the so-called "Catastrophe (Inflation) Boom." This boom reached its highest point about September, 1922, after which activity declined slowly, until the decline was accelerated by the Ruhr invasion of January, 1923. The Ruhr invasion, apart from its local effects, seriously deranged the distribution of goods at home, and almost completely stopped export from the West. Throughout 1923 unemployment rapidly increased. After the currency depreciation had reached a certain point it ceased to operate as a tonic; and the stabilisation of November, 1923, had at first no remedial effect, being followed by abnormally high gold prices and by a serious shortage of credit. In 1924 industry improved; but there was a setback in the early summer in connection with the money crisis and the Reichsbank's credit-rationing system, and towards the end of the year, after a recovery, which was apparently due to the Dawes Settlement, there was the usual seasonal decline in activity. Nevertheless, 1924, taken as a whole, showed a very great improvement, unemployment in the whole Republic falling by about one-fifth. On May 1st there were 320,800 registered unem-

ployed; on June 15th, 214,092. At the end of June, 1925, industrial conditions, even when measured by pre-war standards, were fairly satisfactory; but there were great differences between the degrees of activity in different trades.

Coal.—The coal-mining industry is one of the worst sufferers, and this in an unexpected way. The prediction that the Republic, deprived of the Saar and East Upper Silesian mines, and compelled to make Reparation deliveries, would be chronically short of coal, and probably (owing to payment-balance conditions) unable to import it, with result of paralysis of industrial production, has proved incorrect. Of late, though mining operations are reduced, more coal has been produced than can be sold. The free export of coal, independently of Reparation deliveries, has considerably increased; and though importing continues on a small scale, this is due to price considerations, depending on transport rates to particular German districts. The home mines, if working at full capacity, could easily supply the home market, fulfil the Reparation liability, and yet export considerable quantities. Causes of this, apart from the fall in industrial activity as compared with 1913, are the increased output of lignite and its better technical application, the use of oil, water-power development, the increased smelting of foreign ores which require less coke than Alsace-Lorraine minette, and fuel-saving inventions. Of a future shortage of home-mined coal there is no likelihood, even if industrial consumption increases. The coal problem is still serious, but only as a matter affecting the foreign trade balance.

The output of coal in Germany nearly doubled in the first 13 years of the present century. The output of lignite increased two and a-half fold. Figures for the last pre-war year and the post-war years are:—

	Coal.	Lignite.
	Metric Tons.	
1913	149,753,158	87,233,084
1919	116,707,234	93,648,264
1920	131,346,722	111,633,763
1921	136,210,088	123,011,250
1922	119,144,522	137,072,707
1923	62,224,535	118,248,735
1924	118,828,644	124,359,829

These figures are for the present area, without the Saar, and from 1922 on also without Polish Upper Silesia. The latter exclusion partly explains the decline from 1922 in coal output. The output of Polish-Silesian coal in 1923 was 26,479,946 tons. The development of lignite mining in the first post-war years was largely due to the shortage of coal; since the coal superfluity showed itself lignite development has fallen off. The capacity of the Ruhr mines has greatly increased; and for a fortnight in January, 1925, the average daily output exceeded that of 1913, but since then there has been a rapid decline. Nevertheless, total output in the first months of this year exceeded that of the corresponding months of 1924:—

	Coal.	Lignite.
	Metric Tons.	
January-March, 1924	29,337,012	28,231,328
1925	33,875,290	35,609,668

Of late the stock of unsaleable coal at the Ruhr has increased. In order to help competition against English sea-borne coal, the Railways Company in May reduced carriage rates for Ruhr coal to Hamburg, Bremen, Emden, and Luebeck. The stagnation in the coal trade this year brought about the resurrection of the former Ruhr Coal Syndicate, whose term expired in 1923. The syndicate is organised on centralised lines, and it fixes both home and export prices. Ruhr coal is being sold to so-called "competitive" districts, including Hamburg and East Germany, as well as foreign countries, at reduced prices. A new feature of the syndicate is that henceforth the loss on such sales will be assessed only upon such mining concerns as wish to share in the "competitive" trade, whereas formerly it was borne by all the syndicate's member concerns.

Since 1922 Germany has had an adverse coal foreign trade balance, which became very large in the first year of the Ruhr occupation.—

(In 1,000 Metric Tons.)

	Imports.	Exports.	Reparation Deliveries.
1922	12,598	5,062	9,451
1923	25,121	1,209	4,250
1924	13,202	6,682	13,200

The Reparation deliveries figures for 1923 and 1924 are French estimates. Of late Germany has been effectively working foreign coal markets, including South Europe and South America, and exports in the first quarter of 1925 were 3,128,901 tons, against 2,494,385 tons imports. In lignite practically only importing is done.

Iron and Steel.—The iron and steel industry in the past few years has gone through a process which has some resemblance to that of coal. First came apprehensions of chronic shortage, owing to the loss of Alsace-Lorraine and part of Silesia; and, in fact, for a time shortage did prevail. The iron and steel concerns left to the Republic have, however, adapted their methods and increased their output; and last year it was for the first time declared that Germany can supply herself with all kinds of heavy iron and steel, apart from certain sorts of minor importance, of which quality thin sheets are the chief. In order to encourage production of the latter, the pending Customs tariff considerably raises import duties, while in general leaving iron and steel rates unchanged. A result of the adaptation is that the recent import surplus of heavy iron and steel goods has changed into a small export surplus.

The iron and steel branch, which stagnated during the greater part of 1924, underwent a marked improvement towards the end of the year, but the improvement has not been fully maintained. The pig-iron market has been quiet, but steel works and rolling mills have work for a long time ahead, and show no inclination to hunt for new orders at present low prices. Syndicates and cartels, which fell into disfavour during the "Catastrophe Boom" years, when home production was insufficient, have come into fashion again, mainly as a means of reducing output and maintaining prices when trade is bad. First was created a Raw Steel Syndicate (*Rohstahlgemeinschaft*), with authority over all branches; later, a subordinate *Stahlwerksverband*, embracing only semi-finished material, railway permanent way material, and structural forms. A Tubes Syndicate has also been organised, but the special syndicates for bars and other sorts, which are to be subordinate to the Raw Steel Syndicate, are still in course of negotiation. Export prices are considerably below home prices, owing to the need, it is declared, of meeting French, Belgian, and Luxemburg competition, which takes the form of exchange dumping. Of late the export price of bars has been £5 13s per ton, as against approximately £6 15s at home; structural forms, £5 9s, against £6 12s.

Pig-iron and steel production, starting from figures of less than one-third, and less than one-half respectively of the pre-war, increased in the post-war years until it had a bad set-back in 1923:—

	Metric Tons.	
	Iron.	Steel.
1913.....	19,309,172	18,935,089
1919.....	6,283,873	7,847,356
1920.....	7,043,617	9,277,882
1921.....	7,845,346	9,996,538
1922.....	9,395,670	11,714,302
1923.....	4,936,340	6,305,250
1924 (estimated).....	7,190,000	9,150,000

The potential output of steel is estimated by the secretary of the Iron Industrial Association, at as high as 17 million tons, or little behind the pre-war figure. The present production is certainly far below the highest possible. The Raw Steel Syndicate, since its foundation last year, has pursued a severe rationing system. The ration of each member concern during July is to 75 per cent. of its full quota.

The foreign trade balance in heavy iron and steel is improving, but has no resemblance to the pre-war balance, which was strongly active. Movements of imports and exports are:—

	In 1,000 Metric Tons			
	1913.	1922.	1923.	1924.
Imports.....	300	1,827	1,731	1,240
Exports.....	6,202	2,516	1,307	1,510

Of iron and steel and wares thereof of all kinds (machinery excepted) Germany imported in 1924 1,324,011 tons, and exported 1,955,110 tons. Whereas exports in 1924 were about half as great again as imports, in the first quarter of 1925 they were twice as great (imports 1,28,271, exports 873,952 tons). Foreign trade in value in iron and steel products of the heavy iron and steel branches, as compared with the last pre-war year, was:—

	—Millions of Gold Marks—			
	Imports.		Exports.	
	1913.	1924.	1913.	1924.
Iron ore.....	250	68	11	5
Pig and scrap.....	37	27	77	33
Semi-finished.....	2	22	65	5
Bars, &c.....	6	73	204	38
Sheets and wire.....	21	43	179	92
Railway materials.....	..	30	80	14

The whole export of iron and steel wares (omitting machinery) had a value in 1924 of 844½ million marks, as against 1,413 million marks in 1913: the value of imports 301 million marks, against 394 million marks. The export surplus has, therefore, fallen from about 1 milliard to half a milliard marks.

Fine-Steel Products.—The fine steel industry, which suffered from a serious crisis last year, 20,000 persons being unemployed in the Solingen district alone, has of late recovered. While selling at home has been fairly active, it has been mostly in second-class wares; and export has been injured not only by high import duties (the United States, in particular), and by Ally trade policy, but also by the sale to abroad of vast quantities of very inferior goods which bore the Solingen mark, and were, in fact, made at Solingen. The leading Solingen firms this spring formed a syndicate for joint selling operations at home and abroad. The sale of goods, chiefly the cheaper qualities, to Asiatic countries has increased. Exports of Solingen wares by weight have of late considerably exceeded the pre-war average:—

	Double-Centners (200 Metric Lb.)	
	1909	1911
.....	35,189	47,337
.....	59,511	67,944
.....	48,345	52,312

Exports increased greatly from month to month in 1924, being 2,900 d.c. in January, and 6,112 d.c. in December. The foreign trade balance for all kinds of cutlery is better than before the war:—

	—Millions of Marks—			
	Imports.		Exports.	
	1913.	1924.	1913.	1924.
.....	0.62	0.17	38.33	48.23

Engineering.—Conditions in the engineering industry vary very much in different branches. In the locomotive and railway rolling stock branches less activity prevails than in the first post-war years, when large orders were given for replacement of material worn out during the war, or handed over at the Armistice. The conversion of the railways into an independent corporation had the effect of temporarily reducing orders, and of late hardly any have been given. The nineteen locomotive-building concerns lately formed a syndicate under the title *Deutscher Lokomotiv-Verband*. Russian orders for locomotives have ceased. The machinery branches have been hit by measures taken by Ally countries, and sometimes during the inflation time by neutrals. Capital shortage has effected the home buying of industrial machinery, and during the war and the inflation years many manufacturing concerns installed more machines than they can now use. Credit shortage checks the sale of agricultural machinery. Although the textile manufacturers are mostly well occupied, their finances are particularly weak, and a great deal of the present production of textile machinery is intended for stock, and cannot be kept up indefinitely. Sales of machinery to abroad have of late increased, but they are much smaller than before the war. As compared with 1913, exports have proportionately declined less than imports; but as pre-war imports were only about one-eighth of pre-war exports, the absolute export surplus has fallen very considerably. Comparative trade balances in the different branches are:—

	—(Millions of Marks.)—			
	Imports.		Exports.	
	1913.	1924.	1913.	1924.
Locomotives, tenders.....	0.55	..	55.22	20.11
Internal explosion motors.....	1.84	1.56	35.62	21.49
Sewing machines.....	4.05	3.12	47.16	43.26
Other textiles machines.....	16.94	9.71	60.43	64.27
Agricultural machines.....	29.36	2.90	34.98	20.18
Machine tools.....	9.95	3.06	98.27	68.31
Other machines.....	20.14	7.50	276.47	179.12

The machine-manufacturing concerns are in a strong position, though suffering from shortage of working capital. Nearly all companies, through having cleared off in de-

preciated marks their debentures and mortgages, have been able to fix their capitals considerably higher than before the war.

Electrical.—As the result partly of the expectation of a chronic coal shortage, the electrification of Germany proceeded rapidly after the war. According to a statement published a year ago, electrical installations totalled nearly 3,000,000 kw in 1922, as against under 1,500,000 kw in 1913, while production of electricity in milliards of kilowatt hours rose from 2,238 to 7,233. This development, which has proceeded farther in the last three years, made possible the use of lignite and water-power at the expense of coal. This process led at first to great activity in the electro-technical branches; but the credit crisis which followed the currency stabilisation, and the financial difficulties of municipalities and other local bodies have since checked home buying. The number of persons engaged in manufacturing electrical wares is 27.5 per cent. higher than in 1913. The export trade has been affected by the efforts of foreign countries to put their own electrical industries upon a national basis. Nevertheless, compared with other manufacturing branches, exports have fallen off relatively little. The following figures comprise electrical machinery and articles of all sorts:—

	—(Millions of Marks.)—	
	Imports.	Exports.
1913.....	12,820	290,250
1924.....	9,060	259,160

The present tendency is strongly towards concentration and standardisation. In North Europe German installation materials have practically a monopoly, owing to the fact that the legal requirements for safety, &c., are identical with the German.

Motor-Vehicles.—The motor-bicycle and motor car businesses are entrenched behind a general import-prohibition, and according to the pending tariff they will be protected by prohibitively high duties in future. The use of motor-driven vehicles is rapidly increasing, but prices are high, production cost being kept up by the large number of manufacturing firms with a small average output. The combined productive capacity of all concerns is estimated at only 60,000 cars. Several important fusions have taken place in the last three years, and there is a movement in favour of standardisation. The formation of a company to produce light, cheap cars on mass-production principles is being considered. The development of motoring is shown by the following figures, which include motor-lorries, of cars in use:—

	1914.....	1923.....	1924.....
.....	57,800	152,068	216,300

The foreign trade balance is less favourable than before the war, exports having fallen nearly to half, while imports have increased:—

	—(Millions of Marks.)—			
	Imports.		Exports.	
	1913.	1924.	1913.	1924.
.....	15.7	38.9	110.7	69.7

The exclusion of foreign motor-vehicles which is demanded by manufacturers is being strongly opposed by the motor-car traders' association, and by other trading interests. Financially the motor-car manufacturing companies are strong. Owing to the redemption of mortgages and debentures at practically no cost during the inflation years, the total capital of eleven leading companies increased from 65,500,000 marks in 1914 to 128,910,000 marks in 1924. All the chief companies are fully occupied, and they refuse to deliver on short notice.

Shipbuilding.—The shipbuilding industry is depressed. Although the yards seem able to build more cheaply than foreign yards, particularly in the domain of motor-ships, tank-ships, and other special types, they have not escaped the general shipping depression, and have been badly hit by the decline in capital strength of native shipping companies. Whereas industrial companies proper often increased their assets during the war, the chief assets of the shipping companies, their tonnage, disappeared. The reconstruction plan, financed partly by the State, with compensation for losses, came to an end in 1923. This plan provided for restoration of one-third of the pre-war mercantile fleet. The original compensation fund of 11,970 million paper marks was later increased to 18,000 millions. Since the termination of this reconstruction

programme, shipbuilding for home concerns has heavily declined, but building on foreign orders has tended to increase, and in 1924 was the highest on record. Ships under construction in all German yards were:—

	—German Orders—		—Foreign Orders—	
	Sea Ships.	River and Canal Ships.	Sea Ships.	River and Canal Ships.
	Tons.	Tons.	Tons.	Tons.
1913.....	1,296,800	17,810	49,100	4,500
1921.....	1,667,027	14,416	59,372	272
1922.....	1,171,576	221,649	86,450	16,020
1923.....	597,404	130,456	119,187	11,073
1924.....	405,700	..	231,600	..

The increase in constructions for abroad gives a more favourable picture of conditions than is justified, because some of these orders date from inflation times. The building companies are at present accepting orders which individually yield no profit, but the effect is to make for economical working. Conditions this year are only moderately good, though there have been some large foreign orders, including, apart from the British motor-ships, an order for a series of oil-tank ships for the Standard Oil Company. The Railway Company lately cut rates considerably for iron and steel consigned to shipbuilding yards.

Potash.—The potash industry, which is of great importance to the foreign trade balance, has developed satisfactorily. In 1924 an agreement was concluded with the French Société Commerciale des Potasses d'Alsace for a common policy in selling, and for division-up of total sales to the United States and Sweden, and this year an agreement covering the whole world was come to. The intention is to keep prices steady, but not, it is stated, to increase them. The first agreement with France was forced on Germany by the fact that, whereas between 1919 and 1923 her sales of pure potash to the United States rose only from 700,000 to 1,190,000 d.c.'s of pure potash, France's sales rose from 54,500 d.c. to 980,000 d.c. Sales at home were for a long time checked by shortage of agricultural credit, but in 1924 credits for purchase of potash (as well as nitre) by farmers, were organised through the Reichsbank. About 40 per cent. of potash produced is exported, and Germany uses more than the whole rest of the world. Total sales at home and abroad will this year exceed pre-war level:—

	D.c. of Pure Potash.	
	1913.....	1923.....
.....	11,103,690	8,859,419
.....	8,420,000	13,200,000

Potash prices are to-day lower than before the war. The average price per d.c. of pure potash in 1924 was 14 marks, against about 18 marks in 1913, and 22 marks in 1890. Reorganisations with aim of economy have been made necessary. Many mines have ceased working, being compensated therefor by the Potash Syndicate. At the end of 1924 100 mines were not working, and 53 mines had undertaken not to reopen for 30 years. The present maximum demand is put at 14,000,000 d.c. of pure potash, which can be produced by 40 or 50 of the best mines out of 218 in the syndicate.

Chemicals and Dyes.—The chemicals and dyes branch is not prosperous. Production capacity is (with certain exceptions) greater than before the war, and a new synthetic nitre industry has grown up. While the home sales of certain chemicals have been reduced by declines in various branches of industry, export has been hemmed by foreign tariff measures, and still more so by competition from concerns newly founded abroad. The coal tar industry, organised in the German Aniline concern, claims to have supplied 75 per cent. of the world's demand for coal tar dyes before the war; but as the result of new enterprise in Britain, the United States, France, Japan, Italy, and other countries, Germany has lost her commercial predominance, though she claims to have retained her technical superiority. Financially most of the chemical companies are in a strong position, owing mainly to extinction at small cost of their pre-war debts, and to the acquisition of new large values in the shape of unencumbered real estate and plant. The first gold-mark balance-sheets of six companies in the Aniline concern show real estate and plant worth 317 million marks, as against 181 million marks in 1913, while debenture and mortgage debts declined from 25 to 1.35 million marks.

The foreign trade balance in chemicals and dyes is relatively favourable, but this is mainly due to the fact that import of Chile nitre fell from 172 million marks in 1913 to 3 million marks in 1924. The movement in dyes was:—

Imports.		Exports.	
1913.	1924.	1913.	1924.
21-04	9-58	298-11	195-7

(Millions of Gold-Marks.)

and the movement in chemicals and dyes of all sorts, including potash, as prepared for export:—

Imports.		Exports.	
1913.	1924.	1913.	1924.
510-15	170-74	989-22	585-76

Textiles.—Ever since the war the textile industry has proved specially sensitive to variations in general trade conditions. Since the trade recovery of the second half of 1924 great activity has prevailed, and the unemployment figure has been low. At times Saxon, and sometimes western, manufacturers have refused to accept orders except for long delivery terms. The activity is greatest in the cotton branch, and greater in spinning than in weaving. Before the war the value of the textile production was estimated at 5,300 million marks, and exceeded that of coal, or iron and steel. Although, according to official estimates 10 per cent. of spinning and weaving capacity was lost under the Peace Treaty, the textile concerns have still the highest potential output, measured in values. Textile prices are in general above world-market prices, and this, and the duty-free system imposed temporarily by the Peace Treaty, last year caused very large imports of Alsace-Lorraine goods. Very long hours are worked in the textile branch, and wages are low. The cotton industry is still much less productive than before the war, but in part this is explained by the territorial losses. Imports of raw cotton in 1924 were 276,000 metric tons, as against 195,217 tons in 1923; 315,303 tons in the "Catastrophe Boom" year, 1921; and 477,944 tons in 1913. The textile concerns are particularly short of working capital, but their reports for 1924 show that nearly all reaped fair profits, and dividends of 10, 12, or more per cent. were common. The present activity is mainly due to home buying. The export market is still unsatisfactory, and owing to the high home prices very large quantities of finished textiles, partly luxury qualities, have been imported of late. Imports of cotton and woollen yarn, by value, have of late greatly exceeded the pre-war figures, but this is largely accounted for by the great rise in prices:—

(Millions of Marks.)			
Imports.		Exports.	
1913.	1924.	1913.	1924.
Cotton yarn	116-21 .. 276-28	61-10 ..	32-42
Cotton cloth	72-09 .. 322-75	446-50 ..	394-39
Woollen yarn	108-07 .. 237-11	90-64 ..	86-69
Woollen cloth	44-36 .. 111-65	271-55 ..	221-25
Silk yarn	30-69 .. 24-49	17-04 ..	17-28
Silk cloth	43-03 .. 51-83	148-28 ..	130-40

The foreign trade balance in all kinds of textiles, raw to finished, including clothing was:—

Imports.		Exports.	
1913.	1924.	1913.	1924.
2,096-15	2,945-03	1,521-79	1,310-90

As compared with before the war, the import surplus has increased nearly threefold. By its nature, the textile branch, for which most raw materials are imported, while most finished goods are home consumed, must show an import surplus; and it is a misfortune for the foreign payment-balance that the greatest price-rise has taken place in this branch.

Other Industries.—The leather goods industry is fairly prosperous, but present activity in the boot and shoe branch is mainly confined to luxury sorts. The production of leather has of late exceeded the demand. Export of boots and shoes has fallen to about 5 per cent. of production, as against 14 per cent. in the inflation years. In 1924 4 million pairs of boots and shoes were exported, against 6 million pairs in 1923. The pottery and glass branch is tolerably active. The export of bottle glass has fallen heavily as compared with before the war. The paper industry is prosperous, its chief trouble being the insufficient supply of paper-wood at moderate prices. The output of pulp and paper concerns when working at full capacity is about double the home consumption. Present maximum home consumption of wood paper is 250,000 metric tons, maximum output 550,000 tons. Full capacity

of cellulose mills is 800,000 tons, of mechanical pulp mills 675,000 tons. Exports, by weight, of pulp and paper declined in 1924, but are again increasing. The rubber industry, which is mainly a home-consumption branch, is prosperous; in 1923 the net exports of rubber goods, with 17,177 tons, exceeded those of 1913, with 15,516 tons; but in 1924 net exports declined to 13,739 tons. Imports of rubber goods in 1924, by weight, were only one-fifth of the pre-war figure. The re-export trade in raw rubber has badly fallen off, being 764 tons in 1924, as against 3,972 tons in 1913.

The foreign trade balances of the above branches are as follows:—

(Millions of Marks.)			
Imports.		Exports.	
1913.	1924.	1913.	1924.
Boots and shoes	20-20 .. 14-44	114-23 ..	84-08
Pottery and glass	40-91 .. 25-30	268-72 ..	272-31
Paper industry products	68-58 .. 61-78	263-72 ..	327-47
Rubber, raw and manufactured ..	170-30 .. 64-31	155-17 ..	74-67

(4) PRICES AND COST OF LIVING.

Reliable price statistics have been compiled only since the currency stabilisation. Before that statistics were in paper marks. The "gold" prices issued during part of the inflation period were unreliable, being obtained by converting paper mark prices at current gold (dollar) exchange, a method almost useless, owing to the fact that at times the exchange varied 100 per cent. in one day. With exception, however, of times of temporary mark exchange recovery, gold prices were below the world-market level until well on in 1923. Immediately after the stabilisation they rose enormously; after which came a fall, followed by the moderate fluctuations usual with a fully stable currency. In the late spring of 1924 an avowed policy of depressing prices by means of credit and currency restrictions was pursued by the Reichsbank with some success, but an upward movement followed. High and low points of the official wholesale price index are:—

1913-14	100-0
1924—January	117-3
April	124-1
July	115-0
1925—January	138-2
April	131-0
June	134-9

The cost-of-living index is imperfect. Until March, 1925, appeared an index which was admittedly on a wrong basis, showing the cost lower than was correct. This index has been revised, and retrospectively corrected, but only back to February, 1925. The old index, however, correctly shows the relative movement:—

Old Index.		New Index.	
1913-14	100	1913-14	100
1924, January	110	1924, January	110
February	104	February	104
July	116	July	116
1925, January	124	1925, January	124
February	125-1	February	135-6
April	136-7	April	136-7
June	138-3	June	138-3

A factor in the increase in the cost of living is the partial restoration of rents. Until early in 1924 no net rents (landlord's profit) and practically no gross rents were paid. To-day rents (Berlin) are 78 per cent. of the pre-war level. As the present housing law requires the gradual increase of rents until the pre-war level is reached, a further rise in the cost of living is likely.

(5) WAGES.

Wages, like prices, in the inflation years cannot be given. Gold wages, except, perhaps, during temporary periods of mark recovery, were extremely low; and real wages, though higher as compared with before the war than nominal wages owing to the low gold cost of living, were still much below the pre-war level. Immediately before the correction of the cost-of-living index, real wages were shown as being a little higher than before the war, but the correction set them materially back. During the inflation period the difference between wages of skilled and unskilled workmen was much smaller than before the war; but of late the difference has increased.

Immediately after the currency stabilisation wages (thenceforth paid in stable, and for practical purposes gold, marks) began to rise. In June, 1924, the average nominal skilled workman's wage, with 34.56 marks a week, first exceeded the average 34.35 marks of 1913; but the un-

skilled wage, with 24.43 marks, exceeded already in April the pre-war 24 marks. At the end of 1924 the skilled average wage reached 36.52 marks, unskilled 27.69 marks. These figures are mostly for workmen working not longer than 48 hours; wages for men working longer than 48 hours are higher.

Average wages in March, 1925, in nine industries taken together, and in five of these separately, were:—

	Skilled.		Unskilled.	
	Hourly.	Weekly.	Hourly.	Weekly.
	Pf.	M.pf.	Pf.	M.pf.
All nine	80-6	39-79	57-5	29-98
Mining	90-4	43-38	53-2	31-62
Metals	78-6	39-51	53-8	27-09
Textiles—				
Men	57-2	27-46	47-4	22-75
Women	45-3	21-74	35-1	16-85
Chemicals	74-5	35-76	63-4	30-43
Paper	58-7	28-18	53-0	25-44

The weekly wages are mostly for 48 hours' work, or slightly less; but for the metal workers in certain districts 54 hours, and for surface mining employees 60 hours.

Owing to the small rise since 1913 in nominal wages (for skilled workmen from 34.35 marks to 39.79 marks, and for unskilled from 24 marks to 29.98 marks), taken together with the much greater rise in the cost of raw materials, in taxation, and in other cost factors, the proportion of wages to total production cost is lower than before the war. In December, 1924, the percentage of wages in the wholesale price of cotton yarn was put at 3.8, and in April, 1925, at 2.8, as against 6.6 in the first half of 1924. In cotton cloth the respective percentages were 6.8, 5.5, and 12.6. The decline in the loan percentage in those industries, the raw materials for which have risen less in price than textiles, is not so great.

In spite of low wages and hard living conditions, Labour has been increasingly quiet; and with exception of the Ruhr coal strike of early 1924 no conflict of great dimensions has taken place for a long time. In 1923 (for 1924, no statistics) were 2,200 strikes and lock-outs, involving a loss of 15,171,773 working days.

Any comparison with British wage rates in general is impossible; so far as specified industries are concerned the following figures (given by the Ministry of Labour in the February issue of the *Gazette*) may be quoted as giving representative rates for December, 1924:—

Mining (average earnings per shift)—		s	d
Highest (Yorks and Sunderland)		11	8
Lowest (Northumberland)		9	6
Engineering (weekly time rates)—		s	d
Skilled		56	6
Unskilled		40	2
Shipbuilding (weekly time rates)		s	d
Skilled		55	7
Unskilled		38	5
Textiles (average weekly rate)		s	d
about		40	0
Boot and shoe—		s	d
Skilled		60	0
Unskilled		36	0
Building—		s	d
Skilled		73	4
Unskilled		55	0

The general rise in British weekly full-time rates was put by the Ministry at 70 per cent., while the cost of living index for June was 72 per cent. above pre-war.

Working Hours.—No recent official statistics of working hours have been issued. Late in 1923 the Marx Cabinet issued a Decree practically abolishing the compulsory eight hours' system, which had been in force since November, 1918. The Decree enacted that 10 hours might be worked in trades which were not unhygienic or dangerous. In any particular trade 10 hours might be proclaimed as permissible either by agreement between employers and employed or by the public authorities. The 10 hours' day largely returned, mainly in the textiles and heavy metal branches; in the latter the two shifts per day system replaced the three shifts. The Luther Cabinet modified this Decree, and the eight hours' day has been restored in blast furnaces and cokeries; but already hours were shortening under influence of Socialist and trades union pressure. The last statistics, compiled by the General Trade Unions Association, refer to November, 1924. They are based on a census of 51,166 industrial concerns in seven chief industries:—

	Working Longer Than 48 Hours.		Thereof Longer Than 54 Hours.	
	Concerns.	Employees.	Concerns.	Employees.
	%	%	%	%
All seven industries	24-3	45-4	4-5	10-7
Metal branch	39-0	53-1	10-8	16-6
Chemicals	38-7	38-8	10-2	5-9
Textiles	65-1	66-0	1-5	3-3
Boots	5-9	8-1	0-5	0-2

The percentage of employees in all seven industries working over 48 hours was 54.7 in an earlier (May) census. The percentage working over 54 hours was then 13. The Government is preparing a law definitively regulating the working hours question, which, it declares, will embody the "principles" of the Washington Agreement.

Employment.—Employment greatly improved after February, 1925. The average percentage of unemployed members of trades unions in the last pre-war year was 2.9. In March, 1925, it was 5.8, but the absolute number of unemployed has fallen greatly since then. The number of publicly supported unemployed has varied enormously since the war. The more important high and low points, and the movement for this year so far are:—

1918—December	501,610	1923—August	139,016
1919—February	1,076,368	December	1,464,447
1920—June	271,660	1924—February	1,588,939
1921—March	426,619	June	208,258
December	149,337	August	358,331
1922—March	212,526	September	566,957
September	11,671	November	426,729
1923—February	150,220	1925—February	593,024
March	190,217	June (15th)	214,092

The figures from and including March, 1923, to August, 1924, are for unoccupied territory only. According to official statements, there were 1,500,000 unemployed in occupied territory at the close of 1923.

GERMANY AND COMMERCIAL COMPETITION.

(1) PAYMENTS ABROAD.

Before any opinion can be formed as to the effect of Germany's payments upon world trade, it is first necessary to consider whether the sum received in Reparations can ever be paid abroad, and if so, in what form. In other words, this means will Germany be able to create an export surplus, and if so, of what size? In this connection a recent American investigation summarises the pre-war position of Germany thus:—Her actual trade showed an adverse balance of 1.7 milliards a year in the decade preceding the war. Her earnings on foreign investments, shipping, banking, and other services, though difficult to estimate, are at approximately 2.1 milliards, leaving about 4 milliards available in the ten years for foreign investment. To-day the items commonly described as invisible exports are greatly reduced, a current estimate putting them at about 500 millions, against over 2 milliards before the war. On the other hand, German property and under-

takings have been sold in great numbers to foreigners, and it is estimated that this figure of earning is completely offset by the interest which she now owes abroad. She has, therefore, nothing to help her to pay the debit balance on her visible trade, which amounts to-day to 2 milliards. This is the leeway to be made good either on physical trade or by means of invisible items before she begins to create an export surplus.

She has not, however, to provide the whole of the Dawes annuities abroad. The armies of occupation and the cost of administering various schemes is mostly incurred in Germany. These items are a substantial part of immediate payments, but are, of course, comparatively small in relation to the final total under the Dawes Plan.

The problem is greatly eased by payments in kind and the Reparation Recovery Act. Both of these devices mean that the Allies get these payments regardless of the needs of commerce. It increases the competition in private trade

for exchange, and if Germany is endeavouring to import an unduly large amount, it will force the Bank to take action to protect the value of German currency by manipulation of the money market, by rationing exchange, by moving the Government to check exports by licensing or tariffs, or by other means. Having first secured some of their debt in foreign money, the Allies may force Germany into the position of protecting her currency. This is a very different thing from assuring that the German Government will actively take steps to create a large export surplus for the Allies. How this is to be done remains an unsolved problem. It would not be surprising to find that in fact the transfers abroad may be limited to the amount paid in kind or by the Reparation Recovery Act.

In this connection attention should be directed to the Report of Sir Josiah Stamp to the Brussels Conference, in which a not unhelpful view of the transfer question was taken—subject, of course, to important provisos.

Before leaving this subject, it is worth noting the great contrast between the positions of France and Germany respectively. In the latter the Budget position is easy, but the facility for making transfer abroad very restricted. In the former the trade position would permit considerable payments abroad; the difficulty is to get a Budget surplus in view of the fact that France's internal war debt has only partially been written off by inflation; her expenditure on armaments remains at a high figure, and she has had to add greatly to her debt by paying the cost of restoring the devastated areas out of her own pocket.

(2) THE ABILITY TO RECEIVE PAYMENT.

In the second place, the effect upon the receiving countries must be considered.

It is sometimes assumed that receiving goods for nothing will put out of work those who would have made these goods. This is only part of the truth. Free receipts by a nation add to its wealth and are a net addition to its consuming capacity. In the case of reparation receipts, for example, they will either enable the Government to repay debt or to reduce taxation. In any case, the funds in the hands of the public will be increased, while the Government will still pay its way.

Taking the world generally outside Germany, the effect of reparation payments is to increase total demand, but to create a change in the character of the trade done. If the payment from Germany is made by an increase in her exports, there is an excess production of the type of goods Germany produces—chemicals, metallurgical products, electrical apparatus, &c. It is unlikely that increased total payment will express itself in increased demand for these particular articles. Similarly, if Germany pays by importing and consuming less, certain trades abroad will have a diminished market. Unless the recipients of reparations spend their money where Germany would have done, there is again a disturbance of trade. As a matter of fact, such disturbances are likely to be increased by unwise use of reparation payments, and particularly payments in kind. Thus France is alleged to be selling coke at 119s for which Germany is credited with 145s a ton. In other words, the allocation of reparations in kind is used as a direct subsidy to a particular industry.

But there are two considerations which diminish any fears which we might be likely to entertain. The first is that the Dawes annuities will only gradually increase, even under the full scheme, and dislocation will, therefore, not be sudden. The second is that it is very difficult to conceive ways of artificially stimulating Germany's exports without depreciating her currency. The necessary export margin is more likely to be secured by positive measures for checking her imports than for stimulating her exports, and therefore it is conceivable that even the ultimate effects on the receiving countries will be very small. From the annuities have to be deducted cost of administration and the cost of the armies of occupation. Even on the very favourable assumption that the annuities are paid in full (i.e., ignoring for the moment the difficulty of making transfers), it may be that half of this might be met by German imports being, say, 50 millions sterling less than they

otherwise would be and German exports, say, 50 millions more. This last figure is not an enormous one in comparison with the world's export trade in manufactured goods. The exports of the chief countries of the world before the war amounted to 2,326 million sterling, of which some 1,300 millions represented manufactured goods. On the assumption of a 66 per cent. increase in gold prices, this means that if trade were equal to that of 1913, the value to-day would be 3,876 for total exports and 2,160 for exports of manufactured goods. An increase in Germany's exports of 50 millions represents 2½ per cent. of this latter total. If the world recovers to something like normal conditions by 1932, the volume of the exported manufactures of the chief industrial countries ought to have risen by at least 15 per cent. as compared with 1913. On pre-war proportions, Germany should get 3½ per cent. of this increase; if she is to have an additional 50 millions of exports, she must have nearly 6 per cent. of it. Other countries will have their share correspondingly reduced.

(3) PRESENT COMPETITION FROM GERMANY.

The figures given in the previous part will have indicated to the reader what are the strong and weak points respectively in the German situation. It was there indicated that the foreign trade figures of Germany are not entirely to be relied upon. We may supplement them from our own figures of British trade with Germany. These are given in the following table:—

BRITISH TRADE WITH GERMANY. (Quarterly Totals.)			
	Imports from Germany.	Exports to Germany.	Re-exports to Germany.
	£	£	£
1922—			
January-March ..	5,475,462	5,410,053	4,708,029
April-June	6,539,640	8,820,536	5,517,572
July-September ..	6,685,789	10,153,330	3,417,873
October-December..	7,823,586	7,691,773	3,342,292
1923—			
January-March ..	8,643,078	8,541,911	4,061,225
April-June	8,287,015	12,254,741	6,327,371
July-September ..	8,523,854	12,217,823	3,919,468
October-December..	9,546,969	9,555,591	3,958,310
1924—			
January-March ..	6,731,115	10,013,570	9,369,573
April-June	7,675,371	12,893,842	8,602,718
July-September ..	10,918,567	8,108,144	3,320,771
October-December..	11,571,687	11,629,127	7,619,113
1925—			
January-March ..	10,854,078	11,854,505	8,605,222

In 1913 the quarterly averages were £20 millions, £10 millions and £5 millions for imports, exports, and re-exports respectively. Allowing for the change in values, these figures at to-day's prices would be equivalent to £30 millions, £21 millions, and £7 millions respectively. These figures show that exports from Germany to this country are very much below normal. Our imports to Germany are much nearer normal, and our exports of colonial produce are practically normal.

Looking at the total trade of the two countries, and without attempting to give exact figures, we may say that after allowing for the fact that present-day Germany is 10 per cent. smaller than pre-war Germany, that the exports of Germany to-day represent more than 60 per cent. of her pre-war exports; those of Great Britain represent 80 per cent. of pre-war exports. Both countries are suffering from reduced trade, but Germany's exports are still far more restricted than those of this country.

If the report about German industry given in Part III. is compared with our own condition, the point that will strike the reader most forcibly is that those industries are most depressed in Germany that are also depressed in this country. Coal has been hit not only by general industrial depression, but by the competition of other sources of power. Iron and steel are under the weather, mainly because the world's expansion outside the United States is still seriously checked, and the industry, which above all provides capital goods, is therefore unusually quiet. Shipbuilding all over the world is suffering from the general reduction in the total of the world's trade, and from the expansion of shipbuilding facilities due to the war. This aspect of the situation is fully explored in the survey by the Balfour Trade Committee, which has been published this week, and is analysed in the current issue of the *Economist*.

The Economist BANKING SUPPLEMENT.

Vol. CL]

SATURDAY, OCTOBER 10, 1925.

[No. 4,285.

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The Economist Banking Supplement

A SURVEY OF BRITISH AND FOREIGN BANKING

Vol. CI.]

SATURDAY, OCTOBER 10, 1925.

[No. 4,285.]

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THE ENGLISH BANK FIGURES.

FROM the aggregate figures of those of the home banks which publish them at the end of June, it might be inferred that during the first half of the current year the apprehensions which were current in certain quarters concerning the effects of the return to the gold standard were shared by those responsible for the financial policy of the banks. As our readers will remember, it was feared that the return to gold might be followed by a serious drain on the Bank of England's stock of metal, and a consequent contraction of credit and rise in its price; and these fears of dear money made the market for gilt-edged investments sensitive and weak. This weakness is now shown to have been materially assisted by the action of the banks, since the aggregate balance-sheet which we produce on the opposite page is chiefly remarkable for a decline of no less than £58.8 millions in the figure of the investments held, which thus came down from £376.9 millions to £318.1 millions, a fall of 15.6 per cent. It is also interesting to note that the decline in this item has been continuous since 1922, when the total stood at £447 millions, and represented 21.9 per cent. of the aggregate assets held by the banks; at present the investments are 16.3 per cent. of the total, the lowest proportion shown since the war. On June 30, 1914, the total investments came to £117.3 millions, representing 13.5 per cent. of the total assets. The banks have thus made considerable progress in the process of extricating themselves from the position of investment companies, into which they were, to a certain extent, forced by the importunities of the Government during the war in inducing them to take large blocks of the securities created for the purpose of carrying it on. In normal times, when official pressure of this kind rarely influences the changes in the banks' assets, the investment item is the one which is probably most easily varied by the inclination and opinion of the banks. With regard to their cash in hand, they are guided by the rule at which they have arrived concerning the amount that ought to be visible in relation to the liabilities, while the discounts, loans, and advances are inevitably influenced by the course of trade and the demands of the banks' customers. The extent to which the banks choose to meet these demands is, of course, a matter on which the banks can exercise judgment; but they are evidently obliged, if they are to perform the function for which they exist, to meet the requirements of the public that they serve, in so far as they can do so without transgressing the rules that prudence imposes on the conduct of their business. In the matter of their investments, there is no convenience of customers to be considered—the banks buy them and sell them to suit their own purposes and opinions, unswayed by the outside influences which cause fluctuations in the contents of their portfolios of bills of exchange and in the figures of their loans and advances. On this occasion, therefore, when we see that the decline in the investments is by far the largest change in the banks' figures, it is clear that they were not impelled to reduce investments in order to meet the demands of their customers for advances and discounts, because the increase in this item is much less than the decrease in the investments. In fact, it may perhaps be conjectured that the process was just the opposite, and that the banks, having sold securities, enabled some of the buyers, by lending them the where-withal, to finance the purchase until the stock found a permanent home—in other words, the banks lent the market the money to buy their stock. By so doing they helped to prevent any symptom appearing of the stringency that had been anticipated as the result of the return to the gold standard. There was no diminution in their own cash resources, which, in fact, showed an aggregate increase of half a million; and so industry, instead of being squeezed and pinched as it had feared, was given the opportunity of borrowing more than it needed; industry being unable, owing to the slackness of trade, to fill the gap which the banks had made in their assets by sales of securities, the consequence was a decline of nearly twenty millions in the amount of the deposits, this being, roughly, the difference be-

tween the fall of nearly £59 millions in investments and the rise of nearly £39 millions in discounts and advances. By this increase, the loans and discounts item has risen to 63 per cent. of the total assets, a higher proportion than it has shown since 1921, when it reached 64.9 per cent. In 1914 its proportion to aggregate assets was 66.6 per cent., exactly two-thirds of the total. How far changes in the banks' holdings of Treasury bills affected the decline in investments and the increase in discounts and advances it is impossible to say, because some of them include Treasury bills under investments, and others under discounts. It may be added that an increase of £6½ millions in acceptances, balanced by the usual liability of customers on the other side, is a small indication of trade activity, which is hardly in accordance with all that was heard, during the half-year, of stagnation and depression.

Continuing our usual table of the growth or contraction of deposits in the war and after-war period, we present the following picture:—

INCREASE or DECREASE in DEPOSITS.	
June 30, 1915	Million £
1916	+ 197.2
1917	+ 44.5
1918	+ 81.1
1919	+ 282.5
1920	+ 406.2
1921	+ 103.4
1922	+ 20.3
1923	+ 27.9
1924	+ 113.9
1925	+ 11.9
	+ 985.9

Much more interest, however, is on this occasion attached to the figures of the Bank of England than to those of its satellites, because its weekly returns, which are all the information—apart from the reticences of the Governor at the half-yearly meetings—that it ever utters, show the effect of the return to the gold standard and the measures that were then taken. It will be remembered that an attempt had been made to confer an air of respectability on the Treasury notes by giving them a backing of gold, the said gold having been inevitably taken from the Bank of England's stock. At the end of April, when the great restoration was effected, this gold in the currency note reserve, which then stood at £27 millions, was returned to the Bank of England in exchange for its notes, with the result that the Bank return of April 29th showed increases of £27,009,000 in the coin and bullion and of £28,107,000 in the note circulation. In the currency note return the gold had disappeared, and there was an increase of £27,000,000 in the Bank of England notes held as backing for the Treasury notes. The subjoined table enables us to see the effect on the Bank's position during the full year from the beginning of July, 1924, to the corresponding date in 1925:—

BANK OF ENGLAND.	
(Million £'s.)	
	July 1, 1925.
	Comparison with
	July 1, 1924.
Rest	34
Public deposits	117
Other deposits	144.0
Govt. securities	46.6
Other securities	96.3
Notes issued	175.5
Total	157.6
bullion	146.6
Gold and silver in banking dept.	1.0
Reserve	30.7
Proportion	19.2%

The figures are, as far as they go and as far as their significance can be divined, highly satisfactory. The net increase in the Bank's stock of gold is slightly greater than the £27 millions by which it was reinforced by the aforesaid restoration. The Reserve is £10½ millions higher, with an increase of 6½ per cent. in its proportion to liabilities, which, however, is still more than 20 per cent. below the proportion shown on July 1, 1914. As far as the figures of the deposits are a test,

(In Million £.)

June 30.	Capital and Reserves.					Acceptances and Endorsements.					Deposits (including Undivided Profits, &c.).					Total Liabilities.					
	1914.	1920.	1921.	1922.	1923.	1924.	1925.	1914.	1920.	1921.	1922.	1923.	1924.	1925.	1914.	1920.	1921.	1922.	1923.	1924.	1925.
Barclays	10.8	23.4	23.9	23.8	23.8	23.8	23.8	1.3	13.5	6.6	5.7	7.4	9.8	11.0	105.8	814.2	832.2	321.2	295.9	395.7	299.0
Lloyds	11.1	24.1	24.4	24.4	24.4	24.4	24.4	5.6	16.3	6.5	7.7	13.2	15.5	18.0	148.3	324.3	341.9	336.6	336.1	338.4	338.8
Midland	13.1	21.6	21.7	21.8	21.7	21.7	21.7	9.8	21.7	16.3	17.7	26.4	30.4	32.5	132.3	367.7	371.3	368.2	347.9	358.4	348.3
National Provincial ..	10.4	15.0	18.3	18.2	18.2	18.2	18.2	5.5	5.7	3.4	8.9	7.3	8.4	9.2	116.8	256.3	265.6	269.4	258.3	254.8	254.8
Westminster	12.3	17.3	18.0	18.0	18.0	18.0	18.1	10.5	17.6	12.6	10.5	11.2	8.4	9.4	139.7	323.6	309.0	339.5	270.2	269.0	269.0
Countess'	56.7	101.4	106.1	106.2	106.2	106.2	109.3	32.7	74.8	47.4	45.6	64.5	78.0	79.8	643.4	1,885.1	1,620.1	1,600.2	1,504.3	1,518.7	1,509.0
Glyn, Mills	1.0	1.5	1.6	1.6	1.6	1.6	1.6	0.3	0.6	0.4	0.1	0.1	..	..	9.5	21.3	18.7	17.5	15.7	16.9	17.7
Bank of Liverpool and ..	1.6	1.6	1.7	1.7	1.7	1.7	1.6	1.3	2.0	0.9	1.9	1.6	1.7	1.6	17.6	28.6	24.3	24.2	25.0	21.4	28.0
Martins	3.0	3.8	3.7	3.8	3.8	3.8	3.9	1.1	4.4	1.8	1.9	3.9	4.9	4.5	23.8	85.9	79.3	69.0	63.9	61.8	58.1
District	3.5	3.5	3.4	3.5	3.5	3.5	3.7	1.4	1.4	0.4	0.3	0.3	0.3	0.4	25.8	69.6	59.9	53.9	51.7	52.0	52.0
Leases and Yorks	1.5	1.9	1.9	2.0	2.0	2.0	2.0	0.1	0.7	0.2	0.1	0.1	0.2	0.3	11.7	27.4	27.2	26.8	25.6	25.6	24.7
Manch. and County	1.9	2.0	2.1	2.1	2.1	2.1	2.1	0.1	0.4	1.1	0.1	0.1	..	..	10.7	25.4	24.1	22.4	22.4	19.7	19.7
Williams, Deacon's	1.9	2.8	2.9	3.0	3.0	3.0	3.1	0.4	1.8	1.2	0.6	0.7	1.0	1.1	16.2	37.9	36.0	34.7	34.2	32.9	32.9
Liabilities	71.1	118.5	123.2	124.1	123.9	127.1	127.4	37.4	86.1	52.3	50.6	71.3	81.1	87.9	766.2	1,871.1	1,891.4	1,863.5	1,749.6	1,761.5	1,742.1
% of Total Liabls.	8.2%	5.7%	6.0%	6.1%	6.4%	6.5%	6.5%	4.3%	4.2%	2.5%	2.5%	3.7%	4.1%	4.5%	87.5%	90.1%	91.5%	91.4%	89.9%	89.4%	89.0%
June 30.	Cash in Hand and at Bank.					Investments.					Discounts, Loans, and Advances (including Money at Call and Short Notice).					Cover for Acceptances, Premises, and Sundries.					
	1914.	1920.	1921.	1922.	1923.	1924.	1925.	1914.	1920.	1921.	1922.	1923.	1924.	1925.	1914.	1920.	1921.	1922.	1923.	1924.	1925.
Barclays	15.7	52.2	53.0	46.5	46.5	46.5	46.5	22.1	74.7	74.7	74.7	74.7	74.7	74.7	4.6	17.7	11.1	10.5	12.5	14.5	16.2
Lloyds	24.5	54.6	47.8	46.7	46.5	46.5	46.5	18.3	74.7	74.7	74.7	74.7	74.7	74.7	9.5	30.3	13.6	13.6	17.6	21.2	24.6
Midland	21.0	69.9	68.9	64.9	65.4	65.4	65.4	18.2	70.8	70.8	70.8	70.8	70.8	70.8	13.0	26.6	20.8	22.7	31.9	36.0	35.4
National Provincial ..	18.7	36.2	39.9	37.1	38.4	39.7	38.5	22.3	63.0	63.0	63.0	63.0	63.0	63.0	6.7	5.7	7.3	8.0	11.5	12.7	13.7
Westminster	20.4	50.3	39.6	34.9	38.5	38.5	38.5	18.7	58.6	58.6	58.6	58.6	58.6	58.6	12.7	30.9	16.5	14.6	15.2	13.4	15.3
Countess'	100.3	263.2	253.6	242.5	230.0	246.2	252.4	97.2	380.0	380.2	377.0	377.0	377.0	377.0	488.8	1,077.9	1,047.5	1,064.8	1,031.4	1,037.9	1,075.8
Glyn, Mills	1.2	3.4	1.9	2.3	2.6	2.6	2.9	2.9	7.7	7.7	7.7	7.7	7.7	7.7	46.5	50.2	69.3	68.3	88.7	97.8	105.2
Bank of Liverpool and ..	2.9	5.5	6.2	5.4	5.9	6.9	5.5	2.9	7.5	7.5	7.5	7.5	7.5	7.5	0.5	1.0	0.7	0.7	0.4	0.3	0.3
Martins	2.7	7.3	9.2	8.0	9.0	9.4	8.4	3.7	16.7	16.6	13.4	9.9	9.2	8.0	19.6	64.7	56.0	49.9	47.4	45.4	44.2
District	3.1	7.3	7.1	6.8	7.7	7.9	6.2	3.6	8.6	8.6	16.4	14.3	14.3	14.3	19.6	46.7	46.5	38.1	37.0	34.2	34.2
Leases and Yorks	3.0	4.6	4.6	4.6	4.6	4.6	4.6	3.6	6.3	6.2	8.7	8.7	8.6	8.5	7.0	18.1	19.5	15.1	13.5	13.3	13.2
Manch. & County	3.0	4.2	4.4	4.4	4.4	4.4	4.4	1.7	4.7	4.7	6.3	6.3	6.3	6.3	4.1	7.6	18.4	18.6	15.2	14.3	14.3
Williams, Deacon's	2.5	6.4	5.7	6.0	5.2	5.2	5.4	2.5	6.5	6.4	8.1	8.1	8.1	8.1	4.6	13.5	27.3	26.1	24.8	24.8	24.8
Assets	118.7	302.8	293.0	281.9	270.8	287.4	298.0	117.3	388.0	384.4	446.9	389.0	376.9	318.1	575.4	1,281.2	1,341.6	1,335.4	1,194.3	1,233.1	1,182.2
% of Total Assets.	13.7%	14.6%	14.9%	13.8%	13.9%	14.6%	14.7%	13.5%	18.7%	17.1%	21.9%	20.0%	19.1%	16.3%	66.6%	61.7%	64.9%	60.5%	61.0%	60.7%	60.0%

* Includes Money at Call and Short Notice.

there has been no deflation and no contraction of credit, the Public deposits showing no change on balance, while the Other deposits are £3½ millions higher, and show much larger increases over their level in the three preceding years. The only symptom of contraction is in the Government securities, which have declined in the course of the year by £7½ millions, but this diminution has been more than balanced by a decline in the ordinary note circulation, since, in spite of the transfer of £27 millions in notes to the currency note reserve, there has been a net expansion of less than £19 mil-

lions in the total circulation. It must be borne in mind that inferences drawn from the figures of the Bank return are more than usually likely to be incorrect at the beginning of a half-year, since they are then swollen and distorted by borrowing for balance-sheet purposes and by the seasonal demand for currency. But when all necessary allowances have been made, the fact remains that the table given above is comfortable evidence of the dignified calm with which a corner was turned which had been approached amid cries of dismay from some of the onlookers.

BANK SHARES AND YIELDS.

IN this article we give our usual survey of the prices and yields of bank shares, and the result, as usual, is to indicate that good banking shares are an eminently safe and steady investment. Capital appreciation in this market is, in general, not rapid, but to an investor who wants a security which will return him a yield slightly higher than the normal gilt-edged yield, without the fear of possible depreciation inseparable from most industrial investments, there are few more appropriate fields of inquiry than bank shares. In some ways banking securities are akin to insurance shares, but the investor, when he buys even the very best bank shares, need not content himself with the exiguous yields obtainable in the insurance market. On the other hand, the strength and solidity of our banking system have been so amply proved in the past ten years, and the management of our great banks has so amply justified itself, in bad trade as well as in good, that the security of a bank share can scarcely be rated lower than that of the greatest British insurance office.

In the following table we set out a comparison of the prices of a number of banking shares, British and overseas, covering a period of three years, and ending with the yield obtainable at the prices of last month:—

Share.	Am't of Share.	Paid up.	Price Sept. 28, 1923.	Price Sept. 30, 1924.	Price Sept. 30, 1925.	Yield %
Bank of England	Stock	£ 100	256½	259½	252½	4½
Barclays, "A"	1	4	8½	7½	8	5½
Do "B"	1	4	2½	2½	2½	5½
Lloyds	5	1	3	2½	2½	5½
Midland	12	2½	8½	8½	8½	5½
National Provincial	20	4	11½	10½	11½	5½
Westminster	20	5	17½	17½	18½	5½
Bank of Australasia	5	5	13½	13½	14	4½
Bank of New Zealand	1	1	2½	2½	2½	4½
Bank of New South Wales	20	20	40	40	39½	5½
English, Scottish, & Aust'n	5	2½	5½	5½	5½	5½
National Bk. of Australasia	8	5	8	6½	7½	5½
National Bk. of N. Zealand	7½	2½	6½	6½	6½	5½
Union Bank of Australia	15	5	15	15	14½	5½
Bank of Montreal	\$100	\$100	\$50	\$55	\$54	5½
Canadian Bk. of Commerce	\$100	\$100	\$41½	\$42½	\$45	5½
Royal Bank of Canada	\$100	\$100	\$46½	\$50	\$49	5½
Chartered Bank of India, & Co.	5	5	19	19½	19½	5½
Eastern	10	5	5½	5½	5½	5½
Hongkong and Shanghai	\$125	\$125	\$124	\$131	\$135½	5½
Imperial Bank of Persia	6½	6½	6½	7½	8½	5½
National Bank of India	25	12½	44½	45	47	5½
Anglo-South American	10	5	7½	7½	7½	6½
Bank of London & S. Amer.	5	5	..	7½	9½	5½
Bank of British West Africa	10	4	4½	3½	4½	4½
National Bank of S. Africa	10	10	6	6	8	4½
Standard Bank of S. Africa	20	5	11½	11	11½	6½

† Free of tax. (b) £5½ shares fully paid. (c) £10 with £4 paid.
(d) £40 fully paid shares. (e) £20 shares fully paid.
(f) £25 shares with £12½ paid. * Allowing for rate of exchange.

Prices as a whole, it will be seen, have moved but little, and of the English banks the yield is about what it was twelve months ago, varying for the most part on either side of 5½ per cent. Bank of England stock is a shade lower than in September, 1924, but nearly all the other shares are the fraction higher. Barclays, which has recently launched out in an interesting new overseas experiment that will be considered later when we come to the African banks, gives 5 per cent. and just over 5 per cent. respectively on its "A" and

"B" shares. Lloyds shares yield almost exactly 5½ per cent., while the yield on Midland shares, which show remarkably little movement, is exactly what it was twelve months ago. National Provincial and Westminster shares are both a trifle higher, and the yield is fractionally less than at this time last year.

Of the seven Australasian bank shares included in the table, three have risen slightly during the past twelve months, three are slightly lower, and one remains unaltered. The yields vary from the low return of less than 5 per cent. offered by the Bank of New Zealand to the fraction over 6 per cent. returned by the National Bank of Australasia. In Canadian banking securities the movements are equally small, and prices of none of the three shares included in the table gives a return of 6 per cent. In spite of the troubles in China and unsettlement in the East, the Eastern group is also very steady, and while a return of more than 7 per cent. is obtainable on the shares of the Eastern Bank, none of the others give 6 per cent., and the Hong Kong and Shanghai shares are £11 higher than they were two years ago.

Perhaps the most interesting share in the whole table at the present moment is the National Bank of South Africa, which has risen in twelve months from 6½ to 8, though, so far, no dividend has been paid. The troubles through which the bank passed a few years back owing to its loose management are still remembered, but the strong policy adopted by the board had brought the institution into smoother water, and now it is on the point of being linked up with Barclays in the new Barclays Dominions and Overseas, which may prove to be the first step in an entirely new era of British Imperial banking. The National Bank of South Africa had, in the course of its development, bought a large number of shares in the Colonial Bank. These shares it sold to Barclays, so that the control of the Colonial passed over to one of the great five. Subsequently, Barclays made an offer to the National Bank's shareholders of an interest in the new Dominion and Overseas, which will embrace both the Colonial and the National Bank of South Africa, as well as an Egyptian bank that will give the new undertaking an interest in Africa north of the equator. This new Imperial banking development will be watched with interest, and at their present price National Bank of South Africa shares scarcely seem to be overvalued. Standard of South Africa shares are as steady as ever, giving the satisfactory yield of about 6½ per cent.

The following table brings together a few bank shares on which there is no uncalled liability, and shows the yield obtainable on them:—

Bank.	Denom-ination.	Am't Paid Up.	Price Sept. 28, 1923.	Price Sept. 30, 1924.	Price Sept. 30, 1925.	Yield %
Anglo-South American	£ 10	£ 5	7½	7½	7½	6½
Australian Bank of Commerce	1	1	1½	1½	1½	5½
Bank of New Zealand	1	1	2½	2½	2½	5½
Barclays, "A"	4	4	8½	8½	8½	5½
Do "B"	1	1	2½	2½	2½	5½
British Overseas, "A" ord.	5	5	5	5	5	5
Lloyds	5	1	5	5	5	5
Midland	2½	2½	3	2½	2½	5
Munster and Leinster	5	2	7½	7½	7½	5
National Bank of S. Africa	10	10	6	6	8	4½
Westminster	1	1	2½	2½	2½	5
Williams, Deacon's, "A"	5	1	2½	2½	2½	5
Do "B"	1	1	2½	2½	2½	5

IRISH FREE STATE BANKS.

THE latest reports of the joint-stock banks of the Irish Free State cover the period ended June 30th last, with the exceptions of the Royal Bank of Ireland, whose accounts come down to August 31st last, and the Bank of Ireland, whose latest report is that for the year ended December 31, 1924. It will be observed from the table of net profits below that while the profits of the Bank of Ireland, which cover the year 1924, are substantially higher, those of the other banks, which refer to a later period, are lower, with the one exception of the Provincial Bank of Ireland. At the annual meeting of the Royal Bank at the end of last month the chairman mentioned the decline in profits as compared with the previous year, which was a record, but described the result of the past year's working as "quite satisfactory." He added that conditions in the Free State were becoming more settled, as witness the number of

cross-Channel firms who have secured, and are looking for, factory sites and warehousing accommodation. "It is a gratifying and reassuring sign to see outside capital being invested in our country. It is a proof that people outside the Free State, in addition to ourselves, look forward with confidence to the ultimate prosperity of this country."

Though profits are mostly smaller than they were for the preceding period, they show a substantial increase over those recorded two years ago. Owing to difficulties in arriving at agreement with the authorities as to the amount of income-tax for which the banks were liable to both the British and Irish Free State Governments for 1923 and the first half of 1924, some dividends were paid free of income-tax, but in most cases the old practice of paying dividends less income-tax has been resumed. Comparison of dividend rates for the two periods is, therefore, rather complicated:—

IRISH FREE STATE BANKS.

	Year Ended.	Net Profit.	Dividend.	To Reserve, &c.	Pre-mises.	Staff Funds.	Carried Forward.	Profit and Dividend, Previous Year.
		£	£	£	£	£	£	£
Bank of Ireland	Dec. 31	595,821	350,000	13*	280,000	..	5,821	549,620
Hibernian Bank	June 30	109,278	50,000	10*	45,600	10,000	6,832	103,959
Munster and Leinster Bank ..	June 30	190,727	82,708	19(d)	85,000	20,000	9,019	194,609
National Bank	June 30	366,587	176,750	14	125,000	50,000	2,897	366,978
Provincial Bank of Ireland ..	June 30	188,388	82,314	14½	52,000	22,000	2,074	127,145
Royal Bank of Ireland	Aug. 31	73,342	23,612	10	50,000	..	230	78,368
		1,474,643	755,384	..	587,600	102,000	7,659	1,426,699

a) 4½ per cent., free of tax. (b) 5 per cent., free of tax. (c) 5½ per cent., free of tax. * Free of income-tax. (d) 9 per cent., free of tax.

The balance-sheet figures are set out in historical tables for each bank on later pages, and the latest figures for each of the Dominion groups will also be found summarised in a large table. The comparative table below gives the aggregate balance-sheet items of the six Free State banks for the past four years, and of all the Irish banks for a number of preceding years. This

shows a further substantial decline in deposits, a small contraction in the note circulation, a large drop in cash and money at call, and a moderate reduction in discounts and advances. As compared with this time two years ago, deposits are £9 millions lower, and cash and money at call £7½ millions lower, but discounts and advances are a trifle higher. Investments are a

JOINT-STOCK BANKS OF IRELAND.

Year.	Banks	No. of Branches.	Capital and Reserves.	% of Liabilities.	Deposits	% of Liabilities.	Notes.	% of Liabilities.	Total Liabilities.	Cash in Hand Money at Call & Short Notice	% of Liabilities.	Investments	% of Liabilities.	Discounts and Advances.	% of Liabilities.
1890..	9	456	10,374,000	18.5	38,521,000	68.8	6,642,000	11.8	56,132,000	9,086,000	16.1	17,144,000	32.2	28,791,000	51.0
1895..	9	496	10,200,000	16.5	44,390,000	72.0	6,143,000	9.9	61,663,000	11,253,000	18.3	17,934,000	29.1	31,192,000	50.6
1900..	9	543	10,694,000	16.0	49,449,000	72.8	6,708,000	9.9	67,988,000	11,697,000	17.2	17,719,000	26.1	37,464,000	55.0
1905..	9	627	11,320,000	15.7	53,556,000	74.4	5,966,000	8.3	71,967,000	10,396,000	14.4	18,961,000	26.3	41,868,000	57.7
1910..	9	663	11,475,000	13.9	62,508,000	76.0	7,211,000	8.8	82,150,000	13,762,000	16.7	23,215,000	28.2	44,127,000	53.7
1911..	9	679	11,443,000	13.4	65,465,000	77.0	7,058,000	8.3	85,014,000	14,516,000	17.0	24,362,000	28.5	44,991,000	52.7
1912..	9	683	11,164,000	12.9	66,901,000	77.1	7,228,000	8.4	86,368,000	14,090,000	16.3	24,026,000	27.8	47,161,000	54.7
1913..	9	710	11,095,000	12.2	70,657,000	77.9	8,074,000	8.9	90,905,000	17,199,000	19.0	23,985,000	26.3	48,600,000	53.5
1914..	9	693	11,203,000	11.5	74,501,000	76.3	10,918,000	11.2	97,809,000	22,382,000	22.9	25,970,000	26.6	43,149,000	49.9
1915..	9	703	11,013,000	10.5	77,722,000	74.0	15,000,000	14.3	104,799,000	23,313,000	22.2	35,330,000	33.6	44,706,000	42.6
1916..	9	708	10,844,000	9.4	83,746,000	72.8	19,112,000	16.6	115,205,000	32,561,000	28.3	38,148,000	33.2	42,972,000	37.2
1917..	9	773	11,262,000	9.4	99,310,000	73.8	22,336,000	16.6	134,515,000	40,088,000	29.8	42,113,000	31.4	50,822,000	37.5
1918..	9	848	11,837,000	6.7	131,610,000	74.9	30,896,000	17.6	175,739,000	56,813,000	31.8	65,307,000	37.2	51,893,000	29.6
1919..	9	869	12,832,000	6.1	166,231,000	79.2	29,054,000	13.9	209,632,000	55,090,000	26.3	77,242,000	37.0	75,803,000	36.0
1920..	9	912	12,899,000	5.4	200,441,000	83.2	24,717,000	10.8	240,391,000	46,698,000	19.4	80,959,000	33.5	109,623,000	45.5
1921..	9	947	13,154,000	5.3	212,860,000	86.1	19,052,000	7.7	246,881,000	42,887,000	17.4	81,670,000	33.0	119,275,000	44.1
1922..	9	986	13,779,000	5.7	209,777,000	86.0	17,321,000	7.1	242,199,000	31,834,000	13.1	103,019,000	42.5	104,554,000	43.1
1922..	6*	719	10,429,000	5.9	153,091,000	86.6	12,332,000	7.0	176,603,000	23,660,500	13.4	79,797,500	45.1	70,982,000	40.2
1923..	6*	736	11,039,000	6.4	149,695,000	86.4	11,588,000	6.7	173,320,000	27,192,000	15.7	73,788,000	42.6	69,885,000	40.3
1924..	6*	764	11,159,000	6.5	147,105,000	86.0	12,025,000	7.0	171,164,000	24,510,000	14.3	72,053,000	42.1	72,158,000	42.2
1925..	6*	766	12,356,000	7.5	140,563,000	85.3	11,276,000	6.8	164,957,000	19,573,000	11.9	72,592,000	44.0	70,452,000	42.7

* Irish Free State.

little higher than they were 12 months ago; the ratio of this item, which consists largely of Government securities, to total liabilities is very much higher at 44 per cent. than the ratio for all the Irish banks in the pre-war period. The ratio of cash and money at call, on the other hand, has fallen to a low figure. It is common knowledge in Dublin—although, of course, confirmatory statistics are necessarily wanting—that Irish depositors transferred considerable sums from Irish to English banks a few years ago, and the total of Irish money temporarily lost to England in this manner is quite impressive. There were many reasons for this. Nervousness concerning the political outlook under the new constitution, and realisation that England was, if less convenient, a safer depository for Irish funds of a floating character, were prime factors; sentimental reasons also led those in Ireland with pro-

British feelings to send their money to follow in the wake of the British officials and soldiers whom they were so sorry to lose. Finance, however, has little room for mere sentiment, and there is no doubt that the difference of $\frac{1}{2}$ per cent. in the rates allowed by the British and Irish banks has operated to the advantage of the former. With London bank rate reduced to 4 per cent., the British and Irish banks now offer identical terms—2 per cent. It may be expected, therefore, that, having regard to the improved political situation and to the undoubted convenience to the depositor of having his funds close at hand, some of this money may begin to flow back again to Ireland. As bank deposits are the chief source of credit facilities in any community, the credit stringency which has been such a feature of Irish commercial life during the last few years may thereby be alleviated.

AFRICAN BANKS.

FROM the banker's point of view the year 1924 in South Africa was appreciably better than 1923, and the accounts of the two prominent commercial banks, the Standard Bank of South Africa and the National Bank of South Africa, for the year ended March 31st last reflect this improvement. External trade increased by £10 millions, and public finance and railway receipts showed a steady advance. Gold production was the highest on record, while there was also a satisfactory expansion in the value of the production of diamonds and wool. A severe drought and pests, however, resulted in a partial failure of the grain crops, which retarded industrial progress, and the volume of banking business transacted is described as below expectations. The table of profits below shows that the profits of the Standard Bank increased by over £54,000, while those of the National Bank were £12,000 higher. There was also an expansion of £5,000 in the profits of the Netherlands Bank of South Africa, a relatively small Dutch bank, with head office in Amsterdam.

The profits of the Bank of British West Africa advanced by over £16,000, affording definite evidence of an improvement in West African trade. Since the close of the financial year, namely, in June last, Lloyds Bank and the Bank of British West Africa have amalgamated their businesses in Egypt, which are now carried on in the name of Lloyds Bank, Limited, for the benefit of both banks. At the annual meeting of the Bank of British West Africa the Chairman stated that his bank retained a substantial interest in the results of the amalgamated Egyptian business carried on by Lloyds Bank—who were the largest shareholders in the Bank of British West Africa—and with the saving in overhead expenses which would result, the goodwill which each side to the bargain brought in, and the local experience now united, they looked forward with confidence to increasing profits from the combined business. The table below shows the net profits and appropriations for the last financial year of the four banks, together with the profits and rate of dividend for the preceding year:—

	Year Ended.	Net Profit.	Dividend.	To Reserve, &c.	Pre-mises.	Staff Funds.	Carried Forward.	Profit and Dividend for Preceding Year.
		£	£	£	£	£	£	£
Bank of British West Africa, Lim.	Mar. 31	112,852	60,000	5	25,000	25,000	2,352	55,990
National Bk. of South Africa, Lim.	Mar. 31	216,284	..	..	150,000	..	18,284	203,991
Netherlands Bk. of South Africa	Dec. 31	26,957	12,000	5	12,779	2,762	591	21,813
Standard of South Africa, Lim.	Mar. 31	508,952	312,083	14	..	75,000	3,131	456,397
Total		864,538	384,083	..	187,779	102,672	14,914	778,191

The National Bank of South Africa again paid no dividend, the directors maintaining their policy of building up reserves which were depleted as a result of the crisis through which the bank passed three years ago. The three other banks repeated the previous year's distribution.

From the table summarising the main items of the balance-sheet it will be seen that there is a further diminution in the total of notes in circulation. The commercial banks have now no note circulation in South Africa, and notes shown in the balance-sheet represent those circulating in Rhodesia and elsewhere outside the Union. The amounts of Union notes outstanding on June 30, 1924, were paid over to the South African Reserve Bank under the terms of the Currency and Banking Act of 1920. The Reserve Bank constituted under the Act was given the sole right of issue of currency notes for a period of 25 years, and this was to be its principal function. The Act also provided that every South African bank must hold stock in the Reserve Bank to the equivalent of 5 per cent. of its own capital, and must deposit large reserves with it. In respect to demand liabilities, 10 per cent. of the total

was to be provided, and in the case of time liabilities, including interest-bearing deposits, the proportion was 3 per cent. After the first three years the proportion of reserve against demand liabilities was to be increased to 13 per cent. The Reserve Bank's note issue has to be secured by at least 40 per cent. in gold, and as to the remainder, by commercial paper or trade bills, and by a first charge on all the assets of the bank. A decision by the authorities not long ago that the Reserve Bank should take a more active part in supplying the financial and banking requirements of the Union, and that branches should be opened in the larger Union centres and in London aroused some discussion and a mention of "unfair competition" with the commercial banks, but such apprehensions were allayed by the clear statement of policy made by the Governor of the Reserve Bank at the annual meeting last June.

Two important events affecting South African banking have occurred since the dates of the last balance-sheets. The first is the return to the gold standard by the Union, the natural sequel of which was the stabilisation of exchanges, which enabled the commercial banks to adjust their sterling position in accordance

with the laws of supply and demand. The margin between the rates for buying and selling exchange has been reduced to the figure at which it stood before the war. The other event, which is more of domestic interest, is the absorption by the Colonial Bank of the National Bank of South Africa and the Anglo-Egyptian Bank, under the title of Barclays Bank (Dominion, Colonial, and Overseas). The chairman of the National Bank, in the course of his speech at the annual meeting, said that the directors had explored every possible method of so arranging the finances of the bank that the date of the resumption of dividend payments should be brought closer to hand without sacrificing the fundamental principle of increasing the reserves in order to preserve public confidence. The one method that seemed to offer the best solution from the point of view of the shareholders was an alliance or affiliation with some existing banking institution of undoubted standing. After giving details of the agreement, which have been set out in the *Economist* (August 15th, p. 264), he concluded by saying:—"The whole matter naturally has given your directors food for a great deal of thought. In the result they are perfectly satisfied that the scheme is one that they can recommend to shareholders with the utmost confidence. In place of having to wait for a year at least, probably for more than a year, for a dividend on their present shareholdings, our shareholders will be entitled as from July 1, 1925, to a dividend at the rate of 8 per cent. per annum on two-sevenths of their holding, and to a dividend of such amount as the amalgamated profits may permit on the remaining five-sevenths of their holding. What the rate of such dividend will be I am not prepared to express an opinion to-day, but, having regard to the established position of the Colonial and Anglo-Egyptian Banks, and to our own improving prospects as a profit-earning machine, and having regard, too, to the expansion in our business that may confidently be expected to flow from the powerful backing that we

should gain by entering the proposed merger, I have no manner of doubt that the shareholders will have no cause to regret it if, as I expect, they affirm the provisional agreement at the forthcoming extraordinary general meeting. Apart from our own personal interest in the scheme, I venture to think that South Africa as a whole will receive with satisfaction the news that banking in this country is to receive such an impetus as is involved in this project. Your directors, too, are pleased to think that the bank will now have an opportunity of playing a much more prominent part than has hitherto been practicable in forwarding the interests of South Africa. I think, too, that the fact of Barclays Bank, Limited, being prepared to take a substantial share interest in the new bank, and being willing to assume an additional liability of two millions of the uncalled capital, is an eloquent testimony to the confidence of that powerful bank in the future of South Africa, and to its belief that the time is ripe to introduce fresh capital for the purpose of aiding in the development of our great natural resources."

The table below shows that deposits have decreased by over £3½ millions, but discounts and advances show an expansion of a million, while investments have been reduced by over £2 millions. The deposits of the National Bank were about £2½ millions lower. This was balanced by a reduction of £1½ million in the cash items, of £2 millions in investments, and of £800,000 in discounts and advances. Bills of exchange purchased were £2 millions more, the bank having that amount less of foreign bills under rediscount with the Reserve Bank than in the previous year, the where-withal to reduce the Reserve Bank obligations being provided by the transfer of cash from London. The deposits of the Bank of British West Africa were £186,000 higher, but the chairman pointed out at the annual meeting that, with the disappearance of the Egyptian deposits owing to the amalgamation of their Egyptian business with Lloyds Bank, a decrease in deposits must be expected in the current year.

AFRICAN BANKS WITH OFFICES IN LONDON.

Year.	Banks.	No. of Brnchs.	Capital and Reserves.	% of Liabilities.	Notes.	% of Liabilities.	Deposits.	% of Liabilities.	Total Assets or Liabilities.	Cash in Hand and Money at Call.	% of Liabilities.	Investments.	% of Liabilities.	Discounts and Advances.	% of Liabilities.
			£	%	£	%	£	%	£	£	%	£	%	£	%
1890..	2	90	2,005,800	12.0	1,081,300	6.5	10,408,600	62.4	16,672,400	3,887,700	23.3	1,582,900	9.5	0,920,700	65.4
1900..	5	165	4,684,000	13.3	1,852,200	5.2	24,424,900	69.0	35,306,300	11,511,900	32.6	4,092,200	11.6	118,559,700	52.5
1905..	8	363	8,480,500	13.4	3,038,000	3.2	45,858,100	71.2	64,277,900	16,206,600	25.1	8,805,700	13.4	36,549,000	56.8
1910..	9	444	8,289,700	13.4	2,035,800	3.3	43,628,800	71.2	61,144,200	17,755,900	29.0	6,374,400	10.4	30,509,200	49.9
1913..	7	492	8,556,100	12.3	2,387,100	3.4	49,130,700	70.5	69,634,300	14,578,800	21.0	5,085,600	7.3	41,751,600	60.0
1914..	7	502	8,935,075	12.3	2,248,113	3.2	50,145,773	70.2	71,258,938	15,693,005	22.0	5,170,950	7.3	41,670,760	58.5
1915..	6	488	8,709,895	12.0	2,619,300	3.6	53,140,570	73.6	72,214,499	19,919,467	27.5	5,912,468	8.2	38,944,792	53.8
1916..	7	547	14,117,683	13.9	2,798,534	2.7	73,560,390	72.2	101,850,210	20,369,809	20.0	14,494,301	14.2	57,265,126	56.3
1917..	7	583	14,503,493	11.9	3,796,769	3.1	90,325,713	74.2	122,199,396	23,793,758	19.5	18,849,944	15.5	68,344,346	56.1
1918..	7	704	15,023,804	10.4	5,106,119	3.5	108,783,064	75.0	145,190,299	28,384,561	19.5	19,356,968	13.6	84,415,701	58.0
1919..	7	790	15,795,555	8.4	6,639,631	3.5	143,161,850	76.0	188,192,563	33,665,979	17.8	27,650,096	14.6	108,133,873	57.3
1920..	7	873	17,046,427	6.8	8,988,619	3.6	189,892,101	76.0	249,256,327	46,066,481	18.5	37,267,885	15.8	139,946,510	56.0
1921..	6	979	17,975,721	8.5	9,244,449	4.4	151,699,145	71.8	211,874,720	35,568,723	16.8	20,852,477	9.9	126,626,573	60.0
1922..	6	893	17,620,100	9.7	8,706,569	4.8	128,532,959	71.0	180,687,942	37,851,939	20.9	19,377,552	10.7	99,519,411	55.0
1923..	6	857	16,684,960	9.7	1,281,777	0.7	127,608,097	74.3	171,330,264	29,845,362	17.2	22,847,989	17.4	91,226,581	53.3
1923..	4	812	10,032,152	7.6	1,231,777	0.9	95,457,147	72.9	131,045,290	23,949,679	18.3	4,399,448	10.9	73,106,390	55.8
1924..	4	675	9,101,413	7.6	992,511	0.8	90,165,360	75.7	119,310,063	23,724,032	19.9	12,999,282	10.9	61,316,584	53.2
1925..	4	670	9,263,096	7.9	718,821	0.6	86,577,974	74.3	116,650,849	23,107,838	19.8	10,890,089	9.3	64,380,473	55.2

AUSTRALASIAN BANKS.

WITH the restoration of the gold standard in Australia, the step having been taken when this country made the change, normal exchange rates followed, and the serious difficulties of the exchange position with Great Britain which had been experienced since the war have

been disposed of, for the time being at least. Before the change was made, however, the exchange position had become acute, and special measures were needed to ensure the marketing overseas of Australia's primary products. But by the pooling of the whole of the wool

and wheat exchange; by the Federal Note Board agreeing to make available to the banks in case of need £15 millions in notes against funds or securities to be deposited in London; and by the Government agreeing to refrain from borrowing (except for redemption purposes) in London and Australia until June 30th last, the most serious difficulties were overcome. During the period covered by the latest accounts of the Australian banks trading conditions in Australia were fairly satisfactory. The wool clip showed an increase in quantity of about 300,000 bales, and prices were very high up to November, when they reached the highest point, but thereafter a considerable fall took place. Prices for fine wools, however, are still favourable as compared with many past years, and a further substantial increase is expected in the coming new clips. The wheat crop was also satisfactory, the exportable surplus being

estimated at 80 million bushels, and growers benefited substantially from a good market. An abundant sugar crop was also harvested in New South Wales and Queensland, there being a large surplus for export. The financing of these unusually large surpluses were the chief cause of the exchange difficulties at the beginning of the season, but the measures taken had an ameliorating effect, while further relief was afforded by the removal of the embargo on gold export, which proved of substantial benefit to the primary producer and the commercial community generally.

In nearly all cases the profits of the Australian banks for the past year showed an appreciable increase, the aggregate figure for the Australian and New Zealand banks together being £353,200 higher at £5,791,500, as may be seen from the attached table, which also shows the appropriations:—

	Year Ended.	Net Profit.	Dividend.	To Reserve, &c.	Pre-mises.	Staff Funds.	Carried Forward.	Profit and Dividend for Preceding Year.
		£	£	%	£	£	£	£
Australian Bank of Commerce, L.	June 30	180,766	115,000	74	50,124	10,000	..	143,253
Bank of Adelaide, Limited	Mar. 30	117,216	87,500	10	30,000	..	..	115,823
Bank of Australasia	Oct. 13	629,904	520,000	13*	75,000	25,000	..	618,559
Bank of New South Wales	Sept. 30	846,834	600,000	10	250,000	..	..	851,514
Bank of New Zealand	Mar. 21	819,235	562,500	13½	250,000	..	..	735,832
Bank of Victoria, Limited	June 30	189,797	133,000	9	50,000	3,000	..	193,739
Commercial Bk of Australia, Lim.	June 30	305,536	171,796	15	101,124	10,000	..	264,542
Com. Banking Co. of Sydney	June 30	480,261	349,920	10	130,000	..	..	451,567
English, Scottish, and Australian	June 30 '24	502,502	187,500	12½	262,500	10,000	..	470,847
National Bk. of Australasia, Lim.	Mar. 31	538,832	400,000	10	92,471	40,000	..	498,168
National Bk. of New Zealand, Lim.	Mar. 31	279,826	208,687	14*	10,000	9,000	..	242,935
Queensland National Bank, Lim.	June 30	184,446	125,181	10	60,000	..	..	176,388
Royal Bank of Australia, Limited	Mar. 31	125,896	75,000	10	40,000	..	..	123,389
Union Bank of Australia, Lim.	Feb. 28	590,398	497,500	15*	100,000	..	..	550,292
Total		5,791,499	4,034,204	..	1,501,219	150,000	27,000	5,438,298

* Free of tax.

Dividends have in all cases been maintained, though in several cases paid on a larger capital, several of the banks having enlarged their share capital, and in one or two cases reduced the amount of inscribed deposits therewith. The two New Zealand banks earned larger profits on an increased capital. Production in the Dominion has increased, there has been freedom from serious industrial conflicts, and an absence of speculation on a large scale. At the meeting of the National Bank of New Zealand in July the chairman described the banking figures of the country as better than for many years past, and added that there was a marked and satisfactory advance in values of primary products. "The restored balance of trade was fully maintained, the public revenue was buoyant, especially that brought in

by the Customs, the concessions to taxpayers encouraged traders, the cry of the unemployed was not heard in the land, and though there were sporadic outbursts by dissatisfied labour, there was no prolonged trouble."

From the table below, which summarises the main items of the balance-sheets of the Australasian banks, it will be seen that both deposits and discounts and advances have again increased substantially. The increase in deposits is a reflection of the prosperity of the farming industry, both in Australia and New Zealand. The note circulation shows only a slight decline, and cash and money at call is at the lowest figure since 1921, but there has been an expansion in the holding of investments. Paid-up capital and reserves have increased by £4,900,000, capital having increased by £2,200,000 and reserves by £2,700,000.

AUSTRALASIAN BANKS WITH LONDON OFFICES.

Year.	Banks.	No. of Branches.	Capital and Reserves.	% of Liabilities.	Notes.	% of Liabilities.	Deposits.	% of Liabilities.	Total Assets or Liabilities.	Cash in Hand and Money at Call and Notice.	% of Liabilities.	Investments.	% of Liabilities.	Discounts and Advances.	% of Liabilities.
			£		£		£		£	£		£		£	
1890..	19	1,538	24,424,100	13-3	4,821,800	2-6	138,065,900	74-7	184,931,200	26,919,000	14-6	6,906,100	3-7	145,535,900	78-7
1900..	16	1,398	30,307,100	19-1	4,348,700	2-8	107,403,600	68-4	157,299,500	33,165,500	21-1	12,831,900	8-2	102,820,900	65-3
1905..	16	1,456	27,946,400	17-6	4,247,500	2-7	119,619,900	71-7	166,453,600	43,321,400	26-3	12,534,100	7-5	103,891,100	64-2
1910..	17	1,965	33,612,300	16-3	5,198,100	2-4	152,385,400	71-9	212,615,200	54,575,000	25-8	17,105,000	8-1	132,955,900	62-5
1915..	17	2,186	38,233,700	16-8	2,039,900	0-9	170,256,600	72-6	234,100,000	66,888,400	28-8	13,687,800	5-8	146,287,600	62-5
1918..	17	2,273	42,272,449	16-6	2,040,542	0-8	185,238,136	72-9	254,388,301	73,909,526	29-0	13,406,861	7-6	153,450,596	60-5
1919..	18	2,294	43,470,675	16-6	3,187,696	1-2	192,079,088	73-1	262,167,311	79,197,043	30-1	22,208,945	8-5	153,402,635	58-8
1916..	18	2,297	44,004,748	16-8	3,640,936	1-3	199,115,161	71-3	279,112,667	72,999,234	26-1	29,369,730	10-5	167,071,064	60-0
1917..	17	2,259	44,626,507	15-6	5,367,245	1-9	209,781,668	73-0	286,793,212	78,724,117	27-4	36,362,156	12-8	182,488,312	56-4
1918..	17	2,236	45,340,848	14-5	6,324,311	2-1	229,819,071	73-3	312,496,435	79,444,434	25-4	46,950,137	15-0	177,398,316	56-9
1919..	16	2,206	46,908,553	14-0	7,564,883	2-3	245,068,652	73-5	334,012,342	72,019,515	21-6	43,941,932	13-2	208,944,051	62-8
1920..	16	2,393	51,248,171	13-4	8,511,692	2-2	281,477,007	73-4	393,470,259	88,138,890	23-2	68,431,168	17-8	214,786,390	56-0
1921..	15	2,364	53,991,389	14-1	7,854,758	2-1	273,364,790	71-8	381,546,279	81,024,813	21-3	39,911,344	10-5	251,787,300	66-0
1922..	14	2,495	58,731,923	15-3	8,029,220	2-1	278,162,328	72-5	384,576,016	89,807,562	23-3	39,400,133	10-0	247,081,583	64-3
1923..	14	2,585	61,593,404	15-3	7,928,290	2-0	296,565,646	73-4	404,605,678	85,877,405	21-2	46,722,824	11-6	261,925,689	64-9
1924..	14	2,633	56,098,630	15-3	6,973,808	1-7	304,880,617	73-0	417,885,511	85,097,837	20-4	41,379,111	9-9	280,133,236	67-1
1925..	14	2,692	70,965,534	16-5	6,870,095	1-6	311,517,521	72-3	430,939,351	82,997,550	19-3	43,260,682	10-1	293,292,117	68-0

CANADIAN BANKS.

WHEN 1924 began hopes were entertained in Canada that a steady return towards the pre-war scale of prosperity was in near prospect. But such hopes were doomed to disappointment. General trade failed to develop according to expectation, but crops were good without fulfilling early promise. Reflection of this state of affairs may be seen in the aggregate balance-sheet figures appended to this article. Against an increase of nearly £23 millions in total deposits, investments rose by nearly £18 millions, and cash by over £9 millions, discounts and advances being between £3 millions and £4 millions lower. The profit figures,

given in a separate table, also show that the banks found it a little more difficult to discover remunerative channels for the employment of their funds. Aggregate net profits, it will be seen, of the seven banks with London offices fell by some £129,000. The Canadian Bank of Commerce alone records a substantial increase in profits; but the two years' figures are not strictly comparable, owing to the absorption of the Bank of Hamilton, which caused a considerable expansion of capital. Dividends were maintained in every case except in that of the Union Bank, which since the end of the period under review has been absorbed by the Royal Bank of Canada:—

	Year Ended.	Net Profit.	Dividend.	To Reserve, &c.	Pre-mises.	Staff Funds.	Carried Forward.	Profit and Dividend for Preceding Year.
		£	£	%	£	£	£	£
Bank of Montreal	Oct. 31	890,901	763,000	14	82,500	25,000	..	899,283
Bank of Nova Scotia	Dec. 31	422,006	320,000	16	20,000	50,000	..	420,907
Canadian Bank of Commerce	Nov. 29	741,098	523,973	12	226,028	154,103	..	593,648
Colonial Bank	June 30	118,797	60,800	8	25,000	20,000	..	97,878
Dominion Bank	Dec. 31	228,816	156,000	13	32,866	15,000	..	225,574
Royal Bank of Canada	Nov. 29	775,695	571,200	14	93,000	80,000	..	781,863
Union Bank of Canada	Nov. 29	182,388	128,000	8	46,916	5,000	..	216,686
Total		3,859,801	2,522,773	..	527,310	349,109	94,801	3,290,939

In discussing a decrease in earnings of the Bank of Montreal, the general manager, Sir Frederick Williams-Taylor, said: "The principal cause of our somewhat diminished earnings is that, though our total resources have been greater, our commercial loans in Canada are \$22,000,000 less than a year ago. It has been impossible to find suitable employment for these increased resources at commercial rates of interest, and as the best alternative we have invested them in gilt-edged short-term securities at less remunerative rates. This is reflected in the following figures:—

	October 31, 1923.	October 31, 1924.
Commercial loans	236,000,000	214,000,000
Investments	103,000,000	140,000,000

Also, the overhead charges of our banks in the way of salaries are greater, and taxation and upkeep have increased by leaps and bounds, whilst banking losses in such times as we are now passing through are far beyond normal." Developing this theme in relation to the Dominion as a whole, Sir Frederick remarked:—"It is a matter of national importance that the commercial loans in Canada of all our banks are

\$100,000,000 less than a year ago. These figures, taken with a reduction in railroad earnings of \$11,900,000 for the same period, and about stationary figures in our total foreign trade, reflect what a section of the community is wont to describe by the expression 'business is quiet.' A stronger definition might be used without exaggeration. From another point of view these figures indicate the ability of the banks of Canada to finance a trade revival when it occurs." Incidentally, it may be noted, the same authority threw some light on the increase in deposits. This increase in the aggregate figure is, in part, due to absorptions and amalgamations; but Sir Frederick explained that, so far as his bank was concerned, at the date the balance-sheet was made up "the Dominion Government had unusually large balances with us in connection with the retirement of a public loan of \$107 millions."

A feature of recent bank history in Canada is the further step that has been taken in the current year towards banking consolidation. Early in 1925 rumours were current, and were denied, that the Royal Bank of Canada was about to absorb the Union Bank. However, on May 22nd the Acting Minister of Finance announced that official consent had been given for this

CANADIAN BANKS WITH OFFICES IN LONDON.

Year.	Banks.	No. of Branches.	Capital and Reserves.	% of Liabilities.	Notes.	% of Liabilities.	Deposits.	% of Liabilities.	Total Assets or Liabilities.	Cash in Hand, Money at Call and Short Notice.	% of Liabilities.	Investments.	% of Liabilities.	Discounts and Advances.	% of Liabilities.
			£		£		£		£	£		£		£	
1890..	4	75	6,907,100	31-3	1,934,700	8-6	9,182,400	41-3	22,200,300	3,510,900	15-8	1,417,500	6-4	17,123,600	77-1
1900..	4	95	6,679,100	21-8	2,448,500	8-0	17,584,600	52-6	30,544,200	4,567,900	14-9	2,095,600	6-9	23,488,000	77-0
1905..	4	254	9,541,500	16-2	4,221,500	7-2	40,706,900	69-2	58,981,200	18,677,200	31-8	4,814,500	8-2	34,721,100	58-6
1910..	5	590	13,122,300	12-1	6,670,700	6-7	83,600,500	72-4	107,995,700	42,605,600	39-5	9,799,100	9-1	54,269,400	50-3
1913..	7	1,388	23,302,000	12-6	12,138,900	6-5	142,975,500	77-6	184,190,100	56,844,700	30-9	13,023,700	7-1	109,771,800	59-7
1914..	7	1,449	23,727,827	12-3	11,799,523	6-1	145,100,357	75-0	190,351,619	64,485,302	33-4	14,207,689	7-4	104,430,566	54-0
1915..	7	1,473	23,730,164	12-3	12,034,445	6-3	145,911,275	75-8	192,384,515	64,458,514	33-5	14,516,943	7-5	103,977,449	52-4
1916..	7	1,489	23,730,165	10-2	13,838,232	6-2	177,079,956	79-3	223,077,555	95,972,044	43-0	17,941,791	8-0	101,399,677	45-5
1917..	7	1,491	23,818,164	9-6	16,696,710	6-7	199,285,279	80-2	248,273,628	99,818,860	40-2	33,023,861	13-3	107,218,296	43-1
1918..	7	1,491	23,818,164	8-2	22,378,690	7-5	236,591,336	79-2	297,735,149	109,679,564	36-6	50,673,767	16-9	125,988,865	42-1
1919..	6	1,681	24,462,161	7-5	27,727,821	8-1	271,203,010	79-1	343,068,311	111,225,247	32-3	60,021,789	17-5	157,810,276	46-0
1920..	6	1,681	25,605,617	7-5	27,727,821	8-1	271,203,010	79-1	343,068,311	111,225,247	32-3	60,021,789	17-5	157,810,276	46-0
1921..	8	2,653	36,524,247	7-5	35,302,363	7-2	386,047,299	79-1	487,330,996	149,427,464	30-5	73,768,107	15-2	242,618,337	49-8
1922..	8	2,784	39,247,988	8-2	33,519,151	7-0	377,965,424	79-1	477,358,871	167,415,626	35-0	52,812,744	11-1	238,425,284	49-8
1923..	7	2,724	37,564,384	8-8	25,620,491	6-0	344,088,345	80-7	426,235,292	150,734,764	35-3	50,518,770	11-8	209,386,821	49-0
1924..	7	2,649	38,929,178	8-8	25,965,568	5-9	352,144,276	79-4	443,435,332	144,569,111	32-6	72,210,490	16-3	201,044,015	45-4
1925..	7	2,630	39,995,855	8-5	23,394,806	5-6	373,209,605	79-7	470,860,643	154,092,281	32-7	89,880,069	19-1	197,741,138	42-0

step. In explaining and defending the granting of consent, he stated that the directors of the Union Bank had represented that they were confronted with a substantial reduction in earnings, in which respect there was no prospect of early improvement, and the consequent necessity for a drastic cut in the dividend rate, which might have seriously impaired the bank's standing and the market value of its shares. The merger was, therefore, sanctioned by the authorities to obviate the possibility of such a development, which might have produced certain repercussions upon the financial position. At the date of the latest balance-sheets of the separate institutions, the Royal had a paid-up capital of £20,400,000, and the Union a paid-up capital of \$8,000,000, while the deposits of the former were about \$481 millions, and of the latter about \$92 millions. This merger will reduce the number of banks in our table to six, and a further change will take place,

owing to the reconstitution of the Colonial Bank, under the title of Barclays Bank (Dominion, Colonial, and Overseas).

Another recent point of interest in connection with Canadian banks is the steady and persistent advance in the quotations for their shares on the Canadian Stock Exchanges, due, it is reported, partly to American and partly to local buying. The return of these shares to favour is an indication of a welcome revival of confidence. For a considerable period Canadian banks suffered in the eyes of investors from their occupation of a place in the arena of political discussion, and from the repercussions of a number of unfortunate incidents in connection with minor institutions. After these disturbances, the Canadian investing public appear to be restoring to their leading banking houses the degree of attention and confidence which they certainly deserve.

INDIAN BANKS.

THE events of the past year in India have borne out the moderately optimistic forecasts of the chairmen of the exchange banks, on which we commented a year ago. The monsoon of 1923, like its predecessor, was favourable, merchandise exports have considerably exceeded imports, the rupee has commanded an enhanced value in terms of sterling, the Empire has been a large importer of the precious metals, and the finances of the Central Government have been still further consolidated.

The revised estimates of the Central Government for 1924-25 showed a revenue of Rs. 1,34,82,25,000, against an expenditure of Rs. 1,30,82,75,000. On the strength of the surplus of Rs. 3,99,50,000 thus shown, the Finance Member effected further reductions in Provincial contributions to the Central Exchequer. The Budget of 1925-26 obtained a much smoother passage than its predecessor, and the Government can now look forward, in the words of Sir Basil Blackett, "to building up a new India without the exasperating restrictions imposed by financial penury." The export trade has shown noteworthy activity, accompanied by increased world prices for many of India's principal exports. On the import side, however, continued high quotations for Lancashire cotton goods have restricted demand from the bazaars, though in this respect some improvement has lately been recorded. Total imports in 1924-25 amounted to 2,46.6 crores of rupees, against 2,27.6 crores in 1923-24, and exports to 3,98.4 crores, against 3,61.9 crores. Owing to heavier net imports of treasure, however, the net visible balance of trade was reduced from Rs. 96,23 lakhs in 1923-24 to Rs. 61,06 lakhs last year.

At the annual meeting of the Imperial Bank of India the chairman pointed out that financial stringency, which has in the past been an inevitable though regrettable seasonal feature in Indian economic life, has been less severe and less prolonged this year than last, the average Bank rate for the six months ended June 30th last being 6.58 per cent., as against 8.05 per cent. in the corresponding period of 1924. As a result the Bank did not find it necessary to strengthen its resources by borrowing from the Government of India to the full extent of its powers, as laid down by the Paper Currency Act, four crores of rupees remaining unborrowed even when the pressure for money was

greatest, while Bank rate did not rise higher than 7 per cent., as against a maximum of 9 per cent. last year. The chairman's report showed also that steady progress had been effected in opening new branches of the Imperial Bank. The Act of 1920 foreshadowed the establishment of 100 branches within five years; up to the present 87 branches and 16 sub-agencies have actually been opened. The Imperial Bank's profits for the past year permitted the maintenance of dividend at the rate of 16 per cent., and a substantial allocation to reserves. A noteworthy development during the past year has been the setting up in London of an Advisory Committee to the Bank, as the outcome of conferences between the Managing Governor, Sir Norcot Warren, the Governor of the Bank of England, and representatives of the Secretary of State for India. The ultimate scope of this Committee is at present undefined. Although it is given no power to interfere with the Bank's operations in India, it will bring about a greater ultimate measure of co-operation between the Imperial Bank and the Bank of England.

The future of Indian finance and commerce will be profoundly affected by the setting up of a Committee "to examine and report on the (Indian) exchange and currency system and practice, to consider whether any modifications are desirable in the interests of India, and to make recommendations." Since 1921 the rupee has steadily appreciated from 1s 3½d to an average of 1s 5½d in the financial year 1924-25, and over 1s 6d to-day. One section of Indian commercial opinion has long urged the Government to "stabilise" the rupee at its pre-war level of 1s 4d, while another holds that 1s 6d should be the "permanent" level. The recommendations of the Committee, which has a strong and representative personnel under the chairmanship of Lt-Commander Hilton Young, will doubtless form the basis of the Government's ultimate decision on this crucial matter.

From the summarised accounts of the four exchange banks given below, it will be seen that net profits for the year 1924 declined by £25,956, following on a decline of £14,386 in the previous twelve months. Dividends, however, were maintained in every case at the previous year's level. Comparisons of dividends and profits for 1924 and 1923 and details of the past year's appropriations are given below:—

Year Ended.	Net Profit.	Dividend.	To Reserve, &c.	Pre-mises.	Staff Funds.	Carried Forward.	Profit and Dividend for Preceding Year.
	£	£	£	£	£	£	£
Chartered of India, Aust., & China	770,716	607,500	20½	100,000	50,000	25,000	782,707
Eastern Bank, Limited	121,052	90,000	9	20,000	10,000	11,784	121,847
Mercantile Bank of India, Lim	249,410	168,000	16	50,000	10,000	2,052	258,705
National Bank of India, Limited	555,925	400,000	20*	50,000	20,000	410	534,799
Total	1,672,103	1,265,500	..	220,000	90,000	16,608	1,698,059

* Free of tax.

Our next table gives a comparison of the main figures of the four exchange banks, whose operations are concerned mainly with the finance of trade at the great ports. The table gives the aggregate figures of the main balance-sheet items as at December 31st in each year. It will be seen that for the first time since 1919 deposits show a slight advance, having risen rather more than £1½ millions last year, as against a drop of £2½ millions in the preceding year, the total, however, remaining some £30 millions below the "peak" of 1919. The total of the four balance-sheets rose from £123½ millions to nearly £129 millions. On the liabilities side, the most interesting features are the rise

in the cash items from less than £17 millions to nearly £19½ millions, a fall in investments from £36 millions to £31 millions, and a corresponding rise in discounts and advances from £62½ millions to £68½ millions. These latter factors point to more active conditions. A year ago we referred to a feeling on the part of many of those concerned that the investment of a larger proportion of banking resources in trade and industry was desirable. Our table shows that some progress has already been made in this direction, discounts and advances being 53.2 per cent. of the total liabilities of the four institutions, at December 31, 1924, as against 50.5 per cent. twelve months earlier:—

INDIAN BANKS WITH OFFICES IN LONDON.

Year.	Banks.	No. of Brnchs.	Capital and Reserves.	% of Liabilities.	Notes.	% of Liabilities.	Deposits.	% of Liabilities.	Total Assets or Liabilities.	Cash in Hand, Money at Call and Short Notice.	% of Liabilities.	Investments.	% of Liabilities.	Discounts and Advances.	% of Liabilities.
1890..	5	50	4,347,200	12.1	1,241,000	3.4	17,964,400	50.0	36,003,400	4,321,200	12.0	2,930,500	8.1	27,541,300	76.5
1900..	5	54	3,186,800	10.5	699,800	2.3	18,084,800	58.5	30,207,600	4,704,300	15.5	2,794,600	8.8	23,631,900	69.6
1905..	4	63	3,735,100	10.6	639,100	1.8	23,473,900	66.5	35,268,500	6,507,100	18.4	3,119,500	8.7	32,101,200	67.8
1910..	5	87	6,100,000	12.9	515,600	1.1	34,547,000	72.9	47,339,600	8,312,300	17.6	4,139,400	8.5	43,745,100	69.8
1913..	6	104	7,219,100	11.5	811,273	1.3	43,470,800	69.2	62,671,800	10,822,800	17.3	4,080,600	6.5	55,511,553	59.5
1914..	5	89	7,252,278	12.2	1,043,984	1.7	42,892,465	71.9	59,791,379	13,549,144	22.6	6,677,853	11.2	42,085,918	63.6
1915..	5	91	7,323,485	11.1	1,085,514	1.6	43,782,482	73.8	66,017,462	12,512,987	18.9	8,002,065	12.1	49,652,081	66.8
1916..	4	88	7,067,380	9.5	1,123,096	1.5	54,574,879	73.0	74,600,058	13,914,932	18.6	7,138,799	9.6	52,753,685	61.8
1917..	4	88	7,232,421	8.5	1,053,421	1.2	67,589,786	79.0	85,496,536	20,522,964	24.0	7,776,811	9.1	76,533,126	71.8
1918..	4	88	8,502,500	8.0	1,698,651	1.6	81,722,355	76.4	106,659,901	17,201,525	16.2	8,985,397	8.4	107,117,466	66.0
1919..	4	93	10,844,649	6.7	1,943,595	1.1	122,696,907	75.7	162,191,567	32,757,956	20.2	13,471,630	8.3	109,740,228	69.0
1920..	4	94	14,171,476	8.9	2,395,124	1.9	118,352,583	74.1	159,492,420	28,521,284	17.9	10,424,084	6.5	108,740,228	69.0
1921..	4	94	14,565,944	11.1	2,211,811	1.7	95,872,984	73.1	130,327,461	19,217,307	14.7	19,362,627	14.8	82,457,535	63.1
1922..	4	97	14,850,000	11.7	2,354,045	1.9	93,221,399	73.5	125,410,917	15,600,241	12.3	27,936,054	22.0	75,787,137	59.8
1923..	4	102	15,120,000	12.2	2,569,875	2.1	90,619,019	73.3	123,728,318	16,978,419	13.7	35,943,579	29.1	62,428,949	50.5
1924..	4	103	15,340,000	11.9	1,924,625	1.5	92,244,551	71.5	128,980,610	19,415,164	15.1	31,045,838	24.1	68,572,831	53.2

Among institutions other than the four exchange banks, the P. and O. Banking Corporation shows noteworthy stability in its earnings, net profits for the year ended March 31st last being £136,215, as against £136,382 and £139,388 in the two preceding years respectively. The dividend has, however, been reduced from 5½ per cent. to 5 per cent. this year, taking £106,198, as against £113,944 in 1923-24, while £30,000 was put to reserve, as against £20,000 a year ago.

The chairman of the Mercantile Bank of India referred briefly to the political situation in his last annual speech. While the general position still left much to be desired, the firm stand taken by the Govern-

ment against reactionary elements in Bengal had, in his opinion, had a beneficial effect. While remaining unconvinced of the possibility of permanently satisfying the more extreme political parties, he believed that a settlement of economic and financial questions in accordance with moderate Indian views would do much to relieve the present political tension. Another favourable sign was the growing recognition by the Independent party of the folly of purely negative and destructive Swarajist tactics. Altogether, India's prospects have improved considerably during the last two or three years, and provided that the partial failure of the monsoon in certain areas during the present summer does not exert a reactionary influence, the near future may be regarded without undue misgiving.

FOREIGN BANKS WITH LONDON OFFICES AND BRITISH BANKS TRADING OVERSEAS.

FOLLOWING our usual practice, in order to render complete our review of British banking we deal below with all those banking institutions trading overseas which have offices in London. These are divided into two groups, the first comprising British banks with headquarters either at home or abroad, and the second foreign institutions with branch offices in London.

It is, of course, very difficult to draw a distinct line between the various British banks operating abroad, but in our first table will be found a little group of companies including a few concerns of comparatively recent growth, together with some dating back before the war.

Further expansion has occurred in the business of the British Italian Banking Corporation, profits having advanced from £41,016 to £47,050, while shareholders received 6, compared with 4, per cent., and the reserve was strengthened from £233,418 to £250,000. Turnover increased from £57½ to over £78½ millions, which is the more extraordinary when it is mentioned that in 1917 the figure was only £4 millions. The chairman's speech at the annual meeting was supplemented, as usual, by some interesting statistics which should prove useful to those seeking to ascertain the extent of our trade with Italy. Mr J. W. Beaumont Pease, the chairman, pointed out that trade and industry in Italy have developed at an unprecedented rate, public ser-

	Capital and Reserves.		Deposits.		Cash.		Investments.		Discounts and Advances.	
	1923-24.	1924-25.	1923-24.	1924-25.	1923-24.	1924-25.	1923-24.	1924-25.	1923-24.	1924-25.
British Italian Banking Corp..	£1,233,418	£1,250,000	£1,466,812	£674,008	£619,319	£621,881	£256,586	£246,42f	£1,868,571	£1,105,194
British Overseas Bank.....	2,045,000	2,100,000	1,712,067	2,294,569	2,134,345	2,546,976	377,348	368,706	947,832	1,168,040
British Trade Corporation	1,825,000	1,825,000	969,499	1,019,550	487,051	543,169	969,300	920,005	742,130	772,067
Hambros Bank.....	2,050,000	2,050,000	12,292,946	15,807,722	4,039,292	4,527,498	1,958,357	3,568,017	8,240,767	9,583,073
	6,653,418	6,725,000	16,441,324	19,795,849	7,230,007	8,239,519	3,556,591	5,098,154	11,789,300	12,628,374

vices have been reorganised, and the finances of the State have been so far restored that, excepting for the settlement of external war debts, the revenue is well on the way to covering expenditure. Last year we referred to the fact that certain alterations had been made in the constitution of the British Overseas Bank. These changes, states the present report, did not completely meet the objects in view, and further alterations were necessary. These further changes, however, have accomplished all that was hoped from them. The Anglo-Austrian Bank, apart from the position in Austria, continues to show steady and satisfactory development. It was necessary, however, to effect very considerable economies in expenditure in Vienna, so that no dividend was declared and the substantial sum of £109,719 was carried forward.

As regards Continental banks, whose detailed balance-sheets will be found elsewhere, the Credit Lyonnais shows net profits of 43,929,182f for 1924. In that year deposits, including current accounts, declined from 5,289,417,754f to 5,148,435,945f. Bills receivable and French Treasury bills, however, also decreased from 4,088,109,247f to 3,644,158,006f. The ratio of reserve to paid-up capital is 90 per cent. Its report reviews with satisfaction the progress of the bank, both at home and abroad. The Société Générale pour Favoriser considers that its figures may be regarded as favourable, in spite of adverse conditions. The total of the balance-sheet is 6,358,995,221f, an increase of 98,385,935f over 1923. "Comptes de cheques" at 1,390,277,179f showed an increase of 117,343,748f, while "Comptes courants divers" amounted to 3,823,583f. Profits for 1924 were 33,539,876f, being an increase of 5,057,474f. The maps in the report of the Société Générale, especially that of Paris, are of particular interest, and should prove of considerable convenience to the customers of that institution.

The Comptoir National d'Escompte de Paris presented total balance-sheet figures of 4,753,479,043f, being an increase of 53,530,173f. "Compte de cheques et comptes d'Escompte" totalling 2,525,624,521f, increased by 112,560,780f. Profits were 35,629,554f, a satisfactory increase of 1,289,976f on the figures of the preceding year. The progress of the Société Belge de Crédit Industriel again calls for notice. Deposits have increased from 54,628,005f to 68,341,557f. The report of the Banca Commerciale Italiana states that the bank maintained its position in the revival of industrial activity; gave assistance whenever it was justified, "without losing sight of those principles of caution which, in the past, have always enabled us to face any emergency." Progress has been general in all departments, and money has come in freely for investments of every kind. Development has also proceeded apace in other parts of the world. In New York, besides the agency which has now been established for many years, there has been formed the Banca Commerciale Italiana Trust Company, with a capital of \$1 million and a reserve of half-a-million dollars. This institution already shows results which, it is said, fulfil ex-

pectations. In South America, expansion continues, while with a view to facilitating trade between Italy and Egypt, the Banca Commerciale Italiana per L'Egitto has been created. The capital of the company, itself was increased from 400 to 500 million lire, owing to the necessity of bringing capital more into line with turnover, and, to some extent, to currency depreciation. The Credito Italiano continued to make progress, partly by reason of its excellent relations with the principal banks, and partly by reason of the activities of the London branch, and the representative branch offices in Paris, Berlin, and New York, and of the banks in which it is interested, including the Banca di Credito Italo-Viennese, the Banca Unione di Credito, the Banca Italo-Belge, &c. An interest also was acquired in the Banco Italo-Egiziano, which operates in Egypt. These extensions necessitated the raising of the capital from 300 to 400 millions. Profits during the year rose from 38,858,987 lire to 49,500,503 lire, and advantage is taken of this prosperity to add 20 million lire to reserve, making the total of the fund 130 million lire.

Greek affairs are dealt with at length in the report of the Bank of Athens. The past year has been marked by an event "of the greatest political importance; namely, the proclamation of a Republic." In general, business activities increased, and industry received a new impetus. During the last two months of the year, twelve new companies were formed, of which five were banks. As a comparison, it is to be noted that during the whole of 1923 only twenty-four new companies were formed. The bank itself developed a very active movement of affairs, and although the capital was raised by 50 per cent., the dividend was maintained at the 1923 level. Liquid assets have been well maintained, and the balance-sheet total has gone up by Dr 260,672,242 to Dr 1,412,157,800. Discounts have more than doubled, and advances have increased by about one-third. The results achieved by the Ionian Bank were considered satisfactory enough to warrant an increase of 1 per cent. in the shareholders' bonus. The increased profits, it is reported, have accrued from a general extension of activities not only in Greece, in London, Egypt, and Constantinople, but also throughout the Continent of Europe, and more particularly in America. The balance-sheet total increased during the year by 30 per cent. to £6,536,314. Concerning conditions in Egypt, the directors consider that although the situation is not yet clear, it is probable that the better elements will prevail, and that the future prosperity of the country will be assured. The issued capital of the Moscow Narodny Bank, according to the balance-sheet to June 30th last, has been increased from £300,000 to £350,000. The reserve remains at £25,000, while an increase in deposits has been accompanied by a gain in bills re-discounted, acceptances, and advances. The holding of British Treasury bonds has been reduced from £100,000 to £50,692. The volume of bills discounted has risen from £233,948 to £292,140, while advances against merchandise, bills of exchange, &c., now figure for £842,957, against £589,119. The balance-sheet

total has advanced from £1,441,238 at June 30, 1924, to £2,391,629 at December 31, 1924, and to £3,289,021 at June 30 last. During the first half of the current year the turnover amounted to £50,418,087, as com-

pared with £23,983,497 for the corresponding period of 1924.

Our next table indicates the trend of banking operations in Asia:—

ASIATIC BANKS.

	Capital and Reserves.		Deposits.		Cash.		Investments.		Discounts, Loans, and Credits.	
	1923-24.	1924-25.	1923-24.	1924-25.	1923-24.	1924-25.	1923-24.	1924-25.	1923-24.	1924-25.
Bank of Taiwan.....	£6,548,000	£6,628,000	£25,273,860	£26,700,407	£3,563,160	£4,440,811	£8,876,272	£10,114,697	£39,908,201	£46,992,554
Imperial Bank of Persia....	1,040,000	1,070,000	4,165,422	3,916,722	2,972,083	2,675,803	1,646,325	1,699,029	2,359,117	2,316,708
Imperial Ottoman	6,250,000	6,250,000	14,112,791	14,000,246	6,500,599	4,631,082	3,345,628	2,580,444	11,676,101	14,716,336
Hong Kong and Shanghai ..	9,668,490	9,789,843	58,520,771	60,480,789	10,948,686	11,981,084	12,844,808	10,998,090	27,915,022	30,545,707
Sumitomo Bank	6,930,000	7,265,000	34,405,939	40,892,792	4,672,396	3,891,962	9,073,089	12,889,767	27,331,068	31,061,454
Yokohama Specie	17,713,326	18,281,114	50,808,667	59,116,495	7,992,119	11,107,040	18,854,155	29,231,277	36,685,344	32,701,629
	48,149,816	49,283,957	187,287,457	205,107,451	36,668,923	38,727,788	54,640,227	66,563,304	145,869,858	158,334,388

At the annual meeting of the Hong Kong and Shanghai Banking Corporation the chairman described the year under review as "even more difficult than its immediate predecessors." Yet, in spite of this, the bank's operations resulted in a satisfactory net profit, though the figure was slightly lower than twelve months previously. Deposits advanced, though the holding of British Government securities was smaller. "In making a review of events in China," said the chairman, "it is difficult to avoid repetition of what was said from this chair last year. The tragic tale of internal strife continues." From an undeniably gloomy picture it is agreeable, said the chairman, to turn to an invariably bright spot on the horizon of Chinese affairs. "In spite of the tale of floods, famine, civil war, and the virtual strangulation of trade reported from many centres, the figures of the Maritime Customs Revenue for the past year show an increase of Haikuan taels 6,050,000," or about £1,700,000 over the previous highest collection, which was in 1923. The potentiality of China's trade, he went on, is almost boundless, and could she be induced to set her house in order, the revenue resulting from an adequate increase in the Customs tariff should furnish a solid foundation for the solution of the urgent problem of debt consolidation.

The Imperial Ottoman has now changed its name to the Ottoman Bank. The report for 1924 showed that after providing for bad and doubtful debts out of revenue, and provisions already made, there was an

available balance of £326,952, after taking into account the amount of £128,371 brought forward from the previous year. The Anglo-South American Bank's net profit amounted to £425,900, as compared with £436,000, the decline being principally accounted for by currency depreciation. The balance-sheet figures were affected by the exclusion of those of the Paris and New York offices. If these had been included the balance-sheet total would have gone up by £3 millions, instead of having declined by £3 millions. Business conditions in South America showed a recovery during the year, especially in the case of Argentina. The Chilean export trade is also expanding. In Mexico "the existing Government proved more successful than the majority of its predecessors in being able to suppress a serious and widespread rebellion," while in Peru the commercial and economic position is sound. In Spain the question of taxation has been satisfactorily settled, and is now based on reciprocal terms, whereby as England permits foreign banks to establish themselves in this country under the same conditions as English concerns, the Anglo-South American is allowed to operate in Spain under practically the same conditions as Spanish institutions. The preliminary figures for the year to June 30, 1925, show profits of £431,000, against £425,900 for the previous year; the dividend is maintained at 10 per cent., and after transferring £25,000 to staff pension fund, a balance of £414,900 is carried forward, as against £350,100 brought in.

GERMAN BANKING.

(BY OUR BERLIN CORRESPONDENT.)

THE recovery of German banking in the present, second, year of stable currency has so far been slower than in the preceding year. In the general position of the banks no change of importance has occurred. There are signs that banking is recovering the influence which it exerted over industry before the war, but which it lost in the inflation years. Although the liquidation of the Stinnes concern, and the later struggle with Dr Edmund Stinnes, first called public attention to this reversion towards former conditions, it is plain that also in regard to other industrial concerns the banks are in an increasingly strong position. In the inflation years the progressive dwindling of the banks' own capital and of their customers' deposits weakened them as dictators of credit at a time when the more important industrial companies were strengthening their positions by extinguishing old debts, and (what counted for still more) by profitably investing in expansions their newer borrowings. Many industrial magnates were thereby enabled to acquire large parcels of bank shares, and even to buy up minor banks; so that certain "concerns," in particular the

Michael and Barmat, exercised joint control in production and banking. In September, 1922, the late Herr Stinnes, by a secret coup recalling traditional American methods, acquired 35,000 shares in the Berliner Handelsgesellschaft, one of the great banks, and one of the best managed, and so obtained representation on the board of control; and later Herr Stinnes (and after his death his sons) extended the concern's influence to the Barmer Bank-Verein, and through the Barmer's affiliations gained control of several provincial banks. This process has come to an end simply because industry, after injudiciously locking up vast sums in expansions, finds itself without liquid capital at a time when the banks, having deposits available for lending of much greater magnitude than in the later inflation years, are again in a position to dictate. In connection with the Edmund Stinnes controversy, an attempt has been made to represent the banks' policies as despotic and injurious to national economic interests. But the period in which industry was the stronger partner produced some

Continued on page 18.

COLONIAL JOINT STOCK BANKS WITH LONDON OFFICES.

IRISH FREE STATE BANKS.

1 Name of Bank.	2 Date.	3 No. of Branches and Sub-branches.	4 Capital Subscribed. £	5 Uncalled Capital. £		6 Capital Paid-up. £	7 Reserve Fund. £	8 Un- divided Profits. £	9 Notes in Circulation £	10 Acceptances and Bills for Collection. £
				Callable.	Reserved.					
1 Bank of Ireland (capital £3,000,000 Irish)	Dec 31	85	2,769,231	(?)	(?)	2,769,231	2,562,000	282,548	6,508,004	..
2 Hibernian Bank	Dec 31	58	2,000,000	500,000	1,000,000	500,000	575,000	54,009	..	..
3 Munster and Leinster Bank	Dec 31	186	1,250,000	750,000	..	500,000	1,135,000	92,031	..	..
4 National Bank	Dec 31	262	7,500,000	1,000,000	5,600,000	1,500,000	1,225,000	216,346	8,130,841	..
5 Provincial Bank of Ireland	Dec 31	132	4,000,000	1,500,000	2,000,000	540,000	550,000	74,470	1,637,517	..
6 Royal Bank of Ireland	Aug 31	43	1,500,000	800,000	300,000	300,000	200,000	23,660	..	..
Totals	..	766	19,099,231	4,050,000	8,940,000	6,109,231	6,247,000	743,064	11,276,362	..

AFRICAN BANKS.

1 Bank of British West Africa, Lim. Mar 31	50	3,000,000	300,000	1,500,000	1,200,000	400,000	74,092	..	1,270,350
2 National Bank of South Africa, L. Mar 31	275	2,075,500	Nil	Nil	2,75,500	150,000	244,411	244,228	8,786,911
3 Netherlands Bank of South Africa Dec 31	18	240,000	Nil	Nil	240,000	75,096	27,82	..	271,894
4 Standard of South Africa, L. Mar 31	327	8,916,660	6,657,495	Nil	2,229,165	2,893,335	390,191	474,593	8,968,522
Total	..	670	14,232,160	6,987,495	1,500,000	5,744,665	3,518,431	736,454	718,921

AUSTRALASIAN BANKS.

Commonwealth Bank of Australia Dec 31	81	20,000,000	..	..	4,000,000	696,608	..	..	Contingent Liabilities. 444,818
1 Australian Bank of Commerce, L. Jne 30	142	1,840,000	Nil	Nil	1,840,000	740,000	128,160	..	..
Do Inscribed Deposits	..	..	..	..	..	..	..	..	..
2 Bank of Adelaide, Limited	Mar 31	104	875,000	Nil	875,000	750,000	101,491	6,887	..
3 Bank of Australasia	Oct 13	210	4,000,000	Nil	4,000,000	3,700,000	390,332	386,257	..
4 Bank of New South Wales	Sep 30	370	6,000,000	Nil	6,000,000	4,050,000	401,372	481,090	2,109,410
5 Bank of New Zealand	..	..	3,000,000	Nil	..	..	..	..	..
Do Pref.	Mar 31	222	1,500,000	Nil	..	5,584,454	2,325,000	1,042,466	4,168,844
Do 4% Guaranteed Stock	..	..	529,989	Nil	..	..	..	..	273,132
6 Bank of Victoria, Limited	Jne 30	122	2,122,500	1,061,250	..	1,478,010	750,000	155,444	6,348
Do Pref. Shares	..	..	416,760	Nil	..	..	..	..	661,094
7 Commercial Banking Co. of Sydney Jne 30	236	7,000,000	Nil	3,000,000	3,500,000	2,700,000	395,227	8,661	..
8 Commercial Bank of Australia, L. Jne 30	270	580,224	70,645	Nil	2,860,805	685,000	172,075	96,920	565,315
Do Pref. Shares	..	..	2,117,350	Nil	..	..	..	..	..
9 English, Scottish, and Australian Jne 30	370	3,000,000	1,500,000	Nil	1,500,000	1,635,000	525,102	1,185	..
Do Perp. Stocks	..	..	2,272,966	Nil	..	2,272,966	..	..	..
10 National Bank of Australasia, Lim. Mar 31	299	5,500,000	1,500,000	Nil	4,000,000	2,300,000	314,704	48,185	..
11 National Bank of New Zealand, L. Mar 31	55	4,500,000	3,000,000	Nil	1,500,000	1,470,000	306,698	943,817	..
12 Queensland National Bank, Lim. Jne 30	91	1,500,000	Nil	Nil	1,453,551	660,000	51,757	..	..
Do Inscribed Deposit Stock	..	..	..	..	8,091,669	..	..	..	..
13 Royal Bank of Australia, Limited. Mar 31	9	1,560,000	810,000	Nil	750,000	600,000	89,398	840	329,221
14 Union Bank of Australia, Limited Feb 29	192	10,500,000	Nil	7,000,000	3,500,000	4,150,000	355,402	721,031	..
Total (excluding Commonwealth Bank) ..	..	2,692	58,514,789	7,941,895	20,875,000	14,450,534	26,515,000	4,429,628	6,870,035

CANADIAN AND WEST INDIAN BANKS.

1 Bank of Montreal	Apr 30	617	5,983,340	Nil	5,983,340	5,983,340	5,983,340	352,511	7,847,922	..
2 Bank of Nova Scotia	Dec 31	298	2,000,000	Nil	2,000,000	2,000,000	3,900,000	148,039	2,828,632	..
3 Canadian Bank of Commerce	Nov 29	563	4,109,584	Nil	4,109,589	4,109,589	4,109,589	416,104	5,844,219	..
4 Colonial Bank	Jne 30	47	3,000,000	600,000	1,500,000	900,000	300,000	93,030	543,789	505,042
5 Dominion Bank	Dec 31	116	1,200,000	Nil	1,200,000	1,200,000	1,400,000	228,202	1,336,919	..
6 Royal Bank of Canada	Nov 29	655	4,080,000	Nil	4,080,000	4,080,000	4,080,000	434,324	5,964,888	..
7 Union Bank of Canada	Nov 29	329	1,600,000	Nil	1,600,000	1,600,000	350,000	96,874	2,028,907	..
Total	..	2,630	21,972,929	600,000	20,472,929	19,872,929	20,123,929	1,769,084	26,394,806	505,042

INDIAN BANKS.

1 Chartered of India, Aust., and China Dec 31	42	3,000,000	Nil	3,000,000	3,000,000	3,900,000	783,124	1,732,521	4,359,545
2 Eastern Bank, Limited	Dec 31	11	2,000,000	Nil	2,000,000	1,000,000	340,000	115,400	1,246,724
3 Mercantile Bank of India, Lim. Dec 31	22	750,000	187,500	187,500	105,000	1,300,000	242,222	192,104	318,609
Do B Shares	..	..	750,000	187,500	..	..	..	..	..
Do C Shares	..	..	800,000	Nil	..	..	..	..	..
4 National Bank of India, Limited .. Dec 31	23	4,000,000	2,000,000	Nil	2,000,000	2,750,000	534,980	..	1,392,826
Total	..	103	10,800,000	2,375,000	5,375,000	7,050,000	8,290,000	1,675,725	1,924,625

COLONIAL JOINT STOCK BANKS WITH LONDON OFFICES.

IRISH FREE STATE BANKS.

10 Miscellaneous Liabilities. £	11 Deposits. £	12 Total Liabilities. £	13 Cash in Hand and Money at Call and Short Notice. £		14 Invest- ments. £	15 Bills Dis- counted or Purchased (when shown separately). £	16 Bills, Loans, and Advances. £	17 Premises and Sundries (including Cover for Acceptances). £	18 Total Assets. £	19 Name of Bank.
			Cash in Hand, with Banks, and in Transit. £	Money at Call and Short Notice. £						
..	41,860,437	53,682,220	5,236,011	1,498,640	31,554,324	..	15,070,112	623,133	53,982,220	Bank of Ire- land.
12,693	12,874,912	14,016,614	453,588	..	5,910,018	..	7,456,529	196,479	14,016,614	Hibern. Bank.
..	27,391,429	27,118,460	1,883,898	530,000	9,618,046	1,760,189	12,990,794	335,533	27,118,460	Mns. and Lns.
..	38,340,893	44,413,080	4,124,402	3,840,041	16,406,310	2,719,670	16,559,963	762,694	44,413,080	National.
..	15,283,477	18,085,464	1,254,425	360,000	6,913,907	3,049,230	6,310,310	197,592	18,085,464	Prov. of Irl.
..	6,817,949	7,341,609	391,891	..	2,189,523	198,300	4,336,895	225,000	7,341,609	Do New.
12,693	140,569,097	164,957,447	13,344,215	6,228,681	72,592,128	7,727,389	62,724,605	2,340,431	164,957,447	Royal of Irl.
..	..	..	..	..	..	..	..	..	..	Totals.

AFRICAN BANKS.

482,414	6,725,491	10,103,287	1,251,178	..	1,215,655	2,866,563	3,110,573	1,659,313	10,103,287	Bk. Brit. W. A.
52,882	31,514,419	43,068,351	8,168,496	2,000,500	4,501,645	4,523,346	15,377,412	8,496,952	43,068,351	Nat. Bk. of S. A.
176,781	1,305,931	2,097,472	315,622	..	70,394	739,921	646,334	325,201	2,097,472	Neth. B. of S. A.
..	47,031,133	61,381,739	8,542,042	2,830,000	5,102,395	7,281,311	28,835,013	7,790,978	61,381,739	Stand. of S. A.
662,027	87,577,974	116,650,849	18,277,338	4,830,500	10,890,089	15,411,141	48,969,332	18,272,449	116,650,849	Total.

AUSTRALASIAN BANKS.

5,263,341	77,468,651	87,893,418	23,435,407	7,600,000	39,845,781	..	15,679,910	1,332,370	87,893,418	Comwth. of Aust.
1,149,263	11,294,435	15,395,937	2,939,043	..	535,773	..	11,487,130	433,991	15,395,937	Aust. B. of Com.
463,308	6,317,839	8,514,575	1,715,658	1,267,153	822,492	..	4,436,196	273,076	8,514,575	Bk. of Adelaide
3,495,147	28,010,187	39,882,923	5,533,936	905,000	3,634,607	..	29,702,029	47,351	39,882,923	Bk. of Australia
8,610,136	52,396,570	79,486,578	14,937,477	250,000	7,945,012	..	47,926,679	2,899,410	74,048,578	Bk. of N. S. W.
4,084,551	30,079,283	47,557,730	7,254,369	1,464,444	12,163,007	1,235,100	24,679,917	710,893	47,557,730	Bk. of N. Zeal.
894,758	11,403,132	15,351,736	2,707,994	1,072,368	1,070,618	..	9,401,464	1,099,342	15,351,736	Bnk of Victoria
1,632,794	36,930,963	45,217,645	8,002,848	4,950,000	3,473,036	..	27,841,761	950,000	45,217,645	Com. of Sydney
1,190,527	19,636,796	25,237,440	4,024,459	705,000	2,133,984	..	17,196,381	1,177,616	25,237,440	Com. of Aust.
2,013,871	25,696,754	33,644,878	6,509,436	..	1,164,139	..	25,162,698	808,605	33,644,878	Eng. Sct. & Aust.
2,598,345	31,916,542	41,177,776	7,281,659	..	4,463,018	..	28,451,788	981,311	41,177,776	Nat. of Australs.
2,328,415	10,822,912	17,371,872	1,404,718	409,517	2,000,236	898,477	12,256,088	402,836	17,371,872	Nat. of N. Z.
401,757	7,920,653	13,579,387	1,851,453	110,000	1,249,760	..	9,721,777	646,397	13,579,387	Qnsland Natnl.
399,363	5,032,919	7,231,741	1,329,564	7,576	385,000	..	5,072,980	486,621	7,231,741	Royal of Aust.
4,035,166	33,935,484	46,727,083	4,928,878	1,435,000	2,200,000	..	37,771,652	391,533	46,727,083	U. of Australia
33,218,401	311,517,521	430,939,351	70,421,492	12,576,058	43,250,682	2,183,577	291,108,540	11,399,002	430,939,351	Total (exclud- ing Common- wealth Bank).

CANADIAN AND WEST INDIAN BANKS.

3,148,951	120,322,895	143,638,959	25,223,653	29,714,536	29,996,522	..	52,679,517	6,024,731	143,638,959	Bank of Mont.
2,086,757	35,988,693	46,952,121	11,228,879	4,737,218	9,859,324	..	18,369,298	2,757,407	46,952,121	Bk. of N. Scotia
7,561,534	92,828,564	104,909,629	19,159,940	11,296,713	18,808,912	..	49,594,383	5,949,631	104,909,629	Can. Bk. of Cmr.
764,243	6,973,039	10,079,143	435,839	415,528	2,652,977	..	5,654,656	920,423	10,079,143	Colonial.
2,067,088	18,275,657	24,507,866	5,390,657	3,587,818	4,333,545	..	9,356,717	1,839,129	24,507,866	Dominion Bnk
9,833,436	92,365,754	116,757,902	29,484,156	6,850,330	19,270,460	..	51,445,071	9,707,883	116,757,902	R. Bk. of Canada
1,554,239	18,455,003	24,115,033	4,044,783	2,522,229	4,958,609	..	10,641,501	1,947,901	24,115,033	Union of Can.
26,986,243	375,209,605	470,860,643	94,967,909	59,124,372	89,880,069	..	197,741,138	29,147,155	470,860,643	Total.

Continued from page 15.

undesirable phenomena, including several credit scandals of a kind formerly unknown. For the present, with money, as result of its scarcity, once more trumps, and with the *Sachwerte* doctrine somewhat discredited, the banks seem likely to increase their influence further.

The slower increase of banking transactions in 1925 than in 1924 is the result of a normal currency development. After the rapid recovery of circulation and savings in 1924, relative stability has necessarily been reached. The whole currency circulation at the end of 1923 (including gold-loan scrip, and also all paper-mark issues at their already stabilised gold value) was only 2,273 million gold marks, and the whole Reichsbank circulation, including about 110 million gold marks of emergency currency, was only 608 million gold marks. Total circulation was 37.46 per cent. of the pre-war figure of 6,700 million marks. At the end of 1924 the total of all circulations had risen to 4,273 millions, or nearly double, of which 1,941 millions was the Reichsbank issue. On August 31, 1925, circulation had further risen to only 4,983 millions, of which 2,594 millions were the Reichsbank issue. In the present year, until lately, the inflow of proceeds of foreign loans to industry fell off much as compared with the later months of 1925. These foreign loans, where not spent abroad, had a considerable effect in increasing the volume of currency because the Reichsbank issued mark notes against the exchange so obtained, and, indeed, used part of the new exchange in paying for gold bought abroad, thereby materially increasing its gold cover for circulation, as well as its exchange cover. In the matter of home credit, also, a certain stability has been reached. Whereas in 1924, with exception of a sharp reaction in the spring, credit became more plentiful, and interest rates rapidly fell, this year there has been no credit improvement, and of late rates have sometimes been higher than early in the year. On the Berlin money market the movement of interest rates (monthly averages) during the decline period was:—

1924.	Day Money.	Month Money.
January	87.64	28.25
March	33.09	30.00
April	45.49	44.45
June	22.60	32.59
December	11.11	12.61
1925.		
March	8.97	11.26

Since the spring there has been no steady movement either way; but of late day money has occasionally risen to 11 per cent., and at the end of September even to 12 per cent. In general, therefore, it seems that the prolonged decline in the price of credit has come to an end. The increase in the volume of credits to business from the central banking institutions has also slackened. Between July, 1924, and December, 1925, the total discounts and advances of the Reichsbank, and of the private note banks, and the agricultural (not State) credits of the Rentenbank, rose from 1,947 to 2,550 millions; from December, 1925, to August, 1925, only to 2,786 millions. Concerning public savings, no full figures are available; but as these had practically disappeared at the beginning of 1924, the at first rapid percentage increase inevitably tended to decline, and for some months the absolute increase also declined. At the end of August, 1925, deposits in Prussia's savings banks totalled 896 million marks, against 404 million marks at the end of 1924.

Since the banks resumed the practice of issuing bi-monthly balance-sheets (February 28, 1925), four sets of balance-sheets have appeared. On the last two, for June 30th and August 31st, is based the above judgment that the pace of recovery of banking operations towards their pre-war magnitude has materially slackened. The balance-sheets for December 31, 1924, of the seven chief banks showed during the preceding year a threefold increase from 1,170 to 3,470 millions, in the item "creditors," as which are booked all liabilities except capital, reserves, acceptances, and

guarantees. In the two months preceding June 30th, the balance-sheets of the six chief banks (Handelsgesellschaft issues no balance-sheet) only shows a rise for this item from 3,940 to 4,127 million marks; and in the balance-sheets for August 31st a further rise to only 4,139½ million marks. The total for all commercial banks rose in these last two months from 5,179 (84 banks) to 5,248 million marks (88 banks). The deposits proper in the six great Berlin banks (2,300 millions at the end of 1913) rose in the two months ending August 31st only from 1,549 to 1,705 million marks. (Owing to fusions, expansions, and other causes, comparisons with 1913 have only a qualified value.) The chief assets and liabilities of the six banks (Deutsche, Disconto, Darmstaedter, Dresdner, Commerz-und-Privat, and Mitteldeutsche Credit) were:—

(000's omitted.)	June 30, 1925.	Aug. 31, 1925.
Total assets	5,013,707	5,051,344
Thereof Bills and Treasury Bills	1,095,175	1,113,404
Correspondents	608,802	583,079
Advances on Bourae securities	68,825	82,051
on wares	343,525	339,090
Own securities	68,723	69,671
Syndicate participations	74,997	71,861
Debtors on current account	2,252,082	2,333,063
Shares in other banks	135,246	137,929
Capital	452,020	452,020
Reserves	178,128	177,663
Creditors	4,127,357	4,139,169
Thereof deposits	1,549,236	1,705,962
Acceptances and cheques	231,036	259,962

The liquidity of the banks has declined all this year. By some critics it is declared that more resources are tied up in industry than is judicious. Whereas the liabilities between December 31, 1924, and August 31, 1925, of the six chief banks increased from 3,214 to 4,399 millions, liquid resources rose only from 1,981 to 2,239 millions. The liquidity percentage of the six banks fell in this year's four bi-monthly terms as follows:—

Dec. 31, 1924.	Feb. 28, 1925.	April 30, 1925.	June 30, 1925.	Aug. 31, 1925.
61.6	54.1	53.3	52.4	50.9

Figures for 88 credit banks (not including State and provincial banks) on August 31st were:—

(000's omitted.)	
Total assets	6,593,508
Thereof bills and Treasury bills	1,421,318
Correspondents	748,230
Advances on wares	382,201
Debtors on current account	3,046,416
Capital	699,293
Reserve	232,755
Creditors	5,248,510
Thereof deposits	2,168,484

Money in the hands of public authorities increases much more rapidly than commercial bank deposits, and has an abnormally high ratio to the latter. In the last bi-monthly terms the creditors of the State and provincial banks rose from 1,506 million marks to 1,829 million marks, whereas creditors of the commercial banks rose, as shown in the tables, very slightly. The mortgage banks are rapidly recovering. In the first half of 1925 their new mortgage loans (all Germany) totalled 300 million marks, against 270 million marks in all 1924, and about reached the pre-war average. Including their gold and rye communal loans, the total of outstanding long-term credits by these banks on June 30th was 686 million marks, the total of their outstanding bonds 667 million marks.

The question of the interest and commission rates of the commercial banks has been much in discussion. The banks still maintain that, owing to increased administration costs, and to the decline in their bourse and capital-issue business, they cannot exist without maintaining a very high interest tension (at present, on current accounts 14 per cent. and 5 per cent. on debits and credits respectively). By investors, however, the banks are regarded as more prosperous than industrial, trading, and shipping companies. They are already dividend-payers; and their stocks quote much higher, and have fallen this year much less.

BARCLAYS BANK

Head Office - 54, Lombard Street, London, E.C. 3,

and over 1,800 Branches in England and Wales, and Agents and Correspondents in all the principal towns throughout the World.

FREDERICK CRAUFURD GOODENOUGH, Chairman.
Sir HERBERT HAMBLING, Bart., Deputy-Chairman.
EDMUND HENRY PARKER, Vice-Chairman.

GENERAL MANAGERS: WILLIAM FAVILL TUKE. JOHN CAULCUTT. EDWIN FISHER.

Authorised Capital	£20,000,000
Issued and Paid-up Capital	£15,592,372
Reserve Fund	£8,250,000
Deposits (30th June, 1925)	£298,947,270

EXECUTORSHIPS AND TRUSTESHIPS UNDERTAKEN.

EVERY DESCRIPTION OF BRITISH AND FOREIGN BANKING BUSINESS TRANSACTED.

FOREIGN BRANCHES:—

CHIEF FOREIGN BRANCH: 168, Fenchurch Street, London, E.C.3.
WEST END (LONDON): 1, Pall Mall East. LIVERPOOL: 45, Castle Street. BRADFORD: 13, Market Street. MANCHESTER: 94, Portland Street.

Affiliated Banks:

BARCLAYS BANK (OVERSEAS) LIMITED: Chief Office, PARIS.
THE BRITISH LINEN BANK: Head Office, EDINBURGH. 185 Branches in Scotland.
THE UNION BANK OF MANCHESTER LIMITED: Head Office, MANCHESTER. 157 Branches in Lancashire, Cheshire, and the West Riding of Yorkshire.
THE ANGLO-EGYPTIAN BANK LIMITED: Head Office, 37-39, KING WILLIAM ST., LONDON, E.C.4. Branches in Egypt, the Sudan, and Palestine. Also at Gibraltar and Malta.
ITALIAN AUXILIARY: BARCLAYS BANK S.A.I., PIAZZA di SPAGNA, ROME.

BARCLAYS BANK (Overseas)

BUSINESS CONDUCTED ON BRITISH BANKING LINES.

Affiliated to
BARCLAYS BANK LIMITED.

PRINCIPAL OFFICE:

PARIS—33, RUE DU IV. SEPTEMBRE.

Bordeaux—4, Rue Esprit des Lois. Lyons—1, Rue de la Republique.
Boulogne—61, Rue Victor Hugo. Marseilles—5, Rue Cannebiere.
Havre—9, Quai George V. Rouen—7, Rue Jeanne d'Arc.
Aix-les-Bains, 13, Place Carnot } (Open during the Season).
Le Touquet Paris-Plage, Rue St. Jean }

THE RIVIERA:

Cannes—7, Rue du Marechal Foch. Monte Carlo—1, Boulevard des Moulins.
Mentone—1, Avenue Felix-Faure. Nice—4, Avenue Georges Clemenceau.

ALGERIA:

Algiers—6, Rue de la Liberte. Oran—15, Rue Alsace-Lorraine.

LONDON—54, Lombard Street, E.C.3.
West End Agency—1, Pall Mall East, London, S.W.1.

The Bank is specially organised to provide banking facilities for trade between Great Britain and France and their respective Overseas Possessions.

EVERY DESCRIPTION OF BANKING BUSINESS TRANSACTED.

DOMINION BANKS WITH OFFICES IN LONDON.

(1) IRISH FREE STATE BANKS.

BANK OF IRELAND.

ESTABLISHED 1783.

CAPITAL				Market Value.	PROFITS AND DIVIDENDS.				Reserves, &c.	Carried Forward.
Subscribed.	Paid-up.	Callable.	Reserved.		Year Ended Dec. 31.	Net Profits.	Per Cent. of Resources.	Dividends Amount.		
£	£	£	£	£				Rate.	£	£
2,769,231	2,769,231			7,587,700	1911	345,214	1.57	299,884	11 1/2	46,000
					1912	372,944	1.72	250,769	10	110,000
					1913	398,233	1.79	260,769	10	137,000
					1914	376,784	1.49	255,577	10	120,000
					1915	420,830	1.55	240,000	10	180,000
					1916	390,863	1.35	214,615	10	175,000
					1917	423,429	1.26	207,692	10	200,000
					1918	435,984	1.01	216,693	11	220,000
					1919	479,802	1.05	232,615	12	250,000
					1920	546,540	1.07	232,616	12	310,000
					1921	513,166	1.01	252,000	13	260,000
					1922	533,943	0.98	255,846	13	260,000
					1923	549,620	1.10	332,308	16	200,000
					1924	595,821	1.10	360,000	13 1/2	230,000

Stock is fully paid, but the liability of holders for debts of the Bank has not been decided. Price September 30th 274.

Authorised Note issue, £3,738,428.

Free of income-tax.																				
LIABILITIES.											ASSETS.									
Year Ended Dec. 31.	Number of Branches.	Capital and Reserves.	Per Cent.	Balance of Profit and Loss.	Per Cent.	Notes.	Per Cent.	Deposit and Current Accounts.	Per Cent.	Total Liabilities or Assets.	Cash in Hand and at Bank.	Per Cent.	Cash at Call and Short Notice.	Per Cent.	Invest- ments.	Per Cent.	Dis- counts and Ad- vances.	Per Cent.	Premises.	Per Cent.
		£		£		£		£		£			£		£		£		£	
1890....	58	3,803,231	23.6	164,558	1.0	2,713,594	16.9	9,403,640	67.5	16,085,023	1,179,660	7.3	162,483	1.0	9,208,194	57.3	5,435,538	33.8	99,148	0.6
1895....	59	3,803,231	22.0	154,736	0.9	2,496,959	14.4	10,816,780	62.7	17,271,706	1,206,471	7.0	1,087,478	6.3	9,225,166	53.4	5,643,223	32.8	109,368	0.6
1900....	73	3,803,231	20.8	180,322	1.0	2,768,068	15.2	11,498,960	63.0	18,250,581	1,145,271	6.3	439,784	2.4	8,504,009	46.6	8,058,630	44.1	102,887	0.6
1905....	66	3,803,231	20.9	172,830	1.0	2,420,862	13.1	12,032,376	65.3	18,429,299	1,101,017	5.8	684,767	3.7	8,139,595	44.3	8,398,347	45.6	105,573	0.6
1906*	91	3,803,231	20.3	177,977	1.0	2,578,086	13.7	12,205,209	65.0	18,764,502	1,240,369	6.6	551,625	3.0	8,096,171	43.1	8,766,101	46.7	110,237	0.6
1907*	92	3,803,231	19.3	179,660	1.0	2,699,580	13.6	13,048,213	66.1	19,730,674	1,492,307	7.6	738,939	3.7	8,040,455	40.7	9,346,272	47.4	112,701	0.6
1908*	92	3,803,231	18.5	179,809	0.9	2,703,209	13.2	13,826,750	67.4	20,512,996	1,625,618	8.0	902,906	4.4	8,122,489	40.0	9,643,139	47.0	118,847	0.6
1909*	96	3,803,231	18.4	180,451	1.0	2,817,802	13.6	13,812,548	67.0	20,614,032	1,533,109	7.5	1,274,376	6.0	9,250,187	44.9	9,435,620	41.0	120,240	0.6
1910*	99	3,789,231	18.0	177,527	0.8	3,000,309	14.2	14,095,663	67.0	21,070,732	1,668,565	7.9	1,308,869	5.9	9,513,778	42.5	9,163,248	43.5	123,608	0.6
1911*	99	3,725,231	17.0	163,818	0.7	2,954,607	13.5	15,064,003	68.8	21,907,655	1,706,018	7.9	1,308,869	5.9	9,513,778	42.5	9,163,248	43.5	123,608	0.6
1912*	103	3,654,231	16.9	152,955	0.7	3,046,784	13.9	14,758,329	68.5	21,812,592	1,695,736	7.8	1,303,437	5.9	9,510,927	43.4	9,255,622	42.2	126,223	0.6
1913	69	3,519,231	15.8	153,418	0.7	3,350,545	15.1	15,233,406	68.4	22,566,600	1,748,321	7.9	1,674,434	7.5	9,125,842	42.2	9,348,335	43.4	138,949	0.6
1914	69	3,579,231	14.2	149,721	0.6	3,087,564	20.2	16,360,317	65.0	25,176,833	1,748,321	7.9	1,715,026	6.8	9,106,927	41.1	9,581,809	42.8	145,109	0.7
1915	69	3,369,231	12.4	141,032	0.5	7,415,588	27.4	16,096,685	59.7	27,022,536	4,786,614	17.6	1,940,511	7.2	11,488,207	41.6	9,045,595	36.0	146,262	0.6
1916	70	3,269,231	11.3	130,165	0.5	9,693,951	33.4	15,899,049	54.8	28,992,336	7,116,765	24.5	2,633,388	9.1	11,308,468	39.0	8,079,830	29.7	382,390	1.4
1917	72	3,469,231	10.3	145,902	0.4	11,925,615	35.3	18,297,441	54.0	33,338,188	9,536,531	28.2	2,349,665	6.9	11,371,765	39.0	7,543,761	26.1	390,014	1.3
1918	74	3,689,231	8.5	157,655	0.4	16,290,339	37.5	23,299,555	53.6	43,436,780	14,059,998	32.4	1,994,800	4.6	18,943,495	43.6	8,079,830	29.7	382,390	1.4
1919	76	3,739,231	8.2	154,842	0.3	13,310,164	29.1	28,542,825	62.4	45,747,062	10,951,483	23.9	2,045,993	4.5	20,827,430	45.5	11,512,633	25.2	409,517	0.9
1920	82	3,739,231	7.3	158,767	0.3	10,326,457	21.4	36,355,856	71.0	51,180,311	8,602,365	16.8	820,740	1.6	23,476,885	45.9	17,825,805	34.8	454,516	0.9
1921	82	3,903,231	7.3	179,518	0.3	8,905,340	16.8	40,018,828	75.5	53,024,717	6,442,853	12.2	1,992,272	3.8	25,250,523	47.6	18,801,292	35.4	525,777	1.0
1922	82	4,169,231	7.8	197,107	0.4	7,637,285	14.4	41,026,130	77.4	53,024,717	6,442,853	12.2	1,992,272	3.8	25,250,523	47.6	18,801,292	35.4	525,777	1.0
1923	84	4,369,231	7.8	255,958	0.5	7,407,112	13.3	43,790,302	78.4	56,822,603	5,225,774	9.4	1,992,272	3.8	25,250,523	47.6	18,801,292	35.4	525,777	1.0
1924	85	5,331,231	9.9	282,548	0.5	6,508,004	12.0	41,860,437	77.6	53,982,220	5,225,774	9.4	1,992,272	3.8	25,250,523	47.6	18,801,292	35.4	525,777	1.0

* In these years agencies have been included.

THE HIBERNIAN BANK, LIMITED.

ESTABLISHED 1825.

CAPITAL				Market Value.	PROFITS AND DIVIDENDS.				Reserves, &c.	Carried Forward.
Subscribed.	Paid-up.	Callable.	Reserved.		Year Ended Dec. 31.	Net Profits.	Per Cent. of Resources.	Dividends Amount.		
£	£	£	£	£				Rate.	£	£
2,000,000	500,000	500,000	1,000,000	750,000	1911	47,870	1.03	30,000	6	18,000
					1912	48,671	1.02	30,000	6	18,000
					1913	49,182	1.03	30,000	6	18,000
					1914	48,349	0.92	30,000	6	15,000
					1915	48,233	0.92	30,000	6	17,500
					1916	50,124	0.84	30,000	6	14,500
					1917	54,208	0.81	30,000	6	21,000
					1918	62,105	0.61	32,500	6	27,500
					1919	69,604	0.56	40,000	8	20,000
					1920	82,992	0.55	40,000	8	45,000
					1921	90,021	0.53	45,000	9	47,500
					1922	107,422	0.64	47,500	9	58,502
					1923	109,959	0.74	50,000	10	49,609
					1924	109,278	0.78	50,000	10	55,600

* Free of income-tax.

LIABILITIES.													ASSETS.												
Year Ended Dec. 31.	Number of Branches.	Capital and Res- erves.	Per Cent.	Un- divided Profits.	Per Cent.	Staff Fund.	Per Cent.	Re- bate.	Per Cent.	Deposit and Current Ac- counts, &c.	Per Cent.	Total Liabili- ties or Assets.	Cash in Hand and at Bankers.	Per Cent.	Invest- ments.	Per Cent.	Bills Dis- counted.	Per Cent.	Loans and Ad- vances.	Per Cent.	Buildings and Sundries.	Per Cent.			
		£		£		£		£		£		£	£		£		£		£		£				
1890..	35	500,000	22.3	17,983	0.8	605	0.1	5,289	0.2	1,716,111	76.6	2,239,988	432,345	19.2	252,925	11.3	677,351	30.2	754,423	33.6	122,944	5.7			
1895..	39	500,000	18.3	31,652	1.2	2,245	0.1	7,770	0.3	2,192,394	80.1	2,734,061	251,441	9.2	312,740	11.5	882,026	32.3	1,065,523	38.9	222,331	8.1			
1900..	40	590,000	16.3	23,843	0.7	7,785	0.2	8,890	0.3	2,927,548	82.5	3,558,066	370,566	10.4	401,350	11.3	1,026,513	28.9	1,632,642	45.8	126,995	3.6			
1905..	44	650,000	15.4	26,023	0.6	18,783	0.5	9,589	0.2	3,509,195	83.3	4,213,590	192,370	4.5	695,439	16.5	1,085,809	25.8	2,122,642	50.4	117,330	2.8			
1906..	44	642,500	15.2	22,564	0.5	20,582	0.5	8,232	0.2	3,529,162	83.6	4,223,040	210,280	4.9	767,170	18.1	997,856	23.6	2,104,334	50.0	143,400	3.4			
1907..	44	655,000	15.5	24,481	0.6	22,454	0.6	7,085	0.2	3,509,677	83.1	4,218,697	201,982	4.7	767,170	18.2	892,776	21.1	2,215,871	52.7	140,898	3.3			
1908..	44	660,000	15.6	24,826	0.6	24,228	0.6	7,899	0.2	3,502,062	83.0	4,219,015	312,813	7.4	810,062	19.2	873,927	20.7	2,067,627	49.0	154,586	3.7			
1909..	45	677,500	15.5	22,148	0.5	26,186	0.6	7,348	0.2	3,556,851	83.2	4,390,033	334,490	7.6	1,023,705	23.3	819,194	18.7	2,056,304	46.8	156,139	3.6			
1910..	45	692,500	15.2	19,547	0.4	27,185	0.6	7,386	0.2	3,775,854	83.5	4,522,413	279,451	8.2	1,173,380	26.0	800,581	17.7	2,102,322	46.4	166,679	3.7			
1911..	45	707,000	15.2	20,318	0.4	29,257	0.6	7,688	0.2	3,903,886	83.6	4,668,649	199,159	4.3	1,301,129	27.9	795,466	17.0	2,208,467	47.4	164,428	3.7			
1912..	48	690,000	14.1	18,490	0.4	31,411	0.7	7,197	0.2	4,061,533	84.6	4,779,831	223,327	7.9	1,204,746	25.1	789,701	16.4	2,434,274	50.9	141,583	2.9			
1913..	48	695,000	14.1	17,672	0.4	32,605	0.7	7,218	0.1	4,165,459	84.7	4,917,975	388,573	7.9	1,237,232	25.1	780,193	15.9	2,349,751	47.8	162,205	3.0			
1914..	48	710,000	13.5	18,021	0.3	34,851	0.7	6,293	0.1	4,510,609	85.4	5,279,764	843,005	16.0	1,275,585	24.1	740,826	13.4	2,291,814	43.4	164,545	3.0			
1915..	48	612,500	11.7	18,754	0.4	36,411	0.7	5,872	0.1	4,552,292	87.1	5,285,959	675,971	12.9	1,489,765	28.4	660,798	12.6	2,121,023	42.6	181,402	3.3			
1916..	48	625,000	10.5	25,379	0.4	37,782	0.6	7,176	0.1	5,286,637	88.4	5,881,974	1,503,864	25.2	1,478,102	24.7	618,505	10.3	2,185,084	36.5	196,419	3.1			
1917..	51	635,000	8.4	27,587	0.4	39,251	0.5	7,820	0.1	6,875,297	90.6	7,584,955	1,217,868	20.0	2,587,703	35.4	531,974	7.0	2,106,192	27.7	141,130	2.4			
1918..	52	640,000	6.6	27,192	0.3	40,700	0.4	5,076	0.0	9,053,566	92.7	9,766,534	1,120,497	11.5	5,507,880	56.4	577,438	5.9	2,186,615	24.8	184,074	2.5			
1919..	53	660,000	5.4	37,296	0.3	42,190	0.3	5,674	0.0	11,607,492	94.0	12,352,652	1,485,146	12.0	6,038,880	49.0	570,000	5.7	1,944,107	13.8	142,071	2.1			
1920..	55	680,000	4.5	35,288	0.2	43,693	0.3	12,422	0.1	14,236,307	94.9	15,007,710	2,743,437	18.2	5,882,480	39.1	750,000	5.0	1,943,542	13.5	188,251	1.9			
1921..	56	710,000	4.2	40,309	0.2	..	..	12,792	0.1	16,181,223	95.5	16,944,324	1,692,760	10.0	7,751,350	45.8	1,500,000	8.9	1,829,933	13.6	239,356	2.6			
1922..	58	900,000	5.3	44,229	0.3	..	..	8,772	0.1	15,937,667	94.3	16,890,468	1,710,046	10.1	9,172,352	54.2	..	..	6,912,861	46.3	178,137	1.9			
1923..	61	1,045,000	7.0	58,081	0.4	..	..	10,304	0.1	13,744,588	95.2	14,857,973	839,295	5.7	9,900,982	46.4	..	..	7,456,593	53.5	204,815	2.1			
1924..	58	1,075,000	7.7	54,009	0.4	..	..	12,693	0.1	12,874,912	91.8	14,016,614	453,558	3.2	6,910,918	42.1	..	..	7,456,593	53.5	196,479	2.0			

MUNSTER AND LEINSTER BANK, LIMITED. 1885—Assets of Munster Bank, Limited, acquired.

CAPITAL.					Market Value.	PROFITS AND DIVIDENDS.										Reserves, &c.	Carried Forward.				
Subscribed.	Paid-up.	Callable.	Reserve Fund.			Year Ended Dec. 31.	Net Profits.	Per Cent. of Resources.	Dividends Amount.	Rate.											
£	£	£	£	£	£	1910	49,970	0.80	28,000	14	20,000	10,845	1911	50,844	0.79	28,000	13,689				
						1912 <th>52,503</th> <th>0.78</th> <th>30,133</th> <th>16</th> <th>20,000</th> <th>16,060</th> <td></td> <td></td> <td></td> <td></td> <td></td>	52,503	0.78	30,133	16	20,000	16,060									
						1913 <th>54,071</th> <th>0.74</th> <th>30,133</th> <th>16</th> <th>27,000</th> <th>12,997</th> <td></td> <td></td> <td></td> <td></td> <td></td>	54,071	0.74	30,133	16	27,000	12,997									
						1914 <th>56,407</th> <th>0.72</th> <th>29,533</th> <th>16</th> <th>25,000</th> <th>14,871</th> <td></td> <td></td> <td></td> <td></td> <td></td>	56,407	0.72	29,533	16	25,000	14,871									
						1915 <th>63,385</th> <th>0.78</th> <th>27,933</th> <th>16</th> <th>35,000</th> <th>15,323</th> <td></td> <td></td> <td></td> <td></td> <td></td>	63,385	0.78	27,933	16	35,000	15,323									
1,250,000	500,000	750,000	1,135,000	1,796,875		1916 <th>60,279</th> <th>0.63</th> <th>24,800</th> <th>16</th> <th>35,000</th> <th>15,822</th>	60,279	0.63	24,800	16	35,000	15,822									
						1917 <th>72,095</th> <th>0.69</th> <th>24,750</th> <th>16</th> <th>45,000</th> <th>18,147</th>	72,095	0.69	24,750	16	45,000	18,147									
						1918 <th>94,179</th> <th>0.57</th> <th>24,925</th> <th>16</th> <th>70,000</th> <th>17,401</th>	94,179	0.57	24,925	16	70,000	17,401									
						1919 <th>123,834</th> <th>0.56</th> <th>42,000</th> <th>17</th> <th>75,000</th> <th>24,235</th>	123,834	0.56	42,000	17	75,000	24,235									
Per Share.	Per Share.	Per Share.		Per Share.		1920 <th>152,328</th> <th>0.55</th> <th>56,000</th> <th>20</th> <th>90,000</th> <th>30,562</th>	152,328	0.55	56,000	20	90,000	30,562									
£5	£2			£7 1/2		1921 <th>172,832</th> <th>0.55</th> <th>56,000</th> <th>20</th> <th>110,000</th> <th>37,394</th>	172,832	0.55	56,000	20	110,000	37,394									
						1922 <th>182,637</th> <th>0.57</th> <th>59,000</th> <th>20</th> <th>130,000</th> <th>41,032</th>	182,637	0.57	59,000	20	130,000	41,032									
						1924 <th>194,609</th> <th>0.69</th> <th>75,833</th> <th>20</th> <th>120,000</th> <th>44,012</th>	194,609	0.69	75,833	20	120,000	44,012									
						1925 <th>190,727</th> <th>0.70</th> <th>82,708</th> <th>19</th> <th>105,000</th> <th>47,031</th>	190,727	0.70	82,708	19	105,000	47,031									
										* Free of income-tax.										a 9 per cent. tax free.	

LIABILITIES.										ASSETS.											
Year Ended Dec. 31.	Number of Branches.	Capital and Reserves.	Per Cent.	Un-divided Profits.	Per Cent.	Deposits and Current Accounts, &c.	Per Cent.	Total Liabilities or Assets.		Cash in Hand and with Bankers.	Per Cent.	Cash at Call and Short Notice.	Per Cent.	Investments.	Per Cent.	Bills Receivable.	Per Cent.	Advances.	Per Cent.	Premises.	Per Cent.
1890	48	349,510	15.0	15,422	0.6	1,971,650	84.4	2,336,582	210,577	9.0	136,174	6.0	401,443	17.1	742,401	31.8	735,887	34.8	50,000	2.1	
1895	55	376,000	11.9	17,809	0.6	2,764,050	87.5	3,157,859	278,826	8.8	292,433	9.2	522,612	16.6	824,611	26.1	1,179,480	37.3	59,957	1.9	
1900	56	407,500	9.7	22,086	0.5	3,804,510	89.8	4,234,105	414,326	9.8	675,824	15.9	738,916	17.5	823,701	19.5	1,517,679	35.8	63,659	1.5	
1905	66	441,500	9.1	26,237	0.5	4,402,843	90.4	4,870,580	386,148	8.0	464,965	9.5	1,166,722	23.9	916,706	18.8	1,884,292	38.7	51,747	1.1	
1910	80	520,000	8.4	34,845	0.6	5,649,525	91.0	6,204,370	475,198	7.7	1,175,144	18.9	1,470,459	23.7	887,496	14.3	2,145,402	34.6	50,631	0.8	
1911	82	535,000	8.3	37,689	0.6	5,871,670	91.1	6,444,359	489,043	7.6	1,112,771	17.3	1,581,284	24.5	917,223	14.2	2,286,138	35.5	57,900	0.9	
1912	84	545,000	8.1	41,126	0.6	6,119,058	91.2	6,705,184	469,799	7.0	963,836	14.4	1,622,835	24.2	965,277	14.4	2,619,059	37.4	64,240	1.0	
1913	94	530,000	7.2	38,063	0.5	6,766,711	92.3	7,334,774	520,944	7.1	1,303,236	17.8	1,710,299	23.3	979,680	13.4	2,749,197	39.4	71,606	1.0	
1914	97	542,500	7.0	41,904	0.5	7,308,716	92.5	7,933,120	624,404	7.8	1,329,842	17.1	1,766,968	22.7	994,766	12.8	2,780,181	35.6	78,198	1.0	
1915	100	520,000	6.4	48,923	0.6	7,569,544	93.0	8,138,467	568,923	6.8	1,399,504	14.6	1,858,788	22.8	1,041,451	11.6	2,850,559	35.0	79,742	1.0	
1916	102	500,000	5.2	27,802	0.5	9,058,512	94.5	9,586,314	527,802	5.5	1,591,479	12.9	1,550,000	16.0	6,047,732	36.6	3,380,445	20.4	84,872	0.5	
1917	111	515,000	4.2	55,897	0.5	11,714,416	95.3	12,285,313	570,897	4.6	1,000,000	8.0	1,450,000	11.7	7,356,362	26.6	3,694,775	22.3	91,849	0.4	
1918	120	600,000	3.6	30,000	0.2	15,916,897	96.2	16,546,897	630,000	3.6	1,000,000	6.0	1,450,000	11.7	7,356,362	26.6	3,694,775	22.3	91,849	0.4	
1919	137	1,300,000	5.9	52,235	0.2	20,604,443	93.9	21,566,678	962,235	4.4	1,000,000	6.0	1,450,000	11.7	7,356,362	26.6	3,694,775	22.3	91,849	0.4	
1920	145	1,300,000	4.7	58,562	0.2	26,351,085	95.1	27,095,647	744,562	2.7	1,000,000	6.0	1,450,000	11.7	7,356,362	26.6	3,694,775	22.3	91,849	0.4	
1921	145	1,300,000	4.2	65,394	0.2	29,676,438	95.6	30,441,832	765,404	2.5	1,000,000	6.0	1,450,000	11.7	7,356,362	26.6	3,694,775	22.3	91,849	0.4	
1922	144	1,300,000	4.1	71,032	0.2	30,333,271	95.7	31,704,303	1,371,032	4.3	1,000,000	6.0	1,450,000	11.7	7,356,362	26.6	3,694,775	22.3	91,849	0.4	
1924	186	1,560,000	5.5	82,345	0.3	36,566,182	94.2	37,198,527	632,345	1.7	1,000,000	6.0	1,450,000	11.7	7,356,362	26.6	3,694,775	22.3	91,849	0.4	
1925	186	1,635,000	6.0	92,031	0.3	42,391,429	93.7	42,718,460	327,031	0.8	1,000,000	6.0	1,450,000	11.7	7,356,362	26.6	3,694,775	22.3	91,849	0.4	

* Includes Treasury Bills.

† June 30.

THE NATIONAL BANK, LIMITED. ESTABLISHED 1835.

CAPITAL.					Market Value.	PROFITS AND DIVIDENDS.									
Subscribed.	Paid-up.	Callable.	Reserved.			Year Ended Dec. 31.	Net Profits.	Per Cent. of Resources.	Dividends Amount.	Rate.	Reserves, &c.	Carried Forward.			
£	£	£	£	£	£	1911	183,761	1.07	148,312	10	37,000	20,502			
7,500,000	1,500,000	1,000,000	5,000,000	3,112,500	1912	193,932	1.13	141,250	10	50,000	23,184				
					1913	188,556	1.04	141,250	10	50,000	23,184				
					1914	207,485	1.06	138,438	10	65,000	24,538				
					1915	258,957	1.21	130,001	10	130,000	23,494				
					1916	224,985	0.81	116,250	10	70,000	21,129				
					1917	224,985	0.84	112,500	10	110,000	23,617				
					1918	273,746	0.80	128,250	12	145,000	24,113				
					1919	243,677	0.58	128,250	12	115,000	26,790				
					1920	266,924	0.55	126,000	12	140,000	27,714				
					1921	265,890	0.53	126,000	12	140,000	27,604				
					1922	292,514	0.60	132,750	12	160,000	27,604				
					1923	366,978	0.80	162,281	12	205,000	28,134				
					1925	366,587	0.83	176,750	14	187,000	30,971				

Authorised note issue, £852,269.

LIABILITIES.										ASSETS.													
Year Ended Dec. 31.	Number of Offices.	Capital and Reserves.	Per Cent.	Notes.	Per Cent.	Acceptances.	Per Cent.	Rebate.	Per Cent.	Deposit and Current Accounts.	Per Cent.	Total Liabilities or Assets.	Cash in Hand and at Bank.	Per Cent.	Cash at Call and Short Notice.	Per Cent.	Investments.	Per Cent.	Discounts and Advances.	Per Cent.	Buildings and Sundries.	Including Cover for Acceptances.	Per Cent.
1890	104	1,753,438	12.9	1,418,243	10.4	274,400	2.0	14,124	0.1	10,058,151	73.9	13,611,654	1,834,836	13.5	1,835,926	13.5	1,891,626	13.9	7,467,792	54.9	581,474	4.2	42
1895	104	1,790,522	13.0	1,477,505	8.4	313,100	2.3	12,554	0.1	10,354,437	75.4	13,698,205	1,750,446	12.8	1,949,052	14.2	1,670,855	12.2	7,708,762	56.3	619,090	4.5	42
1900	110	1,945,000	13.2	1,206,161	8.2	738,839	4.8	12,166	0.1	11,252,725	76.6	14,690,623	1,691,189	11.5	2,590,373	17.6	1,510,444	10.3	8,417,100	57.3	484,431	3.5	42
1905	127	2,090,000	13.3	1,039,345	6.8	141,900	1.0	11,652	0.1	11,869,897	78.2	15,194,354	1,582,845	10.4	2,004,373	13.1	1,630,053	10.7	8,530,684	56.2	445,398	3.0	42
1910	134	2,080,000	12.3	1,255,023	7.4	105,908	0.6	10,025	0.1	11,371,271	78.2	16,926,968	2,050,284	12.1	2,506,766	14.8	2,448,285	14.9	8,530,684	56.2	403,384	2.9	42
1911	134	2,110,000	12.3	1,187,042	6.9	202,448	1.2	9,626	0.1	11,573,888	79.7	17,186,132	2,009,051	11.7	2,461,966	15.5	2,406,739	14.0	8,530,684	56.2	403,384	2.9	42
1912	136	1,900,000	11.1	1,206,957	7.0	194,764	1.1	9,924	0.1	11,568,729	80.7	17,120,183	2,036,129	11.9	2,427,914	14.2	2,320,451	13.6	8,499,701	57.5	497,697	3.6	42
1913	143	1,900,000	10.5	1,344,039	7.4	197,526	1.1	9,852	0.1	11,445,741	80.6	18,063,274	2,244,882	12.4	3,147,883	17.4	2,360,769	13.1	8,822,513	54.4	487,227	3.5	42
1914	151	1,925,000	9.9	1,387,335	9.7	204,233	1.6	9,870	0.1	15,283,930	78.4	19,537,875	2,244,882	12.4	3,147,883	17.4	2,360,769	13.1	8,822,513	54.4	487,227	3.5	42
1915	155	2,030,000	9.5	2,306,267	10.8	175,000	0.8	8,160	0.1	16,718,543	78.2	21,384,277	3,201,281	15.0	2,997,063	13.8	2,671,427	13.7	10,343,259	52.8	600,827	4.3	42
1916	156	2,115,000	9.3	2,724,009	12.1	225,000	1.0	122,379	0.5	17,421,130	77.1	22,607,517	3,854,296	17.0	4,377,341	19.3	4,627,640	21.0	12,919,118	47.4	479,175	3.5	42
1917	183	2,220,000	8.3	2,778,116	10.4	452,497	1.7	129,867	0.3	21,533,322	79.3	26,913,802	4,469,544	16.6	6,588,750	24.4	4,580,801	20.2	12,919,118	47.4	479,175	3.5	42
1918	192	2,345,000	6.8	3,238,154	9.4	277,600	0.8	157,113	0.5	28,270,257	82.5	34,288,124	4,791,897	14.0	12,441,504	36.3	4,948,993	16.9	10,550,596	30.3	526,538	3.8	42
1919	223	2,460,000	5.8	4,365,871	10.3	533,280	1.2	159,790	0.4	34,825,774	82.3	42,334,715	5,318,723	14.9	12,976,920	30.6	6,587,810	15.5	15,491,489	36.7	959,763	3.9	42
1920	232	2,480,000	5.1	3,967,728	8.1	531,000	1.1	160,714	0.3	41,706,785	85.4	48,846,227	6,043,063	14.9	12,976,920	30.6	6,587,810	15.5	15,491,489	36.7	959,763	3.9	42
1921	250	2,480,000	4.9	3,043,190	6.0	499,881	1.0	160,604	0.3	44,645,676	87.8	50,829,353	6,814,158	13.7	13,373,909	15.8	13,381,689	30	21,578,454	42.2	1,060,143	2.1	42
1922	244	2,500,000	5.1	2,794,445	5.6	217,729	0.4	179,869	0.4	43,472,962	88.1	49,095,005	6,283,260	8.7	13,373,909	15.8	13,381,689	30	21,578,454	42.2	1,060,143	2.1	42
1923	258	2,650,000	5.8	2,928,446	6.4	162,000	0.4	210,415	0.4	39,731,141	87.0	46,662,022	4,812,622	9.8	3,440,591	8.7	17,474,712	38.5	19,263,862	42.2	901,436	2.0	42
1925	262	2,725,000	6.1	3,130,841	7.1	nil.	0.1	216,346	0.5	38,340,833	86.3	44,413,080	4,124,402	9.3	3,840,041	8.7	16,406,310	36.9	19,279,633	43.4	762,694	2.4	42

* Undivided Profits. Includes Treasury Bills. June 30.

Provincial Bank of Ireland, Limited—Continued from page 22.

Year Ended Dec. 31.	Number of Branches.	LIABILITIES.										Total Liabilities or Assets.	ASSETS.									
		Capital and Reserves.	Per Cent.	Un- divided Profits.	Per Cent.	Notes.	Per Cent.	Deposit and Current Accounts.	Per Cent.	Cash in Hand and at Bank.	Per Cent.		Cash at Call and Short Notice.	Per Cent.	Invest- ments.	Per Cent.	Discounts and Advances including Treasury Bills.	Per Cent.	Premises.	Per Cent.		
1890....	57	£ 714,000	12.5	£ 33,154	0.6	£ 850,406	14.8	£ 4,138,053	72.1	£ 5,735,613	47.4	£ 474,367	8.3	£ 776,109	13.5	£ 1,400,782	24.4	2,941,658	51.3	142,697	2.5	
1895....	61	765,000	12.7	35,172	0.5	739,770	12.2	4,509,153	74.6	6,049,095	48.6	513,813	8.1	802,543	13.3	1,870,384	30.9	2,759,044	45.6	130,211	2.1	
1900....	70	848,000	13.2	45,160	0.7	779,844	12.1	4,742,902	74.0	6,415,906	47.2	754,754	7.4	915,000	14.2	3,425,327	54.3	2,941,658	45.6	130,211	2.1	
1905....	74	905,000	13.6	45,572	0.7	700,524	10.7	4,928,910	75.0	6,580,006	34.9	104,530	5.3	525,000	8.0	1,804,159	27.4	2,941,658	45.6	130,211	2.1	
1910....	84	900,000	12.3	46,423	0.6	737,628	10.1	5,608,973	77.0	7,293,024	35.8	470,500	5.0	529,062	7.2	2,327,788	32.0	2,970,751	54.4	106,351	1.7	
1913....	88	900,000	11.1	46,658	0.6	790,530	9.7	6,427,172	78.5	8,163,369	68.0	546,830	8.3	475,000	5.8	2,153,423	26.5	4,752,497	58.2	101,894	1.2	
1914....	90	915,000	10.3	51,629	0.6	1,151,927	13.0	6,752,422	78.1	8,870,978	1,045,881	11.8	439,900	4.9	2,483,434	28.0	4,758,836	54.1	102,927	1.2		
1918....	110	955,000	6.3	43,243	0.3	2,264,951	15.0	11,816,699	78.4	15,079,878	2,120,875	14.0	945,270	6.3	5,790,235	38.4	6,121,281	40.6	102,234	0.7		
1920....	120	975,000	6.4	41,340	0.2	2,305,557	12.8	14,802,721	81.6	18,124,618	2,314,466	12.7	1,105,000	6.1	6,591,207	36.3	7,994,247	44.2	119,704	0.7		
1920....	129	990,000	4.9	50,295	0.2	2,058,690	10.2	17,110,155	84.7	20,209,140	2,122,742	10.5	1,105,000	6.1	6,591,207	36.3	7,994,247	44.2	119,704	0.7		
1921....	131	1,005,000	4.8	74,377	0.4	1,958,622	9.3	17,890,594	85.5	20,928,593	1,988,272	9.5	1,085,000	5.2	6,683,089	33.0	9,696,661	48.1	146,648	0.7		
1922....	131	1,040,000	5.0	69,628	0.3	1,970,232	9.5	17,570,430	85.2	20,650,290	1,626,733	7.9	1,070,000	5.2	6,751,576	32.2	10,931,816	52.5	171,929	0.8		
1924....	132	1,070,000	5.7	72,233	0.4	1,709,839	9.1	15,950,726	84.8	18,802,798	1,231,528	6.6	570,000	3.0	7,418,404	39.4	9,390,508	50.0	192,358	1.0		
1925....	132	1,090,000	6.0	74,470	0.4	1,637,517	9.1	15,283,477	84.5	18,085,464	1,254,425	6.9	360,000	2.0	6,913,907	38.3	9,359,540	51.7	197,592	1.1		

* June 30.

ROYAL BANK OF IRELAND.

ESTABLISHED 1836.

CAPITAL.					Market. Value.	PROFITS AND DIVIDENDS.					Reserves, £s.	Carried Forward
Subscribed.	Paid-up.	Callable.	Reserved.	Year Ended Aug. 31.		Net Profits. £.	Per Cent. of Resources.	Dividends Amount.	Rate.			
£	£	£	£	£	£	£	£	£	£	£	£	£
1,500,000	300,000	300,000	900,000	397,500	1910.	36,120	1.53	36,000	12	1,500	13,055	
					1911.	36,257	1.47	31,075	11	5,000	13,237	
					1912.	37,149	1.50	29,653	10½	7,500	13,224	
					1913.	39,201	1.58	28,250	10	11,000	13,176	
					1914.	38,038	1.47	28,188	10	10,000	13,026	
					1915.	42,187	1.55	26,750	10	15,000	13,463	
					1916.	37,576	1.46	23,875	10	14,000	13,164	
					1917.	28,686	1.08	22,500	10	11,000	8,350	
					1918.	36,367	1.02	21,875	10	14,500	8,342	
					1919.	45,159	1.22	16,800	8	30,309	6,393	
					1920.	48,293	1.02	16,800	8	31,003	6,883	
					1921.	50,165	1.01	18,900	9	32,239	5,849	
					1922.	54,011	1.03	21,900	10	32,004	6,566	
					1923.	67,268	0.83	22,500	10	43,019	7,705	
					1924.	78,388	1.00	23,025	10	54,000	9,068	
					1925.	73,842	1.01	23,613	10	50,000	9,288	

(2) AFRICAN BANKS.

BANK OF BRITISH WEST AFRICA, LIMITED.

REGISTERED 1894.

Year Ended March 31.	Number of Branches.	CAPITAL.					Market Value.	Year Ended March 31.	Net Profit.	Dividend.	To Reserves, £.	Carried Forward.
		Subscribed.	Paid-up.	Callable.	Reserved.	Per Share.						
1890....	9	£ 43,560	15.0	£ 2,433	0.8	£ 27,838	9.6	£ 217,092	74.6	£ 290,923	106,609	36.6
1905....	11	88,000	11.2	4,255	0.6	63,855	8.1	88,442	11.3	541,262	68.8	785,814
1910....	30	280,000	17.2	10,697	0.6	149,146	9.2	111,562	6.8	1,074,793	66.1	1,626,198
1913....	27	408,000	15.4	21,329	0.8	237,782	8.9	187,323	7.0	1,805,798	67.9	2,660,232
1914....	29	587,000	18.6	31,600	1.0	309,338	9.8	197,377	6.3	2,025,527	64.3	3,150,842
1915....	31	550,000	17.0	26,141	0.8	268,859	5.0	228,804	7.1	2,287,716	70.1	3,235,850
1916....	34	550,000	15.4	35,417	1.0	164,781	4.6	317,752	8.8	2,523,090	70.2	3,591,040
1917....	38	780,000	18.0	36,177	0.9	227,444	5.3	205,311	4.7	3,083,575	71.2	4,332,307
1918....	41	817,500	12.6	47,713	0.7	712,974	11.1	215,283	3.3	4,668,687	72.3	6,462,157
1919....	41	830,000	9.2	54,580	0.5	1,238,581	13.8	387,599	4.3	6,489,248	72.1	9,000,018
1920....	47	1,200,000	13.5	78,377	0.6	2,695,108	15.8	807,097	4.9	11,810,340	71.5	16,500,922
1921....	50	1,200,000	13.5	98,180	0.7	2,896,706	21.4	638,080	4.7	8,018,670	59.7	22,294,811
1922....	51	1,600,000	17.0	10,116	0.6	2,447,625	19.8	574,506	4.7	7,602,564	61.9	22,294,811
1923....	52	1,600,000	17.3	70,690	0.8	1,238,002	13.3	541,607	5.9	8,233,332	62.7	22,294,811
1924....	52	1,600,000	17.8	71,680	0.8	1,009,804	10.6	306,998	3.2	6,540,131	68.6	22,294,811
1925....	50	1,600,000	15.8	74,032	0.7	1,270,350	12.6	432,414	4.3	6,726,491	66.6	10,103,287

Year Ended March 31.	Number of Branches.	LIABILITIES.										Total Liabilities or Assets.	ASSETS.									
		Capital Reserves.	Per Cent.	Un- divided Profits.	Per Cent.	Bills for Collection and Liab- ilities on Acceptance's	Per Cent.	Drafts Issued and Rebate.	Per Cent.	Deposit and Current Accounts.	Per Cent.		Cash in Hand, at Bankers, and in Transit.	Per Cent.	Invest- ments.	Per Cent.	Bills of Ex- change.	Per Cent.	Loans, Advances, Current Accounts.	Per Cent.	Premises, and Cover for Acceptance's and Bill.	Per Cent.
1900 ..	9	£ 43,560	15.0	£ 2,433	0.8	£ ..	..	£ 27,838	9.6	£ 217,092	74.6	£ 290,923	106,609	36.6	£ 22,765	7.8	£ 102,293	35.2	£ 57,748	19.9	£ 1,512	0.5
1905 ..	11	88,000	11.2	4,255	0.6	63,855	8.1	88,442	11.3	541,262	68.8	785,814	256,699	32.7	121,813	15.5	213,487	27.2	113,204	14.5	80,615	10.4
1910 ..	30	280,000	17.2	10,697	0.7	149,146	9.2	111,562	6.8	1,074,793	66.1	1,626,198	302,449	18.6	276,448	17.0	563,546	34.6	297,375	18.3	186,380	11.5
1913 ..	27	408,000	15.4	21,329	0.8	237,782	8.9	187,323	7.0	1,805,798	67.9	2,660,232	672,083	25.2	349,116	13.1	754,255	28.3	592,683	22.5	291,825	10.8
1914 ..	29	587,000	18.6	31,600	1.0	309,338	9.8	197,377	6.3	2,025,527	64.3	3,150,842	830,596	26.5	419,159	13.2	965,626	30.6	566,321	18.0	369,140	13.7
1915 ..	31	550,000	17.0	26,141	0.8	268,859	5.0	228,804	7.1	2,287,716	70.1	3,235,250	1,161,397	35.9	527,520	16.2	607,089	18.7	706,741	21.3	212,503	7.9
1916 ..	34	550,000	15.4	35,417	1.0	164,781	4.6	317,752	8.8	2,523,090	70.2	3,591,040	1,020,712	28.5	1,061,101	29.6	638,259	17.7	638,398	17.7	232,570	7.7
1917 ..	38	780,000	18.0	36,177	0.8	227,444	5.3	205,311	4.7	3,083,575	71.2	4,332,307	1,142,775	26.9	498,719	11.5	1,464,186	36.2	1,109,570	25.4	317,057	10.2
1918 ..	41	817,500	12.6	47,713	0.7	712,974	11.1	215,283	3.3	4,668,687	72.3	6,462,157	1,127,144	17.4	925,528	14.5	2,531,830	39.3	1,244,504	19.2	833,151	11.8
1919 ..	41	830,000	9.2	54,580	0.6	1,238,581	13.8	387,599	4.3	6,489,248	72.1	9,000,018	1,667,565	18.6	1,026,821	11.4	2,419,803	24.6	2,766,768	30.1	1,379,061	15.1
1920 ..	47	1,200,000	13.5	78,377	0.5	2,695,108	15.8	807,097	4.9	11,810,340	71.5	16,500,922	2,961,334	17.9	791,553	4.8	4,918,678	29.9	5,003,206	30.3	2,814,151	17.1
1921 ..	50	1,200,000	13.5	98,180	0.7	2,896,706	21.4	638,080	4.7	8,018,670	59.7	22,294,811	2,532,166	18.8	850,524	6.3	3,022,317	23.7	3,693,688	27.6	2,936,943	12.7
1922 ..	51	1,600,000	17.0	10,116	0.6	2,447,625	19.8	574,506	4.7	7,602,564	61.9	22,294,811	1,488,978	21.3	1,167,345	9.5	3,279,947	23.7	2,401,132	19.9	2,843,183	12.7
1923 ..	52	1,600,000	17.3	70,690	0.8	1,238,002	13.3	541,607	5.9	8,233,332	62.7	22,294,811	1,436,440	15.1	1,195,839	12.8	2,911,321	31.6	3,028,409	21.9	1,649,183	7.4
1924 ..	52	1,600,000	16.8	71,680	0.8	1,009,804	10.6	306,998	3.2	6,540,131	68.6	22,294,811	1,436,440	15.1	1,211,186	12.7	2,482,727	26.1	3,028,409	21.9	1,649,183	7.4
1925 ..	50	1,600,000	15.8	74,032	0.7	1,270,350	12.6	432,414	4.3	6,726,491	68.6	10,103,287	1,251,178	12.4	1,211,186	12.0	2,866,553	28.4	3,103,537	30.7	1,659,314	12.7

CAPITAL				Year.	Net Profit.	Dividend.	To Reserve,	Carried Forward.
Subscribed.	Paid-up.	Callable.	Reserved.		£	%	£	£
£	£	£	£					
240,000	240,000	NIL	NIL	1913	13,173	4	3,900	285
				1916	18,497	5	6,000	497
				1917	17,911	5	5,584	327
				1918	17,595	5	5,250	345
				1919	21,359	5	8,147	655
				1920	30,253	4	16,397	2,738
Per Share.	Per Share.	Per Share.	Per Share.	1921	24,888	4	15,833	1,320
\$50	\$50	NIL	NIL	1922	23,965	4	10,417	715
				1923	21,813	5	15,541	125
				1924	27,106	5		

Continued on page 28.



SECURITY - £11,094,132.

Accident - Fire - Marine.

Head Offices: { 45, DALE STREET, LIVERPOOL.
155, LEADENHALL STREET, E.C.3.

Chief Administration : 7, CHANCERY LANE, W.C.2.

GOVERNOR: F. W. PASCOE RUTTER.

**SCOTTISH
AMICABLE
LIFE ASSURANCE SOCIETY**

Founded 1826.

**A STRONG MUTUAL
OFFICE**

now in its

100th YEAR

with a Great Bonus Record.

**NEXT DIVISION OF PROFITS at
31st DECEMBER, 1925.**

Head Office :

35 ST. VINCENT PLACE, GLASGOW.

London Office :

17 TOKENHOUSE YARD, E.C.2.



Extract from the 76th Report of the Directors on the operations of the Society for the twelve months ending 31st December, 1924.

POLICIES ISSUED - 4,138 for £2,235,366
NEW ANNUAL PREMIUMS (Net) - - £98,768

Founded in the first half of the last century, the GRESHAM has paid to policy holders in Claims & Bonuses over £41,000,000.

SPECIAL FEATURES.

1. Comprehensive Family Policies, with Guaranteed Income of 10 per cent.
2. Endowment Assurances with Guaranteed Premium reductions and Options at maturity.
3. Pension Policies with Optional Pension Age.
4. Immediate Annuities with Return of Purchase Money.
5. Children's Educational Policies.
6. Life Assurance with or without Medical Examination.

GRESHAM LIFE ASSURANCE SOCIETY, Limited,
188-190, Fleet Street, London, E.C.4.

ALEX. LAWSON,
General Manager & Secretary.

Netherlands Bank of South Africa—Continued from page 26.

Year Ended December 31.	Number of Branches.	LIABILITIES.										Total Liabil- ities or Assets.	ASSETS.									
		Capital and Reserves.	Per Cent.	Un- divided Profits.	Per Cent.	Notes.	Per Cent.	Bills for Col- lection.	Per Cent.	Deposits and Current Accounts.	Per Cent.		Cash in Hand, with Bankers, and Money at Call.	Per Cent.	Invest- ments.	Per Cent.	Discounts and Advances.	Per Cent.	Buildings and Sundries, including Bills for Collection.	Per Cent.		
1903...	6	£ 335,393	41.5	£ 44,048	4.2	£ 26,380	2.5	£ 95,240	9.1	£ 445,247	42.7	£ 1,046,308	174,753	16.6	£ 26,589	2.5	£ 707,301	67.8	£ 137,665	13.1		
1905...	8	444,331	41.8	27,409	2.6	26,045	2.4	54,779	5.1	511,150	48.1	1,063,714	178,550	16.8	53,630	5.0	734,967	79.2	96,566	9.0		
1906...	9	444,605	40.7	21,394	2.0	22,577	2.1	48,534	4.4	554,003	50.8	1,091,113	265,316*	24.3	52,351	4.8	680,338	62.4	93,108	8.5		
1907...	8	444,643	40.8	11,096	1.2	17,622	2.0	41,811	4.7	377,580	42.3	892,752	146,618*	16.4	56,073	6.3	605,637	67.8	84,424	9.5		
1908...	8	445,722	40.5	6,752	0.7	18,037	1.8	31,926	3.3	477,714	48.7	980,151	219,174*	22.4	57,537	5.9	630,731	64.3	72,709	7.4		
1909...	8	257,000	27.7	11,962	1.3	19,194	2.1	51,006	5.3	590,077	61.6	915,669	250,174*	27.4	57,590	6.2	415,948	44.8	139,303	15.0		
1910...	8	257,000	27.7	13,287	1.4	21,434	2.3	50,006	5.5	573,942	62.7	915,669	250,174*	27.4	57,590	6.2	415,948	44.8	139,303	15.0		
1911...	8	260,000	28.5	16,682	1.8	22,629	2.5	51,017	5.6	562,364	61.6	912,699	230,873*	25.2	57,257	6.3	473,217	51.7	135,164	14.7		
1912...	8	264,000	32.5	16,162	2.0	23,110	2.8	61,741	7.6	448,010	55.1	813,023	142,623*	17.6	60,321	7.4	473,708	58.9	111,082	12.1		
1913...	8	267,000	32.5	13,785	1.7	24,147	2.9	88,443	10.7	428,940	52.2	822,315	150,061*	18.2	55,480	6.7	471,217	57.5	145,567	17.6		
1914...	8	268,400	35.0	10,257	1.3	21,857	2.9	72,518	9.5	393,295	51.3	766,327	138,197*	17.6	52,725	6.9	251,439	32.9	123,966	16.1		
1915...	12	268,400	32.8	12,690	1.5	19,677	2.4	83,875	10.3	433,143	53.0	817,785	319,329*	39.0	82,173	10.1	285,348	35.0	130,935	15.9		
1916...	12	270,400	29.8	18,497	2.0	23,357	2.5	97,980	10.8	497,383	54.9	806,617	274,321*	30.1	84,750	9.4	404,686	44.7	142,846	15.8		
1917...	12	273,733	25.5	17,911	1.7	32,154	3.0	92,298	8.6	652,392	61.2	1,068,488	312,094*	29.1	146,041	13.8	474,298	44.5	134,055	12.6		
1918...	16	276,650	24.1	17,595	1.5	50,039	4.3	126,451	11.9	677,132	59.1	1,147,987	324,310*	28.1	84,582	7.4	575,345	50.2	163,090	14.3		
1919...	16	278,566	17.9	21,359	1.4	79,662	5.1	152,063	9.8	1,026,654	65.8	1,558,304	594,030*	38.3	62,256	4.0	711,063	45.5	190,965	12.2		
1920...	17	281,567	16.6	30,253	1.8	108,975	6.4	225,602	13.3	1,052,403	61.9	1,698,800	400,045*	23.6	55,589	3.3	971,176	57.1	271,990	16.0		
1921...	17	300,861	17.4	24,888	1.4	72,671	4.2	206,880	11.9	1,119,296	65.1	1,744,596	342,825*	19.8	266,490	15.4	863,704	50.2	251,577	14.6		
1922...	18	303,412	17.4	26,753	1.5	113,322	6.6	190,764	11.0	1,208,151	69.5	1,741,392	337,123	19.3	243,123	13.9	923,237	53.2	237,909	13.6		
1923...	18	303,412	17.4	26,753	1.5	113,322	6.6	190,764	11.0	1,208,151	69.5	1,741,392	337,123	19.3	243,123	13.9	923,237	53.2	237,909	13.6		
1924...	18	315,016	15.0	27,820	1.3		0.2	192,279	13.0	1,233,223	70.7	1,746,469	299,042	17.1	99,432	5.7	1,096,887	62.8	251,108	14.4		
								271,893	13.0	1,482,663	70.7	2,097,472	315,622	15.0	70,394	3.3	1,386,255	66.2	325,201	15.5		

* Includes remittances in transit.

(3) AUSTRALASIAN BANKS.

AUSTRALIAN BANK OF COMMERCE, LIMITED.

In 1909 acquired the business of the Australian Joint Stock Bank, founded in 1853.

In 1917 purchased City Bank of Sydney.

Subscribed.	Paid-up.	Callable.	Reserved.	Market Value.	Year Ended June 30.	Net Profit.	Dividend.	To Reserve, &c.	Carried Forward.
£1,840,000	£1,840,000	Nil.	Nil.	£2,645,000	1917	62,477	5%	20,000	11,759
					1918	80,255	4	25,000	19,067
					1919	97,255	5	30,000	26,389
					1920	118,390	5½	50,000	28,813
					1921	139,578	6½	60,000	30,391
					1922	137,195	7	50,000	33,587
					1923	140,678	7	50,000	40,265
					1924	143,253	7	50,000	49,518
					1925	180,766	7½	60,124	54,560

Inscribed deposits, £244,079.

Reserve fund, £740,000.

Year Ended June 30.	Number of Branches.	LIABILITIES.										Total Liabilities or Assets.	ASSETS.									
		Capital and Reserves.	Per Cent.	Un-divided Profits.	Per Cent.	Notes.	Per Cent.	Miscellaneous Credits, Rebates, &c.	Per Cent.	Deposits and Current Accounts.	Per Cent.		Cash and Notes in Hand, with Bankers, and Short Call.	Per Cent.	Bills Receivable in London and Remittances in Transit.	Per Cent.	Investments.	Per Cent.	Discounts, Loans, and Advances.	Per Cent.	Buildings and Sundries.	Per Cent.
1910...	76	2,817,194	52.6	12,111	0.2	79,447	1.5	324,001	6.0	2,145,794	39.7	5,378,547	854,800	15.9	...	...	119,700	2.2	3,966,168	73.7	437,679	8.2
1913...	79	2,912,492	49.6	21,931	0.4	2,540	...	394,332	6.7	2,527,992	43.3	5,856,287	1,225,223	21.0	181,494	3.1	75,500	1.3	3,864,629	65.9	509,441	8.7
1914...	85	2,893,991	46.3	21,020	0.3	1,428	...	340,471	5.5	2,980,821	47.9	6,237,731	1,449,376	23.2	204,272	4.2	72,200	1.2	4,090,774	65.6	361,109	5.8
1915...	87	2,875,520	46.0	20,489	0.3	964	...	346,117	5.5	3,016,323	48.2	6,259,412	1,385,125	22.1	286,784	4.6	146,548	2.3	4,068,718	65.1	372,237	5.9
1916...	87	2,857,839	43.5	23,203	0.3	710	...	513,598	7.8	3,192,090	48.4	6,587,440	1,188,442	18.1	348,099	5.3	241,468	3.7	4,434,808	67.2	374,623	5.7
1917...	87	2,838,726	41.6	29,739	0.4	605	...	388,398	5.7	3,540,862	52.3	6,798,399	1,338,488	19.7	273,304	4.0	264,198	3.9	4,551,995	67.0	370,338	5.4
1918...	128	2,823,384	28.9	49,034	0.5	...	...	694,810	7.1	6,185,202	63.5	9,752,430	1,716,716	17.6	...	...	523,153	5.6	6,454,674	66.2	509,736	5.2
1919...	129	2,813,272	25.4	56,366	0.5	...	...	960,406	8.7	7,200,501	65.4	11,050,535	1,544,672	14.0	791,563	7.2	407,460	3.7	7,814,989	70.7	491,851	4.4
1920...	135	2,813,657	23.0	64,813	0.5	...	...	1,063,051	8.8	8,108,526	67.4	12,050,047	1,933,975	16.0	1,339,353	11.1	506,827	4.2	7,755,747	64.4	514,145	4.3
1921...	139	2,822,683	22.4	72,391	0.6	...	...	1,357,941	10.6	8,560,114	66.8	12,813,129	2,218,598	17.3	1,130,593	8.8	407,002	3.2	8,563,021	66.9	493,915	3.8
1922...	141	2,820,507	21.2	75,587	0.6	...	...	970,589	7.3	9,403,111	70.9	13,269,794	2,190,278	16.6	1,814,867	13.7	431,455	3.2	8,368,030	63.1	465,164	3.5
1923...	144	2,817,625	19.8	82,265	0.6	...	...	991,695	7.0	10,257,269	72.6	14,148,754	2,200,029	15.6	1,736,631	12.2	401,952	2.8	8,356,721	66.2	453,421	3.2
1924...	143	2,815,116	19.4	91,518	0.6	...	...	1,250,361	8.6	10,342,441	71.4	14,459,435	2,522,562	17.7	1,776,282	12.2	355,392	2.4	9,366,298	64.7	438,511	3.0
1925...	142	2,824,079	18.3	128,160	0.8	...	...	1,149,263	7.5	11,294,435	73.4	15,595,937	2,939,043	19.1	2,348,785	15.3	535,773	3.5	9,138,345	59.3	433,991	2.8

BANK OF ADELAIDE.
INCORPORATED DECEMBER 5, 1865.

Subscribed.	Paid-up.	Callable.	Reserved.	Year Ended March.	Net Profit.	Dividend.	To Reserve, &c.	Carried Forward.
£75,000	£75,000	nil	£75,000	1914	56,173	10	20,000	25,168
				1917	71,354	8	16,173	16,173
				1918	69,349	10	10,000	12,528
				1919	87,694	10	18,000	13,877
				1920	88,108	10	35,000	16,571
				1921	92,633	10	20,000	22,179
				1922	94,889	10	30,000	22,312
				1923	115,823	10	20,000	29,701
				1924	117,216	10	30,000	28,024
				1925	...	10	30,000	27,740

Year Ended March 25.	Number of Branches.	LIABILITIES.										Total Liabili- ties or Assets.	ASSETS.									
		Capital and Reserves.		Un- divided Profits.	Notes.	Per Cent.	Miscel- laneous Credits, Rebate, &c.	Per Cent.	Deposits Current Accounts.	Per Cent.	Cash and Notes in Hand and at Bankers.		Money at Short Call and Remit- tances in Transit.		Invest- ments.	Bills Receivable and Advances.	Premies Furniture.	Per Cent.				
		Per Cent.	Per Cent.										Per Cent.	Per Cent.					Per Cent.	Per Cent.		
1894	21	£ 543,000	21.8	£ 32,240	1.3	£ 86,891	3.5	£ 108,069	4.3	1,728,938	69.1	£ 2,499,138	315,627	12.6	£ 530,859	21.3	£ 297,266	11.9	£ 1,288,755	51.5	£ 66,631	2.7
1895	19	546,000	21.6	32,289	1.3	92,844	3.7	199,993	7.9	1,654,893	65.5	2,525,619	383,267	15.2	379,469	15.0	299,146	11.8	1,400,846	55.5	62,891	2.7
1900	33	565,000	18.3	40,401	1.3	127,222	4.1	175,921	5.7	2,185,435	70.6	3,093,979	610,156	19.8	717,581	23.1	307,279	9	1,401,689	45.3	57,274	1.8
1905	44	635,000	18.5	49,953	1.4	129,968	3.8	231,399	8.5	2,334,238	67.8	3,404,558	445,598	12.8	789,763	23.0	432,768	12.6	1,700,946	49.4	71,483	2.1
1910	84	725,000	12.2	61,838	1.1	225,893	4.0	808,067	13.6	4,114,849	69.1	5,935,467	781,584	13.2	1,729,246	29.1	522,047	8.8	2,817,429	47.5	85,341	1.4
1911	87	900,000	14.0	76,486	1.2	228,477	3.6	594,139	8.2	4,684,503	73.0	6,413,605	867,435	13.5	1,247,654	19.1	498,021	7.8	3,712,299	57.9	88,205	1.5
1912	88	930,000	16.0	77,084	1.3	28,649	0.5	204,807	4.1	4,543,208	78.1	5,819,748	905,012	15.5	834,899	14.3	453,891	7.9	3,536,154	60.8	84,506	1.5
1913	89	950,000	17.6	78,222	1.4	16,801	0.3	328,716	3.5	4,101,962	74.7	5,485,701	926,893	17.0	986,245	18.0	480,367	8.8	3,866,570	64.3	105,550	1.9
1914	89	990,000	15.8	70,168	1.2	12,822	0.2	320,312	5.1	4,834,739	77.8	6,228,041	684,644	11.0	853,599	13.7	479,681	7.7	4,004,975	65.8	113,326	1.9
1915	87	1,010,000	20.8	53,191	1.1	11,003	0.2	270,436	5.6	3,466,027	72.3	4,830,657	998,678	20.6	656,073	13.6	471,305	9.7	2,589,398	53.7	115,209	2.1
1916	92	1,010,000	21.4	62,967	1.3	8,517	0.2	270,990	5.3	3,759,455	73.2	5,128,131	733,543	14.3	402,737	8.5	469,827	9.9	2,843,900	64.5	115,923	2.2
1917	88	1,010,000	19.7	75,170	1.5	8,014	0.1	273,546	4.6	4,591,817	76.9	5,975,905	1,130,542	13.8	711,914	13.8	751,568	14.6	2,816,449	55.1	114,658	1.9
1918	86	1,010,000	17.4	62,528	1.0	7,747	0.1	223,241	3.4	5,365,076	80.7	6,704,946	920,119	13.7	559,803	9.5	1,219,619	20.4	3,174,157	53.1	101,149	1.6
1919	86	1,055,000	15.7	53,877	0.8	7,519	0.1	293,106	3.8	6,380,056	81.5	7,827,252	1,114,527	14.2	588,446	9.5	901,187	13.4	4,424,338	66.1	104,086	1.6
1920	90	1,070,000	13.6	76,521	1.0	7,306	0.1	866,054	5.6	5,984,597	73.8	8,156,386	1,460,182	18.0	686,401	8.4	2,079,105	26.6	3,882,431	49.7	157,753	2.1
1921	95	1,225,000	15.0	73,479	0.9	7,216	0.1	350,932	4.2	6,545,112	79.6	8,231,822	1,543,653	18.8	630,817	7.6	1,126,981	13.8	4,720,253	51.8	162,569	2.1
1922	94	1,245,000	15.1	83,562	1.0	7,104	0.1	447,238	5.6	5,853,069	73.4	7,968,362	1,525,817	19.2	938,420	12.2	1,912,659	23.2	3,991,579	48.5	153,114	2.0
1923	98	1,575,000	19.8	85,951	1.1	7,073	0.1	413,402	5.0	5,143,517	74.4	8,260,566	1,627,277	19.7	978,298	11.8	709,794	8.6	4,478,196	56.2	228,830	3.0
1924	103	1,595,000	19.3	101,774	1.2	6,873	0.1	463,308	5.4	5,317,889	74.2	8,514,575	1,715,658	20.2	1,267,153	14.9	824,494	9.7	4,436,169	52.0	259,028	3.3
1925	104	1,625,000	19.1	101,494	1.2																	

BANK OF AUSTRALASIA.

INCORPORATED 1835.

Year Ended April.	Number of Branches.	CAPITAL.				Market Value.	Year Ended October.	Net Profit.	Dividend.	To Reserve, £.	Carried Forward.											
		Subscribed.	Paid-up.	Callable.	Reserved.																	
		£	£	£	£	£	£	%	£	£	£											
4,000,000	..	4,000,000	..	Nil	..	4,000,000	..	11,200,000														
Per Share.		Per Share.		Per Share.		Per Share.		Per Share.														
£5		£5		Nil		£5		£14														
1916	140	2,400,000	12.8	127,043	0.7	481,424	2.6	2,254,793	12.1	13,416,044	71.8	18,679,304	2,245,471	12.0	1,607,000	8.6	772,230	4.1	13,630,240	73.0	424,363	2.3
1917	128	2,400,000	12.8	126,501	0.7	473,117	2.5	2,128,619	11.4	13,554,534	72.6	18,682,771	2,464,906	13.2	449,000	2.4	767,702	4.3	14,575,644	78.0	425,519	2.3
1918	149	2,400,000	11.8	109,641	0.5	462,303	2.3	2,930,272	14.4	14,413,667	71.0	20,315,883	2,536,634	12.4	1,072,000	5.3	801,587	3.9	15,464,733	76.2	440,929	2.2
1919	148	2,400,000	11.3	70,729	0.3	449,819	2.1	2,755,600	12.9	15,588,513	73.4	21,264,661	3,281,014	15.4	2,022,000	9.5	899,293	4.2	14,623,445	68.3	438,999	2.6
1920	149	2,400,000	13.7	59,906	0.3	428,007	2.4	1,823,650	10.4	12,846,002	73.2	17,557,565	2,772,043	15.8	1,547,000	8.8	500,000	2.9	12,294,420	70.0	444,102	2.5
1921	143	2,400,000	13.6	50,495	0.3	443,004	2.5	1,293,975	12.0	12,693,709	71.6	17,723,183	3,063,088	17.2	1,972,000	11.1	520,095	2.9	11,737,763	66.3	440,237	2.5
1922	150	2,475,000	12.4	84,575	0.4	530,761	2.6	2,822,374	14.1	14,108,277	70.5	20,020,987	3,063,263	15.3	1,885,000	9.4	823,677	4.1	13,822,940	69.1	426,107	2.1
1923	167	2,820,000	12.7	113,104	0.5	495,337	2.2	2,401,773	10.8	16,286,330	73.8	22,116,444	3,959,938	13.4	2,633,000	12.2	1,112,735	5.0	15,055,970	68.1	294,741	1.3
1924	184	3,360,000	14.2	143,194	0.6	514,008	2.2	2,589,632	10.9	17,000,503	72.1	23,607,337	3,848,994	16.2	3,025,000	12.8	1,561,063	6.8	15,021,437	63.8	150,843	0.6
1925	204	4,690,000	17.1	264,066	1.0	196,887	0.7	3,045,714	11.1	19,299,977	70.1	27,455,644	4,836,867	17.6	2,390,600	8.7	1,683,376	6.1	18,527,117	67.5	17,684	0.1
1926	204	4,750,000	16.3	283,353	1.0	258,793	0.9	3,159,819	10.8	20,699,953	71.0	29,151,918	7,137,665	24.4	620,000	2.1	1,946,617	6.7	19,427,303	66.4	20,333	0.1
1927	206	4,810,000	15.9	291,759	1.0	304,645	1.0	3,132,325	13.6	20,684,773	68.5	30,223,502	5,687,677	18.8	95,000	0.3	2,946,975	9.7	21,468,529	71.3	25,321	0.1
1928	203	4,875,000	16.7	292,869	1.0	335,734	1.1	3,284,337	10.2	20,643,797	71.0	29,131,737	5,324,290	18.3	3,345,000	11.4	2,086,462	7.2	18,348,927	63.0	27,058	0.1
1929	200	4,945,000	15.8	296,136	1.0	410,588	1.3	3,687,741	11.8	21,664,401	70.1	31,003,866	5,015,591	16.2	1,628,000	5.2	3,228,431	10.4	21,112,199	68.1	19,645	0.1
1930	203	5,000,000	15.8	297,055	0.9	761,710	2.4	3,628,425	11.1	21,903,754	69.4	31,590,944	5,565,422	17.6	30,000	0.1	2,863,242	9.1	23,123,421	73.1	18,799	0.1
1931	203	5,100,000	15.0	317,823	0.9	424,100	1.3	3,670,354	10.8	24,351,904	72.0	33,864,081	6,799,967	18.0	695,000	2.1	2,664,958	7.9	23,677,840	69.9	26,316	0.1
1932	204	5,575,000	16.4	373,734	0.9	571,205	1.4	3,650,303	13.2	27,018,082	68.1	39,797,964	7,444,210	18.4	222,000	0.6	1,847,087	4.6	30,355,708	76.3	28,969	0.1
1933	204	7,425,000	19.6	381,763	1.0	387,417	1.0	4,116,504	10.9	25,603,631	67.1	37,914,315	6,969,413	18.4	1,718,000	4.6	1,760,559	4.7	27,458,504	72.4	7,829	...
1934	204	7,525,000	20.0	381,869	1.0	344,085	0.9	3,668,379	9.7	25,661,481	68.4	37,580,814	6,456,892	17.1	1,821,000	4.8	2,439,178	6.5	26,845,688	71.6	18,056	...
1935	209	7,625,000	19.3	380,428	1.0	423,685	1.1	3,698,474	9.4	27,352,162	69.2	39,479,749	6,392,978	16.2	100,000	0.2	2,474,605	7.2	30,081,850	76.3	30,306	0.1
1936	210	7,700,000	19.3	390,332	1.0	386,257	1.0	3,396,147	8.5	28,010,187	70.2	39,882,923	5,533,936	13.9	905,000	2.3	3,694,607	9.3	29,702,029	74.4	47,351	0.1
												* Tax free.										

* October.

BANK OF NEW SOUTH WALES.

ESTABLISHED 1817, AND INCORPORATED IN 1850.

CAPITAL.						Market Value.	Year Ended March 31.	Net Profit.	Dividend.	To Reserve, &c.	Carried Forward.
Subscribed.	Paid-up.	Callable.	Reserved.								
£	£	£	£	£	£	£		£	%	£	£
6,000,000	6,000,000	Nil.	6,000,000		11,850,000		1917	527,493	10	125,000	114,828
							1918	553,387	10	150,000	127,729
							1919	550,617	10	150,000	137,313
							1920	606,644	10	150,000	150,447
							1921	752,565	12½	160,000	126,098
							1922	708,619	10	175,000	160,133
Per Share.	Per Share.	Per Share.	Per Share.		Per Share,		1923	771,102	10	200,000	161,646
£20	£20	Nil.	£20		Sept 30, 1925.		1924	851,514	10	250,000	163,159
					£39½		1924*	388,213	10	100,000	151,372
* Half-year to September 30th.											

Bank of New Zealand—Continued from page 30.

Year Ended March 31.	Number of Branches.	LIABILITIES.										Total Liabilities or Assets.	ASSETS.									
		Capital and Reserves.	Per Cent.	Un- divided Profits.	Per Cent.	Notes.	Per Cent.	Bills Payable, &c.	Per Cent.	Deposits and Current Accounts.	Per Cent.		Cash in Hand and at Bank.	Per Cent.	Bills Re- ceivable and in Transit.	Per Cent.	Invest- ments.	Per Cent.	Discounts and Advances.	Per Cent.	Buildings and Sundries.	Per Cent.
1890..	115	1,125,000	9.9	99,784	0.8	453,295	3.9	1,707,441	14.9	8,090,653	70.5	11,476,173	1,572,308	13.7	1,437,667	12.5	..	..	8,092,757	70.5	373,441	3.3
1891..	115	897,833	9.0	59,522	0.6	483,064	4.9	1,083,487	10.9	7,436,776	74.6	9,960,682	1,642,024	16.4	2,303,218	23.2	1,850,000	18.6	3,791,277	38.1	374,163	3.7
1892..	116	920,000	9.1	55,831	0.6	479,260	4.9	1,314,252	13.0	7,363,045	72.6	10,132,388	1,379,565	13.6	2,397,002	23.6	1,886,287	18.6	4,092,730	40.5	376,804	3.7
1893..	126	935,000	8.5	51,661	0.5	520,323	4.8	1,343,699	12.3	8,071,783	73.9	10,922,466	1,484,457	13.6	2,301,824	21.1	1,900,841	17.4	4,825,831	44.2	409,513	3.7
1894..	126	945,000	8.5	37,740	0.3	515,568	4.2	1,413,997	12.7	8,213,199	73.9	11,125,504	1,562,019	14.0	2,383,073	21.4	1,911,524	17.2	4,855,519	43.7	413,319	3.7
1895..	126	3,104,745	25.4	384	..	468,195	3.8	1,486,891	12.1	7,222,202	58.7	12,282,417	1,394,194	11.3	2,112,348	17.2	2,730,213	22.3	5,203,450	42.3	842,212	6.9
1900..	123	2,942,993	22.3	50,000	0.4	722,770	5.5	884,751	6.7	8,587,860	65.1	13,188,374	1,407,526	10.7	1,791,338	13.6	5,052,921	38.3	3,961,689	30.0	974,900	7.4
1905..	134	1,996,267	12.2	253,930	1.6	784,171	4.8	1,117,389	6.8	12,190,647	74.6	16,342,404	2,124,147	13.0	3,190,012	19.5	*5,417,054	33.0	5,211,098	32.0	400,093	2.5
1910..	155	2,650,000	13.5	270,384	1.4	919,329	4.7	1,146,918	5.8	14,687,680	74.6	19,674,311	3,258,074	16.6	3,661,019	18.6	*5,036,389	25.6	7,359,039	37.4	359,790	1.8
1914..	194	3,644,690	15.0	291,608	1.2	989,882	4.1	1,403,457	8.1	18,070,613	73.9	24,400,830	3,377,185	13.8	3,164,882	13.0	*6,048,920	24.8	11,360,486	46.6	449,577	1.8
1915..	214	4,170,235	15.7	270,395	1.0	1,676,051	5.3	1,670,103	6.3	18,741,657	70.7	26,598,441	4,827,522	18.2	3,301,302	12.4	*6,098,584	23.0	11,849,166	44.7	451,867	1.7
1916..	216	4,292,130	13.5	258,674	0.9	1,862,823	5.9	1,767,410	5.9	23,556,677	74.2	31,717,714	5,757,829	18.1	3,580,075	11.3	*10,093,176	31.8	11,844,767	37.4	441,867	1.4
1917..	205	4,342,130	11.6	316,954	0.9	2,007,968	5.7	2,007,968	5.7	23,052,791	75.7	38,280,168	6,645,608	17.4	672,147	1.8	*14,765,115	38.5	15,746,485	41.1	450,813	1.2
1918..	201	4,414,988	10.8	343,203	0.8	3,312,995	8.1	2,329,559	5.7	30,437,937	74.6	40,838,682	7,225,047	17.7	289,136	0.7	*15,111,920	37.0	17,786,765	43.5	495,824	1.1
1919..	203	4,479,989	10.4	428,724	1.0	3,728,249	8.6	2,860,391	6.6	31,716,353	73.4	43,213,706	6,719,766	15.6	638,770	1.5	*16,589,765	38.2	18,865,538	43.8	399,867	0.9
1920..	213	5,317,442	10.1	460,270	0.9	5,765,337	10.9	3,708,305	7.0	37,661,611	71.1	52,912,965	8,772,286	16.6	661,231	1.3	*23,686,491	44.9	19,431,849	36.5	361,108	0.7
1921..	211	5,705,989	11.5	726,901	1.2	6,471,492	9.5	4,116,574	8.3	44,755,655	69.2	60,766,611	10,685,738	13.4	2,209,534	4.4	*10,027,242	20.2	30,506,628	61.3	337,469	0.7
1922..	210	5,855,989	13.5	790,194	1.4	6,294,230	9.9	3,713,175	8.9	48,267,603	66.2	63,530,191	12,722,878	17.8	2,869,861	6.6	*7,657,420	17.6	24,783,559	57.3	296,473	0.7
1923..	213	6,005,989	13.3	759,457	1.3	6,564,635	10.1	3,972,048	8.9	50,300,527	66.1	65,306,118	12,827,968	19.0	4,847,930	10.7	*10,624,884	23.5	26,664,217	55.6	541,117	1.2
1924..	217	7,284,442	15.5	1,265,367	2.7	7,072,129	8.7	4,732,130	8.0	50,501,720	65.1	66,855,761	14,400,509	15.8	5,695,081	12.1	*11,815,292	25.2	21,228,700	45.4	716,179	1.5
1925..	222	7,909,454	16.6	1,042,466	2.4	7,166,844	8.8	4,357,683	9.2	50,079,283	63.2	67,557,730	15,369,369	15.3	5,350,731	11.3	*12,163,007	25.6	22,078,730	46.3	710,893	1.5

* Includes money at call.

BANK OF VICTORIA, LIMITED.
ESTABLISHED 1852.

Year Ended June 30.	Number of Branches.	LIABILITIES.										Total Liabilities or Assets.	ASSETS.									
		Capital and Reserves.	Per Cent.	Un- divided Profits.	Per Cent.	Notes.	Per Cent.	Contingent Liabilities, Miscellaneous Credits, &c.	Per Cent.	Deposits and Current Accounts.	Per Cent.		Cash in Hand, at Bankers, and at Call.	Per Cent.	Invest- ments.	Per Cent.	Bills and Remit- tances in Transit.	Per Cent.	Discounts and Advances.	Per Cent.	Buildings and Sundries.	Per Cent.
1917..	67	900,000	10.9	48,214	0.7	180,748	2.5	271,625	3.7	6,039,988	82.2	7,340,575	1,132,800	15.4	153,560	2.1	91,796	1.2	5,727,870	78.1	234,550	3.2
1895..	61	1,308,534	16.6	26,968	0.3	121,540	1.5	257,833	3.3	6,130,596	78.3	7,845,471	1,181,439	15.0	210,260	2.7	45,519	0.6	6,169,615	78.7	238,638	3.0
1900..	65	1,577,477	22.6	53,290	0.8	134,291	1.9	558,100	8.0	4,646,794	66.7	6,968,952	1,353,647	19.4	221,790	3.2	286,369	4.1	4,527,980	65.0	579,166	8.3
1905..	74	1,638,010	21.8	45,588	0.6	108,610	1.4	738,253	9.9	4,963,565	66.3	7,494,026	1,371,041	18.3	190,190	2.5	205,518	2.7	4,989,486	66.7	737,791	9.8
1910..	87	1,718,010	19.8	58,933	0.7	116,542	1.3	827,323	9.4	6,014,441	68.8	8,735,249	1,537,949	17.6	183,040	2.1	235,166	2.7	6,131,089	70.2	648,005	7.4
1913..	97	1,788,010	20.0	79,233	0.9	105,778	0.9	607,143	6.8	6,424,143	72.2	8,909,697	1,734,788	19.4	247,340	2.8	168,948	1.9	6,093,620	68.4	665,001	7.5
1914..	99	1,823,010	18.6	82,681	0.8	106,767	0.9	1,067,687	10.8	6,847,538	69.7	9,830,055	2,081,866	21.2	250,240	2.5	322,843	3.3	6,431,156	65.4	743,950	7.6
1915..	98	1,843,010	19.6	93,794	1.0	79,940	0.8	724,083	7.7	6,741,024	71.6	9,409,861	1,712,075	18.2	242,740	2.6	373,267	4.0	6,531,418	69.4	560,361	5.8
1916..	98	1,878,010	20.5	75,062	0.8	77,427	0.7	737,889	8.0	6,496,034	70.6	9,194,412	1,395,280	15.2	309,140	3.4	411,477	4.5	6,476,664	70.3	601,851	6.6
1917..	99	1,903,010	20.0	68,298	0.7	71,547	0.7	680,420	7.1	6,867,883	72.1	9,526,765	1,552,790	22.5	401,515	4.2	473,156	5.0	5,921,635	62.2	577,669	6.1
1918..	100	1,928,010	18.7	71,884	0.7	70,299	0.7	1,039,572	10.0	7,275,680	70.5	10,322,175	2,073,016	20.1	573,833	5.6	473,011	4.6	6,610,942	64.0	591,373	5.7
1919..	104	1,953,010	17.3	84,790	0.7	6,843	0.1	1,062,866	9.4	8,153,996	72.5	11,261,505	2,309,003	20.5	614,686	6.1	408,351	3.6	7,210,631	64.1	718,334	6.4
1920..	114	1,953,010	14.4	128,771	0.9	6,674	..	1,587,313	11.7	9,883,035	73.0	13,558,803	4,618,697	34.1	839,366	8.1	549,448	4.0	6,910,319	50.9	756,337	5.6
1921..	113	2,003,010	14.8	187,356	1.4	6,580	..	1,478,646	10.8	9,952,617	73.0	13,628,209	5,023,404	36.1	724,022	5.4	614,686	4.0	7,514,549	58.9	715,243	5.3
1922..	117	2,078,010	14.8	146,265	1.0	6,539	..	1,431,764	10.2	10,392,649	74.0	14,055,227	5,503,738	39.1	1,086,789	7.7	675,190	4.8	7,754,818	55.3	1,034,692	7.3
1923..	118	2,128,010	14.4	143,950	1.0	6,511	..	1,168,111	7.5	11,306,428	77.0	17,753,010	5,471,769	30.8	1,253,633	8.5	779,455	5.3	8,529,529	57.7	718,624	4.9
1924..	119	2,178,010	14.7	151,668	1.0	6,383	..	1,259,322	8.5	11,245,760	75.8	18,411,743	5,118,430	21.0	1,115,764	7.5	610,313	4.1	9,053,940	61.0	943,296	6.4
1925..	122	2,228,010	14.5	155,444	1.0	6,348	..	1,555,852	10.1	11,406,132	74.4	21,351,786	5,780,362	24.6	1,070,618	7.0	610,773	4.0	8,790,691	57.2	1,039,342	7.2

* Includes Treasury Bills.

COMMONWEALTH BANK OF AUSTRALIA.

(ESTABLISHED 1912 BY SPECIAL ACT OF THE COMMONWEALTH PARLIAMENT.)

Owned and guaranteed by the Government of the Commonwealth, which is responsible for all the Bank's obligations. Authorised capital, £20,000,000. Authorised subscription by Commonwealth Government, £6,000,000. Authorised debenture issue, £10,000,000.

Year Ended June 30.	Number of Branches.	LIABILITIES.										Total Liabilities or Assets.	ASSETS.										
		De- posits.	Per Cent.	Savings Bank De- posits.	Per Cent.	Bills payable, Letters of Credit &c.	Per Cent.	Reserve and Re- emption Funds.	Per Cent.	Per Cent.	Per Cent.		Cash and Common- wealth Notes.	Per Cent.	Cash at Short Call in London.	Per Cent.	Invest- ments.	Per Cent.	Fixed Deposits of Other Banks.	Per Cent.	Discounts Advances, and Re- mit- tances.	Per Cent.	Buildings and Sundries.	Per Cent.
1914..	20	\$ 4,559,264	46.7	\$ 4,645,268	47.5	\$ 569,158	5.8	..	..	..	\$ 7,773,690	\$ 2,711,471	27.7	\$ 1,465,100	15.0	\$ 2,818,981	28.8	\$ 975,500	10.0	\$ 1,713,101	17.6	\$ 89,637	0.9
1915..	27	\$ 8,547,526	51.0	\$ 7,420,647	44.2	\$ 798,071	4.8	2,222	..	..	\$ 16,768,466	\$ 4,986,714	29.7	\$ 2,840,000	16.9	\$ 5,479,480	32.6	\$ 906,500	5.4	\$ 2,379,953	14.3	\$ 176,319	1.1
1916..	34	\$ 29,745,868	71.2	\$ 47,747,896	22.6	\$ 2,401,521	5.8	147,069	0.4	..	\$ 41,772,354	\$ 19,643,819	47.1	\$ 5,505,536	13.2	\$ 8,255,882	19.8	\$ 969,000	2.3	\$ 7,036,136	16.7	\$ 361,981	0.8
1917..	35	\$ 26,341,500	71.9	\$ 12,442,847	24.6	\$ 1,192,521	2.4	526,292	..	..	\$ 51,503,162	\$ 15,244,004	30.3	\$ 12,780,000	25.0	\$ 11,802,881	23.4	\$ 1,089,000	1.5	\$ 1,315,300	18.1	\$ 391,977	0.5
1918..	36	\$ 51,939,580	74.2	\$ 15,227,534	21.6	\$ 1,919,380	2.7	1,076,026	1.5	..	\$ 70,162,520	\$ 19,639,664	28.0	\$ 21,805,000	30.1	\$ 14,451,513	20.6	\$ 1,089,000	1.5	\$ 1,722,150	18.2	\$ 456,193	0.6
1919..	38	\$ 43,672,183	66.9	\$ 17,789,423	27.1	\$ 1,937,070	3.0	1,922,970	3.0	..	\$ 63,797,416	\$ 8,957,357	27.4	\$ 9,470,000	14.5	\$ 15,646,021	23.9	\$ 1,089,000	1.5	\$ 20,558,594	31.6	\$ 590,674	0.8
1920..	38	\$ 41,002,909	64.5	\$ 17,984,402	28.2	\$ 1,397,996	3.0	2,756,105	4.3	..	\$ 63,629,412	\$ 10,867,306	18.6	\$ 21,430,000	33.9	\$ 17,975,463	28.2	\$ 1,029,000	1.6	\$ 14,514,497	23.0	\$ 673,146	1.1
1920*	37	\$ 27,153,311	37.3	\$ 25,656,566	9.0	\$ 4,682,813	2.0	2,489,324	0.2	..	\$ 49,091,310	\$ 48,338,056	98.0	\$ 4,800,000	9.8	\$ 34,876,792	40.2	\$ 929,000	1.3	\$ 26,634,369	54.6	\$ 623,396	1.3
1921*	36	\$ 49,091,310	48.8	\$ 38,056,980	43.8	\$ 2,584,854	2.8	4,001,638	4.4	..	\$ 86,608,902	\$ 14,192,531	16.4	\$ 19,325,000	22.3	\$ 34,654,410	40.6	\$ 929,000	1.3	\$ 16,671,563	19.3	\$ 614,986	0.8
1922*	35	\$ 77,543,581	37.2	\$ 39,494,117	53.2	\$ 2,895,295	3.9	2,198,966	5.7	..	\$ 74,131,959	\$ 7,900,735	11.1	\$ 9,212,000	12.4	\$ 32,422,824	40.2	\$ 929,000	1.2	\$ 13,958,397	17.6	\$ 901,667	1.1
1924..	76	\$ 31,914,902	40.1	\$ 41,077,099	49.7	\$ 4,029,877	5.5	\$ 4,639,300	5.7	..	\$ 79,545,208	\$ 15,238,159	19.2	\$ 9,270,000	12.2	\$ 38,772,988	48.7	\$ 954,000	1.2	\$ 19,068,553	26.7	\$ 1,332,377	1.7
1925..	81	\$ 135,555,565	40.0	\$ 42,313,086	48.2	\$ 5,728,159	6.5	\$ 14,296,608	5.3	..	\$ 87,993,418	\$ 23,435,407	26.7	\$ 7,600,000	8.6	\$ 38,891,731	44.3	\$ 954,000	1.1	\$ 15,639,910	17.8	\$ 636,340	0.7

COMMERCIAL BANK OF AUSTRALIA, LIMITED.

ESTABLISHED 1856.

1918.—National Bank of Tasmania purchased, March 1, 1918.

		CAPITAL				Year Ended June 30.	Net Profit.	Ordinary Dividend.	To Reserve, £.	Carried Forward.
		Subscribed.	Paid-up.	Callable.	Reserved.					
Ordinary Shares....	£208,921	£743,455	£65,466	Nil	Nil	1917	134,692	10	50,000	9,407
Per Share	10s	5s to 10s	..	..	Nil	1918	140,767	10	50,000	10,486
						1919	170,268	10	83,000	13,060
						1920	202,692	10	115,000	16,258
						1921	237,772	15	145,000	13,322
						1922	228,081	15	76,726	42,209
						1923	234,419	15	95,066	44,786
						1924	264,542	15	101,948	64,954
						1925	305,536	15	116,124	82,570

Year Ended June 30.	Number of Branches.	LIABILITIES.										ASSETS.										
		Capital and Reserves.	Per Cent.	Un- divided Profits.	Per Cent.	Notes.	Per Cent.	Contingent Liabilities and Bills in Circulation.	Per Cent.	Deposits and Current Accounts.	Per Cent.	Total Liabilities or Assets.	Cash in Hand and at Bankers.	Per Cent.	Cash at Call and Short Notice in London.	Per Cent.	Invest- ments.	Per Cent.	Discounts, Advances, and Bills and Remit- tances in Transit.	Per Cent.	Premises and Sundries.	Per Cent.
1890 ..	94	2,160,000	15.6	170,182	1.2	255,479	1.8	466,615	3.4	10,722,159	78.0	13,774,435	1,961,940	14.2	90,000	0.6	807,450	5.9	10,631,893	77.2	283,152	2.1
1895 ..	87	3,843,321	33.0	28,449	0.2	133,101	1.1	159,210	1.4	7,457,563	64.3	11,621,644	1,063,142	9.1	..	..	87,100	0.7	9,910,926	85.4	560,476	4.8
1900 ..	93	3,902,323	44.1	42,108	0.6	157,504	2.2	276,338	3.8	3,572,190	49.3	7,250,463	1,129,747	15.6	460,000	6.3	889,145	12.2	4,113,231	56.8	658,340	9.1
1905 ..	102	2,409,132	35.1	50,430	0.7	150,798	2.2	579,743	8.5	3,650,771	53.5	6,840,874	1,291,371	19.0	520,000	7.6	130,750	1.9	4,287,038	62.5	611,715	9.0
1910 ..	148	1,204,421	13.1	35,476	0.4	215,622	2.3	2,275,600	24.7	5,495,010	59.5	9,226,129	1,739,007	18.8	1,120,000	12.2	86,756	0.9	5,092,034	55.2	1,188,332	12.9
1913 ..	146	1,371,135	15.5	39,436	0.4	13,167	0.2	1,093,798	12.3	6,321,902	71.6	8,839,438	1,547,774	17.5	1,112,000	12.6	42,830	0.5	5,548,968	62.8	587,866	6.6
1914 ..	149	1,432,038	14.8	52,223	0.5	21,053	0.2	1,021,242	10.6	7,168,789	73.9	9,695,345	1,619,964	16.7	1,585,000	16.4	75,581	0.8	5,962,165	61.4	452,635	4.7
1915 ..	157	1,452,346	15.5	51,923	0.5	39,125	0.4	723,147	7.7	7,091,970	75.9	9,358,511	2,313,688	24.8	588,000	7.3	123,404	1.3	5,563,284	59.4	670,135	7.2
1916 ..	157	1,487,349	15.1	51,755	0.5	52,394	0.5	1,106,952	11.3	7,139,864	72.6	9,838,304	2,012,173	20.5	466,000	4.7	240,212	2.4	6,348,371	64.7	771,548	7.7
1917 ..	159	1,535,349	14.8	51,754	0.5	61,129	0.6	612,764	5.9	8,085,900	78.2	10,346,896	1,999,209	19.4	1,566,000	15.2	230,493	2.2	5,801,544	56.0	749,650	7.2
1918 ..	186	1,600,349	12.4	52,833	0.4	69,861	0.5	885,579	6.9	10,251,479	79.8	12,860,101	2,312,155	18.0	501,000	3.9	849,880	6.6	8,134,086	63.2	1,062,980	8.3
1919 ..	199	1,670,349	11.4	55,407	0.4	71,517	0.5	822,271	5.6	12,055,230	82.1	14,674,774	1,991,626	13.6	766,000	5.2	439,412	3.0	10,534,279	71.8	943,457	6.4
1920 ..	208	1,770,349	9.0	58,606	0.3	68,330	0.3	1,340,469	6.8	16,377,137	83.6	19,614,890	3,771,382	19.2	1,740,000	8.9	1,962,272	10.0	10,534,279	71.8	943,457	6.4
1921 ..	220	2,115,656	10.8	66,683	0.3	55,264	0.3	1,653,465	8.5	15,603,795	80.1	19,497,871	3,661,387	18.8	1,370,000	7.0	573,018	2.9	13,062,512	67.0	1,214,390	6.2
1922 ..	225	2,463,943	12.8	106,897	0.5	59,089	0.3	1,764,805	8.6	16,187,721	78.6	20,241,455	3,716,714	18.4	2,805,000	13.6	544,315	2.7	12,334,482	60.0	1,170,944	5.7
1923 ..	231	2,568,877	12.0	113,497	0.5	57,301	0.3	1,528,634	7.2	17,061,414	80.0	21,393,723	3,903,534	18.4	1,145,000	5.4	1,863,997	8.7	13,345,150	62.5	1,071,642	5.0
1924 ..	251	2,976,929	13.4	138,668	0.6	98,370	0.4	1,625,892	7.3	17,459,054	78.3	22,298,913	3,394,044	15.2	670,000	3.0	1,818,697	8.2	15,313,751	68.7	1,102,421	4.9
1925 ..	270	3,545,805	14.0	172,075	0.7	96,920	0.4	1,755,842	7.0	19,666,798	77.9	25,237,440	4,024,459	16.0	705,000	2.8	2,133,984	8.5	17,196,381	68.0	1,177,616	4.7

COMMERCIAL BANKING COMPANY OF SYDNEY, LIMITED.

ESTABLISHED 1834.

		CAPITAL				Year Ended June 30.	Net Profit.	Dividend.	To Reserve, £.	Carried Forward.
		Subscribed.	Paid-up.	Callable.	Reserved.					
7,000,000	3,500,000	Nil	3,500,000			1917	284,556	10	65,000	59,094
Per Share	Per Share	Per Share	Per Share			1918	298,149	10	100,000	57,243
£25	£12 10s	Nil	£12 10s			1919	301,571	10	80,000	78,814
						1920	348,602	10	100,000	82,262
						1921	392,923	10	100,000	85,185
						1922	397,885	10	100,000	86,421
						1923	422,068	10	120,000	88,489
						1924	451,567	10	120,000	89,886
						1925	480,261	10	130,000	90,227

Year Ended June 30.	Number of Branches.	LIABILITIES.										Total Liabilities or Assets.	ASSETS.									
		Capital and Reserves.	Per Cent.	Un- divided Profits.	Per Cent.	Notes.	Per Cent.	Bills in Circulation.	Per Cent.	Deposit and Current Accounts.	Per Cent.		Cash in Hand, at Bankers, and Australian Notes.	Per Cent.	Cash at Short Call in London.	Per Cent.	Invest- ments.	Per Cent.	Discounts, Advances, and Bills and Remit- tances in Transit.	Per Cent.	Buildings and Sundries.	Per Cent.
1890 ..	150	£ 1,380,000	10.8	£ 106,960	0.8	392,439	3.1	447,532	3.5	10,365,404	81.8	12,692,335	£ 1,999,235	15.7	£ ..	..	£ 863,700	6.8	£ 9,467,900	74.7	£ 361,500	2.8
1895 ..	128	1,974,869	16.3	55,846	0.5	305,175	2.5	266,388	2.2	9,506,254	78.5	12,108,532	2,379,230	19.7	..	..	455,800	3.8	8,875,902	73.2	397,600	3.3
1900 ..	137	2,010,000	13.6	76,326	0.5	427,859	2.9	1,013,952	6.9	11,134,777	76.1	14,662,914	3,538,088	24.1	..	..	1,659,731	11.3	9,045,095	61.7	420,000	2.9
1905 ..	146	2,070,000	13.5	93,654	0.6	428,059	2.8	599,331	3.9	12,338,812	79.4	15,529,856	4,544,200	29.2	495,000	3.2	1,308,600	8.4	8,723,456	56.2	458,600	3.0
1910 ..	186	2,840,000	12.5	156,471	0.7	568,935	2.5	823,609	3.6	18,321,058	80.7	22,710,073	5,106,622	22.5	1,571,669	6.9	2,479,375	10.9	13,066,942	57.6	485,465	2.1
1913 ..	201	3,330,000	13.6	194,371	0.8	30,707	0.1	957,594	3.9	20,013,372	81.6	24,526,044	4,135,811	16.8	1,505,000	6.1	2,491,325	10.2	15,854,405	64.7	539,503	2.2
1914 ..	212	3,680,000	13.5	207,113	0.8	21,804	0.1	1,113,851	4.1	22,278,511	81.5	27,301,275	6,393,276	23.4	1,831,564	6.7	2,439,525	8.9	16,068,661	58.9	568,253	2.1
1915 ..	209	3,755,000	12.6	197,734	0.7	16,952	0.1	665,369	2.2	25,071,778	84.4	29,706,833	9,722,172	32.8	279,737	0.9	3,361,525	11.3	15,763,756	53.1	579,643	1.9
1916 ..	208	3,805,000	13.1	209,538	0.7	14,927	0.1	773,538	2.7	24,844,844	83.4	29,087,847	6,937,802	23.8	773,035	2.7	3,624,500	12.4	17,163,567	59.1	588,943	2.0
1917 ..	207	3,900,000	12.5	199,094	0.6	12,711	0.1	1,462,581	4.7	25,557,418	82.1	31,131,804	7,737,537	24.8	1,590,000	5.1	4,529,500	14.5	17,674,624	53.7	600,343	1.9
1918 ..	207	4,000,000	12.3	197,243	0.6	11,830	..	1,262,746	3.8	27,109,804	83.2	32,581,623	7,629,134	23.4	1,400,000	4.3	4,529,500	14.5	16,092,254	55.5	606,535	1.9
1919 ..	208	4,462,019	12.9	218,813	0.6	11,088	..	1,312,047	3.8	28,627,157	82.7	34,631,125	7,232,000	20.9	1,040,000	3.0	4,639,200	13.4	21,106,725	60.9	615,200	1.8
1920 ..	213	4,620,000	12.6	306,676	0.8	9,233	..	1,798,283	4.9	30,017,532	81.7	36,752,724	7,494,484	20.4	870,000	2.4	6,443,338	17.6	21,312,361	57.9	632,541	1.7
1921 ..	222	5,129,025	13.4	350,185	0.9	10,867	..	1,600,741	4.2	31,245,205	81.5	38,335,023	7,535,466	19.7	1,065,000	2.8	4,307,338	16.5	22,748,258	59.2	678,961	1.8
1922 ..	225	5,360,000	13.7	335,735	0.9	9,550	..	1,704,147	4.4	31,493,201	81.0	38,902,633	7,612,209	19.6	2,630,000	6.8	6,569,338	16.8	22,296,160	54.8	794,926	2.0
1923 ..	230	5,460,000	13.2	358,489	0.9	9,316	..	1,177,336	2.8	34,446,065	83.1	41,445,206	7,737,877	18.7	2,405,000	5.8	6,242,154	15.1	24,130,329	58.2	929,846	2.2
1924 ..	233	6,056,288	14.7	392,928	0.9	8,903	..	1,246,139	3.0	33,594,777	81.4	41,288,435	8,680,274	21.0	2,100,000	5.2	3,324,496	8.1	26,193,663	63.4	955,000	2.3
1925 ..	236	6,200,000	13.7	395,227	0.9	8,661	..	1,682,794	3.7	36,930,963	81.7	45,217,645	8,002,818	17.7	4,950,000	10.9	..	..	..	..	..	..

English, Scottish, and Australian Bank, Limited—Continued from page 34

Year Ended June 30.	Number of Branches.	LIABILITIES.										Total Liabilities or Assets.	ASSETS.									
		Capital and Reserves.	Per Cent.	Un- divided Profits.	Per Cent.	Notes.	Per Cent.	Bills Pay- able, &c.	Per Cent.	Deposit and Current Accounts.	Per Cent.		Cash in Hand, at Bankers, and at Short Notice.	Per Cent.	Invest- ments.	Per Cent.	Bills re- ceivable and Remit- tances in Transit.	Per Cent.	Ad- vances, &c.	Per Cent.	Buildings & Sundries, including Security for Note Issue.	Per Cent.
1890 ..	96	1,235,000	15.2	56,127	0.7	184,717	2.3	778,750	9.6	5,861,428	72.2	8,116,022	1,176,614	14.5	..	..	..	..	6,652,510	82.0	286,898	3.5
1891 ..	96	1,210,000	14.9	50,734	0.6	203,096	2.5	917,054	11.3	5,759,456	70.7	8,140,342	1,155,798	14.2	..	..	..	..	6,684,238	82.1	300,307	3.7
1892 ..	95	1,210,000	14.9	43,031	0.5	153,500	1.9	868,477	10.7	5,833,536	72.0	8,108,544	1,109,979	13.7	121,736	1.5	..	..	6,571,049	81.0	305,780	3.8
1893 ..	77	..	..	..	..	..	..	In process of	..	reconstruction.	..	..	..	..	..	..	..	..	..	..	..	..
1894 ..	77	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
1895 ..	78	978,055	15.7	..	..	40,619	0.7	253,382	4.1	4,940,723	79.5	6,212,779	898,937	14.4	55,639	0.9	720,368	11.6	4,074,010	65.6	463,825	7.5
1900 ..	86	3,372,086	54.1	36,915	0.6	33,305	0.5	481,889	7.7	2,309,330	37.1	6,233,525	899,449	14.4	39,851	0.6	983,838	15.8	3,855,256	61.9	455,131	7.3
1905 ..	108	5,343,065	52.7	58,514	0.9	32,436	0.5	349,865	5.5	2,555,854	40.3	6,339,734	989,115	15.8	152,721	2.4	612,231	9.7	4,208,723	66.6	376,939	5.8
1910 ..	128	5,365,807	42.1	86,862	1.1	68,071	0.9	305,150	3.8	4,164,251	52.1	7,990,141	1,730,625	19.8	150,000	1.7	1,052,830	12.2	5,444,969	62.5	328,900	3.8
1911 ..	131	5,375,404	36.0	101,041	1.1	13,086	0.1	518,256	5.5	5,368,623	57.3	9,376,416	1,760,988	18.8	150,000	1.6	1,322,250	14.1	5,802,464	61.9	340,714	3.6
1912 ..	134	3,776,404	33.7	114,974	1.1	5,007	0.1	548,787	5.4	5,981,583	59.7	10,026,755	1,805,185	18.0	150,000	1.5	1,577,026	15.7	6,175,081	61.6	319,475	3.2
1913 ..	134	3,776,404	33.2	119,945	1.2	3,714	..	515,303	5.1	6,110,487	60.4	10,146,153	2,376,322	23.3	170,000	1.7	1,668,631	11.6	6,128,056	60.5	303,144	3.0
1914 ..	147	3,430,004	31.4	119,046	1.1	2,756	..	549,546	5.0	6,857,928	62.5	10,959,280	2,682,794	24.5	182,046	1.7	1,537,132	12.2	6,452,765	58.8	304,543	2.8
1915 ..	147	3,463,404	31.0	106,691	1.0	2,052	..	532,445	4.8	7,058,797	63.2	11,163,389	3,187,400	28.5	364,036	3.3	1,337,132	10.9	7,243,002	60.9	272,881	2.5
1916 ..	155	3,496,404	29.4	104,847	0.9	1,873	..	625,107	5.3	7,665,487	64.4	11,893,718	2,619,378	22.0	447,975	3.8	1,310,482	11.0	6,079,186	54.4	289,103	2.6
1917 ..	159	3,528,403	25.6	105,226	0.8	1,742	..	998,993	7.2	9,159,320	66.4	13,793,684	3,743,483	27.1	627,948	4.5	3,080,209	22.4	6,086,711	44.1	237,955	1.7
1918 ..	173	3,560,403	25.6	127,855	0.9	1,697	..	756,655	5.4	9,388,452	68.1	13,835,062	2,729,343	19.6	992,884	7.2	1,917,937	13.8	7,956,943	57.7	319,711	2.1
1919 ..	179	3,589,903	23.2	140,908	0.9	1,447	..	860,594	5.6	10,848,250	70.3	15,441,102	2,745,896	17.8	1,007,848	6.5	2,208,712	14.2	9,158,935	59.4	319,711	2.1
1920 ..	181	3,652,144	21.6	179,162	1.0	1,399	..	1,008,633	5.9	12,090,412	71.5	16,931,747	3,522,503	20.8	636,779	3.7	2,533,423	15.0	9,937,514	58.7	301,528	1.8
1921 ..	317	4,992,516	16.2	284,372	0.9	1,340	..	2,954,345	9.6	12,552,725	73.3	30,785,296	6,207,557	20.1	878,950	2.8	3,851,314	12.5	19,069,034	62.1	778,443	2.5
1922 ..	332	5,025,354	16.3	367,085	1.2	1,328	..	1,736,144	5.6	12,773,421	76.9	30,903,332	6,111,301	19.8	1,230,825	4.0	3,799,508	12.3	18,950,421	61.3	811,277	2.6
1923 ..	355	5,323,616	16.2	496,948	1.6	1,287	..	1,755,056	5.3	12,202,780	76.9	32,779,687	6,744,471	20.6	1,329,148	4.1	3,596,467	11.0	20,313,043	61.9	796,558	2.4
1924 ..	370	5,407,966	16.1	525,102	1.6	1,185	..	2,013,871	6.0	12,696,754	76.3	33,644,878	6,509,436	19.3	1,164,139	3.5	4,441,858	13.2	20,720,840	61.6	808,605	2.4

* March 31.

NATIONAL BANK OF AUSTRALASIA, LIMITED.

INCORPORATED 1858.

1918.—Amalgamated with Colonial Bank of Australasia, Limited.

1922.—Absorbed Bank of Queensland, Limited.

CAPITAL					Year Ended March 31.	Net Profit.	Dividend.	To Reserve, &c.	Carried Forward.
Subscribed.	Paid-up.	Callable.	Reserved.	Nil.					
Ordinary Shares ..	£5,500,000	£4,000,000	£1,500,000	Nil.	1917 ..	156,468	7	50,000	13,695
Per Share ..	£10 & £8	£10 & £5	£3	..	1918 ..	169,483	7	60,000	18,302
					1919 ..	235,194	7	93,614	40,234
					1920 ..	299,781	8	130,000	50,015
					1921 ..	336,610	9	140,000	56,625
					1922 ..	350,168	10	150,000	68,743
					1923 ..	442,178	10	163,177	81,324
					1924 ..	498,168	10	132,471	114,704
					1925 ..	538,832	10	..	..

Price.

Ordinary, September 30, 1925

Year Ended March 31.	Number of Branches.	LIABILITIES.										Total Liabili- ties or Assets.	ASSETS.									
		Capital and Reserves.	Per Cent.	Un- divided Profits.	Per Cent.	Notes.	Per Cent.	Bills in Circu- lation, &c.	Per Cent.	Deposit and Current Accounts.	Per Cent.		Cash in Hand and at Bank.	Per Cent.	Invest- ments.	Per Cent.	Bills and Remit- tances in Transit.	Per Cent.	Discounts and Advances.	Per Cent.	Real Estate and Premises.	Per Cent.
1890 ..	143	£ 1,670,000	13.6	£ 103,931	0.9	£ 372,960	3.1	£ 1,612,254	13.2	£ 8,554,428	69.2	£ 12,233,573	£ 1,942,560	15.9	£ 307,100	2.3	£ 1,649,681	13.5	£ 7,914,632	64.9	£ 419,600	3.4
1891 ..	143	1,670,000	13.0	108,258	0.9	384,574	3.0	2,199,795	17.5	8,344,287	65.4	12,706,914	1,259,684	9.9	758,100	6.0	2,063,506	16.2	8,182,098	64.4	443,526	3.5
1892 ..	130	1,670,000	13.0	91,376	0.7	322,170	2.9	1,971,325	15.3	8,818,349	68.5	12,873,220	1,198,968	9.3	811,100	6.3	1,686,656	13.1	8,643,690	67.2	532,806	4.1
1893 ..	130							In process of		reconstruction.												
1894 ..	130	1,660,642	15.7	35,690	0.3	250,127	2.3	842,180	7.9	7,856,593	73.8	10,645,232	1,773,392	16.6	591,930	5.5	924,776	8.7	5,813,941	54.9	463,470	4.3
1895 ..	113	1,877,784	18.2	18,944	0.2	265,200	2.6	675,494	6.5	7,493,272	72.5	10,331,694	1,687,330	16.4	700,280	6.8	1,668,590	16.1	5,813,941	54.9	461,553	4.5
1896 ..	108	2,030,174	21.6	85,870	0.9	329,222	3.5	779,352	8.3	6,185,617	65.7	9,410,235	1,556,344	16.6	736,210	7.8	645,656	6.8	5,542,456	58.9	929,569	9.9
1905 ..	133	1,663,220	16.9	45,358	0.5	243,939	2.6	1,154,448	12.2	6,447,022	67.8	9,494,027	1,487,595	15.7	727,624	7.7	923,663	9.7	5,665,554	59.7	688,791	7.2
1910 ..	199	1,713,220	12.9	74,983	0.6	330,987	2.5	1,523,994	11.5	9,648,583	72.5	13,291,767	2,335,979	18.8	476,193	3.6	2,078,101	15.7	8,017,862	60.3	483,632	3.6
1911 ..	210	1,743,220	12.1	82,298	0.6	340,101	2.4	1,598,836	11.2	10,554,725	73.7	14,319,180	2,506,844	17.6	444,314	3.1	1,030,761	7.1	9,577,225	65.8	446,270	3.3
1912 ..	211	1,783,220	12.3	127,563	0.9	64,057	0.4	1,184,234	8.1	11,392,613	78.4	14,551,687	3,053,117	21.0	513,383	3.6	1,158,069	8.0	9,672,564	67.5	468,320	3.0
1913 ..	208	1,903,220	14.1	113,046	0.8	46,529	0.3	1,010,265	7.5	10,448,630	77.3	13,521,690	3,353,552	17.4	705,531	5.2	1,205,158	8.9	8,818,171	65.2	439,278	3.3
1914 ..	208	1,963,220	14.2	110,910	0.8	38,981	0.3	1,316,066	9.0	11,282,630	76.5	14,611,807	2,854,452	19.5	567,852	3.9	1,451,385	9.9	9,306,647	63.8	431,471	2.9
1915 ..	229	2,023,220	13.4	108,332	0.8	36,223	0.3	924,405	6.5	11,081,514	78.2	14,173,694	3,298,421	23.2	585,036	4.1	1,451,385	9.9	9,306,647	63.8	431,471	2.9
1916 ..	227	2,063,220	14.2	114,539	0.8	34,690	0.2	1,123,960	7.7	11,239,288	77.1	14,575,697	3,070,983	21.1	377,518	2.6	1,359,889	9.3	9,343,903	64.1	423,404	2.9
1917 ..	208	2,128,220	14.1	91,132	0.6	33,558	0.2	969,046	6.4	11,795,346	78.7	15,017,282	3,727,768	24.8	417,283	2.8	1,567,552	10.3	8,885,792	59.3	418,887	2.8
1918 ..	165	2,173,220	12.4	100,740	0.6	32,576	0.2	1,480,872	8.4	13,823,320	78.4	17,610,728	4,048,101	22.9	1,405,849	12.9	1,637,552	10.3	8,885,792	59.3	418,887	2.8
1919 ..	139	2,390,000	12.7	119,023	0.5	50,088	0.2	958,336	4.0	20,012,106	80.6	24,229,613	3,947,145	16.2	1,811,482	7.5	1,209,869	9.2	10,133,870	57.3	390,236	2.3
19 20 ..	219	3,200,000	11.5	130,015	0.5	49,810	0.2	963,908	3.5	23,398,202	84.3	27,740,935	4,544,292	16.4	6,919,615	6.6	1,431,981	5.2	16,729,874	69.1	530,934	2.1
1921 ..	226	3,320,000	11.3	156,625	0.5	49,524	0.2	1,274,292	5.0	24,191,531	82.1	29,441,975	4,554,292	16.4	6,919,615	6.6	1,431,981	5.2	16,729,874	69.1	530,934	2.1
1922 ..	265	4,254,289	12.8	171,793	0.5	49,004	0.1	1,262,397	3.8	27,457,593	82.8	33,195,076	6,082,860	18.8	3,691,952	12.6	2,803,592	6.2	21,001,412	51.4	643,635	1.5
1923 ..	287	4,450,000	12.6	217,574	0.6	48,874	0.1	1,409,355	4.0	29,159,545	82.7	35,285,348	4,456,007	12.6	1,486,110	12.6	1,943,278	5.9	19,606,215	62.2	640,993	1.5
1924 ..	292	5,255,000	13.8	269,592	0.7	48,312	0.1	1,412,334	3.7	31,213,989	81.7	38,209,227	6,582,446	14.7	2,321,225	12.2	3,364,172	6.7	23,292,462	58.1	789,200	1.5
1925 ..	299	6,300,000	15.3	314,704	0.8	48,185	0.1	1,598,455	6.3	31,916,542	77.5	41,177,776	7,281,659	17.7	4,463,018	10.8	4,586,623	11.0	25,865,166	57.7	981,311	2.0

National Bank of New Zealand, Limited—Continued from page 36.

Year Ended March 31.	Number of Branches.	LIABILITIES.										ASSETS.											
		Capital and Reserves.	Per Cent.	Un- divided Profits.	Per Cent.	Notes.	Per Cent.	Bills Payable, &c.	Per Cent.	Deposits and Current Accounts.	Per Cent.	Total Liabili- ties or Assets.	Cash in Hand, at Bankers, & at Call & Short Notice	Per Cent.	Invest- ments.	Per Cent.	Bills Discounted.	Per Cent.	Bills and Remittances in Transit and Ad- vances.	Per Cent.	Land & Prop'ty, Prem., Bldgs & Fur- niture, Bldgs & Sundries, including Cover for Acceptances	Per Cent.	
		£		£		£		£		£		£		£		£		£		£			
1890	30	250,000	9.7	18,029	0.7	108,362	4.2	350,863	13.6	1,847,256	71.8	2,574,510	10.9	280,078	10.9	..	..	..	..	2,166,884	84.2	127,548	4.9
1891	34	260,000	9.7	13,696	0.5	114,343	4.2	360,625	13.4	1,941,458	72.2	2,690,122	11.9	320,940	11.9	..	..	..	..	2,241,679	83.4	127,503	4.7
1892	33	235,816	9.2	13,085	0.5	107,545	4.2	606,742	23.5	1,613,609	62.6	2,576,797	15.4	396,230	15.4	..	..	..	..	2,053,245	79.7	127,322	4.9
1893	35	247,384	10.1	16,928	0.7	116,439	4.8	455,265	18.6	1,605,027	65.8	2,441,043	14.4	350,249	14.4	..	..	..	..	1,963,796	80.4	126,998	5.2
1894	37	248,148	10.9	21,425	0.9	110,513	4.8	470,596	20.5	1,434,366	62.9	2,285,048	13.3	304,075	13.3	..	..	..	..	1,854,643	81.2	126,330	5.5
1895	37	249,106	11.4	25,357	1.2	109,822	5.0	265,176	12.2	1,534,641	70.2	2,184,102	16.6	358,024	16.6	..	..	..	..	1,699,836	77.6	126,242	5.6
1900	41	310,000	8.7	40,009	1.1	211,605	6.0	478,821	13.5	2,510,754	70.7	3,551,189	19.9	68,481	1.9	..	..	..	..	2,741,453	77.2	92,231	2.6
1905	34	460,000	10.5	45,810	1.0	247,126	5.6	415,309	9.5	2,128,481	73.4	4,386,726	19.9	206,388	4.7	..	..	..	..	2,645,409	60.5	80,617	1.8
1910	35	750,000	12.7	69,660	1.2	268,559	4.2	536,798	9.9	3,306,296	72.6	5,931,312	17.4	1,374,319	19.8	532,178	9.0	674,328	11.4	5,382,772	55.3	67,715	0.9
1914	45	1,395,000	20.0	120,817	1.7	255,899	3.7	899,674	12.9	4,304,654	61.7	9,945,671	15.0	2,317,686	23.3	550,007	5.7	4,967,942	56.5	5,432,079	56.5	161,037	2.1
1915	45	1,415,000	19.0	124,800	1.7	265,515	3.7	699,093	9.4	4,740,397	63.7	7,444,585	16.6	659,067	8.8	578,162	7.8	4,813,047	64.7	5,432,079	56.5	161,037	2.1
1916	45	1,435,000	17.4	113,609	1.4	535,665	6.5	841,555	10.2	5,298,296	64.5	8,224,125	15.7	1,161,124	14.1	697,357	8.5	4,899,171	59.6	5,432,079	56.5	161,037	2.1
1917	44	1,460,000	16.3	114,254	1.3	918,026	10.5	832,056	9.4	5,472,552	62.5	8,786,888	16.6	1,616,443	18.4	1,460,201	16.6	590,364	6.7	4,967,942	56.5	161,037	2.1
1918	43	1,450,000	14.7	118,150	1.2	1,702,381	17.1	1,003,237	10.1	5,656,903	56.9	9,945,671	15.0	2,317,686	23.3	550,007	5.7	4,967,942	56.5	5,432,079	56.5	161,037	2.1
1919	43	1,480,000	14.4	144,932	1.4	1,177,271	11.4	951,394	9.3	6,481,558	63.5	10,435,155	21.2	1,413,264	13.8	802,109	7.8	5,705,859	55.8	5,432,079	56.5	161,037	2.1
1920	46	2,000,000	14.8	174,573	1.3	888,093	6.1	1,129,513	26.3	8,298,492	53.1	15,654,581	13.6	1,305,168	8.3	2,136,197	13.6	603,669	3.8	11,413,397	73.3	241,845	1.7
1921	49	2,020,000	12.9	226,394	1.4	981,782	6.3	1,129,513	26.3	8,298,492	53.1	15,654,581	13.6	1,305,168	8.3	2,136,197	13.6	603,669	3.8	11,413,397	73.3	241,845	1.7
1922	51	2,040,000	14.4	238,621	1.7	1,031,451	14.3	1,622,070	11.5	8,243,338	58.1	14,175,380	10.8	1,349,483	9.5	664,583	9.5	11,413,397	73.3	241,845	1.7	346,918	2.3
1923	53	2,500,000	16.5	278,167	1.9	1,129,434	11.4	1,422,151	9.4	9,261,899	60.8	15,191,651	108.7	1,087,062	7.0	1,270,296	11.0	739,327	4.7	11,413,397	73.3	241,845	1.7
1924	53	2,510,000	14.9	294,502	1.7	936,541	5.6	1,701,313	10.1	11,442,154	67.7	16,884,510	13.6	1,436,528	8.5	2,173,086	12.9	786,181	4.7	12,096,485	71.6	392,430	2.3
1925	55	2,970,000	17.1	306,698	1.8	943,847	5.4	2,328,415	13.4	10,822,912	62.3	17,371,872	14.0	1,404,718	8.1	2,000,236	11.5	898,477	5.2	12,665,605	72.9	402,836	2.3

* Includes discounts.

QUEENSLAND NATIONAL BANK, LIMITED.

INCORPORATED 1872.

Subscribed.	Paid-up.	CAPITAL		Callable.	Reserved.	Market Value.	Year Ended June 30.	Net Profit.	Dividend.	To Reserve, &c.	Carried Forward.
		£	£								
1,500,000	1,453,551	Nil	Nil	Nil	Nil	2,580,000	1917	103,354	...	10,000	1,565
							1918	105,230	...	...	6,766
							1919	108,345	...	50,000	6,165
							1920	104,673	...	28,000	16,569
							1921	117,541	...	...	8,827
							1922	128,819	...	40,000	16,885
							1923	149,351	...	40,000	15,950
							1924	176,388	...	...	...
							1925	184,446	...	...	...

Per Share. £5 Per Share. £5 Per Share. Nil Per Share. Nil Per Share. £8½

Interminable inscribed deposit stock, £3,091,669

Year Ended June 30.	Number of Branches.	LIABILITIES.										Total Liabilities or Assets.	ASSETS.															
		Capital and Reserves.		Un- divided Profits.	Per Cent.	Bills Pay- able to the Government of Queens- land.	Per Cent.	Miscel- laneous Credits, Rebate, &c.	Per Cent.	Deposit and Current Accounts.	Per Cent.		Cash in Hand and at Bankers.	Per Cent.	Cash at Call and Short Notice in London.	Per Cent.	Invest- ments.	Per Cent.	Discounts, Advances, and Bills in Transit.	Per Cent.	Premises and Sundries.	Per Cent.						
		£	Per Cent.																									
1890	68	1,285,000	12.8	£	64,171	0.6	*278,561	2.8	497,936	5.0	7,885,930	78.8	£	10,011,698	1,195,052	11.9	£	154,575	1.5	£	309,436	3.1	£	8,073,215	80.7	£	279,420	2.8
1891	68	1,285,000	12.5	56,091	0.5	*302,764	2.9	288,721	2.8	8,379,931	81.3	10,312,507	1,296,953	12.6	105,000	1.0	464,085	4.5	8,151,686	79.4	294,783	2.8	279,420	2.8				
1892	66	1,285,000	12.8	57,230	0.6	*273,075	2.7	186,249	1.8	8,256,157	82.1	10,057,711	1,247,351	12.4	95,000	0.9	464,085	4.5	8,216,395	81.7	300,411	3.0	300,411	3.0				
1893	66	609,943	6.3	43,593	0.5	222,000	2.3	524,906	5.4	8,272,759	85.5	9,673,201	1,625,594	16.9	100,000	1.0	42,122	0.4	7,612,468	78.7	293,017	3.0	293,017	3.0				
1894	49	738,009	7.3	47,618	0.5	242,000	2.4	626,938	6.2	8,419,411	84.6	10,074,036	1,907,824	18.9	170,000	1.7	41,976	0.4	7,669,167	76.2	285,069	2.8	285,069	2.8				
1900	51	3,541,394	48.3	12,000	0.2	2,068,326	28.2	279,762	3.8	1,432,762	19.5	7,334,184	1,334,185	17.4	390,000	5.3	4,554,795	62.2	1,007,840	13.7	1,007,840	13.7						
1905	53	3,571,848	46.0	12,000	0.2	1,377,563	17.7	426,896	5.5	2,395,677	30.6	7,785,984	1,090,307	14.0	385,000	5.0	43,435	0.6	5,538,122	71.0	793,120	9.4	793,120	9.4				
1910	71	3,589,038	39.1	25,000	0.3	430,489	4.7	476,483	5.2	4,606,614	50.7	9,127,624	1,833,137	20.0	665,000	7.3	134,900	1.5	6,205,241	68.0	289,349	3.2	289,349	3.2				
1913	83	3,635,087	34.7	48,214	0.5	218,293	2.1	83,682	0.8	6,429,747	61.9	10,415,023	2,277,037	24.6	395,000	3.8	118,700	1.1	7,027,240	67.7	297,046	2.8	297,046	2.8				
1914	83	3,725,669	35.3	50,090	0.5	86,098	0.8	162,150	1.5	6,560,809	61.9	10,584,816	2,361,980	22.4	401,800	3.8	118,700	1.1	7,027,240	67.7	297,046	2.8	297,046	2.8				
1915	83	3,749,669	32.0	51,746	0.4	...	...	377,465	3.2	7,591,693	64.4	11,770,573	3,963,193	33.6	401,800	3.8	168,200	1.4	6,925,559	58.9	313,821	2.7	313,821	2.7				
1916	83	3,771,669	34.1	51,398	0.5	...	...	596,921	5.4	6,631,818	60.0	11,051,806	2,290,797	20.6	175,300	1.6	...	...	6,925,559	58.9	313,821	2.7	313,821	2.7				
1917	83	3,793,669	32.4	51,896	0.4	...	...	484,016	4.1	7,362,826	63.1	11,692,407	3,034,883	25.9	628,840	5.4	...	...	7,408,752	67.2	337,657	3.0	337,657	3.0				
1918	86	3,793,669	29.3	53,070	0.4	...	...	498,511	3.9	6,590,196	66.4	12,935,446	3,615,325	28.0	94,340	0.7	1,345,700	10.4	7,214,421	61.7	337,283	2.9	337,283	2.9				
1919	86	4,030,520	28.9	48,910	0.5	...	...	806,579	5.8	9,075,005	65.0	13,961,014	4,412,458	31.6	100,000	0.7	610,200	4.4	7,536,405	58.2	345,676	2.7	345,676	2.7				
1920	90	4,188,325	31.6	26,081	0.3	...	...	570,075	4.3	8,497,076	57.9	13,211,557	3,715,736	28.0	150,000	1.1	1,045,600	7.9	8,473,103	60.7	365,253	2.6	365,253	2.6				
1921	89	4,214,672	36.5	38,909	0.3	...	...	485,753	4.2	6,854,743	59.0	11,592,077	2,449,749	21.1	150,000	1.3	1,001,319	8.7	7,592,584	65.4	398,425	3.5	398,425	3.5				
1922	91	4,251,669	36.9	50,827	0.4	...	...	350,078	3.0	6,898,730	59.7	11,551,304	1,386,732	12.0	105,000	0.9	1,689,760	14.6	8,869,401	68.2	500,411	4.1	500,411	4.1				
1923	89	4,291,669	34.9	58,177	0.5	...	...	415,263	3.4	7,519,294	61.2	12,284,403	1,386,732	12.0	105,000	0.9	1,689,760	14.6	8,869,401	68.2	500,411	4.1	500,411	4.1				
1924	91	4,829,229	36.8	74,048	0.6	...	...	487,656	3.7	7,729,132	59.9	13,12,665	1,763,732	13.2	185,000	1.4	1,472,417	11.2	9,168,064	69.9	565,640	4.4	565,640	4.4				
1925	91	5,205,220	38.3	51,757	0.4	...	...	401,757	3.0	7,920,653	58.3	13,579,387	1,851,453	13.6	110,000	0.8	1,249,760	9.2	9,721,777	71.6	646,397	4.4	646,397	4.4				

THE UNION BANK OF AUSTRALIA, LIMITED.

ESTABLISHED 1837.

Year Ended February 28.	Number of Branches.	CAPITAL.				Market Value.	Year Ended Feb. 28.	Net Profit.	Dividend.	To Reserve, &c.	Carried Forward.
		Subscribed.	Paid-up.	Callable.	Reserved.						
1890..	89	2,500,000	130	120,379	0.6	408,652	2.1	2,346,510	12.3	13,799,044	72.0
1895..	96	2,500,000	110	51,593	0.2	449,291	2.0	2,576,880	11.4	17,055,564	75.4
1900..	104	2,500,000	118	122,364	0.5	489,083	2.3	2,307,642	10.9	15,793,602	74.5
1905..	128	2,555,000	117	102,508	0.5	458,740	2.1	1,851,562	8.5	16,869,958	77.2
1910..	166	2,810,000	107	144,928	0.6	470,997	1.8	1,559,150	5.9	21,349,025	81.0
1914..	181	3,960,000	134	185,510	0.8	483,408	0.9	1,714,216	5.8	23,538,534	79.2
1915..	185	3,960,000	134	210,510	0.7	274,937	0.9	1,747,446	5.9	23,538,534	79.2
1916..	182	3,960,000	129	211,374	0.7	334,051	1.1	1,232,322	6.9	24,055,785	78.4
1917..	182	3,980,000	128	213,133	0.7	877,405	2.8	1,936,814	6.2	24,227,108	77.5
1918..	182	4,025,000	127	214,262	0.7	432,599	1.4	2,032,494	6.4	24,975,570	78.3
1919..	180	4,070,000	127	218,613	0.7	540,453	1.6	2,404,028	7.2	26,136,296	78.3
1920..	180	5,130,000	125	281,716	0.7	628,667	1.5	3,128,504	7.6	31,840,563	77.7
1921..	182	5,250,000	132	270,557	0.7	676,909	1.7	4,003,958	10.1	29,531,558	74.3
1922..	186	5,250,000	155	311,818	0.8	559,186	1.4	4,037,788	10.0	29,187,724	72.3
1923..	190	5,250,000	150	314,712	0.7	562,081	1.3	3,707,570	8.8	31,390,819	74.2
1924..	192	5,450,000	145	315,003	0.7	674,610	1.5	4,115,663	9.2	32,838,019	74.1
1925..	191	7,650,000	164	355,402	0.8	721,031	1.5	4,005,166	8.6	33,995,484	72.7

(4) CANADIAN BANKS.

BANK OF MONTREAL.

ESTABLISHED 1817.

Acquired Exchange Bank of Yarmouth, 1903.
Acquired People's Bank of Halifax, 1905.
Acquired People's Bank of New Brunswick, 1907.

Subscribed.	Paid-up.	Callable.	Reserved.
\$ 27,250,000	27,250,000	..	27,250,000
Per Share.	Per Share.	Per Share.	Per Share.
\$100	\$100	..	\$100

Acquired Bank of British North America, October, 1918.
Acquired Merchants' Bank of Canada, March, 1922.
Acquired Molsons Bank, January, 1925.

Year Ended Oct. 31.	Net Profit.	Dividend.	To Reserve, &c.	Carried Forward.
1917....	2,477,969	..	..	..
1918....	2,562,720	..	..	..
1919....	3,314,237	..	..	..
1920....	4,033,996	..	..	..
1921....	3,949,796	..	..	..
1922....	4,756,668	..	..	..
1923....	4,496,417	..	..	..
1924....	4,454,504	..	..	..

(Dollars converted to sterling at \$5 to £1.)

Year Ended April 30.	Number of Branches.	LIABILITIES.				Total Liabilities or Assets.	Cash in Hand and Due by Agencies.	Cash at Call and Short Notice in G. Britain & U.S.A.	Investments.	Discounts and Advances.	Premises and Sundries.
		Capital and Reserves.	Un-divided Profits.	Notes.	Balances Due to Other Banks in Canada, &c.						
1890..	35	3,698,631	38.9	288,947	3,01,083,963	11.4	56,825	0.6	4,357,891	46.1	9,486,258
1895..	39	3,698,631	31.0	291,436	2,587,540	7.4	1,068	..	7,004,836	59.1	11,871,511
1900..	47	3,904,110	24.0	211,519	1,31,266,092	7.8	3,195	..	10,817,592	66.9	15,202,508
1905..	67	4,331,508	17.8	280,699	1,01,686,328	6.1	8,888	..	20,857,909	75.1	27,765,302
1910..	151	5,424,057	11.3	214,343	0,42,457,436	5.1	19,170	..	40,056,652	83.2	48,172,258
1913..	181	6,400,000	12.6	290,637	0,62,885,899	5.7	16,732	..	41,293,741	81.1	50,887,008
1914..	182	6,400,000	12.2	331,879	0,62,887,763	5.1	650,238	1.3	42,521,344	80.9	52,591,284
1915..	180	6,400,000	11.1	362,587	0,62,867,699	5.0	2,103,896	0.6	46,178,353	79.7	57,912,535
1916..	181	6,400,000	8.2	376,717	0,53,587,212	4.6	1,998,880	2.6	65,721,531	84.1	78,094,340
1917..	183	6,400,000	8.2	424,032	0,54,738,207	5.6	755,589	1.0	65,403,469	84.7	77,361,377
1918..	184	6,400,000	7.5	470,114	0,55,669,922	6.1	1,173,022	1.4	71,551,361	84.0	85,264,419
1919..	285	8,000,000	8.2	453,731	0,58,202,217	8.4	1,683,300	1.7	79,514,991	81.2	97,854,239
1920..	311	8,000,000	7.0	539,195	0,58,025,732	7.0	3,642,941	5.2	94,021,439	82.3	114,230,027
1921..	320	8,800,000	8.7	440,429	0,47,014,061	6.9	1,865,311	1.3	83,320,188	82.2	101,439,989
1922..	643	10,900,000	8.4	282,446	0,27,924,895	6.0	2,780,792	1.4	108,885,681	84.2	130,773,814
1923..	584	10,900,000	8.3	342,635	0,37,847,204	6.0	2,317,374	1.8	109,714,436	83.6	131,121,646
1924..	543	10,900,000	8.0	361,239	0,37,544,643	5.6	2,443,626	1.8	114,737,305	84.3	135,986,813
1925..	617	11,966,680	8.3	352,511	0,27,847,922	5.5	3,148,951	2.2	120,322,895	83.8	143,638,959

BANK OF NOVA SCOTIA.

ESTABLISHED 1832.

1913—Absorbed Bank of New Brunswick.

1914—Absorbed Metropolitan Bank.

1919—Absorbed Bank of Ottawa.

Subscribed.	Paid-up.	Callable.	Reserved.	Year Ended Dec. 31.	Net Profit.	Dividend.	To Reserve, &c.	Carried Forward.
\$ 10,000,000	10,000,000	Nil	10,000,000	1920	465,484	16	99,400	196,501
Per Share.	Per Share.	Per Share.	Per Share.	1921	422,347	16	295,400	13,066
\$100	\$100	Nil	\$100	1922	424,536	16	91,493	34,633
				1923	420,907	16	85,000	50,539
				1924	422,006	16	85,000	67,545

(Dollars converted at rate of \$5 to £1.)

Year Ended December 31.	Number of Branches.	LIABILITIES.				Total Liabilities or Assets.	Cash in Hand and Due by Agents.	Call and Short Loans.	Investments.	Discounts and Advances.	Real Estate, Premises, and Sundries.
		Capital and Reserves.	Un-divided Profits.	Notes.	Due to Other Banks, &c.						
1919..	303	5,540,000	11.6	218,785	4,653,392	9.8	1,185,045	2.5	36,058,522	75.6	47,655,744
1920..	303	5,540,000	11.6	274,686	4,200,928	8.8	976,094	2.0	36,949,169	77.0	47,940,877
1921..	303	5,740,000	12.8	91,132	3,170,513	7.0	751,676	1.7	35,307,959	78.3	45,061,280
1922..	303	5,900,000	13.3	113,514	3,079,928	7.0	751,103	1.7	34,484,920	77.7	44,329,465
1923..	304	5,900,000	13.0	130,702	3,014,865	6.6	1,574,083	3.4	34,958,340	76.7	45,577,960
1924..	294	5,900,000	12.6	148,039	2,828,632	6.0	2,086,757	4.4	35,988,693	76.7	46,952,121

THE BRITISH OVERSEAS BANK LIMITED

Capital Authorised - - - £5,000,000

Issued and Paid-up - - - £2,000,000

The Bank is able to offer to its clients at home and abroad exceptional facilities in foreign exchange and in the financing of every form of foreign trade, and to provide up-to-date credit reports and information as to business conditions in all parts of the world. Correspondence invited.

33, GRACECHURCH STREET
Lombard Court, LONDON, E.C.3

Telegraphic Address { (Inland): "SAESREVO, BILGATE, LONDON."
(Foreign): "SAESREVO, LONDON."
Telephone No.: ROYAL 7111.

Affiliated Institution in Poland:
Anglo-Polish Bank, Limited, WARSAW

Glyn, Mills & Co.

(Established 1753)
Registered with unlimited liability, 1889.
Incorporating

CHILD & CO. and HOLT & CO.
(Established before 1600) (Established 1809)

BANKERS

Army and Air Force Agents, Navy and Prize Agents.

Capital	£ 1,060,000
Reserve Fund	530,000
Current and Deposit Accounts	27,838,489
Cash in Hand and at Bank of England	4,360,605
Money at Call and Short Notice	2,894,150
Investments	9,271,356
Advances, etc.	9,626,585
Balances with and Cheques in course of collection on other Banks in the United Kingdom	1,162,175

30th June, 1925

Managing Partners:

LORD WOLVERTON.
LAURENCE CURRIE.
LORD HILLINGDON.

General The Hon. SIR H. A. LAWRENCE, K.C.B.
Brigadier-General A. MAXWELL, C.B., C.M.G., D.S.O.
ERIC CORF BROWNE, D.S.O.
FREDERICK WILLIAM FANE.

Head Office - - - 67, LOMBARD STREET, E.C.3
Childs Branch - - - 1, FLEET STREET, E.C.4
Holt's Branch - - - 3 & 4, WHITEHALL PLACE, S.W.1

The Bank conducts every description of Banking Business, both British and Foreign.
Letters of Credit issued. Home and Foreign Credits established. Executorships and Trusteeships undertaken.

THE CANADIAN BANK OF COMMERCE.

INCORPORATED 1867.

1923.—Absorbed Bank of Hamilton.

CAPITAL.				Market Price Per Share.	Year Ended Nov. 30.	Net Profit. £	Dividend. %	To Reserve, &c. £	Carried Forward. £
Subscribed.	Paid-up.	Callable.	Reserved.						
£	£	£	£						
20,000,000	20,000,000	Nil.	20,000,000	Sept. 30,	1916.....	501,250	12	61,436	164,860
Per Share.	Per Share.	Per Share.	Per Share.	1925.	1917.....	541,963	12	63,246	273,714
\$100	\$100	Nil.	\$100	£45	1918.....	791,161	12	89,908	296,885
					1919.....	631,827	12	234,658	293,370
					1920.....	679,365	13	133,562	366,571
					1921.....	640,302	13	139,391	400,016
					1922.....	616,939	13	185,277	430,993
					1923.....	598,648	13	179,853	449,103
					1924.....	741,098	13	415,938	250,290

(Converted at par of exchange.)

Year Ended Nov. 30.	Number of Branches.	LIABILITIES.						Total Liabilities or Assets.	ASSETS.									
		Capital and Reserves.	Per Cent.	Un- divided Profits.	Per Cent.	Notes.	Per Cent.		Cash in Hand and Due by Agents.	Per Cent.	Call and Short Loans.	Per Cent.	Invest- ments.	Per Cent.	Discounts and Advances.	Per Cent.	Real Estate, Premises, and Sundries.	Per Cent.
1901..	66	2,000,000	14.2	106,590	0.8	1,453,255	10.3	14,123,277	1,486,493	10.5	1,738,286	12.3	1,940,340	13.8	8,616,271	61.0	341,887	2.4
1905..	149	2,979,452	14.7	84,067	0.4	1,795,617	9.0	20,214,164	3,148,579	15.5	2,312,122	11.4	1,255,706	6.2	13,212,954	65.5	284,803	1.4
1906..	173	3,082,192	13.2	113,848	0.5	1,890,248	8.1	23,331,362	3,459,731	14.9	1,849,602	7.9	1,362,104	5.9	16,295,184	69.7	364,741	1.6
1907..	173	3,082,192	13.2	180,292	0.8	1,897,760	8.1	23,359,631	3,641,754	15.6	2,608,676	11.1	1,094,113	4.7	15,631,494	67.0	383,594	1.6
1908..	191	3,287,672	13.0	74,543	0.3	1,980,996	8.0	25,137,989	5,637,240	22.3	3,685,661	14.6	1,052,752	4.2	14,333,405	57.9	438,931	1.7
1909..	216	3,287,672	10.7	189,975	0.6	2,122,072	7.0	25,810,108	6,162,613	20.1	5,710,500	18.6	1,570,867	5.1	16,697,372	54.7	474,974	1.5
1910..	230	3,493,151	10.8	110,483	0.3	2,100,607	6.5	26,061,833	5,129,786	16.0	3,912,786	12.1	1,833,753	5.6	20,688,405	64.1	706,438	2.2
1911..	339	4,408,582	11.8	101,579	0.3	2,466,709	6.6	30,500,524	8,290,103	22.1	3,087,394	12.1	2,469,060	6.6	22,808,139	60.9	822,698	2.2
1912..	366	5,650,685	11.2	267,741	0.5	3,374,561	6.7	37,477,394	9,118,533	18.0	3,654,051	7.2	3,056,394	8.1	33,748,212	66.6	1,048,143	2.1
1913..	373	5,856,164	10.9	187,438	0.4	3,214,299	6.0	37,477,394	9,118,533	18.0	3,654,051	7.2	3,056,394	8.1	33,748,212	66.6	1,048,143	2.1
1914..	379	5,856,164	11.6	338,115	0.7	3,070,389	6.1	37,296,331	9,064,730	18.0	3,654,051	7.2	3,056,394	8.1	33,748,212	66.6	1,048,143	2.1
1915..	376	5,856,164	11.4	203,343	0.4	3,369,433	6.5	39,970,495	11,455,898	22.3	6,448,325	12.5	2,723,838	5.3	28,956,342	56.1	1,872,139	3.6
1916..	376	5,856,164	9.9	273,165	0.5	3,957,400	6.7	41,940,277	13,479,374	22.6	7,569,822	12.4	5,727,808	9.7	30,871,757	52.3	1,817,180	3.0
1917..	381	5,856,164	8.3	381,591	0.5	4,930,530	7.0	42,793,957	15,839,176	22.5	8,691,322	9.7	11,483,016	16.2	33,835,924	47.8	2,712,596	3.8
1918..	380	6,164,384	6.8	404,762	0.4	6,489,800	7.2	44,848,976	18,130,127	20.0	9,371,037	9.5	16,985,310	17.2	48,930,296	49.6	4,620,582	4.7
1919..	508	6,164,384	6.3	386,658	0.4	6,174,177	6.3	44,954,037	18,648,803	19.0	9,371,037	9.5	16,985,310	17.2	48,930,296	49.6	4,620,582	4.7
1920..	531	6,164,384	6.2	490,677	0.5	6,311,695	6.4	44,885,731	20,089,253	22.4	11,447,015	11.6	8,198,298	8.3	53,195,804	53.8	3,855,860	3.9
1921..	530	6,164,384	7.0	524,218	0.6	6,424,159	5.5	45,895,058	20,152,949	23.0	9,413,177	10.7	8,215,414	9.3	47,408,796	53.8	2,783,620	3.2
1922..	515	6,164,384	7.4	555,300	0.7	6,669,661	5.6	44,432,943	17,538,226	21.0	9,318,714	11.2	9,060,868	10.8	44,431,537	53.3	3,097,643	3.7
1923..	623	8,219,178	8.7	782,239	0.8	5,162,299	5.6	45,242,955	15,068,609	16.0	10,509,688	11.1	13,455,000	14.2	49,802,830	52.8	5,522,046	5.9
1924..	568	8,219,178	7.8	416,104	0.4	5,844,249	5.6	47,501,534	19,159,940	18.3	11,296,713	10.8	18,808,912	18.0	49,594,383	47.2	5,949,681	5.7

* January 31.

THE DOMINION BANK.

ESTABLISHED 1871.

CAPITAL.				Year.	Net Profit. £	Dividend. %	To Reserve, &c. £	Carried Forward. £
Subscribed.	Paid-up.	Callable.	Reserved.					
£	£	£	£					
1,232,877	1,232,877	Nil.	Nil.	1917.....	1,332,600	12	262,500	403,775
Per Share.	Per Share.	Per Share.	Per Share.	1918.....	1,116,265	12	321,575	458,735
\$100	\$100	Nil.	Nil.	1919.....	1,169,704	13	340,500	495,707
				1920.....	1,188,511	13	235,000	669,218
				1921.....	1,016,262	13	190,000	715,480
				1922.....	1,017,682	13	195,000	758,163
				1923.....	1,129,370	13	282,158	825,375
				1924.....	825,375	13	289,332	900,125

(Dollars converted at rate of \$5 to £1.)

Year Ended June 30.	Number of Branches.	LIABILITIES.						Total Liabilities or Assets.	ASSETS.									
		Capital and Reserves.	Per Cent.	Un- divided Profits.	Per Cent.	Notes.	Per Cent.		Cash in Hand and at Bank.	Per Cent.	Loans on Call.	Per Cent.	Invest- ments.	Per Cent.	Discounts and Advances.	Per Cent.	Buildings, Furniture, and Equipment.	Per Cent.
1911..	85	1,800,000	14.1	103,643	0.8	734,029	5.8	12,783,419	2,641,924	20.7	1,247,978	9.8	1,291,612	10.1	7,164,189	56.0	437,716	3.4
1912..	92	2,167,640	14.9	152,242	1.0	949,266	6.5	14,539,022	2,820,890	19.4	1,434,186	9.9	1,337,964	9.2	8,344,657	57.4	601,325	4.1
1913..	97	2,350,302	15.0	198,898	1.3	1,026,408	6.6	15,644,782	2,622,476	16.9	1,036,447	6.6	1,417,023	9.1	9,707,306	62.2	861,530	5.2
1914..	97	2,597,662	16.3	189,493	1.2	799,538	5.1	15,789,965	2,899,389	18.4	1,384,182	8.9	1,185,764	7.5	9,295,929	58.8	1,024,101	6.5
1915..	92	2,600,000	16.8	105,262	0.7	779,479	5.0	15,483,212	3,124,495	20.2	1,840,079	11.9	1,195,423	7.7	9,001,852	50.7	1,335,687	8.7
1916..	87	2,600,000	14.6	117,122	0.7	1,032,440	5.8	17,778,537	3,244,622	18.2	1,671,497	9.4	2,524,879	14.2	8,974,488	46.4	1,283,745	7.5
1917..	85	2,600,000	13.4	133,363	0.7	1,350,944	6.9	18,877,670	4,267,577	21.9	1,545,226	7.9	3,341,332	17.2	9,001,852	50.7	1,335,687	8.7
1917*..	87	2,671,232	11.9	118,075	0.5	1,935,140	8.6	19,412,368	5,617,220	25.0	1,568,238	7.0	4,662,580	20.8	9,382,933	41.6	1,255,908	5.6
1918*..	98	2,671,232	9.8	129,491	0.5	2,025,726	7.4	20,858,186	5,855,749	21.3	1,988,672	7.3	5,209,452	19.0	13,175,094	48.0	1,203,829	4.4
1919*..	105	2,671,232	9.1	152,013	0.5	1,957,358	6.6	21,813,409	5,876,219	20.3	2,921,969	10.1	3,749,680	13.0	14,452,102	50.3	1,800,984	6.3
1920..	121	2,671,232	9.2	181,521	0.6	2,012,497	7.0	22,801,643	5,876,219	20.3	2,921,969	10.1	3,749,680	13.0	14,452,102	50.3	1,800,984	6.3
1921..	127	2,600,000	10.3	200,117	0.8	1,580,223	6.3	20,055,524	5,146,008	20.5	2,171,203	8.6	4,033,824	16.0	12,442,213	49.4	1,390,439	5.5
1922*..	122	2,600,000	9.9	191,147	0.7	1,465,314	5.6	22,249,867	5,423,224	21.1	2,545,910	9.9	3,858,188	14.6	12,853,025	49.1	1,392,230	5.3
1923*..	121	2,600,000	10.1	209,357	0.8	1,467,366	5.7	23,587,251	5,027,389	21.3	2,665,532	5.4	4,333,545	17.7	12,796,134	45.7	1,829,465	7.8
1924*..	116	2,600,000	10.6	228,202	0.9	1,336,919	5.5	24,067,088	5,390,657	22.0	3,587,818	14.6	4,333,545	17.7	12,796,134	45.7	1,829,465	7.8

* December 31.

THE COLONIAL BANK.

ESTABLISHED IN 1836 BY ROYAL CHARTER.

Re-incorporated by Act of Parliament, 1925.

Now Barclays Bank (Dominion, Colonial and Overseas) and Amalgamated with National Bank of South Africa, Limited, and Anglo-Egyptian Bank, Limited.

CAPITAL.				Ended June 30.	Profit. £	Dividend. %	To Reserve, &c. £	Carried Forward.
Subscribed. £	Paid-up. £	Callable. £	Reserved. £					
"A" 2,000,000	600,000	400,000	1,000,000	1918.....	73,407	8	35,000	30,489
"B" 1,000,000	300,000	200,000	500,000	1919.....	115,091	10	20,000	31,343
				1920.....	175,236	10	80,000	36,579
				1921.....	155,837	10	20,000	29,616
				1922.....	121,151	10	62,800	
Per Share. £20	Per Share. £6	Per Share. £4	Per Share. £10	1923.....	95,745	8	30,000	28,667
				1924.....	97,678	8	35,000	28,905
								97,135

The Colonial Bank—Continued from page 42.

Ended June 30.	Number of Branches.	LIABILITIES.										Total Liabilities or Assets.	ASSETS.									
		Capital and Reserves.	Per Cent.	Undivided Profits.	Per Cent.	Notes.	Per Cent.	Bills Payable, &c.	Per Cent.	Deposits and Current Accounts.	Per Cent.		Cash in Hand, at Bankers, & at Call and Short Notice.	Per Cent.	Invest- ments.	Per Cent.	Bills Receiv- able, &c.	Per Cent.	Bills in transit, Discounts, Advances, &c.	Per Cent.	Cover for Accept- ances, Pre- mises, &c.	Per Cent.
190..	13	\$ 730,000	16.0	\$ 58,724	1.3	\$ 426,346	9.3	\$ 1,463,103	31.9	\$ 1,913,503	41.5	\$ 4,591,676	923,192	20.1	\$ 970,643	21.1	\$ 1,300,043	28.4	\$ 1,372,798	29.9	\$ 25,000	0.5
195..	14	750,000	15.8	37,660	0.8	452,672	9.5	1,794,964	37.7	1,724,346	36.2	4,759,642	715,792	15.0	602,498	12.7	1,464,297	30.7	1,952,055	41.1	25,000	0.5
200..	13	750,000	18.9	26,597	0.7	439,871	11.1	794,592	20.0	1,951,054	49.3	3,962,114	575,566	14.5	1,098,695	27.6	1,035,101	26.0	1,227,752	31.3	25,000	0.6
205..	13	750,000	18.8	41,000	1.0	439,676	11.0	743,205	18.6	2,016,907	50.6	3,990,788	669,750	16.8	1,046,521	26.3	1,083,519	27.3	1,140,938	28.8	50,000	1.2
210..	13	750,000	17.6	54,357	1.4	451,967	10.6	539,471	12.6	2,454,574	57.8	4,250,369	917,823	21.6	1,285,965	30.3	979,368	23.0	1,017,213	23.9	50,000	1.2
215..	14	750,000	18.7	57,057	1.4	473,648	11.8	488,114	12.2	2,454,322	55.9	4,012,741	478,296	12.0	1,122,897	27.8	974,100	24.2	1,357,448	34.0	80,000	2.0
220..	14	750,000	18.7	53,682	1.3	414,225	10.4	518,303	12.9	2,276,514	56.7	4,012,721	478,296	12.0	1,122,897	27.8	974,100	24.2	1,357,448	34.0	80,000	2.0
225..	15	750,000	19.1	66,890	1.7	429,538	11.9	475,389	12.1	2,203,347	56.2	3,925,164	626,142	16.0	1,114,688	28.4	913,568	23.1	1,233,785	30.9	80,000	2.0
230..	19	800,000	14.0	50,501	1.4	436,855	9.3	672,477	12.6	3,263,666	63.0	5,325,899	606,364	11.4	907,498	17.0	1,799,747	33.6	2,192,765	30.2	80,000	2.0
235..	27	800,000	11.9	49,833	0.7	549,777	9.1	1,178,330	17.4	1,659,986	41.9	3,748,586	665,637	9.9	696,352	10.0	2,487,459	36.8	2,235,111	33.1	282,499	0.7
238..	27	998,486	11.5	64,489	0.7	571,438	6.6	821,428	9.5	6,238,045	71.7	6,933,886	927,161	10.7	1,491,452	17.2	with discounts.		5,273,463	60.5	1,001,000	11.4
240..	51	1,250,000	11.2	93,117	0.8	706,453	6.3	1,696,921	15.2	7,411,097	66.5	11,157,588	1,138,622	10.1	1,284,512	11.5	2,340,280	20.0	5,057,001	46.0	381,173	1.2
241..	58	1,275,000	7.5	126,579	0.8	1,009,743	6.0	3,339,405	19.8	11,311,716	69.5	16,882,443	1,471,053	8.7	1,810,956	9.9	1,350,613	10.6	5,057,001	46.0	381,173	1.2
242..	58	1,300,000	9.5	114,616	0.9	759,120	5.5	2,874,975	20.9	8,710,604	63.3	13,725,315	1,157,284	8.4	847,956	6.1	2,150,613	18.6	8,060,219	47.2	589,602	15.5
243..	59	1,200,000	10.4	84,767	0.7	629,674	5.2	2,191,713	19.2	7,351,687	64.2	11,457,841	1,691,532	14.8	1,373,856	16.0	1,089,901	22.4	6,308,043	46.0	356,092	10.7
244..	51	1,200,000	11.5	71,355	0.7	543,654	5.2	1,551,922	14.8	7,064,364	67.8	10,431,295	1,337,901	12.7	1,676,288	16.0	2,749,036	26.2	3,693,520	38.1	217,871	14.7
245..	51	1,200,000	11.3	74,683	0.7	509,804	4.8	1,365,972	12.9	7,443,029	60.3	10,593,488	1,013,771	9.6	2,255,139	21.2	2,511,060	26.2	3,693,520	38.1	105,538	1.0
25..	47	1,200,000	11.9	93,030	0.9	543,789	5.4	1,269,285	12.6	6,973,039	69.2	10,079,143	851,367	8.5	2,652,697	26.3	2,358,000	26.3	3,693,520	38.1	172,978	1.4

(5) INDIAN BANKS.

IMPERIAL BANK OF INDIA.

BALANCE-SHEET.

	June 30, 1923.	June 30, 1924.	June 30, 1925.		June 30, 1923.	June 30, 1924.	June 30, 1925.
LIABILITIES.	Rs.	Rs.	Rs.	ASSETS.	Rs.	Rs.	Rs.
Capital paid up	5,62,50,000	5,62,50,000	5,62,50,000	Government securities	8,02,63,672	10,53,60,833	12,91,07,533
Reserve	4,35,00,000	4,57,50,000	4,77,50,000	Other authorised securities under the Act	1,23,89,683	1,22,04,388	1,22,09,828
Public deposits	12,56,70,782	22,08,22,099	22,52,81,052	Loans	15,87,06,221	21,88,72,111	17,33,75,317
Other deposits	70,47,71,973	76,62,44,807	75,88,33,099	Cash credits	30,40,29,516	43,60,70,651	31,65,60,426
Loans agst securities, per contra	50,24,776	63,83,504	67,29,148	Inland bills discounted and purchased	5,30,92,540	5,60,03,089	5,75,21,791
Sundries				Foreign bills discounted and purchased	1,53,322	1,03,635	1,26,79,030
				Dead stock	2,39,65,984	2,56,58,025	2,74,03,857
				Sundries	35,34,699	53,63,524	47,61,060
				Balances with other banks	77,33,239	1,59,76,748	29,92,202
				Cash	29,13,48,665	21,95,37,406	35,82,92,251
	93,52,17,531	1,09,51,50,410	1,09,49,03,300		93,52,17,531	1,09,51,50,410	1,09,49,03,300

The 1923 balance-sheet includes balances in London—Deposits, £699,105; advances, £244,884; cash, &c., £508,600. The 1924 balance-sheet includes balances in London—Deposits £1,513,772; advances, £434,176; cash, &c., £1,132,920. The 1925 balance-sheet includes balances in London—Deposits, £1,250,093; advances, £1,181,494; cash, &c., £226,447.

CHARTERED BANK OF INDIA, AUSTRALIA, AND CHINA.

INCORPORATED 1853.

Subscribed.	Paid-up.	Callable.	Reserved.	Market Value.	Year.	Net Profit.	Dividend and Bonus.	To Reserve, &c.	Carried Forward.
£	£	£	£	£	1916	£	%	£	£
3,000,000	3,000,000	Nil.	3,000,000	11,775,000	1917	381,260	17*	150,000	157,466
					1918	402,795	19*	165,000	167,261
					1919	409,222	20½*	165,000	168,483
					1920	447,348	20½*	200,000	172,850
					1921	676,771	20½*	235,000	209,601
					1922	788,079	20½*	175,000	215,170
					1923	789,531	20½*	175,000	222,201
					1924	770,716	20½*	175,000	222,408
								175,000	210,624

Year Ended December 31.	Number of Branches.	LIABILITIES.										Total Liabilities or Assets.	ASSETS.									
		Capital and Reserves.	Per Cent.	Un-divided Profits.	Per Cent.	Notes.	Per Cent.	Acceptances, Bills Payable, &c.	Per Cent.	Deposits and Current Accounts.	Per Cent.		Cash in Hand, at Bankers, and in Transit.	Per Cent.	Investments.	Per Cent.	Bills of Exchange.	Per Cent.	Discounts and Loans.	Per Cent.	Buildings and Sundries, including Cover for Acceptances.	Per Cent.
1890	17	1,050,000	6.6	95,105	0.6	680,373	4.3	7,215,503	45.3	6,882,216	43.2	15,923,197	2.864,396	17.9	757,334	4.8	£	12,238,004	76.9	£	63,463	0.4
1895	20	1,125,000	9.6	74,358	0.6	542,617	4.6	2,789,773	23.7	7,237,200	61.5	11,768,948	1,849,989	15.7	879,131	7.5	4,560,303	38.7	3,900,442	33.2	579,083	4.9
1900	22	1,325,000	9.1	111,533	0.8	734,684	5.0	3,210,267	22.0	9,175,272	63.1	14,556,756	3,594,718	24.7	1,324,966	9.0	4,424,101	30.4	4,518,358	31.1	694,613	4.8
1905	27	1,675,000	8.7	277,112	1.4	538,752	3.0	5,045,693	26.4	11,585,691	60.5	19,122,248	3,364,867	17.6	2,143,638	11.2	5,549,672	29.0	6,841,753	35.8	1,222,318	6.4
1910	30	2,800,000	12.1	276,364	1.2	647,993	3.0	3,650,830	15.8	15,625,289	67.9	23,000,476	3,688,880	16.0	2,099,239	9.1	7,148,577	31.1	8,439,197	36.7	1,624,583	7.1
1913	35	2,900,000	10.6	375,254	1.4	822,591	3.0	6,017,118	22.0	17,128,433	59.0	27,243,396	3,968,117	14.7	2,130,864	7.8	6,721,637	24.7	11,384,499	41.7	3,038,279	11.1
1914	35	3,000,000	11.2	396,334	1.5	911,556	3.4	3,849,742	14.4	18,617,883	69.5	26,775,515	5,903,941	22.0	4,242,806	15.8	6,125,867	22.9	8,423,851	31.5	2,079,050	7.8
1915	36	3,000,000	10.1	399,205	1.3	978,137	3.3	3,719,008	12.5	21,548,506	72.8	29,644,856	5,874,967	19.8	4,322,960	14.6	9,498,469	31.9	8,445,060	28.6	1,505,400	5.1
1916	37	3,000,000	9.0	427,466	1.3	1,019,069	3.1	6,240,211	18.7	22,704,036	67.9	33,390,842	5,919,707	17.8	4,048,307	12.1	12,069,083	36.2	9,601,277	28.7	1,759,458	5.2
1917	37	3,100,000	8.5	476,261	1.3	925,992	2.6	5,582,031	9.9	23,047,149	77.7	36,126,433	8,739,375	24.7	4,539,977	12.0	14,337,903	39.0	16,589,602	46.1	1,898,430	5.2
1918	38	3,200,000	6.7	492,483	1.2	1,568,263	3.3	8,566,596	17.9	33,777,276	70.9	67,604,531	6,748,502	14.2	4,261,264	9.0	22,214,695	46.6	12,634,653	26.6	1,715,632	3.6
1919	36	4,900,000	7.1	531,830	0.8	1,806,095	2.6	13,571,600	20.0	47,932,170	69.5	68,741,695	14,607,720	21.3	6,436,330	9.4	26,535,499	38.8	17,561,394	25.3	3,600,752	5.2
1920	37	6,500,000	9.2	709,601	1.0	2,837,818	4.0	12,182,991	17.2	48,702,334	68.6	70,332,744	11,126,378	15.8	4,896,091	6.9	21,131,473	29.9	28,585,931	40.1	5,202,871	7.3
1921	37	6,600,000	10.7	787,670	1.3	1,926,923	3.1	9,503,828	15.4	42,949,360	69.5	61,767,781	7,134,399	11.6	10,992,797	17.8	16,422,964	26.5	23,426,852	36.4	4,786,879	7.7
1922	39	6,700,000	11.1	794,701	1.3	2,063,418	3.4	8,186,964	13.6	42,408,290	70.6	60,153,373	5,071,497	8.4	14,249,314	23.6	17,932,445	29.7	17,456,246	28.9	5,443,871	9.4
1923	41	6,800,000	11.6	794,908	1.3	2,276,128	3.9	7,304,474	12.4	41,590,027	70.8	58,765,537	5,733,195	9.8	16,408,288	27.9	13,944,603	23.7	17,692,262	30.1	4,987,188	8.5
1924	42	6,900,000	11.1	783,124	1.3	1,732,521	2.8	10,374,300	16.8	42,059,313	68.0	61,849,258	9,494,879	15.4	8,526,607	13.8	19,178,446	31.0	19,007,199	30.7	5,642,127	9.1

* Includes Treasury Bills.

THE EASTERN BANK, LIMITED.

REGISTERED 1909.

Subscribed.	Paid-up.	Reserve Liability of Shareholders.	Market Value.	Year.	Net Profit.	Dividend.	To Reserve, &c.	Carried Forward.
£	£	£	£	1916	£	%	£	£
2,000,000	1,000,000	1,000,000	1,225,000	1917	53,885	6	15,000	9,546
				1918	58,372	7	20,000	15,918
				1919	102,645	7½	20,000	19,806
				1920	131,508	8½	40,000	29,951
				1921	144,171	9	40,304	31,010
				1922	120,320	9	54,000	31,181
				1923	121,847	9	30,000	31,501
				1924	122,052	9	30,000	33,348

Year Ended December 31.	Number of Branches.	LIABILITIES.										Total Liabilities or Assets.	ASSETS.									
		Capital and Reserves.	Per Cent.	Un- divided Profits.	Per Cent.	Bills Pay- able (in- cluding Ac- ceptances).	Per Cent.	Miscel- laneous Credits, &c.	Per Cent.	Deposit and Current Accounts.	Per Cent.		Cash in Hand, at Bankers, and in Transit.	Per Cent.	Invest- ments.	Per Cent.	Bills Receiv- able.	Per Cent.	Discounts and Advances.	Per Cent.	Sundries.	Per Cent.
		£		£		£		£		£		£		£		£		£		£		
1910 ..	2	400,000	17.9	4,762	0.2	182,018	8.1	480,598	21.6	1,166,190	52.2	2,233,568	418,323	18.7	140,025	6.3	493,644	22.1	1,150,535	51.5	31,041	1.4
1911 ..	2	400,000	13.6	25,173	0.9	279,331	9.5	430,313	14.6	1,805,776	61.4	2,940,583	362,078	12.3	170,316	5.8	619,159	21.1	1,732,212	58.9	56,828	2.4
1912 ..	3	400,000	11.2	42,998	1.2	421,869	11.8	546,557	15.3	2,155,212	60.5	3,566,636	459,043	12.9	277,962	7.8	849,910	23.8	1,901,936	53.4	77,785	2.1
1913 ..	3	415,000	12.6	47,152	1.4	551,794	16.7	610,083	18.5	1,675,267	50.8	3,299,296	393,639	11.9	297,796	9.0	1,053,318	32.0	1,474,839	44.7	79,704	2.4
1914 ..	4	653,653	23.9	45,123	1.6	321,376	11.7	329,875	12.0	1,356,022	50.8	2,746,049	577,916	21.0	225,990	8.2	928,629	35.4	930,697	33.9	41,817	1.5
1915 ..	4	654,860	17.4	51,650	1.4	534,089	14.2	603,251	16.1	1,915,883	50.9	3,759,743	782,129	20.8	274,650	7.3	928,424	24.6	1,563,405	41.7	211,136	5.6
1916 ..	5	654,860	12.7	60,546	1.2	496,171	9.6	842,675	16.3	3,099,801	60.2	5,154,073	1,427,319	27.7	209,023	4.1	1,914,732	37.0	1,356,326	26.4	246,763	4.8
1917 ..	6	669,921	9.8	77,918	1.1	503,496	7.3	544,234	8.0	5,049,972	73.8	8,845,541	2,136,107	32.0	236,089	3.4	2,154,068	31.2	1,868,001	27.7	391,276	5.7
1918 ..	6	690,000	9.1	62,406	0.8	552,165	7.3	487,602	6.4	5,784,900	76.4	7,576,793	1,860,919	24.5	495,531	6.5	1,992,035	26.3	3,066,894	40.6	161,594	2.7
1919 ..	10	944,649	5.7	99,951	0.6	1,613,850	9.7	1,497,569	9.0	12,520,390	75.0	16,676,409	3,120,337	32.0	1,393,407	7.9	3,912,957	23.4	5,482,723	33.0	626,985	3.7
1920 ..	10	1,221,476	9.4	121,313	0.9	1,698,631	13.0	1,452,687	11.1	8,556,281	65.6	13,050,388	3,120,441	23.9	487,678	14.7	3,919,400	30.0	4,701,318	36.1	821,551	6.3
1921 ..	10	1,265,844	13.0	135,181	1.4	903,753	9.3	1,523,406	15.6	5,884,034	60.7	9,712,218	2,684,856	27.6	1,400,449	14.7	5,523,852	15.7	3,272,360	33.7	830,701	8.4
1922 ..	10	1,300,000	14.1	111,501	1.2	824,173	8.9	1,561,018	16.9	5,433,132	58.9	9,229,824	2,225,320	24.1	1,883,052	20.4	2,054,913	22.3	2,286,780	24.8	779,759	8.4
1923 ..	11	1,320,000	13.6	113,348	1.2	1,049,471	10.8	2,242,820	23.2	4,942,940	51.2	9,668,879	2,296,827	23.7	2,077,800	21.5	1,836,091	19.0	2,402,966	24.9	1,054,895	10.9
1924 ..	11	1,340,000	13.0	115,400	1.1	1,246,724	12.1	2,157,157	20.9	5,479,060	52.9	10,338,341	2,169,907	21.0	1,999,501	30.9	1,188,712	11.5	2,402,966	24.9	1,054,895	10.9

THE MERCANTILE BANK OF INDIA, LIMITED.

REGISTERED 1892.

Absorbed The Bank of Mauritius, Limited, as from January 1, 1916.

Absorbed the Bank of Calcutta, Limited, as from March 31, 1906.

CAPITAL					Year.	Net Profit. £	Dividend. %	To Reserve, &c.	Carried Forward.
	Subscribed.	Paid-up.	Callable.	Reserved.					
"A" Shares ..	£750,000	£375,000	£187,500	£187,500	1913.....	111,499	8	62,000	34,604
Per Share ..	£25	£12 10s	£6 5s	£6 5s	1916.....	133,375	12	65,000	32,177
"B" Shares ..	£750,000	£375,000	£187,500	£187,500	1917.....	176,005	14	71,000	58,432
Per Share ..	£25	£12 10s	£6 5s	£6 5s	1918.....	181,112	14	75,000	85,794
"C" Shares ..	£300,000	£300,000	Nil	Nil	1919.....	215,636	16	85,000	96,430
Per Share ..	£5	£5	Nil	Nil	1920.....	260,208	16	85,000	127,638
					1921.....	263,033	16	85,000	137,671
					1922.....	267,434	16	85,000	152,105
					1923.....	258,706	16	85,000	157,811
					1924.....	243,410	16	75,000	158,222

Year Ended December 31.	Number of Branches.	LIABILITIES.												Total Liabi- lities or Assets.	ASSETS.							
		Capital and Reserves.	Per Cent.	Undivided Profits.	Per Cent.	Notes in Circula- tion.	Per Cent.	Accept- ances.	Per Cent.	Miscel- laneous Credits, Rebate, &c.	Per Cent.	Deposit Current Accounts.	Per Cent.		Cash in Hand, at Bankers, and at Call.	Per Cent.	Invest- ments.	Per Cent.	Discounts and Advances.	Per Cent.	Buildings & Furni- ture, including Cover for Acceptances.	Per Cent.
1895	6	562,500	19.3	20,131	0.7	..	..	240,500	8.4	548,473	18.8	1,539,779	52.8	2,911,383	423,423	14.5	283,353	9.7	1,957,164	67.3	247,434	8.5
1900	9	602,500	17.1	33,250	1.0	..	..	84,965	2.4	1,181,107	33.6	1,614,110	45.9	3,515,932	402,440	11.4	442,943	12.6	2,471,798	70.4	198,751	5.6
1905	10	697,500	15.5	33,500	0.7	..	..	178,162	4.0	921,320	20.6	2,655,616	59.2	4,486,098	767,670	17.1	510,805	11.4	2,964,476	66.1	243,147	5.4
1910	14	887,500	11.7	49,022	0.6	..	..	234,026	3.1	1,066,944	14.1	5,349,908	70.5	7,587,400	839,735	11.0	638,915	8.4	5,781,458	76.3	327,292	4.3
1913	16	1,027,500	12.6	57,109	0.7	90,750	1.1	334,270	4.1	1,374,798	16.8	5,303,064	64.7	8,187,487	1,418,987	17.3	342,655	4.2	5,702,017	69.7	723,828	8.8
1914	16	1,062,500	13.4	69,724	0.9	132,428	1.7	409,945	5.2	1,074,210	13.6	5,152,746	65.2	7,901,553	1,549,457	18.0	477,825	6.0	5,018,086	63.5	792,474	10.1
1915	17	1,112,500	12.3	65,052	0.7	107,377	1.2	307,464	3.4	1,018,072	11.3	6,413,313	71.1	9,023,778	1,647,678	17.1	1,098,824	12.1	5,583,716	62.0	791,777	8.8
1916	18	1,162,500	10.4	71,552	0.6	104,027	0.9	349,007	3.1	1,020,006	9.1	8,558,582	75.9	11,265,674	2,027,684	18.0	1,032,899	8.4	7,396,643	65.7	888,448	7.9
1917	18	1,212,500	9.4	103,432	0.8	127,432	1.0	411,399	3.2	1,140,860	8.9	9,812,321	76.7	12,807,941	2,271,428	17.8	1,024,299	8.0	8,396,189	65.5	1,116,025	8.7
1918	19	1,262,500	8.3	130,794	0.8	130,338	0.8	465,538	3.2	1,264,653	8.3	12,370,253	80.9	15,302,126	2,503,914	16.4	1,373,060	9.0	10,370,381	67.7	1,049,771	6.9
1919	19	1,500,000	6.7	163,930	0.7	137,500	0.6	263,131	1.2	4,680,152	20.9	15,706,214	69.9	22,450,927	2,403,209	18.9	1,632,619	7.3	13,332,746	62.0	2,642,353	11.8
1920	19	2,150,000	10.6	211,638	1.0	157,306	0.8	819,594	4.0	925,474	4.6	15,893,766	73.9	20,157,778	3,655,446	18.1	1,495,786	7.4	13,332,746	62.0	2,642,353	11.8
1921	19	2,200,000	13.4	221,671	1.3	284,888	1.7	325,476	2.0	653,409	4.0	12,743,991	77.6	16,643,701	3,035,535	18.4	1,894,016	11.5	10,232,843	62.4	1,673,979	8.3
1922	20	2,250,000	13.5	236,105	1.4	290,627	1.7	207,698	1.2	546,896	3.3	13,112,375	78.9	16,643,701	2,767,661	17.3	1,564,416	11.0	9,600,247	57.9	911,377	5.4
1923	22	2,300,000	13.9	241,811	1.5	293,747	1.8	172,800	1.0	759,784	4.5	12,831,536	77.3	16,599,678	2,638,803	22.6	4,844,684	29.2	7,225,311	43.5	787,087	4.7
1924	22	2,350,000	14.2	242,222	1.5	192,104	1.2	318,609	1.9	1,199,805	7.3	12,158,015	73.9	16,460,755	2,638,803	16.0	5,556,033	33.8	7,054,340	42.9	1,211,579	7.3

NATIONAL BANK OF INDIA, LIMITED.

ESTABLISHED 1863.

		CAPITAL				Year.	Net Profit.	Dividend.	To Reserve, &c.	Carried Forward.
		Subscribed.	Paid-up.	Callable.	Reserved.					
	£	£	£	£	£	1917	353,139	20*	120,000	139,829
	4,000,000	2,000,000	2,000,000	Nil	7,520,000	1918	403,635	20*	170,000	139,464
						1919	452,169	20*	240,000	149,032
						1920	553,329	20*	140,000	164,096
						1921	555,063	20*	140,000	159,256
						1922	535,160	20*	95,000	199,055
						1923	534,799	20*	110,000	224,980
						1924	535,925	20*		

* Free of tax.

Year Ended June 30.	Number of Branches.	LIABILITIES.										Total Liabilities or Assets.	ASSETS.									
		Capital and Reserves.	Per Cent.	Un- divided Profits.	Per Cent.	Accept- ances.	Per Cent.	Loans and Bills Pay- able.	Per Cent.	Deposit and Current Accounts.	Per Cent.		Cash in Hand, at Bankers, at Call, and in Transit.	Per Cent.	Invest- ments.	Per Cent.	Bills of Ex- change.	Per Cent.	Dis- counts, Loans, &c.	Per Cent.	Buildings & Sundries, including Cover for Acceptances.	Per Cent.
1890..	8	£ 606,500	10.5	£ 56,159	1.0	£ ..	..	£ 1,647,201	28.6	£ 3,450,599	59.9	£ 5,760,459	£ 853,688	14.8	£ 695,247	12.1	£ 2,436,261	42.4	£ 1,733,473	30.0	£ 41,790	0.7
1895..	14	660,000	10.9	39,937	0.7	..	..	1,105,046	18.2	4,271,898	70.2	6,076,881	1,669,011	27.5	442,985	7.3	2,285,317	37.4	1,631,948	27.0	47,620	0.8
1900..	18	830,000	8.8	52,982	0.6	264,649	2.8	2,373,381	25.0	5,911,728	62.8	9,432,740	1,636,724	17.3	706,148	7.5	2,922,575	31.0	3,826,172	40.6	341,121	3.6
1905..	20	1,125,000	9.8	91,511	0.8	489,791	4.2	839,996	7.3	8,960,241	77.9	11,506,539	2,479,643	21.6	954,925	8.3	3,179,059	27.6	4,248,011	36.9	644,901	5.6
1910..	22	1,600,000	10.1	127,550	1.4	585,091	3.7	1,576,145	9.3	12,851,987	81.2	15,840,773	2,982,501	18.8	1,182,278	7.5	4,862,176	30.6	6,116,095	38.7	697,723	4.4
1913..	26	2,040,000	11.0	158,324	0.9	921,137	5.0	1,263,051	6.8	14,086,449	78.5	18,469,011	3,617,074	19.6	905,113	4.9	5,976,171	32.3	6,923,148	37.5	1,047,505	5.7
1914..	26	2,100,000	10.7	210,407	1.1	985,455	5.0	585,787	3.0	15,710,161	80.2	19,591,810	4,052,224	20.7	869,208	4.4	6,195,880	31.6	7,558,119	37.5	1,126,379	5.8
1915..	26	2,175,000	10.7	227,492	1.1	1,014,445	4.5	727,754	3.6	16,392,710	80.1	20,433,402	5,216,934	25.5	1,368,979	6.7	7,066,168	34.6	7,576,070	28.0	1,055,261	5.2
1916..	26	2,200,000	10.1	244,468	1.1	647,658	3.0	935,719	4.6	17,637,368	81.2	21,723,211	4,108,906	18.8	1,974,650	6.0	7,833,188	34.6	5,973,427	27.5	835,127	3.8
1917..	28	2,250,000	9.1	250,460	1.0	825,088	3.3	1,251,521	5.1	20,212,400	81.5	24,789,469	4,540,222	18.3	1,928,570	7.8	8,949,704	40.8	5,973,427	27.5	835,127	3.8
1918..	28	2,350,000	7.4	317,057	1.0	634,482	2.0	1,693,279	5.3	26,719,205	84.3	31,714,023	5,469,013	17.2	2,444,494	7.7	14,421,088	45.5	8,564,418	27.0	815,010	2.6
1919..	28	3,350,000	9.3	308,722	0.9	839,579	2.3	1,887,026	5.2	29,789,926	82.3	36,175,253	6,083,390	16.8	2,855,482	7.9	16,189,802	39.4	11,885,665	27.9	1,011,915	2.8
1919 ¹ ..	28	3,530,000	7.9	475,634	1.1	1,680,052	3.1	2,496,906	5.9	35,164,356	83.0	44,366,948	9,305,503	20.8	2,855,482	7.9	16,189,802	39.4	11,885,665	27.9	1,011,915	2.8
1920..	28	4,300,000	6.8	387,367	0.7	1,686,186	3.1	2,210,950	4.0	46,538,133	85.8	54,322,636	8,576,690	15.7	4,079,274	7.5	16,189,802	39.4	11,885,665	27.9	1,011,915	2.8
1920 ² ..	28	4,300,000	7.8	539,032	1.0	3,795,674	6.8	1,516,602	2.7	45,200,202	81.7	55,351,510	10,619,019	19.2	3,554,529	6.4	16,682,779	39.4	12,030,810	38.6	1,974,525	3.6
1921..	28	4,500,000	10.6	504,096	1.2	2,003,545	3.8	1,411,792	2.6	34,259,899	80.9	42,418,027	6,358,619	15.0	5,075,365	12.0	13,747,653	32.4	14,831,021	34.9	2,402,369	5.7
1922 ¹ ..	28	4,600,000	11.4	499,256	1.2	1,535,425	3.8	1,481,736	3.7	32,267,602	79.9	40,384,019	5,355,763	13.2	8,639,272	21.1	10,209,375	25.4	14,247,131	35.2	1,952,478	4.8
1922 ² ..	28	4,700,000	12.1	494,055	1.3	1,114,954	2.9	1,130,999	2.9	31,254,516	80.8	38,694,524	5,205,801	13.5	12,612,806	32.6	6,890,169	17.7	12,482,024	32.9	1,548,301	4.0
1924 ¹ ..	28	4,750,000	11.8	534,980	1.3	1,392,826	3.4	1,106,287	2.7	32,548,163	80.8	40,332,256	5,111,175	12.7	13,763,697	34.2	6,698,669	16.2	12,900,028	31.2	1,858,287	4.6

* Includes Treasury Bills.

1 Dec. 21

JOINT-STOCK BANKS OF ENGLAND AND WALES

BANK OF ENGLAND.

At the half-yearly Court of the Bank of England, held on September 17th, the Right Honble. Montagu Collet Norman, the Governor, stated that the profits of the half-year ended August 31st, after making provision for all contingencies, had been £698,889, making the amount of the "rest" on that day £3,721,981, and that after providing for a dividend of 6 per cent., less income-tax, the "rest" would be £3,023,436.

SEPTEMBER 30, 1925.

ISSUE DEPARTMENT.

	£		£
Notes issued	178,391,230	Government debt	11,015,100
		Other securities	8,734,900
		Gold coin and bullion	158,641,230
	178,391,230		178,391,230

BANKING DEPARTMENT.

	£		£
Proprietors' capital	14,553,000	Government securities	36,772,772
Reserve	3,732,957	Other securities	75,576,311
Public deposits	27,109,807	Notes	33,616,665
Other deposits	102,380,781	Gold and silver coin	1,825,483
Seven-day and other bills	5,386		
	147,791,231		147,791,231

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

BARCLAYS BANK LIMITED.

BALANCE-SHEET—June 30, 1925.

LIABILITIES.	£	ASSETS.	£
Current, deposit, and other accounts (including balance of profit and loss)	298,947,270	Cash in hand and with the Bank of England	44,044,078
Acceptances and endorsements, &c., for account of customers	10,980,330	Balances with other British banks and cheques in course of collection	9,740,932
Capital, viz.: 857,589 "A" shares of £4 each, fully paid, £3,430,356; 11,760,811 "B" shares of £1 each, fully paid, £11,760,811; 401,205 "C" shares of £1 each, fully paid, £401,205	15,592,372	Money at call and short notice	20,547,615
Reserve fund	8,250,000	Bills discounted	27,667,530
	333,769,972	Investments (including £785,314 securities lodged for public accounts)—securities of, or guaranteed by, the British Government, £55,091,107; British Dominions and Colonial Government securities, Bank of England and British Corporation stocks, £2,600,174; other investments, £860,975	58,552,256
		The British Linen Bank—£1,214,498 stock	3,643,495
		Union Bank of Manchester, Limited—300,000 shares of £5 each, £2,100,000	2,400,000
		Anglo-Egyptian Bank, Lim.—113,016 shares of £15 each, £5 paid	1,412,703
		Advances to customers and other accounts	149,603,033
		Liability of customers for acceptances and endorsements, &c.	10,980,330
		Bank premises and adjoining properties	5,176,003
			333,769,972

BANK OF LIVERPOOL AND MARTINS, LIMITED.

BALANCE-SHEET—June 30, 1925.

LIABILITIES.	£	ASSETS.	£
Capital paid up: £2 10s per share on 939,556 shares of £20 each	2,348,890	Cash in hand and balances with the Bank of England	6,341,166
Reserve fund	1,700,000	Balances with, and cheques in course of collection on, other British Banks	2,084,528
Amount due on current, deposit, and other accounts	58,050,861	Money at call and short notice	4,286,933
Bank's acceptances, as per contra	1,171,024	Investments:—In British Government securities £5,547,082; in Indian & Colonial Government stocks, Corporation stocks and other first-class securities, £2,453,653	8,000,735
Endorsements, guarantees and other obligations on account of customers, as per contra	3,299,221	Bills of exchange	2,201,521
		Advances to customers and other accounts	37,651,175
		Bank premises—less amounts written off	1,533,683
		Liability of customers for the bank's acceptances, as per contra	1,171,024
		Liability of customers for endorsements, guarantees and other obligations, as per contra	3,299,221
			66,569,996

DISTRICT BANK, LIMITED.

BALANCE-SHEET—June 30, 1924.

LIABILITIES.	£	ASSETS.	£
Capital—632,000 shares, £15 each, £3 paid	1,896,000	Cash in hand and in the Bank of England	6,189,654
Reserve fund	1,750,000	Money at call and short notice	4,254,190
Current, deposit, and other accounts (including balance of profit and loss)	52,020,343	Bills of exchange (including Treasury bills)	3,369,822
Acceptances	439,246	British Government securities	14,237,212
		British railway debentures, Corporation stocks, &c.	332,749
		Advances to customers and other accounts	26,582,716
		Liabilities of customers for bank's acceptances	439,246
		Bank property	700,000
			56,105,589

GLYN, MILLS, AND CO.

BALANCE-SHEET—June 30, 1925.

LIABILITIES.	£	ASSETS.	£
Capital paid up	1,060,000	Coin, bank and currency notes, and balance at Bank of England	4,360,606
Reserve fund	530,000	Balances with, and cheques in course of collection on, other banks in the United Kingdom	1,162,175
Current, deposit, and other accounts	27,838,489	Money at call and at short notice	2,894,150
Acceptances & engagements on account of customers	1,600,289	Bills discounted	1,590,107
Reduction of the bank premises account	171,490	Investments:—British Government securities, including £528,148 deposited as security for Public Accounts, £8,396,609; other securities, £874,747	9,271,356
		Advances to customers and other accounts	9,626,585
		Liabilities of customers for acceptances and engagements, as per contra	1,600,289
		Bank and other premises (freehold)	695,000
			31,200,268

Australian Mutual Provident Society

(A.M.P.)

Established 1849.

(A.M.P.)

SEVENTY-SIXTH ANNUAL REPORT.

Remarkable Figures.—Ordinary Department.

NET NEW BUSINESS.—26,397 Policies Assuring £13,230,721, with Annual Premiums of £408,173.
 DEATH CLAIMS.—£1,605,254, including Bonus Additions of £525,788. This is only 55 per cent. of the "Expected."
 MATURITY CLAIMS.—£1,172,410, including Bonus Additions of £323,954.
 ACCUMULATED FUNDS (including Industrial) have increased by £3,534,680 and amount to £55,812,779.
 WAR AND REPATRIATION LOAN SUBSCRIPTIONS total over £14,514,000.
 THE DIVISIBLE SURPLUS is £2,223,786, which represents a return of 52.9 per cent. of the premiums received under participating policies. The corresponding Reversionary Additions amount to about £3,800,000.
 THE VALUATION (on a Pure Premium Basis) has been made at 3 per cent.
 THE EFFECTIVE RATE OF INTEREST (after deducting Income Tax) was £5 9s. 9d. per cent. There is therefore an Interest Margin of nearly 2½ per cent.
 THE EXPENSE RATE (excluding Taxes) was 12.77 per cent. of the Premium Income. This is only about three-quarters of the provision for expenses included in the Premiums.
 THE TOTAL ASSURANCES issued in 76 years amount to £253,342,982, of which £137,681,128, or nearly 51 per cent., are still in force.

LONDON OFFICE: 73-76, KING WILLIAM STREET, E.C.4.
 W. C. FISHER, Manager for the United Kingdom.

IMPERIAL BANK OF INDIA

Constituted under the Imperial Bank of India Act, 1920.

For the purpose of taking over the undertakings and business of the Bank of Bengal, the Bank of Bombay, and the Bank of Madras.

BANKERS TO THE GOVERNMENT OF INDIA.

AUTHORISED CAPITAL: 225,000 shares of Rs. 500 each	Rs.	11,25,00,000
PAID-UP CAPITAL as on 30th June, 1925: 75,000 Shares of Rs. 500 each—Fully Paid	"	3,75,00,000
150,000 Shares of Rs. 500 each—Rs. 125 Paid	"	1,87,50,000
	Rs.	5,62,50,000

RESERVE FUND as on 30th June, 1925 4,77,50,000
 RESERVE LIABILITY OF SHAREHOLDERS as on 30th June, 1925 5,62,50,000

Managing Governors:—Sir NORCOT H. Y. WARREN, K.C.I.E.; N. M. MURRAY, Esq.
 Local Head Offices: CALCUTTA, BOMBAY, MADRAS.

London Office:—5, Whittington Avenue, E.C.3. Sir S. A. H. SITWELL, Manager.

BRANCHES.

Burra Bazaar, Calcutta	Berhampore	Dhulia	Jallundhar City	Mylapore	Salem
Olive Street, Calcutta	(Ganjam)	Dibrugarh	Karachi	Mymensingh	Sargodha
Park Street, Calcutta	Bezwada	Ellora	Kasur	Nadlad	Secunderabad
Byculla, Bombay	Bhilsa (Sub-Agency)	Erode	Katni	Nagpur	Serajgunge
Mandvi, Bombay	Agency	Etawah	Khamgaon	Naini Tal	Shivpur
Sandhurst Road, Bombay	Bhind (Sub-Agency)	Farrukhabad	Khandwa	Nandyal	(Sub-Agency)
Mount Road, Madras	Agency	Ferozepore	Kumbakonam	Narsingunge	Sholapur
Abbotabad	Bhopal	Fyzabad	Lahore	Nasik	Sialkot
Agra	Broach	Gaya	Larkana	Nagapatam	Simla
Ahmedabad	Bulandshahr	Godhra	Lucknow	Nellore	Srinagar (Kashmir)
Ahmedabad City	Calcut	Gorakhpur	Ludhiana	Nowshera	Surat
Ahmednagar	Cawnpore	Guna (Sub-Agency)	Lyalpur	Ootacamund	Thana
Ajmer	Chandpur	Guntur	Madura	Farbani (Sub-Agency)	Tellicherry
Akola	Chittagong	Gwalior	Mandalay	Panna	Tinnevely
Akora	Cochin	Hathras	Masulipatam	Peshawar	Tirupur
Alibabad	Coimbatore	Hubli	Meerut	Peshawar City (Sub-Agency)	Trichinopoly
Alleppey	Colombo	Hyderabad (Deccan)	Mirzapore	Poona	Trivandrum
Ambala	Cuddalore	Hyderabad (Sind)	Montgomery	Poona City	Tuticorin
Ambala Cant. (Sub-Agency)	Cuttack	Indore	Moradabad	Purnea	Ujjain
Amraoti	Dacca	Jaipur	Moulmein	Quetta	Vellore
Amritsar	Dalhousie	Jalpaiguri	Multan	Rajahmundry	Vizangaam
Bangalore	Darjeeling	Jamshedpur	Murree	Rajkot	Vizapatnam
Bareilly	Dehra Dun	Jharia (Sub-Agency)	Mussoorie	Rangoon	Vizianagram
Bassein	Delhi	Jubbulpore	Muttra	Rangpur	Wardha
Bellary	Dhanbad		Muzaffarnagar	Rawalpindi	Yeotmal
Benares			Muzaffarpur	Saharanpur	

CURRENT ACCOUNTS—Opened free of charge.
 SAVINGS BANK DEPOSITS—Received and interest allowed.
 GOVERNMENT AND OTHER SECURITIES—Received for safe custody. Purchases and Sales effected, Interest and Dividends collected and credited to account or remitted in accordance with instructions.
 LOANS AND CASH CREDITS—Granted, and approved Mercantile Bills discounted.
 Rates, copies of rules, Powers of Attorney, &c., may be had on application at any of the Local Head Offices or Branches of the Bank.

BANK OF ATHENS

Head Office: ATHENS.

Paid-up-Capital - Drs. 72,000,000

With offices in all the principal towns in Greece, Egypt, Cyprus, Crete, also at Durazzo, Albania, the Bank extends facilities for Export and Import Trade between Great Britain and the Near East generally.

ENQUIRIES INVITED.

New York: 25, Pine St.
 Boston: Athens Bankers' Corporation, 16, State St.

London: 22, FENCHURCH STREET, E.C.3

COUTTS AND CO.

BALANCE-SHEET—June 30, 1925.

LIABILITIES.	£	ASSETS.	£
Capital paid up	800,000	Coin, Bank of England and	
Reserve fund	800,000	currency notes in the	
Current, deposit, and other		United Kingdom and	
accounts, including rebate		balances with the Bank of	2,179,604
on bills not due, provisions		England	
for bad and doubtful debts,		Balances with, and cheques	
contingencies, &c.,	17,717,445	in course of collection on,	
Liabilities for acceptances,		other banks in the United	
endorsements, engage-		Kingdom and Ireland, and	
ments, &c., as per contra..	4,838	cheques, drafts, &c., in	
		transit	686,702
		Money at call & short notice	2,911,250
		Investments (of which	
		£200,000 is lodged for	
		Queen Anne's bounty),	
		British Government	
		stocks, £3,505,609;	
		Colonial Government	
		stocks, Corporation	
		stocks, and other invest-	
		ments, £772,071	4,277,680
		Bills discounted—Payable	
		by British firms and in-	
		stitutions in the United	
		Kingdom, and Treasury	
		bills	1,318,149
		Advances to customers and	
		other accounts	7,597,629
		Bank premises	346,430
		Liabilities of customers for	
		acceptances, endorse-	
		ments, engagements, &c.,	
		as per contra	4,839
	19,322,283		19,322,283

MANCHESTER AND COUNTY BANK, LIMITED.

BALANCE-SHEET—June 30, 1925.

LIABILITIES.	£	ASSETS.	£
Capital—273,010 shares £20		Cash on hand, at call, and at	
each, £4 paid	1,092,040	short notice	2,642,488
Reserve fund	1,025,000	Bills of exchange, less rebate	1,056,191
Unclaimed dividends	2,227	Investments:—	
Current, deposit, and other		Securities of, or guaranteed	
accounts (inc. balance of		by the British Government,	
profit and loss account) ..	19,595,950	and Bank of England stock,	
Acceptances by the bank ..	90,133	£3,652,166; other securities,	
		£413,751	4,065,897
		Advances on current	
		and other accounts	13,550,641
		Liability of customers on	
		acceptances by the bank ..	90,133
		Bank property account: pre-	
		misses in Manchester and	
		branch offices	400,000
	21,805,350		21,805,350

National Bank of Commerce
in New YorkChairman of the Board
JAMES S. ALEXANDERPresident
STEVENSON E. WARD

Capital Paid up	\$25,000,000
Surplus	\$25,000,000
Undivided Profits	\$15,000,000

The National Bank of Commerce in New York places complete banking services at the disposal of its customers throughout the world bringing them in contact with all phases of commerce and industry in the United States.

LONDON REPRESENTATIVE
2 and 3, Crosby Square
Bishopsgate, E.C. 3



LANCASHIRE AND YORKSHIRE BANK, LIMITED.

BALANCE-SHEET—June 30, 1925.

LIABILITIES.	£	ASSETS.	£
Capital paid up	1,006,560	Cash and money at short	
Reserve fund	1,006,560	notice	4,645,003
Profit and loss account—		*Investments (at under	
Balance from last half-year		market value)	8,534,020
Current, deposit, and other	105,668	Bills of exchange (including	
accounts	24,649,446	Treasury bills)	2,797,794
Acceptances and endorse-		Advances and loans	10,405,405
ments	175,796	Acceptances and endorse-	
Notes in the Isle of Man ..	13,988	ments, per contra	175,796
		Bank property account	400,000
		*Including £69,000 Indian	
		Government securities	
		lodged against note cir-	
		culation in the Isle of	
		Man	
	26,958,018		26,958,018

LLOYDS BANK LIMITED.

BALANCE-SHEET—June 30, 1925.

LIABILITIES.	£	ASSETS.	£
Current, deposit, and other		Cash in hand and with the	
accounts	338,371,355	Bank of England	36,429,832
Acceptances, endorsements,		Balances with, and cheques	
guarantees, &c.	18,930,519	in course of collection on,	
Capital paid up	14,372,956	other banks in the British	
Reserve fund	10,000,000	Isles	11,784,348
		Money at call & short notice	22,548,452
		Bills of exchange	48,684,415
		Treasury bonds and other	
		short-term British Govern-	
		ment securities	35,303,269
		Other British Government	
		securities	14,686,983
		Indian and Colonial Govern-	
		ment securities, Corpora-	
		tion stocks, English rail-	
		way debenture and prefer-	
		ence stocks, and other	
		investments	4,348,704
		*NOTE.—There is a con-	
		tingent liability for un-	
		called capital in respect of	
		a portion of these invest-	
		ments.	
		The National Bank of Scot-	
		land, Limited, £4,864,070	
		(nominal) stock (£1,070,095	
		8s paid up) at £300 for	
		each £110 paid up	2,918,442
		Bank of London and South	
		America, Limited, 402,670	
		shares of £5 each (fully	
		paid) at £8 10s per share ..	3,422,695
		Lloyds and National Pro-	
		vincial Foreign Bank,	
		Limited, 12,500 shares of	
		£50 each (£22 paid up) at	
		£20 per share	240,000
		Advances to customers and	
		other accounts	176,688,694
		Liabilities of customers for	
		acceptances, endorsements,	
		guarantees, &c., as per	
		contra	18,930,519
		Bank premises	5,688,477
			381,674,830

MIDLAND BANK, LIMITED.

BALANCE-SHEET—June 30, 1925.

LIABILITIES.	£	ASSETS.	£
Capital paid up, viz.—		Coin, bank, and currency	
2,869,079 shares of £12 each,		notes and balances with	
£2 10s paid, £7,172,698;		the Bank of England	51,563,186
1,931,677 shares of £2 10s		Balances with, and cheques	
each, fully paid £4,804,192	11,976,890	in course of collection	
Reserve fund	11,976,890	on, other banks in Great	
Current, deposit, and other		Britain and Ireland	17,760,013
accounts (including		Money at call & short notice	16,101,354
balance of profit and loss		Investments—	
account)	346,359,435	War Loan (£428,057 10s,	
Acceptances and engage-		lodged for public and	
ments on account of		other accounts), War	
customers	29,482,109	Bonds and other short-	
		dated British Governmt.	
		securities £34,404,445;	
		stocks guaranteed by	
		the British Government	
		and Indian Railway	
		guaranteed debentures,	
		£675,809; British Cor-	
		poration stocks, £281,294;	
		Colonial and Foreign	
		Government stocks and	
		Bonds, £189,389; sundry	
		investments, £36,639 ..	35,647,576
		Bills discounted	41,043,679
		Advances to customers and	
		other accounts	198,027,998
		Liabilities of customers for	
		acceptances and engage-	
		ments	29,482,109
		Bank premises at head office	
		and branches	5,930,632
		Belfast Banking Co., Lim.,	
		200,000 shares of £12 10s	
		each, £3 paid, £600,000;	
		reserve and undivided	
		profits, £869,020	1,289,020
		The Clydesdale Bank, Lim.,	
		100,000 shares of £50 each,	
		£10 paid; 25,000 shares of	
		£10 each, fully paid;	
		£1,250,000; reserve and un-	
		divided profit, £1,351,041 ..	2,601,041
		North of Scotland Bank,	
		Lim., 163,000 shares of £20	
		each, £6 10s paid, £1,059,500;	
		reserve and undivided	
		profits £944,227	2,003,727
		The London City & Midland	
		Executor and Trustee Co.,	
		Lim., 200,000 shares of £5	
		each, £1 paid, £200,000;	
		reserve and undivided	
		profits, £144,989	344,989
			401,795,324

THE
BRITISH FOREIGN & COLONIAL CORPORATION
LIMITED.

B.F.C. HOUSE, GRESHAM STREET, LONDON, E.C.2

and at 8, CHARLOTTE SQUARE, EDINBURGH.

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(Union of Socialist Soviet Republics),

FORMERLY STATE BANK OF THE R.S.F.S.R.

MOSCOW.

Telegraphic Address: Inpravbank, Moscow.

	Chervonets.
Capital	10,000,000
Bank Note Issue, on September 16th, 1925	72,698,360
Issue Department's Gold and Platinum Reserve	19,680,662
Issue Department's Foreign Currency Reserve	4,685,266

N.B.—1 Chervonetz contains 119.4826 grains of pure gold and equals £1 1s. 1½d or \$5.14½.

Branches in every European and Asiatic Centre of the Union.

DEPOSITS AND CURRENT ACCOUNTS IN FOREIGN AND
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REMITTANCES EFFECTED IN ALL PARTS OF THE
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National Provincial Bank Limited. Guaranty Trust
Company of New York. Equitable Trust Company of
New York. Bank for Russian Trade, Ltd. Moscow
Narodny Bank Limited. J. Henry Schröder & Co.
Samuel Montagu & Co. S. Japhet & Co., Ltd.

NEW YORK CORRESPONDENTS:

Guaranty Trust Company of New York. Equitable Trust
Company of New York. Chase National Bank of the
City of New York. International Acceptance Bank.
Irving Bank—Columbia Trust Company. J. Henry
Schröder Banking Corporation.

NATIONAL PROVINCIAL BANK, LIMITED.

BALANCE-SHEET—June 30, 1925.

LIABILITIES.	£	ASSETS.	£
Capital paid up	9,479,416	Coin, Bank of England and currency notes in the United Kingdom, and balances with the Bank of England	28,891,246
Reserve fund	9,479,416	Balances with, and cheques in course of collection on, other banks in the United Kingdom and Ireland, and cheques, drafts, &c., in transit	9,621,229
Current, deposit, and other accounts	254,290,571	Money at call and short notice	18,150,630
Liabilities for acceptances, endorsements, &c., as per contra	9,285,478	Investments (of which £209,640 is lodged for public accounts), £40,102,279; investments in affiliated banks, £2,754,000	42,856,279
		Bills discounted—(1) Payable by British firms and institutions in the United Kingdom, and Treasury bills, £34,419,786; (2) Other bills, £2,094,200 ..	36,513,986
		Advances to customers and other accounts	132,823,115
		Bank premises	4,392,918
		Liabilities of customers for acceptances, endorsements, &c., as per contra ..	9,285,478
			282,534,881

WESTMINSTER BANK, LIMITED.

BALANCE-SHEET—June 30, 1925.

LIABILITIES.	£	ASSETS.	£
Capital paid up	9,051,718	Coin, bank and currency notes and balances with the Bank of England ..	32,382,310
Reserve fund	9,051,718	Balances with, and cheques in course of collection on, other banks in Great Britain and Ireland	10,243,294
Current, deposit, and other accounts	269,015,340	Money at call and short notice	24,298,584
Liabilities for acceptances, endorsements, &c., as per contra	11,175,673	Bills discounted	34,342,723
Notes in circulation in the Isle of Man	13,223	Investments in affiliated banks	2,991,706
		Advances to customers and other accounts	128,678,661
		Bank premises account ..	4,160,280
		Liabilities of customers for acceptances, endorsements, &c., as per contra ..	11,175,673
			298,307,672

WILLIAMS, DEACON'S BANK, LIMITED.

BALANCE-SHEET—June 30, 1925.

LIABILITIES.	£	ASSETS.	£
Capital, 1,562,500 "A" shares, £1 paid, £1,562,500; 312,500 "B" shares, £12,500	1,875,000	Coin, bank and currency notes, and balances with the Bank of England ..	4,052,545
Reserve fund	1,250,000	Balances with, and cheques in course of collection on, other banks in the United Kingdom	1,388,485
Current, deposit, and other accounts	32,944,598	Money at call and short notice	2,332,165
Liabilities for acceptances, endorsements, &c., as per contra	1,380,640	Bills discounted	2,327,314
		British Government securities	3,942,711
		Other investments	658,200
		Advances to customers and other accounts	20,495,059
		Bank premises account ..	873,089
		Liabilities of customers for acceptances, endorsements, &c., as per contra ..	1,380,640
			37,450,238

YORKSHIRE PENNY BANK, LIMITED.

BALANCE-SHEET—June 30, 1925.

LIABILITIES.	£	ASSETS.	£
Capital paid up	750,000	Cash in hand, at Bank of England, and at short notice	8,002,689
Reserve fund	750,000	British Government Treasury bills	620,000
Amount due to depositors and other accounts	28,504,964	British Government Treasury and Exchequer Bonds	11,126,309
		British Government 5 per cent. War Stock	105,353
		Do 4 per cent. do	768,253
		Do 3½ per cent. do	1,358,257
		British Government National War Bonds	3,237,350
		Other securities	1,041,560
		Loans on security and other accounts	3,225,694
		Bank premises	519,499
			30,004,964

PRIVATE BANKS.

CHARLES HOARE AND CO.

BALANCE-SHEET—July 6, 1925.

LIABILITIES.	£	ASSETS.	£
Amount due on current accounts	2,143,729	Cash in hand and at bankers ..	594,176
Amount due on deposit accounts	1,123,784	Cash at call	435,000
Capital and reserve	500,000	Investments at market price: National War Bonds and Five per cent. War Stock 1929-1942	1,150,625
		British Government and other Trustee securities	470,954
		Other securities	115,506
		Loans, overdrafts, and bills discounted	901,253
		Freeholds	100,000
			3,767,513

LONDON DISCOUNT COMPANIES.

ALEXANDERS DISCOUNT COMPANY, LIMITED.

BALANCE-SHEET—June 30, 1925.

LIABILITIES.	£	ASSETS.	£
Capital, 125,000 shares of £10 each, of which there have been issued—10,000 £10 6 per cent. preference shares, fully paid	100,000	Cash at bankers	504,960
100,000 £10 ordinary shares, £5 paid	500,000	Short-dated Imperial and Indian Government securities	2,787,855
Reserve fund	460,000	Other British Government securities	153,739
Bills re-discounted	3,401,114	Bills discounted	16,642,717
Deposits and sundry balances, including profit and loss account	15,724,474	Loans on security and sundry accounts	96,319
		(Out of the above, assets of the value of £19,168,613 are held by depositors and others as cover for liabilities, per contra.)	
			20,185,588

GILLETT BROTHERS DISCOUNT CO., LIMITED.

BALANCE-SHEET—July 31, 1925.

LIABILITIES.	£	ASSETS.	£
Dr. Capital—1,000 shares of £100	100,000	Cash in hand and at bankers ..	49,904
Reserve fund	70,000	British and Colonial Government securities (maturing 1926-1929)	295,000
Deposits, loans, bills re-discounted & sundry accounts, including rebate on bills and investments reserve fund	10,463,292	Bills discounted (including re-discounts)	9,964,617
		Loans on security & sundry accounts	323,771
		(Out of the above, assets of the face value of £10,453,636 are held by depositors and others as cover for liabilities per contra.)	
			10,633,292

LATEST BALANCE-SHEETS OF FOREIGN BANKS HAVING LONDON OFFICES AND OF BRITISH BANKS TRADING ABROAD.

ANGLO-AUSTRIAN BANK, LIMITED.

BALANCE-SHEET—December 31, 1924.

LIABILITIES.	£	ASSETS.	£
Capital subscribed	400,000	Cash in hand, with the Bank of England, with bankers in London and official clearing institutions abroad	512,128
400,000 6 per cent. non-cumulative participating preference shares of £1 each, fully paid up ..	400,000	Money at call	287,132
6,370 preferred ordinary shares of £1 each, issued as fully paid	6,370	Balances with bankers abroad	598,362
1,000,000 ordinary shares of £1 each, of which 997,822 have been issued as fully paid, and the balance, namely, 2,178 fully-paid ordinary shares of £1 each, remain to be exchanged against shares of the Old Anglo-Oesterreichische Bank ..	1,000,000	Bills receivable	519,434
Opening reserve account, £375,156; less compensation to employees in Austria during 1924, £110,156	265,000	British Government bonds and Treasury bills	608,200
Current, deposit, and other accounts, and provision for contingencies	8,517,630	Stocks, shares, syndicates, and participations in banking, industrial, and other undertakings abroad	1,983,801
Acceptances for account of customers	1,274,253	Bank premises and fittings ..	320,976
Guarantees for account of customers	318,376	Advances to customers and other debtors, less reserves ..	5,468,655
Profit and loss account	109,719	Customers for acceptances, on their behalf, as per contra	1,274,254
		Customers for guarantees, on their behalf, as per contra ..	318,376
			11,891,318

CERTIFICATES OF INDEBTEDNESS.—There are also outstanding £337,000 certificates of indebtedness to be paid only out of (or by the application of) certain profits or reserves of the bank.

FERRIER LULLIN & CIE.

GENEVA.
Established 1795.

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Governor... THE LORD FARINGTON.

London Manager: P. C. WEST.

Secretary: G. DE B. BROUNLIE.

The Corporation is prepared to assist in the development of the Trade of the British Empire in every part of the world, and offers exceptional financial facilities to British Manufacturers and Merchants for the increase of their export and import trade.
It has Agents and Correspondents in all parts of the world, and transacts Banking business of every description.
It invites enquiries, and will endeavour, where necessary, to put expert advice at the disposal of correspondents regarding the financing of their foreign and overseas business. Moneys received on fixed deposit. Terms on application.

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SOCIÉTÉ GÉNÉRALE (DE PARIS)

(SOCIÉTÉ ANONYME).

Subscribed Capital - - - Frs. 500,000,000
Paid-up Capital - - - Frs. 250,000,000
Reserve Fund - - - Frs. 57,026,002
Deposits at 31st Dec., 1924 Frs. 5,352,480,000

Head Office: 29 BOULEVARD HAUSSMANN, PARIS.

LONDON Office: 105 OLD BROAD STREET, E.C.2.

West End Branch: 65 REGENT STREET, W.1.

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This Bank transacts every description of English and Foreign Banking business, including the sale of Drafts, Telegraphic Transfers and Circular Letters of Credit. It also undertakes the purchase and sale of Stocks and Shares on the London and Continental Exchanges, the collection and cashing of Dividends, Coupons, Bills of Exchange, Drawn Bonds, arrangements for Documentary Credits, &c., &c.

The West End Branch has been specially fitted with Safe Deposits for the use of Customers. This Office buys and sells Foreign Exchange and Securities.

PROFIT AND LOSS ACCOUNT.	
Dr.	Cr.
Preference share dividend in respect of the year 1923 at 6 per cent. per annum	24,000
Balance carried to balance-sheet	409,718
	133,718

ANGLO-EGYPTIAN BANK, LIMITED.

BALANCE-SHEET—August 31, 1924.

LIABILITIES.		ASSETS.	
£		£	
Capital—120,000 shares of £15 per share, £5 per share paid up	600,000	Cash in London, at branches, in transit, and at call	1,007,117
Reserve fund	720,000	British and Colonial Government securities, at market price or under	2,714,281
Pension reserve fund	114,870	Other investments, at market price or under	170,303
Bills payable	373,312	Advances and other accounts	5,621,708
Acceptances for account of clients, per contra	428,727	Liabilities of clients for acceptances, per contra	428,727
Deposits, current, and other accounts, including contingency account	11,867,436	Bills receivable, including £1,355,000 British Treasury bills	3,966,756
Balance of profit and loss	117,302	Freehold and leasehold premises	312,755
Liability on bills of exchange rediscounted, £11,835			
	14,221,647		14,221,647

PROFIT AND LOSS ACCOUNT.

Dr.	Cr.
Interim dividend of 5s per share paid, free of income-tax, June 1, 1924	30,000
Written off premises account	10,000
Balance	117,302
	157,302

BANCA COMMERCIALE ITALIANA.

BALANCE-SHEET—December 31, 1924.

LIABILITIES.		ASSETS.	
Lire.		Lire.	
Capital paid up	338,000,000	Cash in hand	441,357,260
Reserve funds	280,000,000	Bills receivable (inclusive of Treasury bills)	4,149,468,653
Bills payable	383,127,410	Bills for collection	152,020,231
Commercial acceptances	507,183,968	Loans and advances	668,523,824
Deposits and current accounts	6,531,070,322	Participations in other banks and syndicates	291,167,156
Creditors on collection accounts	277,725,158	Government securities, railway and other bonds and shares	280,738,925
Guarantees	277,512,987	Current accounts	2,409,356,111
Securities deposited	5,085,137,779	Bank premises	52,425,785
Other liabilities	439,465	Guarantees, as per contra	277,512,987
Rebate on bills	23,282,825	Securities, as per contra	5,085,137,779
Net profit (including Lire 17,136,218 brought forward from December 31, 1923)	104,268,857		
	13,807,746,771		13,807,746,771

* Of which Lire 75,065,300 belonging to the Pension Fund.

BANK OF ATHENS.

BALANCE-SHEET—June 30, 1925.

LIABILITIES.		ASSETS.	
Drs.		Drs.	
Capital fully paid	72,000,000	Cash in hand, at banks, and Treasury bills	340,060,716
Reserves	28,600,000	Balances due from banks abroad	107,388,775
Current, deposit, and other accounts	1,353,722,228	Bills receivable	21,730,478
Interim dividend	3,600,000	Loans, advances, bills discounted and other ac'ts	940,326,482
Profit and loss	11,835,708	Investments	38,518,147
	1,469,757,936	Premises	15,023,042
		Property	6,710,224
		Furniture	72
			1,469,757,936

ANGLO-SOUTH AMERICAN BANK, LIMITED.

BALANCE-SHEET—June 30, 1924.

LIABILITIES.		ASSETS.	
£		£	
Issued capital—873,466 shares of £10 each, £5 paid	4,367,330	Cash in hand, at bankers, and at call	10,019,694
Reserve fund	4,000,000	Balances with auxiliary banks	1,048,807
Special reserve, on account of depreciation of capital in Chile	183,827	British Government securities	10,520,323
Sight drafts on head office and branches	1,164,938	Foreign Government, railway and other securities	1,770,286
Bills payable—drafts on head office and branches at usance	5,831,278	Bills receivable	9,984,538
Acceptances on account of customers	4,879,809	Holdings in foreign and auxiliary banks, &c., at cost	2,237,702
Current, deposit, and other accounts	45,567,205	British Bank of South America, Limited, 99,782 shares, at £27 10s	2,744,005
Bills for collection	6,572,584	Commercial Bank of Spanish America, Limited, 485,893 shares, at cost	454,508
Rebate of interest on bills, &c., not due	55,802	Liability of customers for acceptances, per contra	4,879,809
Profit and loss, as per account below, £763,569; less interim dividend paid on 30th April, 1924, £169,234	594,335	Advances, &c.	21,490,216
		Bank premises and office furniture	1,494,636
		Bills for collection, per contra	6,572,584
	73,217,108		73,217,108

PROFIT AND LOSS ACCOUNT.

Income and Loss Account.			
Dr.		Cr.	
Charges at head office and branches	£	Balance brought forward from last account	£
Income-tax and corporation profits tax, to June 30, 1924	915,872	Gross profits and credits, after providing for bad and doubtful debts	337,662
Rebate of interest on bills, &c., not due	214,676		1,612,257
Balance, as per balance-sheet	55,801		
	763,569		
	1,949,918		1,949,918

BANCO DE BILBAO.

BALANCE-SHEET—December 31, 1924.

LIABILITIES.		ASSETS.	
Pesetas.		Pesetas.	
Capital	100,000,000	Cash in hand and at Bank of Spain	55,418,222
Reserve funds	63,000,000	Foreign money and notes, cash value	493,729
Deposits	525,604,526	Cash at other banks and bankers	74,349,344
Bills payable	16,283,281	Bills receivable	140,080,324
Acceptances for account of customers, as per contra	21,850,891	Government securities	121,709,451
Sundry creditors	63,148,593	Railway and other industrial debentures	31,151,362
Profit and loss	1,415,424	Other securities	44,557,133
	791,302,715	Advances to customers against security	46,549,653
		Banking correspondents, &c. in foreign money (equivalent)	59,460,198
		Premises account	19,969,908
		Furniture and fittings	1,886,520
		Liabilities of customers for acceptances, as per contra	21,850,891
		Unissued shares	40,000,000
		Sundry debtors	54,412,177
			791,302,715
		Securities deposited, nominal value	2,900,156,024
			3,691,458,739



The Anglo-South American Bank, Limited.

Head Office:
Old Broad Street, London, E.C.2.

Authorised Capital - £10,000,000
 Reserve Fund - £4,000,000
 Issued Capital - £8,734,660
 Paid-up Capital - £4,367,330

Northern District Office - 69, Market Street, Bradford.
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Organized 1863.

CAPITAL, SURPLUS AND UNDIVIDED PROFITS	...	...	...	...	\$117,000,000
DEPOSITS	...	...	...	...	\$120,000,000
TOTAL RESOURCES	...	...	...	...	\$142,000,000

PHILADELPHIA is the "Workshop of America," and the
leading Commercial Bank is the Philadelphia National Bank.

COMPLETE INTERNATIONAL BANKING SERVICE OF EVERY DESCRIPTION.

Deposit Accounts solicited.

Credit Reports rendered.

Trade Information available for use of our clients wherever located.

LONDON CORRESPONDENTS:

Barclays Bank, Ltd.
Lloyds Bank, Ltd.

Westminster Bank, Ltd.
Midland Bank, Ltd.
National Provincial Bank, Ltd.

BANQUE BELGE POUR L'ETRANGER

SOCIETE ANONYME
(Filiale de la Société Générale de Belgique.)

CAPITAL (subscribed)	...	...	...	...	Frs. 100,000,000
" (paid up)	...	...	...	...	Frs. 75,000,000
RESERVES	...	...	...	...	Frs. 28,000,000

HEAD OFFICE: BRUSSELS, 66, rue des Colonies.

Branches:—PARIS (12, Place de la Bourse), NEW YORK (67, Wall Street), COLOGNE, BUCAREST, BRAILA, CONSTANTINOPLE, CAIRO,
ALEXANDRIA, etc., PEKING, SHANGHAI, TIENTSIN, HANKOW.

LONDON OFFICE: 4, Bishopsgate, E.C.2.

London Committee:—Messrs. J. S. Haekell, A. F. Buxton, G. Grinnell Milne, Emile Francoeur, Chevalier de Wouters and F. Haegler.
AFFILIATED BANKS in ALL TOWNS of any importance in BELGIUM and LUXEMBOURG, and also in FRANCE and GERMANY.
ALLIED BANKS in Austria, Bulgaria, Czechoslovakia, Hungary, Italy (Tyrol), Morocco, Poland, Rumania, Spain and Yugo-Slavia.

CORRESPONDENTS IN ALL PARTS OF THE WORLD.

AGENTS IN THE UNITED KINGDOM FOR THE BELGIAN POSTAL CHEQUE SERVICE.

LETTERS OF CREDIT.

FOREIGN EXCHANGE business a specialty: FOREIGN CURRENCIES bought and sold for immediate or forward delivery, enabling traders
to secure the exchange for their contracts in the currency of the country of their customers.
ALL KINDS OF BANKING BUSINESS UNDERTAKEN.

BANCO DE CHILE.
BALANCE-SHEET—June 30, 1925.

LIABILITIES.		
	Currency.	Gold Dollars of 18d.
Deposits	264,919,180	
In current account and at sight (gold) of 18d.		10,212,245
In current account in London at 18d.		2,903,173
Bank bills at sight	3,642,722	216,309
Deposits of bonds and documents	369,906,956	
Various creditors	11,082,632	15,291,273
Suspense account		241,762
Office of Emission Fiscal	48,000,000	
Office of Emission Fiscal	100,000,000	
Reserve fund	58,000,000	13,333,333
Carry forward from last account	5,841,313	
Unpaid dividends	191,813	
Profit and loss account	9,207,349	
	870,791,965	42,198,095
ASSETS.		
	Currency.	Gold Dollars of 18d.
Cash—		
Fiscal and Treasury notes	26,739,659	
Gold disposable in Chile and London		3,441,792
Silver	1,473,832	
Cheques and balances disposable in other banks in Chile and abroad	4,663,047	2,700,657
Short term investments abroad		1,656,667
Various debtors		9,457,120
Bonds and letters of credit	6,385,029	5,018,667
Government bonds, Law 3772, 5th July, 1921	9,500,000	
Do do Law 3820, 23rd Dec., 1921	50,000,000	
Do do Law 3851, 10th Feb., 1922	1,571,515	
Do do Law 3874, 9th Aug., 1922	21,600,000	
Bonds and shares in custody and guarantee	369,906,956	
Real estate	26,323,369	
Furniture	931,441	1,573
Books and stationery	895,657	
Advances and other documents	334,556,170	
Do in gold in Chile and London at 18d.		13,735,029
Do (Clause 10 of Bank Act)		
Do (Art. 14, Law 1054 of July 31, 1898)	119,417	
Agencies and branches	6,042,046	303,520
Suspense account	1,595,607	
Interest, discount, &c.	4,160,519	539,737
Office of Emission Fiscal		5,333,333
	870,791,965	42,198,095

BANCO DI ROMA.

BALANCE-SHEET—December 31, 1924.

LIABILITIES.		ASSETS.	
	Lire.		Lire.
Share capital	200,000,000	Cash	159,352,259
Reserve fund	25,000,000	Portfolio & Treasury bills	625,875,205
Deposits in current and savings account	470,665,197	Investments	202,512,611
Deposit securities in current account	116,577,270	Securities in deposit	115,577,270
Circular cheques	73,825,747	Banking participations	22,442,613
Ordinary cheques	13,469,771	Short loans	382,615,034
Correspondents—credit balances	1,419,917,069	Real estate	29,532,623
Sundry creditors	21,534,672	Secured advances	61,900,801
Rediscount	3,287,018	Correspondents	683,346,900
Acceptances on behalf of customers, per contra	51,278,606	Sundry debtors	76,838,415
Guarantees for third parties, per contra	173,798,545	Cover for acceptances	51,278,506
Profits carried forward from preceding year	4,001,564	Liabilities of customers, per guarantees	173,798,545
Net profits for current year	13,115,423	Securities deposited	609,339,413
Sundry deposits	809,339,413	Deposit of securities with lien	429,085,926
Deposits with third parties	429,085,926		
	3,824,896,221		3,824,896,221

BANCO ESPANOL DEL RIO DE LA PLATA.

BALANCE-SHEET—June 30, 1925.

LIABILITIES.		ASSETS.	
	£		£
Capital subscribed	4,365,079	Cash	4,012,234
Reserve fund	435	Shareholders (liability on uncalled capital)	1,898,649
Contingency fund	1,672,998	Bills discounted and advances in current account	23,985,749
Deposits	24,301,737	Securities	985,127
Branches and agencies—Operations pending	998,511	Bank premises	1,142,599
Rediscounts	7,934,946	Furniture and fittings	184,570
Rebate—Corresponding to next half-year	220,814	Loan on Bolsa de Comercio	564,565
Sundries	581,203	Mortgages against credits	2,108,149
Profit and loss	201,426	Freehold properties received in payment of advances—Head office	1,772,403
Bills for collection	4,215,563	Branches	506,844
Securities deposited for safe custody	39,140,608	Accounts overdue and in process of liquidation	3,115,838
	83,633,320	Investment in National Loans, A.C. Reserve	422
		Bills for collection	4,215,563
		Securities deposited for safe custody	39,140,608
			83,633,320

PROFIT AND LOSS ACCOUNT.

Dr.	£	Ca.	£
Interest, general charges, salaries, &c.	677,625	Balance brought forward ..	1,391
Furniture and fittings		Interest and discounts	706,009
Amortisation and Ba. and Doubtful Debts	170,238	Exchange and commissions	171,651
Balance	31,188		
	879,051		879,051

BANCO NACIONAL ULTRAMARINO.

BALANCE-SHEET—December 31, 1924.

LIABILITIES.		ASSETS.	
	Esc.		Esc.
Capital paid up	24,000,000	Cash in hand	44,647,244
Reserves	34,000,000	Cash with other banks	16,426,199
Cash deposits	196,342,621	Investments—In Escudos	177,614,392
Fixed deposits	123,971,649	In foreign currency	4,495,642
Current accounts	414,010,632	Foreign bills	73,198,644
Do agents	2,950,396	Inland bills discounted	128,729,447
Do loan accounts	1,134,703	Current accounts	497,649,894
Cheques and bills payable	28,327,391	Do agents	16,591,125
Amounts in transit	96,174,747	Advances agst. bills, &c.	82,198,245
Sundry impersonal accounts	357,055,928	Mortgage & municipal loans	471,442,692
Govt. Treasury acct.	108,332,133	Predial mortgage loans	402,482,654
Securities deposited	480,383,117	Sundry impersonal accounts	357,055,928
Obligations, 4%	940,400,877	Government Treasury account	108,332,133
Colonial obligations	449,905,805	Securities	480,383,117
Unclaimed dividends	403,071,892	Sundry accounts	5,639,197
Pension fund	1,100,919,845	Bank premises	6,236,026
Notes in circulation	118,702,038	Furniture and fittings	73,731,673
Profit and loss	13,144,977	Interim dividends	1,254,433
	2,001,424,637		2,001,424,637

Subject to approval at the annual general meeting.

BANK OF LONDON AND SOUTH AMERICA, LIMITED.

BALANCE-SHEET—September 30, 1924.

LIABILITIES.		ASSETS.	
	£		£
Capital, 708,000 shares of £5 each, fully paid	3,540,000	Cash in hand, at bankers, and at call	11,688,799
Reserve, including £1,650,000 arising from the purchase of the London & Brazilian Bank, Limited	3,600,000	Bills receivable, bills discounted, advances, securities, &c. (including £1,402,346 7s 1d depreciation at current rates of exchange on capital employed abroad) after making provision for doubtful debts	52,991,594
Acceptances—customers' drafts under merchandise credits, &c.	6,784,516	Bills for collection	12,800,747
Bills advised—Drafts in transit	2,758,710	Bank premises, including furniture	1,632,304
Current accounts, &c., and deposits in currency at branches	3,846,445		
Current, deposit, and other accounts in London	41,384,813		
Montevideo branch—Local currency emission	3,637,235		
Bills for collection on account of customers, per contra	7,496		
Rebate of interest on bills not due	12,800,746		
Profit and loss account, as per statement below	128,690		
	624,793		
	79,113,444		79,113,444

PROFIT AND LOSS ACCOUNT,
Incorporating the figures of the London and River Plate Bank, Limited, as from October 1, 1923, and those of the London and Brazilian Bank, Limited (now in liquidation), as from February 1, 1923.

Dr.	£	Cr.	£
Charges in London and at branches, including rent and taxes	1,488,226	Balances brought forward—London and River Plate Bank, Limited, £220,709; London and Brazilian Bank, Limited, £189,976 ..	410,685
Interim dividends paid to the shareholders of the London & Brazilian Bank, Limited, in October, 1923, £45,000; December, 1923, £15,000	60,000	Gross profit, after providing for bad and doubtful debts	1,903,934
Interim dividend paid to the shareholders of the Bank of London and South America, Limited	141,600		
Balance carried down	624,793		
	2,314,619		2,314,619

BANK OF ROUMANIA, LIMITED.

The report presented to the meeting held on July 22, 1925, at 12.30 p.m., states that after writing down investments, and making provision for bad and doubtful debts, income-tax, and corporation tax, the amount available is £18,551. An interim dividend of 3s per share, less tax, was paid on December 17th last, absorbing £5,812 10s. The directors recommend a final dividend of 3s per share, less tax (making 6s per share, less tax, for the year), placing £3,227 to contingency account and carrying the balance of £3,699 to reserve account (new), thus bringing the total of the reserve accounts (old and new) up to £80,000. The accounts from Bucharest have been converted into sterling at the rate current on December 31st last.

BALANCE-SHEET—December 31, 1924.

LIABILITIES.		ASSETS.	
	£		£
Capital	300,000	Cash in hand and at bankers, London	109,554
Reserve account, old, £19,693; reserve account, new, £60,307	80,000	Money at short notice, London	30,000
Current account, sight drafts, balance of contingency account, &c.—Sterling, £399,124; lei, 373,284,420/12, at 925 per £, £403,551	802,675	British Treasury bills	277,331
		Bills receivable, loans, current accounts, &c.—sterling	171,414
		Bills receivable, loans, current accounts, &c.—lei, 229,553,472/02, at 925 per £ ..	248,166
		Cash in hand and at bankers, Bucharest, lei 153,741,146/16, at 925 per £	166,210
			1,182,675

THE
AUSTRALIAN BANK OF COMMERCE, Ltd.

Incorporated in New South Wales.

CAPITAL SUBSCRIBED AND PAID-UP - £1,840,000
RESERVE FUND - - - - - 740,000

DIRECTORS:

SIR MARK SHELTON, K.B.E., Chairman.
FRANK N. YARWOOD, Esq., F.C.P.A., Deputy Chairman.
DUNCAN CARSON, Esq.H. R. LYSAGHT, Esq., O.B.E.
GEORGE J. SLY, Esq., LL.D.
LT.-COL. T. L. F. BUTLEDGE, M.L.A.

LONDON BRANCH DIRECTORS: A. DODDS FAIRBAIRN, Esq., ALFRED SHEPHERD, Esq., M. BURTON FINNEY, Manager.

HEAD OFFICE: SYDNEY, NEW SOUTH WALES. G. W. ORD, Manager, with 148 Branches and Agencies in New South Wales.

BRISBANE OFFICE: GEORGE H. HOWELL, Manager, with 26 Branches and Agencies in Queensland.

MELBOURNE OFFICE: 325 Collins Street. R. T. MOODIE, Manager.
ADELAIDE OFFICE: 37 Threadneedle Street, E.C.2. ARTHUR F. JENKINS, Manager.

The London Office is prepared to transact every description of Banking Business, including:—
CURRENT ACCOUNTS opened. FIXED DEPOSITS received for periods of one month and upwards, at rates of interest ascertainable on application. ADVANCES MADE on approved Securities, and against shipments of all kinds of marketable produce and merchandise. MAIL AND TELEGRAPHIC remittances made to all parts of the world. DRAFTS issued at current rates of exchange. FOREIGN or other BILLS negotiated or collected. The issue of LETTERS OF CREDIT, Circular or Commercial.
For the convenience of its Customers the Bank has special arrangements, where not directly represented, with other Bankers throughout Australasia, New Zealand, the United Kingdom, The Far East and elsewhere, whereby it is able to carry out all requirements with promptitude and to best advantage.

The National Bank of New Zealand, Ltd.

AUTHORISED CAPITAL - £6,000,000 PAID-UP CAPITAL - £1,500,000
SUBSCRIBED CAPITAL - £4,500,000 RESERVE FUND - £1,480,000
UNCALLED CAPITAL - £3,000,000

Directors:

HENRY F. FRESHWATER, Esq.
SIR AUSTIN E. HARRIS, K.B.E.HON. W. PEMBER REEVES (Chairman).
ROBERT LOGAN, Esq.
HON. SIR ARTHUR MYERS.
SIR JAMES H. B. COATES (Honorary Director).J. B. REID, Esq.
LINDSAY ERIC SMITH, Esq.

Head Office:—8, MOORGATE, LONDON, E.C.2.

Chief Office in New Zealand:—WELLINGTON.

Branches and Agencies throughout New Zealand and Correspondents in all parts of the World.

The National Bank of New Zealand, Limited, receives Deposits of £50 and upwards for 1 or 2 years at 4½% per annum; and conducts every description of banking business connected with New Zealand.

THE BANK OF AUSTRALASIA.

(Incorporated by Royal Charter, 1835.)

Head Office: 4 THREADNEEDLE STREET, LONDON, E.C.2.
West End Branch: 17 NORTHUMBERLAND AVENUE, W.C.2.Paid-up Capital ... £4,000,000
Reserve Fund ... 3,700,000
Reserve Liability of Proprietors under the Charter ... 4,000,000
£11,700,000

DIRECTORS:

RIGHT HON. LORD ALDENHAM.
CHARLES EDWARD BARNETT, Esq.
KENNETH GOSCHEN, Esq.
CHARLES GIPPS HAMILTON, Esq.RIGHT HON. LORD GEORGE F. HAMILTON, G.C.S.I.
T. R. JOHNSON, Esq.
FREDERICK V. C. LIVINGSTONE-LEARMONTH, Esq., D.S.O.RIGHT HON. THE EARL OF MIDDLETON, K.P.
HAROLD NELSON, Esq.
HORACE PEEL, Esq.
JOHN SANDERSON, Esq.
ARTHUR WHITWORTH, Esq.

Numerous Branches throughout the States of VICTORIA, NEW SOUTH WALES, QUEENSLAND, SOUTH AUSTRALIA, WESTERN AUSTRALIA, TASMANIA, and the Dominion of NEW ZEALAND.
Letters of Credit and Bills of Exchange granted. Bills Negotiated or Sent for Collection. Telegraphic Transfers made. Banking Business of every description transacted with Australia and New Zealand.
Deposits received in London at interest for fixed periods on terms which may be ascertained at the Office.

ESTABLISHED 1871.
THE DOMINION BANK.

Head Office: TORONTO

CAPITAL and RESERVES \$14,000,000

A. W. AUSTIN, President.

C. A. BOGERT, Vice-President & General Manager.

C. S. BLACKWELL, Chairman of the Board.

BRANCHES THROUGHOUT CANADA.
Agents and Correspondents throughout the World.

The LONDON BRANCH, at 3, King William St., E.C.4,

undertakes monetary business of every description, deals in all Foreign Exchanges, accepts Deposits, makes Collections promptly, and issues Letters of Credit and Travellers' Cheques available in all parts of the world. S. L. JONES, Manager.

Agency in NEW YORK: The Dominion Bank, 35, WALL STREET.

BANK FOR RUSSIAN TRADE, LIMITED.
(Formerly Arcos Banking Corporation, Limited.)

BALANCE-SHEET, June 30, 1925.

LIABILITIES.	£	ASSETS.	£
Share capital—issued: 400,000 shares of £1 each, fully paid	400,000	Cash in hand and with bankers in London	479,794
Reserve	57,500	Cash with bankers abroad (United States of America, Holland, France, &c.)	118,465
Loans against investments and other security	942,075	Bills receivable	343,016
Current, deposit, and other accounts (including balance of profit and loss account)	1,932,177	Investments (British Government Securities)	489,387
Acceptances, endorsements, and guarantees on account of customers	3,370,044	Loans, advances and other accounts	1,901,090
Bills and documents for collection, per contra	1,811,104	Liabilities of customers for acceptances, endorsements, and guarantees, as per contra	3,370,044
		Bills and documents for collection	1,811,104
	8,512,900		8,512,900

BANK OF TAIWAN, LIMITED.
(TAIWAN GINKO.)

BALANCE-SHEET—December 31, 1924.

LIABILITIES.	Yen.	ASSETS.	Yen.
Capital subscribed	60,000,000	Cash account—In hand	10,596,235
Reserve funds	13,780,000	At bankers	18,464,792
Notes in circulation	51,357,397	Bullion and foreign money	15,347,083
Current accounts, fixed deposits, &c.	267,004,072	Bills discounted, loans, and overdrafts	469,925,539
Bills payable	216,442,361	Interest bills and exchange bought, and exchange overdrafts	246,788,146
Bills re-discounted	207,651,277	Customers' liabilities	111,769,192
Exchange sold	15,625,682	Government bonds, &c.	101,146,973
Acceptances	111,769,192	Correspondents Dr.	4,642,218
Correspondents Cr.	17,767,803	Expense accounts	1,562,316
Surplus accounts	29,938,286	Bank's premises, property, furniture, &c.	6,414,189
Net profit	2,782,661	Capital uncalled	7,500,000
Dividends unclaimed	58,552		
	994,157,283		994,157,283

BANQUE DU CONGO BELGE.

BALANCE-SHEET—June 30, 1924.

LIABILITIES.	Francs.	ASSETS.	Francs.
Capital	12,000,000	Property and premises	2,812,000
Reserves	3,456,495	Furniture and fixtures	4,337,000
Notes	44,997,187	Uncalled capital	6,000,000
Due to Colonial Treasury	1,636,164	Cash in hand and at bank	23,173,659
Creditors	148,921,049	Government securities	780,000
Bills payable	13,563,450	Bills receivable	117,354,575
Profit and loss	848,589	Debtors	74,888,700
	225,425,934		225,425,934

BRITISH ITALIAN BANKING CORPORATION, LIMITED.

BALANCE-SHEET—December 31, 1924.

LIABILITIES.	£	ASSETS.	£
Share capital—Authorized and issued, 50,000 shares of £20 each, fully paid	1,000,000	Cash in hand	6,952
Reserve account	250,000	Cash at call and short notice	220,000
Current, deposit, and other accounts, including rebate of bills and provision for contingencies	674,008	Balances with bankers in London	241,644
Acceptances, guarantees, and endorsements—		Balances with Banca Italo-Britannica	120,744
Acceptances, £2,300,724; guarantees, £783,274; endorsements, £1,288,386	4,372,384	Balances with other bankers abroad	32,241
Profit and loss account—		Bills receivable	632,317
Balance at 31st December, 1923, £73,739; less directors' additional remuneration for the year 1923, £2,352; dividend for the year 1923, £40,000; £42,353—£31,386; add net profit for the year 1924 as per below £56,350	87,736	Investments at cost—	
		Banca Italo-Britannica—	
		3,900 shares of Lit. 5,000 each, fully paid; Societa Immobiliare Italo-Britannica—3,000 shares of Lit. 1,000 each, fully paid	246,426
		Advances to customers and other accounts, £348,828; advances to Banca Italo-Britannica, £124,049	472,877
		Liabilities of customers for acceptances, guarantees and endorsements, as per contra—	
		Banca Italo-Britannica, £100,000; other Italian and foreign banks, £1,953,127	4,372,384
		other customers, £2,319,257	4,372,384
		Premises account	38,242
		Office furniture	1
			6,384,128

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Provision for income-tax, schedule D and corporation profits tax	22,937	Profit for the year, after deducting rebate on bills and commission, administrative and general expenses, office furniture and other charges	79,287
Balance carried to balance sheet	56,350		79,287
	79,287		79,287

BRITISH BANK FOR FOREIGN TRADE, LIMITED.

BALANCE-SHEET—April 30, 1924.

LIABILITIES.	£	ASSETS.	£
Capital issued, 240,000 shares of £1 each	240,000	Cash in hand, at bankers in London and abroad, and at call	106,683
Current, deposit, and other accounts	294,406	Premises account	46,000
Profit and loss account—		Investments at cost or under	148,627
Balance brought forward, £20,243; add profit for year, £1,738	21,981	Loans to customers	255,677
	556,387		556,387

THE MITSUI BANK, LTD., JAPAN.

(The oldest Banking Institution in Japan—Founded in 1880.)

Capital Subscribed	Yen 100,000,000.00	Reserve Fund	Yen 25,000,000.00
Capital Paid Up	60,000,000.00	Special Reserve Fund	20,400,000.00
	Reserve Fund for Dividend		6,000,000.00

HEAD OFFICE: No. 1, SURUGACHO, NIHONBASHI-KU, TOKYO, JAPAN.

LOCAL BRANCHES:

DOJIMA (Osaka), FUKUOKA, HIROSHIMA, KAWAGUCHI (Osaka), KOBE, KYOTO, MARUNOUCHI (Tokyo), MOJI, NAGASAKI, NAGOYA, NIHONBASHI (Tokyo), OSAKA, OSAKA NISHI (Osaka), OTARU, SHIMONOSEKI, WAKAMATSU, YOKOHAMA.

FOREIGN BRANCHES—BOMBAY, LONDON, NEW YORK, SHANGHAI, SOERABAYA.

FOREIGN AGENTS:

LONDON—BARCLAYS BANK, LTD.
MIDLAND BANK, LTD.

NEW YORK—THE NATIONAL CITY BANK OF NEW YORK.

BANKERS TRUST COMPANY.

THE CHASE NATIONAL BANK.

PARIS—COMPTOIR NATIONAL D'ESCOMPTE DE PARIS.

BANQUE DE L'UNION PARISIENNE.

HAMBURG—COMMERZ-UND PRIVAT-BANK, A.G.

BOMBAY—NATIONAL BANK OF INDIA, LTD.

LLOYDS BANK, LTD., COX'S BRANCH.

Dr. BALANCE SHEET, 30th June, 1925.

LIABILITIES.	Yen	ASSETS.	Yen
Capital	100,000,000.00	Capital unpaid	25,000,000.00
Reserve Fund	25,000,000.00	Cash in hand and at Bank of Japan	40,000,000.00
Special Reserve Fund	19,600,000.00	Japanese and Foreign Government Bonds	48,861,007.00
Reserve Fund for Dividend	6,000,000.00	Debentures and Stocks	76,629,304.21
Pension and Provident Funds	1,771,900.55	Foreign Bills of Exchange purchased	40,298,312.00
Deposits (Current, Fixed, etc.)	443,188,201.25	Customers' Liabilities under L/C, etc., per contra	65,751,437.92
Foreign Bills of Exchange sold	3,579,203.08	Due from Foreign Agents and Correspondents	13,068,603.27
Due to Foreign Agents and Correspondents (including Discounts)	37,973,589.29	Loans and Discounts	4,452,327.57
Liabilities under L/C, etc.	13,068,603.27	Due from Local Banks	375,745,571.93
Due to Local Banks	1,070,697.92	Provisional Payments	127,835.73
Dividend unpaid	11,406.80	Bank Premises and Real Estates	586,421.13
Interest accrued on Deposits not due	5,308,863.12		4,419,956.64
Rebate on Bills not due	3,624,462.17		
Provisional Receipts	1,298,201.77		
Balance from last Account	3,510,870.37		
Net Profit for the half year	4,934,778.51		
	669,940,778.30		669,940,778.30

Dr. APPROPRIATION OF PROFIT.

	Yen	Cr.	Yen
Special Reserve Fund	800,000.00	Net profit for the half year	4,934,778.51
Pension and Provident Funds	199,000.00	Balance brought forward from last half year	3,510,870.37
Bonus	320,700.00		
Dividend to Shareholders	3,600,000.00		
Balance carried forward to next half year	3,525,949.08		
	8,445,649.08		8,445,649.08

The Bank sells Drafts and Telegraphic Transfers, buys approved inward and outward Bills, grants Commercial Credits, issues Travellers' Letters of Credit available in all important places in the World, and makes collections.
LONDON OFFICE: 24, BIRCHIN LANE, E.C.3.

BANQUE FRANCO-BELGE DE BULGARIE

SOCIÉTÉ ANONYME.

Established under the patronage of the Banque Belge pour l'Etranger (Affiliated to the Société Générale de Belgique), Brussels, and of the Crédit Foncier d'Algérie et de Tunisie, Paris.

HEAD OFFICE: SOFIA. Branch at Roustchouk.

Affiliations: Banque de Plovdiv, Plovdiv (Philippople), Banque Bulgare-Belge, Bourgas.

CAPITAL FULLY PAID UP - - - Léva 50,000,000

Telegraphic Address for Head Office and Branch: FRANCOBELG. Codes used: Bentley's, Lieber's 5-letter, Peterson's International Banking Code, Peterson's International Code, 2nd Ed.

Banking connections throughout Europe and America. Specially organised Services for the Collection of Foreign Documentary and Clean Drafts.

International Banking facilities of every description.

THE LANCASHIRE & YORKSHIRE BANK, LTD.

Head Office: 43 SPRING GARDENS, MANCHESTER.

Subscribed Capital	£2,013,120
Paid-up Capital	1,006,560
Reserve Fund	1,006,560

30th JUNE, 1925.

Cash and Money at short notice	£4,645,003
Investments	8,534,020
Bills of Exchange	2,797,794
Advances to Customers	10,405,405
Deposits	24,649,446

KANSALLIS-OSAKE-PANKKI

(National Joint Stock Bank.)

Established 1889

HEAD OFFICE: HELSINKI (Helsingfors), FINLAND.
BRANCHES: 134 all over Finland.

PAID-UP CAPITAL and RESERVES - - - Fmk. 265,000,000

Every kind of Banking and Exchange Business transacted at most favourable terms.
Deposits Received. Bills Collected.

Mail and Telegraphic Remittances Made.

TELEGRAPHIC ADDRESS: "Kansallispankki."

A/B NORDISKA FÖRENINGSBANKEN

(IN FINNISH: O/Y POHJOISMAIDEN YHDYSPANKKI)

The Greatest Private Bank in Finland, issued from the Amalgamation in 1919 of Föreningsbanken i Finland and Nordiska Aktiebanken för Handel och Industri.

CAPITAL AND RESERVES: Fmk. 320,000,000.

Head Office: HELSINGFORS.

52 Branches all over the country.

Telegraphic Address: UNITAS.

PRINCIPAL LONDON CORRESPONDENTS:—

Barclays Bank Limited, Hambros Bank Limited, Lloyds Bank Limited, Midland Bank Limited, and Westminster Bank Limited.

63

Correspondents also in
PARIS, LYONS, NEW YORK, SAN FRANCISCO,
PEKING and DALNY, etc.

65

3, London Wall Buildings, LONDON, E.C.2.
Telephone: London Wall 2583.

COMMERCIAL BANK OF SPANISH AMERICA,
LIMITED.

BALANCE-SHEET—June 30, 1924.

LIABILITIES.	£	ASSETS.	£
Capital issued (500,000 shares of £1 each, fully paid).....	500,000	Cash at bankers and in hand	814,436
Current and other accounts.....	3,420,550	Investments taken at market value at June 30, 1924, where quoted, otherwise at valuation.....	11,044
Bills payable.....	140,688	Bills receivable.....	356,392
Bills for collection.....	824,377	Loans and other accounts, less contingency account.....	2,837,671
Rebate of interest on bills not due.....	1,893	Properties and furniture.....	43,965
Profit & loss account balance	277	Bills for collection (per contra) Note.—Depreciation in sterling value of capital employed in branches abroad has been provided for.	824,377
Contingent liabilities on bills discounted, £63,116, all of which have since been paid.			
	4,887,885		4,887,885

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Expenses of head office and branches, including taxes, directors' fees, salaries, &c.	159,925	Balance brought forward.....	645
Income-tax.....	826	Gross profits for the year.....	201,076
Rebate of interest on bills not due.....	1,893		
Transfer to pension fund.....	3,800		
Transfer to contingency account.....	35,000		
Balance carried to balance-sheet.....	277		
	201,721		201,721

COMPTOIR NATIONAL D'ESCOMPTE DE PARIS.

BALANCE-SHEET—December 31, 1924.

(Calculated at 25 francs to the £.)

LIABILITIES.	£	ASSETS.	£
Current and deposit accounts.....	167,405,616	Cash in hand and at bank	16,736,554
Fixed deposits.....	745,126	Bills discounted and Treasury bills.....	121,227,954
Exchange operations.....	1,585,900	Short loans.....	1,007,903
Acceptances.....	3,946,803	Correspondents.....	11,681,978
Branches abroad.....	137,755	Current accounts.....	24,348,344
Sundry accounts.....	1,390,748	Exchange operations.....	1,585,900
Shareholders accounts.....	531,163	Investments.....	71,985
Profit and loss account.....	1,425,182	Syndicates.....	124,000
Reserves.....	2,970,868	Founders' shares.....	132,906
Capital.....	10,000,000	Guaranteed advances.....	8,290,840
	190,139,161	Cover for acceptances.....	3,937,975
		Sundry accounts.....	392,324
		Bank premises.....	600,080
			190,139,161

CREDIT FONCIER D'ALGERIE ET DE TUNISIE.

BALANCE-SHEET—December 31, 1924.

LIABILITIES.	Francs.	ASSETS.	Francs.
Capital.....	125,000,000	Uncalled capital.....	2,702,250
Reserves.....	22,009,876	Cash.....	49,934,056
Superannuation fund.....	285,123	Bills.....	538,810,517
Credit Foncier de France.....	132,237,511	Investments.....	30,430,515
Credit Foncier d'Orient.....	16,000,000	Special advances.....	366,667
Caisse Hypoth. d'Egypte.....	24,000,000	Premises, &c.....	24,007,048
Current and deposit accts.....	617,593,859	Loans and advances.....	249,872,913
Deposits.....	91,256,971	Correspondents.....	45,438,515
Correspondents & creditors.....	145,445,760	Current accounts.....	217,026,623
Acceptances, &c.....	33,886,915	Syndicates.....	30,919,850
Sundry accounts.....	2,099,642	Cover for acceptances.....	21,317,698
Dividends.....	7,117,792	Preliminary expenses.....	5,907,394
Profit and loss.....	390,797		
	1,217,334,046		1,217,334,046

CREDITO ITALIANO.

BALANCE-SHEET—December 31, 1924.

LIABILITIES.	Lira.	ASSETS.	Lira.
Capital.....	310,000,000	Cash and balances at call with banks.....	459,336,058
Reserve fund.....	110,000,000	Bills receivable on Italy, England, and other countries.....	2,689,688,662
Deposits and saving accounts.....	1,059,467,148	Loans against collateral securities.....	452,506,261
Current accounts.....	3,751,864,535	Current accounts.....	1,598,613,495
Acceptances on account of customers.....	436,859,389	Liabilities of customers for acceptances.....	436,859,389
Cheques outstanding.....	221,923,503	Investments.....	221,721,875
Sundry creditors.....	51,354,239	Participations.....	75,539,530
Guarantees on account of customers.....	70,699,969	Freehold bank premises.....	12,500,000
Rebate on bills receivable maturing next year.....	19,431,601	Sundry debtors.....	67,604,281
Net profit.....	53,469,236	Customers' liabilities against guarantees.....	70,699,969
Clerks' provident fund, as per contra.....	24,853,846	Securities belonging to clerks' provident fund.....	24,853,846
	6,109,923,466		6,109,923,466

CREDIT LYONNAIS.

BALANCE-SHEET—July 31, 1925.

LIABILITIES.	Francs.	ASSETS.	Francs.
Deposits at call.....	2,603,694,602	Cash in hand and at banks	740,660,593
Current accounts.....	3,484,119,450	Bills discounted & French Treasury bills.....	4,425,809,386
Accounts payable after collection.....	102,362,622	Loans and advances.....	246,738,857
Exchange for forward delivery.....	39,647,500	Current accounts.....	1,421,076,170
Acceptances.....	41,277,364	Exchange for forward delivery.....	39,647,500
Deposits for fixed periods.....	71,389,837	Investments.....	3,971,447
Sundry liabilities.....	208,582,752	Sundries.....	143,758,689
Profit and loss.....	30,518,515	Premises.....	35,000,000
Reserve fund.....	225,000,000		
Capital fully paid.....	250,000,000		
	7,056,662,642		7,056,662,642

THE EQUITABLE
TRUST COMPANY
OF NEW YORK.ALVIN W. KRECH, Chairman of the Board.
ARTHUR W. LOASBY, President.Capital, Surplus and Undivided
Profits (June 30, 1925), \$34,685,214
Deposits (June 30, 1925), \$407,397,540

Banking Business Transacted in all Parts of the World.
Deposits received for fixed periods at rates which may be ascertained on application.
Every facility afforded for the development of trade with United States of America and the Continent of Europe.
Documentary credits arranged.
Well-equipped Foreign Exchange and Bond Departments.

LONDON OFFICES:

10 MOORGATE, E.C.2.
BUSH HOUSE, ALDWYCH, W.C.2.

NEW YORK.

Head Office: 37 WALL STREET.

Branches: 247 BROADWAY, and MADISON
AVENUE at 45th Street.

PARIS.

23 RUE DE LA PAIX.

MEXICO CITY.

48 CALLE DE CAPUCHINAS.

Member Federal Reserve System.
Member New York Clearing House Association.ANGLO-AUSTRIAN BANK
LIMITED

Head Office:

24-28, LOMBARD STREET, LONDON, E.C.3

Branches:

Austria	Hungary	Italy	Roumania
Vienna and all provincial towns	Budapest	Milan Trieste	Cernauti Oradea Mare

Affiliated Banks:

Czechoslovakia	Yugoslavia
Anglo-Czechoslovakian Bank, Prague, and all principal towns	Croatian Discount Bank Zagreb, Belgrade, and throughout Yugoslavia

CAPITAL:

Authorised	-	-	£2,000,000
Paid up	-	-	£1,406,370

Chairman: General The Hon. Sir H. A. LAWRENCE, K.C.B.
Vice-Chairman: M. SPENCER-SMITH, Esq., D.S.O., M.C.

In virtue of its Branches and Affiliations in Central Europe, the Bank is in a position to afford special facilities for business with that region.

THE DOMINION OF NEW ZEALAND

THE LAND OF GREAT OPPORTUNITY.

New Zealand offers the best investment for
CAPITAL, INDUSTRY, ENTERPRISE.

Last year Gt. Britain received from New Zealand:

ONE-FOURTH of her BUTTER Supplies from abroad.
ONE-HALF " " CHEESE " " "
ONE-HALF " " MUTTON & LAMB " " "
ONE-THIRD " " TALLOW " " "
MORE CROSS-BRED WOOL than from any other country.

New Zealanders, per capita, are Britain's best customers. Last year they purchased manufactures, etc., from British mills to the extent of £17 per head.

Offices of the HIGH COMMISSIONER FOR NEW ZEALAND,
415, STRAND, LONDON, W.C.2.

THE CHASE NATIONAL BANK
of the City of New York, 57 Broadway

Capital	-	-	\$20,000,000
Surplus and Profits	-	-	26,388,073
Deposits (June 30, 1924)	-	-	490,692,659

OFFICERS:

ALBERT H. WIGGIN, President.

Vice-Presidents:

SAMUEL H. MILLER	HENRY OLLESHREIMER
CARL J. SCHMIDLAPP	ALFRED C. ANDREWS
REEVE SCHLEY	ROBERT I. BARR

SHERRILL SMITH

Assistant Vice-Presidents:

EDWIN A. LEE	M. HADDEN HOWELL
WILLIAM E. PURDY	ALFRED W. HUDSON
GEORGE H. SAYLOR	GEORGE HADDEN

JAMES L. MILLER

Comptroller:

THOMAS RITCHIE

Cashier:

WILLIAM P. HOLLY

DIRECTORS:

HENRY W. CANNON	EUGENE V. R. TRAYER
ALBERT H. WIGGIN	CARL J. SCHMIDLAPP
JOHN J. MITCHELL	GERHARD M. DAHL
GUY E. TRIPP	ANDREW FLETCHER
JAMES N. HILL	REEVE SCHLEY
DANIEL C. JACKLING	H. WENDELL ENDICOTT
CHARLES M. SCHWARZ	WILLIAM M. WOOD
SAMUEL H. MILLER	JEREMIAH MILBANK
EDWARD R. TINKER	HENRY OLLESHREIMER
EDWARD T. NICHOLS	ARTHUR C. HOFFMAN
NEWCOMB CARLTON	F. EDSON WHITE
FREDERICK H. ECKER	ALFRED P. SLOAN, Jr.

ELISHA WALKER.

WE INVITE ACCOUNTS of Banks, Bankers, Corporations, Firms or Individuals on favourable terms, and shall be pleased to meet or correspond with those who contemplate making changes or opening new accounts

Through its Trust Department, the Bank offers facilities as: Trustee under Corporate Mortgages and Indentures of Trust; Depositary under reorganization and other agreements; Custodian of securities and Fiscal Agent for Corporations and Individuals; Executor under Wills and Trustee under Testamentary Trusts; Trustee under Life Trusts.

FOREIGN DEPARTMENT.

Goldman, Sachs & Co.
NEW YORK

CHICAGO	BOSTON
SAN FRANCISCO	PHILADELPHIA
ST. LOUIS	SEATTLE

Commercial Credits & Foreign
Exchange

Travelers' Letters of Credit available
in all parts of the world

Investment Securities

Commercial Paper

London Correspondents:

KLEINWORT, SONS & CO.

EQUITABLE TRUST COMPANY OF NEW YORK.

BALANCE-SHEET—June 30, 1925.

LIABILITIES.	\$	ASSETS.	\$
Capital	23,000,000	Cash on hand and in banks ..	44,817,748
Surplus and undivided profits ..	11,685,215	Exchanges for clearing ..	65,126,496
Deposits (including foreign ..	407,397,541	Due from foreign banks ..	12,394,565
Acceptances (less in port- ..	24,309,149	Bonds and mortgages ..	9,824,130
folio) ..		Public securities ..	18,816,179
Accrued interest payable, ..		Short term investments ..	7,650,655
reserve for taxes, and ..		Other stocks and bonds ..	31,120,939
other liabilities ..	6,046,564	Demand loans ..	16,937,923
		Time loans ..	35,523,529
		Bills discounted ..	96,124,699
		Customers' liability on accep- ..	
		tances (less anticipations) ..	19,624,129
		Real estate ..	4,093,475
		Foreign offices ..	58,412,086
		Accrued interest receivable, ..	
		and other assets ..	1,971,917
	472,438,469		472,438,469

FARMERS' LOAN AND TRUST COMPANY.

BALANCE-SHEET—June 30, 1925.

LIABILITIES.	\$	ASSETS.	\$
Deposits	164,136,614	Cash on hand and in bank ..	40,641,048
Accrued interest, re- ..		U.S. Government bonds ..	9,382,933
serve for taxes, divi- ..		and Treasury notes ..	32,702,181
dend, &c. ..	2,258,782	Bills purchased ..	42,989,760
Acceptances sold with our ..		Call loans—Collateral ..	34,112,250
endorsement ..	158,507	Time loans—Collateral ..	874,245
Domestic and foreign ac- ..		Accrued interest ..	24,612,475
ceptances ..	3,973,057	Bonds and stocks ..	7,174,040
Capital stock ..	10,000,000	Bonds and mortgages ..	3,583,057
Surplus and undivided ..	18,028,029	Liabilities of customers for ..	
profits ..		acceptances ..	2,484,086
	198,554,989	Real estate ..	
			198,554,989

GUARANTY TRUST COMPANY OF NEW YORK.

BALANCE-SHEET—May 25, 1925.

LIABILITIES.	\$	ASSETS.	\$
Capital	25,000,000	Cash on hand, in Federal ..	
Surplus fund ..	15,000,000	Reserve Bank, and due ..	175,342,760
Undivided profits ..	5,369,141	from banks and bankers ..	
Accrued interest payable, ..		U.S. Government bonds and ..	
reserve for taxes and ..		certificates ..	38,403,614
expenses, &c. ..	3,775,263	Public securities ..	21,522,332
Acceptances ..	39,290,565	Other securities ..	2,498,802
Outstanding dividend ..		Loans and bills purchased ..	394,639,638
cheques ..	677,523	Real estate bonds and mort- ..	
Outstanding treasurer's ..		gages ..	2,081,800
cheques ..	50,347,224	Items in transit with for- ..	
Deposits ..	577,221,465	ein branches ..	5,356,638
		Credits granted on accepta- ..	39,290,565
		Real estate ..	8,032,848
		Accrued interest and ac- ..	
		counts receivable ..	8,512,184
	716,681,181		716,681,181

HAMBROS BANK, LIMITED.

BALANCE-SHEET—March 31, 1925.

LIABILITIES.	£	ASSETS.	£
Paid-up capital—£2 10s per ..	1,000,000	Cash in hand, at bankers, ..	4,527,493
share on 400,000 shares ..		and at call ..	3,855,745
Reserve ..	1,050,000	Bills of exchange ..	
Profit and loss account ..	207,090	Investments—Valued at or ..	
Current, deposit, and other ..		below prices current at ..	
accounts ..	15,807,722	March 31, 1925— ..	
Acceptances ..	10,101,250	British Government ..	
		securities, £3,076,802; ..	
		other investments, ..	3,563,017
		2486,215 ..	
		Loans, advances and other ..	5,727,328
		accounts ..	
		Liabilities of customers for ..	10,101,250
		acceptances, as per contra ..	391,229
		Bank premises ..	
	28,166,062		28,166,062

Dr.	£	Cr.	£
Interim dividend of 6 per ..	60,000	Balance brought forward ..	85,470
cent., free of income-tax ..		from last account ..	
Contingency reserve account ..	150,000	Net profit for the year ..	361,620
P. emises reserve account ..	50,000		
Balance carried to balance- ..	207,090		
sheet ..	467,090		467,090

IMPERIAL OTTOMAN BANK.

(Now Ottoman Bank.)

BALANCE-SHEET—December 31, 1924.

LIABILITIES.	£	ASSETS.	£
Capital, £10,000,000; less not ..	5,000,000	Cash in hand and at bankers ..	3,298,958
called up, £5,000,000 ..		Money at call and notice ..	1,332,130
Statutory reserve ..	1,250,000	Bills receivable (including ..	
Bank notes in circulation ..	780,266	£4,136,933 3s 6d British ..	
Bills payable and sight drafts ..	1,051,773	and French Treasury bills ..	7,844,882
Current accounts of sundries ..	12,712,141	and Bons de la Défense ..	
Deposits for fixed terms ..	1,388,105	Nationale) ..	
Profit and loss account ..	326,951	Investments, including ..	
		£1,069,366 1s 1d British ..	
		and French Government ..	
		securities ..	2,580,444
		Current accounts of sundries ..	4,143,160
		Advances on securities ..	2,728,294
		Bank premises and real estate ..	481,374
	22,409,236		22,409,236

The report presented to the meeting held on July 29, 1925, states that in the preparation of the balance-sheet assets and liabilities in foreign currency have been converted into sterling at the rates ruling at December 31, 1924. The ac-

English, Scottish & Australian Bank, Limited.

Head Office: 5, GRACECHURCH STREET, E.C.3,
and 370 Branches and Agencies throughout Australia.

Subscribed Capital -	£3,750,000	0	0
Paid-up Capital -	£2,250,000	0	0
Further Liability of Proprietors	£1,500,000	0	0
Reserve Fund -	£1,820,000	0	0

Chief Office in Australia:
COLLINS STREET, MELBOURNE.

Board of Directors:

ANDREW WILLIAMSON, Esq., Chairman.	GEORGE SLADE, Esq.
JOHN PATERSON, Esq., Deputy Chairman.	SIDNEY M. WARD, Esq.
HON. SIR JOHN A. COCKBURN, K.C.M.G.	SIR FREDERICK W. YOUNG.
THE RT. HON. VISCOUNT KNUTSFORD.	
HON. SIR ARTHUR LAWLEY, G.C.S.I.	

London Manager & Secretary—E. M. JANION.
Sub-Manager—J. A. ROBERTSON, Assist. Manager—A. A. SHIPSTON.
Accountant—WALTER PHILLIPS.

Bankers: BANK OF ENGLAND; WESTMINSTER BANK, LTD.

Letters of Credit and Drafts on the Branches and Agencies of the Bank in Australia can be obtained at the Head Office, or through the Agents of the Bank in the Chief Provincial Towns throughout the United Kingdom.

Remittances made by Telegraphic Transfer.
Bills Negotiated or forwarded for Collection.
Banking and Exchange Business of every description transacted with Australia.

THE UNION BANK OF AUSTRALIA Limited.

Established 1837.

Incorporated 1880.

CAPITAL AUTHORISED AND ISSUED -	£10,500,000
Capital Paid-up -	£3,500,000
Reserve Fund -	£4,150,000
together	£7,650,000

Reserve Liability of Proprietors - £7,000,000

DIRECTORS:

HENRY P. STURGIS, Esq., Chairman.	Brigadier-General ARTHUR MAXWELL, C.B., C.M.G., D.S.O.
The Rt. Hon. LORD CARMICHAEL, G.C.S.I.	ROBERT C. NESBITT, Esq.
The Rt. Hon. THE EARL OF CHICHESTER.	FREDERICK G. PARBURY, Esq.
HUGH D. FLOWER, Esq.	The Hon. EDMUND W. PARKER.
The Rt. Hon. LORD HILLINGDON.	Sir WESTBY B. PERCEVAL, K.C.M.G.
SOMERVILLE R. LIVINGSTONE, Esq.	

HEAD OFFICE:

71, Cornhill, London, E.C.3.

Manager—W. J. ESSAME. Assistant Manager—W. A. LAING.
Secretary—F. H. MCINTYRE.

BRANCHES THROUGHOUT AUSTRALIA AND NEW ZEALAND, viz.:

In VICTORIA ..	45
" SOUTH AUSTRALIA ..	15
" NEW SOUTH WALES ..	43
" WESTERN AUSTRALIA ..	20
" QUEENSLAND ..	18
" TASMANIA ..	3
" NEW ZEALAND ..	48
Total	192

Drafts upon the Branches are issued by Head Office, and may also be obtained from the Bank's Agents throughout England, Scotland, and Ireland.

Commercial and Circular Travelling Credits issued—available throughout the World.
Telegraphic Remittances are also made.
Bills on the Australian States and Dominion of New Zealand are purchased or sent for collection.
Deposits are received at Head Office at rates of interest and for periods which may be ascertained on application.

Cable Address:
"KANEYAMA, OSAKA."

Codes:
A.B.C. 5th & 6th; Leiber's & Bentley's
Complete Phrase Codes.

YAMASHITA SHOTEN

IMPORTERS, EXPORTERS & GENERAL MERCHANTS.

10, KITAKYUTARO-MACHI, OSAKA, JAPAN.

THE BANK OF VICTORIA LIMITED.

ESTABLISHED OCTOBER 1852.
Registered under the Companies Act, 1890.

Authorised Capital -	£3,240,000
Capital Paid Up -	1,478,010
Capital Uncalled -	1,061,250
Reserve Fund and Undivided Profits -	838,933
(Used in the business of the Bank)	£3,378,193

Head Office: COLLINS STREET, MELBOURNE.

General Manager: P. C. DE CRESPIGNY.
Assistant General Manager: P. McVICKAR.

Head Office, Melbourne:
Manager: DUNCAN TAYLOR.
Accountant: F. J. NIVEN.

London Office: 69, King William Street, E.C.4.

London Board:
H. O. HAMBLIN. E. C. MILLER.
Manager: J. G. WATSON.
Assistant Manager: J. STARK.

121 Branches and Agencies.

Drafts Issued, Remittances Cabled, Bills Negotiated or Collected.

The QUEENSLAND NATIONAL BANK, LIMITED.

Incorporated under "The Companies Act, 1863," of the
Legislature of Queensland.
ESTABLISHED 1872.

Authorised Capital -	£2,000,000
Subscribed Capital -	£1,500,000
Paid-up Capital -	£1,453,551
Reserve Fund -	£660,000
Indeterminable Inscribed Deposit Stock	£3,091,669

DIRECTORS,

Chairman—JAMES MILNE, Esq.	A. C. LUYA, Esq.
JAMES LOVE, Esq.	WM. HAMILTON HART, Esq.
General Manager—M. G. HAYMEN.	MICHAEL J. RYAN, Esq.

Head Office - BRISBANE.

Manager—C. A. MUNRO.

London Office: - 8 PRINCES STREET, E.C.

London Directors—D. W. MACDONALD, Esq.
Sir T. B. ROBINSON, G.B.E., K.C.M.G.
J. W. DICKINSON, Esq.
Manager—J. W. DRURY.

Bankers—BANK OF ENGLAND, LLOYDS BANK LIMITED.

BRANCHES—

New South Wales—SYDNEY: PITT AND HUNTER
STREETS; KYOGLE, URBENVILLE, WARDELL.
Victoria—MELBOURNE: 360, COLLINS STREET;
AND THROUGHOUT QUEENSLAND.

AGENCIES IN ALL PARTS OF THE WORLD.
The Bank grants Drafts on all its Branches and Agencies, also Telegraphic Transfers, and transacts every description of Banking business in connection with Queensland and other Australian States on the most favourable terms.

The London Office receives Deposits for fixed periods at rates which can be ascertained on application.

counts made up to December 31, 1924, after providing for bad and doubtful debts out of revenue and provisions previously made, show an amount available of £326,951, after taking into account the amount of £128,370 brought forward from the previous year. The committee recommend that the amount of £326,951 be carried forward to the current year.

HONG KONG AND SHANGHAI BANKING CORPORATION.

BALANCE-SHEET—December 31, 1924.

LIABILITIES.	£	ASSETS.	£
Paid-up capital—160,000 shares of \$125 each.....	2,312,500	Cash (including \$25,900,000 coin lodged with the Hong Kong Government and \$4,000,000 coin lodged with H.B.M. Consul General, Shanghai, against authorised and/or excess note circulation).....	11,384,086
Reserve liability of proprietors—\$125 per share on 160,000 shares issued, \$30,000,000.....	4,500,000	Bullion in hand and in transit.....	596,998
Sterling reserve.....	2,948,437	British Government, Indian, Colonial, and other securities.....	10,098,090
Silver reserve.....	28,906	Bills discounted, loans and credits.....	30,545,707
Marine insurance account		Bills receivable and balance of remittances and drafts in transit.....	21,838,975
Notes in circulation (authorised and additional issue against securities and coin amounting to \$57,099,960.78 deposited with the Crown Agents for the Colonies, their trustees, and the Hong Kong Government).....	5,736,169	Liabilities of constituents for acceptances, per contra Bank premises.....	2,507,289
Current accounts.....	43,358,595		
Fixed deposits.....	17,122,194		
Bills payable (including call loans and short sight drawings on London office and drafts on London bankers).....	541,065		
Acceptances on account of constituents.....	1,183,957		
Profit and loss account.....	1,423,278		
Liability on bills of exchange rediscounted, £10,861,078, of which £9,969,560 have since run off.			
	79,155,101		79,155,101

IMPERIAL BANK OF PERSIA.

The report submitted to the meeting held on July 7, 1925, is as follows:—The profits for the year ended March 20th last, after making provision for expenses of management and general charges in London, and at the chief offices and branches, income-tax, corporation tax, and bad and doubtful debts, amount to £90,440, to which has to be added £34,552 brought forward from last account, making a total of £124,992. From this sum £5,426, the amount due to the Persian Government in terms of the concession, has to be deducted, leaving £119,566, which the directors have dealt with in the following manner:—Six months' interim dividend at the rate of 4s per share, paid January 19, 1925 (free of income-tax), £20,000; transfer to reserve account, £30,000; transfer to Bank premises account, £10,000; final

dividend, at the rate of 5s per share, payable on July 10, 1925 (free of income-tax), making a total of 9s per share for the year, £25,000; carry forward to new account, £34,566—£119,566.

BALANCE-SHEET—March 20, 1925.

LIABILITIES.	£	ASSETS.	£
Capital—99,800 ordinary shares of £5 10s; 200 founders' shares of £5 10s.....	650,000	Cash in hand, at bankers, and in transit and money at call in London.....	2,675,800
Reserve account.....	420,000	Investments in British and Colonial Government and other securities, taken at or under prices ruling on March 20, 1925.....	*1,699,029
Notes in circulation.....	1,301,146	Bills discounted, loans and advances, including adjustments, past due bills, loans and sums due from other banks.....	2,316,708
Deposits.....	3,916,722	Bills receivable.....	1,280,675
Bills payable, endorsements, adjustments and sums due to other banks.....	1,654,565	Bank premises, furniture, and stationery.....	29,787
Profit and loss account.....	59,566		
	8,001,999		8,001,999

*This includes £183,405 value of Victory and Treasury Bonds deposited at Bank of England under Government regulations.

PROFIT AND LOSS ACCOUNT.

Dr.	£	Cr.	£
Amount due to Persian Government.....	5,426	Balance brought forward at March 20, 1924.....	34,552
Interim dividend at 4s per share, paid Jan. 19, 1925 (free of income-tax).....	10,000	Net profit, after deducting expenses of management and general charges in London, at chief office and branches, and after making provision for income-tax, corporation tax, and bad and doubtful debts.....	90,440
Transfer to reserve account.....	30,000		
Transfer to bank premises account.....	10,000		
Proposed dividend at 5s per share (free of income-tax), £25,000; balance to new account, £34,566.....	59,566		
	124,992		124,992

IONIAN BANK, LIMITED.

BALANCE-SHEET—August 30, 1924.

The exchange for drachmas is taken at 246.50 per £, for £s at 97.50 per £100 and for £s at 8.42 per £.

LIABILITIES.	£	ASSETS.	£
Capital issued—97,116 shares of £5 each, fully paid.....	485,580	Cash in hand and at bankers	572,476
Reserve fund.....	190,000	Investments at market prices or under Securities of, or guaranteed by, the British Government, £1,764,368; British Dominions, Colonial and foreign Government securities and other investments, £162,415	1,426,783
Premises redemption fund.....	10,000	Bills discounted.....	1,055,793
Current accounts, including accounts without interest, £2,827,587; deposits bearing interest, £373,795.....	3,201,381	Advances on securities.....	985,303
Other liabilities and credit accounts, including outstanding advices, exchange contracts, letters of credit, documentary credits, unclaimed dividends, and other credit balances.....	2,410,679	Loans and current accounts	327,216
Bills payable.....	197,980	Other assets, including outstanding advices, exchange contracts, letters of credit, documentary credits, and other advances.....	2,012,564
Rebate on bills discounted not due.....	3,774	Current accounts secured by mortgages.....	164
Profit and loss, balance of account, as below.....	36,919	Advances on mortgages.....	12,743
Contingent liability on bills discounted £890.		Mortgaged property in possession.....	3,365
	6,536,314	Freehold bank premises at Athens, Corfu, Cephalonia, Patras, Piræus, Zante and Candia, and bank furniture.....	99,910
			6,536,314

THE ONE HUNDREDTH BANK, LTD.

ESTABLISHED 1878.

President: K. HARA, Esq.

Capital—Subscribed	-	-	25,000,000 Yen.
Paid-up	-	-	17,500,000 Yen.
Reserve Fund and Undivided Profits	-	-	11,290,000 Yen.

Head Office: TOKYO, JAPAN.

Branches: OSAKA, YOKOHAMA, KOBE, KYOTO, TOTTORI, KAWASAKI.

London Agents: Brown, Shipley & Company. The Lloyds Bank, Ltd.

New York Agents: Brown Brothers & Company. The Equitable Trust Company of New York.

* The Guaranty Trust Company of New York. Bank of America.

Correspondents in all important places at home and abroad.

Every description of Banking and Foreign Exchange Business transacted. Current accounts opened on the most favourable terms. Special attention is given to Collection Business. Draft and Telegraphic transfers sold on all principal parts of the world.

THE COMMERCIAL BANK OF AUSTRALIA, LIMITED.

(INCORPORATED IN VICTORIA.)

LONDON OFFICE: 17, MOORGATE, E.C.2.

Registered Capital	-	-	£4,000,000	0s.
Subscribed Capital	-	-	£2,860,804	15s.
Reserve Fund (used in the business)	-	-	£685,000	0s.

DIRECTORS:

John L. Webb, Esq., Chairman.
R. C. Meares, Esq. George Kettlewell, Esq.
A. W. Palfreyman, Esq. W. H. Swanton, Esq.
General Manager: Herbert Ledlie Heron.
Chief Inspector: J. G. Minty.

LONDON BOARD:

Joseph White, Esq. George Niven, Esq.
Manager: P. H. Gardner.

DRAFTS AND LETTERS OF CREDIT are issued by the London Office on the Head Office of the Bank and the Branches throughout Australia and New Zealand.

REMITTANCES made by CABLE TRANSFER, BILLS NEGOTIATED or sent for COLLECTION, BANKING and EXCHANGE BUSINESS of every description transacted with the various Australian States and New Zealand

A Bank with 900 branches



The Royal Bank of Canada

Total Assets—Over 700 Million Dollars.

Head Office: MONTREAL. London Office: PRINCES ST., E.C.2.

The ANGLO-EGYPTIAN BANK, LIMITED.

Subscribed Capital	-	£1,800,000
Paid up	-	£600,000
Reserve Fund	-	£720,000

HEAD OFFICE:

37 to 39, King William Street, London, E.C.4.

Branches:

EGYPT—ALEXANDRIA, CAIRO, MUSKY (Cairo), PORT SAID, SUEZ, TANTAH, ZAGAZIG, MANSOURAH, ASSIUT, BENI-SUEF, MINIEH.

SUDAN—OMDURMAN, KHARTOUM, PORT SUDAN, MAKWAR, WAD MEDANI.

PALESTINE—HAIFA, JAFFA, JERUSALEM, NAZARETH.

MEDITERRANEAN—MALTA, GIBRALTAR.

THE Bank transacts every description of Banking Business in Egypt, grants Letters of Credit, and affords facilities to Travellers proceeding to Egypt and elsewhere.

Deposits received for fixed periods at rates to be obtained on application.

On current accounts Interest at the rate of 2 per cent. per annum allowed on minimum monthly balances provided they do not fall below the sum of £200.

DISTRICT BANK LIMITED

ESTABLISHED 1829.

Chairman: SIR CHRISTOPHER T. NEEDHAM.

Managing Directors:
ANGUS A. G. TULLOCH, Esq., D.L. (Deputy Chairman)
WILLIAM ROLPH EASTERBY, Esq.

Paid-up Capital	-	£1,896,000
Deposits	-	£52,020,343
Reserve Fund	-	£1,750,000
Total Assets	-	£56,105,588

30th June, 1925.

HEAD OFFICE: Spring Gardens, MANCHESTER.

Manager: HARGRAVE J. DAFFORN.
Sub-Manager: WILLIAM CUNLIFFE.

Foreign Department: { 13, Spring Gardens, Manchester.
2, Castle Street, Liverpool.
76, Cornhill, London, E.C.3.

Trustee Department: 13, Spring Gardens, Manchester.

London Office: 75, Cornhill, E.C.3.

Liverpool Office: Water Street.

360 Branches. Agents Everywhere.

Current Accounts Conducted on Usual Terms.
Deposit Accounts Opened with £1 and Upwards. Interest Allowed on Daily Balances.
Every Description of Foreign and Colonial Business Transacted.
The Bank acts as Executor and Trustee either alone or with an Individual.

PROFIT AND LOSS ACCOUNT.	
Dr.	Cr.
Charges of management for the period, including salaries, pensions, directors' fees, income-tax, and other taxes and charges	
Interest on deposits and current accounts	
Rebate on bills discounted not due	
Net profit carried down	
Interim dividend for 1924, at 3s per share, free of income-tax, paid June 10, 1924	
Reserve fund (addition to the fund)	
Greek branches' pension fund, dra. 1,000,000	
Final dividend at 3s per share, together with a bonus of 2s per share, both free of income-tax, payable, if agreed to, on the 14th January, 1925, £24,279; balance carried forward, £12,640	

INTERNATIONAL BANKING CORPORATION.

BALANCE-SHEET—June 30, 1925.

LIABILITIES.	Assets.
Capital stock	Cash on hand and in local depositories
Surplus	Bullion and foreign money on hand
Undivided profits (dividends paid Mar. 31, 1925, \$250,000, and June 30, 1925, \$250,000)	Due from banks and correspondents
Reserve for taxes	Bills, remittances, and other funds
Deposits, time	Demand loans and advances
Deposits, demand	Time loans and bills discounted
Notes in circulation in China	Securities & investments, of which securities of a value of \$1,460,000 were lodged as cover for loans, deposits, &c.
Bills and accounts payable	Bank premises
Acceptances by other banks for account of this bank	Customers' liability on account of acceptances
Securities borrowed	

MITSUBISHI BANK, LIMITED.

BALANCE-SHEET—December 31, 1924.

LIABILITIES.	Assets.
Capital	Uncalled capital
Reserve funds	Loans and bills discounted
Deposits	Foreign bills bought
Bills payable	Interest-bearing foreign bills
Foreign bills sold	Due from other banks
Due to other banks	Acceptances and guarantees, as per contra
Acceptances and guarantees	Government bonds
Interest accrued on deposits	Other bonds and securities
Rebate on bills discounted not yet due	Office premises
Suspense accounts	Cash on hand and in banks
Accounts in transit	
Balance brought forward from last profit and loss account	
Net profit for the current half-year	

PROFIT AND LOSS ACCOUNT.	
Dr.	Cr.
Legal reserve fund	
Special reserve fund	
Pension reserve fund	
Bonus	
Dividend at 10% per annum	
Balance carried forward to the next half-year	

ITALO-BELGIAN BANK.

BALANCE-SHEET—June 30, 1924.

LIABILITIES.	Assets.
Capital	Premises
Reserves	Furniture and fittings
Current and deposit accounts	Cash in hand & with banks
Bankers and correspondents	Bills receivable
Bills payable	Securities
Interest and dividends not claimed	Current accounts—Bankers and correspondents
Depositors	Clients guaranteed and not guaranteed
Re-discounts on bills	Securities deposited
Carried forward	Securities deposited as collaterals

MITSUI BANK LTD.

BALANCE-SHEET—June 30, 1925.

LIABILITIES.	Assets.
Capital	Capital unpaid
Reserve fund	Cash in hand and at the Bank of Japan
Special reserve fund	Japanese and foreign Government bonds
Reserve fund for dividend	Debentures and stocks
Pension and provident funds	Foreign bills of exchange purchased
Deposits (current, fixed, &c.)	Customers' liabilities under L/C, &c., per contra
Foreign bills of exchange sold	Due from foreign agents and correspondents
Due to foreign agents and correspondents (including discount)	Loans and discounts
Liabilities under L/C, &c.	Due from local banks
Due to local banks	Provisional payments
Dividend unpaid	Bank premises and real estates
Interest accrued on deposits not due	
Rebate on bills not due	
Provisional receipts	
Balance from last account	
Net profit for the half-year	

PROFIT AND LOSS ACCOUNT.	
Dr.	Cr.
Special reserve fund	
Pension and provident funds	
Bonus	
Dividend to shareholders	
Balance carried forward to next half-year	

THE IMPERIAL BANK OF PERSIA

33/36, King William St., London, E.C.4.

(Incorporated by Royal Charter, 1889).

Capital, fully paid up	£650,000
Reserve	£420,000
Reserve Liability of Proprietors	£1,000,000

OFFICES :

Ahwaz, Barfrush, Bunder Abbas, Bushire, Duzdab, Hamadan, Isfahan, Kazvin, Kerman, Kermanshah, Maidan-i-Naftun, Meshed, Mohammerah, Nasrat-abad (Seistan), Resht, Shiraz, Sultanabad, Tabriz.

BRANCHES IN IRAQ (Mesopotamia) :

Bagdad, Basra.

BRANCH IN INDIA :

Bombay.

CHIEF OFFICE IN PERSIA :

Teheran.

The Bank is prepared to transact Banking Business of every description in and connected with Persia and Iraq (Mesopotamia), also with Bombay, Calcutta and Karachi. Clean and Documentary Credits arranged. Documentary Bills negotiated, Clean and Documentary Bills collected. Letters of Credit, Drafts and Telegraphic Transfers issued.

Correspondents in all important places abroad.

BANCO ITALIANO

Head Office :

LIMA (Peru).

ESTABLISHED 1889

Capital Subscribed	Lp. 500,000
Capital Paid-up	Lp. 470,000
Reserve	Lp. 589,553

BRANCHES :—

AREQUIPA, CALLAO, CHINCHA-ALTA, MOLLEND, & TRUJILLO.

London Agents :

Banca Commerciale Italiana,
30a, THREADNEEDLE STREET, E.C.2

ITALO-BELGIAN BANK

(Banque Italo-Belge, Société Anonyme).

Capital subscribed and paid - Frs. 50,000,000
Reserve Funds - Frs. 26,000,000

Head Office : ANTWERP.

London Office :

100 OLD BROAD STREET, E.C.2.

Branches :

FRANCE—Paris.

ARGENTINE—Buenos Aires.

URUGUAY—Montevideo. CHILI—Valparaíso.

BRAZIL—Sao Paulo, Rio de Janeiro, Santos, Campinas.

Correspondents in all the Principal Places in South America.

The Bank transacts every description of Banking Business. Clean Bills and Documentary Bills negotiated, advanced upon, or sent for collection. Drafts and Letters of Credit issued and Cable and Mail Transfers effected on Branches and Correspondents. Documentary Credits opened or Confirmed. Sale and Purchase of Stocks and Shares undertaken. Coupons and Drawn Bonds collected and negotiated.

Telegrams: "Itabelban, London."

Telephone: London Wall 1157, 1158.

THE Punjab National Bank Ltd.

ESTABLISHED IN 1895.

Head Office :—

25, The Mall, LAHORE (India), Post Box No. 12.

Capital Authorised—Rs. 1,00,00,000.	Capital Subscribed—Rs. 50,00,000.
Capital Issued—Rs. 50,00,000.	Capital paid up to 30/6/25—Rs. 30,80,306.

Reserve Funds up to 30/6/25 - Rs. 25,60,000.

Telegrams: Stability for Head Office and all Branches. Clearance for Bombay, Amballa Cantt: Peshawar Cantt: and Lahore City only.

Amballa City	Kasoor
Amballa Cantt	Lahore City
Amritsar	Ludhiana
Bombay	Lyallpore
Calcutta	Multan City
Cawnpore	Meerut City
Delhi	Montgomery
D. I. Khan	Okara
Ferozepore City	Patiala
Gojra	Peshawar City
Gujranwala	Peshawar Cantt
Hafizabad	Quetta
Hoshiarpore	Rawalpindi City
Hyderabad (Sindh)	Sargodha
Jammu	Sialkote City
Jhelum	Srinagar (Kashmere)
Jullundhar City	Simla
Karachi	

London Agents—

The Midland Bank Limited.

Banking Business of every kind transacted

GOVIND DASS BHAGAT, M.A., LL.B., Secretary and Chief Manager.

BANCA NAZIONALE DI CREDITO

Capital L.300,000,000, of which L.275,000,000 paid up.
Reserve Fund - L.20,000,000

Head Office: MILAN.

Branches :—

Acqui, Alessandria, Ancona, Aquila, Asti, Bari, Bergamo, Biella, Bologna, Brescia, Busto Arsizio, Cagliari, Cantu, Carrara, Caserta, Catania, Como, Cuneo, Domodossola, Ferrara, Fiume, Florence, Gallarate, Genoa, Lecce, Leghorn, Legnano, Lucca, Mantua, Messina, Milan, Monza, Naples, Novi Ligure, Padua, Palermo, Parma, Piacenza, Pinerolo, Pisa, Pistoia, Prato, Rimini, Rome, Rovigo, San Remo, Saronno, Seregno, Spezia, Treviso, Trieste, Turin, Udine, Varese, Venice, Vercelli, Verona, Vicenza.

Affiliated Banks :—

BANQUE ITALO-FRANCAISE DE CREDIT	Paris, Marseilles, and Tunis.
ITALIAN DISCOUNT & TRUST COMPANY	New York.
BANCO ITALO-EGIZIANO	Alexandria, Benha, Beni-Mazar, Beni-Suef, Cairo, Fayum, Mansura, Minieh, Mit-Ghamr, Port Said, Tantah.
BANCA DALMATA DI SCONTO	Zara, Sebenico.
BANCA COLONIALE DI CREDITO	Asmara, Massaw.

THE BANK offers facilities for the transaction of every description of Banking Business in Italy.
WE INVITE YOU to add to your list of correspondents the names of our Branches.

MOSCOW NARODNY BANK, LIMITED.

BALANCE-SHEET—June 30, 1925.

LIABILITIES.	£	ASSETS.	£
Capital—25,000 shares of £10 each, fully paid, £250,000; 25,000 shares of £10 each, £4 paid, £100,000	350,000	Cash at bankers and in hand	430,911
Reserve account	25,000	Loans at short notice (secured by British Government securities, &c.)	250,000
Current accounts	417,251	British Treasury bonds and accrued interest	50,693
Deposit accounts	1,200	Investments (at cost)—Co-operative Transit Bank, Riga—5,000 fully-paid shares, of 100 gold lats each, £22,060; 1,000 shares of 100 gold lats with 50 gold lats per share paid up, £1,982	24,042
Correspondents of the Bank—Loro, £389,505; Nostro, £40,840	430,345	Correspondents of the bank—Loro, £5,173; Nostro, £145,721	150,894
Bills rediscounted	303,465	Bills Receivable	1,550
Letters of Credit	290	Bills discounted	290,590
Documentary Credits	760,626	Advances—	
Liabilities of the bank in respect of—		Against goods and documents	604,949
Guarantees	257,439	Against bills of exchange, &c.	238,008
Acceptances	70,000	Debtors in respect of documentary credits	815,229
Bills for collection	20,000	Liability of customers in respect of—	
Documentary collections	8,632	Guarantees Issued	257,439
Advances against merchandise	375,563	Bank Acceptances	70,000
Acceptances of banks & other	101,286	Bills for Collection	30,000
Miscellaneous creditors, reserve for income tax and accrued charges	137,893	Documentary collections	8,632
Profit and loss account—		Miscellaneous debtors	71,569
Balance as at Dec. 31, 1924, £5,803; add profit for the 6 months ended June 30, 1925, £24,227	30,030	Office furniture and fittings, less depreciation	4,514
	3,289,020		3,289,020

NATIONAL BANK OF EGYPT.

BALANCE-SHEET—December 31, 1924.

LIABILITIES.	£	ASSETS.	£
Share capital—300,000 fully-paid shares of £10 each	3,000,000	Government securities and securities guaranteed by the Egyptian Government	21,417,056
Statutory reserve fund	1,500,000	Sundry securities	268,044
Special reserve	925,000	Advances on merchandise	2,585,673
Current, deposit, and other accounts	14,986,122	Advances on securities	2,764,297
Egyptian Government	18,944,217	Advances otherwise secured	438,207
Sudan Government	214,854	Sundry other advances	641,780
Mixed Tribunals	159,304	Bills of exchange	5,789,134
Bankers' accounts	517,532	Local bills discounted	189,217
Cheques and bills payable	514,756	Buildings, furniture, &c.	263,188
Rebate of discount on bills not yet due	28,612	Money at call and at short notice	1,560,000
Dividends unclaimed	7,856	Bankers' accounts	4,611,821
Provision for payment of final dividend at the rate of 11 per cent. per annum	330,000	Cash: Notes, £21,825,716; gold and silver coin, &c., £2,353,492	2,235,087
Profit & loss account balance	190,251		
	42,753,504		42,753,504

Under the heading "Bankers' accounts" is included £539,375, to credit with banks in Germany.

ISSUE DEPARTMENT.

Notes issued	£	Gold	£
42,000,000		3,339,576	
		*British Treasury bills	17,660,424
		Securities—	
		Egyptian Government securities and securities guaranteed by the Egyptian Government	420,576
		British Treasury Bills and National War Bonds	20,579,424
			42,000,000

* By authority of the Egyptian Government these Treasury Bills are deposited in lieu of gold.

NATIONAL CITY BANK OF NEW YORK.

BALANCE-SHEET—June 30, 1925.

LIABILITIES.	\$	ASSETS.	\$
Capital	50,000,000	Cash in vault and in Federal Reserve Bank	95,185,184
Surplus	50,000,000	Due from banks, bankers, and United States	205,051,014
Undivided profits	12,255,585	Treasurer	531,417,314
Deposits	910,903,906	Loans, discounts, and acceptances of other banks	105,847,466
Liability as acceptor, endorser, or maker on foreign bills	114,535,771	United States Government bonds and certificates	53,549,077
Circulation	849,995	State & municipal bonds	3,000,000
Bonds borrowed	775,000	Stock in Federal Reserve Bank	
Reserves for—		Ownership of International Banking Corporation	12,500,000
Accrued interest, discount and other unearned income	2,417,013	Other bonds & securities	66,476,952
Taxes and accrued expenses, &c.	4,552,015	Bank buildings	17,609,665
Dividend payable July 1, 1925	2,000,000	Items in transit with customers	282,122
Contingencies	6,180,236	Customers' liability account of acceptances	62,064,192
Other Liabilities	260,829	Other assets	1,747,364
	1,154,730,350		1,154,730,350

SOCIETE BELGE DE CREDIT INDUSTRIEL ET COMMERCIAL ET DE DEPOTS.

BALANCE-SHEET—December 31, 1924.

LIABILITIES.	Francs.	ASSETS.	Francs.
Subscribed capital	20,000,000	Premises	1,022,657
Statutory reserve	1,475,468	Uncalled capital	14,619,200
Special reserve	3,600,000	Cash	664,577
Deposit accounts	38,101,137	Current accounts	13,292,344
Current accounts	30,240,420	Coupons for collection	175,308
Other accounts	1,046,004	Bills receivable	42,734,259
Profit and loss	1,426,472	Short loans	9,272,012
	95,889,501	Advances	14,014,821
		Other assets	93,786
			95,889,501

SOCIETE GENERALE DE CREDIT INDUSTRIEL ET COMMERCIAL.

BALANCE-SHEET—December 31, 1924.

LIABILITIES.	£	ASSETS.	£
Deposit accounts	6,199,173	Cash in hand	1,581,384
Current accounts	11,783,744	Due from other banks	496,668
Fixed deposits	1,431,837	Coupons for collection	168,229
Acceptances guaranteed	270,202	Bills receivable, "Bons de la Défense Nationale"	15,175,946
Unclaimed interest and dividends	4,577	Current accounts	2,230,661
Transitory and sundry accounts	1,121,423	Advances guaranteed	1,363,964
Rebate	124,417	Acceptances guaranteed	270,202
Reserve fund—		Payments made on account of interest and dividends for 1924	50,910
Ordinary £400,000; Extraordinary £1,680,000	2,080,000	Transitory accounts	10,184
Capital subscribed	4,000,000	Investments	1,015,102
Brought forward from 1922	16,934	Shares of affiliated societies	2,161,862
Profit and loss account for 1923	333,976	Bank premises	240,000
	27,366,282	Uncalled capital	2,601,180
			27,366,282

BANK FOR RUSSIAN TRADE, LTD.

(formerly Arcos Banking Corporation, Limited).

49, MOORGATE, LONDON, E.C.2, ENGLAND.

Cable Address: "SOCRABANK, LONDON."

ESTABLISHED TO ASSIST IN THE REBUILDING OF THE RUSSIAN FOREIGN TRADE.

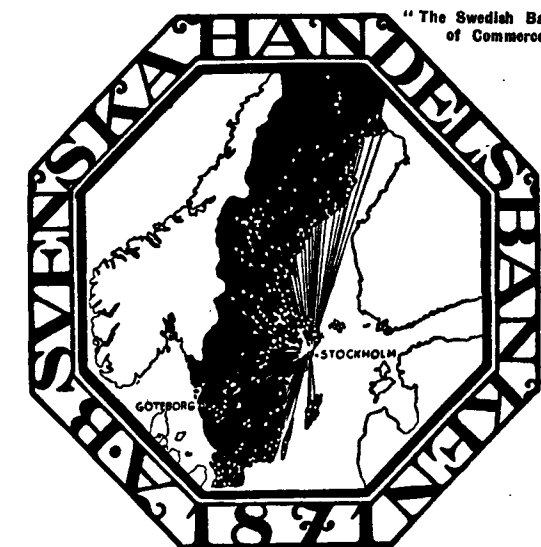
Capital Authorised - £750,000
 Paid in Full - £400,000
 Reserve - £57,500

CORRESPONDENTS IN ALL PRINCIPAL CITIES OF EUROPE.

ALL KINDS OF BANKING BUSINESS TRANSACTED,

INCLUDING
 LOANS AGAINST RAW PRODUCE,
 COMMERCIAL LETTERS OF CREDIT,
 AND FOREIGN EXCHANGE.

Special facilities for Russian Exchange; Remittances and Collections on Russia in Chervonetz, Sterling and U.S. Dollars; Travellers' Cheques on Russia in Chervonetz; Purchase and Sale of Chervontzy notes.



Svenska Handelsbanken

Stockholm
Head OfficeGöteborg
S. Hamngat. 23

Branches throughout Sweden.

Travellers' Letters of Credit,
 Documentary Credits,
 Collections,
 Payments,
 etc.

Tel. Addr. to Head Office and all Branches: "Handelsbank."

THE MERCANTILE BANK OF INDIA, LTD.

HEAD OFFICE: 15, Gracechurch St., London, E.C.3.

Capital Authorised ... £3,000,000
 Capital Paid Up ... £1,050,000
 Reserve Fund and Undivided Profits ... £1,458,221

Branches and Agencies in:
 INDIA, CEYLON, BURMA, SIAM,
 STRAITS SETTLEMENTS, CHINA,
 PORT LOUIS, MAURITIUS, and
 DUTCH EAST INDIES.

The Bank buys and sells Bills of Exchange, issues Letters of Credit, and conducts every description of Banking Business in connection with the East.

FIXED DEPOSIT RATES
 will be quoted upon application.

On CURRENT ACCOUNTS interest is allowed at 2 per cent. per annum on Daily Balances, provided interest for the half-year amounts to £1.

JAMES STEUART, Chief Manager.

BANK of LIVERPOOL & MARTINS LIMITED.

Head Office: 7, WATER STREET, LIVERPOOL.

London Office: 68, LOMBARD ST., LONDON, E.C.3.

Capital Subscribed - £18,791,120
 Capital Paid up and Reserves - 4,190,752
 Deposits, &c., at 30th June, 1925 - 58,050,861

375 BRANCHES AND SUB-BRANCHES.

All descriptions of Banking, Trustee and Foreign Exchange Business Transacted.

The Bank is prepared to act as Agents for Foreign Banks on usual terms.

THE MITSUBISHI BANK, LTD.

(Incorporated in Japan.)

Subscribed Capital: Yen 50,000,000.
 Paid-up Capital: Yen 30,000,000. Reserve Fund: Yen 23,808,770.

General Banking and Exchange Business. Deposit Rates on Application.

Head Office: TOKYO.

Branches: TOKYO, OSAKA, KOBE, KYOTO, NAGOYA, OTARU,
 SHANGHAI, NEW YORK, LONDON.

London Office: 3, BIRCHIN LANE, CORNHILL, E.C.3.

SOCIETE GENERALE.

(Pour Favoriser le Développement du Commerce et de
l'Industrie en France.)

BALANCE-SHEET—December 31, 1924.

LIABILITIES.	Francs.	ASSETS.	Francs.
Capital	500,000,000	Cash in hand and at bank	817,435,457
Reserve	57,026,002	Bills receivable	3,199,086,945
Drawing accounts	1,390,277,179	Coupons for collection ..	88,327,059
Deposit accounts	138,620,300	Short loans	37,449,739
Bills payable	159,379,850	Loans on security	402,345,125
Current accounts	3,823,582,608	Current accounts	1,336,931,112
Sundry creditors	248,943,619	Investments	37,956,207
Interest and dividends ..	1,797,676	Syndicates	28,280,210
Profit and loss	39,367,987	Premises, &c.	56,397,039
		Sundry debtors	104,786,328
		Uncalled capital	250,000,000
	6,358,995,221		6,358,995,221

SUMITOMO BANK, LIMITED.

BALANCE-SHEET—June 30, 1925.

LIABILITIES.	Yen.	ASSETS.	Yen.
Subscribed capital	70,000,000	Capital unpaid	20,000,000
Reserve fund	20,500,000	Loans, bills discounted and	
Pension reserve	2,150,000	exchange purchased	310,614,541
Deposits	408,927,920	Due from other banks	2,866,199
Exchange sold and bills		Customers' liabilities on	
payable, &c.	16,630,112	foreign credits, accept-	
Exchange adjustment	655,992	ances and guarantees	7,359,537
Due to other banks	9,284,663	Government bonds	92,479,764
Foreign credits, acceptances		Municipal and other securi-	
and guarantees	7,359,537	ties	35,917,912
Unearned and accrued		Securities lent	680,646
interest	7,310,908	Foreign currencies	2,808
Balance of profit brought		Bank premises	14,982,605
forward from last half-year	1,788,206	Money at call and short	
Net profit for the half-year	3,698,844	notice	24,542,547
		Cash in hand	38,919,623
	548,306,182		548,306,182

The net profit for the half-year ended June 30th last amounted to 5,487,049.64 yen, and has been disposed of as follows:—To reserve fund, 500,000.00 yen; to pension fund,

150,000.00 yen; to dividend, 2,500,000.00 yen; to bonus, 140,000.00 yen; to balance carried forward to next half-year, 2,197,049.64 yen.

SWISS BANK CORPORATION.

BALANCE-SHEET—December 31, 1924.

(£1 = 25 Francs.)

LIABILITIES.	£	ASSETS.	£
Share capital	4,800,000	Cash	3,576,406
Reserves	1,320,000	Banks and bankers	5,541,110
Fixed deposits	5,969,425	Bills receivable	11,289,556
Current accounts, &c.	26,831,919	Loans at short dates on	
Bills payable and acceptances	3,127,279	securities	178,856
Profit	481,937	Current accounts	18,692,169
		Permanent investments	302,390
		Government, railway, and	
		other securities	1,830,205
		Syndicates	511,247
		Bank premises and other	
		property	608,621
	42,530,560		42,530,560

YOKOHAMA SPECIE BANK, LIMITED.

BALANCE-SHEET—December 31, 1924.

LIABILITIES.	Yen.	ASSETS.	Yen.
Capital	100,000,000	Cash	111,070,396
Reserve fund	77,500,000	Investments in public se-	
Reserve for doubtful debts	5,311,138	curities and debentures ..	292,312,768
Notes in circulation	9,378,705	Bills discounted, loans, ad-	
Deposits (current, fixed, &c.)	591,164,955	vances, &c.	327,016,292
Bills payable, bills redis-		Bills receivable and other	
counted, acceptances, and		sums due to the bank	665,136,829
other sums due by the		Bullion and foreign money	33,549,098
bank	646,479,239	Bank's premises, properties,	
Dividends unclaimed	31,559	furniture, &c.	15,198,166
Balance of profit and loss			
brought forward from last			
account	5,268,836		
Net profit for the past half-			
year	9,149,117		
	1,444,283,549		1,444,283,549

BALANCE SHEET OF COMMERCIAL & INDUSTRIAL BANK OF U.S.S.R.

on JULY 1st, 1925.

HEAD OFFICE:

MOSCOW, KARUNIN (f. Stock Exchange) Place Nr. 2/7
82 BRANCHES IN ALL PARTS OF THE U.S.S.R.

ASSETS.

	Head Office and Moscow City. Branches.	Provincial Branches.	Total.
1. Cash on hand	8,488,179,72	9,630,327,87	18,118,507,59
2. Securities, foreign in cheques and Bank Notes	9,409,865,15	4,252,193,94	13,662,059,09
3. Bills	93,589,553,26	122,849,993,10	216,439,546,36
4. Advances on merchandise	29,874,709,33	43,556,152,01	73,430,861,34
5. Advances on bills	635,424,46	339,242,45	974,666,91
6. Advances on long terms, special	2,987,354,53	1,768,694,26	4,756,048,79
7. Correspondents	4,966,371,48	354,526,59	5,320,898,07
8. Head Office	3,148,606,05	5,116,688,37	8,265,294,42
9. Branches	70,244,944,72	—	70,244,944,72
10. Interest and commission payable	5,308,913,54	7,085,206,14	12,394,119,68
11. General expenses	3,472,323,96	4,644,457,56	8,116,781,52
12. Other assets	6,907,273,98	30,812,003,20	37,719,277,18
	239,033,520,18	230,409,485,49	469,443,005,67

LIABILITIES.

1. Capital paid up	51,990,040,59	—	51,990,040,59
2. Special capital and reserves	8,643,350,30	—	8,643,350,30
3. Deposits and current ac-	107,405,200,45	93,206,824,13	200,612,024,58
counts	23,421,636,17	11,499,953,63	34,921,589,80
4. Bills rediscounted	5,619,877,37	1,364,902,06	6,984,779,43
5. Correspondents	4,882,500,58	69,457,429,01	74,339,929,59
6. Head Office	9,371,960,67	—	9,371,960,67
7. Branches	14,769,663,38	19,328,849,85	34,098,513,23
8. Interest and commission	12,929,290,67	35,551,526,81	48,480,817,48
receivable			
9. Other liabilities	239,033,520,18	230,409,485,49	469,443,005,67



THOUGHT

Industrial Great Britain was created by the man of thought and imagination, and yet few of us to-day wish to take the trouble to think deeply.

The banker, and those with treasure to protect, have every reason to give thought to the degree of protection upon which they rely for security, because the modern burglar, by giving thought to his job, has become a great danger.

During the last 10 years he has made greater progress in his method of attack and has been more successful than in the previous 50 years, while the ingenuity shown in achieving his success proves that the modern burglar is an educated man possessing a knowledge of engineering.

The Chatwood Security is the result of continued thought arising from the experience of almost three-quarters of a century.

J. E. S.

THE
CHATWOOD
SAFE

THE CHATWOOD SAFE Co., Ltd.,
Bankers' Engineers, BOLTON, Eng.

VICKERS Limited

SHIPBUILDING & REPAIRS.

AIRCRAFT. Marine Engines of all descriptions. Large Gas Engines. Cement Machinery. Winding Engines. Rubber-making Machinery. Railway Material. Oil Well Supplies and Equipment. Drop Forgings. Engineers' Small Tools, including Vickers' Vanadium High Power Drills and Patent Adjustable Reamers. Diamond Hardness Testing Machines. Waterproof Plywood. Sporting Gun and Rifles, Etc.

Railway Material

Tyres, Springs
& Axles.

Head Office:
Vickers House, Broadway, London, S.W.1.

Works: Barrow-in-Furness, Sheffield, Erith,
Crayford, Dartford, Weybridge.

BANK OF MONTREAL

(Established in 1817).

Paid-up Capital, \$29,916,700. Rest & Undivided Profits, \$30,765,458.
Total Assets in Excess of \$700,000,000.

BOARD OF DIRECTORS.

SIR VINCENT MEREDITH, Bt., *President.*
 SIR CHARLES GORDON, G.B.E., *Vice-President.*
 C. R. HOSMER, Esq. H. R. DRUMMOND, Esq. D. FORBES ANGUS, Esq.
 WM. McMASTER, Esq. LT.-COL. HERBERT MOLSON, C.M.G., M.C. HAROLD KENNEDY, Esq.
 G. B. FRASER, Esq. HIS HONOUR HENRY COCKSHUTT. E. W. BEATTY, Esq., K.C.
 THE HON. SIR LOMER GOUIN, GEN. SIR ARTHUR CURRIE, G.C.M.G., K.C.B. JAMES STEWART, Esq.
 F. E. MEREDITH, Esq., K.C. MAJOR-GENERAL THE HON. S. C. MEWBURN, C.M.G. THOMAS AHEARN, Esq.
 J. W. McCONNELL, Esq. F. W. MOLSON, Esq.

Head Office: MONTREAL.

General Manager: SIR FREDERICK WILLIAMS-TAYLOR.

BRANCHES and AGENCIES throughout Canada and Newfoundland; also at New York, Chicago and San Francisco in the United States, and at Mexico City, Vera Cruz, Puebla, Guadalajara and Monterrey in the Republic of Mexico.

London Offices - - - **47, THREADNEEDLE STREET, E.C.2.**
9, WATERLOO PLACE, PALL MALL, S.W.1.

London Committee: SIR THOMAS SKINNER, Bt. F. R. S. BALFOUR, Esq.
 SIR HARDMAN LEVER, Bt., K.C.B. *Manager: GEORGE CYRIL CASSELS.*

Paris Agency: BANK OF MONTREAL (FRANCE), 6, PLACE VENDÔME, PARIS.
Paris Comité Consultatif: M. LE SÉNATEUR GASTON MENIER *Manager: W. F. BENSON.*

Financial Agents of the Government of the Dominion of Canada.

The Bank has reciprocal arrangements with leading banks covering all countries, and is, therefore, in a position to offer favourable competitive rates for business in all parts of the world. With its numerous Branches it offers exceptional facilities for the transaction of a general banking business in Canada, Newfoundland, the United States, Mexico and France.

SWISS BANK CORPORATION

(Established 1872).

BASLE, ZURICH, ST. GALL, GENEVA, LAUSANNE, LA CHAUX-DE-FONDS, NEUCHÂTEL, SCHAFFHOUSE, BIENNE, CHIASSO, HERISAU, LE LOCLE, NYON, AIGLE, BISCHOFZELL, MORGES, RORSCHACH, VALLORBE.

LONDON OFFICE - - - **99, GRESHAM ST., E.C.2.**

WEST END BRANCH: 11c, REGENT STREET, Waterloo Place, S.W.1.

Managing Director in London: X. CASTELLI.

Paid-up Capital - - - - - **£4,800,000**
Reserves - - - - - **£1,320,000**

Every description of banking business. Current and deposit accounts. Purchase and sale of foreign exchanges for forward delivery. Transactions in all investment securities.

AGENT IN GREAT BRITAIN FOR THE SWISS GOVERNMENT POSTAL CHEQUE SERVICE AND FOR THE SALE OF SWISS POSTAL TRAVELLERS' CHEQUES FOR THE USE OF VISITORS TO SWITZERLAND.

BANK OF NEW ZEALAND.

BANKERS TO THE NEW ZEALAND GOVERNMENT.

AUTHORISED CAPITAL - - - **£6,154,988**

Capital Subscribed and Paid up - - - **£6,154,988**

Four per cent. Guaranteed Stock - - - **£529,988**

"A" Preference Shares - - Issued to N.Z. Government **500,000**

"B" Preference Shares - - Issued to N.Z. Government **1,375,000**

Ordinary Shares - - - - - **3,750,000**

£6,154,988

Reserve Fund and Undivided Profits - - - **3,088,299**

£9,243,287

HEAD OFFICE: WELLINGTON, N.Z. LONDON OFFICE: 1, QUEEN VICTORIA STREET, E.C.4.

BRANCHES AND AGENCIES AT OVER 200 POINTS IN NEW ZEALAND,

And at Melbourne, Victoria; Sydney, New South Wales; Suva and Levuka, Fiji; Apia, Samoa.

THE LONDON OFFICE GRANTS DRAFTS on any of the above places; MAKES TELEGRAPHIC TRANSFERS; OPENS CURRENT ACCOUNTS for the convenience of its Colonial Constituents; NEGOTIATES AND COLLECTS BILLS payable in any part of Australasia, Fiji and Samoa; UNDERTAKES all descriptions of Colonial Banking and Monetary Business, and affords every facility to persons in their transactions with the Colonies. **ROBERT MILL, Manager.**

NATIONAL BANK OF INDIA, LIMITED.

Registered in London under the Companies Act of 1862 on the 23rd of March, 1866.
 Established in Calcutta 29th September, 1863.

Bankers to the Government in KENYA (B. E. Africa) and UGANDA.

Subscribed Capital - - - - - **£4,000,000**
Paid-up Capital - - - - - **£2,000,000**
Reserve Fund - - - - - **£2,800,000**
Number of Shareholders - - - - - **2,473**

Head Office: 26 BISHOPSGATE, LONDON, E.C. 2.

BOARD OF DIRECTORS:

SIR CHARLES C. McLEOD, Bart., *Chairman.* J. N. STUART, Esq., *Deputy-Chairman.*
 HON. E. JULIAN HAWKE. B. LANGFORD JAMES, Esq. C. NICOLL, Esq.
 SIR JOHN P. HEWETT, G.C.S.I., K.B.E., C.I.E. ROBERT MILLER, Esq. J. A. TOOMEY, Esq.

BRANCHES:

ADEN	CHITTAGONG	MADRAS	KISUMU	ENTEBBE
ADEN STEAMER	COCHIN (S. India)	MANDALAY	MOMBASA	JINJA
POINT	COLOMBO	NEWERA ELIYA	NAIROBI	KAMPALA
AMRITSAR	DELHI	BANGON	NAKURU	DAR-ES-SALAAM
BOMBAY	KANDY	TUTICORIN		TANGA
CALCUTTA	KURRACHEE	ZANZIBAR		
CAWNPORE	LAHORE			

Kenya Colony, B.E.A. } Uganda.
 Tanganyika Territory.

The Bank grants Drafts and Telegraphic Transfers on all places where it is represented; negotiates and collects Bills of Exchange; collects Pay, Pensions, and generally transacts every description of Eastern Banking Business. The Bank receives Deposits for fixed periods, not exceeding one year, at rates to be obtained on application.

PROVINCIAL BANK OF IRELAND LTD.

ESTABLISHED 1825.

Subscribed Capital - - - £4,080,000

Paid-up - - - - - £540,000

Divided into 40,000 Shares of £100 each, £12 10s. paid; and 4,000 Shares of £20 each, £10 paid.

Reserve Fund - - - - - £550,000

DIRECTORS:

WILLIAM THOMAS BRAND, Esq.
WALTER SPENCER M. BURNS, Esq.
ROBERT JOHN FITZGERALD, Esq.
Hon. Sir WILLIAM HENRY GOSCHEN, K.B.E.
ROBERT ASHHURST GRADWELL, Esq.

HENRY SAMUEL HOWARD GUINNESS, Esq.
ALEXANDER BRODRICK LESLIE-MELVILLE, Esq.
Captain GEORGE LESLIE POE, R.N. (Retired).
RICHARD DURANT TROTTER, Esq.

Secretary: HUME ROBERTSON.

Assistant Secretary: FRANCIS S. FORDE.

Chief Officer in Ireland: SAMUEL D. BUDD.

Head Office: 8 THROGMORTON AVENUE, LONDON, E.C.2

F. W. BROWN, Manager.

132 Branches and Sub-Branches throughout Ireland.

London Agents - - - BARCLAYS BANK LIMITED.

The Provincial Bank of Ireland Limited has likewise Agents and Correspondents in all the chief cities and towns of Great Britain, and on the Continent of Europe, North and South America, Canada, the East and West Indies, Australia, New Zealand, China and Africa.

Head Office:

7, PRINCES STREET, E.C.2.

Estd.



1862.

Regd. Office:

7, TOKENHOUSE YARD, E.C.2.
During alterations to premises transferred to—
25-31, MOORGATE, E.C.2.

South American Trade.

A complete and efficient Banking service is offered to all trading with South America. Every description of banking business undertaken. Direct representation in France, Belgium, Portugal and U.S.A.

Monthly Trade Review and Status Reports sent on Application.

BANK OF LONDON & SOUTH AMERICA LIMITED

Paid-up Capital and Reserve Fund, £7,140,000

MANCHESTER:
36, Charlotte Street.

Affiliated with LLOYDS BANK LIMITED.

BRADFORD:
35, Hustlergate.

WILLIAM F. MALCOLM & CO.,

52, Leadenhall Street, LONDON, E.C. 3.

Merchant Shippers

FLAX, HEMP, JUTE, JUTE GOODS,
COIR YARN, GRAIN, TAR & PITCH.

WM. F. MALCOLM & CO. - - - Dundee, Scotland.
Bologna, Italy.
New York, U.S.A.
Nakuru, B.E.A.

MALCOLM & CO. - - - Reval, Esthonia.
Riga, Latvia.

Telegraphic Address: "MALCOLM."

LAST but not LEAST

We are the youngest of the three largest banks in Ecuador. But—
We are not the weakest in point of strength and activity.

BANCO DE DESCUENTO

Guayaquil - - - ECUADOR

Established 1920.

THE COUNTY BANK.

THE MANCHESTER & COUNTY BANK LIMITED.

Directors:

Sir FRANK FORBES ADAM, Bt., C.B., C.I.E., Manchester, Chairman.

GEORGE HESKETH, Esq., Bolton, Deputy Chairman.

DONALD BEITH, Esq., Manchester.

T. GILBERT DUGDALE, Esq., Blackburn.

The Hon. MARSHALL J. BROOKS, Rawtenstall.

Sir A. MEYRICK HOLLINS, Bt., Preston.

A. S. DREW, Esq., Burnley.

JOHN GRAHAM PEEL, Esq., Manchester.

General Manager: J. W. NIGHTINGALE.

Head Office - - - 55, KING STREET, MANCHESTER.
Foreign Department - - 59, KING STREET, MANCHESTER.
Liverpool Office - - - 53, DALE STREET, LIVERPOOL

(With Foreign Department Attached.)

And 166 BRANCHES in LANCASHIRE and Adjacent Counties.

Capital Subscribed - - - - -	£5,460,200
„ Paid up - - - - -	1,092,040
Reserve Fund - - - - -	1,025,000

NEDERLANDSCHE HANDEL-MAATSCHAPPIJ

(NETHERLANDS TRADING SOCIETY).

Established by Royal Charter A.D. 1824.

BANKERS.

Capital Paid up - - - - -	f.80,000,000 Neth. Currency (£6,666,666)
Statutory Reserve Fund - - -	f.20,536,861 „ „ (£1,711,405)
Extraordinary Reserve Fund - -	f.22,660,000 „ „ (£1,888,333)

Head Office: AMSTERDAM.

Branches: ROTTERDAM, THE HAGUE.

Branches in the NETHERLANDS INDIES: BATAVIA, SOURABAYA, SAMARANG, MEDAN, and further Principal Ports.

Branches in the STRAITS SETTLEMENTS, BRITISH INDIA, CHINA and JAPAN: SINGAPORE, PENANG, RANGOON, CALCUTTA, BOMBAY, HONGKONG, SHANGHAI and KOBE.

Grant Drafts and Issue Letters of Credit on all their Branches and Correspondents in the East, on the Continent, on Great Britain, Africa, America and Australia, and transact Banking Business of every description.

LONDON CORRESPONDENTS: National Provincial Bank, Ltd., LONDON.

THE NATIONAL BANK LIMITED.

Head Offices: 13-17, OLD BROAD STREET, LONDON, E.C.2.

ESTABLISHED 1835.

Capital Subscribed, £7,500,000. Paid up, £1,500,000. Reserve Fund, £1,250,000. Deposits, etc. (as at 30th June, 1925), £38,340,893.

DIRECTORS.

*SIR THOMAS HENRY GRATTAN ESMONDE, Bart., Chairman of Irish Board and Deputy-Chairman of the Bank.	JAMES BLACKADER MEERS, Esq., C.B., Chairman.	RT. HON. THE EARL OF KENMARE, C.V.O.
MICHAEL J. COOKE, Esq., Deputy-Chairman of London Board.	*JOHN PHILIP BUTLER, Esq.	RT. HON. SIR THOMAS FRANCIS MOLONY, Bart., P.C.
*JAMES JOHN O'CONNELL, Esq., Deputy-Chairman of Dublin Board.	CAPTAIN THE HON. HENRY EDMUND FITZALAN-HOWARD.	*THOMAS PATRICK MORRISSEY, Esq., J.P.
	CHARLES FREDERICK HIGGINSON, Esq.	*SIR GEORGE FRANCIS MURPHY, Bart.
	*RICHARD JOHN KELLY, Esq., K.C.	

These Directors sit in Dublin.

General Managers—J. J. O'CONNELL, M. J. COOKE.

Secretary—E. S. GOADBY.

Secretary in Dublin—W. M. ROCHE.

LONDON.—13, OLD BROAD STREET, E.C.2—F. W. CARR, STANLEY ARCHER, Joint Managers.	Islington.—359, 361 & 363, Goswell Rd., E.C.1—A. W. Daver, Manager.
Baker Street.—52, Baker St., W.1—Francis Blackburn, Manager.	King's Cross.—286, Pentonville Rd., N.1—F. E. King, Manager.
Baywater.—70, Gloucester Gdns., Bishop's Rd., W.2—W. H. Bishop, „	Leadenhall Street.—21, Leadenhall St., E.C.3—George Costello, „
Belgravia.—19 & 21, Grosvenor Gardens, S.W.1—H. I. H. Elliott, „	Notting Hill.—156 & 158, High St., W.11—C. M. V. Parker, „
Camden Town.—189, High St., N.W.1—C. E. Vassie, „	Oxford Street.—274 & 276, Oxford St., W.1—E. N. D. Crabb, „
Charing Cross.—14-20, Charing Cross, S.W.1—A. V. P. Carroll, „	Strand.—180, Strand, W.C.2—E. P. O. M. Taunton, „
Harrow Road.—2, Elgin Avenue, W.9—J. C. St. Lawrence, „	Willesden.—St. Mary's Rd., Harlesden, N.W.10—H. P. Finucane, „
Holborn.—10, Southampton Row, W.C.1—J. M. Jennings, „	

COUNTRY BRANCHES.

BIRKENHEAD.—34, Hamilton Square—G. P. Hanlon, Manager.	NEWPORT (Mon.).—32, Commercial St.—J. A. Henshaw Lewis, Manager.
BRISTOL.—27, Clare St.—J. H. O'Kelly, „	PT. TALBOT & ABERAVON.—Station St.—E. A. J. Hambidge, „
CARDIFF.—3, High St.—J. Fitzgerald, „	ROATH.—0, Albany Rd., Cardiff—H. R. Reader, „
CARDIFF DOCK.—125, Bute St.—W. A. Evans, Joint Managers	SALFORD.—301 & 303, Chapel St.—J. J. Ryan, „
LIVERPOOL.—2, 4, 6 & 8, James St.—T. R. Antisell, „	SWANSEA DOCKS.—8 & 9, Wind St.—R. R. Haines, „
MANCHESTER.—10, Mosley St.—W. de P. Kenny, Manager.	SWANSEA.—204, High St.—„

IRELAND.—DUBLIN.—34, College Green: D. W. Jackson, Manager.

AND 130 BRANCHES AND 100 SUB-OFFICES THROUGHOUT THE PROVINCES.

All Descriptions of Banking, Foreign Exchange, Income Tax and Executor & Trustee Business Transacted.

WILLIAMS DEACON'S BANK

LIMITED.

Members of the London Bankers' Clearing House.

LONDON OFFICE - - - 20, BIRCHIN LANE, E.C.3.
WEST END OFFICE - - - 9, PALL MALL, S.W.1.
MANCHESTER OFFICE - - - MOSLEY STREET.
And 182 other Offices in London, Lancashire, Yorkshire, Cheshire, Derbyshire, Staffordshire, and North Wales.

The Bank acts as Executor; and as Trustee under Wills, Settlements, Debentures, Trusts, etc. Trusteeship Departments in LONDON and MANCHESTER.

SAVINGS ACCOUNTS OPENED.

Money received on deposit, bearing interest and repayable on demand. Current Accounts conducted on agreed terms.

COMMERCIAL CREDITS ARRANGED.

EVERY DESCRIPTION OF FOREIGN BUSINESS TRANSACTED.

STOCKHOLMS ENSKILDA BANK.

BANK WITH UNLIMITED LIABILITY.
Established in 1856.

TELEGRAPHIC ADDRESS:
NITTON-STOCKHOLM.

STOCKHOLM.

HEAD OFFICE
STOCKHOLM 16.

CAPITAL (paid up) - - - - - Kr. 43,500,000.
RESERVE FUNDS - - - - - Kr. 41,500,000.

Banking and Exchange Business of every description.
Bills negotiated or forwarded for Collection.
Letters of Credit issued available in the principal Cities of the World.
Remittances made by Telegraphic Transfer.
Deposits received for fixed periods or at notice.

LONDON AGENTS:

WESTMINSTER BANK, LIMITED, LOTHBURY, E.C.; HAMBRO'S BANK, LIMITED; FREDK. HUTH & CO.

THE SUMITOMO BANK, LIMITED

Head Office: OSAKA, JAPAN.

(INCORPORATED IN JAPAN).

Capital Subscribed - Yen 70,000,000.00 Paid-up Capital - - Yen 50,000,000.00
Reserve Fund - - Yen 23,300,000.00 Deposits - - - - Yen 400,000,000.00

BARON K. SUMITOMO, President.

51 HOME BRANCHES:—Hakata, Hiroshima, Kobe (3), Kokura, Kumamoto, Kure, Kurume, Kyoto (2), Moji, Nagoya, Niihama, Okayama, Onomichi, Osaka (16), Shimonoseki, Tokyo (15), Wakamatsu, Yanai, Yokohama.
FOREIGN BRANCHES AND AFFILIATED BANKS:—Bombay, Hankow, Honolulu, London, Los Angeles, New York, Sacramento, San Francisco, Seattle, Shanghai.
LONDON BANKERS.—Lloyds Bank Limited.
Correspondents in all important places at Home and Abroad.

GENERAL BANKING AND EXCHANGE BUSINESS.

London Office: 67, BISHOPSGATE, E.C.2.

Telephone: London Wall 1511 & 1512. Cable Address: "Oksumitban, London."

T. SHIBATA, Manager.

ZEMSKÁ BANKA

(FORMERLY ROYAL BANK OF BOHEMIA)

PRAGUE, CZECHOSLOVAKIA.

Branch at BRATISLAVA.

CAPITAL	Kc.	40,000,000	DEPOSITS	Kc.	1,983,000,000
WORKING CAPITAL OF THE BRANCH AT BRATISLAVA	Kc.	16,000,000	SECURITIES IN CUSTODY	Kc.	5,709,000,000
RESERVE FUNDS	Kc.	55,000,000	Bonds issued on the basis of Communal, Land Development and Railway Loans	Kc.	1,211,000,000

All business transactions are guaranteed by the Country of Bohemia, the most developed Province of the Czechoslovak Republic. Mortgage Loans. Credit for Construction of Buildings. All Banking, Discount and Stock Exchange Transactions. Transfers effected on all places of the Republic and abroad. Safe custody of Securities, Legal Safe Custody, Safes.

Issue of 4% and 4½%

Communal, Land Development and Railway Bonds guaranteed by the Country of Bohemia.

The Communal Bonds issued for the purposes of the Municipalities in Slovakia and Carpathian Ruthenia are besides guaranteed by the Republic.

THE COMMERCIAL BANK OF THE NEAR EAST LIMITED.

Head Office - - - 4, LONDON WALL BUILDINGS, LONDON, E.C.2.

Branches at ALEXANDRIA & CONSTANTINOPLE

Agents for the Commercial Bank of Greece.

Authorised Capital, £200,000.

Paid up Capital, £184,345.

Banking and Foreign Exchange Business of every description transacted.
Current Accounts opened and Interest allowed on Daily Balances.
Deposits for Fixed Periods received at rates which may be ascertained on application.
Loans granted on Approved Securities, Goods and Produce.

Bills negotiated or sent for collection.

Special facilities for business with the Near East.

NATIONAL BANK OF EGYPT

Head Office - - - CAIRO.

FULLY PAID CAPITAL - - - £3,000,000

RESERVE FUND - - - £2,325,000

LONDON AGENCY:

6 & 7, KING WILLIAM STREET, E.C.4.

Branches in all the Principal Towns in EGYPT and the SUDAN.

ROYAL BANK OF SCOTLAND

Incorporated by Royal Charter, 1727.

Paid-up Capital £2,500,000.

Rest (Oct. 1924) £2,347,393

Deposits (Oct. 1924) - - - £39,719,331.

Governor:

HIS GRACE THE DUKE OF BUCCLEUCH AND QUEENSBERRY, K.T.

Deputy Governor:

THE RIGHT HON. THE EARL OF STRATHMORE AND KINGHORNE, G.C.V.O.

Head Office - - - ST. ANDREW SQUARE, EDINBURGH.

General Manager—A. K. WRIGHT, C.B.E., D.L.

Secretary—J. B. ADSHEAD.

LONDON (City) OFFICE: 3 BISHOPSGATE, E.C.2.

Manager: WM. WHYTE. Deputy Manager: JOHN ROBB.

LONDON (West End) DRUMMONDS BRANCH: 49 CHARING CROSS, S.W.1.

GLASGOW (Principal) OFFICE: ROYAL EXCHANGE SQUARE and BUCHANAN ST.

Foreign Exchange Departments at all the Principal Offices.

Over 200 BRANCHES THROUGHOUT SCOTLAND.

Every description of British, Colonial and Foreign Banking Business transacted.

CORRESPONDENCE INVITED.

BANK OF SCOTLAND.

CONSTITUTED BY ACT OF PARLIAMENT, 1695.

AUTHORISED CAPITAL	- - - - -	£4,500,000
PAID-UP CAPITAL	- - - - -	£1,325,000
RESERVE FUND and BALANCE CARRIED FORWARD	- - - - -	£1,178,824
DEPOSITS and CREDIT BALANCES as at 28th February, 1925	- - - - -	£31,429,270

Governor: The Right Hon. LORD ELPHINSTONE. Deputy-Governor: SIR RALPH ANSTRUTHER OF BALCASKIE, BARONET.

Head Office: THE MOUND, EDINBURGH.

GLASGOW, Chief Office: 2, ST. VINCENT PLACE. W. G. LEGGAT, Manager.

LONDON Office: 30, BISHOPSGATE, E.C.2. J. W. JOHNSTON, Manager.

Over 220 Branches and Sub-Branches in Edinburgh, Glasgow, and throughout Scotland. Every Description of British and Foreign Banking Business transacted. GEORGE J. SCOTT, Treasurer.

THE BRITISH LINEN BANK

Incorporated by Royal Charter, 1746.

CAPITAL (PAID UP) £1,250,000 RESERVE & UNDIVIDED PROFITS £1,719,269

Governor: THE RIGHT HON. THE EARL OF ROSEBURY AND MIDLOTHIAN, K.G., K.T.
Deputy-Governor: THE RIGHT HON. THE EARL OF HOME.

HEAD OFFICE - EDINBURGH.

REES GRIFFITH THOMAS, General Manager. R. W. STEVENSON, Secretary.

Over 180 Branches throughout Scotland.

London Office: 38 THREADNEEDLE STREET, E.C.2.

Where accounts may be opened on usual London terms.

Manager - JAMES FORREST. Deputy-Manager - W. F. BLACK.

Every description of Home and Foreign Banking Business transacted.

AFFILIATED TO BARCLAYS BANK LIMITED.

The Commercial Bank of Scotland Ltd.

Subscribed Capital	ESTABLISHED 1810.	£5,500,000
Paid up	...	£1,750,000
Reserve Fund	...	£1,750,000
Deposits (31st October, 1924)	...	£34,700,000

Head Office: 14 GEORGE STREET, EDINBURGH.

General Manager, ALEX. ROBB. Secretary, MAGNUS IRVINE.

London City Office: 62 LOMBARD STREET, E.C.3.

Manager, ANDREW W. RUSSELL. Asst. Manager, JOHN M. ERSKINE.

Kingsway Office: IMPERIAL HOUSE, KINGSWAY, W.C.2.
Manager, JAMES O. DAVIDSON.Glasgow Office: 113 and 115, BUCHANAN STREET.
Manager, ANDREW SCOTT.

The Bank has 300 Branches and Sub-Branches throughout Scotland, and Banking Correspondents in the principal Towns in the World.
Every description of British Banking and Foreign Exchange business transacted.
The Bank is prepared to undertake the duties of Executor or Trustee under Wills and Settlements, and to act as Trustee, etc., for Public Bodies or Institutions.

THE UNION BANK OF SCOTLAND, Ltd.

ESTABLISHED 1830

Chairman: HIS GRACE THE DUKE OF
ATHOLL, K.T.
Deputy-Chairman: JOHN Y. BUCHANAN, F.R.S.
General Manager: NORMAN L. HIRD.

SUBSCRIBED CAPITAL - £5,000,000
PAID-UP - £1,000,000
RESERVE FUND - £1,300,000
DEPOSITS - £27,677,788

Adapted in every way to carry through all forms
of Banking Business in London and Scotland.

Every description of Home and Foreign Banking
transacted.

Letters of Credit on all places at Home and Abroad;
Cable Remittances arranged; Freight Collections; Ship's
Disbursements Credits; Commercial Credits, &c.,
arranged. Bills of Exchange and Shipping Documents
collected or negotiated subject to approval.

The Bank also undertakes the duties of TRUSTEE and
EXECUTOR.

At London Office Current Accounts and other business
conducted on the usual terms of London Banks.
Deposits received at Interest.

HEAD OFFICES:

GLASGOW—Ingram St. EDINBURGH—George St.
180 Branches throughout Scotland.

FOREIGN BRANCH, 4, Bethwell Street, Glasgow.

LONDON OFFICE, 62, CORNHILL, E.C.3,
Manager - JOHN ALEXANDER,
Assistant Manager WILLIAM ALLISON.

HAS FOREIGN EXCHANGE DEPARTMENT.

CORRESPONDENCE INVITED.

THE BANK OF ADELAIDE

(Established 1865.)

Paid-up Capital - £875,000
Reserve Fund - 780,000
Reserve Liability of Proprietors - 1,655,000
875,000
£2,530,000

Head Office: Adelaide, South Australia.

MELBOURNE OFFICE: 267, COLLINS STREET.
SYDNEY OFFICE: 105, PITT STREET.
PERTH OFFICE: SURREY CHAMBERS,
ST. GEORGE'S TERRACE.

Bills on Australasia purchased or collected.
Drafts and Letters of Credit issued and Remittances
cabled.

Deposits received for fixed periods at rates to be
ascertained on application.

London Office:

11, LEADENHALL STREET, E.C.3.

THE WESTERN AUSTRALIAN BANK.

(Established 1841.)

AUTHORISED CAPITAL ... £1,000,000
PAID-UP CAPITAL ... £700,000
RESERVE FUND ... £989,014
RESERVED PROFITS ... £37,523
RESERVE LIABILITY OF SHAREHOLDERS ... £700,000

Head Office: Perth, Western Australia.

Drafts issued, Remittances cabled, Bills negotiated or collected,
Deposits received for fixed periods at rates to be ascertained on
application, and all Banking and Exchange Business connected with
Western Australia conducted through the

Sole London Agents:

THE BANK OF ADELAIDE, 11, Leadenhall St., London, E.C.3

THE COMMERCIAL BANKING COMPANY OF SYDNEY LIMITED

EST. 1834.

Incorporated in New South Wales.

Capital Paid Up - £3,500,000
Reserve Fund - £2,830,000
Reserve Capital - £3,500,000
£9,830,000

HEAD OFFICE:

343, GEORGE ST., SYDNEY

General Manager—J. R. DRYHURST.

LONDON OFFICE:

18, BIRCHIN LANE, LOMBARD
STREET, E.C.3

Manager—F. A. SCRIVENER. Asst. Mgr.—V. B. JONES.

236 Branches in New South Wales and Queensland,
Agencies throughout Australia and New Zealand, and
all other parts of the World.

Drafts payable on demand, and Letters of Credit
are issued by the London Branch on the Head Office,
Branches and Agencies of the Bank. Bills on Australasia
negotiated or collected. Remittances cabled.

NETHERLANDS BANK OF SOUTH AFRICA

Authorised Capital - £750,000
Subscribed and
Paid-up Capital - £468,541 13s. 4d.
Reserve - £146,833 6s. 8d.

Head Office:

AMSTERDAM, HEERENGRACHT, 546.

London Agency:

201, SALISBURY HOUSE, FINSBURY
CIRCUS, E.C.2.

LONDON MANAGER: J. COST BUDDE.

Hamburg Agency:

SCHAUENBURGERSTRASSE, 14 HAMBURG.

Head Office in South Africa:
PRETORIA.

London Bankers: NATIONAL PROVINCIAL BANK, LTD.,
MIDLAND BANK LIMITED and Messrs. B. W. BLYDENSTEIN
& CO.

BRANCHES IN SOUTH AFRICA:

Bethlehem, Bloemfontein, Brits, Bronkhorstspuit, Capetown,
Dullstroom, Durban, East London, Ermelo, Hartbeestfontein,
Johannesburg, Pietersburg, Port Elizabeth, Potchefstroom, Premier
Mines, Pretoria, Witbank.

The Bank is prepared to issue Drafts and Letters of Credit,
and to make Telegraphic Transfers upon its branches, as
well as upon its Agencies in the Cape Province, Natal, Orange
Free State, and Transvaal. Bills negotiated and collected,
and every description of Banking Business transacted in
connection with South Africa. Current Accounts kept and
Deposits received for fixed periods.

THE DAI-ICHI GINKO, LIMITED

(FORMERLY THE FIRST NATIONAL BANK)
ESTABLISHED 1873.

SUBSCRIBED CAPITAL Yen 50,000,000.00
PAID-UP CAPITAL - Yen 50,000,000.00
RESERVE FUNDS - Yen 46,400,000.00

Y. SASAKI, President.

K. ISHII, Managing Director.

Y. NOGUCHI, Managing Director.

S. SUGITA, Managing Director.

HEAD OFFICE:

No. 1, KABUTO-CHO, NIHONBASHI-KU, TOKYO.
T. AKASHI, Manager.

CITY BRANCHES:

Muromachi, Shin-Osakacho, Fukagawa, Marunouchi,
Kyobashi, Asakusa.

HOME BRANCHES:

Yokohama, Nagoya, Tamayacho (Nagoya), Yokkaichi,
Kyoto, Nishijin (Kyoto), Gojo (Kyoto), Fushimi, Osaka,
Nishiku (Osaka), Minamiku (Osaka), Honmachi (Osaka),
Kobe, Hyogo, Kyomachi (Kobe), Hiroshima, Shimonoseki,
Chofu, Moji, Kokura, Fukuoka, Kurume, Kumamoto,
Hakodate, Otaru, Sapporo, Muroran.

BRANCHES IN COREA:

Seoul, Fusan.

LONDON AND NEW YORK BANKERS:

LONDON:

Westminster Bank, Ltd.

Midland Bank, Ltd.

The Yokohama Specie
Bank, Ltd.

NEW YORK:

The National City Bank of
New York.

The National Bank of Com-
merce in New York.

The Yokohama Specie
Bank, Ltd.

CORRESPONDENTS:

The Bank, in addition to its own Branches, has numerous
Agencies or Correspondents in the principal Cities and
Towns at Home and Abroad.

CHARTERED BANK OF INDIA, AUSTRALIA AND CHINA,

38, BISHOPSGATE, LONDON, E.C.2.

Incorporated by Royal Charter.

CAPITAL - £3,000,000
RESERVE FUND - £4,000,000

COURT OF DIRECTORS.

Sir MONTAGU CORNISH TURNER, Chairman.
HENRY BATESON, Esq.
COLIN FREDERICK CAMPBELL, Esq.
THOMAS CUTHBERTSON, Esq.
Sir WILLIAM HENRY NEVILLE, Esq.
GOSCHEN, K.B.E.
The Right Hon. LORD GEORGE HAMILTON, G.C.S.I.
ARCHIBALD AULDJO JAMIESON, Esq.
The Right Hon. Sir JOHN NEWELL JORDAN, G.C.M.G., G.C.I.E., K.C.B.
WILLIAM FOOT MITCHELL, Esq., M.P.
LEWIS ALEXANDER WALLACE, Esq.
J. S. BRUCE, } Managers.
G. MILLER, }

AGENCIES AND BRANCHES.

ALOR STAR (Malay States)
AMRITSAR
BANGKOK
BATAVIA
BOMBAY
CALCUTTA
CANTON
CAWNPORE
CEBU
COLOMBO
DELHI
HAIPHONG
HAMBURG
HANKOW
HONG KONG
ILOILO
IPOH
KARACHI
KLANG
KOBÉ
KUALA LUMPUR
KUCHING (Sarawak)
MADRAS
MANILA
MEDAN
NEW YORK
PEKING
PENANG
PUKET
RANGOON
SAIGON
SEMARANG
SEREMBAN
SHANGHAI
SINGAPORE
SOURABAYA
TAIPING (F.M.S.)
TAVOY
TIENTSIN
TOKYO
YOKOHAMA
ZAMBOANGA (Philippine Islands)

BANKERS.

THE BANK OF ENGLAND.
MIDLAND BANK, LIMITED.
WESTMINSTER BANK, LIMITED.
NATIONAL PROVINCIAL BANK, LIMITED.
THE NATIONAL BANK OF SCOTLAND, LIMITED.

The Corporation buy and receive for collection Bills of Exchange, grant
Drafts payable at the above Agencies and Branches, and transact general
Banking business connected with the East. Deposits of Money are received for
fixed periods at terms which may be ascertained on application; interest
payable half-yearly, 30th June and 31st December. On Current Accounts
interest is allowed at 2 per cent. per annum on the minimum monthly balances
provided they do not fall below £200. The Bank is prepared to undertake
Trustships and Executorships.



LATVIJAS BANKA

State and Emission Bank of the
Republic of Latvia.

Cable Address: "Valstebanka."

Head Office: Riga.

Branches in all important places of
Latvia.

Executes all Banking operations.

Opens Credits in connection with
Import and Export business.

Collections, Transfers, Discounts, etc.

Affords every facility for
transactions to and from
Foreign States.

NATIONAL DISCOUNT COMPANY, LIMITED.

ESTABLISHED 1856.

35 CORNHILL, LONDON, E.C.3.

Telegraphic Address: "NATDIS, STOCK, LONDON." Telephones: AVENUE 1484, 1485, 1831.

Subscribed Capital - £2,153,335 0 0

Paid-up Capital

"A" Shares of £2 10s., fully paid £423,332 10 0
"B" Shares of £7 10s., £2 10s. paid 576,667 10 0

£1,000,000 0 0

Reserve Fund - £800,000 0 0

DIRECTORS.

Col. The Hon. SIDNEY PEEL, D.S.O., Chairman.
FREDERICK W. GREEN. Sir SIGISMUND F. MENDEL, K.B.E.
The Rt. Hon. F. LEVERTON HARRIS. CHARLES D. SELIGMAN.
WALTER J. HERIOT. PHILIP H. WADE.

Manager.—PHILIP H. WADE.

Sub-Manager.—FRANCIS GOLDSMITH.

Secretary.—CHARLES H. GOUGH.

Auditors.

FRANCIS W. PIXLEY (Jackson, Pixley & Co.).
SIR ALBERT WYON, K.B.E. (Price, Waterhouse & Co.).

Bankers.

BANK OF ENGLAND.
NATIONAL PROVINCIAL BANK, LIMITED.

Bank and Approved Mercantile Bills Discounted.
Money received on Deposit at Call and Short Notice, and
Interest allowed at the Current Market Rates; and for longer
periods upon specially agreed terms.

Loans granted upon negotiable securities.
Investments and Sales of all descriptions of British and
Foreign Securities effected. All communications on this subject
to be addressed to the Manager.

BANK OF BRITISH WEST AFRICA, LIMITED.

ESTABLISHED 1894.

Authorised Capital	....	£24,000,000
Subscribed Capital	....	£3,000,000
Paid-up Capital	....	£1,200,000
Reserve	....	£400,000

Chairman:

The Right Hon. THE EARL OF SELBORNE,
K.G., G.C.M.G.

HEAD OFFICE:

37, GRACECHURCH STREET, LONDON, E.C.3

GENERAL MANAGER:

LESLIE COUPER, C.M.G.

Liverpool, Manchester, Hamburg, New York, Gibraltar,
Canary Islands, West Africa, Morocco.

PRINCIPAL SHAREHOLDERS:

Lloyds Bank Ltd.
National Provincial Bank Ltd.
Standard Bank of South Africa, Ltd.
Westminster Bank Ltd.

Telegraphic Address: "Complehary, Amsterdam."

Handel-Maatschappij H. Albert de Bary & Co. AMSTERDAM

Merchant Bankers

Capital - Fl. 6,000,000
Reserves Fl. 1,500,000

ALEXANDERS DISCOUNT CO. LIMITED, 24 Lombard Street, E.C.3.

Capital Authorised	-	£1,250,000
Capital Subscribed	-	1,100,000
Paid up	-	600,000
Reserve Fund	-	460,000

DIRECTORS.

COLIN FREDERICK CAMPBELL, *Chairman.*
ROBERT ERNEST ALEXANDER.
GEORGE CLEVERLY ALEXANDER.
SIR AUSTIN EDWARD HARRIS, K.B.E.
ERIC GORE BROWNE, D.S.O.

Manager—F. NEWCOMB.

Sub-Manager—E. D. SPRING RICE.

Secretary—A. K. BRUCE.

Approved Mercantile Bills discounted. Loans granted on negotiable securities. Money received on deposit at call and short notices at current market rates, as advertised from time to time in the daily papers. For longer periods on specially agreed terms.

The Company deals in British Treasury Bills of any maturity.

Hongkong and Shanghai Banking Corporation

AUTHORISED CAPITAL	...	\$50,000,000
ISSUED AND FULLY PAID UP	...	\$20,000,000
RESERVE FUNDS (STERLING)	...	\$4,500,000
SILVER	...	\$26,500,000
RESERVE LIABILITY OF PROPRIETORS	...	\$20,000,000

Head Office - HONGKONG.

COURT OF DIRECTORS:

G. M. YOUNG, *Chairman.* H. P. WHITE, *Deputy-Chairman.*
W. H. BELL. Hon. Mr. A. O. LANG.
D. G. M. BERNARD. W. L. PATTENDEN.
A. H. COMPTON. J. A. PLUMMER.
Hon. Mr. P. H. HOLYOAK. T. G. WEALL.
CHIEF MANAGER - A. H. BARLOW.

BRANCHES AND AGENCIES:

Amoy, Bangkok, Batavia, Bombay, Calcutta, Canton, Chefoo, Colombo, Dairen (Dalny), Foochow, Haiphong, Hamburg, Hankow, Harbin, Hongkew (Shanghai), Ipoh, Johore, Kobe, (Hiogo), Kuala Lumpur, London, Lyons, Malacca, Manila, Nagasaki, New York, Peking, Penang, Rangoon, Saigon, San Francisco, Shanghai, Singapore, Sourabaya, Sungei Patani, Tientsin, Tokyo, Tsingtao, Yloilo, Yokohama.

COMMITTEE IN LONDON:

Sir Charles Addis, K.C.M.G., *Chairman.* C. A. Campbell.
Hon. Cecil Baring. Sir George Macdonogh.
David Landale. G.B.E., K.C.B., K.C.M.G.
Sir Geo. Sutherland. A. M. Townsend.
C. F. Whigham.

MANAGERS IN LONDON:

Sir Newton J. Stabb, H. D. C. Jones.
Sub-Manager, E. W. Townsend. Accountant, A. Moncur.

9, GRACECHURCH ST., LONDON, E.C.3